

**WEATHERIZATION ASSISTANCE PROGRAM STATE PLAN
American Recovery and Reinvestment Act
June 18, 2009**

**Nebraska Energy Office
P.O. Box 95085
Lincoln, NE 68509
402-471-3347**

I.1 Budget

American Recovery and Reinvestment Act	\$41,644,458.00
Training and Technical Assistance	\$ 7,319,426.00
Nebraska Energy Office Administration	\$ 1,233,141.00
Subgrantee Administration	\$ 2,931,304.00
Liability Insurance	\$ 265,606.00
CPA Audit Costs	\$ 36,000.00
Health and Safety (15%)	\$ 4,478,847.00
Program Operations	\$25,380,134.00

I.2 Proposed Weatherization Projects

<u>Subgrantee</u>	<u>DOE Allocation</u>
Blue Valley Community Action	\$2,155,007.00
Central Nebraska Community Services	\$4,537,623.00
Goldenrod Hills Community Action	\$4,531,004.00
Lincoln Action Program	\$4,378,781.00
Community Action Partnership of Mid Nebraska	\$5,077,021.00
Northwest Community Action Partnership	\$1,254,907.00
Community Action Partnership of Western Nebraska	\$1,777,758.00
Southeast Nebraska Community Action Council	\$2,082,204.00
Weatherization Trust Inc.	\$8,197,586.00

The Nebraska Energy Office reserves the right to redistribute funds between subgrantees to meet levels of production and expenditures required by the American Recovery and Reinvestment Act.

I.3 Summary of Major Changes-American Recovery and Reinvestment Act

- The average expenditure per completed home has been increased to \$6,500.00.
- Site-specific audits will be conducted on each single family home weatherized.
- Furnaces and air conditioning systems may be replaced for efficiency reasons.
- Prevailing wages must be paid to laborers and mechanics employed by contractors and subcontractors.

ANNUAL PLAN

II.3 Subgrantees

The Nebraska Energy Office has determined that an increase in the number of subgrantees is not necessary at this time. Set out below are descriptions of individual Nebraska Weatherization Assistance Program subgrantees including a discussion of how they will utilize American Recovery and Reinvestment Act funds within the time allowed.

Blue Valley Community Action

P.O. Box 273

Fairbury, NE 68352

Type of Organization: Community Action Agency

Source of Labor: Private Contractors

Contact: Kelly Davis

Email: kdavis@bvca.net

Phone: 402-729-2278

Fax: 402-729-2801

Counties Served:	Butler	Fillmore	Gage
	Jefferson	Polk	Saline
	Seward	Thayer	York

DOE Allocation: \$2,155,007.00

Minimum Units: 249

Congressional districts served and percent of subgrantee allocation:	<u>CD</u>	<u>Percent</u>
	01	69%
	03	31%

Subgrantee Response to American Recovery and Reinvestment Act

Blue Valley has hired two additional Weatherization Inspectors and a certified HVAC Specialist. In addition, the Agency added a contract Inspector and reassigned an existing staff member to work part time in the weatherization program. In a short time, Blue Valley has gone from 1.5 FTE to 5.25 FTE and one contract employee. Blue Valley uses private contractors. They have tripled the number of contractors on their Bidder's List and some of these contractors intend to add a second crew. The Subgrantee continues to recruit new contractors.

A significant amount of training has taken place or will take place during the second half of the 2008 Program Year for current staff, new hires and contractors working for Blue Valley:

- NEAT/MHEA Audit
- Furnace/Heat Exchanger Training
- Lead Safe Weatherization Training

Blue Valley will attend training offered by the Nebraska Energy Office during the 2009 Program Year. Continuous on-the-job training is provided on a daily basis and on-site technical assistance is offered to all contractors upon request by Blue Valley staff.

Central Nebraska Community Services

P.O. Box 509

Loup City, NE 68853

Type of Organization: Community Action Agency

Source of Labor: Crews

Contact: Sharon Jonak

Email: sjonak@cennecs.org

Phone: 308-745-0780

Fax: 308-745-0824

Counties Served:	Blaine	Boone	Boyd
	Brown	Colfax	Custer
	Garfield	Greeley	Hall
	Hamilton	Holt	Howard
	Keya Paha	Loup	Merrick
	Nance	Platte	Rock
	Sherman	Valley	Wheeler

DOE Allocation: \$4,537,623.00

Minimum Units: 536

Congressional districts served and percent of subgrantee allocation:	<u>CD</u>	<u>Percent</u>
	01	05%
	03	95%

Subgrantee Response to American Recovery and Reinvestment Act

Central is a crew-based Agency and recently completed plans to hire four additional staff members to effectively utilize Recovery Act funds within the designated time schedule. The Agency will hire three Crew Technicians and one Administrative staff person. The Crew Technicians will be responsible for installing weatherization materials. The Administrative staff person will assist in processing the large increase in applications for the Weatherization Assistance Program.

