

**State of North Carolina
Bipartisan Infrastructure Law
Weatherization Assistance Plan**



United States Department of Energy

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**(NCDEQ SEO BIL State Plan)
July 1, 2022 – June 30, 2027**

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| 15 | | <i>Subgrantees may seek to retain client files in an electronic format in lieu of paper copies. NCWAP understands</i> | |
| 16 | | <i>that using an electronic system to retain client files saves space, time, and money in recordkeeping and</i> | |
| 17 | | <i>auditing expenses. Many businesses have moved to a paperless environment to store important documents</i> | |
| 18 | | <i>and business records. Electronic storage of client files is convenient for subgrantees, saves physical space,</i> | |
| 19 | | <i>improves tracing efforts, and promotes efficient compliance inspections. Electronically retained client files</i> | |
| 20 | | <i>may be more secure from environmental damage, loss, theft, or destruction and easier to access, sort, and</i> | |
| 21 | | <i>review. For these reasons, NCWAP finds that there is good cause to authorize an alternate method or</i> | |
| 22 | | <i>procedure from storing paper client files under lock and key.....</i> | 51 |
| 23 | | <i>NCWAP authorizes an alternative method or procedure for the electronic retention of client files if all of the</i> | |
| 24 | | <i>following requirements are met:</i> | 52 |
| 25 | 1. | <i>Subgrantees provide written notification to the Program Manager at least 30 days prior to implementing</i> | |
| 26 | | <i>an electronic client file retention system that follows the “6-Tab” methodology in Section 2.11.</i> | 52 |
| 27 | 2. | <i>All client files must be retained in an electronic format (i.e., only electronic, not paper).....</i> | 52 |
| 28 | 3. | <i>Client files for closed jobs must be electronically stored and saved in an unalterable format. The original</i> | |
| 29 | | <i>files may not be deleted, amended, replaced, or otherwise altered. If any errors are found in a client file,</i> | |
| 30 | | <i>corrections may be made to a copy (electronic or paper) of the original electronic file and the corrected copy</i> | |
| 31 | | <i>should be electronically attached to the original electronic file and retained as part of the subgrantee’s</i> | |
| 32 | | <i>records.</i> | 52 |
| 33 | 4. | <i>For compliance inspections, NCWAP must be provided:.....</i> | 52 |
| 34 | a. | <i>Uninterrupted access to the database in which the electronic client files are stored to facilitate a</i> | |
| 35 | | <i>compliance inspection, complete a trace request, or conduct an investigation of a client complaint. NCWAP’s</i> | |
| 36 | | <i>access to the electronic client files must be n a “read only” capacity.</i> | 52 |
| 37 | b. | <i>Access to the database in which the electronic client files are stored with a minimum of one electronic</i> | |
| 38 | | <i>access point or computer terminal for every 100 files executed over the previous 12-month period.</i> | 52 |
| 39 | 5. | <i>The retention system must:.....</i> | 52 |
| 40 | a. | <i>Allow the client file to be printed and the subgrantee must print any client file upon request by NCWAP.</i> | |
| 41 | | <i>52</i> | |
| 42 | b. | <i>Retain the client file in alphabetical, chronological, or numerical order. The retention system must allow</i> | |
| 43 | | <i>for searches or queries to be made by client name, application date, closure date, client database ID, address,</i> | |
| 44 | | <i>date of birth, and funding source.....</i> | 52 |
| 45 | c. | <i>Backup the client file upon closure or when a client’s activities are stopped, and the client file retained in</i> | |
| 46 | | <i>the system.....</i> | 52 |
| 47 | d. | <i>Have the ability to flag or set aside client files in order to save for further review during inspections.</i> | 52 |
| 48 | e. | <i>Allow or provide sorting of client files during NCWAP compliance inspections.</i> | 52 |
| 49 | 6. | <i>The server for the retention system is located within the United States or its territories, or if a host</i> | |
| 50 | | <i>facility is used, that facility must have a business premises within the United States or its territories and must</i> | |
| 51 | | <i>be subject to U.S. legal processes</i> | 53 |
| 52 | 7. | <i>Records stored within the electronic retention system must be maintained in a separate/partitioned</i> | |

| | | |
|----|---|----|
| 1 | database that cannot be intermingled with programs that are not sponsored or assisting with NCWAP | |
| 2 | initiatives..... | 53 |
| 3 | 8. The storage system must:..... | 53 |
| 4 | a. Back-up the stored client files on at least a daily basis to protect the data from accidental deletion or | |
| 5 | system failure..... | 53 |
| 6 | b. Keep client files in an encrypted environment that is consistent with North Carolina Department of | |
| 7 | Information Technology security standards..... | 53 |
| 8 | 9. Whenever a client file is stopped, put into pending status, or completed, the file must immediately be | |
| 9 | downloaded and saved to a computer hard drive, server, or similar electronic storage device located at the | |
| 10 | subgrantee’s premises. If the subgrantee utilizes a contract host facility such as a remote server or cloud | |
| 11 | storage provider, all client files must also be electronically saved to an onsite electronic storage device that is | |
| 12 | updated on the day of any change to, or addition of, database record(s) to protect the data from accidental | |
| 13 | deletion or system failure. | 53 |
| 14 | 10. Upon absolute discontinuance of business or when a subgrantee’s business is | |
| 15 | discontinued/terminated, any client files retained in electronic format must be delivered in electronic format | |
| 16 | to the NCWAP Program Manager in a format suitable for imaging such as a TIFF, JPEG, or PDF. If the forms will | |
| 17 | be submitted in a PDF or TIFF format, the subgrantee must ensure that Optical Character Recognition and | |
| 18 | Intelligent Character Recognition are turned on and searchable. The forms, retained alphabetically by name, | |
| 19 | chronologically by application/closure date, or numerically by client ID must be delivered on a media device | |
| 20 | such as a USB drive, CD, DVD, etc.... | 53 |
| 21 | 11. If the subgrantee fails to abide by these conditions, uses any procedure that hinders the effective | |
| 22 | administration of laws or regulations, or any legal or administrative difficulties arise due to complications | |
| 23 | from electronic retention, the subgrantee is no longer authorized to utilize electronic retention of client files | |
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EXECUTIVE SUMMARY

Low-income North Carolinians are faced with many multifaceted challenges including inflation, high energy and housing costs, and continued market impacts from the COVID-19 pandemic. The Weatherization Assistance Program (WAP) aims to reduce these stressors by improving home energy efficiency, thereby fostering a healthier and more affordable life for North Carolina residents. Based on these initiatives, WAP has played a key role in not only decreasing energy costs for low-income persons, but also in reducing carbon emissions as well as providing and promoting jobs in clean energy.

The Bipartisan Infrastructure Law (BIL) will build on the historic strength of WAP by elevating funding for the next five years. Federal BIL funding aligns with the North Carolina Clean Energy Plan- (CEP) and will be utilized to help achieve the State’s energy reduction goal; to reduce electric power sector greenhouse gas emissions by 70% below 2005 levels by 2030 and attain carbon neutrality by 2050. Furthermore, in 2021, North Carolina enacted House Bill 951, which emphasizes its commitment to reduce carbon dioxide emissions in the electric power sector based on key goals presented in the CEP.

The BIL was enacted on November 15, 2021, with the U.S. Department of Energy (DOE) releasing specific guidance for WAP agencies under Weatherization Program Notice BIL 22-1 on March 30, 2022.

The North Carolina State Energy Office (NCSEO) WAP will distribute \$89,776,045 of BIL funds for the purpose of enhancing energy efficiency in the homes of low-income families, particularly those in disadvantaged communities (DACs), in all 100 counties of North Carolina. The WAP energy upgrades provide homeowners relief through energy savings and home improvements that support equitable health and safety for North Carolinians. The NCSEO anticipates that the ~\$89.7M BIL stimulus will provide assistance to about 6,000 households across the state.

The purpose of WAP is to install energy conservation measures in the homes of income-eligible persons, especially homes occupied by the elderly, persons with disabilities, and children. Funds are applied to the most cost-effective conservation measures, which are determined by conducting an on-site energy audit of the dwelling. Energy conservation measures funded through the program may range from air sealing and insulating single-family homes to replacing heating systems, windows, and doors. WAP assistance is eligible in all types of housing units, including both single and multi-family housing, manufactured housing, and group homes. The program is not geographically limited and provides services in each of the state’s 100 counties.

The NCSEO implements WAP through a network of local providers with expertise in energy conservation. These subgrantees provide energy conservation services using their own trained crews or by subcontracting work to qualified contractors. To achieve a successful WAP program, NCSEO plans to build a more sustainable WAP workforce, improve and innovate the existing WAP program, and surge the number of weatherized homes.

A NCSEO Disadvantaged Communities (DACs) map will be created to identify the NC areas

1 that are defined as disadvantaged by both federal and North Carolina definitions that also have
2 low rates of weatherized houses per capita. This tool will be used to identify and target census
3 tracts that are of the topmost priority for weatherization work. Subgrantees are expected to
4 prioritize and align property selection within the states’ top-priority, overlapping places to
5 weatherize (TOP-W), providing at least 40% of WAP benefits within DAC census tracts per the
6 Justice40 initiative.

7
8 In addition to lowering energy costs and reducing carbon emissions, BIL funding will
9 significantly expand employment opportunities within weatherization and expand workforce
10 training opportunities in clean energy.

11
12 North Carolina’s plan for the use of BIL funds is consistent with the policies and strategies of the
13 NCSEO WAP. To address the increase in funding and the need to expend BIL funds in a manner
14 consistent with the BIL requirements, NCSEO has revised the current program year
15 Weatherization Plan. NCSEO will:

- 16
17 1. Offer the existing sub-grantee network of weatherization providers the opportunity to
18 expand the production capacity through additional funding and expanded training through
19 an application process.
- 20 2. Solicit and procure (request for proposal) additional “temporary subgrantees” that will
21 assist with the increased production demands.
- 22 3. Create a comprehensive certified training and apprenticeship program to expand the
23 weatherization workforce.
- 24 4. Coordinate with existing training and technical assistance providers, and other entities to
25 expand capacity building training for existing subgrantees.
- 26 5. Expand Grantee staffing to support and implement the BIL program.

27
28 This plan describes NCSEO WAP’s strategy to successfully administer the weatherization
29 funding made available through BIL in a manner that meets all federal requirements while
30 leveraging opportunities and achieving the goals of the CEP.

31 32 **INTRODUCTION**

33
34 The State of North Carolina Weatherization Assistance Program State Plan for United States
35 Department of Energy (USDOE) is based on the rules contained within 10 CFR Part 440; 2 CFR
36 Part 200; and all subsequent guidance contained in the U.S. DOE W P N s It is the responsibility of
37 the Subgrantee to know and be familiar with these rules and guidance. All DOE rules and guidance
38 can be found on their [website](#).

39 40 **OVERVIEW AND ORGANIZATION**

41
42 The North Carolina Weatherization Assistance Program is administered by the North Carolina
43 Department of Environmental Quality Energy Group. The Weatherization Program Manager
44 oversees the work of the Weatherization Assistance Program.

1 PART I – ANNUAL FILE

1.01 Overall Main Budget with Allocations

DOE 2022-2027 BIL Allocations

BIL funds can be used and should be used, in conjunction with other funding sources including private funds as necessary to complete projects; however, USDOE BIL funding may not be comingled with DOE annual formula funds. All tracking and reporting must be separate from other funding sources to meet the monitoring, recordkeeping, and reporting requirements of the BIL.¹

Grantees and Subgrantees are reminded that the WAP is not a rehabilitation or general repairs program. Notwithstanding USDOE readiness funds, program policies strictly prohibit roof replacements, structural repairs, or other non-energy related rehabilitation work. Units requiring this type of repair should be referred to a rehabilitation program or the Subgrantee must use other sources of funds to cover these costs.²

Average cost per unit must be maintained based on WPN BIL-5. In North Carolina, the ACPU average between Program Year (PY) 2022 through 2027 will be \$8,484. ACPU = DOE Program funds minus DOE H&S expenditures divided by DOE completions. The use of supplemental funding sources, including private funds, does not have a negative impact on the average cost per unit or lead to reduced subgrantee funding/redistribution of funding.

Weatherization Readiness Funds

Weatherization Readiness Funds (WRF) are allowed to be carried forward into next budget periods within the same grant cycle (e.g., PY 2023 can be carried into PY 2024).³

The use of WRF does not need to result in a DOE-funded completion within the same PY but must be completed within the same grant cycle.

WRF funds are allowed to be utilized on an annual-formula-funded and BIL-funded weatherization project.

¹ WPN 22-1, “Bipartisan Infrastructure Law (BIL) Grants for the Weatherization Assistance Program, <https://www.energy.gov/sites/default/files/2022-03/wpn-bil-22-1.pdf>

² [WPN 12-9 Incidental Repair Measure Guidance](#)

³ WPN 23-4, “Weatherization Readiness Funds – Expansion of Scope”,

https://www.energy.gov/sites/default/files/2023-01/WPN_23-4_Weatherization_Readiness_Funds_Expansion_of_Scope.pdf

1 **Program Budget**

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| BUDGET AND PRODUCTION PLANNING | |
|--|---------------|
| Total Allocation | \$ 89,776,045 |
| T&TA Allocation | \$ 15,686,574 |
| Total Administration | \$ 11,039,330 |
| Program Operations | \$ 50,440,112 |
| Health and Safety | \$ 12,610,029 |
| Vehicles & Equipment | \$ - |
| Other (audits, insurance, etc.) | \$ - |

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15 For vehicles and other equipment over \$5,000, the State will follow the amortization schedule in
16 WPN 24-6 by utilizing program operations funds.

17
18 *Funding for the 2023-2027 Program Year*

19
20 North Carolina State Energy Office (NCSEO) (i.e., Grantee) expects to receive \$89.7 million
21 dollars over five years as awarded by the US Department of Energy
22 (DOE). NCSEO will allocate the funds to Subgrantee allocation, training and technical assistance,
23 and administration costs, defined in detail below.

24
25 Up to \$69.7 million will be available for Temporary Subgrantee allocation. The formula includes
26 factors related to income-eligible population and climate. Temporary Subgrantees will be eligible
27 to apply for a BIL award based on performance and production criteria. The maximum available
28 award will not exceed the funding-based allocation for Weatherization Program Year 2022. North
29 Carolina assigns a subgrantee to cover a region of the State, to provide weatherization services to
30 the eligible population.

31
32 The application process will permit each qualified subgrantee to receive a maximum up to their
33 annual allocation for regularly allocated Weatherization Assistance Program (WAP) funds as
34 stated in the WAP State Plan, thus potentially doubling their annual allocation. In addition, each
35 qualified subgrantee will be required to complete an application that contains factors such as: (1)
36 expenditure and capacity building; (2) metrics to create long-term jobs with family-sustaining
37 wages and benefits; (3) methods to evaluate program effectiveness; (4) strategies to prioritize
38 underserved and disadvantaged communities; and (5) proposed service territory. NCSEO is
39 developing a tool that will assist with identifying underserved and disadvantaged communities
40 across North Carolina.

41
42 NCSEO will provide funds to existing subgrantees based upon their compliance with all State and
43 Federal requirements and the successful completion of their previous program year production
44 goals. Many subgrantees could receive BIL allocations that will double their annual DOE
45 allocation. Additionally, NCSEO proposes to retain flexibility to add or change subgrantees to
46 meet the additional obligations created by BIL. The Subgrantee contract and budget period for BIL

1 funds will begin no later than July 1, 2024, and end no later than June 30, 2027. This will allow
2 NCSEO as the Grantee, to prepare and establish additional contracts as outlined in this report while
3 ensuring subgrantees have sufficient time for production and permit timely expenditure of funds
4 in accordance with BIL goals and milestones.

5
6 Up to \$15.8 million will be retained for Training and Technical Assistance over the five-year grant
7 contract period. These funds will be directed towards a workforce development program that will
8 include an apprentice component and significant capacity building for our existing network of
9 subgrantees to successfully expand their capabilities.

10
11 No more than Fifteen percent (15%) of our total BIL contract will be reserved for administration
12 by both the Subgrantee and Grantees, with up to 7.5% of that to be reserved for the Grantee to
13 support the program buildout, implementation, monitoring, and evaluation over the BIL contract
14 period.

15
16 Please note, the Grantee will manage Federal Funds in a prudent, effective, and efficient manner
17 to accomplish program objectives and shall take the necessary steps to ensure that funds are
18 expended within the grant project period. Allocations to individual subgrantees will be subject to
19 a review of production and expenditures during each Program Year and adjusted downward or
20 incrementally funded where NCSEO determines that Program Year allocation may exceed current
21 capacity. Program funding is allocated by a formula which factors in climate (heating and cooling
22 degree days) and the share of low-income households in each region. This allocation methodology
23 is based on the method used by DOE to allocate Program funding to the States.

24
25 Formula for regional BIL funding allocations:

26
27 The formula to derive the funding allocations in each county is as follows and based on 10 CFR
28 440.10. The funding for each county in the region is then added up to get the total allocated funding
29 for the 8 regions.

30
31 Calculate each County's formula share as follows:

32
33 (i) Divide the number of “Low Income” households in each county by the number of
34 “Low Income” households in the State and multiply by 100.

35
36 (ii) Divide the number of “Heating Degree Days” for each County by the median
37 “Heating Degree Days” for all Counties.

38
39 (iii) Divide the number of “Cooling Degree Days” for each County by the median
40 “Cooling Degree Days” for all Counties, then multiply by 0.1.

41
42 (iv) Calculate the sum of the two numbers from (ii) and (iii) of this section.

43
44 (v) Divide the residential energy expenditures for each County by the number of
45 households in the County.

46

1 (vi) Divide the sum of the residential energy expenditures for the Counties in each
2 Service Region by the sum of the households for the Counties in that Service Region.

3
4 (vii) Divide the quotient from paragraph (v) of this section by the quotient from
5 paragraph (vi) of this section.

6
7 (viii) Divide the quotient from paragraph (vii) of this section for each County by the
8 residential energy expenditures per low-income household for its respective County.

9
10 (ix) Divide the product from paragraph (viii) of this section for each County by the
11 median of the products of all Counties.

12
13 (x) Multiply the results for paragraph (i), (iv) and (ix) of this section for each County.

14
15 (xi) Divide the product in paragraph (x) of this section for each County by the sum of the
16 products in paragraph (x) of this section for all Counties.

17
18 (4) Calculate each Region's program allocation as follows:

19
20 (i) Multiply the remaining program operations funds calculated (after subtracting the
21 multifamily program operations allocation) by the formula share calculated in paragraph
22 (xi) of this section.

23
24 Each region identified in Section 1.02.1 will have county-specific goals that need to be met to
25 ensure weatherization work is distributed fairly and that funding cannot be concentrated in one
26 county. Counties will not be competing with each other for funding based on the above formula.

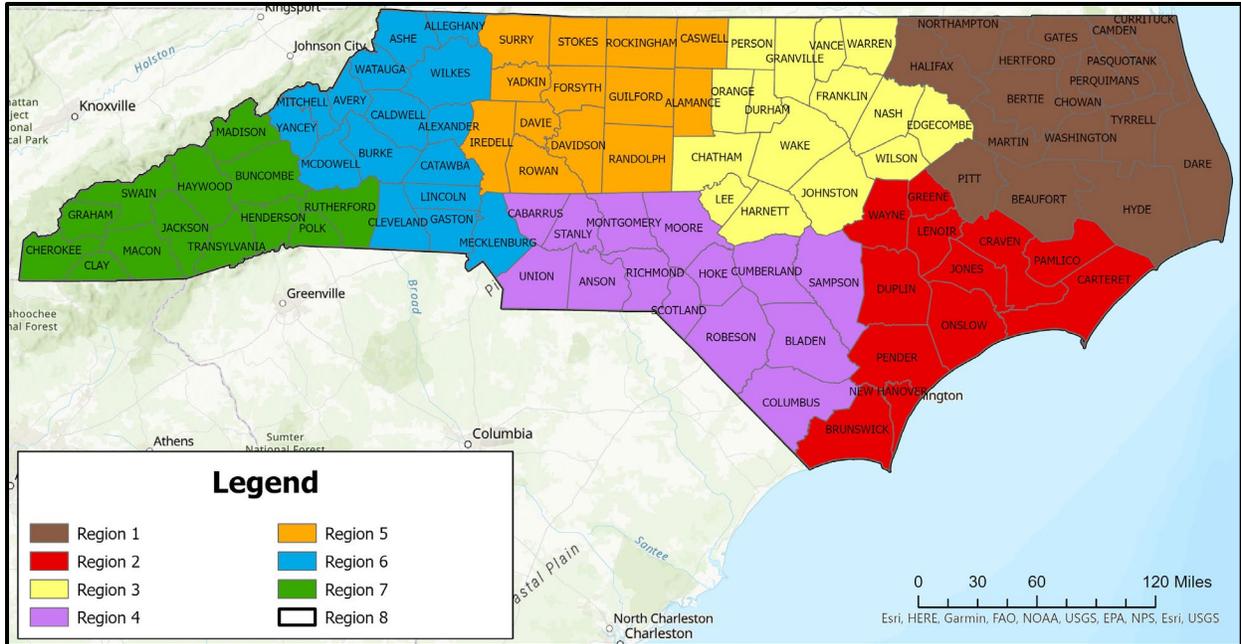
27 28 **1.02 Subgrantees**

29 **1.02.1 Temporary Subgrantees and Territories under the Five Year BIL Program**

30
31 Under the five-year BIL program, North Carolina's low-income weatherization network
32 territories will be regionalized across the State to maximize programmatic impacts as shown in
33 the following figure. This approach provides an opportunity for non-profit or public entities to
34 expand their existing capacity into additional counties through increased funding, collaboration,
35 training, and workforce development initiatives.

36

| Region | Program Operations | Admin | H&S | Grand Total Allocation | Number of Weatherized Houses |
|------------------------|----------------------|---------------------|----------------------|------------------------|------------------------------|
| Region 1 | \$ 2,132,760 | \$ 284,700 | \$ 533,190 | \$ 2,950,651 | 251 |
| Region 2 | \$ 3,655,809 | \$ 488,010 | \$ 913,952 | \$ 5,057,771 | 431 |
| Region 3 | \$ 7,739,504 | \$ 1,033,139 | \$ 1,934,876 | \$ 10,707,519 | 912 |
| Region 4 | \$ 3,913,039 | \$ 522,348 | \$ 978,260 | \$ 5,413,647 | 461 |
| Region 5 | \$ 11,161,893 | \$ 1,489,991 | \$ 2,790,473 | \$ 15,442,357 | 1316 |
| Region 6 | \$ 7,722,417 | \$ 1,030,858 | \$ 1,930,604 | \$ 10,683,880 | 910 |
| Region 7 | \$ 3,522,266 | \$ 470,184 | \$ 880,567 | \$ 4,873,017 | 415 |
| Region 8 (Multifamily) | \$ 10,592,424 | \$ 1,413,973 | \$ 2,648,106 | \$ 14,654,502 | 1249 |
| Grand Total | \$ 50,440,112 | \$ 6,733,203 | \$ 12,610,028 | \$ 69,783,343 | 5,945 |



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The selection process for temporary Subgrantees will follow the provisions of Section 2.10 of this plan. This process will allow for more competition among potential Subgrantees, ensuring the best and most qualified agency is awarded the contract. A successful temporary Subgrantee will work collaboratively with the agencies that receive funds under the “annual base program”.

Single Family Weatherization

The prospective lead service organization can apply for funding in multiple regions and are not limited to the ones they currently operate in. If a prospective organization's service territory is not identical to one or more weatherization regions, the application should reflect strong partnerships and how collaborative efforts ensure equitable distribution of programmatic benefits in the in the affected region(s). If awarded, the funding allocation will equal the collective total of each region listed in the application.

Those that are unable to work throughout the region(s), but want to participate, are encouraged to research, find, and partner with a prospective lead service organization.

Multifamily Weatherization

The prospective lead service organization should demonstrate the knowledge, skills, and abilities to conduct statewide multifamily weatherization for disadvantaged communities. The development of statewide, diverse partnerships is needed for a robust application.

Those that are unable to support statewide multifamily weatherization, but want to participate, are encouraged to research, find, and partner with a prospective lead service organization.

