



**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-0002014

Title:

2014 Weatherization Assistance Funding Opportunity

**13. Competition Identification Number:**

Title:

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

Virginia

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

State Plan for implementation of Weatherization Assistance Program





**U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
WEATHERIZATION ANNUAL FILE WORKSHEET**

**(Grant Number: EE0006190, State: VA, Program Year: 2014)**

**IV.1 Subgrantees**

<b>Subgrantee (City)</b>	<b>Planned Funds/Units</b>
Appalachian Community Action Agency (Gate City)	\$179,626.75 16
Bay Aging (Urbanna)	\$88,283.86 10
Central VA AAA (Lynchburg)	\$150,057.84 15
Clinch Valley Community Action (North Tazewell)	\$138,175.29 13
Community Energy Conservation Program (Charlottesville)	\$296,557.02 36
Community Housing Partners Corp. (Christiansburg)	\$626,372.29 56
Crater District AAA (Petersburg)	\$179,276.56 20
Eastern Shore Area Agency on Aging/Community Action Agency (Exmore)	\$39,521.74 4
ElderHomes Corporation (Richmond)	\$423,123.24 47
Lynchburg Community Action Group (Lynchburg)	\$124,043.60 14
Mountain Community Action Program (Marion)	\$130,165.66 14
PEOPLE, Inc. (Abingdon)	\$131,954.34 12
Pittsylvania County Community Action Agency (Chatham)	\$174,834.08 20
Rappahannock Area Agency on Aging (Fredericksburg)	\$120,902.79 12
Rooftop of Virginia Community Action Program (Galax)	\$81,760.44 7
Southeastern Tidewater Opportunity Project (Norfolk)	\$435,597.27 51
Support to Eliminate Poverty (Rocky Mount)	\$83,632.39 8
Telamon Corporation (Richmond)	\$121,946.82 14
Total Action Against Poverty (Roanoke)	\$304,829.28 31
Tri-County Community Action (South Boston)	\$92,894.89 10
Williamsburg-James City County Community Action Agency (Williamsburg)	\$99,385.19 11
<b>Total:</b>	<b>\$4,022,941.34 421</b>

**IV.2 WAP Production Schedule**

<b>Weatherization Plans</b>	<b>Units</b>
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**U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
WEATHERIZATION ANNUAL FILE WORKSHEET**

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Total Units (excluding reweatherized)	421
Rewatherized Units	0
Note: Planned units by quarter or category are no longer required, no information required for persons.	

Average Unit Costs, Units subject to DOE Project Rules		
<i>VEHICLE &amp; EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)</i>		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$0.00
B	Total Units Weatherized	421
C	Total Units Rewatherized	00
D	Total Dwelling Units to be Weatherized and Rewatherized (B + C)	421
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
<i>AVERAGE COST PER DWELLING UNIT (DOE RULES)</i>		
F	Total Funds for Program Operations	\$2,937,073.61
G	Total Dwelling Units to be Weatherized and Rewatherized (from line D)	421
H	Average Program Operations Costs per Unit (F divided by G)	\$6,976.42
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$6,976.42

**IV.3 Energy Savings**

Method used to calculate savings:  WAP algorithm  Other (describe below)

Method used to calculate savings description:

Energy savings is calculated by subtracting the amounts for administration, T/TA, Health and Safety, Financial Audits and leverage funds from the total amount available. That new amount is then divided by the current allowable average cost per units to estimate the number of homes to be weatherized. The estimated number of homes to be weatherized is then multiplied by the allowable MBtu established by DOE of 30.5 to estimate the energy savings. Estimated energy savings: 12,480.50 (MBtu)

This year estimated energy savings (MBtus):

Prior year estimated energy savings (MBtus):  Actual:

**IV.4 DOE-Funded Leveraging Activities**

No leveraging funds are planned for this year.

**IV.5 Policy Advisory Council Members**

Check if an existing state council or commission serves in this category and add name below

Andrea Gregg	Type of organization: Unit of State Government Contact Name: Andrea Gregg Phone: (804)726-7368 Email: <a href="mailto:Andrea.gregg@dss.virginia.gov">Andrea.gregg@dss.virginia.gov</a>
Billy Weitzenfeld	Type of organization: Non-profit (not a financial institution) Contact Name: Billy Weitzenfeld Phone: (540)745-2838 Email: <a href="mailto:aecp@swva.net">aecp@swva.net</a>
Cathie France	Type of organization: Utility Contact Name: Cathie France Phone: (757)616-7507 Email: <a href="mailto:Cathie.France@dmme.virginia.gov">Cathie.France@dmme.virginia.gov</a> Type of organization: Non-profit (not a financial institution)

**U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
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Jim Schuyler	Contact Name: Jim Schuyler Phone: 8046440417 Email: <a href="mailto:jschuyler@vacap.org">jschuyler@vacap.org</a>
Larry Jackson	Type of organization: Utility Contact Name: Larry Jackson Phone: (434)522-4201 Email: <a href="mailto:lejackson@aep.com">lejackson@aep.com</a>
Robin Jones	Type of organization: Unit of State Government Contact Name: Robin Jones Phone: (804)692-3224 Email: <a href="mailto:Robin.jones@dmme.virginia.gov">Robin.jones@dmme.virginia.gov</a>

**IV.6 State Plan Hearings (Note: attach notes and transcripts to the SF-424)**

Date Held	Newspapers that publicized the hearings and the dates the notice ran
04/24/2014	Richmond Times Dispatch ; Richmond Free Press ; Roanoke Times ; Virginian-Pilot ; News Advance DHCD Website

**IV.7 Miscellaneous**

<p><b><u>Principal Investigator</u></b> Willie Fobbs 600 East Main Street Ste 300 Richmond, VA 23219 804-371-7133 Phone <a href="mailto:willie.fobbs@dhcd.virginia.gov">willie.fobbs@dhcd.virginia.gov</a></p> <p><b><u>Business Officer</u></b> Nancy Palmer 600 East Main Street Ste 300 Richmond, VA 23219 804-371-7102 Phone <a href="mailto:nancy.palmer@dhcd.virginia.gov">nancy.palmer@dhcd.virginia.gov</a></p>
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**U.S. DEPARTMENT OF ENERGY**



**BUDGET JUSTIFICATION FOR FORMULA GRANTS**

Applicant: Virginia, Commonwealth of  
Award number: EE0006190

Budget period: 07/01/2014 - 06/30/2015

**1. PERSONNEL** - Prime Applicant only (all other participant costs are listed in 6 below and form SF-242A, Section B.  
Line 6.f. Contracts and Sub-Grants).

Positions to be supported under the proposed award and brief description of the duties of professionals:

<b>Position</b>	<b>Description of Duties of Professionals</b>
Associate Director of Housing	Manages the overall operation of the Weatherization Assistance Program.
Program Manager	Manages the day to day operations of the weatherization assistance program.
Program Administrator	Responsible for the day-to-day program implementation activities and serves as the principle point of contact for programmatic database tracking and reporting.
Program Administrator	Responsible for the day-to-day program implementation activities and serves as the principle point of contact for programmatic policy issues. Provide training & technical assistance visits to subgrantees.
Program Assistant	Assist Program staff
Technical Monitor	Completes on-site monitoring of subgrantee for compliance with the Installation Standards and prepares reports of these monitoring visits. Participates in the assessment of training needs related to fieldwork and programmatic requirements. Coordinates and completes on-site, regional and statewide training for subgrantee field staff as needed.
Program Analyst	Processes fiscal documents and monitors financial transactions. Provide fiscal training & technical assistance to subgrantees.