A significant amount of training has taken place or will take place during the second half of the 2008 Program Year for current staff working for Central:

- NEAT/MHEA Audit
- Furnace/Heat Exchanger Training
- Lead Safe Weatherization Training

Central will attend training offered by the Nebraska Energy Office during the 2009 Program Year and has requested training on techniques for insulating mobile homes and the proper use of infrared cameras.

Goldenrod Hills Community Action

P.O. Box 280

Wisner, NE 68791

Type of Organization: Community Action Agency

Source of Labor: Private Contractors and Crews

Contact: Wilfred Henry

Email: wxdir@gpcom.net

Phone: 402-529-3513

Fax: 402-529-3209

Counties Served:	Antelope	Burt	Cedar
	Cuming	Dakota	Dixon
	Dodge	Knox	Madison
	Pierce	Stanton	Thurston
	Washington	Wayne	

DOE Allocation: \$4,531,004.00

Minimum Units: 535

Congressional districts served and percent of subgrantee allocation:	<u>CD</u>	<u>Percent</u>
	01	78%
	03	22%

Subgrantee Response to American Recovery and Reinvestment Act

Historically, Goldenrod has used private contractors. However, the Agency has decided to start its own crew as well. Goldenrod has hired a Crew Supervisor and is currently advertising for two crew persons to staff the crew. In addition, Goldenrod hired an additional Administrative staff person to assist in processing the large increase in weatherization applications. The Agency intends to hire another Inspector within 90 days and may hire a second weatherization crew should the need arise. Goldenrod reports that several private contractors have expressed an interest in working for their weatherization program.

A significant amount of training has taken place or will take place during the second half of the 2008 Program Year for current and new staff and contractors working for Goldenrod:

- NEAT/MHEA Audit
- Furnace/Heat Exchanger Training
- Lead Safe Weatherization Training

Goldenrod will attend training offered by the Nebraska Energy Office during the 2009 Program Year. Also, the Agency indicates that their Inspectors will be attending the Weatherization Auditors training course offered at the Kansas Building Science Institute in Manhattan, Kansas and that they intend to participate in peer exchanges with neighboring subgrantees.

Lincoln Action Program

210 "O" Street

Lincoln, NE 68508

Type of Organization: Community Action Agency

Source of Labor: Private Contractors

Contact: Kathy Willey

Email: kwilley@lincoln-action.org

Phone: 402-471-4515

Fax: 402-471-4844

Counties Served: Lancaster Saunders

DOE Allocation: \$4,378,781.00

Minimum Units: 517

Congressional districts served and percent of subgrantee allocation:	<u>CD</u> 01	<u>Percent</u> 100%
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Subgrantee Response to American Recovery and Reinvestment Act

The Lincoln Action Program has an experienced weatherization staff. Due to budget cuts over the years, none of their weatherization staff has worked full time in weatherization for many years. The Recovery Act will enable them to increase working hours. At this time, the Subgrantee has chosen not to hire additional staff, however, they recognize this may be necessary in the near future. Lincoln Action uses private contractors. Applications to become weatherization contractors have increased. The Agency reports that their HVAC companies have indicated that the anticipated increase in work load should not be an issue for them.

A significant amount of training has taken place or will take place during the second half of the 2008 Program Year for current staff and contractors working for the Lincoln Action Program:

- NEAT/MHEA Audit
- Furnace/Heat Exchanger Training
- Lead Safe Weatherization Training

Lincoln Action will attend training offered by the Nebraska Energy Office during the 2009 Program Year.

Community Action Partnership of Mid Nebraska

P.O. Box 2288

Kearney, NE 68848

Type of Organization: Community Action Agency

Source of Labor: Private Contractors and Crews

Contact: Jackie Harpst

Email: jharpst@mnca.net

Phone: 308-865-5675

Fax: 308-865-5681

Counties Served:	Adams	Arthur	Buffalo
	Chase	Clay	Dawson
	Dundy	Franklin	Frontier
	Furnas	Gosper	Grant
	Harlan	Hayes	Hitchcock
	Hooker	Kearney	Keith
	Lincoln	Logan	McPherson
	Nuckolls	Perkins	Phelps
	Red Willow	Thomas	Webster

DOE Allocation: \$5,077,021.00

Minimum Units: 601

Congressional districts served and percent of subgrantee allocation:	<u>CD</u>	<u>Percent</u>
	03	100%

Subgrantee Response to American Recovery and Reinvestment Act

Mid Nebraska has traditionally operated its own crews and also utilized private contractors. As a result of a Strategic Planning Session regarding anticipated Recovery Act funds, Mid Nebraska hired five additional Crew Workers, one Weatherization Crew Supervisor, one Housing Technician (Inspector) and one Housing Assistant. In addition, the Agency added three new private contractors.

A significant amount of training has taken place or will take place during the second half of the 2008 Program Year for current and new staff and contractors working for Mid Nebraska:

- NEAT/MHEA Audit
- Furnace/Heat Exchanger Training
- Lead Safe Weatherization Training

Mid Nebraska will attend training offered by the Nebraska Energy Office during the 2009 Program Year. In addition, the Agency has indicated that eight weatherization staff will attend the 2009 DOE National Weatherization Training Conference in July 2009.

