

Pennsylvania Department of Human Services
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM
2015 VENDOR AGREEMENT

Vendor Name and Address

Vendor Number

This Agreement is entered into for the purpose of facilitating the provision of Low-Income Home Energy Assistance Program (LIHEAP) benefits to low-income households through the delivery of fuel from the vendor to the LIHEAP beneficiary who is a customer of the vendor. By signing this agreement, vendors agree to participate in all programs that distribute LIHEAP funds for which LIHEAP clients may be eligible, and to participate in both the LIHEAP cash and crisis programs.

The business or company written above herein referred to as the "vendor" cannot enter into any subcontracts under this agreement with other subcontractors who are currently suspended or debarred by the commonwealth or federal government. If any vendor enters into any subcontracts under this agreement with any subcontractors who become suspended or debarred by the commonwealth or federal government during the term of this agreement or any extensions or renewals thereof, the commonwealth shall have the right to require the vendor to terminate such subcontracts.

The vendor agrees that it shall be responsible for reimbursing the commonwealth for all necessary and reasonable costs and expenses incurred by the Office of the Inspector General relating to an investigation of the vendor's compliance with the terms of this or any other agreement between the vendor and the commonwealth which results in the suspension or debarment of the vendor.

Vendors will adhere to LIHEAP policy and procedures as defined in the LIHEAP State Plan and will report any discovery of fraud and address any questions regarding participation in LIHEAP to the LIHEAP Vendor Unit. A copy of the current LIHEAP State Plan can be obtained on the LIHEAP Vendor Website at: <http://www.dhs.pa.gov/provider/informationforliheapvendors/index.htm>

The vendor agrees to cooperate with the following conditions in order to receive energy assistance payments through the Commonwealth of Pennsylvania:

1. To cooperate with the Department of Human Services (DHS) by providing all requested information established in DHS policies and procedures including information on the annual heating usage and cost incurred by LIHEAP households necessary for
 - a) Compliance with federal reporting requirements. Upon request, vendors will provide the total annual cost of a LIHEAP household's energy consumption for the previous season (10/1 – 9/30) if this information is gathered by customer name or account number.
 - b) The submission of Crisis claims. Crisis claims must be processed **within 30 calendar days** of the date a crisis benefit was authorized. Exceptions may be granted for claims entered on or after the 31st day and up to 30 days after the close of the LIHEAP season if funds are available.
 1. Processing claims requires data entry into a web-based program and submission of documentation (proof of delivery, pick up or utility termination notice).
 2. Documentation must be sent to the appropriate agency, as designated by DHS, via mail, fax or electronic upload.
 3. Vendors will not receive payment until data entry and documentation have been received by DHS or its designee.
 - c) Record retention of all documents related to LIHEAP payments and deliveries for 4 years in an orderly and retrievable manner.
 - d) Crisis documentation in the form of a utility termination/restoration notice or a **metered delivery ticket** that includes:
 1. The Vendor's name and address
 2. Date and time of delivery
 3. The purchaser's name and address
 4. Product identification
 5. The driver's signature or employee number
 6. The delivery vehicle's permanently assigned company truck number
 7. The price per gallon, unit, ton, cord, pound, or other
 8. The volume in terms of gallons to the nearest one-tenth of a gallon or list other quantity.
2. To complete and submit information on the Submission Page of this 2015 Vendor Agreement (HSEA 34 - 7/15) designating:
 - a) The company's Federal Employer Identification Number (FEIN) or Social Security Number (SSN). Proof of the company's FEIN or SSN must be submitted to DHS – LIHEAP Vendor Unit to initiate LIHEAP participation and when this information changes. Proof includes any tax document generated by the Federal Internal Revenue Service that shows both the name and SSN or FEIN of the company.
 - b) The types of energy (fuel oil, kerosene, blended fuel (50/50 mix of oil/kerosene), electricity, natural gas, propane, coal, wood (including pellets), etc.) that the company provides
 - c) The counties where services are provided
 - d) Any fees charged based on quantity or expediency
3. To cooperate with DHS or its representative by making every attempt to make a crisis delivery in time to resolve the customer's emergency:
 - Before the customer is without heat, or
 - Within 48 hours if the customer is already without heat.

If the vendor's supply is insufficient or other circumstances prevent the vendor from resolving the heating emergency, the vendor must advise DHS or its representatives immediately to allow DHS to evaluate other ways to remediate the customer's crisis situation. This includes but is not limited to the selection of another vendor to provide a delivery.