Number of Awards

The maximum number of awards for single and multifamily will be eight (one per single family weatherization region and one multifamily weatherization service region). However, if prospective entities combine single family weatherization regions or multifamily weatherization

1 into a holistic package, the number of awards may be less than eight.

2
 3 The following are existing agencies that were selected by following the application provisions of
 4 Section 2.10 of this plan and by giving preference in accordance with 10 CFR 440.15(a)(3)
 5 before competitive solicitations were posted:

Weatherization Agency

Community Action Opportunities, Inc.

| | |
|--------------------------------------|--|
| <i>Address</i> | 25 Gaston Street Asheville, NC 28801 |
| <i>Congressional District</i> | 1, 4, 5, 6 10 & 11 |
| <i>County Served</i> | Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, Polk, Rutherford, Swain & Transylvania |
| <i>Executive Director</i> | Vicki Heidinger |
| <i>Contact</i> | P: (828) 252-2495 F: (828) 253-6319 |
| <i>Email</i> | Vicki.heidinger@communityactionopportunities.org |

6
 7 The following are agencies selected through a Request for Proposal (RFP) process:

Weatherization Agency

Albemarle Commission Council of Governments

| | |
|--------------------------------------|---|
| <i>Address</i> | 512 S. Church Street, Hertford, NC 27944 |
| <i>Congressional District</i> | 1,3 |
| <i>County Served</i> | Bertie, Beaufort, Camden, Chowan, Currituck, Dare, Gates, Halifax, Hertford, Hyde, Martin, Northampton, Pasquotank, Perquimans, Pitt, Tyrrell, and Washington. |
| <i>Executive Director</i> | Michael Ervin |
| <i>Contact</i> | P: (252) 426-5753 |
| <i>Email</i> | mervin@accog.org |

Weatherization Agency

International Center for Appropriate and Sustainable Technology (ICAST)

| | |
|--------------------------------------|---|
| <i>Address</i> | 7400 W. 14th Avenue, Denver, CO 80214 |
| <i>Congressional District</i> | All of NC |
| <i>County Served</i> | All Counties |
| <i>Executive Director</i> | Ravi Malhotra |
| <i>Contact</i> | P: (866) 590-4377 |
| <i>Email</i> | ravim@icastusa.org |

Weatherization Agency

NC Advanced Energy Corporation

| | |
|--------------------------------------|---|
| <i>Address</i> | 909 Capability Drive, Suite 2100, Raleigh, NC 27606 |
| <i>Congressional District</i> | 2,3,4,6,7,8,9,13 |
| <i>County Served</i> | Anson, Bladen, Brunswick, Cabarrus, Carteret, Chatham, Columbus, Craven, Cumberland, Dublin, Durham, Edgecombe, Franklin, Granville, Greene, Harnett, Hoke, Johnston, Jones, Lee, Lenoir, Montgomery, Moore, Nash, New Hanover, Onslow, Orange, Pamlico, Pender, Person, Richmond, Robeson, Sampson, Scotland, Stanly, Union, Vance, Wake, Warren, Wayne, & Wilson |
| <i>Executive Director</i> | Brian Coble |
| <i>Contact</i> | P: (919) 857-9000 |
| <i>Email</i> | bcoble@advancedenergy.org |

Weatherization Agency

Piedmont Triad Regional Council (PTRC)

| | |
|-------------------------------|--|
| Address | 1398 Carrollton Crossing Drive, Kernersville, NC 27284 |
| Congressional District | 5,6,8,9 |
| County Served | Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Iredell, Randolph, Rockingham, Rowan, Stokes, Surry, & Yadkin |
| Executive Director | Matthew Dolge |
| Contact | P: (336) 904-0300 F: (336) 761-2112 |
| Email | mdolge@ptrc.org |

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1.02.2 Existing Subgrantees and Territories Under the Annual Base Program

Under the annual base program, North Carolina’s low-income weatherization network is made up of 20 Subgrantees each with their own service area. The Subgrantees are comprised of community action agencies; housing authorities; local governments; area agencies on aging; senior centers; a development corporation. Many of the weatherization Subgrantees have over 20 years’ experience in delivering weatherization services.

The following is a list of North Carolina’s existing Weatherization Subgrantees.

Weatherization Agency

Action Pathways, Inc

| | |
|-------------------------------|--|
| Address | 4525 Campground Road Fayetteville, NC 28314 PO Box 25759 |
| Congressional District | 2, 4, 6, 7, & 8 |
| County Served | Cumberland, Scotland, Montgomery, Columbus, Brunswick, Hoke, Pender, Robeson, Moore, Bladen, & Sampson |
| Executive Director | Lonnie Ballard |
| Contact | P: (910) 485-6131 |
| Email | Lonnie.ballard@actionpathways.ngo |

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Weatherization Agency

Blue Ridge Community Action, Inc.

| | |
|-------------------------------|---|
| Address | 800 North Green Street Morganton NC 28655 |
| Congressional District | 5, 9, 10, 11, & 12 |
| County Served | Alexander, Burke, Caldwell, Gaston, Mecklenburg, Stanly, Union, & Catawba |
| Executive Director | Stephanie Ashley |
| Contact | P: (828) 438-6255 |
| Email | sashley@brcainc.org |

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Weatherization Agency

Blue Ridge Opportunity Commission, Inc.

| | |
|-------------------------------|--|
| Address | 710 Veterans Drive North Wilkesboro, NC 28659 |
| Congressional District | 5 |
| County Served | Alleghany, Ashe, & Wilkes |
| Executive Director | Dare Stromer |
| Contact | P: (336) 667-7174 F: (336) 667-5920 |
| Email | brocds@brocinc.com |

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Weatherization Agency

Cabarrus County Planning and Development Services Department

| | |
|-------------------------------|--|
| <i>Address</i> | 65 Church Street S Concord, NC 28025 PO Box 707 |
| <i>Congressional District</i> | 8 & 12 |
| <i>County Served</i> | Cabarrus |
| <i>Executive Director</i> | Susie Morris |
| <i>Contact</i> | P: (704) 920-2141 F: (704) 920-2227 |
| <i>Email</i> | samorris@cabarruscounty.us |

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Weatherization Agency

Central Piedmont Community Action, Inc.

| | |
|-------------------------------|--|
| <i>Address</i> | 1401 Ross Avenue Siler City, NC 27344 PO Box 626 |
| <i>Congressional District</i> | 2, 4, 8, & 9 |
| <i>County Served</i> | Chatham, Orange, Anson, & Richmond |
| <i>Executive Director</i> | Natasha Elliott |
| <i>Contact</i> | P: (919) 742-2277 F: (919) 742-2299 |
| <i>Email</i> | jacksonn@cpcanc.org |

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Weatherization Agency

Choanoke Area Development Association, Inc.

| | |
|-------------------------------|---|
| <i>Address</i> | 120 Sessoms Drive Rich Square, NC 27869 PO Box 530 |
| <i>Congressional District</i> | 1, 3, & 13 |
| <i>County Served</i> | Bertie, Edgecombe, Halifax, Hertford, Martin, & Northampton |
| <i>Executive Director</i> | Christopher S Moody |
| <i>Contact</i> | P: (252) 539-4155 F: (252) 539-2048 |
| <i>Email</i> | cmoody@nc-cada.org |

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Weatherization Agency

Coastal Community Action, Inc.

| | |
|-------------------------------|--|
| <i>Address</i> | 303 McQueen Avenue Newport, NC 28570 PO Box 729 |
| <i>Congressional District</i> | 1, 3, & 7 |
| <i>County Served</i> | Carteret, Craven, Duplin, Jones, New Hanover, Onslow, Pamlico, & Beaufort |
| <i>Executive Director</i> | Catissa Head |
| <i>Contact</i> | P: (252) 223-1630 |
| <i>Email</i> | catissa.head@coastalca.org |

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Weatherization Agency

Community Action Opportunities, Inc.

| | |
|-------------------------------|--|
| <i>Address</i> | 25 Gaston Street Asheville, NC 28801 |
| <i>Congressional District</i> | 10 & 11 |
| <i>County Served</i> | Buncombe, Cleveland, Henderson, Madison, McDowell, Polk, Rutherford, & Transylvania |
| <i>Executive Director</i> | Vicki Heidinger |
| <i>Contact</i> | P: (828) 252-2495 F: (828) 253-6319 |
| <i>Email</i> | Vicki.heidinger@communityactionopportunities.org |

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|-------------------------------|---|
| <i>Weatherization Agency</i> | <i>Economic Improvement Council, Inc.</i> |
| <i>Address</i> | 712 Virginia Road Edenton, NC 27932 PO Box 549 |
| <i>Congressional District</i> | 1 & 3 |
| <i>County Served</i> | Currituck, Washington, Hyde, Camden, Gates, Pasquotank, Perquimans, Tyrrell, Chowan, & Dare |
| <i>Executive Director</i> | Dr. Landon B Mason, Sr. |
| <i>Contact</i> | P: (252) 482-4495 |
| <i>Email</i> | dr.landon.mason@eicca.org |

| | |
|-------------------------------|--|
| <i>Weatherization Agency</i> | <i>Four Square Community Action, Inc</i> |
| <i>Address</i> | 61 Milton Mashburn Drive Andrews, NC 28901 PO Box 2290 |
| <i>Congressional District</i> | 11 |
| <i>County Served</i> | Cherokee, Graham, Swain, and Clay |
| <i>Executive Director</i> | Sue Lynn Ledford |
| <i>Contact</i> | P: (828) 321-4475 F: (828) 321-3457 |
| <i>Email</i> | sue.ledford@foursq.org |

| | |
|-------------------------------|---|
| <i>Weatherization Agency</i> | <i>Franklin-Vance-Warren Opportunity, Inc</i> |
| <i>Address</i> | 180 S Beckford Drive Henderson, NC 27536 PO Box 1453 |
| <i>Congressional District</i> | 2, 6, & 13 |
| <i>County Served</i> | Franklin, Vance, Warren, Nash, & Granville |
| <i>Executive Director</i> | Abdul Sm Rasheed & Felicia Gregory |
| <i>Contact</i> | P: (252) 492-0161 F: (252) 492-6250 |
| <i>Email</i> | abdulsmrasheed@fvwopp.com feliciacoleman@fvwopp.com |

| | |
|-------------------------------|--|
| <i>Weatherization Agency</i> | <i>I-Care, Inc.</i> |
| <i>Address</i> | 1415 Shelton Avenue Statesville, NC 28677 PO Box 7049 |
| <i>Congressional District</i> | 5 & 10 |
| <i>County Served</i> | Iredell & Lincoln |
| <i>Executive Director</i> | Bryan Duncan |
| <i>Contact</i> | P: (704) 872-8141 F: (704) 871-1299 |
| <i>Email</i> | bryan.duncan@icare-inc.org |

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| <i>Weatherization Agency</i> | <i>Johnston-Lee-Harnett Community Action, Inc.</i> |
| <i>Address</i> | 1102 Massey Street Smithfield, NC 27577 PO Drawer 711 |
| <i>Congressional District</i> | 2, 4, & 7 |
| <i>County Served</i> | Johnston, Harnett, & Lee |
| <i>Executive Director</i> | E. Marie Watson |
| <i>Contact</i> | P: (919) 934-2145 F: (919) 934-6231 |
| <i>Email</i> | jlhca@jlhcommunityaction.org |

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| Weatherization Agency | Macon County |
| Address | 5 West Main Street Franklin, NC 28734 |
| Congressional District | 11 |
| County Served | Macon |
| Executive Director | Derek Roland |
| Contact | P: (828) 349-2025 |
| Email | droland@maconnc.org |

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|-------------------------------|--|
| Weatherization Agency | Mountain Projects, Inc. |
| Address | 2177 Asheville Road Waynesville, NC 28786 |
| Congressional District | 11 |
| County Served | Haywood & Jackson |
| Executive Director | Patsy Davis |
| Contact | P: (828) 452-1447 F: (828) 452-9454 |
| Email | pdavis@mountainprojects.org |

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|-------------------------------|--|
| Weatherization Agency | Piedmont Triad Regional Council |
| Address | 1398 Carrollton Crossing Drive Kernersville, NC 27284 |
| Congressional District | 5, 6, 12, & 13 |
| County Served | Alamance, Caswell, Davidson, Forsyth, Guilford, Person, Randolph, & Rockingham |
| Executive Director | Matthew Dolge |
| Contact | P: (336) 904-0300 F: (336) 761-2112 |
| Email | mdolge@ptrc.org |

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|-------------------------------|--|
| Weatherization Agency | Resources for Seniors, Inc. |
| Address | 1110 Navaho Drive, Suite 400 Raleigh, NC 27609 |
| Congressional District | 1, 2, 4, 6, & 13 |
| County Served | Wake & Durham |
| Executive Director | Kristen Brannock |
| Contact | P: (919) 872-7933 F: (919) 872-6683 |
| Email | kristenb@rfsnc.org |

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|-------------------------------|---|
| Weatherization Agency | W.A.M.Y. Community Action, Inc. |
| Address | 225 Birch Street, Suite 2 Boone, NC 28607 |
| Congressional District | 5, 10, & 11 |
| County Served | Watauga, Avery, Mitchell, & Yancey |
| Executive Director | April Beck & Melissa Soto |
| Contact | P: (828) 264-2421 F: (828) 264-0952 |
| Email | april@wamycommunityaction.org melissa@wamycommunityaction.org |

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Weatherization Agency

Wayne Action Group for Economic Solvency, Inc.

| | |
|--------------------------------------|---|
| <i>Address</i> | 601 E Royall Avenue Goldsboro, NC 27534 |
| <i>Congressional District</i> | 1, 3, 7, & 13 |
| <i>County Served</i> | Wayne, Greene, Pitt, Wilson, & Lenoir |
| <i>Executive Director</i> | Patricia Beier |
| <i>Contact</i> | P: (919) 734-1178 F: (919) 736-4268 |
| <i>Email</i> | pbeier@wagesnc.org |

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Weatherization Agency

Yadkin Valley Economic Development District, Inc.

| | |
|--------------------------------------|---|
| <i>Address</i> | 533 N. Carolina Avenue, Highway 601 N Boonville, NC 27011 PO Box 309 |
| <i>Congressional District</i> | 5 & 13 |
| <i>County Served</i> | Davie, Rowan, Stokes, Surry, & Yadkin |
| <i>Executive Director</i> | Kathy Payne |
| <i>Contact</i> | P: (336) 367-7251 F: (336) 367-3637 |
| <i>Email</i> | kpayne@yveddi.com |

2

1.02.3 Subgrantee Communication and Referral Protocols Between the Annual Base Program and Five Year BIL Program

A Memorandum of Understanding (MOU) will be required to be implemented between Subgrantees with common service areas under the annual base program and Five Year BIL program. At a minimum, the MOU will establish client referral and communication protocols between programs that: (1) reduce or eliminate waitlist backlogs in a timely manner; (2) streamline eligibility determination processes; (3) effectively prioritize clients based on the WAP’s priority score; (4) target underserved communities identified by the WAP under Justice 40; and (5) provide methods of transparent communication to clients for intake processes. Overall, these procedures are intended to ensure efficiencies are maintained between programs for client intake, referral, and weatherization activities.

1.03 Estimated Production

| Quarterly Performance Period | Number of Planned Units | Planned Program Operations Budget ((units * ACPU) - vehicles)) | Planned H&S Budget | NCWAP Quality Control/Monitoring Inspections |
|-----------------------------------|-------------------------|--|-------------------------|--|
| Q1 | 0 | \$ - | \$ - | 0 |
| Q2 | 0 | \$ - | \$ - | 0 |
| Q3 | 0 | \$ - | \$ - | 0 |
| Q4 | 0 | \$ - | \$ - | 0 |
| Year 1 Subtotal | 0 | \$ - | \$ - | 0 |
| Q1 | 0 | \$ - | \$ - | 0 |
| Q2 | 0 | \$ - | \$ - | 0 |
| Q3 | 0 | \$ - | \$ - | 0 |
| Q4 | 0 | \$ - | \$ - | 0 |
| Year 2 Subtotal | 0 | \$ - | \$ - | 0 |
| Q1 (tentative start July 1, 2024) | 460 | \$ 3,902,851.39 | \$ 975,712.93 | 23 |
| Q2 | 475 | \$ 4,030,118.28 | \$ 1,007,529.65 | 24 |
| Q3 | 475 | \$ 4,030,118.28 | \$ 1,007,529.65 | 24 |
| Q4 | 475 | \$ 4,030,118.28 | \$ 1,007,529.65 | 24 |
| Year 3 Subtotal | 1885 | \$ 15,993,206.24 | \$ 3,998,301.88 | 94 |
| Q1 | 490 | \$ 4,157,385.18 | \$ 1,039,346.38 | 25 |
| Q2 | 490 | \$ 4,157,385.18 | \$ 1,039,346.38 | 25 |
| Q3 | 490 | \$ 4,157,385.18 | \$ 1,039,346.38 | 25 |
| Q4 | 490 | \$ 4,157,385.18 | \$ 1,039,346.38 | 25 |
| Year 4 Subtotal | 1960 | \$ 16,629,540.71 | \$ 4,157,385.51 | 98 |
| Q1 | 525 | \$ 4,454,341.26 | \$ 1,113,585.40 | 26 |
| Q2 | 525 | \$ 4,454,341.26 | \$ 1,113,585.40 | 26 |
| Q3 | 525 | \$ 4,454,341.26 | \$ 1,113,585.40 | 26 |
| Q4 | 525 | \$ 4,454,341.26 | \$ 1,113,585.40 | 26 |
| Year 5 Subtotal | 2100 | \$ 17,817,365.05 | \$ 4,454,341.61 | 105 |
| TOTAL | 5,945 | \$ 50,440,112.00 | \$ 12,610,029.00 | 297 |

1 **1.04 Energy Savings**

2
3 The BIL program will utilize the DOE energy saving algorithm as per [WPN 23-6](#) and [Memo 113](#).
4 In addition, the Grantee will evaluate environmental and energy benefits based on the goals
5 outlined in the North Carolina Clean Energy Plan and North Carolina House Bill 951.
6

7 **1.05 Monitoring Activities**

8
9 **1.05.1 Introduction**

10
11 Monitoring is the principal method by which NCWAP can identify areas within the Subgrantee’s
12 program operation and administration where assistance may be required. Approximately 25% of
13 administrative funds may be utilized for monitoring activities. NCWAP ensures that each Subgrantee
14 is monitored during the current grant year. The monitoring visit will consist of all areas under item
15 **1.05.3 c. On-Site Review** of this section. The results of these reviews and individual Subgrantee
16 requirements will determine the need for Training and Technical Assistance (T&TA) and/or
17 additional monitoring.
18

19 Below are the key improvements due to increased monitoring:

- 20
21 1) Client files have become more complete, and the forms contained within such files are
22 more consistent statewide.
23 2) Work quality and accuracy is continuing to improve.
24 3) Financial transactions are more accurate, transparent, and maximize programmatic
25 accountability.
26 4) Communication channels have increased to ensure programmatic requirements are
27 known by subrecipients (*i.e., holding 1-on-1 training sessions, conducting statewide*
28 *meetings, and providing technical assistance upon request*).
29

30 **1.05.2 Peer Exchange**

31
32 Subgrantees will receive Training and Technical Assistance funds to participate in a Peer
33 Exchange. These funds are designed to cover the cost of time, travel, lodging and meals of those
34 involved in Peer Exchange. The Peer Exchange funds will be included in the general T&TA
35 allocation. NCWAP reserves the right to disallow allocations of T&TA Peer Exchange funds to
36 Subgrantees if it is determined such funds are not being used or being used incorrectly.
37

- 38 a) The training needs of Subgrantees will be identified and remedied through Peer Exchange
39 and NCWAP.
40
41 b) If participating in the Peer Exchange, Subgrantees will follow the Peer Exchange Protocol
42 ([See Appendix A](#)).
43

44 **1.05.3 NCWAP Monitoring of Subgrantees**

- 45
46 a) **Audit** - Annual monitoring as required by contract agreement, shall be conducted by NC

1 Weatherization Assistance Program (NCWAP) to verify information received on monthly
2 reports and clarify questions raised by NCWAP, and/or the Subgrantee.

3
4 b) **In-House** - All monthly reports shall be monitored by NCWAP to determine compliance
5 with program requirements, monitor spending patterns and chart program progress. Any
6 irregularities or questions raised by the in-house review that are not readily resolved will
7 be sufficient reason to schedule an on-site or desktop review.

8
9 c) **On-Site Review** - NCWAP may conduct an on-site review on an annual basis and when
10 required in item (b) above. The on-site review shall consist of staff from NCWAP and
11 qualified technicians as necessary under the direction of the NCWAP Program Manager.
12 The following items shall be reviewed at a minimum.

13
14 ○ **Financial Records** - Including but not limited to the project expense summary,
15 monthly invoice template submitted to NCWAP, source documents from the point
16 of sale (*i.e., original receipts and invoices for all billed transactions*), payroll reports,
17 general ledger, bank statements, checks, audit reports, financial statements and any
18 other records necessary for the review of the financial records.

19
20 ○ **Inventory System** - Including but not limited to purchasing system, internal
21 controls, perpetual equipment and acquisition inventory, financial records and any
22 other records deemed necessary by the reviewer.

23
24 ○ **Client Files** - For accuracy, completeness, demographic information, and
25 documentation of work needed, work completed, client eligibility, accurate client
26 database entries, original invoices/receipts, and inspection of work based on WPN
27 20-4 and WPN 22-4.

28
29 ○ **Work Completed** - Homes shall be reviewed to determine quality of work,
30 completeness of work, conservation measures installed based on a computerized
31 audit or DOE approved regional priority list to determine cost effectiveness,
32 geographic distribution, proper documentation in client files, client satisfaction and
33 other information deemed necessary by the NCWAP monitor.

34
35 d) **Subgrantee Post-Installation Inspection** - Each weatherized unit **must** be inspected by
36 the Subgrantee's Quality Control Inspector to ensure that the work is in compliance with
37 required specifications before the unit is reported to NCWAP as completed. A complete
38 inspection form, legibly signed by the Subgrantee's inspector shall be placed in each job
39 file. In addition, Subgrantees and their subcontractors **must** certify all weatherization work
40 and materials including base load measures for a period of one year from the time of
41 completion. Certification includes the repair and replacement of defective measures
42 resulting from improper installation or material defect.

43
44 e) **Subgrantee Review** - If deficiencies in agency program operations indicate non-
45 compliance with Low Income Weatherization Program Implementation, Master Grant
46 and/or federal rules and regulations, NCWAP will respond by working with the Subgrantee

1 to correct deficiencies.

- 2
- 3 f) **Provide Training and Technical Assistance** - T&TA activities are intended to maintain
4 or increase the efficiency, quality, and effectiveness of the Weatherization Assistance
5 Program at all levels. Such activities should be designed to maximize energy savings,
6 minimize production cost, improve program management, and/or reduce the potential for
7 waste, fraud and abuse.
8
9

10 **1.06 Training and Technical Assistance and Workforce Development**

11 **Approach**

12

13 Currently, many of our subgrantees are understaffed and the challenges of retaining and expanding
14 well trained workforce prevent production expansion.

15
16 NC State Energy Office (NCSEO) is currently working on addressing capacity building within our
17 subgrantee network to expand our services within the regions where weatherization services are
18 provided. To that end NCSEO will advance workforce development and technical and training
19 assistance in three focus areas.
20

21 a) Focus Area 1 Boosting Programmatic Effectiveness

22 ○ Objectives

- 23 ■ Collaborative intake process,
- 24 ■ Training to blend all funding sources, including available private funds,
- 25 ■ Neighborhood approach in urban areas,
- 26 ■ Targeted approach in rural areas,
- 27 ■ Increase client base across North Carolina.
- 28 ■ Partnerships with organizations including utilities for targeted outbound
29 marketing.