Community Action Partnership of Western Nebraska

3350 10th Street

Gering, NE 69341

Type of Organization: Community Action Agency

Source of Labor: Crews

Contact: Mike Minzey

Email: mminzey@capwn.org

Phone: 308-635-3089

Fax: 308-635-0264

Counties Served:	Banner	Cheyenne	Deuel
	Garden	Kimball	Morrill
	Scotts Bluff		

DOE Allocation: \$1,777,758.00

Minimum Units: 203

Congressional districts served and percent of subgrantee allocation:	<u>CD</u>	<u>Percent</u>
	03	100%

Subgrantee Response to American Recovery and Reinvestment Act

Panhandle is a crew based agency and intends to transition from one, two-person crew to three, two-person crews. To date, the Agency has hired three new Crew Workers. In the near future, they will hire one more Crew Worker, a Weatherization Superintendent, and an Inspector. Each Crew will consist of a Leader and a Technician.

A significant amount of training has taken place or will take place during the second half of the 2008 Program Year for current and new staff and contractors working for Panhandle:

- NEAT/MHEA Audit
- Furnace/Heat Exchanger Training

Panhandle will attend training offered by the Nebraska Energy Office during the 2009 Program Year. Panhandle has requested blower door training.

Southeast Nebraska Community Action Council

P.O. Box 646

Humboldt, NE 68376

Type of Organization: Community Action Agency

Source of Labor: Private Contractors and Crews

Contact: Rick Adams

Email: rickadams@neb.rr.com

Phone: 402-862-2411

Fax: 402-862-2428

Counties Served:	Cass	Johnson	Nemaha
	Otoe	Pawnee	Richardson
	Sarpy		

DOE Allocation: \$2,082,204.00

Minimum Units: 240

Congressional districts served and percent of subgrantee allocation:	<u>CD</u>	<u>Percent</u>
	01	70%
	02	30%

Subgrantee Response to American Recovery and Reinvestment Act

Historically, Southeast has used private contractors. However, the Agency has decided to start its own crew as well. Southeast has hired a Crew Supervisor and a Weatherization Inspector/Auditor. They are taking applications for three Crew Workers. The plan is for Agency crews to weatherize homes in four of Southeast’s counties, while private contractors will continue to provide weatherization services in the other three. Southeast will hold a contractor’s bid meeting this month for private contractors interested in working for the Agency.

A significant amount of training has taken place or will take place during the second half of the 2008 Program Year for current and new staff and contractors working for Southeast:

- NEAT/MHEA Audit
- Lead Safe Weatherization Training

Southeast will attend training offered by the Nebraska Energy Office during the 2009 Program Year. Also, the Agency indicates that their Weatherization Inspectors will be attending the Weatherization Auditors training course offered at the Kansas Building Science Institute in Manhattan, Kansas.

Weatherization Trust Inc

2915 North 16th Street
Omaha, NE 68110

Type of Organization: Non Profit Corporation

Source of Labor: Crews

Contact: Richard Haire

Email: weatherization@wti.omhcoxmail.com

Phone: 402-342-1611

Fax: 402-502-9813

Counties Served: Douglas

DOE Allocation: \$8,197,586.00

Minimum Units: 979

Congressional districts served and percent of subgrantee allocation:	<u>CD</u> 02	<u>Percent</u> 100%
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Subgrantee Response to American Recovery and Reinvestment Act

The Weatherization Trust anticipates adding eight new employees. Most of these new positions will be Crew Workers. The Agency plans to have two, five-person crews and one, four-person crew. The Weatherization Trust is working with vocational rehabilitation to assist in filling staffing needs.

A significant amount of training has taken place or will take place during the second half of the 2008 Program Year for current and new staff working for the Weatherization Trust:

- NEAT/MHEA Audit
- Furnace/Heat Exchanger Training
- Lead Safe Weatherization Training

The Weatherization Trust will attend training offered by the Nebraska Energy Office during the 2009 Program Year. The Weatherization Trust will also conduct significant training on site for new employees working as insulation installers and carpenters.

II.4 WAP Production Schedule

The following production schedule was derived from individual production schedules submitted by Nebraska subgrantees:

2009

July	0
August	0
September	117
October	118
November	117
December	115

2010

January	115
February	115
March	118
April	118
May	119
June	124
July	122
August	125
September	124
October	123
November	120
December	118

2011

January	118
February	117
March	120
April	122
May	123
June	125
July	132
August	133
September	132
October	130
November	126
December	124

