

## Inquiries

### Michigan Energy Assistance Program Low-Income Energy Assistance Fund Grant (Request for Proposals dated September 30, 2013)

Potential applicants are encouraged to carefully read the Request for Proposal (RFP) and the questions and answers below prior to submitting a proposal to ensure that all requirements of the grant can be met.

Updated responses and additional questions have been placed at the top of the list, and are identified by an asterisk (\*).

- \*Q. The RFP defines an “eligible low-income household” as a household with an income of not more than (i) 150% of the federal poverty guidelines, or (ii) an amount equal to 60% of the State median income. Can applicants choose which income guidelines to use? If the applicant chooses to use the 60% state median income will this meet the reporting requirements outlined in Section IV-B of the RFP?**
- A. Applicants should develop an energy assistance program that will assist households with an income of not more than 150% of the federal poverty guidelines.
- \*Q. Can an eligible low-income household go to DHS and receive an energy payment through SER, and if the household remains in crisis then go to a MEAP service provider for the remainder of the heating season? Does the household have to choose between receiving energy assistance solely through DHS SER funds, or receiving energy assistance solely through a MEAP service provider?**
- If a low-income household has received SER assistance prior to the start date of a selected applicant’s energy assistance program, is the low-income household still eligible for the program?**
- A. It may not be a conflict for a household to receive a SER energy payment and subsequent MEAP energy assistance from a selected applicant, depending on an applicant’s proposed energy assistance program. The DHS-established cap amount for FY 2014 may not be sufficient to solve the household energy crisis.
- If a low-income household needs additional SER support after seeking assistance from a MEAP energy assistance provider, efforts to access those funds should be coordinated between the MEAP agency, DHS and the client.
- It is anticipated that if a household works first with a MEAP service provider, the household will continue working with that agency for any energy assistance needed during the 2014 heating season.
- The ultimate goal is that one MEAP service provider will resolve a low-income household’s energy crisis in full resulting in a convenient, customer-friendly system for distributing energy assistance to eligible low-income households.
- The Home Heating Credit and SER are two different programs.

**\*Q. Page 2 of the RFP states: “Through the grant award process consideration will be given to the fact that LIEAF grant funds collected from a geographic area must be returned, to the extent possible, to that geographic area. Low-Income Home Energy Assistance Program (LIHEAP) funds do not carry the geographic area restriction described above.” How will selected applicants break this down? Will the MPSC provide the breakdown?**

A. Selected applicants will not be responsible for tracking the expenditure of LIEAF vs. LIHEAP funds. That will be a responsibility of DHS and MPSC.

**\*Q. Section IV-B(3)(xii) and (xiii) require that selected applicants provide the total dollar amount of energy assistance payments made to energy providers within the selected applicant’s geographic service area of the participating electric service providers; and total dollar amount of energy assistance payments made to energy providers within the selected applicant’s geographic service area of the non-participating electric service providers. Is this county specific? If not, will the MPSC provide the geographic service area?**

A. Electric and natural gas utility service area maps are included with the RFP as Attachments B and C, respectively. The maps are also available in color on the MPSC website ([www.michigan.gov/mpsc](http://www.michigan.gov/mpsc)), along with information on electric and natural gas utility service by city/town.

**Q. Can the deadline for submitting proposals be extended?**

A. Unfortunately, the deadline for submitting proposals in response to the RFP cannot be extended. Due to several factors, the RFP was issued much later in the year than was anticipated. In future years it is hoped that potential applicants will be allowed significantly more time to respond to similar RFPs.

**Q. Over the past few months there was talk of a standard application form to be used by all entities providing energy assistance program services as mentioned in 2012 PA 615. Will a standard application be developed or should selected applicant(s) develop their own?**

A. 2012 PA 615 requires that DHS develop a simplified, single application for low-income households to use when applying for energy assistance program services. Any application developed by DHS will be made available to selected applicants to use as a template.

**Q. Will a statewide database be developed and made available to selected applicants to ensure that low-income households receive services from only one MEAP energy assistance service provider throughout the grant term?**

A. Efforts are underway to develop a statewide, centralized database that will be made available to selected applicants in future MEAP/LIEAF grants. MPSC and DHS are working with the Michigan Department of Technology, Management and Budget to hire a senior project manager/business analyst to provide project management services to assist the State and private partners. The project manager will be responsible for defining high level business requirements with the overall goal of creating or procuring a single interface system to track requests and disbursement of low income energy assistance funds. A single interface tool would eventually be made available to all entities that contract with MPSC or DHS to provide MEAP services.