Direct Personnel Compensation:

<b>Position</b>	<b>Salary/Rate</b>	<b>Time</b>	<b>Direct Pay</b>
Associate Director of Housing	\$88,000.00	35.0000 % 1T	\$30,800.00
Program Manager	\$70,000.00	35.0000 % FT	\$24,500.00
Program Administrator	\$58,000.00	60.0000 % 1T	\$34,800.00
Program Administrator	\$60,000.00	80.0000 % FT	\$48,000.00
Program Assistant	\$20,000.00	50.0000 % FT	\$10,000.00
Technical Monitor	\$62,000.00	70.0000 % FT	\$43,400.00
Program Analyst	\$55,000.00	50.0000 % FT	\$27,500.00
		<b>Direct Pay Total</b>	<b>\$219,000.00</b>

**2. FRINGE BENEFITS**

a. Are the fringe cost rates approved by a Federal Agency? If so, identify the agency and date of latest rate agreement or audit below, and attach a copy of the rate agreement to the application.

b. If a. above does not apply, please use this box (or an attachment) to further explain how your total fringe benefits costs were calculated. Your calculations should identify all rates used, along with the base they were applied to (and how the base was derived), and a total for each (along with grand total). If there is an established computation methodology approved for state-wide use, please provide a copy. Also, please fill out the table below with the Fringe Benefits Calculations.

29.4% - Fringe includes retirement plans, group life insurance, state paid portion of health insurance, social security, retiree health insurance credit, and long term disability insurance. Employer contribution for Health Insurance - 11.5% Retirement - 9.00% Social Security- 6.20% Group Life - 1.20% Retiree Health Insurance credit - 1.00% VSDP & Long Term Disability Ins - 0.5%

**Fringe Benefits Calculations**

<u>Position</u>	<u>Direct Pay</u>	<u>Rate</u>	<u>Benefits</u>
Associate Director of Housing	\$30,800.00	29.4000 %	\$9,055.20
Program Manager	\$24,500.00	29.4000 %	\$7,203.00
Program Administrator	\$34,800.00	29.4000 %	\$10,231.20
Program Administrator	\$48,000.00	29.4000 %	\$14,112.00
Program Assistant	\$10,000.00	29.4000 %	\$2,940.00
Technical Monitor	\$43,400.00	29.4000 %	\$12,759.60
Program Analyst	\$27,500.00	29.4000 %	\$8,085.00
		<b>Fringe Benefits Total</b>	<b>\$64,386.00</b>

**3. TRAVEL**

- a. Please provide the purpose of travel, such as professional conference(s), DOE sponsored meeting(s), project management meeting, etc. If there is any foreign travel, please identify.

<u>Purpose of Trip</u>	<u>Number of Trips</u>	<u>Cost Per Trip</u>	<u>Total</u>
Administrative/Financial monitoring of subgrantees that includes meals, mileage and lodging for 2 monitors at 21 agencies. Technical monitoring includes meals, mileage, & lodging for one technical monitor at 21 agencies.	63	\$606.00	\$38,178.00
training conference attendance	4	\$2,000.00	\$8,000.00
		<b>Travel Total</b>	<b>\$46,178.00</b>

- b. Please provide the basis for estimating the costs, such as past trips, current quotations, Federal Travel Regulations, etc. All listed travel must be necessary for the performance of the award objectives.

estimated monitoring visit costs are based on \$606 per trip 21 agencies x 3 trips per year = 63 trips 3 people @ 2 days = 6 days (2 financial/admin monitors & 1 technical monitor) lodging \$70x6=\$420.00 per diem \$41 (75% of \$41 daily rate on departure day/\$31) = \$62 day x 3 people=\$186 Misc (tolls) Total=\$606 per visit

**4. EQUIPMENT** - Equipment is generally defined as an item with an acquisition cost greater than \$5,000 and a useful life expectancy of more than one year. Further definitions can be found in 10 CFR 600.

- a. List all proposed equipment below and briefly justify its need as it applies to the objectives of the award.

<u>Equipment</u>	<u>Unit Cost</u>	<u>Number</u>	<u>Total Cost</u>	<u>Justification of Need</u>
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- b. Please provide a basis of cost such as vendor quotes, catalog prices, prior invoices, etc. and justify need. If the Equipment is being proposed as Cost Share and was previously acquired, please provide the source and value of its contribution to the project and logical support for the estimated value shown. If it is new equipment which will retain a useful life upon completion of the project, provide logical support for the estimated value shown. Also, please indicate whether the Equipment is being used for other projects or is 100% dedicated to the DOE project.

**5. SUPPLIES** - Supplies are generally defined as an item with an acquisition cost of \$5,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance. Further definitions can be found in 10 CFR 600.

- a. List all proposed supplies below, the estimated cost, and briefly justify the need for the supplies as they apply to the objectives of the award. Note that all direct costs, including Supply items, may not be duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.

General Category	Cost	Justification of Need
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b. Please provide a basis of cost for each item listed above and justify need. Examples include vendor quotes, prior purchases of similar or like items, published price list, etc.

**6. CONTRACTS AND SUBGRANTS** - Provide the following information for New proposed subrecipients and subcontractors. For ongoing subcontractors and subrecipients, this information does not have to be restated here, if it is provided elsewhere in the application; under Name of Proposed Sub, indicate purpose of work and where additional information can be found (i.e weatherization subgrants, Annual File section II.3).

Name of Proposed Sub	Total Cost	Basis of Cost*
Weatherization Sub-grantees Liability Insurance Funds	\$220,835.92	Based on actual budgets received from 21 agencies for FY 14. Of the 220,835.92, \$142,725.92 is estimated Fy 13 carryover funds.
Weatherization Sub-grantee Financial Audit Funds	\$29,710.82	Total cost based on actual budget requests received from 21 agencies. *Of the 29,400.00, \$15,010.82 is from FY 13 Carryover funds
Weatherization Sub-grantee Training and Technical Assistance Funds	\$258,043.25	Based on actual budget requests received from 21 agencies to attend three annual interchanges and to attend training/certification for Quality Control Inspector requirements coming in FY 15. *Of the total T/TA funds, \$70,000.00 is for FY 13 Carryover funds.
Weatherization Subgrants, Annual File section	\$2,937,073.61	Based on formula allocation for FY 14. \$2,106,106.00 was put through the formula. \$830,967.61 is estimated FY 13 Carryover Program operations.
Weatherization Sub-grantees Health and Safety Funds	\$317,358.88	Under 9.1% based on avg job cost *Of the \$317,358.88 H&S funds, \$126,256.88 is estimated FY 13 Carryover funds.
Hancock Software - Database administration	\$262,379.58	\$80,000 is for FY 14 competitive procurement includes maintenance and hosting fees for WX software \$122,808.00 is FY 13 carryover for software fees that is contracted. 59,000.00 for annual help desk fee.
Weatherization Sub-grantee Administrative Funds	\$259,918.86	5% of the total allowable administrative funds is passed down to the sub-grantees based on budget requests. \$102,973.86 is estimated funds from FY 13 state plan
Contracts and Subgrants Total	\$4,285,320.92	

\*For example, Competitive, Historical, Quote, Catalog

**7. OTHER DIRECT COSTS** - Other direct costs are direct cost items required for the project which do not fit clearly into other categories. These direct costs may not be duplicative of costs included in the indirect pool that is the basis of the indirect rate applied for this project. Examples are: conference fees, subscription costs, printing costs, etc.

a. Please provide a General Description, Cost and Justification of Need.

General Description	Cost	Justification of Need
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b. Please provide a basis of cost for each item listed above. Examples include vendor quotes, prior purchases of similar or like items, published price list, etc.

