

Emergency Repair and Replace

Furnace or Wood Stove Emergency Repair and Replacement (ERR)

Clients (homeowners only) can get up to \$5,000 for repair or replacement of their heating sources. **Alternatively, LSPs may choose to operate the program ensuring that the average benefit per household is maintained at \$5,000 or less, waiving the \$5,000 per household cap.** Program and fiscal monitors will select client ERR files over \$3,000 for review during monitoring. **All LSPs are expected to either administer this benefit or to partner with another entity to administer this benefit on their behalf. LSPs must indicate in the Subgrantee Plan Packet whether they will administer the ERR program directly or partner with another entity in order to provide this service, and whether they will implement a \$5,000 per household cap or maintain a \$5,000 per household average. If an LSP chooses to use the average benefit method, the LSP must develop a tool to track its benefits and ensure it is maintaining the average benefit level of \$5,000 or less.**

Who can get ERR?

Clients applying for ERR must have at least one person in the household who is part of an at-risk population (elderly, children, veterans, or disabled, see definitions Section 8.5). LSPs may request an exception from the EAP Manager to provide ERR to non-at-risk clients. Applicants must present an emergency situation such as a furnace that no longer works between November 1 and March 15. Furnaces that do not work from March 16 to October 31 do not constitute an emergency unless extreme weather is present, and are not eligible for assistance during that timeframe. Only homeowners are eligible for Emergency Repair and Replace of a heating source.

Contractors

LSPs can use its weatherization staff or an agency approved contractor to conduct repairs or replacements on heating systems. LSPs are to create a list of acceptable contractors who they have worked with for ERR. Only contractors on the list are allowed to perform ERR services. **When using contractors to perform an assessment rather than the LSP's own Weatherization staff, the contractor that performed the assessment is not eligible to bid on completing the actual work. This is to improve program integrity and to remove a potential conflict of interest.**

- Contractors must be able to conduct pressure tests and meet standard mechanical equipment and work requirements.
- Contractors must ensure that the old, inoperable heating source is removed.
- Contractors must install the highest efficiency parts and heating sources possible.
- Contractors must submit to LSP a completed W-9 Request for Taxpayer Identification Number and Certification Form, which can be downloaded from the U.S. Internal Revenue Service website.
- Contractors must be licensed as required by pertinent laws, ordinances, regulations or codes.
- Contractors must be well trained in the proper furnace installation.
- Contractors must be able to perform pressure checks when required.

- Contractors must provide a warranty for work and materials in each household where service is provided. The warranty must be in writing, with the original provided to the household and a copy to the Service Provider.
- Contractors must meet the following minimum insurance coverage requirements:
 - Property damage: \$50,000.
 - Bodily injury and liability: \$1,000,000.
 - Basic workers compensation.

Assessment

ERR is allowable for primary furnaces and wood stoves if there is no redundant heating system. The intention of ERR is to restore heat when heat or systems no longer function.

- For repairs/replacements under \$1,000, no assessment is necessary. The LSP only needs to review what repairs/replacements will be done with the contractor.
- For repairs/replacements over \$1,000 the LSP or its contractor must assess the structure of the dwelling, how the heat source functions to heat the house, and if there is heating provided by any secondary system. The assessment can be an “eyeball” assessment. The dwelling must be inhabitable, and the assessment should take into account general standards. The LSP reviews the contractor’s assessment and notes to determine if a repair or replacement should be done.
- **The reason for the repair or replacement (Scope of Work) is to be documented within the assessment.**
- The repair/replace may include duct work, venting, adjustment of gas lines, or any other work that is necessary to repair or replace the heat source.

Other aspects to consider when assessing the feasibility of an ERR are:

- The repair/replace should be for the primary heating source only and not secondary or back-up sources.
- A household may have a secondary source that could be used as a primary heating source if the secondary source is both a legitimate option to restore heat and is a cost effective alternative.
- Non-traditional heating source may be replaced with ERR funds if it is not redundant or excessively expensive. Examples include: heat pumps, outdoor biomass furnaces/boilers, radiant floor, renewable resources, and fireplace inserts.
- ERR electrical repairs outside of repairing the heating source are limited to the wiring (dedicated circuit) that connects from the source to the service panel or thermostat.
- A dwelling must have adequate electrical service to operate the heating system to be repaired or replaced.
- ERR can be used for changing energy vendors when the household changes fuel or energy vendor for health and safety or medical reasons only. For example, a wood stove could be changed to a gas furnace if an elderly or disabled client cannot lift, cut or feed the wood stove they heat with.

ERR may NOT be used for:

- Non-emergency repairs or replacements (example: a furnace repair in the summer is not an emergency).
- Repairs or a replacement not initiated by the EAP Service Provider. The LSP cannot reimburse for already initiated or finished repairs or replacements.
- Unoccupied dwellings. Example: The household purchased a house and cannot move in until the furnace is repaired or replaced.
- A furnace that is deemed to be operational after the ERR assessment. For example, if the initial assessment shows that the furnace is operational, the LSP must not replace it.
- A dwelling that currently does not have an installed heat source. For example, this funding cannot be used for new construction. An exception can be made if the household had an inoperable heat source that was removed.
- A secondary or primary heating system that is redundant.
- Portable heaters being used to provide heat.

Repairs

- Repairs must meet code and be completed in a professional manner.
- If a proposed repair is not cost-effective given the age or condition of the system, the LSP should replace the heating system. This standard does not include routine maintenance, such as a nozzle replacement.

Replacements

Heating source models for all fuel types must be energy efficient and meet performance, reliability, and cost-effectiveness standards. This means that heating replacements must:

- Must always have the highest maximum efficiency.
- The unit must be properly sized and installed to assure maximum comfort and efficiency using industry accepted sizing protocols. This should be assessed by the LSP Weatherization staff or LSP contractor.
- Have a manufacturer's limited warranty.
- Ductwork must be designed and installed properly. This should be assessed by the LSP Weatherization staff or LSP contractor.

Clients' Responsibilities

If there is a dispute or problem with the work that the contractor has performed, the client must address the concern to the contractor. The Local Service Provider has no liability nor obligation to ensure the work of contracted entities. Inspections will not be performed. Contractors are required to provide a one-year warranty for parts.

All clients who receive an emergency repair or replacement of their heating source must sign a client consent form see [Appendix U – Client Consent/Release of Liability Form](#). This form is a release of liability and waiver of claims for IHCD and the LSP.

Clients are only eligible for an Emergency Repair once per year. Clients are only eligible for an Emergency Replacement once every 10 years at the same address.

Documentation

Required documentation includes proof of homeownership (this may be a printout from the county GIS system, a current mortgage statement showing the property address, proof of homeowner's insurance, a title or deed, or proof of Life Estate – a land contract on its own is not sufficient to prove ownership for the purposes of this benefit without corroborating documentation that the sale has been registered and recorded with the applicable county or state government entity), an invoice from the repair or replacement, a building permit if the ERR service is being conducted in a jurisdiction in which permits are required, a client consent form, and assessments (when an assessment has been completed). LSPs are to attempt to verify homeownership using a local GIS system or through the county assessor's website, rather than placing this burden on the applicant. If the LSP is unable to document homeownership independently, the LSP may then request further documentation from the applicant.

If an LSP chooses to waive the \$5,000 per household cap in favor of using an average benefit, the LSP must document how it is tracking its benefits and ensuring this average is maintained and include this documentation with its claims. This documentation must also be shared with IHCD upon request.