

Weatherization Program Notice 94-3

Effective Date - December 15, 1993

SUBJECT: REPROGRAMMING OF \$3,000,000 INCENTIVE FUND FOR WEATHERIZATION ACTIVITIES ASSOCIATED WITH EPACT LEGISLATION

PURPOSE: To provide guidance to the States for their preparation and submission of applications to obtain additional Program Year (PY) 1994 funding for private sector investments and technical transfer grants under the Low-Income Weatherization Assistance Program (Weatherization).

SCOPE: The provisions of this guidance apply to all grantees applying for financial assistance under the Department of Energy Weatherization Assistance Program (DOE).

BACKGROUND: Title IV, Energy Conservation and Production Act as amended authorizes the Department of Energy to administer the Low-Income Weatherization Assistance Program. All grant awards made under this program shall comply with applicable law, including regulations contained in 10 CFR Part 440, and other procedures applicable to this program as DOE may from time-to-time prescribe for the administration of financial assistance.

The Congress originally appropriated \$3,000,000 in fiscal year 1992, to establish an incentive fund for Weatherization. This fund, however, was not established and the Congress removed the restrictions for the use of these funds and further directed that the \$3,000,000 be distributed equally to those States which submit plans to the Department for activities covered under Section 142 of the Energy Policy Act of 1992, Public Law 102-486.

PROCEDURES: The \$3,000,000 will be distributed equally among the 50 States and the District of Columbia. Each States' share will be \$58,823. These funds will be made available to the States by the Support Offices as part of the regular allocations. Any funds that are not obligated in PY 1994 will be reprogrammed for allocation to all States in PY 1995.

The statutory language permits States to use these funds for the development and initial implementation of partnerships, agreements, or other arrangements with utilities, private sector interests, or other arrangements with institutions, under which non-Federal financial assistance would be made available to support programs which install energy efficient improvements on low-income housing.

States may use these funds for: 1) the negotiation of partnerships, agreements and other arrangements; 2) the presentation of arguments before State or local agencies; 3) expert advice on the development of such partnerships, agreements, and other arrangements; or 4) other activities reasonably associated with the development and initial implementation of such arrangements.

States which choose to apply for these funds must include as a part of their plans a budget and a narrative describing specifically the program objectives to be achieved; the activities to be

performed at the State and Local level; and the anticipated program results. States may, for example, use these funds in conjunction with funds designated for leveraging activities under the base program as well as training and technical assistance funds. The plans must be consistent with Weatherization Program Notice 94-1, 1994 Grant Guidance, in developing, or amending later, the annual grant application for PY 1994. In developing plans, States may include these plans in the 1994 application and present them as a part of the State plan hearing. If a State elects, it may at any time during Program Year 1994 amend the State plan with its proposal. If the plans for these funds were not a part of the original public hearing on the 1994 State plan, then the State may need to hold a separate hearing on the intended uses of these funds if such activities have not already been addressed in other previous hearings. States should note that the Statute anticipates that the majority of these funds will be spent by local agencies. A copy of the relevant section of the Energy Policy Act is included for your information. Also, report language regarding these funds is included.

DOE encourages States to be innovative in their leveraging approaches and will, therefore, be flexible in reviewing and approving plans.

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(Attachments unavailable)

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