**8. INDIRECT COSTS**

- a. Are the indirect cost rates approved by a Federal agency? If so, identify the agency and date of latest rate agreement or audit and provide a copy of the rate agreement.

The current indirect cost rate is 54.35%

- b. If the above does not apply, indicate the basis for computation of rates, including the types of benefits to be provided, the rate(s) used, and the cost base for each rate. You may provide the information below or provide the calculations separately.

The name and phone number of the individual responsible for negotiating the State's indirect cost rates.

Name: Solomon Girmay

Phone Number: 8043717021

Indirect costs calculations:

<u>Indirect Cost Account</u>	<u>Direct Total</u>	<u>Indirect Rate</u>	<u>Total Indirect</u>
Personnel	\$219,000.00	54.3500 %	\$119,026.50
		Indirect Costs Total	\$119,026.50

**U.S. Department of Energy**  
**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

(Grant Number: EE0006190, State: VA, Program Year: 2014)

This worksheet should be completed as specified in Section III of the Weatherization Assistance Program Application Package.

**V.1 Eligibility**

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

Provide a description of the definition of income used to determine eligibility

In accordance with the Energy Policy Act of 2005, Section 122(b), Section 412(7) of the Energy Conservation and Production Act (42 U.S.C. 6862(7)) as amended, an eligible client for Department of Energy funded programs can be defined as a client(s) whose household income is at the highest allowable State Median Income limit pursuant to the Low Income Home Energy Assistance Program guidelines. Virginia WAP currently is using 60% of State median income.

**Re-weatherization:** Any dwelling weatherized after September 30, 1994, or any subsequent date as established in 10 CFR 440 subpart §440.18 as amended, is not eligible for weatherization. Subgrantees must report re-weatherized homes on their monthly report.

Describe what household Eligibility basis will be used in the Program

Virginia currently utilizes the LIHEAP guidelines of 60% of SMI. This information can be located at the following website: <http://www.liheap.ncat.org/profiles/povertytables/FY2013/vasmi.htm>

Describe the process for ensuring qualified aliens are eligible for weatherization benefits

For a non-US citizen to receive Weatherization services they must meet one or more of the criteria established by 8 CFR Part 104 (published 08/04/1998) and listed below:

1. The alien is granted asylum under section 208 of the Immigration and Nationality Act (the "Act");
2. The alien is a refugee admitted under section 207 of the Act;
3. The alien is paroled to the US under section 212 (d)(5) of the Act for at least one year;
4. Any alien whose deportation is being withheld under section 241 (b)(3) of the Act; or whose removal is being withheld under section 243 (h) of the Act;
5. The alien is granted conditional entry under section 203 (a) of the Act;
6. Any alien who is a Cuban/Haitian entrant as defined in section 501(e) of the Refugee Education Assistance Act (1980);
7. An alien, or child or parent thereof, who has been battered or subjected to extreme cruelty in the US and otherwise satisfies the Act; or
8. The requirements of 8 U.S.C. 1641(c).

Non-citizens who fail to meet one or more of these criteria, are not eligible to receive Weatherization services.

Applicants denied services for any reason must receive clear written notification that their application for assistance has been denied and the reasons for their denial. The notice of denial must be properly documented within the agency records. Agencies must have a written client appeals procedure that is clearly stated in the denial notice.

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

Procedures to determine that units weatherized have eligibility documentation

**U.S. Department of Energy**  
**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

**(Grant Number: EE0006190, State: VA, Program Year: 2014)**

Income data is certified and calculated in accordance with DOE program guidance. The State provides subgrantees with an "application for services/eligibility certification form" containing information that must be obtained from prospective program participants before a decision can be made on their eligibility for weatherization assistance. Individual subgrantees may expand or reformat this application (for example to accommodate other types of assistance available through the subgrantee or to capture additional demographic information required by other funding sources); however, a subgrantee must include all the items on the application form provided by the State. All applicants are required to identify the amount and source of income for their household. In addition, they have to indicate whether they rent or own their home, and sign their application testifying to the correctness of their statements. In rental situations, property owners must sign the application to give authorization for the work. Falsification of an application is subject to prosecution.

**Describe Reweathering compliance**

**Re-weatherization:** Any dwelling weatherized after September 30, 1994, or any subsequent date as established in 10 CFR 440 subpart §440.18 as amended, is not eligible for weatherization. Subgrantees must report re-weatherized homes on their monthly report.

**Describe what structures are eligible for weatherization**

Eligible property types may be single-family residences (1-4 units), multi-family residences (5 or more units), owner-occupied, or rental units.

**Describe how Rental Units/Multifamily Buildings will be addressed**

Chapter 8 of the VA WAP Operations Manual contains the procedures that address protection of renters' rights as specified in §440.22(b)(3) and §440.22(c) (e). Whether single-family or multifamily, the VA WAP Operations Manual includes procedures ensure that:

- Written permission of the building owner or his agent before commencing work.
- Benefits of the services accrue primarily to the low-income tenants residing in such units.
- For a reasonable period of time after completion, the household will not be subjected to rent increases. VA's program specifies that no rent increases after WAP services can occur for two years (unless those increases are demonstrably related to other matters other than the weatherization work performed or are documented contractually).
- The VA WAP Operations Manual requires adequate procedures whereby the state office can receive tenant complaints and owners can appeal, should rental increases occur.
- No undue or excessive enhancement shall occur to the value of the dwelling unit as a result of WAP activities.
- Single Family Rental units are handles the same as single family owned units. The resident is determined eligible and the owner must sign off for work to be done.

In addition, the Operations Manual includes sample contracts (multi-family), applications (single family rental) that sub-grantees utilize for how rental units are handles ensures the following:

An owner matching contribution is required. For single-family rentals, a 15% owner match of actual weatherization costs, based on the \$6,500 average cost figure, is required unless the owner also meets WAP income eligibility requirements. In this case no match is required. This same match requirement will be required for all multifamily properties that are weatherized.

**Multi-Family Rental:**

This process has been developed to provide subgrantees the ability to independently assess eligibility/feasibility, and to initiate, implement, and complete a multi-family weatherization project. An overview appears below and each step is explained in the appropriate section later. Multi-family buildings are defined as buildings with three stories or less including duplexes, triplexes, and quadplexes. VA has been approved to weatherize buildings with 3 or fewer stories, 25 units or less, and units are individually heated/cooled using the NEAT audit tool. To weatherize buildings of 4 stories or more, 26 units or more, or centrally heated buildings, prior written approval must be obtained from DOE on a case by case basis.

Meeting with Owner (feasibility of project, *Installation Standards*).

Tenant Applications, collect hard copy income documentation or a printed list of tenants by unit showing income if property is on HUD list.

Based on number of eligible units, determine maximum allowable funding.

**U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
STATE PLAN/MASTER FILE WORKSHEET**

(Grant Number: EE0006190, State: VA, Program Year: 2014)

Collect utility bills from previous 12 months.

Completely fill in the required forms and send with all required documents to DHCD Program Administrator. This must be completed by the Sub-grantee, not the property owner.

DHCD will review the documents. If complete, DHCD will approve or deny the project.

Perform an audit and develop Scope of Work and send to DHCD.

DHCD will approve or deny the Scope of Work.

Sign Project Agreement (DHCD template) between Agency and Owner.

Subgrantee will procure subcontractors to complete work.

Implementation- timeline, scheduling, order materials, notify residents, complete work, continuous quality control, technical oversight, recycle, storage of materials onsite.

DHCD must inspect when first building complete. Sub-grantee must schedule with DHCD technical monitor.

