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DRAFT

March XX, 2023

Akm Rahman, Branch Chief
Division of Energy Assistance
Office of Community Services
Administration for Children and Families
U.S. Department of Health and Human Services
330 C Street SW Switzer Building, 5th Floor
Washington, DC 20201

Dear Mr. Rahman:

In accordance with California Government Code Section 16367.5, the Department of Community Services and Development (CSD) is requesting a waiver to use 25 percent of the Low-Income Home Energy Assistance Program (LIHEAP) funds for residential weatherization. The following information is provided in compliance with the Code of Federal Regulations, Title 45, Part 96.83, regarding requests to increase the maximum amount that may be used for weatherization and other energy-related home repair:

- (c)(1) The State of California requests to use 25 percent of its Fiscal Year (FY) 2023 LIHEAP allotment for weatherization.
- (c)(2) The State of California has met each of the following three criteria necessary for a standard waiver request.
 - (c)(2)(i) In FY 2023, the combined total (aggregate) number of households in the state that will receive LIHEAP heating, cooling, and crisis assistance benefits that are provided from federal LIHEAP allotments from regular and supplemental appropriations will not be fewer than the combined total (aggregate) number that received such benefits in the preceding FY 2022.
 - (c)(2)(ii) In FY 2023, the combined total amount, in dollars, of LIHEAP heating, cooling, and crisis assistance benefits received by the state's service population that are provided from federal LIHEAP allotments from regular and supplemental appropriations will not be less than the combined total amount received in the preceding FY 2022.
 - (c)(2)(iii) All LIHEAP weatherization activities to be carried out by the state in FY 2023 will produce measurable savings in energy expenditures. CSD uses weatherization installation and materials standards listed in Appendix

A of the U.S. Department of Energy (DOE) weatherization regulations, 10 CFR Part 440, installation of materials meeting the specific standards incorporated by reference in Appendix A, and weatherization activities specifically allowed by official DOE correspondence and memoranda. The state is citing the above standards as the criteria under which its LIHEAP-funded weatherization activities have been shown to produce measurable savings. The DOE, Office of Energy Efficiency and Renewable Energy, reports that for individual families who weatherize their home, the gain is immediate with annual average savings of \$372 or more on their energy bills per year depending on fuel prices.

- (c)(3) With regard to criterion in paragraph (c)(2)(i), the state's best estimate of the appropriate household totals for the FY for which the waiver is requested (2023) and for the preceding FY 2022 are as follows:

Households

Fiscal Year	Heating and Cooling	Crisis	Total
2022*	132,575	93,683	226,258
2023**	147,762	127,960	275,722

* Data Source: LIHEAP Household Report – Federal Fiscal Year 2022 (submitted 12/29/22)

**Data Source: Actual data obtained from the state's automated system and estimated data based on current trends and future forecast.

- (c)(4) With regard to criterion in paragraph (c)(2)(ii), the state's best estimate of the appropriate benefit totals, in dollars, for the FY for which the waiver is requested (2023) and for the preceding FY 2022 are as follows:

Benefits

Fiscal Year	Heating and Cooling	Crisis	Total
2022*	\$65,802,771	\$132,322,485	\$198,125,256
2023**	\$65,313,086	\$148,752,108	\$214,065,194

*Data Source: Actual expenditure data obtained from the state's automated system.

**Data Source: Actual expenditure data obtained from the state's automated system and estimated expenditure based on current trends and future forecast.

- (c)(5) With regard to criterion in paragraph (c)(2)(iii), a description of the weatherization activities to be carried out by the state in FY 2023 (with all LIHEAP funds proposed to be used for weatherization, not just with the amount over 15 percent), and an explanation of the specific criteria under which the grantee has determined whether these activities have been shown to produce

measurable savings in energy expenditures, are provided in subsection (c)(2)(iii) in this letter. In accordance with the referenced DOE guidelines, the following LIHEAP weatherization activities will be performed by CSD contractors during FY 2023.

1. Mandatory measures include:
 - a. Dwelling assessment
 - b. REM/design energy audit
 - c. Combustion appliance safety testing
 - d. Blower door testing
 - e. Duct leakage testing
 - f. Environmental testing
 - g. HERS Rating
 - h. Permits
 - i. Post weatherization inspections
 - j. Carbon monoxide alarm
 - k. Smoke alarm
 - l. Cooking appliance repair/replacement
 - m. Cooling appliance repair/replacement
 - n. Combustion ventilation air venting
 - o. Heating appliance repair/replacement
 - p. Environmental Hazard Work
 - q. Water heater repair/replacement
 - r. Attic venting
 - s. Ceiling insulation
 - t. Duct insulation
 - u. Duct repair/replacement
 - v. Exterior door and sliding glass door repair/replacement
 - w. Filter replacement
 - x. Hot water flow restrictors
 - y. HVAC Blower Upgrades
 - z. Infiltration reduction
 - aa. Kitchen exhaust installation, repair/replacement
 - bb. Kneewall insulation
 - cc. Lighting
 - dd. Limited home repair
 - ee. Low flow toilet
 - ff. Mechanical ventilation
 - gg. Microwave oven
 - hh. Refrigerator replacement
 - ii. Thermostats
 - jj. Vacancy sensor switch
 - kk. Water heater insulation
 - ll. Water heater pipe insulation
 - mm. Whole house fans
 - nn. Window repair/replacement

2. Optional measures include:

- a. Ceiling fans
 - b. Clothes Washer Replacement
 - c. Clothes Dryer Replacement
 - d. Dishwasher Replacement
 - e. Door replacement
 - f. Electric water heater timer
 - g. Exterior pipe wrap
 - h. Floor foundation venting
 - i. Floor insulation
 - j. Power strips
 - k. Shade screens
 - l. Storm windows
 - m. Tinted window film
 - n. Wall insulation
 - o. Water heater installation
- (c)(6) A description of how and when the proposed waiver request was made available for timely and meaningful public review and comment, copies and/or summaries of any comments received on the request (including transcripts and/or summaries of any comments made), a statement of the method for reviewing public comments, and a statement of the changes, if any, that were made in response to these comments, are included.

A public notice was posted on March XX, 2023 to accept comments on the state's request to increase the LIHEAP weatherization component from 15 to 25 percent. The attached notice was published on CSD's social media pages on March XX, 2023. Both the Draft Weatherization Waiver Request and the Public Notice were posted on the CSD website for a period of ten days, March XX, 2023 through April XX, 2023. CSD will review any comments received on the request, and copies and/or summaries of comments as well as any changes made to the waiver request will be provided to the Office of Community Services.

This information should be sufficient to enable the Office of Community Services to grant a waiver to the State of California to increase its weatherization to 25 percent for a program that provides meaningful, long-term benefits to California's low-income households. However, if you have any questions, please contact Debra Parr, Program Manager, at (916) 750-0299 or Debra.Parr@csd.ca.gov.

Sincerely,

DAVID SCRIBNER, ESQ.
Director