



**State of Arkansas**  
**Bureau of**  
**Legislative Research**

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Kevin Anderson, Assistant Director  
for Fiscal Services  
Tim Carlock, Assistant Director  
for Information Technology  
Matthew Miller, Assistant Director  
for Legal Services  
Richard Wilson, Assistant Director  
for Research Services

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## Memorandum

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**TO:** ALC–Executive Subcommittee

**FROM:** Michael Harry, Legislative Attorney, Administrative Rules Review Section,  
Legal Services Division

**CC:** Marty Garrity, Director, Bureau of Legislative Research;  
Jessica Sutton, Administrator, Administrative Rules Review Section, Legal  
Services Division

**DATE:** June 9, 2017

**SUBJECT:** Legal Authorization for Arkansas Energy Office – Emergency Rule re: Arkansas  
Weatherization Assistance Program State Plan

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The purpose of this emergency rule is to administer the Weatherization Assistance Program and allocate funds to agencies eligible to receive the funds to weatherize homes of low-income persons in the state and to explain program guidelines. The rules are being updated to comply with Public Law 94-385.

Arkansas Code Annotated § 15-10-205(a)(9) states that the Arkansas Energy Office (AEO) is authorized to carry out energy-related administrative and program functions established and required by federal law, regulations, or guidelines when applicable in Arkansas. The AEO is authorized to promulgate reasonable rules for the purpose of complying with the Arkansas Administrative Procedure Act. Ark. Code Ann. § 15-10-205(b)(3)(C).

**QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS  
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE**

DEPARTMENT/AGENCY Arkansas Energy Office  
 DIVISION Weatherization Assistance Program  
 DIVISION DIRECTOR Mitchell Simpson  
 CONTACT PERSON Kay Joiner  
 ADDRESS 5301 Northshore Drive, North Little Rock, AR 72118-5317  
 PHONE NO. 501-682-7390 FAX NO. 501-682-0753 E-MAIL joiner@adeq.state.ar.us  
 NAME OF PRESENTER AT COMMITTEE MEETING Kay Joiner/Mitchell Simpson  
 PRESENTER E-MAIL joiner@adeq.state.ar.us or simpson@adeq.state.ar.us

**INSTRUCTIONS**

- A. Please make copies of this form for future use.
- B. Please answer each question **completely** using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis  
 Administrative Rules Review Section  
 Arkansas Legislative Council  
 Bureau of Legislative Research  
 One Capitol Mall, 5<sup>th</sup> Floor  
 Little Rock, AR 72201

\*\*\*\*\*

1. What is the short title of this rule? Arkansas Weatherization Assistance Program State Plan, July 1, 2017 - June 30, 2018

2. What is the subject of the proposed rule? State Plan for use of Weatherization Assistance Program grant funds in Arkansas in Fiscal year 2018. The plan allocates funds to community non-profit agencies to weatherize homes of low-income Arkansans.

3. Is this rule required to comply with a federal statute, rule, or regulation? Yes  No   
 The State Plan is a requirement to receive the Weatherization Assistance Program grant under the Energy Conservation and Production Act, Title IV, Part A, Public Law 94-385  
 If yes, please provide the federal rule, regulation, and/or statute citation. \_\_\_\_\_

4. Was this rule filed under the emergency provisions of the Administrative Code Act? Yes  No

Procedure Act?

If yes, what is the effective date of the emergency rule?

Estimated July 18, 2017

When does the emergency rule expire? October 18, 2017

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

Yes  No

5. Is this a new rule? Yes  No

If yes, please provide a brief summary explaining the regulation. This rule governs the Arkansas Energy Office's administration of the federally-funded Weatherization Assistance Program grant for FY 2018. These rules are specific to the annual grant that will be received on or about July 1, 2017.

Does this repeal an existing rule? Yes  No

If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule?

Yes  No

If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. 15-10-205(b)(3)(C)

7. What is the purpose of this proposed rule? Why is it necessary? To allocate funds to agencies eligible to receive WAP funds to weatherize homes of low-income persons in the state and to explain program guidelines. An update is required by the federal funding agency.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b). <http://arkansasenergy.org/weatherization-assistance-program-wap> (click on "WAP Forms & Documents" than "2017 State Plan")

9. Will a public hearing be held on this proposed rule? Yes  No

If yes, please complete the following:

No hearing on emergency rule,  
anticipated June 30, 2017 with regular

Date: rule filing

Time: TBD

Place: 5301 Northshore Drive, North Little Rock, AR 72118-5317

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

N/A for emergency rule, anticipated July 31, 2017 with regular rule

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11. What is the proposed effective date of this proposed rule? (Must provide a date.)

July 18, 2017 for emergency rule

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12. Do you expect this rule to be controversial?      Yes       No

If yes, please explain. \_\_\_\_\_

13. Please give the names of persons, groups, or organizations that you expect to comment on these rules?  
Please provide their position (for or against) if known.

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**FINANCIAL IMPACT STATEMENT**

**PLEASE ANSWER ALL QUESTIONS COMPLETELY**

**DEPARTMENT** Arkansas Energy Office  
**DIVISION** Weatherization Assistance Program  
**PERSON COMPLETING THIS STATEMENT** Kay Joiner  
**TELEPHONE NO.** 501-682-7390 **FAX NO.** 501-682-7499 **EMAIL:** joiner@adeq.state.ar.us

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

**SHORT TITLE OF THIS RULE** Arkansas Weatherization Assistance Program, State Plan, July 1, 2017 - June 30, 2018)

1. Does this proposed, amended, or repealed rule have a financial impact?      Yes       No
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule?      Yes       No
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered?      Yes       No

If an agency is proposing a more costly rule, please state the following:

(a) How the additional benefits of the more costly rule justify its additional cost;

\_\_\_\_\_

(b) The reason for adoption of the more costly rule;

\_\_\_\_\_

(c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;

\_\_\_\_\_

(d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

\_\_\_\_\_

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

(a) What is the cost to implement the federal rule or regulation?

**Current Fiscal Year**

General Revenue    \$0  
Federal Funds      \$0  
Cash Funds         \$0  
Special Revenue    \$0  
Other (Identify)    \$250 legal advertisement

**Next Fiscal Year**

General Revenue    \$0  
Federal Funds      \$0  
Cash Funds         \$0  
Special Revenue    \$0  
Other (Identify)    \$0

Total \$0 \_\_\_\_\_

Total \$0 \_\_\_\_\_

(b) What is the additional cost of the state rule?

**Current Fiscal Year**

**Next Fiscal Year**

General Revenue	\$0	_____
Federal Funds	\$0	_____
Cash Funds	\$0	_____
Special Revenue	\$0	_____
Other (Identify)	\$0	_____
Total	\$0	_____

General Revenue	\$0	_____
Federal Funds	\$0	_____
Cash Funds	\$0	_____
Special Revenue	\$0	_____
Other (Identify)	\$0	_____
Total	\$0	_____

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

**Current Fiscal Year**

**Next Fiscal Year**

\$ \$0 \_\_\_\_\_

\$ \$0 \_\_\_\_\_

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

**Current Fiscal Year**

**Next Fiscal Year**

\$ \$0 \_\_\_\_\_

\$ \$0 \_\_\_\_\_

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes  No

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
  - (a) justifies the agency's need for the proposed rule; and

- (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
  - (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
  - (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
  - (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
    - (a) the rule is achieving the statutory objectives;
    - (b) the benefits of the rule continue to justify its costs; and
    - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

**From:** [Vu Ritchie](#)  
**To:** [Kurt Naumann](#)  
**Cc:** [Mike Preston](#); [Amy Fecher](#); [Alisha Curtis](#); [Brooke Woodward](#)  
**Subject:** Rule Approval  
**Date:** Thursday, May 18, 2017 3:14:06 PM

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Kurt,

The Governor approved for promulgation AEDC/Energy Office's regulation on Weatherization Assistance Program. Please proceed with the promulgation process. If you have any questions or concerns, feel free to contact me.

Thanks,  
Vu

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Andrew "Vu" Ritchie  
Senior Policy Advisor  
Agriculture, Energy, Environment, Transportation  
Office of Governor Asa Hutchinson  
Direct: (501) 683-6462  
[vu.ritchie@governor.arkansas.gov](mailto:vu.ritchie@governor.arkansas.gov)



## Summary of Rules

TO: Arkansas Legislative Council  
Attn: Donna K. Davis

FROM: Kurt Naumann  
Arkansas Economic Development Commission (AEDC)

RE: Emergency Rules for Arkansas Energy Office Weatherization Assistance Program

DATE: May 23, 2017

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The attached rule (*choose one*):

**XX** establishes new (emergency)

- amends existing
- repeals

rules for administering the Weatherization Assistance Program by the Arkansas Energy Office of the Arkansas Economic Development Commission, as authorized by authority granted under §15-10-205(b)(3)(c) to promulgate rules. The rules are a requirement for receipt of the Weatherization Assistance Program annual grant under the Energy Conservation and Production Act, Title IV, Part A, Public Law 94-385 and:

- Establish eligibility criteria for the Weatherization Assistance Program for FY 2018;
- Describe the process by which Weatherization Assistance Program areas to be served are selected;
- Define priorities for service delivery;
- Identify the type of weatherization work to be done; and
- Delineate program management activities required during grant administration.

Emergency rules are being requested to ensure that federal program funds can be expended in July 2017 once federal approval is granted. Without emergency rules, program funds could not be expended before September 2017, assuming the rules process for regular rules is completed as planned.