Sub-grantee must conduct a final inspection on each unit and perform the required blower door and other diagnostic tests.

Walk-through exit process with Owner.

Reporting (eligible, non-eligible). Whether applications are used or the HUD list is used, all required demographic information must be collected for reporting purposes

Describe the deferral Process

**Ineligible Properties**

Properties occupied by ineligible households are not eligible for weatherization.

Properties that may be ineligible for weatherization include, but are not limited to:

1. the building structure is not safe or structurally sound;
  2. the sewage system has failed and requires correction prior to installation of weatherization measures;
  3. other sanitary factors are present that prohibit the timely and efficient installation of weatherization measures;
  4. completion of weatherization work would endanger the client or providers;
  5. the property (house) has been condemned or slated for demolition
  6. the presence of actionable levels of lead-based paint that cannot be mitigated by lead-safe weatherization; and
  7. the presence of severe moisture problems that cause mold that cannot be corrected by installation of weatherization measures.
  8. property is planned for relocation or sale
  9. planned property rehabilitation that will degrade installed weatherization measures
10. if the job costs would cause the agency to exceed the maximum average job cost or to exceed maximums established in local policy.

**U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
STATE PLAN/MASTER FILE WORKSHEET**

(Grant Number: EE0006190, State: VA, Program Year: 2014)

**V.1.3 Definition of Children**

Definition of children (below age): 19

**V.1.4 Approach to Tribal Organizations**

Recommend tribal organization(s) be treated as local applicant?

If YES, Recommendation. If NO, Statement that assistance to low-income tribe members and other low-income persons is equal.

Low-income members of an Indian tribe will receive benefits equivalent to the assistance provided to other low-income persons within the State.

**V.2 Selection of Areas to Be Served**

Virginia provides services statewide. All Virginia localities are eligible for assistance this include cities, counties and towns. The Weatherization subgrantees were selected in accordance with Section 440.15(a)(3), "preference is given to any CAA or other public or nonprofit entity which has, or is currently administering an effective program."

As required, factors considered when selecting a subgrantee include, at a minimum, the extent to which the subgrantee has achieved, or is achieving, weatherization goals in a timely fashion and the quality of work performed by the subgrantee. The selection process emphasizes the regulation's requirement for program effectiveness. The State evaluates the ability of each current subgrantee to achieve goals in a timely fashion as demonstrated in the current program and the capability of the subgrantee to effectively achieve weatherization goals.

Subgrantees are provided a DOE allocation using a formula that is based on heating degree-days, low-income population, and square miles served. Any additional funds made available by the DOE during the program year are allocated to subgrantees using the same formula allocation. Subgrantees are encouraged to coordinate with other Federal, State, local, or privately funded programs as required in 440.14, "Minimum program requirements."

**V.3 Priorities for Service Delivery**

DOE regulations require agencies to give priority to identifying and providing weatherization assistance to elderly, persons with disabilities, and families with children (18 years of age and under). These prioritization will be calculated automatically in the database utilized by all sub-grantees.

SEE ATTACHED SPREADSHEET WITH SCORING ALGORITHM

**V.4 Climatic Conditions**

Virginia is divided into six Climate Divisions. These are Tidewater, Eastern Piedmont, Western Piedmont, Northern, Central Mountain, and Southwestern Mountain. These Divisions reflect the diverse geographic aspects of the Commonwealth.

Heating Degree Days account for 18.33% of the formula allocation for each city or county. For PY 2005, the data was updated to the thirty-year Divisional Normals, from 1971-2000, released by the National Climatic Data center on June 15, 2002. This is the latest release date for cumulative data that could be located.

Virginia does not currently utilize heating and cooling degree days in funding allocation formula. The formula is currently based on the percentage of low income population and

U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
STATE PLAN/MASTER FILE WORKSHEET

(Grant Number: EE0006190, State: VA, Program Year: 2014)

square miles of coverage for each city and county

**V.5 Type of Weatherization Work to Be Done**

**V.5.1 Technical Guides and Materials**

See Document Library

**V.5.2 Energy Audit Procedures**

Audit Procedures and Dates Most Recently Approved by DOE

**Single-Family :** Priority List for designated typical housing stock and National Energy Audit (NEAT) for non-typical housing stock, Approved September 2011.  
**Manufactured Housing :** Priority List for designated typical housing stock and Manufactured Home Energy Audit (MHEA) for non-typical housing stock, Approved September 2011.  
**Multi-Family :** NEAT - Approved September 2011 for MF buildings with 3 or fewer stories, 25 units or less, and units are individually heated/cooled. Any building greater than 3 stories or 26 units must be submitted to DOE for individual approval on a case-by-case basis.

**Comments**

DOE approved DHCD's request to utilize the Virginia Weatherization Assistance Program Installation Standards in conjunction with the National Energy Audit (NEAT) in PY 2002. During PY 2012, DHCD will follow DOE's requirements and procedures to gain updated approval of the Installation Standards.

DHCD uses the Virginia Installation Standards to weatherize homes. The measures outlined in the Standards have been proven to achieve the greatest energy savings in a dwelling (see Section III 2.1.-Installation Standards). Subgrantees are required to follow the priorities established in the Standards and based upon the home audit/estimation which includes several diagnostic tests using specialized equipment. The NEAT audit is used to appropriately size heating system replacements. A final inspection is required for every weatherization job and must be conducted by a person other than those who installed the weatherization measures.

All Virginia subgrantees have been trained in the use of the latest version of NEAT/MHEA and will periodically receive additional training as newer versions are made available. Before any deviation from the Installation Standards is allowed, prior written approval must be obtained from DHCD and a NEAT/MHEA audit must be completed and documented in the project file. Subgrantees who work with licensed contractors for heating system installations are required to run the NEAT/MHEA audit or are required to train contractors in the use of the NEAT/MHEA audit. These audits must be maintained in the file. Subgrantees inspect, review and approve the contractors work during the project final inspection.

Multi-family buildings are defined as buildings with three stories or less including duplexes, triplexes, and quadplexes. VA has been approved to weatherize buildings with 3 or fewer stories, 25 units or less, and units are individually heated/cooled using the NEAT audit tool. To weatherize buildings of 4 stories or more, 26 units or more, or centrally heated buildings, prior written approval must be obtained from DOE on a case by case basis.

**V.5.3 Final Inspection**

Subgrantees are required to perform a final inspection of all weatherization measures(including any mechanical work performed) of each dwelling unit before the job can be reported to DHCD as a completion. The final inspection must be signed and dated by the individual(s) trained and authorized to complete these inspections. The date and name of the inspector are required on the Job Report for each weatherization completion submitted to DHCD. The inspector is certifying that the work has been completed in a workmanlike manner in accordance with the priority determined by the audit.

In situations where a subcontractor is used to perform a portion or all of the weatherization work, DHCD holds the subgrantee contractually responsible for inspecting and certifying that the job has been completed to the Installation Standards.

**V.6 Weatherization Analysis of Effectiveness**

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**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

**(Grant Number: EE0006190, State: VA, Program Year: 2014)**

July 1 -June 30 is the normal period of performance in the weatherization contract between DHCD and the subgrantee.

Subgrantee monitoring is ongoing and tied to the performance period in the contract between the subgrantee and DHCD. DHCD analysis of individual subgrantees, and whether or not continued funding is warranted, includes such considerations as: onsite field and financial/administrative monitoring visits, and demonstrated willingness and ability to produce completed units while coordinating with and utilizing multiple funding sources.

