

Clean, Tune and Evaluate (CT&E) Low Income Heating Systems



Lead Organization: MaineHousing (Maine State Housing Authority)

MaineHousing is an independent state agency that bridges public and private housing finance, combining them to benefit Maine's low- and moderate-income people. MaineHousing brings millions of new private and federal housing funds to Maine annually to create safe, affordable, warm housing. MaineHousing offers programs and services that make decent, safe housing more affordable and accessible to Maine people.

In addition to the many housing programs we offer through partnerships with lending institutions in Maine, MaineHousing administers the federally-funded Low Income Home Energy Assistance Program (commonly called LIHEAP or HEAP). This program provides money to low income homeowners and renters to help pay heating costs. The funds are distributed throughout Maine by ten Community Action Agencies, in most cases directly to the fuel vendors. The program is not intended to pay for all heating costs, but to assist in paying heating bills. A portion of these LIHEAP funds can be spent annually on home weatherization efforts.

Community Need: We estimate that at least 36,000 of the more than 50,000 households receiving LIHEAP assistance have old and inefficient heating systems which have not benefited from regular cleaning and maintenance within the past 3 years, in most cases due to limited homeowner resources.

In August 2008, MaineHousing initiated a program targeting resources to clean, tune and evaluate (CT&E) the heating systems in the homes of some of the highest energy users in the LIHEAP program. Through referrals to Maine oil dealers and their company-based or contracted heating service providers, high energy users from MaineHousing's LIHEAP database receive a clean, tune and evaluate service for their home heating system. Where indicated, follow-up system repairs are included. Over 1,000 homes have been referred to participating dealers to date with CT&E and subsequent repair costs averaging \$400 (\$200 for the CT&E service and \$200 for repairs). This CT&E service is estimated to reduce energy consumption up to 10% annually (this would translate to an average annual savings of 80+ gallons or \$320 per home based on fuel at \$4 per gallon). Since the program's launch, approximately 200 households of the initial 1,000 referred are scheduled to receive or have received this service. To date, a small percentage (just under 2%) of these households has required significant heating systems repairs or replacements at an average cost of \$2,300. These more costly changes have included chimney lining, oil tank replacement, and furnace replacement, among others.

Project Activities: MaineHousing proposes to increase the number of homes served through the CT&E program by expanding the number of participating oil dealers providing this service statewide. Using only dealers with whom we have a LIHEAP contract, 117 of the total 210 LIHEAP participating oil dealers in Maine participate in the CT&E program. A total of 93 LIHEAP oil dealers chose not to participate when the program initially was launched, creating a gap in service for clients living in regions serviced by non-participating dealers. Of particular concern is the Southern Maine region which is challenged by a high percentage of LIHEAP-eligible clients and the present reality that the area's participating dealers have limited capacity to service the LIHEAP client pool.

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MaineHousing plans outreach to non-participating dealers in the coming weeks through mailings, one-on-one meetings and group trainings to encourage additional program participation. These outreach efforts will help dealers understand the minimal program requirements, help eliminate barriers to participation, and will provide MaineHousing the opportunity to relate the significant referral opportunities awaiting dealers in their service areas. Clear and consistent communication with these and the original participating dealers will be the foundation of this expansion effort and, ultimately, the overall success of the program.

Outcomes / Impact: Through the CT&E program, inefficient heating systems in the homes of some of Maine's neediest and most vulnerable citizens will receive much needed maintenance, repair and upgrades, realizing a projected annual savings of 10% on current and future energy costs, as well as safer operating heating systems overall.

Total Project Budget: MaineHousing's current funding for the CT&E program totals \$2.5 million: \$1.5 million from LIHEAP weatherization funds and \$1.0 million from the Governor's Short-Term Energy Emergency Response funds. At an average total cost of \$400, these funds will provide a CT&E and related repair service for a maximum of 6,200 of the estimated 36,000 old and inefficient heating systems in LIHEAP client households across Maine.

Funds Requested from the Philanthropic Sector: MaineHousing requests funds from individual funders (or a combination of grantmakers) to expand the CT&E program with the following options. MaineHousing remains open and flexible in considering alternatives as requested by the funder(s).

100 CT&Es @ \$400 = \$40,000

200 CT&Es @ \$400 = \$80,000

500 CT&Es @ \$400 = \$200,000

Ability to Target Funds: The current CT&E program is offered statewide but is flexible to target geographic areas as requested by a funder.

Accountability / Reporting: MaineHousing has an accounting staff that will monitor the grant funds. MaineHousing's Accounting and Financial Reporting Department consists of seven staff members, three of which are Certified Public Accountants (CPA's). This staff is responsible for monitoring and accounting for numerous grants from the federal government and has a vast amount of experience in this area. Federal grants received in 2007 totaled approximately \$126 million.

The project results will be monitored on an ongoing basis and activity reports will be prepared as needed. These reports will track program expenditures made as well as the direct outcome and impact of the project.

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