

DEPARTMENT OF CHILDREN  
AND FAMILIES  
Secretary Eloise Anderson  
201 East Washington Avenue, Room G200  
P.O. Box 8916  
Madison, WI 53708-8916  
Telephone: 608-266-8684  
Fax: 608-261-6972  
www.dcf.wisconsin.gov



State of Wisconsin  
Governor Scott Walker



TO: **W-2 Agencies  
Training Staff**

FROM: Janice Peters, Director  
Bureau of Working Families  
Division of Family and Economic Security  
Department of Children and Families

**BWF OPERATIONS MEMO**

No: BWF 14-06

DATE: FEBRUARY 07, 2014

W-2  EA   
JAL  RAP   
Other EP \*

**SUBJECT: Emergency Assistance Eligibility Due to the Propane Shortage**

**CROSS REFERENCE:** [EA Manual](#)

**EFFECTIVE DATE:** Immediately

**PURPOSE**

The purpose of this memo is to:

- 1) Provide information to Wisconsin Works (W-2) agencies regarding resources that are available for individuals adversely impacted by the propane shortage in Wisconsin; and
- 2) Inform agencies as to how the Emergency Assistance (EA) program can help individuals affected by the shortage.

**BACKGROUND**

Recently the cost of propane in Wisconsin has increased significantly, from around \$1.00/gal to (in some cases) \$6.00/gal, due to high demand, unusually cold temperatures, and a decrease in the propane supply. Governor Scott Walker declared a state of emergency and issued [Executive Order #131](#) to address the crisis. W-2 agencies may refer to the [Governor's Press Release](#) for additional information.

Because of the propane crisis, W-2 agencies may see an increase in applications for EA. An increase in the cost of propane fuel may result in an emergency under the category of energy crisis, or may result in impending homelessness due to the inability to make housing related payments such as rent or mortgage. This memo outlines policy that may be relevant to these situations. (For the complete EA policy, go to the [EA Manual](#).)

The Department of Children and Families (DCF) will be working closely with other state agencies to determine when the crisis has ended.

### ***Determining Emergency Type***

#### Energy Crisis

Individuals applying for EA due to an energy crisis must meet the specific policy requirements in section [4.9](#) of the EA Manual, in addition to all other EA nonfinancial and financial eligibility criteria. W-2 agencies should keep in mind that in order to be eligible for EA due to an energy crisis, EA policy does not require a utility disconnect notice.

W-2 agencies must verify that the EA applicant has pursued all other payment options and resources prior to making an EA payment for an energy crisis. This includes the Wisconsin Home Energy Assistance Program (WHEAP) and other local resources such as the Salvation Army and Red Cross. See ***INFORMATION FOR INDIVIDUALS EXPERIENCING A PROPANE CRISIS*** below for information on more resources available to individuals affected by the shortage.

W-2 agencies must verify the emergency type and for energy crisis must also verify that there was a financial crisis.

An EA payment for the propane energy crisis may be available if the EA applicant has exhausted all other resources and there is still a financial need to address the emergency, even if the applicant does not need the EA payment to purchase propane.

**EXAMPLE 1:** Jamie has a full time job earning around \$350/week. She has three children. She rents a trailer and pays \$450/month rent plus \$50/month to rent the lot. She heats her trailer with propane. Last month, Jamie began heating the bedrooms with electric space heaters because she could not afford to purchase propane. Jamie is currently unable to pay her electric bill and cannot afford the cost of adding propane to her tank. Jamie applies for Emergency Assistance to help with the energy crisis. The agency verifies that there is a past due balance on Jamie's electric bill. The agency contacts WHEAP and verifies that WHEAP has paid the amount owed to fill the propane tank. However, Jamie needs assistance to pay the large balance on her electric bill. The W-2 agency determines that there is a current emergency due to Jamie's energy crisis. They also verify that there is a financial crisis that led to the emergency. Jamie has not had a decrease in income and she continues to be employed in the same job; the financial crisis is the recent increase in propane costs. The agency issues an EA payment to Jamie's electric company.

#### Impending Homelessness

Individuals applying for EA due to impending homelessness and notice to terminate tenancy must meet the policy requirements in section [4.8](#) of the EA Manual, in addition to all other EA nonfinancial and financial eligibility criteria. The EA applicant must have an eviction notice for non-payment of rent or documentation of impending home foreclosure due to unpaid mortgage or property taxes, and the applicant must have experienced a financial crisis, which led to the inability to pay the rent, mortgage or taxes. For information regarding verifying a financial crisis related to the Wisconsin propane shortage, see below.

**EXAMPLE 2:** Fran has a part-time job earning \$200/week and she receives \$500/month in child support. She has three children. She rents a house paying \$300/month rent. She heats her house with propane. Recently, her propane vendor could not deliver more fuel unless she was able to make a large prepayment. To conserve propane, she began using the wood stove in her utility room to heat her house with wood purchased from a neighbor. In January Fran was only able to pay part of her rent and she told her landlord that she would pay the balance due in February. However, in February she was not able to make any rent payment again. The landlord issued an eviction notice for past due rent. Fran applied for EA for impending homelessness due to the eviction notice. The agency verifies Fran's residence and that her landlord will allow her to stay as long as the February rent is paid; Fran can make monthly payments until the remaining January rent is paid. The agency contacts WHEAP and verifies that Jamie's primary heating source is propane and that WHEAP has made a payment to the propane vendor so there is no concern the family will go without heat. But Fran needs an EA payment to pay the rent. The W-2 agencies determines that Fran meets all the EA eligibility criteria, including having a current emergency (impending homelessness). They also determine that there is a financial crisis that led to the emergency. Fran fell behind on her rent because of the increased cost of propane and the added cost of purchasing an alternate heating source (wood). Fran has not had any change in her circumstances that would constitute a financial crisis except that she fell behind due to the propane shortage that caused the increased costs. The agency issues an EA payment to Fran's landlord.