**Q. How soon will grant awards be announced? Would this lend sufficient authority to begin low-income household enrollment in a selected applicant's energy assistance program?**

A. The MPSC anticipates announcing the MEAP/LIEAF grant awards in late October, with the grant term beginning November 27, 2013. Selected applicants will not be reimbursed for any costs incurred prior to the start of the grant term.

**Q. Are grant proposals received by the MPSC considered public information?**

A. Grant proposals received by the MPSC are public information; however, documents must be requested via the Freedom of Information Act.

A Freedom of Information Act request can be submitted through the MPSC website at <http://www.dleg.state.mi.us/mpsc/forms/foi/foi.htm>. Freedom of Information Act requests can also be submitted via regular U.S. mail at the following address:

Mary Jo Kunkle  
FOIA Coordinator  
Michigan Public Service Commission  
4300 W. Saginaw Highway  
P.O. Box 30221  
Lansing, MI 48909

Please be sure to clearly identify the documents that you wish to receive. A list of the 2013 LIEA grant approvals is available on the MPSC website at [http://www.michigan.gov/documents/mpsc/2013\\_LIEA\\_Grant\\_Approvals\\_402349\\_7.pdf](http://www.michigan.gov/documents/mpsc/2013_LIEA_Grant_Approvals_402349_7.pdf).

**Q. Please explain Section II-O, No State Employees or Legislators.**

A. Section II-O of the RFP means that any legislator or state employee cannot receive benefits of grants being awarded to entities. The grant process should not enable an entity to receive funds who may in turn be directly affiliated with these parties.

**Q. Does Section II-E of the RFP, Order of Spending, mean that a selected applicant must spend non-grant related funds before spending grant funds?**

A. Section II-E refers to funds that are awarded to selected applicants as part of the grant process. The organization is responsible for determining the order in which it spends non-grant related funds.

**Q. To fulfill the audit requirements set forth in Section II-H of the RFP, can a for-profit entity submit an annual audited financial statement consistent to what is submitted to the SEC?**

A. Yes, for-profit applicants selected to receive a grant award can submit an annual audited financial statement consistent to what is submitted to the SEC. Only selected applicants are required to submit an audited financial statement. An annual audited financial statement should not be attached to an applicant's proposal.

- Q. To meet the 7-year record retention requirement in Section II-B of the RFP, is it acceptable for grant related documentation to be retained in multiple locations?**
- A. Selected applicants can retain grant documentation in multiple locations. If an on-site audit of the documentation is needed it may be necessary for the selected applicant to assemble all documentation at one location.
- Q. Would a church be an eligible applicant for a grant?**
- A. Yes, a church is eligible to apply for a MEAP/LIEAF grant. The RFP invites proposals from public or private entities or local units of government. Potential applicants are encouraged to carefully read the RFP prior to applying to ensure that the organization is able to fulfill all requirements of the grant.
- Q. In the absence of a statewide database to track expenditures from the LIEAF, how are selected applicants expected to provide assurance of a single MEAP service provider throughout the entire heating season?**
- A. The utility service providers in the MEAP service providers' areas can provide information on whether a low-income household has received energy assistance from another MEAP service provider. Also, the Grant Administrator will compile a list of all clients served by all selected applicants that will be updated and provided to selected applicants monthly.
- Q. If participating agencies send information to MPSC on clients served, how will agencies check with MPSC (retrieve information) before a client is served to avoid a second MEAP payment if there are multiple MEAP providers in a service area?**
- A. The utility service providers in the MEAP service providers' areas can provide information on whether a low-income household has received energy assistance from another MEAP service provider. Also, the Grant Administrator will compile a list of all clients served by all selected applicants that will be updated and provided to selected applicants monthly.
- Q. Can a low-income household be assisted if it is served by a non-participating electric service provider listed in Attachment A to the RFP?**
- A. Yes, the intent of the grant is to provide energy assistance to eligible low-income households throughout the State of Michigan whether or not the low-income household's utility service provider has chosen to participate in the MEAP/LIEAF.
- Q. Can an organization apply based on the geographic area that it serves? For instance, can an applicant apply for a grant to serve Southeast Michigan?**
- A. The intent of the grant is to serve low-income households throughout the State of Michigan; however, the RFP does not require that proposed energy assistance programs encompass the entire state.
- Q. It is our understanding that 92% of the grant must be used exclusively for partial or full bill payment. Can the 92% include other direct program costs, e.g., self-sufficiency measures?**
- A. Please refer to the definition of "Direct Program Costs" included in Section V-H(4) of the RFP.