2012

January	196
February	198
March	196

TOTAL 4,000

Total Units (Excluding Reweatherized) - 3,600
Reweatherized Units - 400

Average Unit Costs Including Reweatherization

Total Funds – Federal, Oil-Overcharge and Non-Federal - \$41,644,458.00
Total Units to Be Weatherized - 3,600
Total Units to Be Reweatherized - 400
Grant Total Units - 4,000
Total Vehicle and Equipment Budget - \$0
Total Units to Be Weatherized and Reweatherized - 4,000
Average Vehicle and Acquisition Cost Per Unit - \$0
Total Funds for Program Operations - \$25,380,134.00
Total Units to Be Weatherized - 3,600
Total Units to Be Reweatherized - 400
Grant Total Units - 4,000
Average Cost Per Unit - \$6,345.03
Average Vehicle and Equipment Acquisition Cost - \$0
Total Average Cost Per Unit - \$6,345.03
Average Material Cost Per Dwelling - \$2,538.01

II.5 Energy Savings

Method Used to Calculate Savings: WAP Algorithm

The Nebraska Energy Office estimates that the average energy savings per completed dwelling unit will be 19%. In May of 1996, the Energy Office completed an economic and energy saving analysis of the Nebraska Low Income Weatherization Assistance Program. Estimated energy savings are based on 30.5 MBtu's per completed unit.

II.6 Training, Technical Assistance and Monitoring Activities

Monitoring

To ensure quality workmanship throughout the State and to ensure that only authorized work is performed with U.S. Department of Energy funds, the Energy Office will inspect a minimum of fifteen percent (15%) of all completed homes during the period covered by the American Recovery and Reinvestment Act. Subgrantees are expected to serve the state's ninety-three (93) counties based on the relative need of the low-income population residing in each county of their service area.

Informal monitoring consists of the inspection of recently weatherized houses. Some subgrantees are monitored each month, while others are monitored more infrequently. In a typical year, 20-25 percent of all homes weatherized receive an inspection by state field monitors.

Completed units may be inspected on a percentage basis based on the subgrantee's previous month's monitoring findings. Units may be inspected as follows:

<u>Monitoring Finding</u>	<u>Monitoring Requirement</u>
Health and Safety Deficiencies	50%
Rework Required	25%
Questioned Costs Noted	25%
No Deficiencies Noted	10%

If serious health and safety deficiencies are identified during the monitoring visit, subgrantees will be required to reinspect all units completed that month by the agency's inspector and contractor and/or crew responsible for performing the work and verify that additional deficiencies do not exist. Serious is defined as an imminent threat to the occupant's life or to the building structure.

Each subgrantee will receive a formal monitoring every year. Formal monitoring consists of a financial review and a systems monitoring. The monitoring of recipient eligibility is a primary component of formal monitoring. Disallowed costs are assessed should ineligible homes be weatherized.

Three Field Monitors, a Building Program Specialist, a Fiscal Compliance Analyst and the WAP/SEP Division Chief are responsible for monitoring and evaluating the operation of the Weatherization Assistance Program at the subgrantee level as outlined.

Technical Assistance

Each weatherization subgrantee is assigned a field monitor for the purpose of informal monitoring and the provision of technical assistance on an ongoing basis. Technical assistance provided may include but not be limited to: staff training, policy interpretation, state plan clarification, working with subgrantees on deficiencies and informing subgrantees of new weatherization techniques.

Training

Training is essential for Nebraska Energy Office and subgrantee weatherization staff development and it must be provided on an ongoing basis to upgrade the quality of service delivered at all levels of the weatherization program. The Nebraska Energy Office addresses training needs of its subgrantees and their contractors on an ongoing basis. Primary input comes from the inspection of individual homes weatherized. It is noted that the Nebraska Energy Office inspected 23 percent of all homes weatherized during the 2007 Program Year - the latest full year for which information is available. This provides a solid basis for identifying those areas requiring additional training emphasis. A second major source of input is the annual planning meeting with Nebraska's nine Weatherization Assistance Program subgrantees. This meeting has traditionally resulted in a training plan for the upcoming program year. During the January 2009 meeting, it was determined that due to the American Recovery and Reinvestment Act funding, training should be accelerated in the second half of the 2008 Program Year.

Accordingly, training has been delivered in the following areas:

- NEAT/MHEA Audits
- Furnace Inspection/Heat Exchanger
- Lead Safe Weatherization

The Nebraska Energy Office will provide a variety of training throughout the period covered by the American Recovery and Reinvestment Act. Training topics will include but not be limited to:

- Lead Safe Weatherization
- Mobile Home Weatherization
- Blower Door Guided Air Sealing
- Infrared Camera Use
- HVAC Training
- NEAT/MHEA Training
- General Weatherization
- Davis Bacon – Prevailing Wages
- Administrative Training

Subgrantees are expected to attend all training offered by the Nebraska Energy Office that is relevant to their particular job function. Private weatherization contractors may attend relevant training at the discretion of the Nebraska Energy Office and the individual subgrantee. Except for Lead Safe Weatherization training, contractor attendance has not been mandated. The American Recovery and Reinvestment Act grant guidance now specifically allows for the use of Training and Technical Assistance funds to train contractors participating in the weatherization program at the subgrantee level. However, subgrantees must secure a retention agreement in exchange for paying for providing training to the contractor. This contract agreement should stipulate that the individual contractor will work in the weatherization program for a specific amount of time to adequately cover the cost of the training provided.