Program production and expenditure rates are tracked on an on-going basis at the state level. This information is shared with the network of subgrantees, at a minimum, during each of the semi-annual statewide weatherization "interchanges" held by DHCD. Similar information is provided as part of the "Summary Analysis" prepared with each payment. Future training, technical assistance, and monitoring needs are determined based on these analyses and the results of the field and financial/administrative monitoring.

#### V.7 Health and Safety

##### **Health and Safety Plan**

Health and safety is referenced in the CFR: 440 rule and WPN 11-6.

Health and Safety repairs can only occur when weatherization measures are being performed. All measures listed as allowable below are allowable for WAP funds.

Corrections of identified hazards must be charged to the Health and Safety budget category.

Energy related health and safety actions are those actions necessary to maintain the physical well being of both the occupants and/or weatherization workers where:

- Costs are reasonable; **AND**
- The actions must be taken to effectively perform weatherization work; **OR**
- The actions are necessary as a result of weatherization work.

A health and safety inspection must be completed as part of the Energy Audit. These inspections include, but are not limited to, the following:

- blower door testing for minimum ventilation rates (mvr) inspection and testing for unacceptable levels of carbon monoxide in the flue and ambient areas
- power supply inspections, repair, or upgrades
- inspection for gas leaks
- inspection for adequate combustion air for combustion heating appliances
- draft and pressure tests for combustion appliances
- inspection of vent systems, to include the chimney
- inspection for adequate clearance from combustibles
- inspection of safety controls on combustion appliances

Clients must be informed in writing of hazards that are identified during the audit and installation. The document must be signed by the client. Auditors must also solicit information from clients to reveal known or suspected occupant health and safety concerns and document that on the audit forms.

Upon failed inspection, subgrantees may use WAP H&S funds for the following work:

**U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
STATE PLAN/MASTER FILE WORKSHEET**

**(Grant Number: EE0006190, State: VA, Program Year: 2014)**

**Common H&S repairs:**

- Ventilation (ASHRAE)
  - Approximate cost per house—\$1000 (materials and labor)
- Vapor Barrier
  - Approximate cost per house—\$1200 (materials and labor)
- Smoke Detectors
  - Approximate cost per house—\$30ea (materials and labor)
- CO Alarms
  - Approximate cost per house—\$75ea (materials and labor)
- HVAC Repair
  - Approximate cost per house—\$500 (materials and labor)
- HVAC Replacement
  - Heat Pump approximate cost per house—\$2500 (materials and labor)
  - Furnace (gas and oil) approximate cost per house—\$2600 (materials and labor)
  - Boiler (gas) approximate cost per house—\$6000 (materials and labor)
  - Monitor space heater (vented)—\$1800 (materials and labor)

Note: prices do not include oil tanks or lines where required.

**Air Conditioning Systems**

Air conditioning system replacement or repair is allowable in homes of at-risk occupants when inoperable/nonexistent.

At-risk occupants are defined as:

- elderly (60 years or older)
- children (under the age of 6)
- occupants with health conditions that warrant the need for conditioned air

“Red tagged”, inoperable, or nonexistent heating system replacement, repair, or installation is allowed where climate conditions warrant, unless prevented by other guidance herein. Air conditioning system replacement, repair, or installation is allowed in homes of at-risk occupants where climate conditions warrant.”

The following information is taken from NOAA’s Heating & Cooling Degree Day Data and is justification for replacement in the above conditions. The total heating degree days from this sampling is 4374, with the highest month being January (988). The total cooling degree days is 1036, with the highest month being August (354).

**Heating Degree Days**

STATE : 44 VIRGINIA

SEASON	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
2009/2010	3	0	43	295	449	890	988	917	531	197	61	0
2009/2010	3	3	46	341	790	1680	2668	3585	4116	4313	4374	4374

LINE 1 = HEATING DEGREE DAYS (DIVISIONS WEIGHTED BY 2000 POPULATION)

LINE 2 = ACCUMULATED HEATING DEGREE DAYS (DIVISIONS WEIGHTED BY 2000 POPULATION)

**Cooling Degree Days**

STATE : 44 VIRGINIA

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
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U.S. Department of Energy  
**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

(Grant Number: EE0006190, State: VA, Program Year: 2014)

2009	0	0	0	5	79	226	253	354	109	10	0	0
2009	0	0	0	5	84	310	563	917	1026	1036	1036	1036

LINE 1 = COOLING DEGREE DAYS (DIVISIONS WEIGHTED BY 2000 POPULATION)

LINE 2 = ACCUMULATED COOLING DEGREE DAYS(DIVISIONS WEIGHTED BY 2000 POPULATION)

**Asbestos**

Siding—removal of siding is allowed to perform energy conservation measures. All precautions must be taken not to damage siding. Asbestos siding should never be cut or drilled. Recommended, where possible, to insulate through home interior.

Pipe insulation—encapsulation is allowed if performed by an Asbestos Hazard Emergency Response Act (AHERA) professional and should be conducted prior to blower door testing.

Where Asbestos (friable) is identified or assumed, the use of a blower door is prohibited.

***Subgrantees/Contractors must have training/license required by the Virginia Department of Professional and Occupational Regulation to test and work with any asbestos containing material.***

**Drainage**

The following are allowable drainage measures:

- gutters and downspouts
- flashing
- diverters
- sump pumps

**Dryer Venting**

Dryer venting is an allowable expense. Dryers should be vented to the outdoors and duct no longer than 35ft. This length is reduced by 2.5ft for every 45 deg bend and 5ft for every 90 deg bend.

**Electrical**

Replacement of knob and tube wiring is allowable where installing insulation. Upgrades and repairs are allowed when necessary to install HVAC equipment weatherization measures.

**Gas Cook Ranges**

Gas range replacement is **not** an allowable Health and Safety expense. However, cleaning and repair are allowable if high levels of CO are present. Costs shall not exceed \$300.

**Heating Systems**

Repair of heating systems is permitted under the following conditions:

- unsafe levels of carbon monoxide (CO)
- improper draft
- improper venting
- unsafe chimney

Replacement of heating systems is permitted under the following conditions:

- inoperable/nonexistent
- unsafe levels of carbon monoxide (CO) that cannot be remedied by repair

U.S. Department of Energy  
**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

(Grant Number: EE0006190, State: VA, Program Year: 2014)

"Red tagged", inoperable, or nonexistent heating system replacement, repair, or installation is allowed where climate conditions warrant, unless prevented by other guidance herein. Air conditioning system replacement, repair, or installation is allowed in homes of at-risk occupants where climate conditions warrant."

The following information is taken from NOAA's Heating & Cooling Degree Day Data and is justification for replacement in the above conditions. The total heating degree days from this sampling is 4374, with the highest month being January (988). The total cooling degree days is 1036, with the highest month being August (354).

**Heating Degree Days**

STATE : 44 VIRGINIA

SEASON	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
2009/2010	3	0	43	295	449	890	988	917	531	197	61	0
2009/2010	3	3	46	341	790	1680	2668	3585	4116	4313	4374	4374

LINE 1 = HEATING DEGREE DAYS (DIVISIONS WEIGHTED BY 2000 POPULATION)

LINE 2 = ACCUMULATED HEATING DEGREE DAYS (DIVISIONS WEIGHTED BY 2000 POPULATION)

**Cooling Degree Days**

STATE : 44 VIRGINIA

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2009	0	0	0	5	79	226	253	354	109	10	0	0
2009	0	0	0	5	84	310	563	917	1026	1036	1036	1036

LINE 1 = COOLING DEGREE DAYS (DIVISIONS WEIGHTED BY 2000 POPULATION)

LINE 2 = ACCUMULATED COOLING DEGREE DAYS(DIVISIONS WEIGHTED BY 2000 POPULATION)

Heating Systems must be replaced for efficiency if the SIR is one or greater before being replaced as a H&S measure.

