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DEPUTY COMMISSIONER  
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## FY 2024-FY 2025 Capital Budget Request

**Capital Budget Request:** Replacement Software for the management of the Low Income Home Energy Assistance Program (LIHEAP) and the Weatherization Assistance Program (WAP)

**New Funds:** \$568,000

**Lapse Extension:** existing \$316,000 from Office of Energy and Planning 2017, 228:1, VII, A, extended by 2019, 146:20, 59, extended by 2021, 107:16, 57

**Source of Funds:** 100% Federal

### Background:

The Department of Energy is responsible for the management of the federal fuel assistance program (LIHEAP) and the weatherization assistance program (WAP). LIHEAP is a fuel assistance program that provides financial assistance to low-income residents to help them pay their winter heating bills. Benefit amounts are dependent on family income and family size. WAP provides funding for the same population for home weatherization services, typically insulation. WAP is separate and distinct from the utility run NHSaves Program, although there is collaboration between the two programs.

Both LIHEAP and WAP are 100% federally funded. The DOE received block grant awards from the federal government, and then contracts with the local Community Action Agencies to disburse these funds. The Community Action Agencies are responsible for potential client intake, income verification, and enrollment of eligible clients. The Community Action Agencies also contract directly with vendors, such as fuel dealers, utilities, and weatherization contractors, to provide services to the clients.

Enrollment in the LIHEAP program for current program year was approximately 24,500 households. Each year WAP provides funding to weatherize roughly 331 homes.

### Need:

The software system that serves as the centralized database for these programs is in need of replacement. The current software has been in use for more than 20 years and is beyond the end of useful life.

Community Action Agency staff input all potential client information into this software. This software also calculates benefit amounts, generates benefit letters and vendor letters, invoicing, budget tracking. It also assists in generating the required federal reports and with meeting federal compliance requirements. Without this system, these programs cannot function.

Every other state in the nation has similar programs with similar reporting requirements and software needs, so there are several vendors in the country that have developed this product. While some customization may be required to fit the nuances of New Hampshire, most of the core functions of the software would be an 'off the shelf' product.

There are some funds in the capital budget that date back to the early 2010s. Those funds were intended to be used for replacement software; however, the contract was denied at Governor and Council and never rebid. The issue at the heart of that denial is no longer a factor, and the Community Action Agencies are in support of software replacement. Additional funds are needed due to general cost escalation in the intervening time frame and increased federal reporting and compliance requirements that require more sophisticated and complex software.

The final project may tie in the data systems needed to manage the Electric Assistance Program, which is under the jurisdiction of the Public Utilities Commission, and which shares systems with LIHEAP. Any incremental costs will be covered by the Electric Assistance Program.

Management of the software would be done in house by existing Department staff, with technical assistance from either the vendor or DoIT.