30 31 b) Focus Area 2 Training, Certification and Professional Development

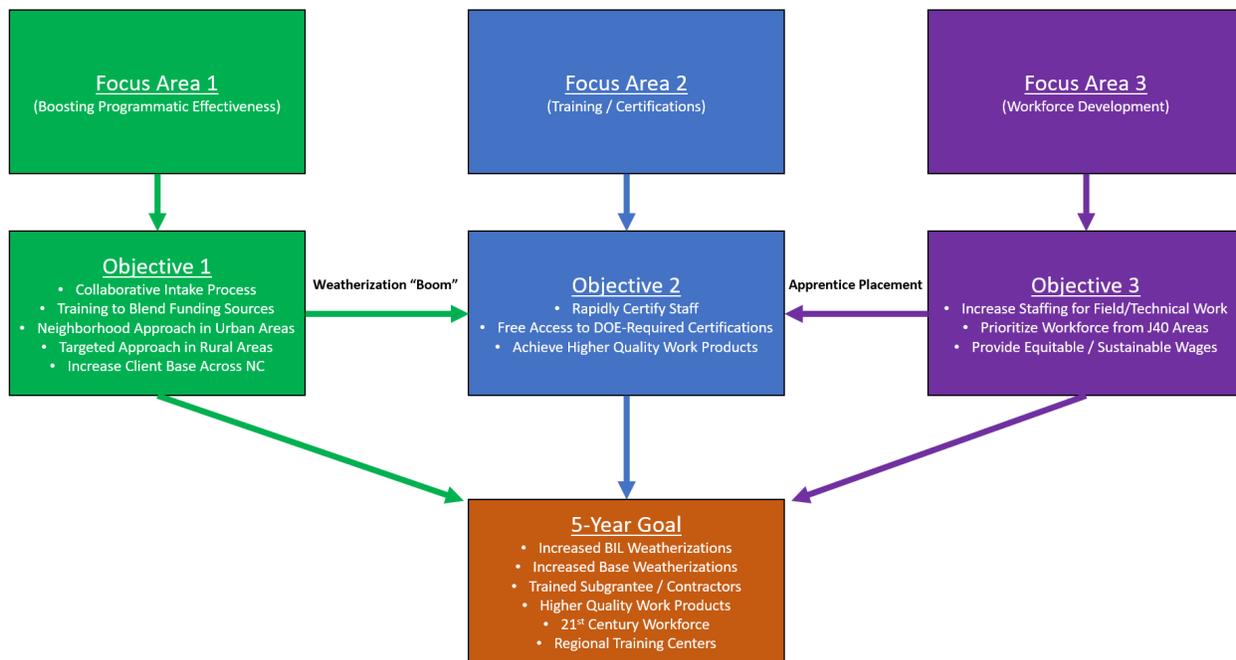
32 ○ Objectives

- 33 ■ Rapidly certify all agency staff,
- 34 ■ Free Access to all subgrantees for state and DOE–required certifications,
- 35 ■ Achieve higher quality and consistent work products,
- 36 ■ Training dollars stay within North Carolina.

37 38 c) Focus Area 3 Workforce Development

39 ○ Objectives

- 40 ■ Increase staffing for field/technical work,
 - 41 ■ Prioritize workforce from J40 areas,
 - 42 ■ Provide equitable/sustainable wages.
- 43



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Focus Area 1 Boosting Programmatic Effectiveness

In many communities in North Carolina, energy efficiency programs, weatherization programs, and home repair and rehabilitation programs are delivered and administered separately, through multiple agencies. Lack of communication between these agencies makes it difficult for eligible homeowners to access services they require to obtain a safe, weatherized, and energy efficient home. Many LMI households, arguably those that need the most attention, are not being served equitably. To elaborate, in the current home repair model, homes that are eligible for weatherization services may be waitlisted if their home is not in “weatherization-ready conditions.” Thus, eligible low-income homeowners are deferred from weatherization services if their home requires additional work that weatherization funding cannot be used for; these fixes include serious health concerns like mold and leaky roofs. The responsibility was the homeowners to seek out, apply for, and coordinate repairs across agencies. The separation of services and lack of coordination of these programs has created significant inefficiencies: funds are often left on the table because they are not properly leveraged, which costs both service provider organizations and applicants time, money, and effort. The current model home repair model creates obstacles that hinder the deployment of energy efficiency upgrades, weatherization programs, and urgent health and safety repairs, leaving low-income North Carolinians without services that they desperately need and are eligible for.

The SEO aims to employ a cooperative home repair approach throughout the state by identifying appropriate agencies that can take part in the collaboration and coordination of local partners. We anticipate that collaborations will be based on the geographic jurisdictions of NC’s weatherization service providers. The collaborative model has already shown in success in Orange and Chatham counties by Triangle J COG (TJCOG), the North Carolina Justice Center (NCJC), and Rebuilding Together of the Triangle (RTT). These head agencies worked with local weatherization and home repair service providers to better serve low-income homeowners—strategies including a unified

1 intake process, collaborative case management process, and uniform program assessment
2 strategies. The collaborative model takes the strain off homeowners with a “no wrong door”
3 approach—eligible applicants seeking assistance are able to more efficiently receive a suite of
4 services such as accessibility modifications, weatherization, home repair programs, and
5 electrification assistance as needed.

6
7 SEO intends to identify lead agencies, or “hubs”, in other areas of the state that can be trained to
8 facilitate the development of a local collaborative approach that can blend funding opportunities.
9 The approach will be tailored to specific regional needs and should be rooted in the interest of
10 community partners. The stakeholders in the collaboration will be the groups working in the homes
11 of low-income families that include but are not limited to a) Local governments b) Home Repair
12 and Community Development organizations c) Aging Related agencies d) Community Social
13 Services e) Housing and Development Agencies f) Councils of Governments g) other nonprofits.
14 The tools and strategies may be utilized in different ways to allow for a tailored plan and
15 coordinated efforts by the local collaborative. The SEO expects that each weatherization agency
16 involved, as identified by the state, will engage, and participate in a locally organized,
17 appropriately structured collaborative process as a condition of receiving WAP funds.

18 Focus Area 2 Training, Certification and Professional Development

19
20
21 The need for structured training is the biggest stumbling block to the advancement of the program.
22 Training is almost always only done to obtain or renew a certification. Trainers find themselves
23 re-teaching concepts and procedures to students again and again because there is no formalized
24 training to teach students to have a useable understanding of why they are doing what they are
25 doing.

26
27 A Training Matrix would be an established path for Weatherization professionals to follow. It
28 would lead them through levels of expertise with initial instruction, refreshers, and advanced single
29 subject classes on vital subjects such as combustion safety and ventilation. Everything would be
30 vetted by the State and reflect approved standard work specifications, diagnostic thresholds, and
31 program processes.

32
33 By default, the Training Matrix creates a situation conducive to a Professional Development
34 Career Path. Every person in the program would have a plan of consistent training and options of
35 additional training for advancement, a lateral role change, or from administration to technical and
36 vice versa. This career path could also be used as a benchmark for employee performance,
37 promotion, and compensation.

38
39 Training centers typically have a variety of clientele from many aspects of the energy efficiency
40 and building trades. Students can be private contractors, government employees, and utility service
41 providers. It soon becomes clear that Weatherization can thrive far beyond the confines of training
42 just to renew certifications.

43
44 Training and Technical Assistance (T&TA) funds will be allocated to support all levels of staff
45 working within the weatherization program; this includes field/technical staff as well as staff
46 responsible for supporting and/or managing the program.

1
2 All training and certifications are required to follow state and federal requirements for
3 weatherization activities. (Supplement 1 – Sample Training and Certification Schedule)
4

5 Focus Area 3 Workforce Development

6

7 North Carolina is committed to equitable workforce expansion, transitioning to a clean energy
8 economy, reducing the energy burden for low-income households, and enhancing the resilience of
9 the electric grid. While transitioning, the State will focus on efforts that will attract, train, and
10 retain the appropriately skilled workforce while concurrently funneling workers to subgrantees to
11 rapidly increase the number of completed units by 2027. As part of the workforce development
12 program, North Carolina will continue to create long-term jobs in the weatherization industry with
13 family-sustaining wages and benefits for low-income communities and displaced workers as
14 recommended in the NC Clean Energy Plan.
15

16 A coalition of universities, community colleges, state agencies and educational non-profits would
17 spearhead the program through a single entity. As an example, North Carolina began piloting these
18 initiatives in summer 2021 with NC A&T State University, which is a Historically Black College
19 and University serving as the lead university for the program. The pilot program utilized local
20 hiring agreements and attracted, trained and retained an appropriately skilled workforce by
21 providing on-the-job training and related education for clean energy and energy efficiency
22 occupations. The initial 2021 pilot served all workers; however, it focused on those
23 underrepresented and historically excluded. Of those participating, 93% were minorities and 69%
24 were females. The program also led to four registered apprenticeship and pre-apprenticeship
25 programs in clean energy and energy efficiency that were registered through Apprenticeship NC.
26 Expansion of programs will include developing clean energy pathways such as additional
27 apprenticeships, certification programs, associate degrees, and bachelor’s degrees across the state.
28

29 **Timeline**

30
31 March - June 2024

- 32
- 33 a) Notification of Funding (NOF) and Request for Qualifications (RFQ) [i.e., application],
 - 34 sent,
 - 35 b) Review of RFQ and organizations selected,
 - 36 c) Organizations submit work plans for reaching T&TA goals,
 - 37 d) Contracts written, agreed upon and signed.
- 38

39 June - October 2024

40 The three organizations begin to implement their workplans.

41
42 2024-2027:

43 Through a partnership with the workforce development organization enrolled students will be
44 placed with 10-week paid apprenticeship with a matching subgrantee partner beginning in the fall
45 of 2023. Upon completion of the first wave of apprentices, program will work to conduct an
46 evaluation of the plan to identify lessons learned prior to launching the next cohort. NCSEO

1 anticipates three ten-week apprenticeships every calendar year with approximately 100 students
2 per session. The cadence of the apprenticeship placement is:

- 3
- 4 a) 10 weeks in fall
- 5 b) 10 weeks in spring
- 6 c) 10 weeks in summer
- 7

8 **Incentives for employers and community colleges**

9

10 In the Weatherization apprenticeship program, employers agree to pay apprentices \$30/hour with
11 a 50% cost share with Apprenticeship NC. Additionally, the employer is reimbursed
12 approximately \$2,000 per participant to compensate for the supervisor’s time. Once the
13 apprentices complete the program and hired full-time, the employer agrees to continue with the
14 apprenticeship wage which is offset by tax credits. The employer agrees to have Apprenticeship
15 laborers perform at least 15% of the jobs starting in January 2024.

16
17 The community colleges who participate in Apprenticeship NC are given \$3,000 per participant
18 for tuition and educational supplies.

19 20 21 ***1.06.1 Allocation of T&TA Funds***

22
23 NCSEO will allocate all T&TA funds under the 5 Yr. BIL Weatherization Assistance Program
24 towards the “Training and Technical Assistance and Workforce Development Approach” to meet
25 the training and technical assistance needs of all Subgrantees.

26
27 Subgrantees **must spend annual base “Program Year” USDOE T & TA appropriations** for:

- 28
- 29 a) Subgrantee registration costs for the following WAP-related items: (1) official training
30 courses, (2) certifications, certification renewals, and/or exam preparation, (3)
31 continuing education, and (4) conferences. These items should be proportionately cost
32 shared among all affected programs [i.e., DOE T&TA, LIHEAP administration, or
33 HARRP administration] and follow the provisions of Section 2.16 of this Plan.
- 34
- 35 b) Subgrantee travel, lodging, meals, and parking to attend the WAP-related energy
36 functions listed in 1.05.1(a) based on the most recent version of the State of North
37 Carolina Office of State Budget and Management “*per-diem*” sustenance and travel
38 rates. The current rates are found at the following link:
39 <https://www.osbm.nc.gov/budget/budget-memos> (see “*Travel Sustenance Rate*
40 *Revision*”). **Please note that T&TA funds cannot be used to cover the expenses**
41 **listed above for external third parties outside the subgrantee’s direct staff that are**
42 **listed in the annual funding application.**
- 43
- 44 c) Subgrantee providing information concerning conservation practices to occupants of
45 eligible dwelling units (*i.e., client education*).
- 46
- 47 d) Evaluation of program outcomes (*i.e., hiring an entity to evaluate program cost and*

1 *energy savings*).

- 2
- 3 e) Cost-shared [i.e., DOE T&TA, LIHEAP administration, or HARRP administration]
- 4 salary and fringe for direct subgrantee staff (*listed in the annual funding application*)
- 5 while attending approved functions in Section 1.05.1.
- 6
- 7 f) Other WAP-related functions, activities or events not mentioned in Section 1.06.1 (a) –
- 8 (e) that receive written approval by the Program Manager prior to purchasing,
- 9 participating, attending, hosting, benefitting, considering, or sponsoring an
- 10 activity/event.

11

12 Once a Subgrantee’s **annual base “Program Year” USDOE T&TA** appropriations are

13 exhausted, BIL T&TA funds may be appropriated to supplement shortfalls for **1.06.1 b. – c.** above

14 if NC WAP determines it’s in the best interest of the program. In addition, costs for the above

15 items must follow the procedures identified in Section 2.17 of this plan.

16

17 ***1.06.2 Availability of T&TA funds***

18

19 NCSEO will determine the amount of T&TA funds to allocate to the organizations supporting

20 the “*Training and Technical Assistance and Workforce Development Approach*” based on

21 availability of funding from DOE.

22

23 ***1.06.3 Technical Assistance***

24

25 NCWAP staff will provide technical assistance on DOE related matters to all weatherization

26 programs. Technical assistance shall include but not be limited to the following:

- 27
- 28 a) Provide guidance in use of regulations.
- 29
- 30 b) Advise and assist in use of a computerized audit tool and/or USDOE-approved priority list
- 31 for determining the cost effectiveness of weatherization measures.
- 32
- 33 c) Provide information obtained from local programs on innovative and successful program
- 34 methods that are readily adaptable to other projects.
- 35
- 36 d) Provide monitoring of local projects to assure improvement in quality and services.
- 37
- 38 e) Identify specific problem-solving techniques in areas of labor, transportation,
- 39 administration, management, and financial control.
- 40
- 41 f) Provide information on new materials, procedures, and processes for weatherization work
- 42 (*i.e., Build America, Buy America Act compliance*).
- 43
- 44 g) Coordinate efforts among federal, state, local and private entities to assure continued
- 45 improvements in the effectiveness of weatherization projects.
- 46
- 47 h) NCWAP shall address deficiencies that are identified by program review, audit, reports,

1 regional or national reviewer or other sources.
2

3 **1.07 Leveraging Activities**

4 **1.07.1 Other Funds**

5
6
7 NCWAP administers “Other Funds” for low-income weatherization. These “*Other Funds*”
8 include Low Income Home Energy Assistance Program (*LIHEAP*), the Heating Appliance Repair
9 and Replacement (*HARRP*) program and any funds designated for low-income weatherization
10 awarded to the state as a result of legal settlements.
11

12 **1.07.2 Funds as Leverage**

13
14
15 Subgrantees are encouraged to use all available funding to perform energy audits, client home
16 upgrades, HVAC repairs/replacements, and related activities on homes that will be weatherized.
17 For instance, utility weatherization programs that provide client information based on lists
18 provided by the North Carolina Department of Health and Human Services or other HUD-means
19 tested programs are categorically eligible (*see Section 2.01.2*). Weatherization projects involving
20 utility funds with income eligible clients are considered complementary to NC WAP since they
21 maximize programmatic impacts. Leveraging activities do not adversely affect funding subgrantee
22 funding allocations or the ACPU.
23

1 **1.08 Policy Advisory Council**

2

3 **1.08.1 Make up and Meetings**

4

5 The Policy Advisory Council provides policy direction and oversight to NCSEO WAP in
6 accordance with 10 CFR 440. The Council meets annually and includes a range of expertise and
7 geographic representation for low-income programs. Policy Advisory Council Membership List

North Carolina’s Policy Advisory Council (PAC) Members

| | |
|--|---|
| Angie Jaco Energy Programs Coordinator, Four Square Community Action, Inc. At-Risk Category: EE and Weatherization Expert angie.jaco@foursq.org | Gary Smith NC Interfaith Power & Light At-Risk Category: Consumer Advocacy Group smithgk@mindspring.com |
| Kristen Brannock President at Resource for Seniors At-Risk Category: EE and Weatherization Expert kristenb@rfsnc.org | Michael Blair Community Development Director, PTRC At-Risk Category: EE and Weatherization Expert mblair@ptrc.org |
| Robert Parrish Raleigh Mayor’s Committee for Persons with Disabilities, Committee Member: Housing At-Risk Category: Consumer Advocacy Group Robertparrish7@gmail.com | Tara Bolen Duke Energy At-Risk Category: EE and Weatherization Expert Tara.bolen@duke-energy.com |

8

9 ***At Risk Categories:***

- 10 • Energy Efficiency (EE) and Weatherization Expert
- 11 • Consumer Advocacy Group

12

13

14 ***2 PART II – MASTER FILE***

15

16 **2.01 Eligibility**

17 As of the 2020 Census, approximately 675,331 North Carolina households and 3,258,214
18 individuals are at or below 200% of the federal poverty level.^{4,5} Subgrantees are responsible for
19 determining if a household is eligible for NC Weatherization Assistance Program (WAP)
20 assistance. Every dwelling weatherized must meet both the client eligibility and the building
21 eligibility requirements.

22

23 **2.01.1 Approach to Determining Building Eligibility**

⁶<https://data.census.gov/table?q=S1702:+POVERTY+STATUS+IN+THE+PAST+12+MONTHS+OF+FAMILIES&t=Income+and+Poverty&g=0400000US37&tid=ACST5Y2021.S1702>

- 1
- 2 • Residential dwellings including single family homes, manufactured homes, multifamily
- 3 homes and shelters are eligible to receive services.
- 4
- 5 • Subgrantees must establish that dwellings are occupied by clients that are eligible to
- 6 receive services and that proper authorization has been given to conduct work on the
- 7 dwelling.
- 8
- 9 • Ownership of dwellings must be established by Subgrantees through the review and
- 10 retention of real estate property tax records (*in the case of site-built dwellings*) or personal
- 11 property tax records or title (*in the case of manufactured homes*).
- 12
- 13 • NCWAP client database determines if home has been previously weatherized and the
- 14 date. Subgrantees check the database to see if client address has been previously
- 15 weatherized and the database gives the address and the date.
- 16
- 17 • No client-occupied dwelling shall be weatherized if it is being offered for sale.
- 18
- 19
- 20 • No renter occupied dwelling shall be weatherized if it is being offered for sale unless it
- 21 can be demonstrated that the residence will continue to be occupied by eligible tenants.
- 22
- 23 • No dwelling shall be weatherized if it is currently in foreclosure or if it is included in a
- 24 bankruptcy of a client (*bankruptcy does not always include loss of the dwelling*).
- 25
- 26 • Subgrantees may also weatherize shelters. For the purpose of determining how many
- 27 dwelling units exist in a shelter, 800 square feet of the shelter or each floor of the shelter
- 28 will be counted as one unit. Prior to weatherizing a shelter, the Subgrantee is required to
- 29 submit information to NCWAP for review and written approval by the Program Manager.
- 30
- 31 • Multifamily units will comprise 20% or more of the total units reported annually under
- 32 the BIL program. With the BIL funds, multifamily projects will be evaluated by the
- 33 subgrantee based on DOE-approved multifamily priority lists and energy audit tools such
- 34 as TREAT.
- 35
- 36 • Weatherization of non-stationary campers and trailers that do not have a mailing address
- 37 associated with the eligible applicants shall not be allowed. The use of a post office box
- 38 for non-stationary campers or trailers does not meet this requirement.
- 39
- 40

41 **2.01.2 Categorical Eligibility**

42

43 Income eligibility has been expanded to categorically include HUD means-tested programs at or
44 below 80% of Area Median Income (*AMI*) to better facilitate referral services for low-income
45 households, reducing the burden on both the intake agencies and households trying to obtain
46 services. (*Examples of HUD program but not limited to Community Development Block Grants*)

1 (CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy
2 Homes Program (OLHCHH), Section 8, etc.) This initiative will also be bolstered by Focus Area
3 1 of the 5-year Bipartisan Infrastructure Law program.

4
5 The effort explored the overlap in incomes of the different households served through the various
6 programs. The overlap is sufficient to consider “*categorical income eligibility*”, defined across
7 programs as automatically granting program eligibility to applicants who have already met the
8 eligibility requirements of another agency’s identified program.

9
10 Subgrantees may certify that applicants have met the income requirements of HUD means-tested
11 programs through mechanisms including, but not limited to, applicant documentation, interagency
12 lists of recipients, shared system databases, etc. Method of verification of eligibility must be
13 included in the client file.

14
15 Applicants must receive written notification of their eligibility/ineligibility status within thirty days
16 of application submission to the Subgrantee. A copy of the applicant's notice of
17 eligibility/ineligibility must be maintained in the client files. A notice of ineligibility must include
18 the reason (s) for denial of weatherization services. The application for weatherization services
19 must be processed within 30 days of receipt. Incomplete applications should receive a response
20 with a written request for the missing information immediately following the initial review of the
21 application. If services are denied, the applicant has the right to appeal. All denial of services
22 notifications must be in writing with a copy maintained on file by the Subgrantee.

23
24 **a) What is Income**

25
26 Please refer [Appendix B](#) for the definition of what is income.

27
28 **b) What Is Not Considered Income**

29
30 Please refer [Appendix B](#) for the definition of what is not considered income.

31
32 **c) Eligible Buildings**

33 Please refer to [Appendix B](#) for the definition of eligible buildings.

34
35
36 **2.01.3 Time Period for Income Verification**

37
38 Verification of income **must** be recertified when the eligibility determination exceeds 12 months.

39
40 In **multi-family buildings, subgrantees** must make every effort to obtain an application for each
41 household. If it is not possible to obtain applications for all households, then documentation must
42 be included in the file as to why the application(s) could not be obtained. A minimum of 66% of
43 the units in the multi-family building must meet income guidelines in order to qualify for assistance
44 unless the requirements of section 2.13 are met.

45
46 Applications older than one (1) year must have the household income reverified within 10 business
47 days.

1 **Subgrantees are not required to re-verify income eligibility once the project is started. The**
2 **project start is defined as the date the energy audit is completed.**

3
4 Subgrantees are strongly encouraged to coordinate with HUD means-tested programs to obtain
5 lists of income eligible clients under the categorical eligibility clause of this plan (*see Section*
6 *2.01.2*). Once the lists are received, subgrantees are also encouraged to contact clients to render
7 services.
8

9 ***2.01.4 Priorities and Wait List***

10
11 The number of occupied dwellings in North Carolina based on these eligibility criteria far exceeds
12 the limited funding available to provide weatherization services.

13
14 Subgrantees are required to provide priority for weatherization services for persons in certain
15 categories. Priority is given to weatherizing dwelling units that contain a family unit which
16 includes one or more:

- 17
18 a) elderly persons (*age 60 or more*),
19 b) persons with disabilities,
20 c) a child (*under the age of 6 or expectant mothers*),
21 d) households that have a high energy burden (*over 15% of annual income expended on*
22 *energy costs*), energy intensity (*energy usage per square foot*), and,
23 e) households that are high residential energy users (*use electric strip heat as the primary*
24 *heat source*).

25
26 A priority waiting list of households to be served is required to be maintained by each subgrantee
27 using a statewide priority rating tool that assigns a greater number of points to households
28 containing priority populations. Each subgrantee is required to report priority considerations
29 through the client database, which provides the Grantee with information necessary to complete
30 DOE's quarterly reporting.

31
32 The subgrantee will be required conduct the following at least **semi-annually**: (1) review and
33 verify the accuracy of priority list data for each applicant; and (2) ensure that the household income
34 for each applicant has been verified within the past 12 calendar months. If data is found to be
35 missing or outdated, the subgrantee shall contact the affected client within 10 business days of
36 completing the semi-annual review to obtain updated information.

37 Subgrantees have some flexibility in prioritizing applications by county or within the entire service
38 area, whichever helps the subgrantee use the work crews or contractors in the most cost- effective
39 and operationally efficient manner.
40

41 Each subgrantee will be responsible for ensuring that State legislative and federal congressional
42 districts are equitably served through outreach, intake opportunities and weatherization services
43 relative to their share of eligible household population.
44

45 Applicants must receive written notification of their eligibility/ineligibility status within thirty days

1 of completed application submission to the subgrantee. A copy of the applicant's notice of
2 eligibility/ineligibility must be maintained in the client files. A notice of ineligibility must include
3 the reason (s) for denial of weatherization services. The application for weatherization services
4 must be processed within 30 days of receipt. Incomplete applications should receive a response
5 with a written request for the missing information immediately following the initial review of the
6 application. If services are denied, the applicant has the right to appeal. All denial of services
7 notifications must be in writing with a copy maintained on file by the Subgrantee.

