

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

This worksheet should be completed as specified in Section III of the Weatherization Assistance Program Application Package.

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

Provide a description of the definition of income used to determine eligibility

Countable income and income exclusions will follow WPN 25-3, or the most current version.

For a dwelling to be eligible for weatherization services, it must be occupied by a household who meets one of the following criteria:

1. Income Eligible - Total annualized income of the household residing in the dwelling to be weatherized is at or below 200 percent of the federal poverty level determined in accordance with the with the most current criteria established by the Director of the United States Office of Management and Budget, or
2. Categorically Eligible - The household has a member who has received cash assistance payments in the 12 months prior to applying for WAP, or is a current recipient, of one of the following state or federally funded programs:
 - Supplemental Nutrition Assistance Program ("SNAP")
 - Low Income Home Energy Assistance Program ("LIHEAP")
 - Supplemental Security Income ("SSI") - issued through Title XVI of the Social Security Act
 - Families First/Temporary Assistance for Needy Families ("TANF") - for head of household
 - Woman, Infants, and Children benefits ("WIC") - for households with 3 or fewer members
 - Housing Choice Voucher/Section 8 Rental Assistance
 - Select U.S. Department of Agriculture (USDA) Programs per WPN 25-4

All applicants must retain eligibility to be considered for weatherization and will need to be recertified on an annual basis until weatherization work has commenced. For Subgrantees using contracted workers, the commencement date is determined to be the date the contract for services has been signed. For Subgrantees using in-house crews, this date is determined as the first date a measure is installed.

Recertification for an application initially approved via Categorical means will require that the applicant (or household member) has received an eligible benefit within 12 months, or recertification may be done under Income eligible means.

The application and supporting documentation will be reviewed and verified by the program administrator.

Describe what household eligibility basis will be used in the Program

Any household meeting either income or categorical eligibility is eligible to receive weatherization benefits by the Weatherization Assistance Program (WAP).

Describe the process for ensuring qualified aliens are eligible for weatherization benefits

The applicant must be a U.S. citizen, or legal alien. Documentation of citizenship is required for every applicant, without regard to race, religion, gender, ethnicity, or national origin.

The Tennessee Housing Development Agency ("THDA") and its Grant Recipients are responsible for complying with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (8 U.S.C. 1601-1646) ("PRWORA"), which was signed by President Clinton on August 22, 1996, and any applicable requirements that the U.S. Department of Health and Human Services ("HHS"), the U.S. Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, or other Executive Orders or immigration laws.

Grant Recipients shall not use federal funding provided by THDA in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or shields illegal aliens from deportation, including by maintaining policies or practices that materially impede enforcement of federal immigration statutes and regulations.

Grant Recipients shall verify immigration status to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

illegally or is otherwise unlawfully present in the United States.

In order for an activity to be excluded from PRWORA, it must meet a three-prong test:

1. deliver in-kind services at the community level,
2. that are necessary for the protection of life or safety, AND
3. do not condition the provision of assistance on the potential program participant's income or resources.

PRWORA requires beneficiaries receiving assistance resulting from federal funds to be US citizens, US non-citizen nationals, or qualified aliens.

Grant Recipients shall assure PRWORA verification steps are applied the same to every applicant regardless of an applicant's race, color, religion, sex, age, national origin, or familial status.

V.1.2 Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation

Pursuant to 10 CFR 440.1, the purpose of the weatherization program is to increase the energy efficiency of dwellings owned and/or occupied by low-income families.

Each client file must contain an application from the client that contains the required demographics and income for the entire family living in the residence, in addition to containing evidence provided by the Subgrantee that the client is eligible to receive WAP services. The documentation must be maintained in the client file and made available for inspection by Subgrantee and THDA. These documents can be stored electronically or retained in hard copy for each client.

Describe Reweatherization compliance

Weatherization is specific to a building, not the applicant. Dwelling units weatherized (including dwelling units partially weatherized) with WAP funds, or under other Federal programs, are eligible for weatherization 15 years after the date such previous weatherization was completed. Completed date is based on the date that the job passed QCI inspection.

If a dwelling that has already been weatherized has not met the 15-year date for services to be rendered again, the dwelling may be eligible if:

- A federal or state natural disaster was declared for the area in which the unit is located, and;
- The building was damaged by fire, flood or act of GOD during this natural disaster, and;
- Repair of the damage was not covered by insurance or other forms of compensation, and;
- The unit has been deemed salvageable by local authorities.

Priority will be given to homes that have never received weatherization services. Homes requesting re-weatherization will be considered only after first-time applicants, except in cases where the home was affected by a natural disaster.

To qualify for re-weatherization, the current resident must apply for the Weatherization Assistance Program (WAP) and meet all eligibility requirements. In addition, the home must receive a new energy audit that identifies weatherization measures that either:

- Meet cost-effectiveness requirements, or
- Address necessary energy-related health and safety concerns.

Re-weatherization activities are limited to 10% of a subgrantee's total funding. No more than 10% of a subgrantee's funds for labor, materials, and program support may be used to re-weatherize eligible dwelling units.

Describe what structures are eligible for weatherization

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

The building to be weatherized must be the primary residence of the applicant.

Eligible structures for weatherization include single family, mobile homes, and manufactured housing and with THDA approval, small (2-4 unit) multifamily buildings. Multifamily buildings with 5+ units may be eligible with THDA approval.

A single unit within a multi-family building cannot be weatherized as the entire building must be considered when providing weatherization services. The entire building must be addressed, including all common areas and residential living space, even if a unit is not occupied by an eligible household. Chapter 4 of the WAP Program Manual includes additional details regarding multifamily weatherization.

All structures must be stationary and have a specific mailing (street) address. Campers and non-stationary trailers are not eligible.

Describe how Rental Units/Multifamily Buildings will be addressed

Rental Units

As a condition of eligibility and before any rental dwelling unit can be weatherized, the building owner/landlord must agree to have the building weatherized. A WAP Service Agreement for Renters, including the attached Landlord Agreement must be completed and signed by the building owner, or his authorized agent, and a fully executed copy maintained in the client file.

The applicant is to be provided with a copy of the agreement for their records. There are separate Service Agreements for single-family and multi-family buildings.

When signing the Service Agreement for Renters, the applicant authorizes:

1. The local Weatherization Agency to make arrangements for weatherization activities, including:
 - o The inspection of the interior and exterior of my home;
 - o Photographs of the home related to the energy audit, work orders and subsequent inspections;
 - o The installation of weatherization materials as determined appropriate;
 - o Inspection of the work upon completion by the contractor, sub-contractor staff, local, state, and federal officials;
2. The local Weatherization Agency to share my information with The State of Tennessee, Tennessee, Housing Development Agency, Tennessee Valley Authority, and the U.S. Department of Energy, or their representative, for the purpose of evaluating the Program's effectiveness as a result of services provided.
3. The local Weatherization Agency to share information contained in my Weatherization Assistance Program Application with agencies and/or programs for which I may qualify for additional services.

The landlord agrees to the following via the Service Agreement for Renters, Landlord Agreement:

1. The benefits of the weatherization assistance provided shall accrue primarily to the lessee;
2. The rent for the property shall not be raised for a period of one year from the completion date of the weatherization work, unless the increase in demonstrably related to matters other than the weatherization work performed. This rent freeze remains in place for a period of one year from date of completion of the weatherization work, even if the applicant no longer resides in the property;
3. The lessee will not be evicted without legal cause (non-payment of rent, etc.) for a period of one year from the date of the completion of the weatherization work;
4. If a complaint regarding a rent increase or eviction actions is received by the Agency, the Owner/Authorized Agent agrees to immediately provide the Agency, upon request, written information that the terms of this Agreement have not been violated;
5. No undue or excessive enhancement shall occur to the value of the property identified above;
6. There is no known plan for government acquisition or clearance of the property within 12 months of receiving weatherization work;
7. Permission is granted for the Agency to conduct or to make arrangements for weatherization work to take place, including the inspection of the interior and exterior of the home, collecting necessary photographs to support the weatherization work, the installation of weatherization materials as authorized by the weatherization agency, access to the home for the inspection of completed work;
8. In the event the property is sold, the new owner shall be bound by the terms of this agreement;
9. The terms of this agreement shall be binding on the parties hereto, their heirs, executors, administrators, representatives, successors, and assigns;
10. If this Agreement is not adhered to, the cost of the weatherization improvements shall be reimbursed by the Owner/Authorized Agent to the Agency.