Attached are:

- Summary of Rules
- Weatherization Assistance Program Rules
- Questionnaire and Financial Impact Statement for Filing Proposed Rules
- Governor's Approval of Proposed Rule e-mail

A copy of the rules and summary of rules were provided to the Secretary of State's Office and Arkansas State Library today.

attachments

Arkansas

Weatherization Assistance Program

State Plan

July 1, 2017 – June 30, 2018

Proposed Rule

Arkansas Energy Office  
5301 Northshore Drive  
North Little Rock, Arkansas 72118-5317  
501-682-7390  
[www.arkansasenergy.org](http://www.arkansasenergy.org)

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## **Mission Statement**

The mission of the Arkansas Energy Office (AEO), is to promote energy efficiency, clean technology, and sustainable strategies that encourage economic development, energy security and the environmental well-being for all citizens of Arkansas.

### **The State Goals**

The policies contained in this plan will enable Arkansas and its subgrantee network to weatherize homes of low-income Arkansans effectively based on:

- Following priorities from the Department of Energy to serve elderly and disabled persons, households with children, and households experiencing a high energy bill burden as well as households using a high amount of energy;
- Ensuring that only the most cost effective measures installed on houses;
- Including client education about energy conservation; and
- Addressing health and safety issues affected by work on the house.

## **Executive Summary**

The Arkansas Weatherization Assistance Program (WAP) State Plan for Program Year (PY) 2017 (July 1, 2017 – June 30, 2018) derives from the state's application to the U.S. Department of Energy (U.S. DOE) for Weatherization Assistance Program (WAP) funding. These funds will provide assistance to approximately 220 households across the State. (NOTE: the estimate of 220 households is based on DOE funding only.)

The purpose of WAP is to install energy conservation measures in the homes of income-eligible persons (up to 200% of poverty level), with priority given to homes occupied by the elderly, persons with disabilities, households with children, households with a high energy bill burden and households with high energy usage. Funds are directed toward the most cost-effective energy efficiency measures, as determined by an on-site, highly technical energy audit of the eligible building. The program helps to:

- reduce energy consumption in Arkansas, thereby reducing carbon emissions that contribute to climate change,
- reduce the cost of energy for low-income families, and
- address health and safety issues in the home that are affected by weatherization work.

Currently, subgrantees are Community Action Agencies and other non-profit organizations. They provide energy efficiency weatherization services by subcontracting work to qualified contractors or by using their own trained weatherization crews. Energy efficiency measures funded through the program include air sealing, insulation, and replacement of heating systems. The program assists all types of housing: single family homes, a category which includes duplexes, triplexes and quadplexes,

manufactured housing (mobile homes), and multi-family housing, consisting of small, garden-style apartments, group homes and emergency shelters.

The state will spend DOE funds for PY 2017 in accordance with this plan. Possible changes in funding levels are discussed in the budget section.

### **Significant Changes from PY 2016**

- 1) Additional subgrantees will be procured by AEO issuing a Request for Proposals to provide weatherization services in the following counties:

East Central Arkansas: Lee, Monroe, Phillips, and Prairie counties

These four (4) counties were served temporarily for one (1) year in PY 2016 by Better Community Development, Inc.

Central Arkansas: Lonoke and Pulaski counties

West Central Arkansas: Conway, Perry, Pope, and Yell counties

These six (6) counties have been served by Elevate, Inc. through January 31, 2017 when Elevate ceased operations.

- 2) The Weatherization Training Center (WTC), located at Pulaski Technical College in North Little Rock, closed its doors rather unexpectedly on June 30, 2016. Although exploratory discussions have occurred about relocating and reopening the WTC, there are no definite plans in place at this time.

Training and Technical Assistance (T&TA) funds are being partly retained by AEO to provide in-state training required by DOE and applicable to all weatherization staff and partly allocated to the subgrantees to fund training plans which address the specific needs of staff employed in the Weatherization Program at these agencies.

- 3) Monitoring: the following requirements from DOE are incorporated into this plan:
  - Increasing monitoring and oversight when significant deficiencies are found.
  - Disqualifying contractors from future work after repeatedly failing to perform adequately.
  - Collecting an annual summary of each subgrantee's status in a subgrantee monitoring analysis overview or risk assessment.

**APPLICATION FOR FEDERAL ASSISTANCE SF-424**

Version 02

<b>1. Type of Submission:</b> <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		<b>2. Type of Application:</b> If Revision, select appropriate letter(s) <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision Other (specify):	
<b>3. Date Received:</b>		<b>4. Applicant Identifier:</b>	
<b>5a. Fed Entity Identifier:</b> Department of Energy		<b>5b. Federal Award Identifier:</b> DE-EE0007906	
<b>State Use Only:</b>			
<b>6. Date Received by State:</b>		<b>7. State Application Identifier:</b>	
<b>8. APPLICANT INFORMATION:</b>			
<b>a. Legal Name:</b> Arkansas Economic Development Commission - Arkansas Energy Office			
<b>b. Employer/Taxpayer Identification Number (EIN/TIN):</b> 716043654		<b>c. Organizational DUNS:</b> 784114217	
<b>d. Address:</b>			
Street 1: 900 W Capitol Ave, Ste 400			
Street 2:			
City: Little Rock			
County: PULASKI County			
State: AR			
Province:			
Country: U.S.A.			
Zip / Postal Code: 722019707			
<b>e. Organizational Unit:</b>			
Department Name: Arkansas Economic Development Commission (AEDC)		Division Name: Arkansas Energy Office (AEO)	
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>			
Prefix: Ms First Name: Kay			
Middle Name:			
Last Name: Joiner			
Suffix:			
Title: Arkansas Weatherization Program Manager			
Organizational Affiliation: Arkansas Economic Development Commission (AEDC)			
Telephone Number: 5016827390		Fax Number: 5016820753	
Email: joiner@adeq.state.ar.us			

**APPLICATION FOR FEDERAL ASSISTANCE SF-424**

Version 02

**9. Type of Applicant:**

A State Government

**10. Name of Federal Agency:**

U. S. Department of Energy

**11. Catalog of Federal Domestic Assistance Number:**

81.042

CFDA Title:

Weatherization Assistance Program

**12. Funding Opportunity Number:**

DE-WAP-0002017

Title:

2017 Weatherization Assistance Program Funding

**13. Competition Identification Number:**

Title:

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

State of Arkansas

**15. Descriptive Title of Applicant's Project:**

Weatherization Assistance Program for Low Income Recipients in the state of Arkansas





## **Disclaimers**

NOTE: In planning for Program Year 2017 (July 1, 2017 – June 30, 2018), DOE instructed Grantees to use the same funding allocations to the states from the previous year.

Final allocations to grantees from DOE will include adjustments, from these planning amounts, that will be made after FY 2018 appropriations are enacted by Congress and signed into law. Therefore, this budget should be viewed as preliminary with changes to be expected after federal appropriations become known.

In addition, allocations to subgrantees will also vary from amounts shown in this plan when final training plans are approved by AEO and T&TA funds are allocated according to the funding needs of the training plans.

The Department of Energy (DOE), after reviewing Arkansas' application to approve PY 2017 funding, may require changes be made to the information contained in this state plan.

## BUDGET INFORMATION - Non-Construction Programs

Federal

1. Program/Project Identification No.  
EE0007906

2. Program/Project Title  
Weatherization Assistance Program

3. Name and Address Arkansas Economic Development Commission - Arkansas  
900 W Capitol Ave, Ste 400  
Little Rock, AR 722019707

4. Program/Project Start Date 07/01/2017

5. Completion Date 06/30/2018

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)				Non-Federal (f)	Total (g)
		Federal (c)				
1. DOE	81.042	\$ 0.00		\$ 1,868,107.00		\$ 1,868,107.00
2. STATE			\$ 0.00		\$ 0.00	\$ 0.00
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 1,868,107.00	\$ 0.00	\$ 1,868,107.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTRATION	(2) SUBGRANTEE ADMINISTR	(3) GRANTEE T&TA	(4) PROGRAM OPERATIONS	
a. Personnel	\$ 37,317.00	\$ 0.00	\$ 55,975.00	\$ 0.00	\$ 93,292.00
b. Benefits	\$ 13,246.00	\$ 0.00	\$ 19,869.00	\$ 0.00	\$ 33,115.00
c. Travel	\$ 378.00	\$ 0.00	\$ 21,825.00	\$ 0.00	\$ 22,203.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 4,000.00	\$ 0.00	\$ 4,000.00
e. Supplies	\$ 250.00	\$ 0.00	\$ 750.00	\$ 0.00	\$ 1,000.00
f. Contract	\$ 18,000.00	\$ 106,518.00	\$ 107,000.00	\$ 1,068,500.00	\$ 1,684,850.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other	\$ 625.00	\$ 0.00	\$ 2,125.00	\$ 0.00	\$ 2,750.00
i. Total Direct Charges	\$ 69,816.00	\$ 106,518.00	\$ 211,544.00	\$ 1,068,500.00	\$ 1,841,210.00
j. Indirect	\$ 10,476.00	\$ 0.00	\$ 16,421.00	\$ 0.00	\$ 26,897.00
k. Totals	\$ 80,292.00	\$ 106,518.00	\$ 227,965.00	\$ 1,068,500.00	\$ 1,868,107.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