8
9 Finally, North Carolina requires subgrantees to prioritize assistance to properties where other
10 housing resources can be leveraged. This includes programs that increase energy efficiency,
11 minimize the impact of high energy costs, reduce utility bills, and provide for the comfort and
12 safety to low-income households throughout North Carolina. Housing programs such as those
13 offered by investor-owned utilities, cooperative utilities, and municipal utilities are eligible and
14 encouraged to compliment weatherization services that meet the income verification requirements.

15 16 17 **2.01.5 Equity and Racial Justice** 18

19 The Justice40 Initiative entails that 40% of the overall benefits of certain Federal climate, clean
20 energy, affordable and sustainable housing, and other investments are directed towards
21 disadvantaged communities that are faced with underinvestment and over pollution. Types of
22 investments made by the Justice40 Initiative include benefits to disadvantaged communities under
23 the following areas: climate change, clean energy and energy efficiency, clean transit, affordable
24 and sustainable housing, training and workforce development, remediation and reduction of legacy
25 pollution, and the development of critical clean water and wastewater infrastructure⁶.

26
27 Under the Justice 40 Initiative, NCSEO has committed to advance equity and racial justice by
28 identifying and addressing institutional and systematic barriers that have created and perpetuated
29 patterns of disparity in housing and economic prosperity. Towards that goal, NCSEO will be
30 evaluating equity and racial justice of populations served by using a GIS mapping tool known as
31 the Climate and Economic Justice Screening Tool (CJEST). CJEST helps identify disadvantaged
32 communities, referred to as Justice40 communities, and include all federally Recognized Tribes
33 and whether or not they have land⁷.

34
35 This tool will provide a comprehensive overview of North Carolina's low-income communities
36 and assist with identifying those that that have not had equitable access to weatherization services.
37 The tool will also assist with the fair treatment and meaningful involvement of all people regardless
38 of race, color, national origin, with respect to the development, implementation, and enforcement
39 of regulations and policies.

40 41 **Nondiscrimination** 42

43 No person shall on the grounds of race, color, religion, national origin, sex, disability, familial
44 status, sexual orientation, gender identity, marital status, or source of income be excluded from

⁶ <https://www.whitehouse.gov/environmentaljustice/justice40/>

1 participation in, be denied the benefits of, or be subjected to discrimination under any program or
2 activity funded in whole or part with DOE funds. Any prohibition against discrimination on the
3 basis of age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified
4 disabled individual as provided in section 504 of the Rehabilitation Act of 1973, also shall apply
5 to this weatherization program.
6

7

8 **2.02 Climatic Conditions**

9

10 Grantee uses heating degree day info and references:

11
12 <https://www.eia.gov/energyexplained/units-and-calculators/degree-days.php> EIA Degree Days
13 Calculations document attached to SF424 in PAGE. NCWAP will transition to the Weatherization
14 Assistant web-based software that has assumptions that splits NC into climactic regions that
15 determine the impacts to eligible weatherization units.
16

17 Most of North Carolina has a humid subtropical climate. The climate in the higher elevations of
18 the Appalachian Mountains is subtropical highland. Climate varies with altitude, so the State's
19 coastline is naturally warmer than the mountains in the west. During July, most of the state has an
20 average daytime temperature of 90°F. During January, the daytime average temperature is near
21 50°F. When conducting a computerized audit, Subgrantees select the weather station closest to
22 client's dwelling to ensure that climatic variations are considered with determining what is cost
23 effective.
24

25 Maps of North Carolina's climate may be found at the following link:

26 <https://products.climate.ncsu.edu/climate/>
27

28 **2.03 Weatherization Work**

29

30 All energy efficiency work is being performed in accordance with the DOE approved energy audit
31 procedures and 10 CFR 440 Appendix A.
32
33

34 ***2.03.1 Permission to Proceed***

35

36 Prior to any work conducted on a dwelling (including baseload measures), and prior to a
37 subcontractor visiting the dwelling for purposes of evaluating job costs, the Subgrantee **must** have
38 a signed statement from the owner or their agent that permission has been granted to perform
39 weatherization and baseload measures on and at the dwelling. At a minimum, the statement **must**
40 include:

- 41
- 42 a) A list of possible measures that may be installed.
- 43
- 44 b) If walls are to be blown with insulation, it must indicate the owner or their agent has seen
45 pictures of what a wall blown with insulation includes, and how the dwelling will look
46 when completed.
47

- 1 c) Written permission to release 12 months of utility data prior to weatherization activities;
2 and 12 months of utility data post-weatherization activities.
3
4 d) If a refrigerator(s) is to be installed, the statement **must** clearly indicate who owns the
5 refrigerator. A copy of this statement with owner’s (and owner’s agent) signature,
6 printed/typed name of each signatory, and date signed, **must** be clearly visible in the job
7 file. A second copy of the signed refrigerator owner statement **must** be given to the tenant;
8 and the original signed statement must be given to the owner (or owner’s agent).
9

10 **Neither stand-alone freezers nor through the door ice/water dispensers are allowed**
11 **when utilizing DOE funding.**

12
13 *Note: Subgrantees must have an NCSEO approved refrigerator replacement plan prior to*
14 *replacing refrigerators.*

- 15
16
17 e) The residence is not currently for sale by owner of property, nor is it designated for
18 acquisition or clearance (foreclosure) by federal, state, or local programs.
19
20 f) Only one signature from a person listed on the title deed is required. If a person’s name is
21 on the deed and they do not live in the home, their income information should not be
22 included.
23

24 **2.03.2 Re-Weatherization Compliance**

25 In accordance with 42 U.S. Code §6865(c)(2), housing units that were weatherized using DOE or
26 other federal funds may not be “re-weatherized” until the date that is 15 years after the completion
27 date of the previous weatherization. Subgrantees shall add a question to their weatherization
28 applications asking if the home has been weatherized in the last 15 years. Other federal funds
29 include sources such as LIHEAP, HUD, or USDA weatherization activities. Subgrantee must
30 examine all submitted paperwork by the clients to determine if they have received weatherization
31 services in the past and they must cross check the NCWAP client database. If so, the Subgrantee
32 can determine if the work falls under the definition of weatherization. If the client did receive
33 Federally funded weatherization services during that time frame, they shall be denied
34 weatherization utilizing DOE during the 15-year period.
35

36 Upon written approval by the Program Manager, it is acceptable for subgrantees to reopen closed
37 client jobs to perform warranty repairs and/or services.
38
39

40 **2.04 Energy Audit Procedure**

41 **Single Family**

42 In accordance with [WAP Memo 113](#) and [WPN 23-6](#), NCWAP will require the use of the
43 Weatherization Assistant web-based (WAweb) platform for single family energy audits on or after
44 July 1, 2024 -OR- once approved, the US DOE “Climate Region 2” approved priority list identified
45 in Section 2.04.2. These tools were created by US DOE for single family homes, mobile homes,
46

1 and small multifamily dwellings. Throughout this process, NCWAP will keep the network
2 informed of updates, resources, and training opportunities via email or memorandum.

3 4 Computer modeling Dwelling Criteria

5
6 As defined in the policy computer modeling audit is to be used for the following building types:

- 7
- 8 a) Single-family dwellings up to 4-plexes,
- 9 b) Mobile homes, and
- 10 c) Multifamily buildings (multi-family residential buildings containing 5 or more units per
11 building)

12 13 **Multifamily**

14 Large multi-family dwelling criteria will follow the guidelines according to [WPN 22-12](#) and any
15 subsequent amendments or editions. Energy Auditors and QCI inspectors will be required to have
16 proper certification for multifamily buildings including training on multifamily auditing software
17 and the BPI multifamily QCI certification.

18
19 NC WAP plans to adopt the option to utilize the TREAT computer energy audit -OR- the US DOE
20 “Climate Region 2” priority list for low-rise multifamily buildings (see Section 2.04.2). Computer
21 energy audits require a physical inspection of the home, specific diagnostic tests, and proper data
22 input into the software program. An energy profile of the existing home is compared to a set of
23 improvements recommended for installation. Each measure is then evaluated, and a report is
24 generated with the cost-effectiveness of each measure listed by Savings to Investment Ratio (SIR).

25
26 Subgrantees are required to have certified Energy Auditors or Quality Control Inspectors conduct
27 residential energy modeling software. If a modeling analysis is completed by a non-certified user,
28 it must be reviewed by a certified user.

29 30 ***2.04.1 Prior to Audit***

31
32 Prior to an audit of a prospective dwelling, the Subgrantee **must** have a completed application and
33 all necessary paperwork, including proof of income eligibility, owner’s name and address/contact
34 information as well as utility supplier(s).

35 36 ***2.04.2 Use of US DOE Regional Priority Lists OR the Computerized Audit Tool***

37
38 NCWAP will be adopting the single family and multifamily US DOE “Climate Region 2” priority
39 lists (PLs) for optional use in the NCWAP program. This allowance is designed for energy audits
40 to be conducted using predefined lists by housing type when “similar dwelling units without
41 unusual energy-consuming characteristics” exist. The US DOE has determined what these similar
42 dwelling unit types are and what measures should be considered for installation in these dwelling
43 types based on regional differences in climate and energy costs.

44
45 These optional regional Priority Lists are not exhaustive and do not include every measure that
46 may be cost effective on a site-specific basis. If a dwelling unit needs measure(s) that are not

1 included within the PL, or if the unit does not meet the basic requirements of the PL, then a site-
2 specific energy audit will be required to be run utilizing DOE approved software (i.e.,
3 Weatherization Assistant for the Web (WAweb)) and according to the dwelling type audit protocol.
4 It is important to note that only one tool can be used at each dwelling unit (i.e., not combining
5 factors/elements between the PL and computerized audit tool). Eligibility must be determined
6 prior to utilizing the PLs and have requirements for Health and Safety measures installed according
7 to the Health and Safety Plan.

8
9 Subgrantees may not utilize the PL for USDOE units until the NCWAP Program Manager provides
10 official notification to the network via memorandum.

11 **2.04.3 Coordinator Override**

12
13 Coordinator Override is not allowed under the DOE State Plan. If a measure is deemed as “not
14 cost effective” using an approved computerized audit, (i.e., WAweb, TREAT, REM, etc...), it must
15 be omitted or purchased through non-DOE funds. Such activities must be documented and
16 included in the client file.

17 **2.04.4 Prioritization of Work**

18
19 When using the computerized audit tool, work will be prioritized and completed in descending
20 order with measures receiving the highest cost effectiveness (SIR) to lowest cost effectiveness.
21 **The average cost per unit (ACPU) for overall program expenditure is limited to the average**
22 **of the annual inflation adjustment as established by DOE through Weatherization Program**
23 **Notices for PY22-27 (see WPN BIL-5).**

24 **2.04.5 Audit Tool Training**

25
26
27 NCWAP has implemented the minimum two-week Energy Auditor Certification requirement for
28 all Energy Auditors to cross-reference the schedule identified in "Supplement 1". As of July 1,
29 2024, all subgrantees are required to utilize WAweb for energy audits.

30 **2.05 Final Inspection**

31
32
33 By signing the WAP Contract, the Subgrantee agrees that all WAP work including audits/testing,
34 installation of energy conservation measures, health and safety measures, incidental repair
35 measures, and final inspections will be performed in compliance with the NCWAP standards.

36
37
38 NCWAP shall require that certified QCI are identified in the Subgrantee annual application, and
39 this certification shall be verified on the Building Performance Institute Website.

40
41
42
43 Grantee monitoring shall confirm that only certified QCI's are performing final inspections prior
44 to all DOE and LIHEAP closures. If monitoring reveals that the QCI is not adhering to the
45 alignment with the Standard Work Specification (SWS) or maintaining updated required
46 certifications, a technical finding shall be issued to the Subgrantee which will require a Corrective
47 Action Workplan. Additionally, training will be identified to remedy the deficiency with the QCI

1 in question and additional Grantee monitoring will be required to a rate of 10% in subsequent fiscal
2 years. (See *Quality Assurance Plan* below).

3
4 Prior to closure of DOE or LIHEAP jobs, a final inspection of the installed measures must be
5 conducted by Quality Control Inspector (QCI). Subgrantees may use an external third-party QCI
6 if one of the following criteria are met:

- 7
8 (a) a certified QCI is not on staff;
9 (b) a certified QCI is on staff but is on extended leave for a period of four or more
10 consecutive weeks; or
11 (c) all field staff have expired QCI licenses and provide NCWAP documentation that they
12 are actively working to renew the licenses.

13
14 A Subgrantee may not contract their own QCIs to other subgrantees unless **each** of the following
15 criteria are met:

- 16 (i) The subgrantee provides a written justification to the NCWAP Program Manager
17 containing the proposed business need, scope of work, timeframe, and the total
18 compensation.
19 (ii) The subgrantee is meeting or exceeding quarterly expectations for program
20 expenditures and completed units.
21 (iii) The NCWAP Program Manager provides written approval of the request.

22
23 Each QCI is required to have an Energy Auditor Certification. North Carolina's subgrantees
24 typically have QCI final inspectors on staff that are different from the initial auditor.

- 25
26 a) QCI's shall possess the knowledge, skills and abilities in the National Renewable Energy
27 Laboratory (NREL) Job Task Analysis for Quality Control Inspectors. All QCI's must be
28 certified as a Home Energy Professional Quality Control Inspector.
29
30 b) Subgrantees require new final inspectors to have QCI certification within one year of hire.
31
32 c) Prior to "close out" of weatherization activities for a completed unit (i.e., DOE and/or
33 LIHEAP), at least one QCI signature and associated license number is required to be
34 transcribed on the Grantee's final inspection form. In addition, all activities associated with
35 "close out" are required to be reported in the Grantee's client database within the
36 timeframes specified in other sections of this plan.

37
38 **Final inspections:**

- 39
40 a) All DOE and LIHEAP units require post installation inspection completed by a certified
41 Quality Control Inspector. This must be performed by someone other than the person who
42 installed the primary weatherization measures. The Quality Control Inspector is
43 encouraged not to also serve as the Energy Auditor for the same dwelling. If this is not
44 possible, the Subgrantee shall be subjected to additional monitoring by the Grantee at a
45 rate of 10% of completed units.

- b) Shall be aligned with the Standard Work Specifications (SWS) and the Subgrantee contracts and subcontractor agreements cite that work must align with the SWS.
- c) Must include the certification that any mechanical work performed, and that installed weatherization work has been completed in a workmanlike manner and in accordance with the priority determined by the audit procedures required by 10 CFR 440.21.
- d) To ensure all planned measures were performed and completed, the original energy audit, work order (and subsequent change orders), and all invoices previously submitted to the Subgrantee must be available during the final inspection.
- e) All invoices must be reconciled with the work orders and must be paid by the Subgrantee before the job can be submitted for reimbursement.
- f) The Grantee reserves the right to require a subgrantee to produce all invoices/receipts at final inspection if providing invoices/receipts has been problematic for that Subgrantee.

NCWAP has implemented a Quality Assurance Plan, a 3-Strike Removal Rule for QCI's that have repeat findings.

For Closed Jobs at Monitoring: If there are repeat findings from a QCI, additional training will be required. If after successfully passing additional training, the QCI continues to have repeat findings, NCWAP will not accept any final inspections signed by that QCI and the QCI will be required to complete the following steps:

Step 1: Counseling: NCWAP will schedule a counseling session with the QCI.

Step 2: Additional Training: As a result of counseling, the QCI must attend and pass mandatory additional training.

Step 3: Removal from QCI Final Inspections: If the QCI is unable or unwilling to perform to the standards set by NCWAP, they will no longer be allowed to conduct QCI Final Inspections for NCWAP for a minimum of two program years. After the completion of the two-year period, the employee may request to be reinstated into the role of QCI. The request to be reinstated must include the corrective action steps that were taken and justification. The request will be approved or denied by NCWAP.

NCWAP also reserves the right to reject work from Energy Auditors or subcontractors that have repeat findings.

2.05.1 Funding Summary Report

All weatherization projects are required to include a funding summary report in the client file. The funding summary report **must**, at minimum, include:

- a) Actual costs of each measure completed by program and contractual line item (*i.e.*, DOE;

1 *Program Operations; §50.34).*

- 2
- 3 b) Alternative funding source(s) utilized for each measure along with associated totals.
- 4
- 5 c) If a non-cost-effective measure is “*bought down*” using appropriate funding, the amount of
- 6 the “*buy down*” must be indicated, funding source identified and explained on the funding
- 7 summary report.
- 8
- 9 d) If a non-cost-effective measure is completed and paid for completely using appropriate
- 10 funding, the funding must be identified and explained on the funding summary report.
- 11
- 12

13 **2.06 Analysis of Effectiveness**

14

15 Annually, Subgrantees are individually assessed for risk before weatherization contracts are

16 awarded. These risk assessments are performed to gauge each Subgrantee’s effectiveness in the

17 areas including but not limited to:

- 18 a) the extent to which the past or current program achieved or is achieving weatherization
- 19 goals in a timely fashion (i.e., spending, completed units, ACPU, etc....);
- 20 b) the quality of work performed by the subgrantee (*i.e., field and desktop monitoring*
- 21 *results*);
- 22 c) the number, qualifications, and experience of the staff members of the subgrantee.
- 23 d) turnover rates for key executive staff;
- 24 e) the ability of the subgrantee to secure volunteers, training participants, public service
- 25 employment workers, and other federal or state training programs;
- 26 f) compliance with monthly financial reporting under Section 2.16 of this Plan;
- 27 g) professional conduct towards external stakeholders (*i.e., NCWAP, clients, subcontractors,*
- 28 *etc....*);
- 29

30 Any Subgrantee deemed to be medium or high risk based on the NCWAP’s assessment template

31 must complete a Corrective Action Plan (*CAP*). At a minimum, the *CAP* must address: the root

32 cause of the deficiencies; the organizational sponsor; key supporting organizations (*if applicable*);

33 descriptions of core components of each corrective measure; impediments/challenges to success;

34 accomplishments to date; remaining near term actions; and specific, measurable, achievable,

35 realistic, and timebound goals that will be taken to ensure improvement.

36

37 Once the NCWAP Program Manager reviews the submittal and provides written approval, the

38 NCWAP will provide continuous follow-up on any issues during monitoring or compliance

39 meetings. Subgrantee effectiveness is evaluated through monitoring. As noted above, any noted

40 deficiencies are addressed with findings and corrective actions.

41

42 NCWAP may conduct a program energy savings evaluation, measurement, and verification to

43 determine the energy savings as a result of weatherization services. At a minimum, this evaluation

44 shall consist of an analysis of weatherization improvements and utility billing data to determine

45 program effectiveness.

46

1 As part of the energy efficiency risk assessment, Subgrantees are required, when possible, to obtain
2 twelve months' prior energy usage of metered energy sources for each dwelling to be weatherized
3 for accurate energy savings calculations. NCWAP may contract with a third party (via T&TA
4 funds) to measure and verify at least 12 months of post-installation energy savings data based
5 actual billing data.

6
7 In addition, measured percentages in home air infiltration reduction (measured by a blower door)
8 are used to ascertain the amount of energy efficiency-based savings. Risk is assessed for all
9 Subgrantees whose blower door numbers reflect home air infiltration reductions averaging under
10 30%. For Subgrantees who average less than 30% reduction, other factors are examined to
11 determine if adequate reduction has taken place.

12
13 Any Subgrantee deemed to be medium or high risk must complete a CAP. The CAP must address
14 the root cause of the deficiency and the specific steps that shall be taken to ensure improvement.
15 These steps may include but are not limited to:

- 16
- 17 a) additional oversight by subgrantee management,
- 18 b) additional training, or
- 19 c) staff reorganization.

20
21 The NCWAP Program Manager approves the CAP and NCWAP staff follows up on any issues
22 during monitoring. Subgrantee effectiveness is evaluated through monitoring. Any noted
23 deficiencies are addressed with findings and corrective actions.

24 25 **Production and Program Monitoring**

26
27 All subgrantees' production are tracked monthly using the client database and monthly financial
28 reporting requirements. Those not meeting expectations are contacted and receive additional
29 guidance to assist them in meeting production goals.

30
31 NCWAP uses these interactions and subgrantee programmatic monitoring visits to assist in
32 determining and prioritizing training needs for individual Subgrantees as well as the network.

33 34 **Financial**

35
36 All subgrantee financial performance is tracked and compared monthly as a part of the monthly
37 reimbursement process. Those not meeting expectations are contacted and receive additional
38 guidance to assist them in meeting goals. NCWAP uses these interactions and monthly financial
39 monitoring via reimbursement procedures outlined in Section 2.16 to assist in determining and
40 prioritizing training needs for the individual Subgrantees as well as the network. Any noted
41 deficiencies are addressed with findings/corrective actions.

42 43 44 **2.07 Health and Safety Plan**

45
46 A major goal in weatherization efforts is to promote and establish a safe and healthy living

1 environment for the clients. A portion of the Weatherization funds allocated to Subgrantees is
2 targeted toward health and safety (*H&S*) measures. Often, subgrantee utilization of these funds are
3 in conjunction with leveraged funds from other organizations. Management of these H&S funds
4 are evaluated and tracked monthly via the financial reporting requirements in Section 2.16. These
5 funds are used for measures that help provide, maintain, or mitigate deleterious elements to
6 promote healthy living in weatherized homes. Health and safety measures include actions to
7 improve indoor air quality and control environmental pollutants. The mitigation of items such as
8 mold, radon, gasses from combustion appliances, and contaminants from forced-air HVAC
9 systems are the emphasis of H&S measures. Measures performed in these areas should align with
10 the North Carolina Standard Work Specifications (*SWS*) and provide protection for weatherization
11 workers and clients.

12
13 The primary goal of the NCWAP is equitable access to energy efficiency and provide a just
14 transition to a clean energy economy. However, USDOE allows funds to be set-aside and used for
15 “*health and safety*” risk mitigation thus no longer requiring these costs to be within the per-home
16 ACPU. DOE does require that subgrantees denote any H&S measures and cost percentages
17 associated with DOE funds. The cost percentages associated with DOE funds should not reflect a
18 lower number as a result of supplemental funding including private funds. Additionally, they
19 require that Grantees develop a Health & Safety Plan (*H&SP*). NCWAP considers the H&SP a
20 meaningful guidance tool for subgrantees, subcontractors and weatherization crew members.

21
22 NCWAP requires subgrantees to collect health information from clients to identify high-risk
23 clients or H&S concerns. NCWAP deems clients as “*at-risk*” if they are: (1) over 65 years of
24 age;(2) have disabilities; or (3) have pre-existing health conditions. Additionally, NCWAP
25 requires that subgrantees educate clients on potential H&S risks associated with lead-based paints
26 and materials, asbestos, radon, carbon monoxide, mold, and off gassing products such as spray
27 foam sealants and adhesives. Subgrantee weatherization staff and auditors are trained specifically
28 on the H&S guidelines that are located within the Standard Work Specifications (*SWS*) and
29 provided by other various weatherization trainings by qualified providers outlines in the “*Training*
30 *and Technical Assistance Plan*”. These training providers are local, state, regional, network-
31 based, conference-based, and/or web-based. Under this 5-Year BIL program, Focus Area 2 will
32 provide regional training centers in North Carolina to assist with the training and technical
33 assistance needs of the network. This will assist with achieving higher-quality work products and
34 capacity building across the State.

35
36 Any renovation, repair, or painting (RRP) project in a pre-1978 home or building can easily create
37 harmful lead particulates. NCWAP requires that RRP projects that disturb lead-based paint in
38 home, childcare facilities and preschools built before 1978 be performed by lead-safe certified
39 contractors to minimize exposure to clients and crews.

40
41 In the event that a home falls outside typical H&S measures listed above or in the H&SP, the
42 subgrantee must submit a written request and receive written approval by NCWAP in order to
43 properly evaluate and make determinations on a case-by-case basis. NC WAP will use staff
44 expertise in areas such as construction, building science, physics, and engineering judgement to
45 make these written determinations based on USDOE regulations and guidance.