Multifamily Buildings

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

For 5+ unit multifamily buildings, subgrantees have the option to obtain client eligibility from each unit or they have the option to utilize the occupancy rule. Multifamily buildings with 5+ units are permitted to utilize a "rent roll" to verify demographics and income for tenants. Buildings with 2-4 units are required to maintain applications for each tenant; if the building eligibility is used, only the requirement for obtaining income eligibility is removed.

Before services can be provided, the multi-family building must be determined to meet minimum eligibility standards regarding the number of units with eligible applicants. These standards are:

Building Type	Number of Units	Type of MF Structure	Stories	Eligible Dwelling Minimum
Duplex	2	N/A	N/A	50%
Triplex	3	N/A	N/A	66%
Quadplex	4	N/A	N/A	50%
Low-rise multi-family	5 or more	Small	3 or less	66%
High-rise multi-family	25+	Large	4+	66%

Dwelling units in the building must be income eligible units; unoccupied units must become eligible dwelling units within one hundred eighty (180) days under a federal, state, or local government program for rehabilitating the building or making similar improvements to the building.

Unoccupied units at the time of eligibility determination cannot be used to meet the minimum occupancy standards, although they are counted in the total number of units within the building. If the minimum occupancy eligibility standards are not met, then no unit in the building may receive weatherization services under the program.

Subgrantees are required to submit a method for tracking the unoccupied units to THDA for review and approval.

Describe the deferral Process

Deferrals

Subgrantees may elect to defer a dwelling from receiving weatherization services where structural and health and safety hazards exist for subgrantee staff, contractors, clients, or any other support staff. Deferrals may be assessed due to the following:

Household Conditions

- The client has known health conditions that prohibit the installation of insulation and/or other weatherization materials.
- Initiation of eviction or foreclosure proceedings for the property will require deferral of weatherization services. In the event the household is evicted, or foreclosure of the property is completed, the job will be terminated, rather than deferred.
- The client is uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house.
- Illegal activities are being conducted in the dwelling unit.

Dwelling Conditions

- Evidence of substantial and persistent infestations of rodents, insects, and other vermin.
- The building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that they cannot be repaired reasonably.
- The house has sewage or other sanitary problems that would further endanger the client and weatherization installers if weatherization work is performed, and repair is beyond the scope of reasonable cost justification.
- The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building officials or utilities.
- Moisture problems are so severe that they cannot be resolved.
- Dangerous conditions exist due to high carbon monoxide levels due to combustion appliances and cannot be reasonably resolved.
- The extent and condition of lead-based paint in the house would potentially create further health and safety hazards were to be disturbed.
- Homes using un-vented gas heaters as a primary heating source are not eligible for services until suitable measures have been accomplished to minimize the health and safety risks associated with un-vented heating systems. If the client/landlord refuses the removal of un-vented gas heaters, the job would be terminated without services provided.

Program Limitations

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

- Health and Safety funding has been temporarily exhausted, and weatherization work cannot proceed without addressing the associated health and safety issues that would be necessary to effectively perform the work or as a result of the weatherization work to be performed.
- Based on the energy audit, the estimated job cost to complete the work exceeds the amount of estimated energy savings that would be returned to the customer. We are unable to perform weatherization work currently.
- Client refusal of blower door testing.

Documentation of Deferral

A copy of the Deferral Form must be retained in the client file and shared with the client, and owner/landlord. The deferral form must be filled out completely and signed by the energy auditor and the Subgrantee must verify that the applicant was notified. The subgrantee should make an attempt to have the applicant sign the form to acknowledge receipt and understanding, however failure to collect the client signature will not impede next steps.

The deferral form must include:

- Clear and concise description of the problems encountered in the home and action(s) required to alleviate the issue before weatherization can proceed.
- Date of deferral
- Any condition that could impact the household's health and/or safety.
- Timeline of expected remediation.
- Agency Point of Contact for follow-up

The subgrantee must track all deferrals to determine if timely action has been taken to alleviate the circumstances which prevented the weatherization from occurring. If the client is unable or unwilling to make the necessary repairs, or if other resources are unavailable to assist with the repairs within a reasonable timeframe, the subgrantee may opt to terminate the application.

Referrals

Repairs necessary to mitigate deferrals should attempt to be handled by the applicant first, or the property owner depending on the type of deferral.

Subgrantees are expected to pursue alternative funding to reduce the occurrences of deferral and establish open lines of communication with as many other funding sources as possible so that referrals can occur in an efficient manner.

The following is a list of potential funding sources to help remedy situations in the home:

- U.S. Department of Housing and Urban Development (HUD) - HOME Program
- HUD - Community Development Block Grant
- U.S. Department of Health and Human Services - Community Services Block Grant
- U.S. Department of Agriculture - Rural Economic Community Development
- State-funded housing and rehabilitation programs
- Low-income program funds provided by local utilities
- City-funded housing and rehabilitation programs
- Donations or financial participation from landlords
- Donations from local churches or community groups
- Donations from local businesses, non-profit organizations, or local associations

If the applicant, or building owner, is unable to mitigate the deferral, but is willing to allow the necessary repairs to be done, the dwelling may be referred for use of Weatherization Readiness Funds.

Weatherization Readiness Funds

Weatherization Readiness Funds (WRF) are intended to aid in making homes weatherization ready by addressing necessary repairs that have resulted in a deferral and ultimately, to minimize the number of terminations. WRF can only be used on dwellings that will receive weatherization services following the deferral mitigation. Priority must be given to applicants that have already been deferred in a service area.

WRF is solely to be used for deferral mitigation and the funding source cannot be used to supplement regular weatherization work. WRF funds cannot be used for cosmetic corrections related to WRF repairs.

Examples of repairs or deferral reasons not eligible for WRF usage:

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

- Building for sale or foreclosure
- Remodeling work in process that prohibits weatherization
- Health may be negatively affected by installation
- Refused installation of weatherization measure
- Illegal activity concerns
- Threatening or uncooperative behavior
- Refusal of ASHRAE 62.2 2016 required ventilation
- Refusal to remove unsafe combustion appliances

WRF Requirements

Weatherization Readiness Funds average cost per job is \$15,000. THDA will track WRF expenditure rates and statewide ACPU.

Units receiving WRF must result in a completed unit, defined as, "a dwelling on which a DOE approved energy audit or priority list has been applied, and weatherization work has been completed."

WRF work is expected to be completed within a reasonable time. Reasonable time is defined as 45 days from the approval of the WRF proposal with weatherization work expected to begin within 90 days of the completion of WRF work.

All contractors hired to perform the WRF repairs must be licensed for the work they are being hired to perform. This may be verified at Department of Commerce & Insurance Administration License Roster Search (tn.gov).

Pre- and post-photographs are required of all measures addressed under this program. Subgrantees must ensure that their QCI has confirmed that the WRF work was completed as called for in the client file.

Subgrantees will conduct 100% inspections on all dwellings that have received WRF, either upon completion of WRF work or during QCI.

WRF Process

Weatherization Directors, Program Managers and Energy Auditors can refer deferrals for use of weatherization readiness funds. Once a deferral has been identified, and the recommendation for WRF use has been made, the Subgrantee will prepare and submit a WRF Proposal Form to THDA.