Solid Fuel Heating—maintenance, repair and replacement of primary indoor heating unit is allowed where occupant health and safety is a concern. Only maintenance and repair is allowed if used as a secondary heating system.

**Lead Based Paint**

Testing is an allowable and should be done in accordance with the EPA RRP training. Job site set up and cleaning verification is required by a Certified Renovator. Abatement is not allowed.

**Mold and Moisture**

Although mold testing is not an allowable expense, a visual inspection is required during the audit and final inspection. Limited water damage repairs that can be addressed by weatherization workers and correction of moisture and mold creating conditions are allowed when necessary in order to weatherize the home and to ensure the long term stability and durability of the measures. Where severe Mold and Moisture issues cannot be addressed, deferral is required. See the *Drainage* section of this chapter for allowable drainage measures.

**Occupant Health Risks**

During the application process, clients should inform the agency of any known health concerns. The client should also be interviewed during the audit and educated on possible health risks before the installation of weatherization materials.

**Pests**

U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
STATE PLAN/MASTER FILE WORKSHEET

(Grant Number: EE0006190, State: VA, Program Year: 2014)

Pest removal is allowed only where infestation would prevent weatherization. Infestation of pests may be cause for deferral where it cannot be reasonably removed or poses health and safety concern for workers. Screening of windows and points of access is allowed to prevent intrusion.

**Pollutants**

Removal of pollutants (e.g., formaldehyde, volatile organic compounds) is allowed and is required if they pose a risk to workers. If pollutants pose a risk to workers and removal cannot be performed or is not allowed by the client, the unit must be deferred.

**Radon**

Radon is a radioactive gaseous element formed by the disintegration of radium; occurs naturally (especially in areas over granite) and is considered a hazard to health. See *Vapor Barrier* for installation requirements to alleviate radon risks. Testing is allowable in areas with high radon potential.

**Refrigerant**

Refrigerant must be reclaimed, where necessary, per the Clean Air Act 1990, section 608, as amended by 40 CFR82. NRCERT is developing a refrigerant training class which will include these rules and regulations.

**Relocation**

Relocation expenses are allowable where the installation of weatherization measures may pose a risk to the client. Relocation assistance is not permitted for multi-family.

**Smoke Detectors, Carbon Monoxide (CO) Detectors, and Fire Extinguishers**

Installation of smoke and CO detectors are allowed only where they are not present or inoperable. Smoke Detectors must be installed on each floor, in each bedroom and the immediate vicinity of the bedrooms. Providing fire extinguishers is permitted only when solid fuel is present.

**Vapor Barrier**

Vapor barriers must be installed in every crawlspace unless skirting is missing on manufactured homes.

**Water Heaters**

Replacement is only allowed when the tank is leaking. Repair and cleaning are allowed.

**Ventilation**

ASHRAE 62.2 standard is required (where applicable) after January 1, 2012. Staff must be trained on this ventilation standard prior to this date. DHCD has tasked NRCERT with developing a curriculum and training classes are scheduled in order to meet the DOE deadline for implementation.

**Prohibited Uses**

Health and Safety funds may not be used for the following:

- o Replacement of appliances unless explicitly listed in this chapter
- o Asbestos abatement
- o Lead abatement
- o Major mold and moisture remediation
- o Bacteria and virus remediation
- o Building rehabilitation
- o Correction of preexisting code compliance issues (State and local codes must be followed while performing weatherization work)
- o Window and door replacement

**Beyond the Scope of Weatherization**

**U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
STATE PLAN/MASTER FILE WORKSHEET**

**(Grant Number: EE0006190, State: VA, Program Year: 2014)**

Health and Safety measures should not exceed reasonable costs. Discretion must be given when considering the level of these measures

**Deferral & Referral**

Deferral may be necessary in the following situations:

- The client has known health conditions that prohibit the installation of weatherization materials.
- The building structure or components are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost-effectively.
- The house has sewage or other sanitary problems that would further endanger the client and installers if weatherization work is performed.
- The house has been condemned.
- Moisture problems are beyond the scope of this guidance.
- The client is uncooperative, abusive or threatening.
- Any condition which may endanger the weatherization workers and is beyond the scope of this guidance.

The Subgrantee is required to develop a referral policy based on the resources available in their service area. The client must be notified in writing. This document must include the reason for referral and contact information of the agency receiving the referral.

**Allowable Costs**

10.806% is budgeted specifically for H&S activities. Additionally, there are LIHEAP funds allocated to sub-grantees to cover the difference between the anticipated 19% shown in the below historical data sample table and the 9% budget amount. The average per unit expenditure limit is \$753.87 Expenditures for H&S related activities listed on the H&S line item are not calculated into the average cost per unit for completed projects.

Measure	Average Cost	Frequency	Total
Asbestos	\$ 210.00	0%	\$ -
Drainage	\$ 280.00	7%	\$ 19.60
Dryer Venting	\$ 40.00	100%	\$ 40.00
Electrical	\$ 1,700.00	20%	\$ 340.00
Gas Range	\$ 20.00	0%	\$ -
HVAC	\$ 1,450.00	20%	\$ 290.00
Lead	\$ 107.00	7%	\$ 7.49
Mold/Moisture	\$ 100.00	7%	\$ 7.00
Occupant Risk	\$ 150.00	0%	\$ -
Pests	\$ 120.00	27%	\$ 32.40
Pollutants	\$ 100.00	0%	\$ -
Radon	\$ 172.00	0%	\$ -
Relocation	\$ 350.00	0%	\$ -
Smoke/Co Detectors	\$ 90.00	100%	\$ 90.00
Vapor Barrier	\$ 350.00	47%	\$ 164.50
Ventilation	\$ 500.00	27%	\$ 135.00
Water Heater	\$ 150.00	67%	\$ 100.50
			\$ 1,226.49
			/\$6500
			19%

**Crew/Contractor Safety**

Workers must follow OSHA standards and Material Safety Data Sheets (MSDS) and take precautions to ensure the health and safety of themselves and other workers. MSDS must be posted wherever workers may be exposed to hazardous materials. OSHA 10 hour training is required for all workers.

OSHA 30 hour training is required for crew leaders. This will be verified during the annual technical monitoring visits. Training records will be verified annually during technical monitoring.

U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
STATE PLAN/MASTER FILE WORKSHEET

(Grant Number: EE0006190, State: VA, Program Year: 2014)

Workers must be trained in proper use of equipment and tools and must maintain any necessary or required licenses and/or certifications. Subgrantees are required to ensure that all workers are trained and that their training is documented in personnel files. Training costs may be reimbursed through the T/TA budget line item.

#### Client Education and Safety

Clients must be educated on any potential dangers existing in their home. Some common client education topics include:

- Combustion—if a heating system is present that requires combustion air, the client must be educated on the importance of keeping combustion air vents free and uncovered. Clients must also be informed if there are unsafe conditions that are discovered during the combustion appliance testing and be instructed not to operate it until it is repaired or replaced. If the conditions cannot be corrected by Weatherization or Health and Safety funds, the house must be deferred.
- Smoke and Carbon Monoxide Detectors—clients should be shown how to test and replace the batteries.
- Unvented Space Heaters—unvented space heaters should be removed whenever possible. Clients should be educated on the dangers of fuel-fired unvented space heater.
- Lead—the EPA's lead pamphlet should be given to each client living in houses built prior to 1978.
- Asbestos—materials testing positive or assumed to contain asbestos should be identified and revealed to the client. Further instruction must be given on how to avoid disturbing such material, especially when it is friable.
- Moisture and mold—clients should be instructed on how to remove excess moisture from the dwelling (e.g., exhaust fans when taking showers or cooking).