The Nebraska Energy Office does not have any formal requirements regarding the certification or training of subgrantee staff or contractors prior to hire or by a certain date except in the area of Lead Safe Weatherization.

The large Training and Technical Assistance funds set aside for Nebraska over the several years of the American Recovery and Reinvestment Act offer a small state like Nebraska the opportunity to implement activities that would not have been possible in prior years. Over the course of the American Recovery and Reinvestment Act the Nebraska Energy Office intends to:

- Automate Our Subgrantee Reporting System to Process Monthly Reimbursements
- Contract With the Office of Chief Information Officer to Update the Subgrantee Monitoring Report System
- Develop a Consumer Education Program For Use at the Subgrantee Level
- Contract For a Comprehensive Energy Savings Evaluation of Nebraska's Weatherization Assistance Program
- Conduct a Heat Pump Demonstration Program
- Contract For Outreach to Identify Eligible Clients
- Implement Other Projects as Necessary

Additionally, it is noted that the U.S. Department of Energy retained three percent of Training and Technical Assistance funds. It is our understanding that the U.S. Department of Energy intends to use a portion of these retained funds to investigate the potential for establishing a

training center in each state. The Nebraska Energy Office will investigate the possibility of establishing a partnership with the U.S. Department of Energy to operate a Weatherization Assistance Program training center in Nebraska.

II.7 DOE-Funded Leveraging Activities

II.7.1 Other Funding Sources

U.S. Department of Energy funds have been directed into the weatherization program since 1979. The amount of DOE funds available for weatherization during the 2009 program year is \$4,372,276.00. Low Income Home Energy Assistance Program (LIHEAP) funds have been directed into the weatherization program since 1982. The amount of LIHEAP funds available for weatherization during the 2009 program year is \$5,288,346.00. Funding for future years is unknown at this time. There are no other funds available.

II.7.2 Subgrantees Involved in the Leveraging Process

Most Nebraska subgrantees operate other housing programs that enable them to leverage resources from other funding sources. In addition, subgrantees, leverage funds from building owners when unsafe furnaces and water heaters are replaced in rental units.

II.7.3 Use of DOE Leveraging Funds and of the Funds Leveraged

No U.S. Department of Energy funds have been budgeted for leveraging activities.

II.8 Policy Advisory Council Members

<u>Member</u>	<u>Representing</u>
Mike Kelly	Low Income Home Energy Assistance Program & Energy Assistance Recipients
Gary Richards	Elderly Nebraskans
Mary Beth Rathe	Low Income Nebraskans
Judi Martin	Nebraska Utilities & the Nebraska Energy Assistance Network
Lynn Chamberlin	Building Owners and Tenants

II.9 State Plan Hearings

II.10 Adjustments

II.11 Miscellaneous

The Nebraska Energy Office is confident that our nine current Weatherization Assistance Program subgrantees possess the ability to increase staff, provide the necessary training, purchase additional equipment and provide other resources necessary to meet the significant increase in the number of units which will be weatherized with American Recovery and Reinvestment Act funds. The State of Nebraska's Low Income Weatherization Assistance Program has never experienced issues with carry over. Our subgrantees have always spent Weatherization Assistance Program funds in a timely manner. We expect this to be the case with American Recovery and Reinvestment Act funds. However, we have incorporated provisions into this State Plan and into individual grant awards providing for possible remedies for insufficient response or untimely action by subgrantees.

II.12 Reporting Requirements

The Nebraska Energy Office will comply with all reporting requirements under the American Recovery and Reinvestment Act including any subsequent directives issued by the U.S. Department of Energy.

MASTER FILE

III.1.1 Eligible Population

Definition of Income Used to Determine Eligibility

Low income will mean that income in relation to family size, which: (1) 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, or (2) is the basis on which cash assistance payments have been paid at any time during the preceding twelve months under Titles IV and XVI of the Social Security Act, or (3) is the basis on which energy assistance payments have been paid under the Low Income Home Energy Assistance Program at any time during the preceding twelve months.

Procedures to Determine That Units Weatherized Have Eligibility Documentation

All dwelling units certified as eligible for services shall be occupied by a family unit with income at or below 200 percent of the poverty level, or "Which contains a member who has received cash assistance payments under Title IV or XVI of the Social Security Act or applicable State or local law during the twelve month period preceding the determination of eligibility for weatherization assistance," or which contains a member which has received energy assistance payments under the Low Income Home Energy Assistance Program during the twelve month period preceding the determination of eligibility for weatherization assistance. A minimum of 20 client files are reviewed at each subgrantee during formal monitoring to assess compliance with this requirement.

Definition of Children

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

Low Income Members of Indian Tribes

Low-income members of Indian tribes will receive benefits equivalent to the assistance provided to other low-income persons within Nebraska.