1. Energy audit results in a deferral.
2. Subgrantee will estimate the repair costs and determine if costs fall within the guidelines of WRF.
3. Subgrantee prepares WRF Proposal Form along with supporting documentation and sends via email to their assigned THDA WAP coordinator.
4. THDA will review proposals and determine if additional documentation is needed, then issue an approval or denial. Revisions must be submitted to THDA when scope of work has changed or exceeded original quote by more than 10%. THDA will approve or deny revision requests.
5. Subgrantee will ensure WRF work is completed and deferral has been fully resolved prior to weatherization. Completed weatherization-ready work will be defined as repairs completed and is primer/paint ready.
6. Subgrantees will submit for reimbursement via the Invoice Workbook, using the line item for WRF. Supporting documents must include a copy of the approved proposal, any applicable revisions, a contractor invoice, before/after photos of the repair.

WRF Reporting

The WRF Proposal Form has been designed to capture all data needed for DOE reporting. Subgrantees are required to complete these fields when submitting a request for WRF. The form includes:

- Year Built
- Housing Type
- Occupation Type
- Reason for Deferral (checkbox)
- Location of Deferral (checkbox)
- Summary of Deferral (textbox)
- Confirmation of Deferral Form and photos
- Proposed Repairs
- Estimated Costs
- Confirmation that without WRF, the job would be a full deferral
- Verification if an energy audit has been run in NEAT/MHEA

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

V.1.3 Definition of Children

Definition of children (below age): 6

V.1.4 Approach to Tribal Organizations

☐ Recommend tribal organization(s) be treated as local applicant?

If YES, Recommendation. If NO, Statement that assistance to low-income tribe members and other low-income persons is equal.

There are no federally or state-recognized tribal nations within the State of Tennessee. As such, individuals who are members of a tribal organization will receive equal consideration and be subject to the same eligibility criteria, policies, and procedures as all other program applicants.

V.2 Selection of Areas to Be Served

Weatherization funds will be allocated annually based on the relative need for weatherization assistance by low-income persons, in accordance with 10 CFR Part 440.14(b)(ii). Initial funding allocations to subgrantees will be based on the percentage of the State's low-income population in each county.

THDA currently has 12 subgrantee agencies comprised of Community Action Agencies, Human Resource Agencies and local government agencies serving 95 counties. Each subgrantee has a service area that consists of one or more counties. Each county will be allocated funding based on the percentage of low-income population that resides within that county. THDA reserves the right to reallocate funding amongst subgrantees based on performance and need throughout the year.

In the event that an entity fails to execute a contract or cannot carry out the interest of the state to serve as a Subgrantee, or if THDA finds that a subgrantee selected to undertake weatherization activities under this part has failed to comply substantially with the provisions of the Act or this part and should be replaced, such finding shall be treated as a finding under § 440.30(i) for purposes of § 440.30.

- Tennessee may terminate financial assistance under a subgrantee agreement for a grant period only in accordance with established State procedures that provide to the subgrantee appropriate notice of the State's reasons for termination and afford the subgrantee an adequate opportunity to be heard.
- Prior to the effective date of the termination of eligibility for further participation in the program because of failure to comply substantially with the requirements of the Act or of this part, a subgrantee shall have the right to written notice of the basis for the enforcement action and the opportunity for a public hearing notwithstanding any provisions to contrary of 10 CFR 600.26, to 600.28(b). A notice under this paragraph shall be mailed by the Support Office Director by registered mail, return-receipt requested, to THDA, and other interested parties. To obtain an administrative hearing, the subgrantee must request a hearing, with prior notice, in the election letter submitted.
- A subgrantee shall have 20 days from the date of receipt of a decision to file a notice requesting administrative review. If the subgrantee does not timely file such a notice, the decision shall become final for THDA.

THDA reserves the right and will work to identify another organization to serve in this Subgrantee role. The process for identifying a subgrantee to serve the noncovered area will follow § 440.14 & .15 by the procedure below:

THDA shall ensure that:

1. In selecting a subgrantee, preference is given to any CAA or other public or nonprofit entity which has, or is currently administering, an effective program under this part or under title II of the Economic Opportunity Act of 1964, with program effectiveness evaluated by consideration of factors including, but not necessarily limited to, the following:
 - a. Each subgrantee is a CAA or other public or nonprofit entity;
2. THDA will notify all current subgrantees of the opportunity and identify the noncovered counties.
 - a. Subgrantees will have the opportunity to submit a Letter of Interest.
 - b. The Letter of Interest will include details regarding capacity, desired noncovered counties to support.
 - c. Letters of Interest will be reviewed by THDA staff to determine best fit.
 - d. The subgrantee must express their experience and performance in weatherization or housing renovation activities;
 - e. The subgrantee's experience in assisting low-income persons in the area to be served; and
 - f. The subgrantee's capacity to undertake a timely and effective weatherization program.

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

- g. The quality of work performed by the subgrantee;
- h. The number, qualifications, and experience of the staff members of the subgrantee; and
- a. The ability of the subgrantee to secure volunteers, training participants, public service employment workers, and other Federal or State training programs.
- j. The extent to which the past or current program achieved or is achieving weatherization goals in a timely fashion;
- k. A scoring rubric will be created to select the replacement agency.

If no current Subgrantee is selected, THDA reach out to county officials in those counties noncovered and seek feedback identifying an organization. All applying CAA or other public or nonprofit entity will follow item(s) #2 - A to K (noted above) in the application process.

Each Subgrantee(s), CAA or other public or nonprofit entities that submits a Letter of Interest will be considered. Letters of Interest will be posted for 10 days for public comment to be received during a public hearing conducted pursuant to § 440.14(a) and other appropriate findings regarding:

- The Subgrantee(s), CAA or other public or nonprofit entity will be selected to serve the noncovered area within 10 days of the public hearing and execute a contract with THDA and begin service immediately to the noncovered areas.

In the event that no organization can be identified to serve the noncovered area, the funds allocated to the noncovered area will be reallocated to subgrantees covering the remaining counties in Tennessee.

V.3 Priorities

Priority Points

The purpose of the Priority Points System is to identify those households most in need and prioritizing services to those households. The system provides a fair and consistent means of evaluating and selecting clients for service under WAP while ensuring funds are spent in the counties where they were allocated.

Priority is established at the point where the initial application is approved and is valid for 12 months. Priority points should be updated if eligibility recertification is necessary. Households with the oldest application date will be served before a household with the same number of assigned points. If there is still a tie, the household with the greatest number of elderly individuals will be given priority. In addition, re-weatherization jobs will be served after all new applicants with the same number of priority points.

Priority Point Criteria

Federal program regulations require priority be given to households that include vulnerable population members, households identified as a high residential energy user(s) and those with a high energy burden.

Vulnerable populations are defined as the elderly (age 60 or older), persons with disabilities (self-attestation permitted), and families with children (under age 6) at the time of application. Points for household member(s) are based on the individuals' age at the time the application is approved and may fluctuate if recertifications are required.

Additionally, priority points may be assigned if a household's energy burden is 8.01% or higher and/or if a household's annual energy costs exceed \$1,900.00.

The maximum number of points a household can have is **75**, unless the WAP eligible dwelling is damaged and as such through a federal or state declaration of disaster. The chart provides the points available to be assigned under each category. The subgrantee must utilize this chart when determining the number of priority points assigned to a specific job.

PRIORITY POINT ASSIGNMENT 75 Maximum Points Available

Vulnerable Household Members	50 Points Max
Household Includes a Member with the following Characteristic	Points
Elderly (age 75+)	20
Elderly (60-74)	15
Disabled (as defined Section 1.6.6)	15
Child under 6 years of age	15

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

Energy Burden	15 Points Max
% of Income Used for Home Energy Costs	Points
19.01% or higher	15
15.01% - 19%	10
8.01% - 15%	5
8% or less	0

High Residential Energy User	10 Points Max
Household Annual Energy Costs	Points
\$3,000 or more	10
\$1,900 - \$2,999	5
\$1,899 or less	0

Priority Points for Multifamily Buildings

The number of units will be calculated separately from single family units and as follows:

1. Determine the number of points for each unit occupied by an eligible household.
2. Divide that number by the total number of units in the multi-family building.
3. The result is the number of priority points for that building.