Energy Auditor/Estimator/Inspectors are required to assess client households to determine if the clients are able to withstand the conditions that may be generated during the weatherization process prior to implementing weatherization measures. Clients must be informed regarding what conditions to expect and provided the option to leave the home during weatherization.

Hazards identified during weatherization must be documented and the client must sign that they received this documentation. This documentation must be maintained in the client file.

Existing Client Health Problems—Subgrantees are required to ask clients if there are existing health problems that may impact the services that can be provided and evaluate the potential to aggravate pre-existing health conditions. These problems will be documented and care will be taken to avoid exacerbating the problem.

#### Hazard Communication Plan (HCP)

Virginia complies with OSHA's Hazard Communication Standards by requiring all crew members that work on client homes to take mandatory OSHA training courses. Crew members are required to learn the appropriate handling and safe use of hazardous chemicals in the workplace and in the homes of the Weatherization client. Training is provided to inform workers on how to read product labels for hazardous chemicals and the use of safety data sheets.

**Virginia performs compliance field monitoring visits on 5% of all completed units each program year.**

#### Pollution Occurrence Insurance (POI)

Pollution Occurrence Insurance is not required; however, DOE strongly recommends Pollution Occurrence Insurance (POI) as a part of, or an addendum to, general liability insurance. These costs are also charged on the liability insurance line item. If subgrantees choose **NOT** to obtain POI coverage and damage occurs because of not following all aspects of Lead Safe Weatherization, or there is disturbance to any other environmental pollutants, the cost to do remediation, clean up, relocation, medical expenses, or any other resulting costs may not be charged to DOE Weatherization and must be covered by another funding mechanism.

#### Testing

The following are allowable Health and Safety tests:

- Combustion safety for HVAC equipment (CO, Draft)
- CO testing on gas cook ranges
- Gas leaks
- Combustion appliance zone (CAZ)
- Lead testing

#### Virginia Lead-Safe Weatherization (LSW) Practices

#### VA WAP LEAD SAFE WORK REQUIREMENTS

**U.S. Department of Energy**  
**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

(Grant Number: EE0006190, State: VA, Program Year: 2014)

LSW training is required for all weatherization workers and is provided through NRCERT. Training will be verified annually through technical monitoring review of employee files.

Subgrantees and their contractors must follow EPA's Renovation, Repair and Painting Rule (RRP) and be certified by EPA and use certified renovators who are trained by EPA-approved training providers to follow lead-safe work practices.

#### **Summary**

All federal, state and local rules, regulations, and guidelines are applicable to subgrantees and subgrantee contractors. This includes health and safety rules and regulations as mandated by the federal Occupational Safety and Health Administration (OSHA) as well as by the Virginia Department of Labor and Industry (DOLI) and the Virginia Occupational Safety and Health (VOSH).

Health and safety practices apply to motor vehicle operation in addition to actual weatherization activities. Unauthorized drivers or untrained equipment operators can imperil a contractor's licensing. Lack of licensing will cause the revocation of provider or grantee status in the Virginia Weatherization Assistance Program.

Tools and equipment should be properly used, maintained, and stored. Vehicles should receive regular care and maintenance. Proper documentation regarding warranties, routine maintenance records, repairs, etc. is a critical aspect of acceptable safety practices.

Work must be done in such a manner as to protect workers and clients as much as possible.

The **Virginia Weatherization Field Guide** includes "best practices" that recognize safety issues and acceptable service delivery method.

### **V.8 Program Management**

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

DHCD falls under the Secretary of Commerce and Trade. The Department has a Director, a Principal Deputy Director and a Deputy Director for each of the Department's four Divisions of: Administration, Community Development, Building and Fire Regulations, and Housing. Organizational Charts for the Divisions are on file with DOE.

The Division of Housing has three units: Housing and Homeless Assistance, Housing Policy, and Housing Production and Preservation. The Weatherization Assistance Program is located in the Housing Production and Preservation Unit. The program is one of approximately fifteen (15) programs administered within the Housing Division. Other programs in the Housing Division assist with multifamily loans, homeownership, homelessness, and special populations such as individuals with AIDS or disabilities.

Seven full-time staff and one part-time staff are assigned to the WAP. A small number of other permanent and non-permanent positions provide administrative support, and the amount of DOE funds used to pay the costs associated with these support staff may vary from year-to-year depending on the DOE and LIHEAP allocation. It is expected that staffing will decrease at the end of the ARRA grant period.

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

DHCD will allocate at least 5% of the 10% administrative funds from DOE to the sub-grantees based budget requests from the agencies. DHCD required budgets from sub-grantees prior to the development of the State Plan that require historical data and future analysis of funding on the agencies requirement for administrative funds. For sub-grantees receiving grants of less than \$350,000.00 DHCD will allow requests for administration funds up to the 10% maximum for the grant.

Any program income earned must be used to complete additional units. Property owner contributions (landlords) and leveraged resources (utility or state funds) are not considered program income. and leveraged resources that are used in DOE Weatherization Program may be treated as appropriated funds, in which case they could

**U.S. Department of Energy**  
**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

(Grant Number: EE0006190, State: VA, Program Year: 2014)

be added to the total appropriated funds to determine overall administrative costs. DOE defines program income as any funds earned by the grantee and/or subgrantee (s) from non-Federal sources during the course of performing DOE Weatherization work. The income generated must be used to complete additional dwelling units in conformance with DOE rules, regulations, and guidance.

### V.8.3 Monitoring Activities

Financial & Administrative monitoring will be completed by DHCD Housing Program Analyst & the Program Administrator Administrator once a year on-site for all of our subgrantees.

Technical monitoring will be completed by the Field Monitor.

DHCD will conduct comprehensive monitoring of each Subgrantee at least once a year, provide a written report to the Subgrantee and maintain a file related to monitoring which is accessible by DOE during its monitoring visits.

The comprehensive monitoring will include the following areas and details:

• **Programmatic and Management Monitoring**

- o Subgrantee Review
- o Financial/Administrative
- o Equipment/Inventory/Materials
- o Eligibility
- o Rental
- o Feedback and Reporting
- o Energy Audits
- o Field Work
- o Health & Safety
- o Quality Assurance
- o Training & Technical Assistance
- o Staff or entity performing the monitoring
- o How monitoring results are handled and required follow-up procedures

• **Subgrantee Administrative Monitoring**

- o Program Overview
- o Financial/Administration
- o Inventory
- o Energy Audits
- o Qualifications & Training
- o Weatherization of Units
- o Health & Safety
- o Final Inspections

• **Financial Monitoring**

- o Financial Management/Accounting Systems and Operations
- o Audits (A-133) (Audits are required annually from each subgrantee and are reviewed by DHCD)
- o Payroll/Personnel
- o Vehicles and Equipment
- o Procurement
- o Sub-awards/Subgrantee Monitoring
- o Invoicing
- o Records Retention

**Field Monitoring.** DHCD will complete reviews of at least 5 percent of each Subgrantee's completed weatherized units (with DOE funds). DHCD will review units "in progress" beyond the 5 percent completed units as time permits, in order to assess: quality and compliance; appropriate and allowable materials; appropriateness and accuracy of energy audits (no missed opportunities); comprehensive final inspections; safe work practices, such as lead safe weatherization protocols; client file review, and other factors that are relevant to on-site work.

If significant deficiencies are discovered, such as health and safety violations, poor quality installation of materials, major measures missed, DHCD will require the Subgrantee to take appropriate corrective action to resolve the outstanding issues in a timely manner.