1 Potential contaminates sourced from HVAC systems can be evaluated and mitigated using H&S
2 funding. As part of the heating system evaluations, subgrantees assign qualified HVAC
3 subcontractors to perform Evaluate, Clean and Tune (ECT) measures. These subcontractors
4 professionally evaluate heating systems to determine if they require cleaning or tuning. The
5 economic practicality of performing ECTs on non-functioning units or systems needing major
6 repairs is also evaluated at the initial system inspection. ECTs or repairs costing greater than 25%
7 of the equivalent system replacement cost shall be replaced without any original system cleaning.
8

9 **2.08 Incidental Repairs**

10
11 NCWAP allows subgrantees to spend fund to perform Incidental Repair Measures (*IRMs*). These
12 IRMs are considered minor repairs and are limited to weatherization and HARRP-based measures
13 that are necessary for the effective performance or preservation of weatherization and heating
14 materials. Proper utilization of materials, methods, and payments associated with IRMs are
15 evaluated during monthly financial reporting in Section 2.16 and through programmatic
16 monitoring of sample client files. Any noted deficiencies with IRM utilization are addressed with
17 additional training and findings/corrective actions.
18

19 Dwellings that require IRMs must have a site-specific computerized audit in which the cost of the
20 IRMs are added. This is to ensure that the **package of measures** do not reduce the **overall SIR** to
21 less than 1.0. However, a computerized audit is not required where the total cost of the IRMs does
22 not exceed \$200 and are well documented in the client file. If the projected IRMs drop the total
23 SIR below 1.0 with no other leverageable funds, the dwelling must be deferred, or the measure
24 and incidental repair removed. If the measure and incidental repair is removed, it must be
25 determined if weatherization services can be performed. The following defines minor, limited, and
26 major repairs:
27

- 28 a) Minor Repair – Less than \$200
- 29 b) Limited Repair – Greater than \$200 but less than \$1,500
- 30 c) Major Repair – Greater than \$1,500
- 31

32
33 An incidental repair is a repair necessary for the effective performance or preservation of
34 weatherization materials. **Incidental repair costs must be included in the job cost and SIR**
35 **calculations.**
36

37 **2.09 Documentation and Capital Equipment**

38
39 All documentation and capital equipment paid for by NCWAP funds shall remain the property of NC
40 WAP. In the event of program closure, contractual revocation, or any other activity where NCWAP
41 needs access to programmatic documentation or capital equipment, such items shall revert to NC
42 WAP.
43

44 **2.10 Program Management**

1
2 Under the Energy Conservation in Existing Buildings Act of 1976, funds are available for weatherization
3 assistance for low-income persons. As outlined in 10 CFR 440, the Governor of each state shall designate
4 a Grantee at the state level to receive and administer these funds within the State.
5

6 **2.10.1 Overview**

7
8 Based on experience in granting funds to local agencies for operating programs designed to assist
9 low-income persons, the Governor of North Carolina has designated the North Carolina State
10 Energy Office (NCSEO) as the agency that shall have responsibility to apply for, receive, and
11 administer U.S. Department of Energy - Weatherization Assistance Program funds.
12

13 **2.10.2 Service Delivery System**

14
15 In selecting subgrantees, NCSEO plans to utilize, to the extent possible, the existing network of
16 service provider agencies including Community Action Agencies (CAAs); Community Based
17 Organizations (CBOs); Area Agencies on Aging (AAAs); and Special Population Organizations
18 (SPOs). For the purpose of this plan, there will not be a distinction as to type of agency, but rather
19 all agencies shall be identified as “subgrantees.”
20

21 **2.10.3 Designated Subgrantee**

22
23 **The BIL funds are separate from, and in addition to, the current Subgrantee base WAP**
24 **appropriation.**

25 **Temporary Subgrantee Selection**

26
27
28 Existing Subgrantees who apply for the BIL funding are considered “Temporary Subgrantees” for
29 the 5-year period.
30

31
32
33 Existing Subgrantees will be given the first right to participate in BIL funds through an application
34 process. The application will be evaluated and Subgrantees will be selected based upon geographic
35 need, Census data, Subgrantee capacity, and efficacy of the organization. Based on these factors,
36 awards under the BIL program will follow one of the following scenarios:
37

38 **Scenario #1**

39 If all current existing Subgrantees apply for the BIL program funds and are selected, then the
40 maximum BIL award for any existing Subgrantee will not exceed their annual allocation under
41 WAP PY22 allocation as defined by the state plan and allocation formula. This ensures continued,
42 even distribution of BIL and WAP funds based on area served and weather impact, while allowing
43 any qualified Subgrantee agency the ability to increase their capacity and production impacts
44 during the BIL contract period.
45

46 **Scenario #2**

47 If a portion of existing Subgrantees apply for the BIL program funds and are selected, then BIL
48 awards will be made based upon geographic need, Census data, agency capacity, and efficacy of
49 the organization. New Temporary Subgrantees will be added based on the procedures outlined in

1 10 CFR 440.15.

2
3 Additional Temporary Subgrantees will be identified through state issued Notice of Funding
4 Availability (NOFA). In advance the NOFA, the State Energy Office will undertake a statewide
5 outreach campaign to identify potential new Temporary Subgrantees. This will include outreach
6 to groups recommended by current subgrantees and specific outreach to Tribes to the greatest
7 extent possible.

8
9 Selection of a **new** Temporary Subgrantee will be based on a proposal submitted to NCSEO
10 Weatherization Program in response to the NOFA, which will be evaluated by program and fiscal
11 staffs, as well as testimony offered at a public hearing in accordance with 10 CFR Part 440.15(d).
12 In accordance with these minimum guidelines, a potential **new** Temporary Subgrantee must:

- 13
14 a) be a not-for-profit, legally incorporated organization, or a unit of local government, or the
15 designated representative of an Indian tribal organization.
16
17 b) if a not-for-profit organization, meet the charities registration requirements of the State of
18 North Carolina.
19
20 c) be in legal and financial compliance with requirements and regulations established under
21 State and Federal law.
22
23 d) provide a list of the current board of directors or governing body, bylaws and other
24 documents concerning the structure and operation of the organization.
25
26 e) provide proof that the organization has been responsive to the needs of the community by
27 citing the programs and services in the energy or human services area that it has
28 implemented; or be able to demonstrate that the organization has the potential to provide
29 such services in an efficient and responsible manner.
30
31 f) demonstrate special expertise for providing energy conservation programs including
32 management capability, technical skills, outreach capabilities, etc.
33
34 g) show experience in housing and construction management-oriented programs.
35
36 h) submit a detailed budget and narrative work plan showing how the project will be carried
37 out. The budget should list all personnel, including volunteer and paid staff, who will be
38 associated with the program. The work plan will detail how the project will be
39 implemented. Potential weatherization subgrantees must also show a production and
40 expenditure plan, specifying whether subgrantee crews, subcontractors, or a combination
41 of the two will be used. New subgrantees will be expected to meet or exceed the work plan
42 goals they propose.

43
44 In making awards, NCSEO will give priority to Temporary Subgrantees who serve a Disadvantage
45 Community (DAC) census tract. **Participating in the apprentice program and placing**
46 **apprentices within their organization will likely be a requirement of joining the subgrantee**

1 **network. More guidance will be provided via memo once technical requirements of the**
2 **workforce program are developed.**

3
4 NCSEO will award funds to a Temporary Subgrantee based on subgrantee applications for PY
5 2023 and geographic need. NCSEO intends to add up to eight (8) Temporary Subgrantees in
6 various parts of the state, based on geographic need, of which at least 40% of the benefits will be
7 allocated to DAC areas.

8
9 Existing Subgrantees will request their allocated funding through an internal WAP application
10 process. Those who request and receive BIL funding will receive a contract for an initial two-year
11 period (2024-2025). NCSEO will review funds and performance of Temporary Subgrantees on a
12 quarterly basis to properly and effectively manage the program. Upon successful delivery and
13 evaluation of the program, the Temporary Subgrantee may renew for an additional two-year (2025-
14 2027) period, with a potential one-year extension possible during the BIL grant period unless the
15 Temporary Subgrantee withdraws, or when monitoring of the Temporary Subgrantee indicates
16 serious or repeated deficiencies. Failure by the Temporary Subgrantees to correct deficiencies
17 found in monitoring may warrant increased training and technical assistance, further increased
18 levels of monitoring, corrective action plans, or in the most severe cases a formal warning notice
19 that may lead to termination. When serious compliance and production concerns arise, NCSEO
20 will follow the guidance outlined in Section 2.11 of this BIL plan.

21 22 ***2.10.4 Conflict of Interest***

23 **Additional Services Outside the Scope of NCWAP**

24
25
26 Subgrantees, its contractors, subcontractors, and vendors, acting either as individuals or on behalf
27 of a third-party agreement, may not solicit or provide additional services outside of the NCWAP-
28 approved scope of work to low-income clients, while that client is receiving weatherization
29 services.

30
31 A contractor must keep separate all work that is not considered a Weatherization Assistance
32 Program assignment for a length of time that is agreed upon by the contractor and the subgrantee.
33 In addition, there must be a written contract identifying this agreement and all work that needs to
34 be performed. All NCWAP's grant-funded work must be completed in its entirety, successfully
35 pass the post-installation inspection, and be paid in full, prior to the commencement of any
36 additional work under other funding streams or third-party agreements.

37
38 The purpose of this policy is to avoid the appearance of, or the existence of, an actual conflict of
39 interest related to NCWAPs' scope of work.

40 41 **NCWAP Services for Subgrantee Employees or Relatives**

42
43 Subgrantees should be aware that providing service to employee(s) or relatives may appear as a
44 conflict of interest. In all cases, subgrantees must obtain written approval from NCWAP Program
45 Manager before rendering service(s) by submitting a signed/dated request by the Executive
46 Director or his/her designee that certifies and provides documentation for the following:

- 1
- 2 1) The subgrantee clearly identified all affected staff member(s), board member(s) and/or
- 3 associated employee relative(s) that could appear as a conflict of interest.
- 4 2) The subgrantee will recuse affected staff member(s) or board member(s) from
- 5 participating, having responsibilities, exercising power, or influence over the client’s
- 6 NCWAP activities.
- 7 3) The affected client will not be given preferential treatment with respect to assumptions in
- 8 the energy model, priority score, or position in the waitlist; and
- 9 4) The subgrantee will provide factors, circumstances, and criteria that show how working
- 10 with the affected client will be fair, reasonable, and in the subgrantee’s best interest.
- 11

12 If written approval is provided by the NCWAP Program Manager, the Grantee must conduct on-

13 site and technical monitoring for the affected client’s closed job to ensure a fair and equitable

14 process.

15

16

17 **2.10.5 Administrative Expenditure Limits**

18

19 Sec. 1011(g) of the Energy Act of 2020 (Division Z of P.L. 116-260) includes language that will

20 amend 42 U.S. Code § 6865(a)(1) language on administrative funds. The DOE administrative cost

21 category is now at 15%.

22

23 DOE will allocate the 15%, with a direct split between the Grantee and its Subgrantees. Not more

24 than 7.5% may be used by the Grantee for such purposes, and not less than 7.5% must be made

25 available to subgrantees.

26

27 The LIHEAP administrative cost category is 10%; *(5%for the Grantee and 5%for the Subgrantee)*.

28

29 Consistent with past practices, DOE includes the provision where a Grantee may provide in its

30 annual plan an additional 5% for administration for recipients of grants of less than \$350,000. The

31 Grantee must determine that such recipient requires the additional amount to effectively implement

32 DOE’s administrative requirements.

33

34 **2.11 Monitoring – Quality Assurance**

35

36 The Grantee maintains qualified personnel to monitor the fiscal and programmatic activities of the

37 Subgrantees. A comprehensive monitoring plan (closed and in-progress jobs) will be developed

38 that requires the evaluation of all aspects of the program at the Subgrantee level and allows the

39 Grantee to accurately track Subgrantee performance levels throughout the contract period. This

40 plan allows the Grantee to track subgrantee performance and provides for the tailoring of

41 monitoring activities so that all agencies will receive the level of training and technical assistance

42 appropriate to their level of performance. Grantee provides additional monitoring to Subgrantees

43 with significant deficiencies of a rate of 10% NCWAP may, at its discretion provide training via

44 webinars, , teleconferencing, onsite, and through accredited training facilities.

45

46 NCWAP will conduct monthly billing/reimbursement reviews for each Subgrantee via desktop

1 monitoring in accordance with Section 2.16 of this Plan. Subgrantees are required to submit a
2 complete package of documentation to NCWAP for all weatherization expenses incurred within a
3 30 day period prior to receiving reimbursement of funds. Fiscal monitoring focuses on fiscal and
4 administrative compliance with all applicable federal/state regulations, and laws.. The Fiscal
5 Analysts review annual subgrantee financial audits yearly and issue an “*Auditing Financial*
6 *Findings*” letter if there are relevant findings.
7

8 NCWAP’s Quality Control Inspectors (QCI) will conduct desktop and/or onsite monitoring for
9 each Subgrantee throughout the fiscal year based on the Program Manager’s approval of the
10 monitoring method. QCIs review of the client files for completed jobs includes but is not limited
11 to the following documentation:
12

13 **Client File: Tab 1**

- 14 a) NCWAP client file checklist.
15 b) The original version of signed/dated client application forms.
16 c) Proof of identity and legal US residency status.**
17 d) Proof of property ownership or copies of signed/dated rental agreements.
18 e) Documentation to substantiate client eligibility/income verification.
19 f) Documentation to substantiate assumptions in the priority score.
20 g) Subgrantee approval letter(s) to render service.
21 h) State Historic Preservation documentation (*if applicable*).
22

23 *Social Security Numbers***

24 Below is programmatic guidance for Social Security Numbers (SSN):

- 25 • USDOE Programs – SSN’s **are not** required to be collected for eligible clients.
26 • LIHEAP and HARRP – SSN’s **are** required to be collected for eligible clients.
27

28 *Please note that if LIHEAP or HARRP services are blended into a USDOE house, SSN’s*
29 *must be collected for programmatic compliance.*

30 *Qualified Aliens***

31 For “*qualified aliens*”, subgrantees may utilize alternative documentation to verify
32 citizenship status in lieu of an SSN for USDOE, LIHEAP, and HARRP.

33 Please see “*Attachment 4*” (pp. 61362) of the DOJ Interim Guidance for a description of
34 documentation that Subgrantees may utilize to verify citizenship status as well as other
35 valuable information which may be useful in fulfilling citizenship status
36 requirements. “*Attachment 5*” (pp. 61364) lists the documentation that Subgrantees may
37 accept from “*qualified aliens*.” The guidance is available at:
38 <http://www.gpo.gov/fdsys/pkg/FR-1997-11-17/pdf/97-29851.pdf>
39

40 **Client File: Tab 2**

- 41 a) Signed/dated client consent form(s) to receive service(s) and enter premises based on
42 2.03.1.
43 b) Signed/dated client acknowledgement of receiving energy education.
44 c) Signed/dated client acknowledgement of receiving educational materials on lead and mold.

- d) The original version of signed/dated consent forms to release previous 12-months of client utility billing/usage information.
- e) Copies of previous 12-months of utility billing/usage information.

Client File: Tab 3

- a) Signed/dated energy assessment field tools for initial, interim, and final inspections in accordance with [WPN 20-4](#), [WPN 22-4](#), and the NC SWS.
- b) Signed/dated original version of the “*Mold and Moisture Checklist, Notification and Disclaimer Form*”.
- c) Signed/dated “*North Carolina Weatherization Assistance Program Heating, Ventilation, and Air Conditioning System Evaluation Report*”.
- d) The recommended measures report from the latest version of the USDOE-approved energy audit tool such as Weatherization Assistant web-based (*WAweb*) energy model.

Client File: Tab 4

- a) Materials/measures list from the client database.
- b) Official source documents from the point of sale for each expense by program and contractual line item (*i.e., invoices and receipts*) that align with Section 2.05.1.
- c) Signed/dated original version of the “*Weatherization Assistance Program Diagnostic Data Sheet*”.

Client File: Tab 5

- a) Signed/dated original version of the “*NC Weatherization Assistance Program Confined Space Entry Permit*”.
- b) Signed/dated original version of the “*North Carolina Weatherization Assistance Program Final Inspection Report & Certification*”.
- c) Final calculations for ASHRAE 62.2 compliance.

Client File: Tab 6

- d) Initial site photographs prior to beginning weatherization activities.
- e) Interim site photographs while commencing weatherization activities.
- f) Final site photographs upon completion of weatherization activities.

The grantee will inspect at least 5% of the client files for completed jobs weatherized in the program year. Grantee will increase monitoring from at least 5% to 10% when the auditor and the QCI are the same person. Grantee reserves the right to increase the inspection amount due to weaknesses, deficiencies, or previous issues found with Subgrantees. QCI issues findings and trends for concern to non-compliant subgrantee agencies.

When problems or weaknesses are discovered as a result of a fiscal or technical monitoring visit,

1 they shall be outlined in a monitoring letter to the Subgrantee with a list of findings,
2 recommendations for resolving the problem, and an appropriate timetable for taking corrective
3 action. This letter shall be issued within 30 days after the monitoring visit. The Subgrantee is
4 required to respond to the findings letter with written corrective action plans to resolve the noted
5 findings.

6
7 When observations are made that suggest training or technical assistance is needed, the monitor
8 will recommend appropriate actions that must be taken to assist the Subgrantee in resolving the
9 problem. Assistance will be provided by grantee staff or other training and technical assistance
10 resources. These processes shall also apply to QCI certified personnel if they fail to adequately
11 inspect to the most recently approved DOE field guide.

12
13 Any problems or weaknesses identified in a Subgrantee's program and outlined in a monitoring
14 report will remain in an active status until satisfactorily resolved by the Subgrantee and a written
15 response submitted to the Grantee. A Subgrantee with an active status monitoring report will be
16 subject to additional monitoring visits until problems and weaknesses are resolved.

17
18 The NCWAP Program Manager will immediately report sensitive or significant noncompliance
19 findings to the DOE project officer. Subgrantees unable or unwilling to meet federal and state
20 contracts and performance requirements will be terminated in accordance with federal and state
21 regulations.

22
23 Monitoring results will be analyzed annually, and the results used in planning for training and
24 technical assistance activities, determining the future status of the Subgrantee as an approved
25 service provider and developing a monitoring plan for the subsequent contract year.

26
27 NCWAP employs monitoring activities to ensure the quality of work and the adequate financial
28 management controls at the Subgrantee level.

29
30 NCWAP's Weatherization Technical Monitors schedule monitoring visit(s) to each Subgrantee.
31 During these visits the Monitor reviews subgrantee policy, procedures, client files and field
32 operations.

- 33
34 a) NCWAP's Fiscal Monitor schedules an annual compliance review of each Subgrantee.
35 During these reviews, the monitor conducts a comprehensive review of all ledgers, budgets,
36 and accounting systems, related to the weatherization program.
- 37
38 b) The NCWAP Program Manager or NCWAP staff may conduct unannounced spot visits of
39 subgrantees at random. During these visits all aspects of the program may be reviewed to
40 determine compliance with federal and state requirements.
- 41
42 c) Peer Exchange is optional and is used as both a monitoring tool as well as a training
43 opportunity. Subgrantees may choose to visit another Subgrantee for the exchange.

44 45 **2.11.1 Alternative Method - Electronic Storage of Client Files**

46 Subgrantees may seek to retain client files in an electronic format in lieu of paper copies. NCWAP

1 understands that using an electronic system to retain client files saves space, time, and money in
2 recordkeeping and auditing expenses. Many businesses have moved to a paperless environment to
3 store important documents and business records. Electronic storage of client files is convenient for
4 subgrantees, saves physical space, improves tracing efforts, and promotes efficient compliance
5 inspections. Electronically retained client files may be more secure from environmental damage,
6 loss, theft, or destruction and easier to access, sort, and review. For these reasons, NCWAP finds
7 that there is good cause to authorize an alternate method or procedure from storing paper client
8 files under lock and key.

9
10 NCWAP authorizes an alternative method or procedure for the electronic retention of client files
11 if all of the following requirements are met:

- 12
13 1. Subgrantees provide written notification to the Program Manager at least 30 days prior to
14 implementing an electronic client file retention system that follows the “6-Tab” methodology
15 in Section 2.11.
- 16
17 2. All client files must be retained in an electronic format (*i.e., only electronic, not paper*).
- 18
19 3. Client files for closed jobs must be electronically stored and saved in an unalterable format.
20 The original files may not be deleted, amended, replaced, or otherwise altered. If any errors are
21 found in a client file, corrections may be made to a copy (*electronic or paper*) of the original
22 electronic file and the corrected copy should be electronically attached to the original electronic
23 file and retained as part of the subgrantee’s records.
- 24
25 4. For compliance inspections, NCWAP must be provided:
 - 26
27 a. Uninterrupted access to the database in which the electronic client files are
28 stored to facilitate a compliance inspection, complete a trace request, or
29 conduct an investigation of a client complaint. NCWAP’s access to the
30 electronic client files must be in a “read only” capacity.
 - 31
32 b. Access to the database in which the electronic client files are stored with a
33 minimum of one electronic access point or computer terminal for every 100
34 files executed over the previous 12-month period.
- 35
36 5. The retention system must:
 - 37
38 a. Allow the client file to be printed and the subgrantee must print any client file
39 upon request by NCWAP.
 - 40
41 b. Retain the client file in alphabetical, chronological, or numerical order. The
42 retention system must allow for searches or queries to be made by client name,
43 application date, closure date, client database ID, address, date of birth, and
44 funding source.
 - 45
46 c. Backup the client file upon closure or when a client’s activities are stopped,
and the client file retained in the system.
 - d. Have the ability to flag or set aside client files in order to save for further review
during inspections.
 - e. Allow or provide sorting of client files during NCWAP compliance
inspections.

- 1
- 2 6. The server for the retention system is located within the United States or its territories, or if a
- 3 host facility is used, that facility must have a business premises within the United States or its
- 4 territories and must be subject to U.S. legal processes.
- 5
- 6 7. Records stored within the electronic retention system must be maintained in a
- 7 separate/partitioned database that cannot be intermingled with programs that are not sponsored
- 8 or assisting with NCWAP initiatives.
- 9
- 10 8. The storage system must:
- 11 a. Back-up the stored client files on at least a daily basis to protect the data from
- 12 accidental deletion or system failure.
- 13 b. Keep client files in an encrypted environment that is consistent with North
- 14 Carolina Department of Information Technology security standards.
- 15
- 16 9. Whenever a client file is stopped, put into pending status, or completed, the file must
- 17 immediately be downloaded and saved to a computer hard drive, server, or similar electronic
- 18 storage device located at the subgrantee's premises. If the subgrantee utilizes a contract host
- 19 facility such as a remote server or cloud storage provider, all client files must also be
- 20 electronically saved to an onsite electronic storage device that is updated on the day of any
- 21 change to, or addition of, database record(s) to protect the data from accidental deletion or
- 22 system failure.
- 23
- 24 10. Upon absolute discontinuance of business or when a subgrantee's business is
- 25 discontinued/terminated, any client files retained in electronic format must be delivered in
- 26 electronic format to the NCWAP Program Manager in a format suitable for imaging such as a
- 27 TIFF, JPEG, or PDF. If the forms will be submitted in a PDF or TIFF format, the subgrantee
- 28 must ensure that Optical Character Recognition and Intelligent Character Recognition are
- 29 turned on and searchable. The forms, retained alphabetically by name, chronologically by
- 30 application/closure date, or numerically by client ID must be delivered on a media device such
- 31 as a USB drive, CD, DVD, etc....
- 32
- 33 11. If the subgrantee fails to abide by these conditions, uses any procedure that hinders the effective
- 34 administration of laws or regulations, or any legal or administrative difficulties arise due to
- 35 complications from electronic retention, the subgrantee is no longer authorized to utilize
- 36 electronic retention of client files and must revert back to retention of paper forms.
- 37
- 38

39 **2.11.2 Subgrantee Termination**

40
41 NCWAP may terminate subgrantees if they fail to comply with the terms and conditions of the
42 Financial Assistance Agreement or if upon further review, NCWAP determines that termination
43 would be in the best interest of the State.