Additional Points in Disaster Areas

Applicants in a disaster area may be provided priority services, with 15 additional points available to disaster victims. These points are added to the points already provided to vulnerable household members as part of the priority point system. The household must include a member who is elderly, disabled, or under age six before the additional points can be awarded. Additional priority points will only be provided upon verification of a FEMA assigned number for that client/residence for the specific disaster.

Waitlist

Waitlists are to be maintained and managed per county, in order of highest to lowest priority points. Priority points will determine which applicants will receive service based on the county's waitlist. Households with the same number of points will be prioritized based on their time on the waitlist. Subgrantees are expected to set a reasonable timeframe for applicants to remain on the waitlist and the option of purging a waitlist is available with sufficient notice to pending applicants.

Subgrantees should prioritize serving applicants with the highest point totals; however, they may not do so if it would prevent a county from meeting its assigned production goal. If a county's production goal is not being met, the Subgrantee must document its outreach efforts and obtain THDA approval before continuing to serve applicants in other counties.

Suspension of Application Acceptance

A subgrantee has the option to temporarily suspend the acceptance of applications when there is a sufficient number of approved applicants on the waitlist for that specific county. These suspensions may not exceed the duration of a program year and applicants must be given the opportunity to apply each program year.

Prioritizing Applicants with Braided Funds

Subgrantees are permitted to use multiple funding streams in the Weatherization program and must remain compliant with all policies defined in DOE WPN 22-9. If additional funds are sourced through an alternate grant, those funds can be braided with WAP to alleviate the limitations of the ACPU and SIR restrictions.

Subgrantees are permitted to assist applicants with lower priority points if other funding sources are available. This policy is limited to no more than 50% of units based on production goals within a county. An approved Waiver from THDA will be required before the client has been moved from the waitlist to approved,

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

and before the energy audit is scheduled. LIHEAP Weatherization is not considered an alternative funding source for braiding of funds.

V.4 Climatic Conditions

Tennessee has a generally temperate climate, with warm summers and mild winters. However, the state's varied topography leads to a wide range of climatic conditions. The westernmost part of the state, between the Mississippi and Tennessee Rivers, is a region of gently rolling plains. The Central Basin makes up middle Tennessee, and lies between the Tennessee River to the west, the hilly Highland Rim to the north and the Cumberland Plateau to the east. The Cumberland Plateau, with an average elevation of 2,000 feet, extends northeast to southwest across the State in a belt 30 to 50 miles wide, overlooking the Great Valley of East Tennessee. The Great Valley, which runs parallel to the Cumberland Plateau on the west and the Great Smokey Mountains on the east, is a funnel shaped valley varying in width from 30 to 90 miles. The Great Smokey Mountains lie along the Tennessee and North Carolina border, with peaks ranging from 4,000 to 6,000 feet.

Tennessee's topography contributes to the variance of temperature, with an average of three degrees Fahrenheit decrease per 1,000 feet increase in elevation. As a result, higher portions of the State, such as the Cumberland Plateau and the mountains in the eastern portion of the state, have lower average temperatures than those found in other parts of the state. Across the state the average annual temperature ranges from 62 degrees in extreme southwest portion to 45 degrees at the top of the highest peaks in the east. Statewide, the average annual temperature is 58 degrees, with a winter average of 39 degrees and a summer average of 76 degrees. Average annual precipitation in Tennessee is 53 inches, with the greatest rainfall occurring in the winter and early spring. Snowfall varies and is more prevalent in the eastern portion of the state.

Source: www.degreedays.net

Station: NASHVILLE INTERNATIONAL AIRPORT, TN (86.69W,36.12N)

Station ID: KBNA

Fahrenheit-based heating degree days with a base temperature of 65F

Month	HDD
starting	65
1/1/25	914.2
2/1/25	576.3
3/1/25	310.8
4/1/25	143.8
5/1/25	52.1
6/1/25	0.9
7/1/25	0
8/1/25	5.8
9/1/25	15.9
10/1/25	149.3
11/1/25	378.6
12/1/25	658.4
Total	3206.1

Fahrenheit-based cooling degree days with a base temperature of 65F

Month	CDD
starting	65
1/1/25	0
2/1/25	14.1
3/1/25	50.5
4/1/25	138.3
5/1/25	161.4
6/1/25	407.3
7/1/25	568.4

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

8/1/25	446
9/1/25	302.2
10/1/25	121.1
11/1/25	27.4
12/1/25	12.3
Total	2249

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

All work done is consistent with DOE approved energy audit tool and Appendix A. Tennessee is approved to use LEDs, replace Refrigerators, and Heat-pump water heaters. All energy conservation measures (ECM) and related incidental repairs for a specific unit will be established through the use of the Weatherization Assistance Program Audit tool ("NEAT, MHEA").

Health and Safety measures are not required to be cost justified.

All measures and incidental repairs performed on projects must meet the specifications, objectives and desired outcomes outlined in the Standard Work Technical Guides and Materials Specifications for Home Energy Upgrades, State and THDA policies and procedures. As needed, updates may be provided in the form of technical assistance memorandums, technical assistance contractors, or through reference to DOE established guidance. The measures identified are the more common measures. This list is not meant to be all inclusive.

The current Tennessee Specific Standard Work Specifications is available and linked on THDA's website (Tennessee Housing Development Agency I Weatherization Assistance Program Administrators). THDA has contracted with Saturn Resource Management since PY18 to create a Tennessee specific field guide. The 2021 version is approved until 11/9/2026. An updated version has been approved by DOE and will be uploaded to the THDA website and distributed to partners the week of 11/9/2026.

Ensuring Quality Work from Quality Control Inspectors, Energy Auditors and Contractors

All units must receive a final inspection by a THDA approved Quality Control Inspector ("QCI"). A THDA approved QCI must have a current QCI certification from the Building Performance Institute and must meet all other DOE and THDA requirements.

QCIs are required to ensure weatherization work has been completed and meets the current technical guidance and SWS. QCIs must attend all mandatory weatherization trainings. QCIs must retake any classes or trainings that are missed within six (6) months of the original training date, or they are no longer eligible to conduct QCI visits until they take that/those course(s). A QCI's performance is monitored by THDA or THDA's T&TA provider.

If there are repeat findings from a QCI, additional training will be required. If after successfully passing additional training the QCI continues to have repeat findings, THDA will not accept any final inspections signed by the QCI and the QCI is required to complete the following steps:

Step 1: Technical Assistance - THDA will set up technical assistance and training sessions with the QCI, THDA staff, and our T&TA provider.

Step 2: Additional Training - If the QCI continues to have findings after the technical assistance and training sessions, the QCI may be required to attend and pass mandatory additional training.

Step 3: Removal from the program - If the QCI is unable or unwilling to perform to the standard set by THDA and DOE, they will be removed from WAP and no longer able to work in the program for a minimum of two program years. After the completion of the two-year period an inspector may request to be reinstated into the program. The request to be reinstated must include the corrective action steps that were taken and justification. The request will be approved or denied by THDA.

THDA reserves the right to reject work from a poor performing QCI, Energy Auditor or contractor.

Subgrantees are required to maintain records and credentials for all in-house crews and contractors providing services. Workers with expired credentials are not eligible to perform weatherization work or accept jobs until credentials are made current.

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

By signing the WAP Contract and the Weatherization Contract to Provide Services, the agency and contractor verifies that all weatherization work including audits/testing, installation of energy conservation measures, health and safety measures, incidental repair measures, and final inspections will be performed in compliance to the THDA WAP Manual, Tennessee Weatherization Field Guide, National Standard Work Specifications, and State and Federal requirements.