III.1.2 Selection of Areas to Be Served

Current service areas are predominantly based upon the historic boundaries of the state's community action agencies (CAA's). This was done for two reasons. First, most Nebraska subgrantees are CAA's and in general, these boundaries are their operational boundaries. Second, this approach enables CAA's to use existing outreach structures to procure eligible clients. This system has worked reasonably well for Nebraska over the past twenty years.

However, the State reserves the right to redesignate weatherization service areas during a program year should production of homes or service to eligible clients become deficient in any given service area for the Weatherization Assistance Program. The Energy Office reserves the right to operate, on a temporary basis, the Weatherization Program in the territory of any defunded subgrantee. This will be done to insure continued service to an area during the search for a new subgrantee.

Eligible entities that wish to become a subgrantee under the Weatherization Assistance Program must notify the Nebraska Energy Office by January 15 of their interest in becoming a subgrantee for the program year beginning July 1 of that year. The Energy Office will, upon receiving written notification of intent to apply for subgrantee status, provide to the potential applicant an application package containing, but not limited to requests for: Articles of Incorporation, Mission Statement, key agency personnel, Board of Directors and representation, two most recent Certified Public Accountant audits, organizational chart, and proposed staffing levels. The application must also address:

- The organization's experience and performance in weatherization or housing renovation activities;
- The organization's experience in assisting low income persons in the area to be served; and
- The organization's capacity to undertake a timely and effective weatherization program.

The completed application must be returned to the Energy Office by February 15 of that year. The Nebraska Energy Office will hold a public hearing for all potential subgrantees prior to April 1 of that year.

III.1.3 Priorities

Eligible clients will receive weatherization assistance in Nebraska according to the following priorities:

1. Disabled persons 60 years of age or older
2. Persons 60 years of age or older
3. Disabled persons
4. Native American persons
5. Persons with children under six years of age
6. Other eligible clients

Note: Subgrantees are authorized to develop procedures to prioritize client households based on their energy burden.

The term "disabled person" means any individual who: has a physical or mental disability which constitutes or results in a substantial handicap to the individual's employment; or has had a record of having, or is regarded as having a physical or mental impairment which substantially limits one or more of the individual's major life activities; or has a disability which would make the individual eligible to receive disability insurance benefits or Supplemental Security Income from the Social Security Administration or developmentally disabled assistance from the Department of Health and Human Services; or is a veteran or surviving spouse, child, or

dependent parent of a veteran receiving compensation from the Veteran's Administration for a service connected disability or death; or is a veteran or surviving spouse or child of a veteran receiving a pension from the Veteran's Administration because of a non-service connected disability; or is a veteran receiving a pension from the Veteran's Administration because of being on a Medal of Honor Roll of one of the military services.

Subgrantees must serve clients by date of application by priority by county. As a general rule, within an individual county, a lower priority client should never be served prior to a higher priority client if the higher priority client's application date preceded the lower priority client's application date. Subgrantees must document irregularities in the selection of clients. Subgrantees are authorized to develop procedures for addressing applications that have aged for more than 12 months because of lengthy waiting lists in individual counties.

III.2 Climatic Conditions

Total heating degree-days in Nebraska range from a high of 7952 in the northwestern corner of the State to a low of 5401 in southeastern Nebraska. The average heating degree-days have been supplied by the National Oceanic and Atmospheric Administration. Site-specific weather data is used in application of the NEAT audit. The average heating degree-days for each subgrantee are set out below:

Blue Valley Community Action	5,952
Central Nebraska Community Services	6,529
Goldenrod Hills Community Services	6,581
Lincoln Action Program	6,165
Community Action Partnership of Mid Nebraska	6,348
Northwest Community Action	7,326
Panhandle Community Services	6,612
Southeast NE Community Action Council	5,997
Weatherization Trust Inc.	6,592

III.3.1 Types of Weatherization Work to Be Done

As a result of experience and research in weatherizing several thousand site-built and mobile homes in Nebraska, including substantial use of the National Energy Audit (NEAT) and the Mobile Home Energy Audit (MHEA), weatherization measures are mandated for use by all subgrantees under contract with the Nebraska Energy Office to perform weatherization in Nebraska. Subgrantees should install all cost-effective measures. The primary goal of the weatherization program remains the conservation of energy. Please see Appendix I for Nebraska's Installation Measures and Work Standards. Primary emphasis is on insulation, furnace replacement and air sealing.

The Installation Measures and Work Standards are revised each program year as part of the annual application process to the U.S. Department of Energy for the Low Income Weatherization Assistance Program. Once a new State Application has been approved by the U.S. Department of Energy, any changes to the Installation Measures and Work Standards will be considered

incorporated into the American Recovery and Reinvestment Act State Plan. This will ensure continuity within Nebraska's Weatherization Assistance Program.

