

LIHEAP Performance Measures Data Collection Guide

Supplement: Vendor Selection

OVERVIEW

This guide provides recommendations on the prioritization of fuels and vendors for FY 2016 Performance Measures data collection.

DATA REQUIREMENTS

What data needs to be collected and from which fuel vendors?

- Collect FY 2016 *client annual energy bill data* from your state's:
 - **Top five electric** companies
 - **Top five natural gas** companies
 - **Top ten propane** vendors
 - **Top ten fuel oil/kerosene** vendors
 - **Top ten 'other'** vendors (e.g. wood and coal)
- Data required to complete **Part V. 'Energy Burden Targeting'** of the FY 2016 LIHEAP Performance Data Form Section II. LIHEAP Performance Measures.

How can I identify the top five/top ten fuel vendors?

- For each fuel type (Natural Gas, Electric, Propane, Fuel Oil/Kerosene, and 'Other' fuels):
 1. Count the number of clients who heat/cool with that fuel
 2. Among those clients, identify the five/ten fuel vendors that have the most clients

EXCEPTIONS TO THE LISTED REQUIREMENTS

OCS is expecting all states to collect data for all fuels and for the required number of vendors. However, there are some exceptions to the listed requirements:

Example 1: Fewer Vendors

In some states, fewer than five companies serve LIHEAP clients. For example, in the District of Columbia, there is only one electric company and one natural gas company. ***In these cases, states do not need to meet the minimum requirements.***

- **Where there are fewer than five electric or natural gas companies, the state would report on all of the companies that serve clients.**
- **Where there are fewer than 10 delivered fuel companies, the state would report on all of the companies that serve clients.**

Example 2: Fuels Not Used

In some states, certain listed fuels are not used. For example, in the District of Columbia, no clients use propane, while in Texas, no clients use fuel oil. ***In these cases, states do not need to meet the minimum requirements.***

- **Where there are no LIHEAP clients served by a certain fuel, the state does not need to report on that fuel.**

PRIORITIZATION OF FUELS

OCS is expecting all states to collect data for all fuels used by LIHEAP clients. However, some states are facing challenges in working with vendors to establish agreements and information exchanges that may make it difficult for them to collect data for all fuels for FY 2016.

For any state facing those difficulties, APPRISE makes the following recommendations with respect to prioritization of fuels:

- **Priority #1** - Start by collecting data for the fuel that represents the greatest share of home energy expenditures for low-income households in your state. Very often the targeted fuel will be natural gas or electricity. But, for some states, fuel oil is the main heating fuel for a large share of clients.
- **Priority #2** - Continue by collecting electricity data for all clients. In some states a large percentage of LIHEAP clients use electricity as their main heating fuel. In other states, electric heat is less common, but many households use electricity to run their heating equipment, use electric space heaters, and use electricity for home cooling. It is important for states to report the whole home energy bill (heating and cooling) for all LIHEAP clients.
- **Priority #3** - Attempt to cover at least 90 percent of clients by adding a third fuel. In states where natural gas is the most common heating fuel, some states will find that by collecting data for natural gas and electricity, they will cover over 90 percent of low-income home energy expenditures. However, in other states, gas and electric expenditures will only represent about 50 percent of the low-income home energy bill and the state should try to collect data from at least one delivered fuel.

Note: Please see the following spreadsheet to identify the fuel shares for low-income households in your state: https://liheappm.acf.hhs.gov/sites/default/files/private/training/L-I_Energy_Expenditure_Data_By_State.xlsx

PRIORITIZATION OF VENDORS

OCS is expecting all states to collect data for the target number of vendors for each fuel. In most states, the five largest electric vendors and the five largest gas vendors are all large companies that are capable

of furnishing the required data. However, in some states, there may be one or two large vendors and a large number of small vendors.

So, while the grantee is able to collect data for most of their clients from one or two vendors, they may face challenges with their smaller vendors to get the additional data to reach the target number of vendors.

Example: One state has an electric company that serves 92 percent of all clients. The next four largest electric companies each serve about 1 percent of clients. While it was relatively easy for the state to get a vendor agreement and set up data exchange procedures for the largest company, the state had more challenges with the smaller electric vendors.

For any state facing this difficulty, APPRISE makes the following recommendations with respect to prioritization of vendors:

- **Electric Vendors** - Attempt to collect data from five vendors or for the vendors that serve 90 percent of clients, whichever is less.
- **Natural Gas Vendors** - Attempt to collect data from five vendors or for the vendors that serve 90 percent of the clients that use natural gas, whichever is less.
- **Delivered Fuel Vendors** - For each delivered fuel, attempt to collect data from ten vendors or for the vendors that serve 50 percent of the clients that use that delivered fuel, whichever is less.