All work must comply with State and Federal WAP requirements and the TN Standard Work Specifications. If a contractor repeatedly fails to meet program expectations, they will be subject to the following corrective action:

Step 1: Counseling - The Subgrantee will set up a counseling session with the contractor, local agency staff and THDA T&TA provider.

Step 2: Additional training - As a result of counseling, the contractor must attend and pass mandatory additional training.

Step 3: Removal from the program - If the contractor is unable or unwilling to perform to the standard set by THDA and DOE they will be removed from WAP and no longer able to work in the program for a minimum of two program years.

After the completion of the two-year period a contractor may request to be reinstated into the program. The request to be reinstated must include the corrective action steps that were taken and justification. The request will be approved or denied by THDA.

Air Sealing

Air sealing work will be guided by the use of a blower door and digital manometer. The most effective infiltration reduction efforts typically involve sealing leaks between the conditioned space and the unconditioned areas found in the attic or crawl space. The contractor performing the weatherization work will be required to perform necessary air infiltration measures until the minimum air reduction targets have been met. Air sealing items identified by the auditor must be completed. If the items identified to be sealed fail to result in the target being met, additional sealing is required. The subgrantee must still ensure SIR requirements are being met.

American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE) 62.2- 2016 standards will be followed when performing air sealing. If the structural integrity of the unit prohibits the use of the blower door, it may be that the unit is deferred. Living conditions that prohibit the use of the blower door may require deferral until such conditions can be remedied.

All installed ASHRAE fans switches must be labeled at either the switch or the breaker box. This is a requirement for both demand-control and continuous operation.

Attic Insulation

The amount of insulation installed will be based upon what amount is cost-effective based from the audit tool. Attic insulation may be recommended by the audit tool depending upon the existing insulation level, fuel type, climate region, heating source, and other factors.

Air sealing attics should precede attic insulation, and this may require removing existing insulation that currently prevents effective air sealing. Attics with structural issues that are beyond the scope of the WAP to address may not be able to be insulated in full or at all.

Attic insulation always settles. Cellulose usually settles 10% to 20% and fiberglass settles 3% to 10%. Blowing attic insulation at the highest achievable density helps minimize settling while minimizing air movement within the insulation.

Attic insulation should include lid insulation, weatherstripping and fasteners for the access. Attic insulation may also require incidental repairs such as but not limited to repairing minor roof leaks, patching ceilings and installing a new attic access. The Tennessee Weatherization Field Guide contains information regarding the proper procedures to follow for attic preparation and installation standards.

Floor Insulation

The audit tool determines the appropriate R value and need for insulation for a specific unit. The Tennessee Weatherization Field Guide defines standards and procedures for floor insulation.

Excessive moisture from frequent rain or high water tables can enter a house through the crawl space and cause mold, mildew and/or structural damage. A vapor barrier is not recommended when bulk water issues are observed unless the vapor barrier can remain sealed and intact above any bulk water intrusion.

Wall Insulation

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

Wall insulation is determined by the audit tool. Walls that are already fully insulated or solid masonry, concrete, concrete block, or wood will not be insulated.

If any of the following conditions exist, then the wall cavity should not be insulated:

- Active knob and tube wiring is present in the wall cavity
- Wall cavity contains HVAC duct, wall furnace or heater
- Wall cavity is next to a fireplace or chimney without sufficient clearance
- Wall cavity space is connected to an unprotected pocket door cavity
- Other situations that may result in a hazardous situation or where the wall cannot be properly prepared due to unique structure of the home.

Wall insulation is a major measure, per WPN 23-6. When determined to be cost-effective, this measure may not be skipped.

Wall insulation is limited to 10% of insulatable wall area that can be skipped, beyond which a deferral is required.

Other Insulation

Insulation of water heaters, water pipes, and HVAC ductwork are allowable weatherization measures.

A signed and dated insulation certificate from the contractor is required for every installation (floor, wall, attic) and must comply with 16 CFR 460.17. A copy of the certificate must be posted at the property, provided to the client or property owner, and retained in the file.

Domestic Hot Water (DHW)

Replacement with an energy star rated heat pump water heater is permitted as an ECM. Solar water heaters are not approved. Repairs may be justified under H&S.

All replacements must:

- Qualify as an ECM
- Must be similarly sized as the original unit that is being replaced
- Have an insulation blanket installed unless prohibited by the manufacturer or the insulation fails to meet minimum SIR values

Heating System Maintenance, Repair and Replacement

All heating furnaces will be evaluated, including any duct work present. A furnace may be solid fuel (wood or pellet stove heaters), electric or combustible fuel, such as natural gas, propane, or kerosene. If the heating source is wood or pellet, the related chimney must also be evaluated. Maintenance and repair will always be preferable to replacement of an existing unit. If the audit tool determines that replacement is recommended, a Manual J/S calculation must be performed and retained in the client file. Note, the Manual J must be performed using the post-weatherization characteristics of the home.

Replacement furnaces must be Energy Star certified, or equivalent.

Cooling System Maintenance, Repair and Replacement

An energy star rated cooling system may be installed as an ECM. If the audit tool determines that replacement is recommended, a Manual J/S calculation must be performed and retained in the client file. Note, the Manual J must be performed using the post-weatherization characteristics of the home.

The original unit must be removed from the home and properly disposed of in accordance with The Clean Air Act, USC Title 42, Section 7671g.

Maintenance and limited repairs are also allowable.

Unvented Space Heaters

If the dwelling has an unvented gas or liquid fuel space heater as the primary heat source for the home, it must be replaced. The home cannot be weatherized if

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

the client refuses the removal of the primary unvented space heating source or if funding is not available to remove and replace the unit. The unit is to be replaced with a vented, code-compliant heating system that is appropriately sized for the home.

If the unvented gas or liquid fueled space heater is a secondary heat source, it may remain in the home provided it complies with the International Residential Code (IRC) and the International Fuel Gas Code (IFGC). Removal is required, except as secondary heat, unless the unit conforms to ANSI Z21.11.2. Units that do not meet ANSI Z21.11.2 must be removed prior to weatherization but may remain until a replacement heating system is in place. DOE funds may not be used to replace any unvented space heater that serve as a secondary heat source.

Refrigerator

The energy audit will determine if a refrigerator is allowed to be replaced as an ECM. Replacement refrigerators must be energy star rated or equivalent and the correct KWH must be entered into the audit tool.

The Refrigerator and Freezer Energy Rating Online Search Tool has been made available by DOE to discover the estimated energy consumption ranges of these appliances for the U.S. consumer market: <https://www.energy.gov/scep/wap/articles/refrigerator-and-freezer-energy-rating-online-search-tool>

It is required to use a power consumption meter when refrigerator energy usage information is unobtainable.

Doors

Door replacement or repair must be cost effective as an ECM, or as an IR as defined by DOE WPN 19-5.

Windows

Window replacement or repair must be cost effective as an ECM, or as an IR as defined by DOE WPN 19-5.

Incidental Repairs

An incidental repair (IR) is defined as necessary for the effective performance or preservation of newly installed weatherization materials, but not part of a standard installation. IR installations must be associated with a specific ECM or group of ECMs. IRs must be justified by written and photo documentation in the client file. IR costs must be included in the SIR calculation of the total package of weatherization measures. Dwellings that require more than minimal repair may be beyond the scope of weatherization and require deferral. Refer to WPN 19-5 for more information.

Permit and Code Compliance

It is the responsibility of the subgrantee to ensure the contractor obtains all necessary permits and is in compliance with code for the area in which the work is being performed.

Bulk Purchases

THDA will consider Subgrantee requests for the bulk purchase of WAP related materials, supplies, and equipment. This consideration will serve in part to expedite completion of weatherization work which could otherwise experience a lag due to supply chain issues when ordering materials and equipment. Purchasing in bulk should reduce per unit pricing.