**BUDGET INFORMATION - Non-Construction Programs**

**SECTION B - BUDGET CATEGORIES**

1. Program/Project Identification No. \$ 0.00\$ 1,868,107.  
EE0007906 0

2. Program/Project Title  
Weatherization Assistance Program

3. Name and Address Arkansas Economic Development Commission - Arkansas  
900 W Capitol Ave, Ste 400  
Little Rock, AR 722019707

4. Program/Project Start Date 07/01/2017

5. Completion Date 06/30/2018

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 1,868,107.00	\$ 0.00	

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) HEALTH AND SAFETY	(2) LIABILITY INSURANCE	(3) FINANCIAL AUDITS	(4) SUBGRANTE E T&TA	
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 93,292.00
b. Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 33,115.00
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 22,203.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 4,000.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,000.00
f. Contract	\$ 260,195.00	\$ 12,781.00	\$ 13,475.00	\$ 98,381.00	\$ 1,684,850.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other	\$ 260,195.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,750.00
i. Total Direct Charges	\$ .00	\$ 12,781.00	\$ 13,475.00	\$ 98,381.00	\$ 1,841,210.00
j. Indirect	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 26,897.00
k. Totals	\$ 260,195.00	\$ 12,781.00	\$ 13,475.00	\$ 98,381.00	\$ 1,868,107.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	

## **Budget Information Continued**

Allocation of DOE Funds to Subgrantees

	Budgeted Amounts	Number of Units
Better Community Development, Inc.	\$ 53,682	15
Black River Area Development Corporation	\$ 151,819	29
Central Arkansas Development Council	\$ 267,523	43
Community Action Program for Central Arkansas	\$ 94,124	20
Crawford-Sebastian Community Development Council	\$ 345,317	43
Crowley's Ridge Development Council	\$ 212,426	31
Pine Bluff-Jefferson County Economic Opportunities Commission	\$ 126,942	16
Central Arkansas	\$ 208,028	31
East Central Arkansas	\$ 38,101	6
West Central Arkansas	\$ 61,888	9
<b>Total</b>	<b>\$ 1,559,850</b>	<b>243</b>

## **Policy Advisory Council Members**

As required by federal regulations, a Policy Advisory Council (PAC) assists in the development and implementation of the WAP and advises the state on a broad range of issues relating to WAP. The PAC is broadly representative of organizations that provide services to low-income persons in Arkansas.

Member Representing:

Aging/Adult Services – Gwen McLarty  
 Electric Cooperatives - Brett Curry  
 Environmental and Occupational Health - Morris F. Cranmer  
 Federal Housing – HUD – Steve Coop  
 Health Department - Quinyatta Mumford  
 Housing - USDA Rural Development – Lawrence McCullough  
 Local Government – Andre Bernard  
 Low Income Home Energy Assistance Program – Shirley Mason  
 Other – Roger Smith  
 Public Service Commission – Wally Nixon  
 Public Utility – CenterPoint Energy – Kirk Pierce  
 Public Utility – Entergy Arkansas – Denice Jeter  
 Weatherization Director – Community Action Agency – Beverly Palmer  
 Ex Officio – Mitchell Simpson

## **V.1 Eligibility**

AEO understands that every dwelling weatherized must meet both the client eligibility and the building eligibility requirements.

Basis for household eligibility is WPN 17-3 (April 5, 2017) containing current poverty income guidelines and definition of income. Arkansas will use 200% of poverty levels and categorical eligibility as described in the preceding section. LIHEAP eligibility can also be used because the maximum income allowable for LIHEAP utility assistance is 60% of Arkansas median income which is less than 200% of poverty level.

### **V.1.1 Approach to Determining Client Eligibility**

#### ***Income Verification***

As defined in 10CFR440.3, low-income means that:

1. income in relation to household size is at or below 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, and published in WPN 17-3, or
2. the household contains a member who has received cash assistance payments at any time during the preceding twelve months under Titles IV or XVI of the Social Security Act, or applicable state or local law, or
3. the household is eligible for assistance based on energy assistance payments that have been paid under the Low Income Home Energy Assistance Act of 1981 (LIHEAP).

AEO acknowledges that all subgrantees must have on file proof of income eligibility for each client served and each client waiting for services and must re-certify eligibility every twelve (12) months.

#### ***Qualified Aliens Receiving Weatherization Benefits:***

U.S. DOE directs grantees to guidance provided by Health and Human Services (HHS) at <http://aspe.hhs.gov/hps/immigration/restrictions-sum.shtml>. Subgrantees must follow this guidance and verify qualified alien status of Weatherization Program applicants. The verification documentation is required as part of the Subgrantee Client Files.

## **V.1.2 Approach to Determining Building Eligibility**

### *Procedures to Determine that Units Weatherized Have Eligibility Documentation*

*All dwelling units certified as eligible for services shall be occupied by an income-eligible household. Income eligibility was described in the previous section.*

*Non-traditional dwelling units, such as apartments over businesses, require AEO approval prior to weatherization. AEO will ensure that program regulations for eligibility are met prior to granting approval.*

*Requirements to establish eligibility of non-stationary campers and trailers are:*

- *Residential electric service established.*
- *Mail service established using street address.(PO Box does not qualify).*
- *Other proof that permanent residence has been established for 12 months or more.*

### ***Reweathering Compliance***

The following is Arkansas's plan to ensure that houses are not re-weatherized if weatherization occurred after 9/30/1994:

- 1) Develop access to the database for non-CAP agencies, if possible.
- 2) Require that agencies search by address as well as client name.
- 3) Understand that data prior to circa 2004 is not available in the database:
  - Survey agencies for the existence of paper records of houses weatherized.
  - Require, if newly assigned to serve counties since 2013, to contact the agency which previously served that county for information on a house prior to approving application.
  - Prior to doing the energy audit, require visual inspection at the house for new windows and doors, new HVAC, extensive interior caulking, presence of insulation (check date on attic insulation tag).
4. The least reliable avenue is asking the applicant; this question is asked at the top of the weatherization application and must be discussed further with the client at the time of application.

Homes weatherized on or before September 30, 1994 are eligible to be reweatherized. No more than ten percent (10%) of a subgrantee's DOE completed units may be reweatherized without prior approval from AEO. Priority wait list criteria will be followed in addressing reweatherized units. Arkansas does not expect to have re-weatherized units in PY 2017.

### ***Building Eligibility – Housing Types***

Eligible housing types include owner and renter-occupied single-family site built and manufactured (mobile) homes. Single-family homes include duplexes, triplexes, and quadplexes. Eligible multi-family buildings are defined as garden style buildings with no more than two (2) stories.

### ***State Historic Preservation Compliance (SHPO)***

Arkansas Historic Preservation Program and AEO have not developed a Programmatic Agreement. Therefore, prior to the expenditure of federal funds to alter any structure or site, AEO Subgrantees will comply with Section 106 of the National Historic Preservation Act (NHPA). Section 106 applies to historic properties or sites that are listed on or eligible for listing on the National Register of Historic Places. In order to fulfill the requirements of Section 106, the Subgrantee must contact the Historic Preservation Office to coordinate the Section 106 review as set forth in 36 CFR Part 800 and consistent with DOE's 2009 Letter of Delegation of Authority.

Subgrantees are required to determine the year a home was built (typically records are located in the county assessor's office; records may be available online as well). Prior to weatherizing a home that is fifty (50) years old or older, the subgrantee must follow this protocol:

- Take a picture of the front and rear of the home;
- Draft a letter that:
  - states the address of the home,
  - includes an energy audit printout, work order, and the pictures as enclosures, and
  - requests approval to complete weatherization measures.
- Mail letters to: Robert W. Scoggin, Section 104 Program Manager, Arkansas Historic Preservation Program, Tower Building, 323 Center Street, Suite 1500, Little Rock, AR 72201.

The SHPO will notify the subgrantee within thirty (30) days whether or not permission is granted to proceed with weatherization.

### ***Rental and Multi-family Building Procedures***

#### ***Rental Units***

Arkansas's rental plan, as follows, protects renters' rights as specified in 10 CFR 440.22 (b)(3) and (c)(e).

- The subgrantee obtains written permission from the owner or agent of the rental unit at the time of tenant's application. Such written permission shall be permanently maintained in the file of the client whose unit is weatherized.
- The benefits of weatherization assistance will accrue primarily to low-income tenants.
- No undue or excessive enhancement shall occur to the value of the dwelling units. Each energy audit of a rental unit will be reviewed by the Weatherization Director of the weatherizing agency to ensure that all measures authorized by the energy audit software, Energy Conservation Online System (ECOS), and all Health & Safety measures are provided in compliance with DOE requirements. Any questions in this regard should be asked of AEO prior to the start of weatherization.
- Not less than 66 percent (50 percent for duplexes and four-unit buildings) of the households in a building must be income-eligible for Weatherization services.
- The subgrantee must obtain and place in the client file a signed agreement from the landlord (or authorized agent of the landlord) that states that for a minimum of twelve (12) months after weatherization work has been completed on a dwelling, the tenants in that dwelling will not be subjected to rent increases because of the increased value of dwelling units due solely to weatherization assistance provided.
- Subgrantees will provide copies of the signed Landlord Agreements to the tenants to ensure their understanding and provide an avenue for tenant complaints.