4. To apply the full amount of each LIHEAP benefit to the respective account of each LIHEAP recipient whom the vendor serves.
5. To charge a LIHEAP household according to the requirements below:
 - a) Energy products should be charged the **lowest price** if the vendor has a variable pricing structure such as the date payment is received. Lowest price may also be referred to as "same day price/discounted price/cash price/or best price". This condition also requires that deliveries made with LIHEAP funds are charged the same cost as non-LIHEAP households would be billed for an identical delivery, i.e. quantity pricing.
 - b) Public utilities that operate Customer Assistance Programs (CAP) will apply the LIHEAP cash grant to the customer's account in full:
 1. To resolve any past due CAP payments,
 2. To the current CAP payment, and
 3. Any remaining funds will be credited to future CAP payments.

NOTE: CAP payment is defined as the amount the customer is required to pay under the terms of a utility's CAP agreement.

6. Public utilities that operate a CAP will not consider the customer's LIHEAP benefit as an available resource in the computation that determines the amount of the household's monthly CAP payment.
7. To apply all payments paid by DHS (for both Cash Component and Crisis Component benefits) on behalf of the customer against that customer's heating costs, subject to subparagraphs "a" through "f" below, and to not use any such funds for security deposits or late payments or other finance charges.
 - a) Late payment charges must be frozen at the amount they are at the time notification of eligibility for LIHEAP is received by the vendor, and may not be increased for the remainder of the LIHEAP program year; defined as the date that applications for LIHEAP benefits are no longer accepted.
 - b) Cash component payments received on behalf of a LIHEAP customer may be used to cover customer fuel purchases that were made on or after October 1st of the heating season for which they were authorized.
 - c) Cash component payments received on behalf of a LIHEAP customer will be used to cover customer fuel purchases only, and will be available as a credit to the customer to meet additional fuel costs, including resolution of a subsequent fuel crisis, until they are exhausted, or until June 30 of the year immediately following the LIHEAP Program year in which benefits were authorized.
 - d) Cash grant funds are to be used for fuel purchases only, and cannot be used for service maintenance contracts or repairs (except as described under "e" and "f" below).
 - e) If a household is authorized for the LIHEAP Cash component before the date of their request for Crisis benefits, any existing credit including the LIHEAP Cash component that has been authorized and not yet received is considered to be available and must be used first for the resolution of the crisis.
 - f) LIHEAP crisis component benefits may be used for energy supply shortage emergencies to provide fuel to a household that is out of fuel or is in imminent danger of being without fuel, or to restore home-heating service to a household that is without heat due to termination of the main or second source of heat by a utility company. Such benefits may include reconnect fees, off-hour delivery charges, or minimal costs (i.e., \$100 or less) to restart the furnace. An eligible household may also receive crisis benefits for weather related emergencies, including the purchase of a new heating system, the repair of an existing heating system, pipe thawing services and the repair of broken windows, fuel lines, or the water heating system, if funding is unavailable through LIHEAP Weatherization.
 1. Additionally, crisis component payment for deliverable fuels may not be used for unpaid balances, maintenance contracts or finance charges. The amount of a crisis benefit authorized by DHS or its representatives is the minimum amount needed to **resolve the crisis**. For deliverable fuels, the amount needed to resolve the crisis is defined as the amount of fuel needed to fill the tank, up to the season's maximum crisis amount.
 - a. If for any reason, the amount of crisis benefits authorized is in excess of the minimum amount needed to resolve the crisis, the vendor must only submit a Crisis claim for **the actual amount** needed to resolve the crisis. The vendor should not bill for the excess and keep it as a credit on the customer's account.
 - b. Vendors can only request payment for the exact dollar amount needed to resolve the crisis, not rounded to the nearest dollar.
 - c. Crisis claims must be submitted with consideration of the season minimum and maximum Crisis amounts, defined by DHS each LIHEAP Season.
 - d. LIHEAP recipients cannot be billed for services or late payment fees as a result of a vendor's failure to comply with billing requirements in this agreement.
 2. Vendors that accept crisis payments based on utility termination notices or based on reconnection of utility service must agree to maintain ongoing utility service to such households for no less than 30 calendar days from the date of the resolution of the crisis. With regard to crisis payments made pursuant to any grants approved during the Public Utility Commission winter termination procedure referred to in §601.62(2) (ii)(A) of Appendix B of the LIHEAP State Plan, the earliest allowable termination date is 30 days following the resolution of the crisis or May 1, whichever is later.
8. Payment is only guaranteed for LIHEAP grants approved and authorized by DHS or its representatives.
9. To promptly notify the LIHEAP Vendor Unit whenever discrepancies in approved fuel applications are found (for example, oil being authorized for a residence serviced 100% by coal) or when the vendor is aware of any potentially fraudulent activity.
10. To not discriminate against any eligible household in regard to terms and conditions of sale, credit, delivery service or price, nor treat adversely any household receiving energy assistance because of such assistance.
11. To ensure the retention of LIHEAP customer confidentiality in the use of social media.