- Q. If an agency is awarded a grant, can it sub-contract the services with another agency to assist in distributing energy assistance to low-income households?**
- A. If an agency is awarded a grant, it is allowed to sub-contract the energy assistance program services with another agency to assist in distributing energy assistance to eligible low-income households.
- Q. Do weatherization services and/or energy audits qualify as preventative programs to reduce the number of customers experiencing energy shut-offs as described in the RFP?**
- A. Weatherization services and/or energy audits would be considered preventative programs to reduce the number of customers experiencing energy shut-offs; however, proposals submitted to solely provide weatherization services will not be considered. Energy assistance programs can include services that will assist low-income households in utilizing energy services to optimize on energy efficiency.
- Q. In addition to bill payment, can grant dollars pay for expenses related to energy efficiency, energy education, and other services that help low-income households to move toward self-sufficiency?**
- A. Proposals submitted to solely provide energy efficiency and energy education services will not be considered. Energy assistance programs can include services that will assist low-income households in utilizing energy services to optimize on energy efficiency.
- Q. Is there a cap on the percent of funding that can be used for weatherization?**
- A. No caps have been imposed; however the main focus should be on energy assistance program services that will help eligible low-income households meet home energy costs for their primary residence. Energy assistance programs can include services that will assist low-income households in utilizing energy services to optimize on energy efficiency.
- Q. How should weatherization outcomes be reported?**
- A. Please refer to Section IV-B(4)(d) of the RFP.
- Q. Can communities apply for this grant and work with an outside agency to provide the energy assistance actual program. My client is a community that has done weatherization programs for low-income residents in the past. If both parties are agreeable, would this partnership be allowable under the grant requirements?**
- A. Communities can apply and work with an outside agency to provide the actual energy assistance program. Proposals submitted to solely provide weatherization services will not be considered. Energy assistance programs can include services that will assist low-income households in utilizing energy services to optimize on energy efficiency.
- Q. What are the precise TANF qualifiers for the 2013-2014 federal program?**
- A. TANF eligible clients are low-income households with:
- (a) a related child under age 18,
  - (b) an unemancipated child, age 18 or under, who is a full-time high school student living with an adult caretaker; or
  - (c) a pregnant woman living in the home.

**Q. Is there any contradiction in the concept in the RFP that an emergency payment should last 30 days [RFP, Section III-D(1)], and the goal to have only one payment during the crisis season [RFP, Section V-E(d)]?**

A. Per the RFP, any payment made on behalf of an energy customer must resolve the crisis/emergency for “at least” 30 days.

The RFP does not impose a cap on the dollar amount of energy assistance that can be provided to a low-income household, and does not impose a cap on the number of times a payment can be made on behalf of a low-income household. Per the RFP “if applicable” selected applicants should include any self-imposed caps on the dollar amount of energy assistance a low-income household can receive, and any self-imposed cap on the number of times a payment can be made on behalf of a low-income household.

**Q. Can a low-income household be assisted more than one time during the crisis season?**

A. The RFP does not impose a cap on the number of times a low-income household can be assisted during the crisis season.

**Q. Can a low-income household be assisted with an electric crisis whose home is not heated with electricity?**

A. Yes, the intent of the grant is to provide energy assistance program services that will help eligible low-income households meet home energy costs for their primary residence through payment or partial payment of bills for one or more of the following: 1) electricity; 2) natural gas; 3) propane; 4) heating oil; or 5) any other deliverable fuel used to provide heat.

**Q. Is there a cap amount per low-income household within the grant term?**

A. The RFP does not impose a cap on the amount of energy assistance that can be provided to an eligible low-income household.

**Q. Can a low-income household be assisted with an energy crisis outside of the crisis season?**

A. Yes, a low-income household can be assisted outside of the crisis season.

**Q. What is meant by “Not more than 30% of the funds awarded for energy assistance programs shall be spent on home energy costs accrued outside the ‘crisis season’?”**

A. No more than 30% of the energy assistance program expenses/direct program costs can be spent on home energy costs incurred after May 31 or between June 1 and August 31.