44
45 Reasons for termination include, but are not limited to, the following:
46

- 1 a) Work performance fails to adhere to the requirements of the Financial Assistance
2 Agreement, the NC 5 Yr. BIL State Plan or its associated attachments,
3
4 b) Disregard for or failing to follow written guidance, laws, rules, ordinances, or regulations
5 set by NCWAP,
6
7 c) Misuse of dedicated account funds, including but not limited to:
8 o Failure to pay vendors in full within 30 days of receipt,
9 o Failure to notify NCWAP of fraud or the allegation of fraud,
10 o embezzlement, misappropriation, or abuse of funds,
11 o Billing NCWAP on estimated costs, costs that have not been purchase (still in
12 online ‘shopping cart’), purchase orders, etc.
13 o Embezzlement, misappropriation, or abuse of funds
14
15 d) Refusal to proceed in a professional manner with clients, contractors, subcontractors, DEQ,
16 NCWAP staff, and/or any other external third parties, including but not limited to:
17 o Failure to conduct oneself with responsibility, integrity, accountability, respect, and
18 excellence in all interactions (*e.g., through written and/or verbal communication*).
19 Communication conduct should be a reflection as a credible representation of the
20 subgrantee. Cooperation and a friendly demeanor are expected through written and
21 verbal communication, especially in times of conflict resolution.
22 i. A written warning will be issued if a subgrantee is found in violation of
23 professional conduct before disciplinary action is taken. This written
24 citation will state the nature of the violation and what conduct is expected
25 in future interactions. If termination is pursued, the written correspondence
26 will be attached to the letter of termination.
27
28 e) Failure to provide certified and timely reporting requirements to NCWAP based on Section
29 2.16 to justify the progress made towards the program objective(s) and all administrative
30 and program expenditures.
31
32 f) Refusal to proceed with or complete work (*e.g., client’s home, billing reporting*
33 *requirements, billing revisions, monitoring requests, meeting request with NCWAP, etc.*).
34
35 g) The Subgrantee is unresponsive to NCWAP requests and deadlines. For example, the
36 agency consistently fails to provide monthly reports or contract closeouts in a timely
37 manner.
38 o
39
40 h) Disregard for competitive bidding, or
41
42 i) Other cases of conflict of interest.
43

44 **Noncompliance: Step 1**

45
46 If any staff member of NCWAP uncovers significant problem areas with the work or actions of a

1 subgrantee, including but not limited to items based on Section 2.11.2 (a)-(g), and the concerns
2 have been communicated as an informal warning in writing (*i.e., email*) to such subgrantee, that
3 NCWAP staff member must provide written notification to the NCWAP Program Manager
4 identifying the problem are(s).

5
6 **Noncompliance: Step 2**

7
8 When significant problems area(s) are not resolved to the satisfaction of the NCWAP Program
9 manager within thirty (30) days after NCWAP providing written warning communication (i.e.
10 email or formal electronic letter) to the subgrantee, the Program Manager will:

- 11 1) Immediately notify the federal funding project officer of the intent to take appropriate
12 action(s) and issue a letter of non-compliance.
- 13 2) Transmit a formal letter of non-compliance to the subgrantee’s leadership and executive
14 management, such as a board chairperson, weatherization director, or executive director.
 - 15 a. This letter will cite specific section(s) of the Financial Assistance Agreement or
16 State Plan with a requirement that the subgrantee provide a written corrective action
17 plan within five (5) calendar days, and implementation of the plan within ten (10)
18 calendar days of its written approval by the Program Manager.

19
20
21 **Noncompliance: Step 3**

22 If a formal written response and written corrective action plan are not received by NCWAP within
23 five (5) calendar days of the issuance of the formal letter of non-compliance; the subgrantee’s
24 proposed plan for resolving the alleged noncompliance is deemed unacceptable to NCWAP; or
25 the plan to resolve the alleged noncompliance is not followed, then:

26
27 The NCWAP Program Manager will issue a formal notice of default and intention to terminate to
28 the subgrantee’s leadership and executive management team. This formal letter is intended to be a
29 final written warning to the subgrantee stating that if the concerns are not resolved to the
30 satisfaction of the NCWAP Program Manager by the assigned due date(s), the subgrantee will be
31 terminated from the program.

32
33 **Noncompliance: Step 4**

34 Failure on the part of the subgrantee to: (1) respond to the notice of default and intention to
35 terminate within ten (10) calendar days; (2) develop satisfactory corrective action plan revisions;
36 or (3) not follow the corrective action plan or written commitment to resolve the alleged
37 noncompliance in full, the Program Manager will issue a notice of termination. With the notice of
38 termination, a public review will be scheduled to inform the public of the termination of the
39 subgrantee and begin the process to identify a new subgrantee through an RFP process to provide
40 energy program services.

41
42 **NOTE: Notwithstanding the above, NCWAP may suspend or terminate a subgrantee**
43 **without prior written notice upon a finding of substantial noncompliance, fraud/waste/abuse,**
44 **substantial breach of agreement or at the discretion of the NCWAP Program Manager or**
45 **the NCSEO Director.**

1 **2.11.3 Exemplary Subgrantee**

2
3 NCSEO will use the following criteria for designating a Subgrantee as an “*Exemplary Subgrantee*”.
4 Levels of Subgrantee Performance

5
6 **High Performance or Exemplary Subgrantees:**

7
8 By way of monitoring review, a subgrantee has demonstrated performance standards that meet or
9 exceed that commonly observed in the following areas:

10
11 **Program Operations:**

- 12 ○ No Health and Safety finding(s) as identified in previous monitoring report(s).
- 13 ○ No procedural finding(s) related to program rules, and policies and procedures.

14
15 **Fiscal:**

- 16 ○ No annual program specific audit findings.

17
18 **Technical:**

- 19 ○ Provide comprehensive service utilizing the latest building science and renewable
20 technology, in a cost-effective manner in accordance with State of North Carolina law
21 and policy.

22
23 **Production:**

- 24 ○ In general, the subgrantee’s production is high relative to funding.

25
26 **Qualified staff:**

- 27 ○ Subgrantee will receive higher credit for exemplary status if: (1) the staff or contractors
28 are BPI certified; (2) agency staff received appropriate job-related certification(s); and
29 (3) subgrantee staff conducted, or proctored, NCSEO sponsored/endorsed certification
30 trainings.

31
32 **Risk:**

- 33 ○ No “at-risk” elements are found in major categories for an subgrantee.

34
35
36 **Typical Subgrantee Performance:**

37 Typically, the frequency of monitoring will be ongoing during the program year by an NCWAP
38 Program Monitor and/or an NCWAP Monitor and Fiscal Monitor. The need for increased visits
39 will be determined by NCWAP Program Manager based on such factors such as past monitoring
40 results, a subgrantee’s program funding and production level, the completeness of the monitoring
41 within the time available, and compliance with federal requirements such as Davis Bacon, Build
42 America Buy America, and Justice 40, National Environmental Policy Act, and historic
43 preservation. NCWAP expects every agency to meet these standards of performance:

- 44
45 a) Well-established systems for program administration and operations, with no finding in the
46 following areas:

- 1 ○ Compliance with major program requirements, such as, lead-based paint
- 2 ○ procedures, cost allocation plan/indirect rate, required contractor information.
- 3 ○ No program specific finding in the annual audit.
- 4 ○ Staff well trained in performance of specific job duties.
- 5 ○ Complete and organized client files.
- 6
- 7 b) Evidence of prudent decision making as to use of program resources:
- 8 ○ Complete scopes of work.
- 9 ○ Fiscal documentation is current and consistent with billing requirements outlined in
- 10 Section 2.16.
- 11
- 12 c) Consistently maintaining updated records in the NC WAPs Client Database
- 13 ○ Staff proficient in its use.
- 14 ○ Evidence that client data for waitlist or deferral lists are updated and verified at
- 15 least annually. Please see [Appendix C](#) for the “deferral” process.
- 16 ○ Client data is maintained on a monthly basis for those receiving weatherization
- 17 services (*excluding waitlists and deferral lists as defined in “b”*).
- 18
- 19 d) Staff and contractors have demonstrated proficiency in technical applications, including
- 20 diagnostics.
- 21 e) Subgrantee has a minimal number and severity of procedural findings (*as related to*
- 22 *program laws, rules, and policies and procedures*), as well as health and safety findings
- 23 from previous monitoring report.
- 24
- 25 f) Subgrantee complies with Occupational Safety and Health Administration
- 26 (*OSHA*)/DHS/NCSEO safety rules, as applicable.
- 27
- 28 g) The subgrantee maintains a professional working relationship with NCSEO such as
- 29 conducting oneself with responsibility, integrity, accountability, respect, and excellence in
- 30 all interactions.
- 31
- 32 h) Past corrections made and reported in a timely manner.
- 33
- 34 i) No “at-risk” elements are found in major categories for a subgrantee.
- 35
- 36

37 **At-Risk Subgrantee Performance:**

38
39 At-risk subgrantees may be identified as a result of a variety of factors that may include:

- 40
- 41 a) There is evidence of significant administrative or program sub-standard performance; for
- 42 example, repetitive pattern of findings, failure to have copies of permits on file, or lack of
- 43 compliance with historical preservation rules failure to demonstrate compliance with
- 44 federal/state laws, rules, and guidance documents.
- 45
- 46 b) The subgrantee is not in compliance with three (3) or more program policies, procedures,

1 and specifications.

- 2
- 3 c) The subgrantee has three (3) or more health and safety findings.
- 4
- 5 d) Subgrantee staff/crew members have been unable to pass certification training.
- 6
- 7 e) The subgrantee has deficient scopes of work.
- 8
- 9 f) The subgrantee has three (3) or more program specific audit findings.
- 10
- 11 g) The subgrantee files are incomplete or disorganized.
- 12
- 13 h) The subgrantee staff is unresponsive to NCWAP requests and deadlines. For example, the
- 14 agency consistently fails to provide monthly reports and contract closeouts in a timely
- 15 manner.
- 16
- 17 i) The subgrantee maintains an unprofessional working relationship with NCSEO such as not
- 18 conducting oneself with responsibility, integrity, accountability, respect, and excellence in
- 19 all interactions.
- 20
- 21 j) Subgrantee production is substantially low relative to funding.
- 22
- 23 k) Other NCSEO programs (*Community Services Block Grant (CSBG), LIHEAP, Food,*
- 24 *Homeless, etc.*) have indicated problems with, or concerns about, the subgrantee.
- 25

26 At-risk subgrantees will be monitored separately **no less than twice annually**. Other factors in the

27 frequency of monitoring visits may be based upon the requirements of specific funding sources.

28

29

30 **2.12 Monitoring – Productivity**

31

32 NCWAP monitors subgrantee productivity through information provided on monthly fiscal

33 reports, fiscal/program monitoring, and/or the Peer Exchange. If a Subgrantee falls consistently

34 and considerably below their projections based on historical data, NCWAP reserves the right to

35 redistribute their unexpended funds by providing a letter stating that the formal process to move

36 funds will begin in ten business days.

37

38

39 **2.13 Multi-Family**

40

41 Multifamily buildings are those containing five dwelling units or more. For multifamily buildings

42 containing less than 25 units with units that are individually heated or cooled, either the

43 Multifamily Priority List or the USDOE approved energy audit such as Weatherization Assistant

44 web-based (WAweb), TREAT, or REM shall be used to determine the proper work scope.

45

46 In order to weatherize an apartment, all units in the affected building must be weatherized.

47 Standalone small multifamily housing (duplexes, triplexes, and quadplexes) does not require prior

1 approval from NCWAP.

2
3 Groupings of four or more buildings on a single site that are owned by a single owner shall require
4 prior approval from NCWAP.

5
6 Small multifamily units are eligible for weatherization, provided that they meet the eligible client
7 occupation minimum:

- 8
9 a) 50 % of a duplex,
10 b) 66 % of a triplex, or
11 c) 50 % of a quadplex.

12
13 Additionally, Subgrantees may only count vacant units towards the 50 percent or 66 percent
14 threshold when the building has been assisted by a state or federal program that restricts occupancy
15 to households with incomes that qualify for the Program and where there is a reasonable
16 expectation that the unit will be occupied by such a household within 180 days following
17 completion of the project.

18
19 Costs on these properties are limited by the percentage of eligible clients multiplied by the
20 maximum cost-per-unit average. Unlike single family homes, the maximum cost-per-unit is a hard
21 limit. The cost limitation excludes health and safety expenditures.

22
23 The Grantee will follow the following procedures for multifamily:

- 24
25 a) If reported multi-family dwellings containing five or more units make up **less than** 20% of
26 the Grantee's weatherized units, then the projects must be submitted for review and
27 approval by DOE prior to commencing work on the units; or
28
29 b) If reported multi-family dwellings containing five or more units make up **more than** 20%
30 of the Grantee's weatherized units, then the projects must be evaluated by a USDOE-
31 approved energy audit tool (i.e., *WAwab*, *TREAT*, *REM*, etc.) prior to commencing work
32 on the units. NCWAP will be requesting approval of alternative, DOE approved computer
33 modeling software for use by Subgrantees.

34
35 Renters are eligible for the weatherization program. Benefits of weatherization shall accrue
36 primarily to the tenant. No rental dwelling unit shall be weatherized without first obtaining the
37 written permission of the owner. Once the Subgrantee has entered into a Landlord Agreement with
38 the owner, with the tenant as the third-party beneficiary, the Subgrantee may perform
39 weatherization services on the unit.

40
41 The agreement must contain certain restrictions for the owner, such as a negotiable period of not
42 less than two years for raising tenants rent due to weatherization, and not evicting the tenant if they
43 comply with all ongoing obligations to the owner.

44
45 Lease-to-Own properties shall be treated as rental units until the ownership has been transferred.

1 Vacant units may be counted as eligible units if the owner agrees, in writing, to rent those units to
2 eligible households upon completion of work, or within 180 days, whichever is sooner.

3
4 For a one-year period after the weatherization work on the unit is completed, rent cannot be
5 increased, unless the increase is not related to weatherization services performed, as noted in
6 10CFR440.22(b)(3)(ii).

7
8 The NCWAP Program Manager must provide prior written approval for weatherization services
9 on any property within the subgrantee weatherization network which is owned or rented by a
10 subgrantee board member, staff member, subcontractor, or family member thereof. Such request
11 to the Program Manager shall include the criteria set forth in Section 2.10.3.

12 13 **2.13.1 Multi-Family Eligibility**

14 15 ***Categorical Eligibility***

16
17 Income eligibility has been expanded to categorically include HUD means-tested programs at or
18 below 80% of Area Median Income (*AMI*) to better facilitate referral services for low-income
19 households, reducing the burden on both the intake agencies and households trying to obtain
20 services. (*Examples of HUD program but not limited to Community Development Block Grants*
21 *(CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy*
22 *Homes Program (OLHCHH), Section 8, etc.*)

23
24 The effort explored the overlap in incomes of the different households served through the various
25 programs. The overlap is sufficient to consider “*categorical income eligibility*”, defined across
26 programs as automatically granting program eligibility to applicants who have already met the
27 eligibility requirements of another agency’s identified program. Focus Area 1 of the BIL program
28 should bolster efforts for this client eligibility determination criteria.

29
30 Subgrantees may certify that applicants have met the income requirements of HUD means-tested
31 programs through mechanisms including, but not limited to, applicant documentation, interagency
32 lists of recipients, shared system databases, etc. Method of verification of eligibility must be
33 included in the client file.

- 34
35 a) Privately owned buildings receiving tenant-based assistance. Subgrantee must verify
36 residents that hold Section 8 Housing Choice Vouchers through the property owners or
37 residents themselves. Percentage of eligibility is determined by the ratio of these vouchers
38 to total units.
- 39
40 b) PHA operated buildings are 100% income eligible. WPN 22-5 procedures must be
41 followed to certify buildings.
- 42
43 c) Privately owned buildings receiving project-based assistance in North Carolina. WPN 22-
44 5 procedures must be followed to certify buildings.
- 45
46 d) Tennant by tenant income verification by obtaining necessary documents from each

1 individual tenant.

2
3 **The WPN 22-5 process for Property Certification is:**

- 4
- 5 a) The property owner or authorized agent of the property must sign a self-certification form
 - 6 attesting that:
 - 7
 - 8 b) The property owner or authorized agent maintains certified income records for
 - 9 households residing at the property.
 - 10
 - 11 c) The property owner or authorized agent has reviewed its current certified income records.
 - 12
 - 13 d) The property owner or authorized agent has determined that at least 66 % of the
 - 14 units in each building (*or at least 50 %of the units for 2- and 4-unit buildings*) have
 - 15 certified incomes that are at or below 200 % of the current federal poverty level
 - 16 based on household size.
 - 17
 - 18 e) The property owner or authorized agent certifies that all the information provided with
 - 19 the certification request is true and accurate.
 - 20

21 **2.13.2 Landlord Contribution Clause**

22
23 Some large multi-family buildings with less than 66% eligible units, (but at least 50%) may be
24 weatherized if agencies can demonstrate the investment of DOE funds would result in significant
25 energy-efficiency improvements, **AND**

- 26
- 27 a) Additional funds are leveraged from landlords, utilities, or other sources; **AND**
 - 28
 - 29 b) Leveraged funds **must** equal at least 10 percent of the total job cost to be eligible for
 - 30 reduced unit eligibility percentage.
 - 31

32 **2.14 Standard Weatherization Procedures**

33
34 **2.14.1 Labor**

35
36 It is the Subgrantees responsibility to ensure that employees and contractors are qualified and
37 properly supervised.

38
39 **2.14.2 Davis-Bacon Act – Buy American Act Compliance**

40
41 Any BIL-funded weatherization work on multifamily buildings with 5 or more units will be
42 required to pay wages to all laborers and mechanics engaged in the construction, alteration, or
43 repair of those multifamily buildings (whether employed by a contractor or subcontractor) wages
44 “at rates not less than those prevailing on similar projects in the locality, as determined by the
45 Secretary of Labor.” USDOE will provide further guidance regarding Davis-Bacon reporting. BIL
46 multi- family projects should be deferred until clarifying guidance is received or other funding

1 sources used. Once clarifying guidance is received, NCSEO will provide further guidance via
2 memo. Accounting and tracking activities will be accomplished through the WAP client database.

3 4 **2.14.3 Build America, Buy America Act**

5
6 **Only weatherization on public housing, or on privately owned buildings that serve a public**
7 **function are required to comply with the requirements of this section.**

8
9 Buy American Act (BAA) language was written into the Bipartisan Infrastructure Law (BIL).
10 USDOE issued WAP Memo 104 on February 23,2024. Until additional guidance is supplied, it is
11 NC WAP' expectation that when an American-made product of similar quality and utility is
12 available, and costs are not prohibitive, that product will be purchased. Once further guidance is
13 received, NC WAP will provide further guidance via memo.

14
15 Agencies must ensure that all applicable programs comply with the “Build America, Buy America
16 Act”.⁷ The Act requires the following:

- 17
18 a) Iron and Steel Products
19 ○ All manufacturing processes must occur in the United States.
20 b) Manufactured Products
21 ○ All manufactured products must be produced in the United States; and
22 ○ 55 % or more of the total cost of components must be mined, produced, or
23 manufactured in the United States.
24 c) Construction Materials
25 ○ The term “*Construction materials*” does not include cement and cementitious materials,
26 aggregates such as stone, sand, or gravel, or aggregate binding agents or additives⁸.
27 ○
28 ○ All manufacturing processes must occur in the United States.
29

30 If necessary, recipients may apply for, and DOE may grant, a waiver from the Buy America
31 Preference requirements. Waivers for the application of the Buy America Preference must be in
32 writing. Waiver requests are subject to public comment periods of no less than 10 days, and may
33 be reviewed by the Office of Management and Budget (OMB)⁸. Subgrantees should be advised
34 that “*best efforts*” to determine that iron, steel, manufactured goods, and/or construction materials
35 are BABA compliant cannot be accepted; recipients should consider contacting an item’s
36 manufacturer, in writing to determine whether that product meets the BAA standard. If the
37 manufacturer is unable or unwilling to certify the product as BAA compliant, resulting in the
38 recipient needing to seek a BAA waiver, those communications will serve as the foundation of a
39 waiver request.

40
41
42 Request for a waiver must be based on one or more of the following criteria:

- 43 a) Applying the Buy America Preference would be inconsistent with the public interest
44 (*Public Interest*).

⁷ <https://www.whitehouse.gov/omb/briefing-room/2022/04/20/how-build-america-buy-america-guidance-strengthens-made-in-america-requirements/>

- b) Nonavailability of required materials or quantities necessary.
- c) Materials produced in the United States will increase the cost of the overall project by more than 25%.

2.14.4 Authorization

Prior to weatherizing residential units, the following procedures shall be followed. The owner or authorized agent shall give written permission for the weatherization assistance. Such written authorization must be signed by the owner (or owner’s authorized agent) and must include:

- a) Location of dwelling (physical street address).
- b) Name of eligible tenant.
- c) A list of possible work to be completed.

2.14.5 Operation of the Program

It is the Subgrantee’s responsibility to identify and procure the local resources necessary to operate this program. These would include, but not be limited to local and state funds, donated materials, space, support, and any resources not provided for by U.S. DOE funds. Such resources are to be identified by the Subgrantees in their grant proposals/annual applications to NCWAP. Additionally, the Subgrantee shall insure prior to operating the program, that the criteria are met and maintained.

Contractor Procurement: All Subgrantees that employ private licensed contractors to provide weatherization, repairs, or inspections where the cumulative one-year compensation is \$30,000 or more, must have a written policy in place and use said policy to procure contractors that meets the requirements outlined by the North Carolina Licensing Board for General Contractors⁸.

2.14.6 Expansion of Manufactured Home Definition

The definition of manufactured homes is expanded to include travel trailers and motor homes under the following conditions:

- a) Unit is a permanent residence; **AND**
- b) The unit has an address; **AND**
- c) The occupant has a utility bill in their name or can demonstrate an energy burden; **AND**
- d) The occupant has a legal lease or contract to live in the unit and park the unit at said location; **AND**
- e) There must be cost-effective (SIR of 1.0 or greater) weatherization improvements to be

⁸ <https://nclbnc.org/license-applicants/> (See the document titled, “NCAC Title 21 Chapter 12A”).

1 completed on the structure; **AND**

- 2
3 f) Health and safety improvements are only related to weatherization and **do not** address
4 mechanical, other than Heating, Ventilation, and Air Conditioning (HVAC).
5

6 **2.14.7 National Environmental Policy Act Information (NEPA)**

7

8 The following activities are categorically excluded from further NEPA review, absent
9 extraordinary circumstances, cumulative impacts, or connected actions that may lead to significant
10 impacts on the environment, or any inconsistency with “integral elements” (as contained in 10
11 CFR Part 1021, Appendix B) as they relate to a particular project and adhere to the applicable
12 State’s programmatic agreement with the cognizant State Historic Preservation Office (SHPO).
13

- 14 a) Administrative activities associated with management of the designated Weatherization
15 Office and management of programs and strategies in support of weatherization activities.
16
17 b) Development and implementation of training programs and strategies for weatherization
18 effort, including initial home audits, final inspections and client education.
19
20 c) Purchase of vehicles and equipment needed for weatherization audits.
21
22 d) Weatherization activities provided that projects apply the restrictions of each state’s
23 programmatic agreement with SHPO.
24

25 Subgrantees verify that a dwelling is within or adjacent to an historic district at the following
26 website:

27 [https://nc.maps.arcgis.com/home/group.html?id=d56ec9c8aa77423b931f4d359f103ae6&view=li
28 st&categories=%5B%22%2FCategories%2FHPOWEB%22%5D#content](https://nc.maps.arcgis.com/home/group.html?id=d56ec9c8aa77423b931f4d359f103ae6&view=list&categories=%5B%22%2FCategories%2FHPOWEB%22%5D#content)
29

30 Subgrantees are required to comply with State Historic Preservation Office guidelines as follows:
31

- 32 a) If any of the following measures are to be implemented (based on a *Subgrantee’s*
33 *completed work order*):
34 ○ anything requiring holes in the unit’s weatherboard (siding),
35 ○ replacing wood windows,
36 ○ replacing a wood front door,
37 ○ solar thermal applications (not a typical WAP measure).
38
39 b) If any of these measures are applicable, and the dwelling is determined to be historic, then
40 proceed as follows:
41 ○ forward an electronic version of the work order form or a scanned Subgrantee client
42 database work order and pictures of the home from all four elevations (if possible)
43 to energy.projects@ncdcr.gov for review.
44 ○ the North Carolina State Historic Preservation Office will provide
45 guidance/assistance regarding compliance and proper implementation for

1 weatherization.