- Other Considerations:
  - In the event of a dispute between the tenant and property owner regarding the issues listed above, the subgrantee will attempt to resolve the dispute; if that fails, the tenant will be referred to legal aid by the subgrantee.
  - Units being weatherized must be occupied by a qualified household; the only exception to this requirement is that an applicant household may temporarily move out while work is being performed on the house, if the temporary nature of the move is documented and re-occupation of the house is expected once work is completed.
  - The Arkansas Weatherization Assistance Program does not seek property owner agreements for placement of liens nor does it use other contractual restrictions.
  - Subgrantees do not accept financial participation of the owner in Weatherization costs.

### ***Multi-family Units***

#### ***Energy Audit***

During the selection process for a multi-family project, the energy auditor will complete a walk-through of the property and note the potential for energy savings.

Arkansas uses NEAT energy audit software on its garden-style, single- or two-story buildings which make up a multi-family complex; MulTEA energy audit software developed by NREL will be reviewed in PY 2017 for potential replacement of NEAT as the Arkansas multi-family audit tool.

Multi-family weatherization has always represented less than twenty percent (20%) of total weatherization production in Arkansas. AEO has an agreement with DOE that all multi-family energy audits will be approved by DOE prior to beginning weatherization work.

#### **Multi-family Units Receiving Cost-effective Measures**

The AEO budgets funds specifically for weatherizing multi-family complexes. Better Community Development, Inc. is the provider of multi-family weatherization services throughout the state. The multi-family stated goal is to weatherize at least one (1) complex within each of our four (4) congressional districts each year.

Ten percent (10%) of the total number of units that make up each multi-family complex will undergo a site specific audit. This sampling will create a priority list including health and safety measures for the entire complex.

In the event that additional ECMs or health and safety measures are needed on non-sampled units, those measures will be itemized and adjustments to the work order for that unit will be noted. The same holds true if measures are listed for a unit and that specific unit does not need the measure; adjustments will be noted and deducted from the total cost of the job.

#### **Project Officer Review Prior to Commencing Work**

AEO will submit to our DOE Project Officer all pertinent materials to approve the multi-family project prior to commencing the work of weatherizing the buildings. AEO will submit Auditor's Input Sheets, Recommended Measures Output Report, and any other requested documentation for a case-by-case approval.

AEO is confident that the number of multi-family complexes weatherized during PY 2017 will be less than twenty percent (20%) of Arkansas' total building stock weatherized. Currently, about eight percent (8%) of units weatherized are multi-family.



### **Describing the Approach for Multi-family Service Delivery**

The AEO has signed MOUs with both the local-level HUD Office and the USDA Rural Development Office to develop partnerships with a goal of weatherizing multi-family complexes throughout Arkansas. The AEO will utilize HUD's pre-approved list for multi-family complexes and USDA Rural Development is offering funds for a blended service approach.

### **AEO's Verifying Statement for Project Approval**

The AEO understands the approval process for multi-family complexes. All pertinent material (including Auditor's Input Sheet and Recommended Measures Output Report.) will be submitted to the DOE Project Officer for approval prior to the start of weatherization work. The Project Officer will review material and determine approval or denial on a case-by-case basis.

### ***Deferral Process***

There are conditions and situations under which a subgrantee must not or may choose not to weatherize an otherwise eligible dwelling unit. Information for making this determination may become evident during the application process, during the initial inspection process, during the energy audit, or after weatherization work has begun

The Arkansas WAP Deferral policy is part of the Health & Safety plan found in the Arkansas Sub-Grantee Operations Manual, Chapter 7 - Technical Standards and Best Practices, VI. Health & Safety. This document is uploaded as an attachment to this application.

In addition, the Deferral form (WAP 35) ensures that all information is discussed with the client and provided in writing with both parties' signatures. WAP 35 is uploaded as an attachment to this application.

### **V.1.3 Definition of Children**

Children are defined as those individuals under the age of 19.

### **V.1.4 Approach to Tribal Organizations**

Arkansas has no identified Native American tribes. Low-income Native Americans will receive the same weatherization services provided to other low-income persons in Arkansas.

## V.2 Selection of Areas to be Served

In 2013, Arkansas issued Requests for Qualifications (RFQ) and changed the traditional service areas from those served by fifteen (15) Community Action Agencies to larger areas served by seven (7) agencies. Serving larger areas of the state has provided challenges for the Arkansas network.

AEO reserves the right to:

- Change any service delivery area should weatherization of homes or service to eligible clients not meet standards of quality work.
- Reassign, on a temporary basis, responsibility for the Weatherization Program in a service area or part of a service area in order to ensure quality of service.
- Issue a Request for Qualifications (RFQ) at any time for part or all of the Weatherization Program and its service areas.

At the beginning of PY 2016, four (4) counties: Lee, Monroe, Phillips and Prairie were re-assigned for one (1) year to Better Community Development (BCD), previously served by Pine Bluff-Jefferson County Economic Opportunities Commission (PBJCEOC). This action was approved by DOE in order to provide more manageable areas.

At the end of January 2017, Elevate Inc. ceased operations as a weatherization provider in Central Arkansas serving Pulaski, Lonoke, Perry, Conway, Pope, and Yell counties. Therefore, these six (6) counties and the four (4) counties cited in the previous paragraph will be part of a request for qualifications (RFQ) issued by AEO prior to the end of PY 2016 in order to solicit responses from Community Action Agencies and other non-profit organizations interested in providing weatherization services in Central Arkansas. For purposes of the RFQ, these ten (10) counties are divided into three (3) service areas:

- Central Arkansas: Pulaski and Lonoke counties;
- East Central Arkansas: Lee, Monroe, Phillips and Prairie counties; and
- West Central Arkansas: Perry, Conway, Pope, and Yell counties.

Successful responders will be awarded a subgrant as soon as possible after July 1, 2017.

Arkansas uses a funding allocation formula based on methodology similar to that used by DOE to allocate state-level funding. This formula is driven primarily by the number of persons living below poverty level, and by climatic conditions – with additional input based on the age of the housing stock. The factors used in the formula are:

- Population below poverty level, given a weight of 80 percent,
- Annual average heating and cooling degree days, given a weight of 10 percent,
- Percentage of houses built prior to 1990, given a weight of 10 percent.

Each of these factors was multiplied by the weights given and summed to yield a total weight for each county. Each county's weight is then divided by the state's total weight and adjusted so the percentages for the counties sum to 100. The county percentages can be summed as required to generate the allocation appropriate to each administrative entity.

### V.3 Priorities for Service Delivery

AEO has elected to use the same client waiting list for DOE and LIHEAP. In the event of the death of the head of household, the household will maintain its eligibility and status on the waiting list.

The Subgrantee's waiting list must be maintained by assigning points for DOE categories of priority for service. Priority points are awarded to eligible households based on:

1. At least one member of the household is elderly (age 60 or older). (1 point)
2. At least one member of the household is disabled. A disabled person must be a recipient of Rehabilitation Services, receive Social Security disability, Veterans disability or services under the Developmental Disabilities Act. Disability from a private employer must be in addition to or as a settlement with Federal or state disability. (1 point)
3. At least one member of the household is a child (under the age of 19). (1 point)
4. The household experiences a high energy burden. (1 point)

A household spending more than six percent (6%) of their total income on heating and cooling is defined as having a high energy burden (from DOE Better Buildings/Clean Energy for Low-Income Communities Accelerator fact sheet). To calculate the household's energy burden:

- Add the client's heating and cooling utility bills (gas, electric, fuel oil) for the past 12 months;
  - Use client's annualized income documentation (obtained during the client intake process);
  - Divide the sum of utility bills by the annualized income and multiply by 100 to determine the percent burden.
5. The household is a high energy user. (1 point)

A household whose electricity bill is 10¢ or more per square foot is defined as a high energy user. To calculate, take the highest electric bill, usually from the summer months, divide by conditioned square footage of the house. If result is 10¢ or more, household is a high energy user. (from Entergy Solutions brochure "You have the power to lower your Entergy bill.")

AEO has approved the use of separate priority lists by county to give subgrantees flexibility when scheduling work crews and assigning contractors. This policy minimizes travel distances and maximizes available work hours and worker efficiency. However, a subgrantee serving two (2) or more counties may not work exclusively in one (1) county for more than one (1) month. The Subgrantee's goal should be to serve each county in proportion to the number of units planned for that county and to prioritize counties based on the number of priority points assigned to top applicants on each county list. The selection of a county in which to provide weatherization work exclusively for a coming month should be based on where the client with the highest number of points among all counties resides.

A copy of each county priority list must be printed monthly and kept on file. Each county list should contain notes, e.g., attempts to contact clients and other information pertinent to selection of clients.

**Clients with equal number of priority points or no priority points must be selected on the basis of application dates, with clients waiting the longest on the list being selected first.**

It is permissible to pull a client from the priority list out of order to engage with a leveraging opportunity, if the following guidelines are followed:

- Client is part of a group with an equal number of points at or near the top of the list and
- Leveraging opportunity is relatively rare and
- Subgrantee can defend the selection of client for leveraging over other clients on list, such as the severity of need for repairs.

## V.4 Climatic Conditions

Total heating degree-days in Arkansas range from a high of 5,477 in the northcentral part of the state to a low of 4,987 in southeastern Arkansas. The average heating degree-days are 30 year averages that have been supplied by the National Oceanic and Atmospheric Administration. In counties without reporting stations and in counties without complete data for 30 years, data from nearby stations was utilized.