**Q. Please clarify what is meant by the crisis season requirement that 70% of the energy assistance program expenses must be spent during the crisis season. Specifically, clarify whether the 70% requirement refers to charges incurred, billed, or due November 1 through May 31?**

A. No more than 30% of the energy assistance program expenses/direct program costs can be spent on home energy costs incurred after May 31 or between June 1 and August 31.

- Q. If a payment is made on behalf of a low-income household after May 31 for May consumption, is it considered part of the crisis season?**
- A. Payments made on behalf of low-income households after May 31 for energy consumed prior to May 31 are considered part of the crisis season.
- Q. Can funds expended outside the crisis season be used for direct program costs, administrative costs or both?**
- A. Not more than 30% of the energy assistance program expenses/direct program costs can be spent on home energy costs incurred after May 31 or between June 1 and August 31.
- Q. If a selected applicant's energy assistance program includes a utility's entire service territory, and the selected applicant is not able to spend all funds earmarked for a specific geographic area, can the additional funds be spent in another geographic area within the utility's service territory?**
- A. It is understood that applicants are providing estimates when indicating the amount of grant funds that will be expended in the various geographic areas within a utility service territory. Select applicants may spend grant funds as needed between the geographic areas identified in their proposed energy assistance programs.
- Q. If a low-income household does not complete the program as designed by the selected applicant, would the household be eligible for the Winter Protection Program?**
- A. Enrollment in a MEAP/LIEAF energy assistance program or failure to complete a program does not preclude a low-income household from enrolling in a Winter Protection Program.
- Q. In what manner does an energy service provider assist low-income households with budgeting?**
- A. It is up to each applicant to determine the type of budgeting assistance that will be included as part of its proposed energy assistance program.
- Q. Is the 10-day standard of promptness 10 business days?**
- A. The 10-day standard of promptness is 10 calendar days, and is not adjusted to accommodate weekends or holidays.
- Q. Is outreach considered part of the 8% administration cap?**
- A. Outreach is considered a direct program cost. Please refer to Sections V-H(3) and (4) of the RFP for definitions of Administrative Costs and Direct Program Costs.
- Q. Are Public Service Announcements considered outreach activities?**
- A. Public service announcements could be considered outreach activities.
- Q. What types of activities are considered outreach?**
- A. Outreach activities could be considered any activity performed by the selected applicant that provide information to low-income households and raise awareness of available energy assistance programs.

- Q. Regarding competitive bidding, what is the process for receiving approvals from the Grant Administrator for a sole source selection, particularly if we intend to write partner agency roles with planned compensation via indirect administrative costs into the project plan?**
- A. If an applicant is contemplating a sole source selection in lieu of competitive bidding, the reason(s) for the sole source selection must be included in the applicant’s proposal, and, if applicable, a copy of the existing contract must be attached.
- Q. Is ordering from any local fuel oil, propane, or wood provider considered sole source as described in Section II-I, Competitive Bidding?**
- A. If a selected applicant orders fuel oil, propane, or wood from a local vendor in order to provide energy assistance to an eligible low-income household, it would not be considered a sole source as described in Section II-I of the RFP.
- Q. Regarding program metrics, further explain what is meant by “explain how the program has reduced the size of the energy subsidy per household.” Compared to what; previous year’s total energy assistance?**
- A. The average energy payment/subsidy during the 2014 grant term should be compared to average energy payments/subsidies made in prior low-income energy assistance grant years.
- Q. Does Attachment D, paragraph 4 mean if a low-income household has been approved for SER or other DHS benefits the selected applicant does not need to verify the household income? Are selected applicants required to retain household income documents or only the DHS decision letter?**
- A. If a low-income household is approved for SER or other DHS benefits, selected applicants are not responsible for determining income eligibility; however, selected applicants must retain a copy of the DHS decision letter.
- Q. Attachment D, paragraph 5 requires that selected applicants ask if a low-income household has received energy assistance services from the selected applicant in the past. Is 12 months a sufficient amount of time to go back?**
- A. Yes, 12 months is sufficient.
- Q. If an applicant received grant funds in the past as a partner or subcontractor for a grantee, should this information be included in response to Section V-F(2) of the RFP?**
- A. When responding to Section V-F(2) of the RFP applicants should include information on grants awarded from the State of Michigan for similar programs even if the applicant was a subcontractor or partnered with an agency that received the actual grant award.
- Q. Could you provide examples of what categories, other than “Payments to Energy Providers,” might be included under the "Energy Assistance Program Expenses" line item in the budget?**
- A. The RFP is vague with regard to the categories that can be included under “Energy Assistance Program Expenses” in the budget because each applicant’s proposed “Energy Assistance Program” will be unique and will include different components