Subgrantees are required to follow their internal, state, and federal 2 CFR 200.318 procurement policies. Examples of considerations such as the type of request, Subgrantee and statewide ACPU, past and current Subgrantee performance, and local supply chain issues will be taken to ultimately approve or deny the purchase request.

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

Field guide types approval dates

Single-Family:
Manufactured Housing:
Multi-Family:

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family
Audit Name: NEAT
Approval Date:

Audit Procedure: Manufactured Housing
Audit Name: MHEA
Approval Date:

Audit Procedure: Multi-Family
Audit Name: Priority List
Approval Date:

Comments

<i>Audit Tool Approval</i> • THDA received audit tool approval on April 28, 2021. Use of NEAT/MHEA WAwab has been approved until 7/5/2031. • Priority lists for Low-Rise Multifamily (LRMF) (5+ units, 3 stories or less) have been approved until 7/5/2031. THDA reserves the right to use other audit tool(s), after it has been approved by DOE, in the event NEAT/MHEA is not available. <i>SWS Field Guide Implementation</i> The following is the contract clause to ensure the Tennessee Weatherization Field Guide is used: <i>The Grantee shall perform all WAP activities and carry out fiscal responsibilities in accordance with the federal regulations codified at 10 CFR 440, the current THDA WAP Manual, the Tennessee Weatherization Field Guide and subsequent technical guidance, all other applicable U.S. Department of Energy regulations and policies, and all applicable Office of Management and Budget (OMB) circulars (collectively, the "Program Requirements"). The Grantee shall ensure that any required permits are obtained and that work performed under this contract complies with applicable federal, state, and municipal laws, codes, and regulations. The current THDA WAP Manual, as may be periodically amended, can be found online at: https://thda.org/help-for-homeowners/energy-assistance-programs/weatherizationassistance-program</i> <u>Energy Audits and Final Inspections</u> <i>Energy Auditors (EA)</i> Energy audits will only be conducted by energy auditors that meet minimum qualification standards as defined by THDA. An energy auditor may be a Subgrantee employee or a contractor of the subgrantee. Tennessee requires every home to have an energy audit performed prior to weatherization services being provided in order to determine the appropriate measures for that specific unit. Subgrantees are encouraged to hire Energy Auditors that already have completed BPI Certification. It is required for an Energy Auditor to be BPI Energy Auditor Certified within a reasonable timeframe determined by a THDA-approved training plan. All Energy Auditors must have a BPI Energy Auditor
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U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

Certification and meet the other requirements of DOE and THDA WAP.

Quality Control Inspectors (QCI)

All Quality Control Inspectors must have a BPI QCI Certification. Any individual hired by a subgrantee as a QCI must be certified within one year of employment. All final energy audits/ QCI inspections must be conducted by a QCI certified auditor that meets all other DOE and THDA WAP requirements.

Dwelling Types

Single Family

The audit tool approved by DOE for use on single family units in Tennessee is the Weatherization Assistant (NEAT). DOE approval of the tool was obtained on July 2, 2026. Each Energy Conservation Measure (ECM), except air sealing (WPN 13-05), must have a Savings-to-Investment Ratio (SIR) value of 1.0 or greater in order to be cost justified. Additional diagnostic tests will be conducted, as necessary, for the specific unit.

The energy audit recommended measures are used to build the work order for the unit. Per WPN 23-6, measure skipping of cost-justified major measures is not permitted at any time.

“Measure skipping” is defined as follows: not installing, in order of decreasing Savings to Investment Ratio (SIR), the cost-justified Energy Conservation Measures (ECMs) and related Incidental Repairs Measures (IRM) included in the work scope produced by the Department of Energy (DOE) approved energy audit tool or priority list. This could also be the result of failure to evaluate all applicable energy saving measures for the dwelling.

“Major measure” is defined as follows: A high priority measure, which if skipped, would result in “partial” weatherization of a unit. Major measures are as follows: air sealing, duct sealing outside the thermal boundary, thermal boundary insulation (attic, wall, floor or belly, foundation, sill, etc.).

Whenever measures are added or removed, the SIR value must be recalculated to ensure both individual ECM and cumulative SIR values meet minimum standards. The actual cost of the measure as bid must also be compared to ensure that SIR requirements continue to be met.

Manufactured Homes

The audit tool approved by DOE for use on mobile home units in Tennessee is the Weatherization Assistant (MHEA). DOE approval of the tool was obtained on July 2, 2026.

Multifamily Buildings

For 2-4 unit properties, Subgrantees will submit projects to THDA for approval before the job is posted for bid. Each unit will be evaluated using the NEAT audit tool.

Tennessee received approval on July 2, 2026 for use of Priority Lists for Low-Rise Multifamily (LRMF) buildings, defined as wood-framed buildings with 5 or more units/building, 3 stories or less in height above grade. At this time, any multifamily building containing 5 or more units (including all living units and common spaces) will have the weatherization work prioritized through the WAP-IIJA grant. Projects will be sent to DOE for review and approval until DOE grants Tennessee the ability to approve multifamily projects.

Weatherization Workers

Weatherization work is performed through a combination of contracted workers and subgrantee in-house crews. Most Tennessee subgrantees procure services on a per-job basis through contractors, although two subgrantees currently maintain internal weatherization crews.

All contractors and subgrantee crews must meet the training and certification requirements outlined in the THDA Weatherization Assistance Program (WAP) Manual and must be approved by THDA prior to performing work. Only contractors holding a current Tennessee General Contractor or Home Improvement Contractor license, meeting all applicable WAP Manual requirements, are eligible to bid on or perform weatherization work.

Contractors are responsible for ensuring that all employees comply with applicable federal and state requirements. In addition, contractors must:

- Maintain an active liability insurance policy in an amount approved by the subgrantee

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

- Not be listed on the federal Excluded Parties List System (EPLS) for suspension or debarment

Subgrantees may impose additional contractor qualification requirements at their discretion.

THDA has established a review process for new contractors that includes an introductory meeting with THDA Technical Advisors to assess knowledge of weatherization practices and Standard Work Specifications (SWS). Based on this review:

- Contractors may be approved to bid with an approved training plan that includes required coursework and completion deadlines, or
- Contractors may be required to complete specific training before being allowed to bid

Subgrantees are responsible for ensuring that contractors complete all required training within the timeframes outlined in the training plan.

For multifamily buildings containing five or more dwelling units, or for buildings exceeding three stories, contractors must hold an active Tennessee Commercial Contractor license. All other program requirements remain in effect.

Subgrantees have the authority to determine which qualified contractors are approved to bid on weatherization work within their programs. They must also ensure that a sufficient number of approved contractors are available to promote competition.

All contractors must sign the "WAP Contract to Provide Services." This agreement, provided by the THDA to subgrantees, serves as the governing contract for each WAP job. By signing the contract, contractors affirm their responsibility to perform quality work and comply with all program requirements and contract terms.

Weatherization Work Job Awards

Subgrantees using weatherization contractors will follow a THDA approved bid process, with the job being awarded to an agency approved contractor. All awards must comply with Federal and State procurement requirements.

Subgrantees have the option to negotiate the costs or work to be performed when the bid exceeds the maximum amount permitted under the program, following the priority list (Recommended Measures Report) and procedures for removal of measures. The job is not considered to be "awarded" until there is a fully executed contract that includes the scope of the work to be performed for that specific unit.

In the event the qualified contractor withdraws their bid, the subgrantee may award the contract to the next contractor, with the same policies and procedures to be applied as described above. If the contractor defaults on the contract and fails to perform the work - either all or in part - the agency will have to reevaluate the work that remains to be performed and rebid the job.

Contractors who make an error in the submission of their bid have the option to honor the price as quoted, or to withdraw their bid. Under no circumstances will the bid error be corrected and the cost of the work to be performed increase as a result of the contractor's error when preparing their submitted bid.