**U.S. Department of Energy**  
**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

(Grant Number: EE0006190, State: VA, Program Year: 2014)

**Quality Work Plan (WPN 14-4 Requirements)**

Virginia has started working on the requirements per WPN 14-4. Virginia plans to administer the requirements of the Quality Work Plan by utilizing option 2 (Independent Auditor/QCI) where each subgrantee will have at least one licensed QCI on staff to perform the quality control inspections and audit. As a result, the state monitor will increase field monitoring and perform complete reviews of at least 10% of each subgrantee's completed weatherized units (with DOE funds) to ensure the quality and compliance requirements are being met throughout the network. Virginia is currently working with several states/training centers to align our field guide with the standard work specifications (SWS) requirements per 14-4. Approximately over half of our subgrantees have already obtained the licensure for the Quality Control Inspector. We anticipate meeting all DOE requirements towards the QWP by PY 2015.

**Exemplary Agencies.** Previous Guidance suspended the designation of "Exemplary" Subgrantees through March 2012. Under this Guidance, exemplary status is suspended until further notice. DOE will revisit this topic at some point in the future and determine if there is merit in reinstating exemplary Subgrantee status.

**Visit.** After the monitoring review is completed, DHCD will brief the Subgrantee on the observations and findings generated by the monitoring visit through an exit briefing. If Health and Safety issues that present imminent danger to people in the house are found during a visit, DHCD will instruct the Subgrantee to immediately resolve the issues. Sensitive or significant noncompliance findings, such as waste, fraud, or abuse will be reported to DOE immediately. Within 30 days after each visit, DHCD will prepare a written report for the Subgrantee that describes the current monitoring assessment (identify any findings, concerns, recommendations, commendations, and best practices) and any corrective actions, if applicable. Subgrantee noncompliance or repeated unresolved findings (based on a minimum of 2 monitoring visits at a Subgrantee) will be reported immediately to the PO.

**Tracking and Analysis.** All the results of subgrantee monitoring, including, financial reviews, will be tracked by DHCD to final resolution. The tracking record will include: findings, concerns, recommendations, commendations, best practices, corrective actions, deliverables, technical assistance and training provided, and resolutions. Annually, DHCD will summarize each financial reviews, program monitoring reports, and any outstanding issues and develop a Subgrantee monitoring analysis overview that identifies each Subgrantee's needs, strengths, and weaknesses. The results of this monitoring analysis must be considered during annual planning and will be available for the PO to review during Grantee on-site monitoring visits.

**V.8.4 Training and Technical Assistance Approach and Activities**

**Training and Technical Assistance (T&TA) Activities** T&TA activities are intended to maintain or increase the efficiency, quality and effectiveness of the Weatherization Program at all levels.

Proposed training plan:

DHCD is proactive in responding to recommendations from all levels of monitoring to include DOE, State audits and contracted QA reviews. DHCD has implemented and will continue to implement new processes to comply with all levels of monitoring.

Maintaining workforce credentials:

DHCD utilizes Energy Solutions, a nationally accredited training center that we currently fund. Energy Solutions tracks credentialing and reports that information periodically to DHCD. DHCD holds annual interchanges that are utilized to meeting continuing education requirements.

o What training will the Grantee provide for Subgrantee staff and whether attendance is mandatory and the ramifications for non-compliance;

DHCD currently offers all levels of training for technical staff through Energy Solutions, the following is the required training:

Required By DOE

Lead Safe WX  
OSHA 10  
OSHA 30  
NEPA Quality Control Inspector Certification

Required by EPA

Renovate-Repair-Paint (RRP) Certification

Required By VA-DHCD

To Be completed within 6-9 months of hire or in position  
\*(HEP) Retrofit Installer Technician (RIT) (previously:WX Fund/WX-101)Must be taken since April-2009  
HVAC Fundamentals  
Duct Sizing  
NEAT/MHEA  
ASHRAE 62.2  
\*(HEP) Energy Auditor Class  
\*(HEP) Quality Control Inspector Class  
\*(HEP) Crew Leader-Class

If an agency staff member does not attend training within the required time the training center (Energy Solutions) will notify DHCD and the staff member will

**U.S. Department of Energy**  
**WEATHERIZATION ASSISTANCE PROGRAM (WAP)**  
**STATE PLAN/MASTER FILE WORKSHEET**

**(Grant Number: EE0006190, State: VA, Program Year: 2014)**

not be permitted to work on jobs until the training requirement have been fulfilled.

DHCD is in the process of implementing a standard financial/administration training that will be given as new employees come on board.

Currently DHCD utilizes the financial/administrative monitoring to assess the technical assistance needs of the financial and administrative staff and provides that training as needed. DHCD also hold multiple peer exchanges and interchanges throughout the year and provide training at those events.

DHCD analyzes the effectiveness of each sub-grantee during all levels of monitoring and looks at the energy savings each year using DOE's energy savings calculation. DHCD uses the monitorings to develop technical assistance needs annually and bases training requirements on that information.

DHCD will provide two (2) peer exchanges, two interchanges that lasts for 2 days and a one (1) week interchange this year, as well as all of the training available through the training center.

Client education is a part of the curriculum required for all staff members working on jobs.

\*All fiscal staff from each subgrantee was required to attend an OMB circular training this past January 2014 at our January interchange. This OMB training went over the current OMB and the upcoming changes to the super circular. In addition, programmatic staff and other financial staff also had an additional opportunity to attend the same training on April 29 & 30, 2014 hosted by our training center, Energy Solutions.

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

Participation in the LIHEAP CRISIS Program is encouraged. An estimated seven of the subgrantees currently participate on a regular basis, through contracts or referral networks with Virginia Dept of Social Services.

##### Disaster Relief (in accordance with Program Notice 12-7)

The use of DOE WAP funds is limited to eligible weatherization activities and the purchase and delivery of weatherization materials.

Use of DOE WAP Funds to address disaster related hazards

Allowable expenditures under WAP include:

- 1) the cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective and,
- 2) the cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials (10 CFR 440.18(d)(9); 10 CFR 440.18(d)(15)).

To the extent that the services are in support of eligible weatherization (or permissible re-weatherization<sup>1</sup>) work, such expenditure would be allowable. For example, debris removal at a dwelling unit so that the unit can be weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be weatherized would not be an allowable cost.

Weatherization personnel can be paid from DOE funds to perform functions related to protecting the DOE investment. Such activities include: securing weatherization materials, tools, equipment, weatherization vehicles, or protection of local agency weatherization files, records and the like during the initial phase of the disaster response.

Using DOE funds to pay for weatherization personnel to perform relief work in the community as a result of a disaster is not allowable. Local agencies may use weatherization vehicles and/or equipment to help assist in disaster relief provided the WAP is reimbursed according to the DOE Financial Assistance Regulations 10 CFR Part 600.

In the event of a declared Federal or State disaster, weatherization crews may return to a unit reported as a completion to DOE that has been "damaged by fire, flood or act of God to be re-weatherized, without regard to date of weatherization". 10 CFR 440.18(f)(2)(ii). Local authorities must deem the dwelling unit(s) salvageable as well as habitable and if the damage to the materials is not covered by insurance or other form of compensation.

Reprioritization of weatherization requests coming from the disaster area WAP rules require that priority be given to identifying and providing weatherization assistance to elderly persons, persons with disabilities, families with children, high residential energy users, and households with high energy burdens (10 CFR 440.16(b)). However, it would be permissible to consider in households located in the disaster area, as a priority as long as the households are eligible and meet one of the priorities established in regulation and are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.