### ***Verifying Financial Crisis***

For both an energy crisis and for impending homelessness, the EA applicant must be experiencing an emergency that was the result of a financial crisis. Due to the state of emergency regarding the propane shortage, for EA eligibility, the financial crisis is the current propane shortage for individuals whose primary home heating source is propane. The propane shortage is a financial crisis beyond the control of the caretaker relative and is due to "exceptional, unexpected, and necessary expenses that are not the responsibility of a third party..." (See EA manual [4.9.3](#) and [4.8](#))

To verify that there is a financial crisis due to the propane shortage, the W-2 agency must verify that:

1. The individual has applied for other resources, including WHEAP. The W-2 agency should contact their local WHEAP office to determine:
  - a. That the person has applied for WHEAP, and the status of the application; and
  - b. The utility balance that is due after the WHEAP payment was made. Due to the current state of emergency, the state has temporarily eliminated the WHEAP maximum payment amounts. This means that some consumers will have their entire utility cost paid by WHEAP, and there will not be a need for EA.
2. The individual resides in a place where the primary heating source is propane. This would require verifying current residence and a current invoice or statement from a propane vendor listing that address. If the EA applicant is unable to provide verification that their primary heating source is propane, the W-2 agency may request this information from their WHEAP office.
3. The individual is unable to pay the cost of a past due propane fuel bill or is in need of assistance to obtain additional propane fuel. If the EA applicant is unable to provide a current utility statement, the W-2 agency may request this information from WHEAP. As a last resort, the W-2 agency may contact the propane vendor to obtain the current

balance due or the amount the vendor requires in order to make a propane delivery to insure that the individual does not go without heat. Agencies should keep in mind that propane vendors may have limited ability to respond to questions.

Once the W-2 agency verifies that the emergency is related to the propane shortage, the W-2 agency does NOT need to verify that another financial crisis precipitated the need for EA.

### ***EA Payments***

To determine the EA payment amount, the W-2 agency must use the EA Application Part 2, Page 2 ([DCF-F-DWSP2010-E](#)). For an energy crisis, the financial need would be the amount needed to obtain or maintain utilities after other payment resources for utilities have been exhausted. For propane needs, the EA payment may be used for the cost of propane and the cost of delivery (trip charge).

### ***INFORMATION FOR INDIVIDUALS EXPERIENCING A PROPANE CRISIS***

W-2 agencies must encourage individuals affected by the propane crisis to:

- Contact their propane vendor when their tank reaches 30% full. In the event that a propane vendor is unable to make a delivery or unable or unwilling to honor a pre-pay contract, another vendor may be able to assist, depending on whether the individual or a propane vendor owns the tank. Propane vendor information can be found at [UsePropane.com](#).
- Apply for heating assistance through [Wisconsin Home Energy Assistance Program \(WHEAP\)](#). Information for the [local county or tribal WHEAP office](#) can be found online or by calling 1-866-432-8947. Individuals who are unable to contribute to the cost of propane should still contact WHEAP, as this requirement has been temporarily waived. The WHEAP agency will determine eligibility based on household income, size, and the home's heating costs. If eligible, the WHEAP agency will make a payment directly to the fuel supplier towards the cost of propane.

WHEAP will also determine eligibility for crisis assistance for households that have no heat, have received a disconnect notice, or are nearly out of fuel and do not have the money to purchase more. WHEAP agencies may also be able to utilize Crisis Benefit dollars to pay for lodging or temporary shelters, space heaters or other alternative fuels for households unable to obtain propane.

- Contact the [Keep Wisconsin Warm Fund](#) (KWWF) for additional resources (1-800-891-9276). KWWF has temporarily increased their income limit for propane households from 60% to 80% of State Median Income (SMI).
- Call their local [emergency management agency](#) or the non-emergency number of the local sheriff's department to locate a local warming shelter or other local resources. If individuals choose to go to a warming shelter, before going, they should:
  - Turn down the heat,
  - Leave open the cabinet doors in the kitchen,

- Leave a faucet on each floor of the home on a slow drip to keep pipes warm or turn off the water in the home and drain the pipes to ensure the pipes don't freeze; and
- Call their local warming shelter/human services agency if they are reluctant to leave a pet behind as many warming shelters have pet shelters as well.
- Check on friends, neighbors, and loved ones to ensure everyone has a warm place to stay. Neighbors, friends and others can check propane tank levels for people who are homebound or may be unable to check the level of their own tank.
- Conserve energy as much as possible by keeping thermostats at lower temperatures and turning the heat down when not at home.

## **CONTACTS**

For W-2 Policy Questions in the Balance of State: Bureau of Regional Operations, W-2 Regional Coordinators

For W-2 Policy Questions in Milwaukee: Milwaukee Operations Section Regional Administrators

For W-2 CARES Processing Questions: W-2 Help Desk

DCF/DFES/BWF/JZ