	<u>Degree Days</u>
Black River Area Development Council	5,477
Central Arkansas Development Council	4,987
Community Action Program for Central Arkansas	5,276
Crowley's Ridge Development Council	5,294
Crawford-Sebastian Community Development Council	5,331
Pine Bluff Jefferson County Economic Opportunity Commission	5,028
Central Arkansas	5,116
East Central Arkansas	5,278
West Central Arkansas	5,214

Following is a description of how weather data is used in Arkansas's energy audit software, Energy Conservation Online System (ECOS):

Methodology for calculating heat loss -- ECOS uses a balance point temperature when calculating energy usage/loss for building segments. DOE requires that when using this methodology, you utilize 68 degrees for heating and 78 degrees for cooling-NOAA weather data is imported into ECOS for each weather station in Arkansas. The weather data is a 20 year average which is standard practice for DOE protocol and includes all 8 compass points and horizontal surfaces (future solar panel modeling potential).

Calculating demand -- When the model is run, for every hour of the day ECOS knows what the exterior temperature is based on the weather data. The demand is calculated on how much energy is needed to maintain a 68 degree heating and 78 degree cooling internal temperature. So, the hotter it is outside, the more demand is needed to meet the cooling balance point temperature. For example, if it is 98 degrees outside, this equates to a 20 degree delta T that must be met to reduce the cooling temperature to 78 degrees resulting in more loss or usage of BTUs and more energy (fuel) needed to meet the demand.

Calculating energy loss -- Segments or condition codes are assigned an R-value which was reviewed by DOE. When a user selects to "model" a building segment they enter the orientation (N/E/S/W etc.) and select a condition code. ECOS will calculate the energy usage in BTUs based on the condition code and orientation to determine how much energy is needed to meet the demand for that segment over a period of time (one year). If the user selects to insulate that building segment (increase the R-value), ECOS will run the same calculation over the same wall segment and orientation. The result is how much energy will be needed to meet the demand for that wall segment.

This results in the following formula: Pre Energy Usage (in BTUs) – Post Energy Usage (in BTUs) = Estimated Savings (in BTUs) annually. Then the savings in BTUs is converted to units based on the primary fuel type. So, if it is natural gas, it is converted to therms, electricity, to KWH, etc. This results in annual savings of units. Then it is a simple calculation to get the SIR. Depending on the life expectancy of the task, the annual savings are multiplied by the life expectancy then divided by the cost to get the SIR. (Annual Savings x Life expectancy / Task Cost) = Task SIR.

## **V.5 Types of Weatherization Work to be Implemented**

### **V.5.1. Technical Guides and Materials**

Arkansas uses the following: (1) The Standard Work Specifications Field Guide for Single-Family Homes (issued 2014), (2) Standard Work Specifications Field Guide for Manufactured Housing (issued 2016) and (3) Subgrantee Operations Manual (under revision).

The Standard Work Specifications Field Guide for Manufactured Housing was approved by DOE for use in Arkansas WAP on May 27, 2016. This guide was mailed to subgrantees, with certified return receipt requested, on May 31 and June 1, 2016. Use of this technical guide began for all work orders assigned on or after June 1, 2016.

**Electronic Link <http://arkansasenergy.org/weatherization-assistance-program-wap>**

**Scroll to bottom of page and click on “WAP Forms & Documents”**

- Standard Work Specifications Field Guide for Single-Family Homes: mailed with certified return receipt to all subgrantees on or before June 1, 2015.
- Standard Work Specifications Field Guide for Manufactured Housing: mailed with certified return receipt to all subgrantees.
- Arkansas Subgrantee Operations Manual 2014 (currently under revision).

All three (3) guidance documents are maintained on the website.

### **Documenting the Process for Distribution**

AEO sent each subgrantee one copy of the Standard Work Specifications Field Guide for Single-Family Homes via certified mail. Each subgrantee signed for delivery. The US Postal Service returned the signature cards to AEO, providing written verification that each subgrantee received a copy.

Subgrantees require Weatherization contractors to sign an acknowledgement form verifying that they have received a copy of the Standard Work Specifications Field Guide for Single-Family Homes and for Manufactured housing at the time of their procurement to do weatherization work. During monitoring visits, AEO program monitors confirm the existence of contractor agreements to use the SWS.

### **AEO’s Statements of Assurances**

AEO ensures that all subgrantee agreements and subgrantee contracts contain language which clearly specifies that all work performed will be of a quality outlined in WPN 15-4, Section 2.

The language clearly requires and documents the following:

- (1) that subgrantees understand that work quality standards must align with the SWS,
- (2) that each subgrantee’s direct hire is aware of these standards, and

(3) that they all must sign off that they have received a copy of the Standard Work Specifications Field Guide for Single-Family and Manufactured Homes.

AEO ensures that all work will be performed in accordance with our DOE-approved Energy Audit procedures and all materials will be approved materials specified in 10 CFR 440, Appendix A.

### **Language in Subgrantee Agreement**

The following language will be inserted into subgrantee and contractor agreements:

*It is the signatory's responsibility to perform all weatherization and health & safety work to the specifications outlined in WPN 15-4 using DOE Standard Work Specifications (SWS) as found in "Retrofitting the States, Standard Work Specifications Field Guide for Single-Family Homes" and in "Retrofitting the States, Standard Work Specifications Field Guide for Manufactured Housing." Work quality standards that align with the SWS must be followed for all work performed on client homes. The signatory acknowledges receipt of the above referenced documents. All contractors of subgrantees must be assigned the same contractual responsibility and acknowledge receipt of the referenced documents. Subgrantees must ensure that every completed home is inspected for compliance with these standards and require reworks when the work is judged not satisfactory by these standards*

### **Describe Mechanism Used**

The mechanism AEO uses to verify that subgrantees understand and agree to expectations of weatherization work is the subgrantee's signature on the grant agreement. In addition, third party QCI inspections review weatherization work vis-a-vis the SWS.

Single-Family--Energy Conservation Online Software (ECOS) is used to audit single family homes. Site specific audits are run on all single family homes weatherized with Arkansas WAP funds. DOE approval of ECOS was given on 12/22/14.

Manufactured Housing--Energy Conservation Online Software (ECOS) is utilized to audit manufactured housing. Site specific audits must be run on all mobile homes weatherized with Arkansas Weatherization Assistance Program funds. DOE approval of ECOS was granted 12/22/14

Multi-family—See Below

## **V.5.2 Energy Audit Procedures**

Arkansas is committed to resubmitting energy audit procedures to DOE for approval every five (5) years, with the understanding that sufficient lead time is required for the approval process.

### **Multi-family Energy Audits**

Approval of the DOE project officer will be requested for each multi-family audit prior to weatherization. Arkansas will submit necessary materials from the audit to DOE on a case-by-case basis. Arkansas limits multi-family weatherization to gardens style complexes with no more than two (2) stories. There are very few qualifying high rise complexes in the state.

AEO has signed MOUs with the HUD Office and the USDA Rural Development Office in Arkansas to develop partnerships with a goal of weatherizing multi-family complexes throughout the state of Arkansas. The AEO will utilize HUD's pre-approved list for multi-family complexes and USDA Rural

Development is offering funds for a blended service approach. Arkansas will give top priority to properties on the HUD pre-approved list and will screen any potential multi-family project for energy savings potential prior to conducting a full audit.

Currently, NEAT is used for multi-family audits. During PY 2017, Arkansas will review the requirements of MulTEA now available and obtain training with the goal of replacing use of NEAT with MulTEA.

About eight percent (8%) of Arkansas total weatherization is multi-family.

### **V.5.3 Final Inspection**

#### **Inspection and Monitoring of Work Using Guidelines and Standards**

For PY 2017 Arkansas will continue to ensure that Quality Control Inspector (QCI) competency is demonstrated by mandating certification as a BPI Home Energy Professional (HEP) QCI. AEO requires that each subgrantee employ or contract with a HEP QCI. Subgrantees must submit to AEO the credentials of all staff employed as a QCI and of any third parties engaged to conduct quality control inspections. AEO will issue a Request for Qualifications to secure services of a third party certified QCI.

#### **AEO's Final Inspection & Assurance Statement**

Beginning in 2015, AEO requires that every DOE WAP unit reported as a "completed unit" undergo a final inspection by a certified QCI, ensuring that all work meets the minimum specifications outlined in the Standard Work Specifications developed by DOE/NREL.

- Every client file will have a WAP 08 form that certifies that the unit had a final inspection and that all work met the required standards. The form will be signed by a certified QCI. Signatures will be accepted to demonstrate compliance. If a unit, inspected by the subgrantee QCI, is also inspected by the state, two (2) certification forms will be available in the client file - one for each inspection.
- Final inspection information is entered in ECOS and reviewed as part of desk monitoring.
- The Quality Control Inspection includes an assessment of the original audit to confirm that the measures called for on the work order are appropriate and compliant with the state audit procedures and protocols approved by DOE and that there are no "missed measures" which should have been considered.

#### **The Use of Quality Control Inspectors**

Arkansas Subgrantees have one (1) or two (2) certified QCIs on staff as of July 1, 2015. AEO has monitored at least ten percent (10%) of all units reported as complete in PY 2015 and 2016. This practice will continue in PY 2017 unless AEO verifies that a subgrantee has a completely independent QCI process from its energy auditing function.

#### **Policy & Procedures for Inadequate Inspection Practices**

- Agency QCI accompanies state/third party QCI to learn first-hand of any deficiencies in the agency inspection and audit.
- State/third party QCI provides feedback during the inspection.
- QCI addresses incomplete and poor workmanship as well as missed opportunities on site and in reports. Needed Tier 2 training delivered in the field by the third-party QCI at the time of the inspection or arranged later.