FRAME, MASONRY AND MODULAR HOUSING

Health and Safety Measures
General Heat Loss Measures
Envelope Insulation Measures
Electric Baseload Measures

MOBILE HOMES

Health and Safety Measures
General Heat Loss Measures
Envelope Insulation Measures
Electric Baseload Measures
Window Measure

III.3.2 Energy Audit Procedures

National Energy Audit (NEAT)

The National Energy Audit (NEAT) has been adopted by the Nebraska weatherization program. The U.S. Department of Energy approved Nebraska's Audit procedures January 20, 2004. The Nebraska Energy Office will submit updated procedures to the U.S. Department of Energy during the 2009 Program Year. Nebraska subgrantees received training on the NEAT during the last four months of the 2008 Program Year. Site-specific audits must be run on all single-family frame homes during the period covered by the American Recovery and Reinvestment Act.

Mobile Home Energy Audit (MHEA)

The Nebraska Energy Office will submit mobile home energy audit procedures to the U.S. Department of Energy for review during Program Year 2009. Nebraska has chosen to utilize the Manufactured Home Energy Audit (MHEA). Nebraska subgrantees received training on the MHEA during the last four months of the 2008 Program Year. Site-specific audits must be run on all mobile homes weatherized during the period covered by the American Recovery and Reinvestment Act.

Multi Family Audits

Multi-family buildings which have more than three stories may not be weatherized using the NEAT audit. The U.S. Department of Energy has indicated that they will rely on the EA-QUIP and TREAT audits for these larger, multi-family buildings. Subgrantees should consult the Nebraska Energy Office for technical assistance on such buildings.

III.3.3 Final Inspection

Each subgrantee is required to perform a final inspection on the home before reporting it to the Energy Office as a completed home. Work must meet or exceed standards specified in the Nebraska Weatherization Work Standards. Documentation is required to be kept in each client file as evidence that a final inspection has been performed. The Energy Office will monitor client files as part of the subgrantee formal monitoring to ensure compliance with this requirement.

III.3.4 Assessment of Effectiveness

The State of Nebraska 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 Nebraska. The following evaluation system has been developed to analyze current subgrantee performance and to assess viability for continued participation in the weatherization program.

Informal Monitoring: Subgrantees are expected to maintain a minimum pass rate of 80 percent.

Formal Monitoring: Each subgrantee must successfully complete a formal monitoring every year.

CPA Audits: Each subgrantee must submit a satisfactory CPA audit within 13 months of the end of their fiscal year.

Productivity: Each subgrantee must maintain a rate of production to ensure that all Department of Energy funds are expended every program year.

Blue Valley Community Action

Informal Monitoring Pass Rate: 99.7%

Successful Completion of Formal Monitoring: April 2008

CPA Audit Approval: February 16, 2009

Productivity (Percent of DOE grant funds expended through February of 2009): 19%

Central Nebraska Community Services

Informal Monitoring Pass Rate: 95.8%

Successful Completion of Formal Monitoring: June 2009 (Scheduled)

CPA Audit Approval: January 26, 2009

Productivity (Percent of DOE grant funds expended through February of 2009): 28%

Goldenrod Hills Community Action

Informal Monitoring Pass Rate: 99.1%

Successful Completion of Formal Monitoring: June 2009 (Scheduled)

CPA Audit Approval: February 16, 2009

Productivity (Percent of DOE grant funds expended through February of 2009): 46%

Lincoln Action Program

Informal Monitoring Pass Rate: 98.9%

Successful Completion of Formal Monitoring: April 2009

CPA Audit Approval: March 2, 2009

Productivity (Percent of DOE grant funds expended through February of 2009): 58%

Community Action Partnership of Mid Nebraska

Informal Monitoring Pass Rate: 99.2%

Successful Completion of Formal Monitoring: April 2009 (Scheduled)

CPA Audit Approval: January 26, 2009

Productivity (Percent of DOE grant funds expended through February of 2009): 57%

Northwest Community Action Partnership

Informal Monitoring Pass Rate: 98.5%

Successful Completion of Formal Monitoring: May 2008

CPA Audit Approval: October 27, 2008

Productivity (Percent of DOE grant funds expended through February of 2009): 67%

Community Action Partnership of Western Nebraska

Informal Monitoring Pass Rate: 100.0%

Successful Completion of Formal Monitoring: June 2008

CPA Audit Approval: January 31, 2009

Productivity (Percent of DOE grant funds expended through February of 2009): 41%

Southeast Nebraska Community Action Council

Informal Monitoring Pass Rate: 93.5%

Successful Completion of Formal Monitoring: April 2008

CPA Audit Approval: January 27, 2009

Productivity (Percent of DOE grant funds expended through February of 2009): 36%

Weatherization Trust Inc.

Informal Monitoring Pass Rate: 95.6%

Successful Completion of Formal Monitoring: May 2008

CPA Audit Approval: August 22, 2008

Productivity (Percent of DOE grant funds expended through February of 2009): 94%

III.4 Health and Safety Plans

Please see Appendix A for Nebraska's Health and Safety plan. The Lead Safe Weatherization component of the Health and Safety plan has been appended separately at the end of Appendix A. This was done to highlight the extensive changes required by Weatherization Program Notice 08-6 issued by the U.S. Department of Energy.