Change Orders

Change orders may be approved when additional weatherization or health and safety work is identified after work has begun and was not apparent during the initial assessment. Change orders shall not be used to correct contractor bidding errors, cost underestimates, or other mistakes contained in an accepted bid. All change orders must be reviewed on a case-by-case basis and approved by the Subgrantee prior to the work being performed. Any change order work involving Energy Conservation Measures (ECMs) or Incidental Repairs must meet applicable Savings-to-Investment Ratio (SIR) requirements using the approved energy audit and actual project costs. Health and safety expenditures are exempt from SIR requirements. Change orders performed without prior written approval are considered disallowed costs and are not eligible for reimbursement. Subgrantees should monitor change order activity for trends that may indicate deficiencies in energy audits or contractor performance and take corrective action as necessary.

V.5.3 Final Inspection

Purpose

Per 10 CFR 440.15(g), every dwelling unit weatherized must have a quality control inspection, performed by a certified Quality Control Inspection (QCI) inspector. Quality control inspections ensure that weatherization services have been provided in a quality manner and that the home is left in a safe condition.

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

The subgrantee is required to perform a QCI on 100% of all units using a certified energy auditors with a quality control inspection micro credential.

The purpose of the inspection is to verify that all required measures, including WRF measures (if applicable), energy conservation measures (ECMs), incidental repairs, and health and safety items, have been properly installed. The inspection is guided by the initial energy audit, work order, awarded contract, and any approved change orders associated with the project.

Quality Control Inspectors

Tennessee currently has fourteen (14) certified Quality Control Inspectors (QCIs), consisting of both staff and contracted professionals. Recognizing that some Subgrantees may have limited staffing resources, a single individual may perform both the energy audit and final inspection functions when necessary. In such cases, the Subgrantee shall be subject to increased monitoring, with a minimum of 10 percent of completed units reviewed to verify compliance with Weatherization Assistance Program requirements and quality standards.

An individual who has contracted to work with a subgrantee as an energy auditor or QCI cannot also be approved to work as a weatherization contractor for that same subgrantee. Any individual who is a certified energy auditor and weatherization contractor may only contract to perform one of the functions with the subgrantee.

It is the subgrantee's responsibility to ensure the quality of the auditor's work. This extends to ensuring auditors do not sign off jobs where measures are missing, targets are not met, or where the WAP standard of quality for workmanship has not been achieved. A subgrantee's failure to ensure that a quality QCI has been performed may result in questioned or disallowed costs.

Coordinating the Final Inspection

Once a subgrantee is notified that all work on a unit has been completed, the subgrantee assigns a qualified QCI to conduct a final inspection. A job is not considered ready for quality control inspection until the contractor submits the following to the subgrantee:

1. Final itemized invoice detailing labor and materials
2. Proof of permits and passed code inspections as applicable for the specific unit
3. All certificates and/or warranties for installed items

Subgrantees are permitted to schedule "in progress inspections" on the final day of work to allow the contractor an opportunity to make any necessary corrections and to minimize the number of visits needed to the client's home. For in-progress inspections, Subgrantees will be required to collect and verify the items listed above before marking the job as completed and submitting it to THDA for reimbursement.

QCI Review

Subgrantees must provide the Quality Control Inspector (QCI) with all documentation necessary to conduct a comprehensive inspection, including the contract, work order, approved change orders, energy audit information, diagnostic test results, field notes, and applicable material certifications. The QCI is responsible for reviewing these materials, verifying the accuracy of the energy audit and associated data inputs, conducting all required diagnostic tests, and documenting post-weatherization results. The QCI must identify and report any concerns related to audit accuracy, ineligible or omitted measures, unjustified change orders, undue enhancements, or unsupported replacements. Subgrantees are responsible for reviewing reported deficiencies, ensuring compliance with program requirements, addressing any missing or inappropriate measures before project closeout, and implementing corrective actions to prevent recurring audit deficiencies.

QCI Results in Failed Measures

The failure of any measure will result in the failure of the inspection and the unit not being considered as completed. If any measure fails, the measure must be documented in writing with pictures, relevant SWS code, and justification.

The contractor will be notified of the failed measure(s) and will be required to correct the failed measure(s), no additional compensation will be given to the contractor for correcting the failed measure(s). The subgrantee has the option to set a timeframe for completion of corrections by the contractor. Upon completion of all corrections, the contractor will notify the subgrantee that the unit is ready for re-inspection. Additionally, Subgrantees have the option to set and apply contractor penalties for failed quality control inspections.

Contractors will not receive payment until all work has successfully passed inspection.

Client File Documentation and Inspection Certification

The Quality Control Inspection Form is to be used when completing the QCI. This form shall include each measure from the work order/change order for the

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

specific job, and a result of the inspection of that measure. Pictures should be clearly marked with the assigned job number and date stamped. This form must be signed by both the client and the certified QCI.

If a unit has received an additional inspection through monitoring by THDA, the client file must include two separate certification forms, one for each inspection.

Jobs Without Final Inspection

If a final inspection cannot be completed due to the client's refusal to allow access or other circumstances beyond the subgrantee's control, the job may be closed after reasonable and documented efforts to complete the inspection.

In these cases, the subgrantee must notify THDA before issuing contractor payment or submitting the job for reimbursement. Subgrantees are strongly encouraged to obtain photo documentation of installed measures to support payment requests. Although the contractor may be paid, the unit **cannot** be counted as a completed unit for production goals.

QCI Oversight and Corrective Actions

If repeat findings are identified from the same QCI, the subgrantee will be notified and the QCI will be placed on a corrective action plan, which may include additional training. Applicable disciplinary actions are outlined in the WAP Manual.

Subgrantees are encouraged to establish and enforce their own policies regarding energy auditor and QCI probation, suspension and termination.

The Energy Auditor Contract Template in the WAP Manual may be customized to include subgrantee-specific expectations, penalties, and fiscal consequences.

Any contracted energy auditor who is suspended or terminated due to poor performance, fraud, or abuse must be reported to THDA.

V.6 Weatherization Analysis of Effectiveness

THDA evaluates the effectiveness of the Weatherization Assistance Program through a combination of performance monitoring, quality assurance activities, technical support, and stakeholder feedback. Program effectiveness is measured by reviewing production outcomes, expenditure rates, audit and inspection results, and overall compliance with program requirements.

To support effective program implementation, THDA conducts monthly meetings with Subgrantees to monitor production progress and budget expenditures, discuss training opportunities, provide technical assistance, reconcile invoices, and review waiver requests. THDA also maintains cumulative progress tracking tools to monitor agency and county-level production, application pipelines, deferrals, Weatherization Readiness Fund (WRF) activity, terminations, and Average Cost Per Unit (ACPU). Program performance summaries are provided quarterly to executive leadership to support oversight and strategic decision-making.

THDA promotes continuous improvement through regular engagement with Energy Auditors, Quality Control Inspectors (QCIs), and contractors. Bimonthly meetings are conducted to review policy updates, discuss monitoring findings, and share best practices. Quarterly contractor office hours provide opportunities for technical assistance, training support, and peer-to-peer knowledge sharing. In addition, THDA conducts in-progress desktop reviews to identify and address concerns prior to the issuance of formal monitoring reports.

Program effectiveness is further evaluated through quality control inspections, monitoring activities, and review of energy audit accuracy. Monitoring and inspection results are analyzed to identify trends, address deficiencies, and guide training and technical assistance efforts. Findings are used to strengthen program performance, improve service delivery, and ensure weatherization measures are installed in accordance with program standards.

THDA also values applicant feedback as a measure of program effectiveness. Comment cards are provided to households receiving services and are reviewed to identify opportunities for improvement, evaluate customer satisfaction, and enhance program delivery. Through these combined efforts, THDA strives to ensure weatherization funds are used efficiently, services are delivered consistently, and eligible households receive maximum benefit from program investments.