- State/third-party QCI identifies call backs and missed opportunities and identifies required corrective actions at agency's expense.

Improvements are expected or AEO will meet with agency administration to review expectations and discuss continued deficiencies.

### **Language in Subgrantee Agreement**

The following language will be inserted into subgrantee and contractor agreements:

*It is the signatory's responsibility to perform all weatherization and health & safety work to the specifications outlined in WPN 15-4 using DOE Standard Work Specifications (SWS) as found in "Retrofitting the States, Standard Work Specifications Field Guide for Single-Family Homes" and in "Retrofitting the States, Standard Work Specifications Field Guide for Manufactured Housing." Work quality standards that align with the SWS must be followed for all work performed on client homes. The signatory acknowledges receipt of the above referenced documents. All contractors of subgrantees must be assigned the same contractual responsibility and acknowledge receipt of the referenced documents. Subgrantees must ensure that every completed home is inspected for compliance with these standards and require reworks when the work is judged not satisfactory by these standards.*

### **Describe Mechanism Used**

The mechanism AEO will utilize to verify that subgrantees understand and agree to expectations of work to be performed will be via the subgrantee's signature on the grant agreement.

## **V.6 Weatherization Analysis of Effectiveness**

The State of Arkansas is concerned that all entities that participate in the program be qualified and have sufficient ability to effectively deliver a quality product to the citizens of Arkansas. The following evaluation system has been developed to analyze current subgrantee performance and to assess viability for continued participation in the weatherization program.

- **On-site Inspections of Weatherized Units:** State/Third Party QCI will inspect a minimum of ten percent (10%) of completed units for each subgrantee, unless AEO verifies that the subgrantee has completely separated the audit and inspection functions. (See previous Final Inspection section).
- **Monitoring:** In PY 2016, AEO conducted a risk assessment of each agency. Monitoring will be scheduled, with agencies at increased risk monitored more frequently. Higher risk monitoring will be monthly or quarterly. Lower risk monitoring will be semi-annually or annually. Visits will focus on fiscal and administrative compliance with all applicable federal and state WAP rules and regulations. Findings will be tracked with corrective action responses. Any patterns will be noted and addressed.
- **CPA Audits:** Each subgrantee must submit a financial audit within three (3) months of the end of their fiscal year. Audits will be reviewed and be used in the financial risk assessment to be implemented in PY 2017.
- **Productivity:** Charting of actual production compared to each subgrantee's weatherization plan will be reviewed monthly.
- **Analyses using ECOS:** With the implementation of ECOS in PY 2015, AEO has expanded capability to track subgrantee progress. In PY 2016, these capabilities were explored:



1. Information dashboard: findings by subgrantee, measure, contractor reworks and disallowances; training needs including Tier 1 and Tier 2 based on findings, results and priorities.
2. ECOS allows for the development of comparison charts to show productivity levels, spending and energy savings between subgrantees.
3. AEO implemented self-assessments based on Knowledge, Skills, and Abilities (KSAs) required by the WAP position in which they are employed. Weatherization directors use these self-assessments, and other information specific to staff, to develop their training plan.

In PY 2017, AEO will establish ECOS quarterly reports of effectiveness measures for each subgrantee which will be used to assess each subgrantee and compare among subgrantees. Improvements will be tracked by comparing state/third party QCI findings with findings from the previous QCI report.

## **V.7 Health and Safety Plans**

Arkansas Health and Safety Plan is attached to SF 424. Updates will be considered when new guidance is released by DOE.

ASHRAE 2016 will be implemented in PY 2017; training was provided by Rick Karg at the Arkansas Weatherization Conference in November 2016 and is planned again in PY 2017.

So far in PY 2016, Arkansas is spending 26% of its Average Cost per Unit (ACPU) on Health and Safety measures. Therefore, a request will be submitted to DOE for approval to exceed the fifteen percent (15%) Health and Safety cost limitation.

## **V.8 Program Management**

### **V.8.1 Overview and Organization**

Since 2013, the weatherization program has been administered by the Arkansas Energy Office (AEO). The organizational chart shows WAP as a unit under the Director of AEO. Connection to the State Energy Program allows for the exchange of ideas beneficial to WAP. Currently, WAP is physically housed with AEO at the Arkansas Department of Environmental Quality (ADEQ). Legislation officially confirmed the move from AEDC to ADEQ. However, the legislative approval of the move will not be effective until sometime in August 2017.

AEO operates the DOE State Energy Programs (SEP). WAP includes Arkansas LIHEAP funds as part of the program; LIHEAP funds are transferred from the Arkansas Department of Human Services to AEO/WAP.

AEO will procure new subgrantees for PY2017 for the ten (10) counties in central Arkansas most recently served by Elevate, Inc. (Pulaski, Lonoke, Conway, Perry, Pope, and Yell) and currently served by Better Community Development, Inc. (BCD) (Lee, Monroe, Phillips, and Prairie). Elevate, Inc. ceased operations at the end of January 2017 by mutual agreement with AEO. BCD agreed to provide single-family weatherization in the four (4) counties listed above through temporary reassignment for PY2016.

An RFQ will be issued as soon as responsibility for the process is clarified among the Office of State Procurement (OSP), AEDC, and ADEQ. The timeline will follow the requirements of OSP. Criteria to be used to determine whether an existing subgrantee is providing effective service and therefore eligible to

take on additional service area will be the monitoring reports for the most recent twelve (12) months, subgrantee experience (length of service), and subgrantee plan for incorporating the additional service area into its management system. AEO will provide the RFQ document to DOE project officer for review prior to release.

## **V.8.2 Administrative Expenditure Limits**

AEO plans to retain the limit of ten percent (10%) for Administration expenditures at the Grantee and Subgrantee levels combined. However, more than half of the ten percent (10%) reserved for Administration will be allocated to subgrantees and less than half to AEO.

## **V.8.3 Monitoring Activities**

### **1) Staff who monitor in Arkansas:**

Candy Roman has been employed by Arkansas Weatherization state office since 1994 as an administrative monitor. She has passed the written test to become a certified Quality Control Inspector (QCI) and is working toward taking the field test in May, 2017.

Subrena McCoy has been employed by Arkansas Weatherization state office since 2010 as an administrative monitor.

Dekendria Young has been employed by Arkansas Weatherization state office since 2016 as a budget specialist/fiscal monitor.

### **2) Salaries and travel for monitoring:**

Salaries for these positions are charged 60% to T&TA and 40% to Administration in the DOE grant budget. DOE budget includes 49% of salaries with 51% included in the LIHEAP budget.

There are twenty (20) trips @ estimated \$400 per trip (\$8,000) included in the budget for monitoring purposes. At present, only three (3) subgrantees are located in outlying areas of the state, requiring overnight travel. Other subgrantees are within a 45 minute drive from North Little Rock where the state office is located. Present procedure is that state monitoring staff accompanies the third-party Quality Control Inspector (QCI) on inspections; this procedure may be revised after procurement of the third-party QCI for PY 2017. \$8,000 is deemed generously sufficient to fund all of these monitoring trips using state-owned vehicles.

### **3) Grantee assurance that final inspections and technical monitoring are conducted by certified QCIs:**

AEO assures that all Subgrantee final inspections are performed by certified QCIs. Each subgrantee has had at least one (1) certified QCI since July 1, 2015. In addition, AEO procures certified QCI services from third-parties for all of its technical monitoring.

### **4) PY 2017 monitoring schedule:**

**a) Administrative Monitoring:** Annually, in the first quarter of the program year, each subgrantee will be visited by an administrative and a fiscal monitor. The fiscal monitor and administrative monitor will conduct initial on-site monitoring visits at the same time whenever possible. Separate visits may be necessary in some instances.

The following potential schedule for visits to existing subgrantees is subject to change (specifically the listed dates and subgrantee order), but this first round of visits will be completed by the first week of October 2017:

- Week of July 10 – 14: CRDC, Jonesboro
- Week of July 24 – 28: PBJCEOC, Pine Bluff (central Arkansas area)
- Week of August 7 – 11: BRAD, Pocahontas
- Week of August 21 - 25: CADDC, Benton (central Arkansas area)
- Week of September 11 – 15: CSCDC, Ft. Smith
- Week of September 25 – 29: CAPCA, Conway (central Arkansas area)
- Week of October 2 – 6: BCD, Little Rock (central Arkansas area)

By scheduling every other week and skipping holiday weeks (weeks of July 3 and September 4) there will be time to address assistance and monitoring for new subgrantees who may come on board as a result of the RFQ which AEO will issue for the ten (10) counties in central Arkansas. At least two (2) agencies who were weatherization subgrantees during the American Recovery and Reinvestment Act (ARRA) have expressed interest in serving the East Central and West Central identified areas.

Content of monitoring:

Administrative review:

- Subgrantee monitoring analysis overview/risk assessment – review status based on performance during previous year;
- Client files – sample files from most recent quarter (minimum 10% with increased numbers reviewed if deficiencies are found) with review of eligibility, rental agreement, energy audit, work orders/SWS, health & safety, final inspection by QCI, separation of audit and final inspection (different staff, certified QCI); required forms present-complete, signed and dated;
- ECOS management – fuel prices updated, prices in ECOS match procured prices; complete entry of information reviewed;
- Procurement - process and documentation;
- Contractors - agreements signed and citing SWS standards and work required to these standards; plan for evaluating contractor work/dismissing contractors for poor performance;
- Training - training plan being followed for persons employed by weatherization and contractors, including training necessary to maintain staff certifications; developing plans for additional staff certifications;
- Priority lists – how clients are pulled from list; how priorities are entered in ECOS, are all five (5) priorities being calculated, is subgrantee re-determining client eligibility every twelve (12) months;
- Inventory – equipment and materials;
- Management system relating to production;
- Policies and procedures, including records retention.