III.5 Rental Procedures

Rentals may be weatherized when in compliance with the income requirements as listed above and:

The subgrantee has written permission from the owner or his agent. 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. Not less than 66 percent (50 percent for duplexes and four-unit buildings) of the dwelling units in the building are eligible dwelling units or will become eligible dwelling units within 180 days under a Federal, State, or local program for rehabilitating the building or making similar improvements to the building.

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 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 under this part.

No undue or excessive enhancement shall occur to the value of the dwelling units.

In the event of a dispute between the tenant and landlord 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.

In the case of a vacant rental dwelling, weatherization assistance may be provided if there is assurance that a low-income household will inhabit the dwelling within 180 days of the date the weatherization service was completed.

The Nebraska Weatherization Program does not seek landlord agreements for placement of liens nor does it use other contractual restriction.

Subgrantees will provide copies of the signed Landlord Agreements to the tenants.

III.6.1 Description of Organization

The weatherization program is operated by the Nebraska Energy Office, an independent state agency.

III.6.2 Administrative Expenditure Limits

The State Energy Efficiency Programs Improvement Act of 1990 permits subgrantees receiving less than \$350,000 in federally appropriated Low Income Weatherization Assistance Program funds to receive up to an additional 5% share of administrative funds. The Department of Energy has determined that this authorization may also apply to Exxon and Stripper Well funds at the discretion of the individual states.

The Nebraska Energy Office will not utilize this provision during the period covered by the American Recovery and Reinvestment Act given the large amount of federal appropriated funds.

III.6.3 Monitoring Approach

The Nebraska Energy Office believes monitoring is an extremely important aspect of weatherization program management. A successful monitoring program improves subgrantee operations, identifies problems early enough for corrective action and promotes quality work. The Energy Office considers monitoring to be an assessment of subgrantee performance in fulfilling program objectives.

Each subgrantee will receive a formal monitoring every year. Formal monitoring consists of a financial review and a systems monitoring.

The financial review will include:

1. A check of the contract files against contract procedures
2. Sample journal entries
3. Inventory reconciliation
4. Cost categories
5. Administrative expenses

The systems analysis will include:

1. The outreach support level and client application process
2. Reviewing client files for compliance with all federal and state Weatherization Assistance Program rules and regulations regarding mandated documentation of: household income, client certification of eligibility, owner/landlord permission for weatherization, rent declaration, fuel release statement, inspection statement, lien/debt statement, a complete Building Check & Job Order form/site-specific audit, complete material cost information, funding source designation, final quality control inspection and client release
3. Client certification and prioritization system
4. Inspection/quality control systems
5. Subcontracting system
6. Review of goals for serving elderly, disabled, Native Americans and renters
7. Review of procurement systems

A minimum of 20 client files of all DOE and LIEAP units completed in the twelve months prior to the formal monitoring visit will be examined. Monitors will review subgrantee management systems to ensure compliance with rules, regulations, and mandated file documentation. Material records shall be examined and inventory will be inspected to verify the adherence to Federal specifications. The financial review will encompass the examination of all completed programs not previously reviewed.

A report will be prepared detailing the monitoring findings along with recommendations for subgrantee improvement. The Energy Office is interested in affecting corrective actions identified in formal monitoring as soon as possible. Thus, the problem(s) is described in a formal monitoring report sent to the subgrantee executive director and the board president. The subgrantee is given thirty calendar days to respond to the formal monitoring report. The plan for corrective action must include steps to be taken to correct the problems identified during the monitoring. Compliance with Energy Office directives and the subgrantee's plan of action are closely scrutinized during subsequent formal monitoring.

Informal monitoring consists of the inspection of recently weatherized houses. Some subgrantees are monitored each month, while others are monitored more infrequently. In a typical year, 20-25 percent of all homes weatherized receive an inspection by state field monitors.

III.6.4 Training and Technical Assistance Approach

The Energy Office believes strong internal systems, oversight, training and technical assistance are essential to enable subgrantees to achieve the objectives of the Weatherization Program. The Training and Technical Assistance budget and narrative contained in the Annual File reflects this philosophy and will insure quality weatherization work and adequate financial and programmatic management controls.

III.6.5 Energy Crisis Plan

Nebraska does not intend to use any grant funds for energy crisis relief during the period covered by the American Recovery and Reinvestment Act.

III.6.6 Reweathering

Homes weatherized prior to October 1, 1994 are eligible to be reweatherized. No more than 10% of a subgrantee's DOE completions may be reweatherized units without approval from the Nebraska Energy Office.

III.6.7 Prioritization of Single Family Homes and High Energy Users

Single family homes remain the primary target of the Nebraska Weatherization Assistance Program. Subgrantees have been authorized to develop procedures to prioritize client households based on their energy burden.

III.6.8 Liability Insurance

Subgrantee must obtain pollution occurrence insurance coverage for their agency. Subgrantees that employ private contractor labor to perform Weatherization services must ensure that each private contractor is adequately insured, including pollution insurance coverage.