

# STATE OF COLORADO

EXECUTIVE CHAMBERS

136 State Capitol  
Denver, Colorado 80203-1792



John W. Hickenlooper  
Governor

## EXECUTIVE ORDER

### **For the transfer of funds from the U.S. Department Of Health and Human Services to the Colorado Energy Office.**

Pursuant to the authority vested in the Office of the Governor of the State of Colorado, I, John W. Hickenlooper, Governor of the State of Colorado, hereby issue this Executive Order transferring funds to the Colorado Energy Office weatherization assistance program.

#### 1. Background and Purpose

The U.S. Department of Health and Human Services provides funds to Colorado under the Low-Income Home Energy Assistance Act of 2005 (P.L. 109-58) hereafter referred to as the Low-Income Energy Assistance Program (LEAP). The Colorado Department of Human Services is the recipient of funds for the LEAP. Low cost residential weatherization services for Colorado's low-income population will provide long-range benefits for Colorado's New Energy Economy. The Colorado Energy Office is best able to use the weatherization funds to serve Colorado's low-income population through its existing weatherization program. The Low-Income Home Energy Assistance Act of 2005 allows up to 15 percent of the annual funds to be used for low-cost residential weatherization or other energy related home repair for low-income households. The Colorado Department of Human Services and the Colorado Energy Office shall each year negotiate the amount of annual LEAP funding to ensure that a long-term equitable balance of cash assistance and weatherization services is achieved. Furthermore, in those years where cash assistance needs are being fully met by LEAP, the Colorado Department of Human Services and the Colorado Energy Office shall collectively seek to obtain a waiver from the U.S. Department of Health and Human Services to allow the weatherization service allocation to exceed the 15 percent funding level.

#### 2. Designation

I hereby designate the Colorado Energy Office as the responsible agency to administer a low-cost weatherization program. The low-cost weatherization program shall be administered in accordance with all federal laws and regulations.

3. Directive

The Colorado Department of Human Services shall transfer \$4,205,633 (an amount equal to ten percent of the LEAP funding) to the Colorado Energy Office to conduct a low-cost weatherization program. An amount not to exceed \$168,225 of the above funds may be designated as administrative costs. These funds shall be drawn from the federal LIHEAP funding available to Colorado for federal fiscal year 2014.

4. Conditions

- a. Carryover. Carryover funds are those funds transferred pursuant to this Executive Order that are not obligated by September 30, 2014. Pursuant to federal law, Colorado must obligate 90 percent of the funds available to LEAP in the federal fiscal year in which they were appropriated. Not more than 10 percent of the amount payable for a fiscal year may be held in obligation in the succeeding fiscal year. Funds not obligated to be carried forward from federal fiscal year 2014 to federal fiscal year 2015 shall not exceed 10 percent of the total transfer amount authorized pursuant to this Executive Order. The Colorado Energy Office may obligate funds to be expended on the weatherization program by either the State or its' subgrantees over two LEAP program years, which are based on federal fiscal years. Funds transferred pursuant to this Executive Order shall not be available after September 30, 2015.
- b. Report. The Colorado Energy Office shall submit reports to the Colorado Department of Human Services detailing funds expended and obligated and households served as required for federal LIHEAP reporting. Information for the federal financial report will be due no later than September 1, 2014. This information will document prior program year expenditures and obligations to be carried over from one program year to the next indicating the amount, date of obligation, nature of work performed, and anticipated completion date. Information for the LIHEAP State Plan will be due no later than November 30, 2014. This information will include an update of that required for the federal financial report and will also contain information regarding households served pursuant to LIHEAP federal reporting requirements. Other reporting may be required as necessary such as requests from the State Auditor.
- c. Assurance 16. The report will include information regarding expenditures for services provided with this funding that encourages and enables households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors. Pursuant to section 2605 (b) (16) of the Low Income Home Energy Assistance Act of 2005, no more than five percent of Colorado's LIHEAP funding may be used for such purposes.
- d. Contingent on availability of LEAP funds. The transfer of funds pursuant to this Executive Order is subject to and contingent upon the continuing availability of State and federal funds for LEAP. In the event that funding becomes unavailable, is reduced, or is increased as determined by the Colorado Department of Human Services, this Executive Order may immediately terminate or be amended

accordingly through a modification to the Purchase Order developed by the Department of Human Services.

- e. LIHEAP regulations. The Colorado Energy Office shall use the federal Low Income Home Energy Assistance Program (LIHEAP) regulations at Title 45 of the Code of Federal Regulations, Part 96, Subpart H (45 C.F.R. § 96) to administer weatherization program expenditures pursuant to this Executive Order.
- f. Multifamily weatherization. No less than 25% percent of the funds transferred pursuant to this Executive Order shall be used for multifamily weatherization through the Colorado Energy Office statewide multifamily weatherization program.

5. Past Orders Superseded and Replaced

This Executive Order shall supersede and replace all previous executive orders designating the responsible agency to administer the Low-Income Energy Assistance program.

6. Duration

This Executive Order shall remain in effect until further modification or rescission by the Governor.

GIVEN under my hand and the  
Executive Seal of the State of  
Colorado, this        day of  
2014

John W. Hickenlooper  
Governor

## **Overview**

The Governor's Executive Order Authorizing Transfer of Low-Income Energy Assistance Funds to the Governor's Energy Office for Weatherization is the mechanism put in place many years ago to transfer these funds. This is a routine process that takes place annually. The Weatherization Program provides a valuable service to low income consumers by reducing their energy burden and need for long term LEAP cash assistance. The LIHEAP funds allows for the Weatherization program to serve LIHEAP eligible households who would not otherwise be able to receive services such as weatherization needs assessments/audits, caulking, insulation and other conservation measures including furnace heating system modifications. Also, federal funding for the Weatherization Program has been drastically reduced, which makes the LIHEAP funding critical for the continuation of these important services.

LEAP is committed to sharing LIHEAP funding with the Weatherization Program to accomplish the common goals of both programs. The Governor's Executive Order allows for the transfer, which is authorized in LIHEAP federal regulations.

The LEAP projected federal block grant for 2013-2014 is \$42,056,329 and we are recommending a total of \$4,205,633 (10%) be transferred to the Governor's Energy Office.