Fiscal review:

- Subgrantee monitoring analysis overview/risk assessment – review status based on performance during previous year, including follow-up on any findings from last single agency audit;
- Sample month of general ledger compared to invoices, client files, and weatherization payroll;

- Personnel and other expenses charged to weatherization administration;
- Policies and procedures for financial management and separation of duties.

Exit conference will include discussion of findings with executive director, financial director, and weatherization director as available. AEO will send subgrantee a written report within thirty (30) calendar days of the monitoring visit. A combined report for the program, including Administrative and Fiscal reviews, will be provided when the Administrative monitor and Fiscal monitor visit during the same time. Each report will require a response from the subgrantee with a corrective action plan which AEO will accept or reject, in whole or in part, in a written response.

Resolution strategy:

Monitors will follow-up to ensure that corrective actions are carried out by each subgrantee according to the approved plan. Based on required corrective actions and the risk assessments from the previous year, each subgrantee will be placed on a monthly, quarterly, semi-annual, or annual schedule of on-site monitoring visits. These scheduled monitoring visits will include a review of areas cited for corrective actions and any changes that have taken place with the subgrantee. Progress with production, staff training, and contractor performance will be reviewed. Any subgrantee placed on a monthly monitoring schedule will be deemed to be on probation.

**b) Technical monitoring:** AEO will procure third-party QCI services because no grantee staff currently possesses certification as a QCI. Through the third-party QCI, AEO will monitor a minimum of ten percent (10%) of units reported as complete, unless a subgrantee certifies that its program operates with complete separation with respect to auditing houses and inspecting weatherized units, **and** AEO verifies from knowledge of the process used by the subgrantee that separation does exist. For subgrantees with documented separation, a minimum of five percent (5%) of completed units will be inspected. The frequency of technical monitoring is as follows:

At the end of each quarter, AEO will provide the number of units to be inspected for each subgrantee. For example, the required number of inspections for weatherization work reported complete during April – June, 2017 will be given to the QCI by July 10, 2017. The QCI inspections must start the next week and continue during successive weeks until completed, with a maximum of one (1) week spent inspecting each subgrantee’s weatherization work. Final reports for each subgrantee must be submitted to AEO prior to beginning inspections for another subgrantee.

In-progress inspections will be included for subgrantees who have repeated major deficiencies from one technical monitoring visit to the next. If AEO has a certified QCI on staff in PY 2017, in-progress inspections will be implemented on a routine basis following recommended assessments as outlined in WPN 16-4.

The third-party inspection includes a file review and in-home inspection. The third-party QCI is accompanied by an AEO administrative monitor and the subgrantee QCI or other staff. Expectations for the inspection are:

A typical inspection averages-eight (8) hours based on the following requirements:

- 1 hour - review client file (energy audit, work orders, and agency QCI inspection report);
- 3 hours - on-site inspection;
- 1 hour - follow-up discussion of findings with agency and state staff (may be in the field after the inspection or back at the subgrantee office);

- 2 hours - complete required written report; and
- 1 hour - review and discuss documentation of corrective actions, if any; approve or deny.

The resolution strategy starts with AEO sending a letter to the subgrantee containing the findings and corrective actions required by the third-party QCI and conveying the original QCI reports to be filed in the client files. This letter requests that the subgrantee submit corrective actions taken and photographic documentation of such to AEO within fifteen (15) working days of the receipt of the letter. The letter also states that corrective work must be completed with non-federal funds. Corrective action documentation will be sent to QCI for approval.

Significant deficiencies are defined as: health & safety violations, poor quality installation of materials, and major measures missed. If any of these same deficiencies are repeated in the next QCI monitoring of completed units, the following steps will be taken:

- Monitoring of the subgrantee will increase so that an additional visit will be made prior to the next regularly scheduled visit;
- A percentage of the units completed since the last regularly scheduled monitoring visit will be inspected; the number of additional units inspected will be two (2) or 100% if less than two (2);
- One (1) in-progress unit will be inspected during this extra visit;
- AEO, the third-party QCI, and subgrantee will discuss: 1) contractor deficiencies, 2) quality of auditor assessments, and 3) subgrantee QCI giving a pass to substandard work and missed opportunities;
- Training needs relative to findings will be discussed and provided to agency staff and its contractors.

Subgrantee noncompliance or repeated unresolved findings (based on a minimum of two [2] monitoring visits to a subgrantee without improvement) will be reported promptly to the DOE project officer.

AEO will submit a T&TA, Monitoring, and Leveraging Report 30 days after the end of the reporting period. This report will include subgrantees monitored; major findings (fraud, waste, and abuse) and resolutions; trends with respect to findings, concerns or other issues; needed T&TA (programmatic/administrative, technical, financial); subgrantees considered high risk for other programs or program management; and outcome activities involving T&TA and monitoring training.

### **c) Process for discipline and/or removal of a subgrantee from the program.**

The “AEO General Terms and Conditions” and “Scope of Services” in the “Administrative Grant Agreement” specify the criteria necessary for a Subgrantee to be considered in compliance. Failure to maintain fiscal control, comply with federal regulations, or fulfill contract obligations will lead to probation.

The terms of probation will begin with monthly on-site monitoring to review problematic areas of the program with a frequency designed to assess training and improvements or non-improvement. Probation will be initiated for six (6) months with the option to extend for another six (6) months if sufficient progress is not deemed to have occurred but some improvement has been shown. Areas of required improvement will be specified in a written probation document and be under continual review during monthly visits. At the end of the probation period, AEO will either 1) release the subgrantee from probation; 2) take steps to bring the program into compliance by reducing the workload to a more manageable level; in this regard, AEO may reallocate part of the unobligated WAP funds and part of the

subgrantee's service territory to a suitable replacement subgrantee on a temporary basis; or 3) terminate the subgrantee grant agreement.

#### **V.8.4 Training and Technical Assistance**

Arkansas had established a 3-year training plan that was disrupted going into PY2016 when the Weatherization Training Center at Pulaski Technical College in North Little Rock rather suddenly decided to close the doors at close of business on June 30, 2016.

As a result, Arkansas made additional T & TA funds available to the Subgrantees in PY2016 in order to ensure that the training needs of all staff in the network were met and arranged for the following training to be provided in Arkansas during PY2016:

Arkansas Annual Weatherization Training Conference, November 1 – 3, 2016, Little Rock: OSHA Confined Spaces; ASHRAE 62.2 – 2016; Communications; Zonal Pressure Diagnostics; Baseloads & More; The Attic, Part I; The Attic, Part II; Under the House; HVAC are the content of sessions offered during the conference. These ten (10) sessions provided fifteen (15) hours of training and fifteen (15) CEUs that were reported to BPI for all certified staff. These topics were either requested by the network, identified by DOE monitoring as needed training, or identified by AEO monitoring as needed training. Trainers for these training sessions were recruited from Arkansas and nationally. National trainers included John Krigger, Rick Karg, and Dan Payne. Arkansas trainers included Roger Smith, previously a trainer with the WTC and third party QCI for AEO.

Infrared Camera, Jan 30 – Feb 2, 2017, Little Rock: two (2) days of training on usage and interpretation for all infrared makes and models was provided in by Snell. Energy Auditors, QCIs, crew leader, and Weatherization Directors attended. Eight (8) CEUs were earned by certified staff and reported to BPI by Snell.

Grants Guidance, one and one-half (1 ½) days in August 2016 and one (1) day in May 2017 in Little Rock: this administrative training gathered the weatherization directors together to review program status for the past year and address issues on which the network or AEO wanted clarification.

Tier 2 training was provided to all subgrantees on measures that the third-party QCI found, when inspecting completed units, did not meet standards.

In addition, AEO encouraged subgrantees to attend the Home Performance Coalition National Conference in Nashville TN in March 2017. Six (6) of the seven (7) subgrantees sent at least one (1) person; in all, fourteen (14) staff attended, including three (3) weatherization directors, four (4) QCIs, six (6) auditors, and one (1) crew leader.

Subgrantees made arrangements for individual staff to go out of state to train and test for certifications, as needed. During PY 2016, three (3) QCIs qualified for re-certifications, and one (1) QCI became a certified Energy Auditor.

## **PY 2017 Training Plan**

During PY 2017, AEO will take the same approach used in PY 2016 to train network staff. In addition, AEO will allow Subgrantee contractors to be trained with T&TA funds with their signature on a retention agreement. Contractors sometimes participate in the annual training conference as well as in Tier 2 training when topics are relevant to their work.

All Tier 1 training paid for with WAP T&TA funds will qualify staff toward certification in one of the BPI certifications required (QCI) or encouraged (Energy Auditor, Crew Leader, Weatherization Worker) by DOE. The Building Analyst and Manufactured Housing credentials will be included in the allowable Tier 1 training.