- 2
- 3 c) If any of the listed measures are not applicable, then proceed with the weatherization
- 4 process.
- 5

6 **2.15 General Accounting Practices**

7

8 Weatherization Assistance Programmatic cost are on a reimbursement basis only based on Section

9 2.16 of this Plan. To that end, to insure accurate reporting, proper documentation, and compliance

10 with federal and state guidelines for fiscal procedures, all Subgrantees must at a minimum:

11

12 **2.15.1 Submit an Annual Audit**

13

14 Submit an annual audit of weatherization funds, which shall be conducted by a Certified Public

15 Accountant, using the audit standards contained in 2 CFR 200 – Subpart F.

16

17

18 **2.15.2 Receive Authorization from DEQ for Purchases or Lease**

19

20 Receive authorization from US DOE or purchases or lease of acquisitions in excess of **\$5,000**. All

21 capital property and vehicle purchases **must** be forwarded to the U.S. DOE Regional Support

22 Office for final approval. However, NC WAP plans to utilize the provisions of WPN 24-6 to obtain

23 approval for large purchases as part of the plan revision cycle.

24

25 Please note that, additional approval **must** be forwarded to the U.S. Department of Health &

26 Human Services (*USDHHS*) if being cost-shared with the Low-Income Home Energy Assistance

27 Program.

28

29 DEQ will provide all Subgrantees with access to the “*Vehicle Request Form*” within NCWAP’s

30 ShareFile. For approval of Vehicle & Capital Equipment Purchases, the minimum information

31 needed by NCWAP is:

32

- 33 a) Whether the vehicle is “*For Lease*” or “*For Purchase*”.
- 34
- 35 b) Name of requesting local subgrantee.
- 36
- 37 c) Complete description of vehicle (*e.g., new/used, make, model, year, type, and current*
- 38 *mileage*).
- 39
- 40 d) Total cost of requested vehicle.
- 41
- 42 e) What the funding source(s) will be (*e.g., DOE; Program Operations funds*). **Subgrantee**
- 43 **T&TA funds are not an allowable option.**
- 44
- 45 f) Anticipated annual mileage by funding source(s).
- 46

- 1 g) Where the vehicle will be used and how it will be used – Specify, full or part time use in
2 the Weatherization Assistance Program and/or the Low-Income Home Energy Assistance
3 Program.
4 h) Statement of whether this is a replacement or an expansion for ramp-up. If this is a
5 replacement, describe how the trade-in is being addressed.
6
7 i) Brief description of how the procurement will be done, and confirmation that the
8 Subgrantee maintains policies and procedures for property management that comply with
9 all requirements of the applicable Code of Federal Regulations (*CFR*), 2 CFR Subtitle B
10 with guidance at 2 CFR Part 200.
11
12 j) Copies of bid specs (*vehicle description with options requested*) and bids received.
13
14 k) Copies of independent mechanical evaluations (*for used vehicles only*). Please specify if
15 not applicable.
16
17 l) Statement that lowest bid will be selected; or sufficient justification of the “*best value*
18 *selection*” if lowest bid is not recommended for USDOE/USDHHS approval.
19

20 **2.15.3 Travel Regulations**

21
22 Each Subgrantee must have in place travel regulations that include travel authorization,
23 reimbursement, advancements, and per diem rates that do not exceed the State of North Carolina’s
24 maximum amount for meals, hotels, and other costs while traveling. For more information, please
25 refer to Section 1.06.1 (a) – (f).
26

27 **2.15.4 Financial Operations Manual**

28
29 Each Subgrantee has in place a financial operation manual that details accounting standards,
30 segregation of duties, procurement procedures, program income application, and program rebates.
31

32 **2.15.5 Use of Weatherization Funds for Renewable Energy Systems**

33
34 **The average cost per unit (ACPU) for overall program expenditure is limited to the annual**
35 **inflation adjustment as established by DOE through Weatherization Program Notices.**
36

37 10 CFR §440.18 (*Allowable Expenditures*) incorporates the renewable energy system provisions
38 and specifies a ceiling of \$3,000 per dwelling for labor, weatherization materials, and related
39 matters. The percentage increase in the Consumer Price Index for the previous 12-month period
40 (*September 2022 – September 2023*) was 3.7%. Therefore, the FY25 adjusted average is \$4,169
41 for renewable energy system measures with a Savings to Investment Ratio (*SIR*) greater than 1.
42

43 To help facilitate the integration of solar photovoltaic (PV) across the WAP network, DOE has
44 released WAP Memorandum 23-6. This memo allows for the submission of pilot solar PV projects
45 to DOE for approval that meet the requirements in WAP Memorandum 23-6: Attachments 4 and
46 6. North Carolina will be allowing Solar PV on a case-by-case basis with approval from DOE.
47 Solar PV projects must meet SIR requirements and are limited to the adjusted average limit.

1
2 With respect to community solar, USDOE specifies that community solar would be
3 more appropriate for competitive awards under stimulus programs created by the Bipartisan
4 Infrastructure Law and/or Inflation Reduction Act (*i.e.*, *Solar for All; Climate Pollution Reduction*
5 *Grant; etc.*).

6 **Note: The adjusted average for renewable energy measures is not a separate average, but a**
7 **part of the overall adjusted average expenditure limit for the ACPU.**
8

9 **2.15.6 Prohibited Expenditures**

10
11 Funds shall not be expended for the items or services other than those listed in 10 CFR 440.18.
12 T&TA funds cannot be used to purchase equipment used in the day-to-day installation of
13 weatherization measures. Where a need exists to purchase tools and equipment Subgrantees should
14 use “program operations” funds.
15

16 **2.15.7 Discretion of Procurement**

17
18 DEQ gives Subgrantees discretion in the procurement of materials. All supplies, equipment,
19 materials, and services must be procured in accordance with applicable state law and procedures
20 and 2 CFR Subtitle B with guidance at 2 CFR Part 200.
21

22 **2.15.8 EPA Compliance**

23
24 Subgrantees shall comply with the Environmental Protection Agency (EPA) regulations as set
25 forth in 40 CFR Part 247 - Guidelines for Procurement of Recovered Materials, which encourages
26 the use of recyclable materials.⁹ Subgrantees shall use recyclable materials whenever possible.
27 Compliance with EPA regulations also applies to the decommissioning of replaced baseload
28 appliances whether subcontracted out or not.
29

30 **2.16 Reporting Requirements**

31
32 Weatherization Assistance Programmatic costs are on a reimbursement basis and must be
33 submitted to NCWAP within 30-days of receiving an invoice/receipt. To that end, each subgrantee
34 must submit certified and timely reports to NCWAP detailing the progress made towards the
35 program objective(s) and all administrative and program expenditures. The report **must** agree with
36 the subgrantee’s accounting records, client database, and be certified by the subgrantee’s chief
37 executive officer or their designee via handwritten or certified electronic signature. Timely
38 reimbursements are based on the “*Monthly Billing Submittal Calendar*” provided by NCWAP via
39 (1) the “*Network Documents*” folder in ShareFile; and (2) email.
40

- 41 a) Required reporting documents for a complete monthly billing package include:
- 42 o **Invoice [WAP Template via ShareFile]**
 - 43 ▪ Each Subgrantee should submit **one invoice each month** on our templates for
44 total costs by program and contractual line item. **It should not affect**
45 **subgrantee’s internal invoicing systems.**

⁹ <https://www.epa.gov/smm/regulatory-background-comprehensive-procurement-guideline-program-cpg>

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- 46
- The program (*i.e., DOE, LIHEAP, HARRP, etc. ...*) and contractual line item (*i.e., administration, T&TA, program operations, H&S, readiness, etc. ...*) totals in the invoice should match Box 12 of the Financial Status Report “286”.
 - The official document should be a signed and dated PDF by the Executive Director and Financial Director or their designee(s).
 - **Financial Status Report “286” [WAP Template via ShareFile]**
 - Should include information for all required fields by WAP in the “286” along with supporting documentation showing that expenditures are consistent with the subgrantee reimbursement proposal, approved budget, in-progress/completed units, and provisions of the Financial Assistance Agreement
 - *Once reporting features are available in the client database, the NCWAP Program Manager will send a memo requiring that the subgrantee submit PDF copies of monthly reports of completed units, waitlist reports, applicant reports, denial reports, applicant approval reports, and deferral reports from the client database as part of the supporting documentation package.*
 - The PDF should contain the initials and printed name of the Preparer and Program Coordinator (via handwritten, DocuSign, RightSignature, or Adobe Signature).
 - The PDF should contain a signature, date, and title of the Certifying Official (*via handwritten, DocuSign, RightSignature or Adobe Signature*).
Please note that the Preparer’s signature and Program Coordinator should be a different person than the Certifying Official.
 - The subgrantee will submit a final signed PDF along with an unsigned Excel copy containing the final values by program and contractual line item..
 - **Project Expense Summary [WAP Template via ShareFile]**
 - Should include an inventory of all receipts/subcontractor invoices from the point of sale that quantify the totals listed on the NCWAP’s invoice, and FSR286 templates.
 - Subgrantees should ensure the following when completing the Project Expense Summary:
 - The date listed in the “*Date of Invoice/Receipt*” column reflects the date on the original invoice/receipt.
 - The “*Low-Income Program*” & “*Contractual Line Item*” columns (*dropdown sections*) align with the cost allocation as shown on the original invoices/receipts.

- 1 • The “*Invoice #*” and “*Invoice Name*” columns should reflect the invoice
2 number and entity name contained in the original source document from
3 the point of sale, respectively. If the invoice number is not listed on the
4 source document from the point of sale, Subgrantees should place “*N/A*”
5 in the “*Invoice #*” column.
6
- 7 • The “*WAP/HARRP Event #*” column aligns with the client WAP/HARRP
8 event number (*e.g. the full event number listed in CARDS W-000011111 -*
9 *or- shorthand W-11111*) as listed on the original invoice/receipt. If the
10 WAP/HARRP Event number is not listed on the original invoice/receipt or
11 unknown at the time of purchase, Subgrantees should place “*N/A*” in the
12 “*WAP/HARRP Event #*” column.
13
- 14 • For the “*Amount Charged to Program from Invoice/Receipt*” column,
15 Subgrantees must provide the total that is being charged to NCWAP to
16 reflect the cost allocation on the source document from the point of sale.
17
- 18 • The “*Is Tax being Included in the Amount Charged Column?*” column,
19 subgrantees must select the dropdown of “*Yes*” or “*No*” to specify whether
20 the amount charged to NCWAP includes sales tax. If the subgrantee selects
21 “*Yes*”, the sales tax as shown in the source document from the point of sale
22 is included in the “*Amount Charged to Program from Invoice/Receipt*”
23 column. However, if “*No*” is selected, only the cost allocated subtotal
24 (without tax) should be listed in the “*Amount Charged to Program from*
25 *Invoice/Receipt*” column based on the source document from the point of
26 sale.
27
- 28 • Subgrantees should list the original invoices/receipts in the PES as they are
29 provided in the Official Invoices/Receipts Documentation (in the case that
30 Subgrantees submit all of their original invoices/receipts in one combined
31 PDF). This will assist with expediting NCWAP’s reviews.
32
- 33 ▪ The subgrantee will submit a final signed PDF along with an unsigned
34 Excel copy containing the final line items.
35
- 36 ○ **General Ledger [Subgrantee Provides]**
37 ▪ This is the general accounting record of subgrantee finances that contains a
38 set of numbered accounts used to track transactions and prepare financial
39 reports. The subgrantee should submit this document as an unsigned PDF -
40 or- unsigned Excel version.
41
- 42 ○ **Payroll Report [Subgrantee Provides]**
43 ▪ To ensure NCWAP is able to quantify the total amounts billed for payroll
44 items by program and contractual line item, subgrantees are required to
45 provide on of the following options:
46

1 • Payroll Report & Summary Option 1

2 a. Subgrantee provides a monthly export from their timekeeping system to
 3 validate subgrantee staff time charged by program and contractual line
 4 item. Time can be logged using outputs from tools such as:

- 5 i. Third-Party Timekeeping Software
- 6 ii. Payroll Report/System

7
 8 b. Subgrantee provides a simple summary table/attachment to the “Payroll
 9 Report” to assist with the quantification (*i.e., highlighting or clearly*
 10 *identifying the charges being made to NCWAP*). An acceptable summary
 11 that would be an attachment to the Payroll Report is below:

| Payroll Summary Report - [Subgrantee Name] | | | |
|--|---------------------------------|-----------------|--------|
| Billing Period - [Month XXXX - Month XXXX] | | | |
| Program | Contractual Line Item | Description | Value |
| DOE | Program Ops. | Salary + Fringe | \$ XXX |
| DOE | Administrative | Indirect | \$ XXX |
| DOE | Training & Technical Assistance | Salary | \$ XXX |
| LIHEAP | Program Ops. | Salary + Fringe | \$ XXX |
| LIHEAP | Administrative | Indirect | \$ XXX |
| HARRP | Program Ops. | Salary + Fringe | \$ XXX |
| HARRP | Administrative | Indirect | \$ XXX |

12
 13
 14 • Payroll Report & Summary Option 2:

- 15 ▪ Subgrantee provides a Payroll Report that is a combination of detailing staff
 16 time and the amount charged by program and contractual line item. An
 17 acceptable summary would be:

| Payroll Summary Report - [Subgrantee Name] | | | | | | |
|--|-----------------------|---------------|-------|----------|-------------|---------------|
| Billing Period - [Month XXXX - Month XXXX] | | | | | | |
| Program | Contractual Line Item | Employee Name | Hours | Rate | Value | Program Total |
| DOE | Program Ops. | James Blue | 15 | \$ 26.04 | \$ 390.60 | |
| DOE | Program Ops. | Barbara Green | 8 | \$ 26.04 | \$ 208.32 | \$ 598.92 |
| LIHEAP | Program Ops. | Lance Brown | 10 | \$ 26.04 | \$ 260.40 | \$ 260.40 |
| HARRP | Program Ops. | James Blue | 11 | \$ 26.04 | \$ 286.44 | |
| HARRP | Program Ops. | Barbara Green | 9 | \$ 26.04 | \$ 234.36 | \$ 520.80 |
| Total Program Ops. | | | | | \$ 1,380.12 | |
| DOE | Administration | Paul Grey | 20 | \$ 38.32 | \$ 766.40 | \$ 766.40 |
| LIHEAP | Administration | Paul Grey | 34 | \$ 38.32 | \$ 1,302.88 | \$ 1,302.88 |
| HARRP | Administration | Paul Grey | 15 | \$ 38.32 | \$ 574.80 | \$ 574.80 |
| Total Administration | | | | | \$ 2,644.08 | |

18 The
 19 Subgrantee will a Payroll Report/Summary signed and dated by the
 20 CEO/ED and Financial Director.

21
 22 ○ **Official Invoices/Receipts and Supporting Documentation**

- 23 ▪ The subgrantee is required to provide original source documents from the point of
 24 sale (*i.e., invoices/receipts*) along with proof of payment for any charge towards
 25 NCWAP as listed in the Project Expense Summary within 30-days of receipt.

- 1 ▪ All original invoices/receipts **-or-** cost allocation cover pages for each original
2 invoice/receipt should include the following:
3 • Grand total charged to by program and contractual line item (*i.e., DOE,*
4 *Program Ops. \$XXX*).
5 • WAP/HARRP Event ID#: the full event number listed in the client database
6 such as “W-000011111” **-or-** shorthand “W-11111” (*if applicable and known*
7 *at the time of purchase*).
8 • Please note that providing general ledger codes in lieu of cost allocation labels
9 by program and contractual line item will deem the package incomplete.
10
11
12 ▪ PDF copies of spreadsheets containing costs charged to NCWAP are not acceptable
13 in lieu of source documentation from the point of sale (*i.e., receipts and invoices*).
14
15 ▪ Please note that for T&TA charges related to meetings, conferences, registration
16 fees, trainings, or any other events allowed under Section 1.05, the subgrantee is
17 required to provide a registration invoice, associated agenda, and/or sign-in sheet
18 before reimbursement is provided.
19
20 b) Reporting Format – DEQ has provided all Subgrantees with online access to software (*i.e.,*
21 *ShareFile and/or client database*) for the purpose of reporting weatherization activities. All
22 weatherization Subgrantees are required to use program software for reporting purposes.
23
24 c) Additional Guidance – DEQ has provided all Subgrantees with access to training videos
25 concerning the billing submittal process. In the instance Subgrantees need additional
26 guidance, NCWAP will provide case-by-case virtual training to discuss the billing process.
27
28 d) NCWAP cannot approve an incomplete billing package. Expenses will only be reimbursed
29 by providing all items based on Section 2.16(a) and (b) on a monthly basis (*regardless of*
30 *whether expenses were made*). Upon review of the Subgrantee submittal, NCWAP will
31 provide subgrantees with a detailed email listed by reporting requirement (*i.e., Invoice,*
32 *FSR286, PES, Payroll, Official Invoices/Receipts, and General Ledger*) explaining any
33 needed revisions, clarifications, and associated due date(s) for resubmittals. Subgrantees
34 must review, clarify, revise, and/or submit any items needed to correct the incomplete billing
35 package within the due date(s) listed in the email.
36

37 **Please note that any clarifying updates concerning 2.16 (a), (b), (c), and (d) will be sent from**
38 **the NCWAP Program Manager.**
39
40

41 **2.16.1 Success Story Reports**

42

43 Subgrantees receiving positive correspondence from or about people whose homes were
44 weatherized, should submit selected letters to NCWAP upon receipt. Letters will then be
45 forwarded to DOE to bolster efforts to promote weatherization and give a human face to people
46 receiving weatherization assistance.

1
2 **2.16.2 Fuel Switching**
3

4 Until NCWAP receives approval by DOE to administer case-by-case fuel switching authorizations
5 under WAweb, NCWAP must submit the following to its Project Officer for DOE approval:

- 6 1. A description of the proposed fuel-switch as an ECM and/or H&S and the reason for doing
7 so.
8 2. A complete site-specific energy audit with all supporting documentation that either: a.
9 Demonstrates fuel-switching is cost-effective when interacted with all other appropriate
10 energy conservation measures for the building, or b. Properly supports the proposed switch
11 as a H&S measure.
12 3. Supporting documentation must include the initial site assessment, all available photos,
13 proposed equipment details (*type, capacity, efficiency, etc.*), the entire cost of the
14 installation including ancillary equipment necessary for the fuel-switch (*e.g., new natural*
15 *gas lines and additional or upgraded electrical equipment*), fuel costs used in the energy
16 audit, the energy audit's input record (*all costs must be modeled in the ECM evaluation*),
17 and selected measures report
18 .

19 **2.16.3 Cook Stoves**
20

21 DOE does *not* allow cook stoves to be replaced with DOE funds. DOE does, however, allow for
22 repair of gas cook stoves. If a Subgrantee discovers a cook stove that is emitting dangerous levels
23 of carbon monoxide (*check ambient CO Levels*), and repair is not possible, other funds should be
24 used to remedy the problem.
25

26 **2.16.4 Disaster Relief**
27

28 In the event of a declared natural or manmade disaster (those in which the President or the
29 Governor of the state of North Carolina has declared the event an Emergency), North Carolina will
30 allow Subgrantees to assist their eligible clients with weatherization funds to the extent that the
31 services are in support of eligible weatherization work. The allowable expenditures under the
32 Weatherization Assistance Program (WAP) are limited to include the following:
33

- 34 a) The purchase, delivery, and installation of weatherization materials and,
35
36 b) The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to
37 make the installation of weatherization materials effective and,
38
39 c) The cost of eliminating health and safety hazards, elimination of which is necessary before
40 the installation of weatherization materials.
41

42 All materials utilized must be listed in 10 CFR Part 440 Appendix A. To the extent that the services
43 are in support of eligible weatherization (or permissible re-weatherization) work, such expenditure
44 would be allowable. For example, debris removal at a dwelling unit so that the unit can be
45 weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be
46 weatherized would not be an allowable cost.
47

1 In a declared federal or state disaster, sub grantees may return to a unit previously reported as a
2 completion to the Department of Energy that has been “damaged by fire, flood or act of God and
3 repair of the damage to weatherization materials is not paid for by insurance”, per 10 CFR
4 440.18(f)(2)(ii).

5
6 Local authorities must deem the dwelling unit salvageable as well as habitable and the damage to
7 the materials must not be covered by insurance or other form of compensation. In these cases, the
8 work can be addressed without prior approval or any special reporting.

9
10 North Carolina will also follow the provisions of its Energy Security Plan to assist with preventing
11 prolonged outages or disruptions of essential utilities.¹⁰ In addition, it will follow the provisions
12 of its “Climate Risk Assessment and Resilience Plan” to bolster efforts that build resilient
13 infrastructure and communities.¹¹

14
15 Please note that the ACPU limit and other budgetary maximums continue to apply during disaster
16 or disruptive events.

17 18 **2.16.5 Wood Stove Replacement**

19
20 Replacement of wood stoves is allowed if it meets federal emissions standards. New factory-sealed
21 purchases of wood stoves will meet these standards.

22 23 **2.17 Quality Control**

24
25 It shall be the responsibility of the Subgrantee to establish measures to ensure the quality of work
26 completed and address the following areas:

27 28 **2.17.1 Fire Codes**

29
30 Each Subgrantee is responsible for contacting the fire code officials in their service delivery area
31 to verify that work done and materials used meet local fire codes. The sole purpose for this
32 requirement is to protect the client and limit the liability of the Subgrantee.

33 34 35 **2.17.2 Electrical Codes**

36
37 Each Subgrantee is responsible for assuring that all work meets local and state electrical codes.
38 Any and all electrical work **must** be performed by a licensed electrical contractor.

39 40 **2.17.3 Building Codes**

41
42 Subgrantees *shall not* undertake structural modifications without first consulting the appropriate
43 building codes and contacting local officials.

44

¹⁰ <https://deq.nc.gov/media/21186/download>

¹¹ <https://files.nc.gov/ncdeq/climate-change/resilience-plan/2020-Climate-Risk-Assessment-and-Resilience-Plan.pdf>

1 **2.17.4 Materials Installed Properly**

2
3 It is the Subgrantee’s responsibility to ensure all materials are installed to required specifications
4 to achieve maximum benefit from the materials. **All units (i.e., DOE and/or LIHEAP) require**
5 **post installation inspection completed by a certified Quality Control Inspector.** Inspections
6 of weatherized units **must** be completed by someone other than the installer(s).
7

8 **2.17.5 Maximum Service – Holistic Approach**

9
10 All Subgrantees are responsible to ensure each household has received the maximum amount of
11 services available within the expenditure limitations to maximize energy savings. Subgrantees are
12 encouraged to mobilize all funding available to deliver the highest level of energy efficiency
13 improvements in a holistic approach on each dwelling weatherized. Holistic approach refers to
14 treating the dwelling as an integrated complex system where the shell, mechanical and occupants
15 all interact and affect the energy usage.
16
17

1 **APPENDICES**

2

3 Appendix A - Peer Exchange Protocol

4

5 Appendix B - Determining Eligibility Levels

6

7 Appendix C - Deferral Criteria and Process

8

1 **Appendix A – Peer Exchange Protocol**

2
3 The following protocol will be used by NCSEO and agencies with a stable or vulnerable score
4 rating:

5
6 **a) Stable agencies can and Vulnerable agencies will participate in an annual peer exchange.**

- 7
8 ○ Subgrantees can visit another agency of their choice (with written permission). It is
9 encouraged that they seek an agency that has a new or interesting aspect to their program
10 such as a new weatherization measure, technique, or technical application.
11
12 ○ Subgrantees may not visit the same agency as prior year without NCWAP permission.
13
14 ○ Once an agency is chosen for peer exchange, the visiting agency shall inform the agency
15 to be visited of their intentions at least three (3) months prior to the visit.
16

17 **b) Selecting Units to Visit**

- 18
19 ○ At least three (3) weeks prior to the peer exchange, the host subgrantee and visiting
20 subgrantee will communicate and discuss visiting agencies topics of interest.
21
22 ○ At least 10 days prior to the visit, monitoring subgrantee will notify host subgrantee of
23 four (4) jobs. Jobs selected based upon a previous conversation(s) concerning visiting
24 agency’s topic of interest.
25
26 ○ Host and visiting subgrantee will schedule a mutual and convenient time for the peer
27 exchange.
28
29 ○ Host subgrantee will schedule any field visits.
30

31 **c) Elements of Exchange Visits**

- 32
33 ○ Discuss new and innovative techniques and applications; administrative procedures’
34 equipment uses; applications diagnostic testing techniques; and use of testing equipment.
35
36 ○ Job site inspection (all four (4) units):
37 ▪ Discuss work and make notes with host subgrantees’ representative.
38
39 ▪ Review installation techniques; testing procedures; benefits of application; as well
40 as related benefits to home and occupant.
41

42 **d) Discuss Observations**

- 43
44 ○ Items of interest should be discussed at length while on site; therefore, both subgrantees
45 have a clear understanding of the issue, techniques, tools used, and methods.