**Q. Are there other possible disallowed costs beyond those listed in Section V-H(2) of the RFP?**

A. In addition to the disallowed costs listed in the RFP, the MPSC will disallow expenditures that are not grant related or not included in the selected applicant's budget and/or budget narrative.

**Q. One challenge for organizations responding to this RFP is the exclusion of sick pay, vacation pay and holiday pay as part of operating costs. These are regularly calculated costs of doing business and having a reliable and effective workforce. A reliable and effective workforce is key to the program success. This is also potentially a public health concern to encourage employers to not provide or use a workforce that does not have sick leave and vacation time. Will there be any opportunity to revisit these provisions?**

A. The MPSC has always disallowed sick pay, vacation pay and holiday pay as part of a selected applicant's administrative costs so that only actual hours spent working on the grant are paid for by grant funds. The MPSC is not encouraging organizations to stop providing sick, holiday or vacation time to its employees. The MPSC is advising that it will not reimburse selected applicants for sick pay, vacation pay and holiday pay incurred by a selected applicant's staff while working on the grant.

**Q. According to Section II-B of the RFP, Records Retention, all financial records, supporting documents, statistical records, and all other pertinent records must be maintained for seven (7) years. Can these records be kept electronically, if they were created in a paper format?**

A. All grant related documentation can be retained electronically by selected applicants; however, all documentation must be readily available in the event of an on-site audit

**Q. Is a database and/or electronic management system considered "equipment" as defined in Section II-F of the RFP?**

A. Grant funds cannot be used to pay for the development of a new database and/or electronic management system or similar equipment; large capital expenditures generally benefit the operation of the entire organization not just grant related functions. Equipment purchases must be included in the budget when the proposal is submitted.

**Q. Would the storage of all program operational materials in an electronic format be in compliance with the grant requirements as it relates to an audit review?**

A. All grant related documentation can be stored electronically by selected applicants; however, all documentation must be readily available in the event of an on-site audit.

**Q. How are selected applicants going to evaluate successful outcomes if there is no ability to track the movement of recipients from jurisdiction to jurisdiction?**

A. The utility service providers in the MEAP energy assistance service providers' areas can provide information on whether a low-income household has received energy assistance from another MEAP service provider. Also, the Grant Administrator will compile a list of all clients served by all selected applicants that will be updated and provided to selected applicants monthly.

- Q. Under Section III-D(8) of the RFP, can the storage of data and metrics be done completely electronic?**
- A. All grant related documentation can be stored electronically by selected applicants; however, all documentation must be readily available if requested by the MPSC.
- Q. Under Section III-D(9) of the RFP, can selected applicants share client/household information with the MPSC and DHS in an entirely electronic format?**
- A. Please refer to Section IV-B(2)(b) of the RFP. Monthly client/household lists will be submitted by selected applicants in an Excel spreadsheet that will be provided electronically to selected applicants by the Grant Administrator. The MPSC will provide the monthly client/household lists to DHS.
- Q. Can a selected applicant develop its own electronic eligibility determination system to more efficiently enroll applicants?**
- A. Applicants are responsible for developing a process/system for determining low-income household eligibility consistent with the Client/Household Eligibility Verification Requirements outlined in Attachment D to the RFP. Applicants must provide detailed information on the proposed process/system for determining eligibility in response to the RFP, Section V-E(1)(d).
- Q. Can monthly financial status reports be filed electronically rather than on paper, including all source documentation and other requested items?**
- A. Electronic submission of all reports, including financial status reports and source documentation, is preferred.
- Q. Can a selected applicant create an electronic version of Form C-108 to utilize for their purposes as well as submitting to the State?**
- A. Please refer to Section IV-B(1) of the RFP. Selected applicants must use Form C-108 that will be provided electronically to selected applicants by the Grant Administrator.
- Q. Would the MPSC be opposed to multiple program operators all utilizing the same management software?**
- A. Each applicant is responsible for determining the type of management software it will use to administer grant funds.