12. To return all credited LIHEAP funds to DHS as required, by check, within 48 hours after the basis for return is known. A refund form must accompany payment describing the reason the funds are being returned. A LIHEAP Refund Form (PWEA 37) is located on the LIHEAP Vendor Website: <http://www.dhs.pa.gov/provider/informationforliheapvendors/index.htm>.

NOTE: LIHEAP funds should never be sent to a customer.

Returned funds should be submitted by check made payable to the COMMONWEALTH OF PENNSYLVANIA and forwarded to:

Commonwealth of Pennsylvania
DHS - LIHEAP Refunds
P.O. Box 2675
Harrisburg, PA 17106-2675

Examples of situations when the vendor should return all credited LIHEAP funds include but are not limited to:

- a) Instances where a customer's whereabouts are unknown or a customer changes vendors, dies or departs the area serviced by the vendor, or receives a duplicate payment, if a security deposit was erroneously paid with LIHEAP funds, or a billing error is detected.
 - b) Upon termination as a participating LIHEAP vendor.
 - c) Overpayments caused by vendor error. In this situation, the vendor is responsible for reimbursement from the vendor's funds, not the customer's account. Vendor error includes, but is not limited to; the vendor failing to provide appropriate or accurate customer account information, non-equitable pricing practice, failure to provide credit balance information, failure to provide service that the LIHEAP funds were sent for, and/or using a communal account for LIHEAP funds.
 - d) The end of the LIHEAP program year to identify funds that will be returned to DHS. LIHEAP funds are available for use during a two-year period, which includes the year of receipt and the year immediately following. All LIHEAP funds which have not been expended on or before June 30 of the year immediately following the LIHEAP Program year in which benefits were authorized must be returned to DHS by July 31 of that year. DHS will, on an annual basis, notify the vendors of the need to identify these accounts and request return of the funds. Any LIHEAP funds discovered through the annual review as defined in paragraph 9, and subparagraph 7d must be returned within 48 hours of discovery.
13. DHS is authorized to recoup past due LIHEAP balances from vendors by debiting any current or future LIHEAP payment to the vendor for an amount equal to the outstanding unrefunded balance that is due to DHS from the vendor. A record of the balance of funds owed is established by DHS when a vendor error has occurred or a vendor has received a payment on behalf of a client who is no longer a customer of the vendor. The vendor must return these funds to DHS. DHS will send the vendor up to three notices requesting payment of the funds. If the vendor has failed to respond after the third notice, the amount of the balance of funds owed to DHS will be deducted from the vendor's next payment(s) until the funds are repaid. The vendor acknowledges that DHS will reduce vendor payments by the amount of the balance of funds owed to allow for the expeditious collection of these debts.
14. Vendors are holding, on DHS's behalf, federal money for the benefit of recipient customers. Vendors are prohibited from using LIHEAP funds for purposes other than home heating. This requirement does not supersede the provisions of the Federal Bankruptcy Act, 11 U.S.C., Section 366.
15. To notify DHS at least 120 days before filing for bankruptcy and return all funds not expended on LIHEAP clients at least 91 days before filing for bankruptcy.
16. To present for review or reproduction, records maintained by the vendor concerning overall pricing, conditions of sale, credit, and delivery of service, upon request by DHS for audit or investigation purposes, as provided in this agreement.
17. To resolve any crisis payment disputes with DHS's Bureau of Hearings and Appeals, if disputes cannot be resolved informally with DHS staff.
18. If DHS receives a notice of levy, DHS will turn over rights to property, such as money, credit and deposits in accordance to the notice of levy.
19. Vendors will retain all books, records and documents pertaining to LIHEAP payments for a period of four years from the receipt of payment or until all questioned costs or activities have been resolved to the satisfaction of the commonwealth, or as required by applicable federal laws and regulations. All records must be maintained in a legible, readable condition. If records are maintained in a computer, the vendor must cooperate in providing printed versions of such records. Recipient-specific records should clearly identify for both cash and crisis payments under the LIHEAP, charges to the account, and documentation supporting these entries by individual household.

The commonwealth reserves the right for state and federal agencies or their authorized representatives to perform financial and compliance audits, if deemed necessary by commonwealth or federal agencies. If an audit of this agreement will be performed, the vendor will be given advance notice.

This agreement will terminate June 30, 2017, unless superseded by a new agreement, or terminated for convenience upon 30 day written notice by either DHS or by the vendor. Failure to comply with any of these conditions may result in removal from the approved vendor file and suspension of further payments to the vendor for client services.

LIHEAP VENDOR HELPLINE
Toll Free Number 1-877-537-9517
Fax 717-231-5516
Email Address: RA-LIHEAPVendors@pa.gov

LIHEAP VENDOR WEBSITE
<http://www.dhs.pa.gov/provider/informationforliheapvendors/index.htm>