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17

e) Exit Interview

- Staff and program coordinator to discuss visit, roundtable applications, techniques, testing protocol, ideas and improvements.

f) Report to NCSEO

- Visiting agency to draft summary report of visit.
- The report will include:
 - Topics and discussion
 - A narrative letter discussing observations, ideas, what they learned, and any differences they plan to implement into their program.
- Visiting subgrantee will submit a report to NCSEO within 15 working days of site visit.

1 **Appendix B – Determining Eligibility Levels**

2
3 INCORPORATION BY REFERENCE

4
5 This Appendix incorporates [WPN 24-3](#) by reference and includes any subsequent amendments or
6 editions. All subsequent amendments or editions shall become effective immediately upon
7 publication on the DOE’s “Weatherization Program Notices and Memorandums” website:
8 <https://www.energy.gov/scep/wap/weatherization-program-notices-and-memorandums>
9

10 **DETERMINING ELIGIBILITY LEVELS:**

11 As defined in [10 CFR 440.3](#), low-income means that income in relation to family size which:

- 12
- 13 a) Is at or below 200 percent of the poverty level determined in accordance with criteria
- 14 established by the Director of the Office of Management and Budget (OMB), except that
- 15 the Secretary may establish a higher level if the Secretary, after consulting with the
- 16 Secretary of the United States Department of Agriculture (USDA) and the Secretary of
- 17 Health and Human Services, determines that a higher level is necessary to carry out the
- 18 purposes of this part and is consistent with the eligibility criteria established for the
- 19 Weatherization Program under Section 222(a)(12) of the Economic Opportunity Act of
- 20 1964;
- 21
- 22 b) Is the basis on which cash assistance payments have been paid during the preceding twelve-
- 23 month period under Titles IV and XVI of the Social Security Act or applicable State or local
- 24 law; or
- 25
- 26 c) If a Grantee elects, is the basis for eligibility for assistance under the Low-Income Home
- 27 Energy Assistance Act of 1981, provided that such basis is at least 200 percent of the
- 28 poverty level determined in accordance with criteria established by the Director of the
- 29 Office of Management and Budget.
- 30

31 **QUALIFIED ALIENS RECEIVING WEATHERIZATION BENEFITS:** Grantees are
32 directed to review guidance provided by HHS under Low-Income Home Energy Assistance
33 Program (LIHEAP). This Guidance can be found at:
34 <http://aspe.hhs.gov/hsp/immigration/restrictions-sum.shtml>. **In North Carolina, all qualified**
35 **aliens are eligible for weatherization services.**

36
37 **ELIGIBLE RENTAL WEATHERIZATION:** A dwelling unit is eligible for weatherization
38 assistance if it is occupied by a family unit that meets the income guidelines set forth within this
39 WPN and meets the building eligibility guidelines detailed in [10 CFR 440.22](#). A Subgrantee may
40 weatherize a multifamily rental building containing a sufficient percentage of eligible rental
41 dwelling units, a single-family building, or a manufactured home provided written permission
42 from the owner or the owner’s agent.

43 See [10 CFR 440.22\(b\)](#) and [WPN 22-13, Weatherization of Rental Units](#).

44
45 **WEATHERIZING HUD PROPERTIES:** [WPN 22-5](#) extends categorical income eligibility to
46 HUD means-tested programs. WAP Grantees and Subgrantees may certify that applicants have

1 met the income requirements of HUD means-tested programs through mechanisms including, but
2 not limited to, applicant documentation, interagency lists of recipients, shared system databases,
3 etc. Method of verification of eligibility must be included in the client file. See [WPN 22-5](#) for more
4 details.

6 **BUILDING ELIGIBILITY**

- 7 • Residential dwellings including single family homes, manufactured homes, and
8 multifamily homes are eligible to receive services.
- 9 • Subgrantees may also weatherize shelters. For the purpose of determining how many
10 dwelling units exist in a shelter, 800 square feet of the shelter or each floor of the shelter
11 will be counted as one unit. Prior to weatherizing a shelter, the Subgrantee is required to
12 submit information to the grantee for review and written approval.
- 13 • Multifamily units do not comprise 20% or more of the total units reported annually in the
14 annual appropriations. Multifamily projects under the “annual program” will be
15 submitted to DOE for approval.
- 16 • Weatherization of non-stationary campers and trailers that do not have a mailing address
17 associated with the eligible applicants shall not be allowed. The use of a post office box
18 for non-stationary campers or trailers does not meet this requirement.
- 19 • We use a client database to determine if home has been previously weatherized and the
20 date. All homes weatherized after 15-years from the date of prior closure are eligible for
21 weatherization services.

23 **DEFINITION OF INCOME**

24
25 a) **INCOME:** Income means Cash Receipts earned and/or received by the applicant before taxes
26 during applicable tax year(s) **but not** the Income Exclusions listed below in **Section C**. Gross
27 Income is to be used, not Net Income.

28
29 b) **CASH RECEIPTS:** Cash Receipts include the following:

- 30
31 • Money, wages and salaries before any deductions;
- 32
33 • Net receipts from non-farm or farm self-employment (receipts from a person's own
34 business or from an owned or rented farm after deductions for business or farm expenses);
- 35
36 • Regular payments from social security, railroad retirement, unemployment compensation,
37 strike benefits from union funds, worker's compensation, veteran's payments, training
38 stipends, alimony, and military family allotments;
- 39
40 • Private pensions, government employee pensions (including military retirement pay), and
41 regular insurance or annuity payments;
- 42
43 • Dividends and/or interest;
- 44
45 • Net rental income and net royalties;
- 46

- 1 • Periodic receipts from estates or trusts; and
- 2
- 3 • Net gambling or lottery winnings.
- 4
- 5 c) **INCOME EXCLUSIONS:** The following Cash Receipts **are not** considered sources of
- 6 Income for the purposes of determining applicant eligibility:
- 7
- 8 • Capital gains;
- 9
- 10 • Any assets drawn down as withdrawals from a bank;
- 11
- 12 • Money received from the sale of a property, house, or car;
- 13
- 14 • One-time payments from a welfare agency to a family or person who is in temporary
- 15 financial difficulty;
- 16
- 17 • Tax refunds;
- 18
- 19 • Gifts, loans, or lump-sum inheritances;
- 20
- 21 • College scholarships;
- 22
- 23 • One-time insurance payments, or compensation for injury;
- 24
- 25 • Non-cash benefits, such as the employer-paid or union-paid portion of health insurance;
- 26
- 27 • Employee fringe benefits, food or housing received in lieu of wages;
- 28
- 29 • The value of food and fuel produced and consumed on farms;
- 30
- 31 • The imputed value of rent from owner-occupied non-farm or farm housing;
- 32
- 33 • Depreciation for farm or business assets;
- 34
- 35 • Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school
- 36 lunches, and housing assistance;
- 37
- 38 • Combat zone pay to the military;
- 39
- 40 • Child support, as defined below in **Section E**;
- 41
- 42 • Reverse mortgages; and
- 43
- 44 • Payments for care of Foster Children.
- 45

- 1 d) **PROOF OF ELIGIBILITY:** Grantees and Subgrantees are reminded that proof of income
2 eligibility must be clearly identified in the client file.
3
- 4 • **Availability of Supporting Documentation:** For purposes of review and audit, each client
5 file must contain an application from the client that contains the required demographics
6 and income for the entire family living in the residence. Do not count, or enter, earned
7 income or unemployment compensation for minors under the age of 18 (or full-time high
8 school students) at the time of the application. The client file must also contain evidence
9 provided by the Subgrantee that the client is eligible to receive Weatherization Assistance
10 Program (WAP) services. This evidence may include, but is not limited to, a memorandum
11 from a third-party certification office stipulating the income levels of the family or source
12 documentation for each income source listed on the application. These documents can be
13 stored electronically or retained in hard copy for each client.
14
 - 15 • **Eligibility Determined by Outside Agency/Program:** If income eligibility is determined
16 by an outside agency or program, i.e., Low-Income Home Energy Assistance Program
17 (LIHEAP) or the U.S. Department of Housing and Urban Development (HUD), any
18 document used to determine eligibility, such as a copy of LIHEAP eligibility or a copy of
19 the HUD eligibility (e.g., Section 8 or Public Housing eligibility) will suffice as evidence
20 of client eligibility. This document and any related documents must be retained in the client
21 file.
22
- 23 e) **Self-Certification:** After all other avenues of documenting income eligibility are
24 exhausted, self-certification is allowable. However, evidence of the various attempts at
25 proving eligibility must be contained in the client file, **including** a notarized statement
26 signed by the potential applicant indicating that the applicant has no other proof of income.
27
- 28 f) **CHILD SUPPORT:** Child Support payments, whether received by the Payee or paid by
29 the Payor, **are not** considered Sources of Income to be added to the payee income or
30 deducted from the payor income for the purposes of determining applicant eligibility.
31
- 32 • **Payee:** Where an applicant receives Child Support from any state program or individual
33 during an applicable tax year, such assistance **is not** considered income for the purposes of
34 determining eligibility (i.e., where an applicant receives Child Support, he or she **does not**
35 add that amount to his or her calculation of income for purposes of determining eligibility).
36
 - 37 • **Payor:** Where an applicant pays Child Support through a state program and/or to an
38 individual, such assistance **is not** considered a deduction to Income for the purposes of
39 determining eligibility (i.e., where an applicant pays Child Support, he or she **may not**
40 deduct said assistance from his or her calculation of Income for the purposes of determining
41 eligibility).
42
- 43 g) **ANNUALIZATION OF INCOME:** Where an applicant only provides income
44 verification for a portion of the applicable tax year, their partial income may be annualized
45 to determine eligibility.
- 46 • *Example:* Applicant A only provides income verification for January, February and March.

1 The method of annualizing income to determine eligibility could be to multiply the verified
2 income by four to determine the amount of income received during the year.

3
4 The method of calculating annualized income is to be determined by the Grantee and must be
5 applied uniformly by all Subgrantees.

6
7 h) **RE-CERTIFICATION:** An applicant must be re-certified when eligibility lapses due to
8 the length of time the applicant was waiting to receive Weatherization services. As a
9 reminder, re-certification of eligibility must occur at least every 12 months. The Grantee
10 must outline the method of determining re-certification in their Annual Plan for approval
11 by DOE.

Appendix C – Deferral Criteria and Process

Certain conditions may exist which make weatherization of certain dwellings unfeasible. In such cases, work for eligible households shall be deferred until the conditions can be adequately mitigated or corrected entirely. Prior to deferral, agencies shall evaluate utility, state, federal, or other programs for possible means which could help prevent the property from being deferred. When deferral conditions exist and cannot be mitigated, Subgrantees shall notify the clients and attempt to pursue reasonable alternatives on behalf of the client, including making referrals. Deferrals and deferral reasons are tracked in our NCWAP’s client database.

Conditions requiring that a dwelling be placed on deferral status shall include but shall not be limited to:

- a) The dwelling has been condemned or major dwelling mechanical systems have been "red tagged" by local or state code enforcement officials or utility providers.
- b) The dwelling structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent, and the conditions cannot be resolved cost-effectively.
- c) The primary heating system at the dwelling is non-functioning or is functioning improperly and is deemed unsafe and must be replaced, or major repairs are needed and there are insufficient resources available.
- d) Dangerous conditions exist due to high CO levels in combustion appliances which cannot be resolved within weatherization program guidelines.
- e) Moisture problems are so severe they cannot be resolved within program guidelines.
- f) Unsanitary conditions are present in the dwelling that may endanger the health and safety of dwelling occupants or weatherization personnel should weatherization work be performed.
- g) Household members report documented health conditions that prohibit the installation of insulation and other weatherization materials.
- h) Household members, guests, or pets maintained at the dwelling are uncooperative, abusive, or threatening to weatherization staff or contractors. This also includes denial of access.
- i) The extent and condition of lead- based paint or similar hazards in the dwelling may potentially create health and safety risks if weatherization work is performed.
- j) Illegal activities are being conducted in the dwelling unit.
- k) De-cluttering is limited to the attic and crawl spaces only. Any de-cluttering that would take more than 12 person hours is an automatic deferral.

1 **Supplement 1 – Sample Training and Certification Schedule (Focus Area 2)**

2

| Single Family Retrofit Installer | | | |
|---|--|---------------|----------|
| Classes | Timeline | Course Method | Duration |
| Weatherization for Absolute Beginners | Any time after hiring. Only specified for employees unfamiliar with WX | In person | 2 days |
| Fundamentals of Building Science | 1 month after hiring | In person | 4.5 days |
| CAZ and Combustion Appliances | 4 months after hiring | In person | 3 days |
| NC SWS Specific Crew Best Practices | 2 months after hiring | In person | 4.5 days |
| Manufactured Housing Weatherization | 2 months after hiring | In person | 4.5 days |
| Audit and Work Scope Utilization and Protocol | 6 months after hiring | In person | 3 days |
| ASHRAE 62.2 | 6 months after hiring | In person | 3 days |
| BPI Infiltration and Duct Leakage | 7 months after hiring | In person | 3.5 days |
| BPI Building Analyst Technical | 1 year after hiring | In person | 4.5 days |
| IR Basics and Field Applications | 2 months after hiring | In person | 2 days |

3

4

5

| Single Family Crew Leader | | | |
|-------------------------------------|-----------------------|---------------|----------|
| Classes | Timeline | Course Method | Duration |
| HVAC And Mechanical Systems | 2 months after hiring | In person | 3 days |
| Fundamentals of Building Science | 1 month after hiring | In person | 4.5 days |
| CAZ and Combustion Appliances | 4 months after hiring | In person | 3 days |
| NC SWS Specific Crew Best Practices | 2 months after hiring | In person | 4.5 days |
| Manufactured Housing Weatherization | 2 months after hiring | In person | 4.5 days |

| Single Family Crew Leader (cont.) | | | |
|---|-----------------------|---------------|----------|
| Classes | Timeline | Course Method | Duration |
| Audit and Work Scope Utilization and Protocol | 6 months after hiring | In person | 3 days |
| ASHRAE 62.2 | 6 months after hiring | In person | 3 days |
| Building Science Math | 2 Months after hiring | In person | 3.5 days |
| Advanced CAZ and Combustion | 1 year after hiring | In person | 3 days |
| Modifiable Zonal Testing | 1 year after hiring | In person | 4 days |
| The Metrics of Moisture | 4 months after hiring | In person | 2 days |
| BPI Infiltration and Duct Leakage | 7 months after hiring | In person | 3.5 days |
| BPI Building Analyst Technical | 1 year after hiring | In person | 4.5 days |
| IR Basics and Field Applications | 2 months after hiring | In person | 2 days |

1
2

| Single Family Energy Auditor | | | |
|---|--|---------------|----------|
| Classes | Timeline | Course Method | Duration |
| Weatherization for Absolute Beginners | Any time after hiring. Only specified for employees unfamiliar with WX | In person | 2 days |
| Fundamentals of Building Science | 1 month after hiring | In person | 4.5 days |
| CAZ and Combustion Appliances | 1 month after hiring | In person | 3 days |
| Best Practices for Audit and Work Scope Development | 2 months after hiring | In person | 4.5 days |
| NEAT and MHEA | 3 months after hiring | In person | 4.5 days |
| Building Science Math | 2 months after hiring | In person | 3.5 days |
| Manufactured Housing Weatherization | 4 months after hiring | In person | 4.5 days |

| Single Family Energy Auditor (cont.) | | | |
|--|-----------------------|---------------|----------|
| Classes | Timeline | Course Method | Duration |
| The Metrics of Moisture | 4 months after hiring | In person | 2 days |
| ASHRAE 62.2 | 6 months after hiring | In person | 3 days |
| BPI Infiltration and Duct Leakage | 7 months after hiring | In person | 3.5 days |
| BPI Building Analyst Technical | 1 year after hiring | In person | 4.5 days |
| BPI Building Analyst Professional | 1 year after hiring | In person | 3 days |
| Modifiable Zonal Testing | 6 months after hiring | In person | 4 days |
| IR Basics and Field Applications | 2 months after hiring | In person | 2 days |
| Energy Auditor Review and Testing | Based on experience | In person | 4 days |
| Quality Control Inspector Review and Testing | Based on experience | In person | 2 days |

1

| Single Family State Monitor Quality Control Inspector | | | |
|---|--|---------------|----------|
| Classes | Timeline | Course Method | Duration |
| Weatherization for Absolute Beginners | Any time after hiring. Only specified for employees unfamiliar with WX | In person | 2 days |
| Fundamentals of Building Science | 1 month after hiring | In person | 4.5 days |
| CAZ and Combustion Appliances | 1 month after hiring | In person | 3 days |
| Best Practices for Audit and Work Scope Development | 2 months after hiring | In person | 4.5 days |
| NEAT and MHEA | 3 months after hiring | In person | 4.5 days |
| Building Science Math | 2 months after hiring | In person | 3.5 days |
| Manufactured Housing Weatherization | 4 months after hiring | In person | 4.5 days |
| The Metrics of Moisture | 4 months after hiring | In person | 2 days |

| Single Family State Monitor Quality Control Inspector (cont.) | | | |
|---|-----------------------|---------------|----------|
| Classes | Timeline | Course Method | Duration |
| ASHRAE 62.2 | 6 months after hiring | In person | 3 days |
| BPI Infiltration and Duct Leakage | 7 months after hiring | In person | 3.5 days |
| BPI Building Analyst Technical | 1 year after hiring | In person | 4.5 days |
| BPI Building Analyst Professional | 1 year after hiring | In person | 3 days |
| Modifiable Zonal Testing | 6 months after hiring | In person | 4 days |
| IR Basics and Field Applications | 2 months after hiring | In person | 2 days |
| Energy Auditor Review and Testing | Based on experience | In person | 4 days |
| Quality Control Inspector Review and Testing | Based on experience | In person | 2 days |

1
2

1 **Supplement 2**

2
3 **READINESS PLAN:** Weatherization Readiness Funds (WRF) are intended to reduce the
4 frequency of deferred homes that require third-party services, outside the scope of
5 weatherization, before the weatherization measures can be installed. Please see the following
6 plan for expending WRF.

7
8 **DISTRIBUTION OF FUNDS:** NCWAP expects to be allocated \$605,210 (±15%) during
9 FY2024-25, and it will be distributed among the subgrantees based on the provisions outlined in
10 the annual state plan.

11
12 **MAXIMUM COST PER UNIT:** The maximum cost per unit for Readiness will be
13 \$15,000, unless the subgrantee receives written approval by the NCWAP Program Manager.

14
15 **MONITORING OF UNITS:** Subgrantees will conduct 100% QCI inspections on readiness
16 units. NCWAP will monitor at least 5% of these units as part of its regular field monitoring.
17 NCWAP plans to add a section to the QCI checklist regarding whether readiness funds were
18 used on a client’s home.

19
20 **REPORTING:** Currently, subgrantees have access to a list of deferred clients in the client
21 database. Until the client database contains reports that track the key “reporting categories” of
22 readiness units during FY2024-25, NCWAP will require that subgrantees use DOE tools such
23 as the “*Deferral Classification Guide and Tracker*” Excel document to track this initiative.
24 This Excel document will be required to be submitted to NCWAP via ShareFile quarterly
25 (*i.e., by September 30th, December 31st, March 31st, and June 30th*). Once received quarterly,
26 NCWAP plans to compile an ongoing list of the most common materials, measures, and
27 associated costs so the state can target other funding opportunities under BIL and IRA that
28 assist with reducing deferrals.

29
30 Any changes to the reporting medium (*i.e., transitioning to the client database for readiness*
31 *tracking*) will be reported to the DOE project officer and subsequently sent via memo to the
32 subgrantee network.

33
34 **REPORTING CATEGORIES:**

35 Since affected clients will be qualified through the regular intake processes, any separate
36 reporting of readiness funds will only include readiness-specific data until the client database
37 is updated to include the following into its reporting features. Based on this, the following are
38 required to be reported for each readiness unit (*instructions for the fields are included in the*
39 *tool*):

40
41 **Date Information:**

- 42 WAP/HARRP Event #
- 43 WAP Intake Date
- 44 Date(s) Deferred
- 45 Date Weatherization Ready
- 46 Date Weatherized

1 **Mailing Information:**

2 Street Address
3 Apartment Number (if applicable)
4 City
5 State/Territory
6 County
7 Zip Code
8

9 **Occupancy Information:**

10 Owner/Renter
11

12 **Building Information:**

13 Building Type
14 Year Built
15 Fuel Type
16

17 **Deferral Information:**

18 Stage Deferred
19 Total Deferral Reasons
20

21 **Deferral Issues (*One through Infinity*):**

22 Issue or Action Needed
23 Underlying Problem (if applicable)
24 Total Remediation Cost
25 Non-WAP Funding Source Used
26 Referred to?
27

28 ***MEASURES: NATURE OF REPAIRS NEEDED WHICH***
29 ***PROHIBIT WEATHERIZATION.***

30 Where applicable, the subgrantee will identify multiple repairs or remediation reasons for a
31 single building. These are some of the eligible categories. If a repair or replacement is needed
32 that is not on the list, subgrantees will contact their NCWAP State Technical Monitor in
33 writing with a variance request. The subgrantee may not proceed with items outside this list
34 until the NCWAP State Technical Monitor approves the variance request in writing.

- 35 ○ Roof repair/replacement
- 36 ○ Wall repair/replacement
- 37 ○ Ceiling repair/replacement
- 38 ○ Floor repair/replacement
- 39 ○ Foundation or subspace repair
- 40 ○ Exterior drainage repairs (*gutter/landscaping*)
- 41 ○ Plumbing repair/replacement
- 42 ○ Electrical repair/replacement
- 43 ○ Cleanup and or remediation beyond WAP lead paint/asbestos/mold and
- 44 moisture/biological/pests/etc.
- 45 ○ Fuel tank removal, repair, or installation major repair to unsafe chimney and stacks

- 1 ○ Water source repair (wells/filtration system, etc.)
- 2 ○ Windows and doors beyond scope of the energy audit.

3
4 **PROCESS:** WRF can only be used on homes that will receive weatherization services
5 following the deficit correction:

- 6 1. If the subgrantee has a waitlist of deferred homes in a service area, these homes should
7 be considered immediately for WRF to add them in the cue for weatherization
8 services. The client should be contacted and scheduled for assessment.
9
- 10 2. Deferrals are identified at the time of the weatherization home assessment. If there
11 are serious issues identified that are beyond the scope of eligible WAP conservation
12 and H&S recommendations utilizing the funds available, the home will be categorized
13 as “deferred” until the deficiency is corrected. These clients will be identified
14 following the normal prioritization and wait list process so this should continue to be
15 followed.
16
- 17 3. To the extent that readiness funds are available for deferrals, the subgrantee would
18 create a scope of work, contract for services or engage with a crew to do the deferral
19 work so that the building would then be eligible for weatherization. Readiness work
20 needs to be identified by measure in the client file.
21
- 22 4. Once the Readiness work is complete, the client needs to sign off on a detailed list of
23 the measures installed and then should be scheduled as soon as possible for
24 weatherization services. (If this occurs during a transition between program years,
25 that is fine just keep the information from the Readiness work in the client file moving
26 forward.
27
- 28 5. The subgrantee will then report to NCWAP on a spreadsheet quarterly until we can
29 create a category in our new database system. Client files for each job are expected
30 to contain the intake, measure, cost, and inspection information for Readiness.
31

32 **BRAIDING FUNDS:** NCWAP will encourage the legally-allowable blending, braiding, and
33 bundling of funding sources to augment these Readiness funds. More guidance will be
34 provided via memo.
35
36