AEO requires that each Subgrantee has at least one (1) certified QCI on staff. This requirement has been met since July 1, 2015. Currently, there are eight (8) certified QCI employed by the weatherization network. In addition:

*AEO encourages QCI staff to become certified Energy Auditors; currently two (2) QCIs are also certified Energy Auditors.*

*AEO recommends that staff identified by a Subgrantee as a potential QCI first pursue certification as an Energy Auditor; currently the only certified Energy Auditors in Arkansas are also QCI certified.*

*AEO recommends that new staff hired by Subgrantees pursue the Building Analyst and Manufactured Housing credentials to establish a solid foundation for going on to certification as an Energy Auditor and QCI.*

*AEO requires that weatherization directors and field staff (auditors and inspectors) as well as contractors have active certification in lead-safe practices through the Environmental Protection Agency's Renovation, Repair, and Painting program.*

**Feedback from various sources that determines training content:** AEO considers all sources of information about subgrantees when planning the annual Weatherization Conference that is always held for two and a half (2 ½) days in conjunction with Weatherization Day. This year, the conference will be Nov. 1 – 3, 2017 in North Little Rock at the Hilton Garden Inn. Sources of information include Subgrantee training plans (based on employee self-assessments of how well skills align with KSAs of the Job Task Analyses (JTAs) for position held and Weatherization Director evaluation), DOE and AEO monitoring visits, QA review visits, and subgrantee single agency financial audit reports. If the needed training areas exceed the time available during the conference, additional training will be scheduled in Arkansas around specific topics.

**Maintaining workforce credentials:** AEO stays abreast of credentials and their renewal requirements by maintaining a spreadsheet tracker based on the staff certifications submitted by subgrantees. The annual conference always provides more than enough CEUs for certified staff to meet the annual continuing education requirement; in PY 2016, fifteen (15) CEUs were provided, exceeding the annual requirement of 8 (24 in three years). In PY 2017, five (5) certified QCIs and one (1) Field Energy Auditor will need renewal certification. Last year, three (3) certified QCIs renewed the credential.

**Attendance at training:** Training provided by AEO in Arkansas is considered mandatory. Subgrantees have consistently attended available training, and, therefore, AEO has not needed to establish ramifications for non-compliance. In the case of non-attendance at training, AEO would consider requiring absent subgrantee staff to find and attend equivalent training elsewhere.

Statement regarding training staff: AEO requires that weatherization field staff new to the job be supervised by trained and certified staff until such time that skills are demonstrated satisfactorily and any required certifications are completed (see AEO requirements and recommendations for certifications above).

Planning for industry-wide initiatives and future program requirements: AEO attends NASCSP conferences each year and, through this and other means strives to keep abreast of industry standards and to cover these areas in Arkansas trainings and requirements. For instance, AEO now encourages certification for Energy Auditors. Currently, only one (1) subgrantee uses crew; during PY 2017 AEO will explore the possibility of initiating pursuit of certification for Weatherization Worker and Crew Leader. The roll out of ASHRAE 62.2 – 2016 was covered during conference training in PY 2016 and this content will be presented again in PY 2017.

Partnering with statewide home performance industry on training issues: AEO is linked to the home performance industry. Last year, AEO explored the possibility of securing conference trainers from this group on the topic of HVAC. During planning for the 2017 conference, AEO will reach out to home performance industry trainers as needs are identified.

Use of effectiveness and energy savings evaluations to develop training: AEO has the capacity to create reports from data in ECOS that show the energy savings achieved from each job and aggregates the savings by different variables. This report was introduced to the subgrantees during Grants Guidance with weatherization directors in August 2016. In PY 2017, AEO will look at this data monthly compared to the measures installed on each job. Aggregated reports will be created quarterly to share with each subgrantee. AEO will seek consultation on using this report to guide development of specific T&TA activities and priorities. In addition, AEO intends to use as measures of effectiveness the timeliness of completion rates for houses audited and an analysis of reasons for deferral. Measures of effectiveness and energy savings will be fully integrated into the planning process for PY 2018.

Grantee effectiveness: AEO uses the resources of NASCSP for training and information relevant to implementing and administering the grant. During PY 2016, AEO staff attended the NASCSP fall and spring conferences and the annual Home Performance Coalition conference. AEO budgets for attendance at these and other conferences should the opportunity arise. AEO is anticipating a monitoring visit from DOE during PY 2017 which will provide guidance on effective management.

Health & Safety training: AEO plans to repeat training on ASHRAE 62.2 – 2016 during this program year. CAZ testing is another topic already identified for training in PY 2017. Other topics may be identified during our planning process for the Arkansas annual conference and other AEO sponsored in-state training.

Client Education: Client education is built into auditing and inspecting and is considered an important part of the weatherization process. There are specific forms to document the information given to and discussed with the client in the home. AEO encourages subgrantees to budget for materials that each agency considers useful in educating clients. In addition, AEO has free materials on energy efficiency provided through another program that are distributed on an annual basis to subgrantees at the Arkansas conference, based on orders placed by the subgrantees. For the past two (2) years at the conference, AEO has provided a training session on Communications which is designed for weatherization staff in the office and in client homes to learn to communicate more effectively with clients. Subgrantees are encouraged to respond to outreach requests and most participate in the Assurance 16 program which is a LIHEAP program in which clients learn household management skills, including energy efficiency practices.



Each subgrantee will prepare a training plan for weatherization staff to be included in the DOE subgrant for PY 2017. These training plans will substantiate the allocation of T&TA funds to each subgrantee and will inform the selection of training topics for the annual conference and other training offered in Arkansas.

AEO will provide T&TA funds to subgrantees to re-certify the five (5) certified QCIs and one (1) certified Energy Auditor requiring re-certification in PY 2017 in subgrantee training plans and ensure that these plans address recertification with sufficient funds allocated at the subgrantee level for this purpose.

AEO will also make T&TA funds available through subgrantee training plans for staff to:

- Pursue Building Analyst and Manufactured Housing credentials.
- Attend the DOE/Home Performance Coalition National Conference.

Grants Guidance administrative training will be held in fall and spring to gather weatherization directors for discussions on topics involving grant implementation and administration, including the PY 2018 State Plan.

AEO staff will attend the fall and spring NASCSP conferences and the Home Performance Coalition national conference. AEO staff will attend one (1) additional conference if identified as specifically applicable to weatherization and job duties.

## **V.9 Energy Crisis and Disaster Plan**

Arkansas will not use any grant funds for energy crisis relief during the 2017 Program Year.

# APPENDIX

**STATE CLEARINGHOUSE  
APPLICATION SUPPLEMENT**

1. IF THIS IS A "NOTIFICATION OF INTENT" TO APPLY OR A PREAPPLICATION, PLEASE CHECK THIS BOX  AND INDICATE GRANT I.D. ASSIGNED.  
GRANT I.D. \_\_\_\_\_ X(8)
2. IF THIS IS AN ACTUAL GRANT APPLICATION, PLEASE CHECK THIS BOX , AND INDICATE GRANT I.D. ASSIGNED. Grant I. D. AEO-1301 (8)  
\*NOTE: IF A NOTIFICATION OF INTENT OR PREAPPLICATION HAS BEEN PREVIOUSLY SUBMITTED, USE THAT I.D. TO COMPLETE ITEM 2 AND INDICATE SAI# THAT WAS ASSIGNED TO THE NOI OR PREAPP. SAI# \_\_\_\_\_ X(8)
3. IF THIS IS AN APPLICATION FOR SUPPLEMENTAL FUNDS OR IS A REVISION, PLEASE INDICATE ORIGINAL GRANT I.D. AND SAI# TO WHICH IT APPLIES.  
GRANT I.D. \_\_\_\_\_ X(8) SAI# \_\_\_\_\_ X(8)
4. GRANT YEAR 2017-2018 XX
5. GRANT START DATE 07 / 01 / 17 GRANT END DATE 06 / 30 / 18 (mo/day/yr)
6. APPLICANT (AGENCY) CODE 710H X(7) (see Applicant Code List)
7. GRANTOR CODE DOE X(5) (see Grantor Code List)
8. ORGANIZATION UNIT \_\_\_\_\_ Department of Energy
9. FUNDING PERCENTAGE REQUIREMENTS:  
FEDERAL 100 % STATE \_\_\_\_\_ % OTHER \_\_\_\_\_ %
10. TYPE OF ASSISTANCE (A THROUGH P) \_\_\_\_\_ (see instructions on back)
11. METHOD OF FUNDING 3  
  1. ADVANCE BY TREASURY CHECK
  2. REIMBURSEMENT BY TREASURY CHECK
  3. ADVANCE BY LETTER OF CREDIT
  4. REIMBURSEMENT BY LETTER OF CREDIT
12. FEDERAL FUNDS FOR THIS GRANT WILL BE RECEIVED DIRECTLY FROM (CHECK ONE)  
 A FEDERAL AGENCY     ANOTHER STATE AGENCY     OTHER SOURCE  
 \*\*If a source is OTHER please specify \_\_\_\_\_
13. DO YOU HAVE AN INDIRECT COST RATE?     YES     NO
14. IF YES, IS THE RATE BEING APPLIED TO THIS PROJECT?  YES     NO

15.	A. DIRECT COST BASE	B. INDIRECT COST RATE	C. INDIRECT COSTS CLAIMED*
	\$93,292	29.74 %	\$26,897
D. EXPLANATION*			

GRANTS ANALYST \_\_\_\_\_  
 Signature  
 AGENCY Arkansas Energy Office  
 DATE \_\_\_\_\_