V.7 Health and Safety

Per 10 CFR Part 440, allowable energy-related health and safety actions are those actions necessary to maintain the physical well-being of both the occupants and/or weatherization workers where:

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

- Costs are reasonable as determined by DOE in accordance with the Grantee's approved Grantee Plan; AND
- The actions must be taken to effectively perform weatherization work; OR
- The actions are necessary as a result of weatherization work.

Each program year, Subgrantees will be allocated a maximum amount for health and safety expenditures. The H&S allocation may only be used for allowable health and safety measures, as required by the specific home and in accordance with DOE guidelines and the approved Health and Safety Plan.

Federal regulations do not mandate a separate health and safety budget cost category, THDA has opted to budget health and safety costs as a separate category and, thereby, exclude such costs from the ACPU calculation. This separate category also allows these costs to be isolated from energy efficiency costs in program evaluations.

Unspent and Depleted H&S Funds

Any unspent health and safety funds that are eligible for carryover and are not utilized within a Program Year will convert to the Program Operations budget category. If a unit requires health and safety measures to perform weatherization, and the subgrantee has depleted their annual allocation, the job will have to be deferred unless a different funding source can be identified. Subgrantees must be mindful to adhere to guidance outlined in WPN 22-9; this ensures compliance with 10 CFR 440.21(d)(1).

Savings-to-Investment (SIR) Requirements

Tennessee does not require that health and safety measures meet minimum SIR requirements; activities assigned to the health and safety budget category do not have to be cost justified by the energy audit. The same items assigned to incidental repair, weatherization material, or installation cost categories must be cost-justified. H&S funds should not be used when the repair is a component of an ECM.

Determining Cost for Health and Safety Measures

All health and safety measures must be included in the work order and bid with the ECM/IR package of measures for the specific job. Health and Safety measures are subject to the same procurement requirements as ECMs and incidental repairs.

Minor Versus Major Repair

THDA has defined minor repair as \$1,321.95. Any repairs, except for justified HVAC repairs and/or replacements, exceeding this amount are considered a major repair and fall outside the scope of weatherization. This is further defined in the Health & Safety Plan.

Radon Requirements

The Subgrantee must incorporate the Radon Requirements listed within WPN 22-7 and adhere to the Buildings Assessment of Radon Reduction Interventions with Energy retrofits Expansion Final Report.

The Subgrantees must use the Radon Informed Consent Form which provides documentation that the occupant(s) (and landlord if applicable) have been informed of any potential hazards associated with radon in weatherized dwellings.

The form must minimally contain the following:

1. An explanation on the potential small risk of increasing radon levels when building tightness is improved.
2. A list of precautionary measures WAP will install based on EPA Healthy Indoor Environment Protocols.
3. Some of the benefits of Weatherization including energy savings, energy cost savings, improved home comfort, and increased safety; and
4. Confirmation that EPA's A Citizen's Guide to Radon was received and radon related risks were discussed with the client.

V.8 Program Management

V.8.1 Overview and Organization

The Tennessee Housing Development Agency (THDA) was designated by the Governor as the State's administering agency for the Weatherization Assistance Program (WAP), effective Program Year (PY) 2012. THDA contracts with local government agencies, community action agencies, human resource agencies, nonprofit organizations, and other public entities to deliver weatherization services across all 95 counties in Tennessee.

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

In addition to administering WAP, THDA also administers the Low-Income Home Energy Assistance Program (LIHEAP). Up to 15% of LIHEAP funds may be allocated to WAP subgrantees to supplement weatherization activities.

All WAP funds in Tennessee are administered in accordance with U.S. Department of Energy (DOE) rules and regulations, as well as applicable state policies and procedures. Subgrantees are required to comply with all governing requirements, including federal regulations, the *Accounting Manual for Recipients of Grant Funds in Tennessee*, published by the Tennessee Comptroller of the Treasury and the Tennessee Weatherization Assistance Program policies and procedures.

Funding allocations to local agencies are contingent upon Congressional appropriations (and/or Federal Court orders) and subsequent allocations to the State from DOE. If anticipated federal funding levels are not realized, THDA reserves the right to proportionally reduce subgrantee allocations. Under no circumstances will reimbursement be provided for costs incurred without available federal funding.

The Weatherization Assistance Program is administered within THDA's Community Services Division, which also oversees programs such as LIHEAP and the Emergency Solutions Grant (ESG) program. Program operations are supported by:

- The Internal Audit Division, which conducts financial monitoring
- The Compliance and Asset Management Division, which conducts programmatic monitoring

THDA has also contracted with Community Housing Partners through September 2028 to provide technical assistance, training, and support for monitoring activities.

V.8.2 Administrative Expenditure Limits

In compliance with 10 CFR 440.1S(e), THDA will retain 5% of available funds for administrative purposes and subgrantees will receive 10% of available funds for administrative purposes. An additional 5% will be made available to subgrantees who are contracted less than \$350,000.

V.8.3 Monitoring Activities

In compliance with 10 CFR 440.12(b)(6) and WPN 22-4, THDA has established the following monitoring practices to ensure service providers adhere to contractual and federal regulatory constraints, have adequate programmatic and financial management control, and achieve acceptable quality standards in the field work performed.

Monitoring Overview

- The Compliance and Asset Management ("CAM") division of THDA is responsible for **programmatic monitoring** of the Weatherization Assistance Program ("WAP").
- The WAP Technical Advisor for the Community Services Division oversees the **technical monitoring** in partnership with Community Housing Partners.
- The Internal Audit division will conduct the **financial monitoring**.
- WAP Coordinators process invoices/reimbursement requests and ad hoc monitoring throughout the program year.

An estimated amount of 5% of the grantee administrative funds are used for programmatic monitoring, and about 40% of the T&TA funds are used for technical monitoring. THDA will monitor in accordance with the approach outlined in WPN 24-4 which includes, but is not limited to, the lists in the sections below. QA inspection selection process and the method will be applied uniformly across the state. The same clients selected for QA will also include file review of eligibility, procurement, etc.

Programmatic and Management Monitoring

The scope of the monitoring will include a review of the client files and technical inspections. Client jobs are randomly selected for file review and technical monitoring. Generally, clients selected for programmatic file review are the same for technical inspection, however this is subject to change due to client availability.

Each Subgrantee weatherization program will be monitored annually and in accordance with 10 CFR 440.23 and DOE WPN 24-4. Subgrantees will be monitored for compliance with federal and state policies and procedures, and where applicable, compliance with the Subgrantee's approved operational plan. A

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

random or selected sample of case files will be reviewed. The desk review typically consists of client intake evaluation as well as review of audit and inspection related documents such as QCI forms, photos, and ASHRAE 62.2 calculations. Any questions related to the review or documents missing from the file upload may be requested during monitoring review. THDA will also request upload of missing or additional documents, as necessary. Area of monitoring include but are not limited to:

- Correct determination of eligibility and notification provided, including the applicant's annual recertification where applicable
- Case documentation
- Identification of re-weatherized units, and agency method for tracking homes that have been weatherized
- Compliance with rental property requirements and eligibility
- Compliance with multifamily building policies

In addition to the review of case files, the following information will also be reviewed:

- Conduct inventory of any equipment (original purchase price of \$5000 or more) purchased with DOE funds.
- Review staff and contractor qualifications and contracts, if applicable, to determine compliance with program requirements and Subgrantee's operational plan
- Review Subgrantee's process of tracking and addressing quality and workmanship concerns and findings for staff, auditors and contractors.
- Review process for contract payment.
- Review the agency procedures for identification of staff performance and subsequent corrective action to address any deficiencies.
- Using the Weatherization Manual / Operational Plan that each Subgrantee must sign and submit to the Grantee on an annual basis for review and approval, monitor for compliance with the Plan.
- The Subgrantee's most recent annual audit
- Review findings from Grantee's technical inspections and corrective action plans that have been implemented to address any concerns
- Ensure procurement process complies with federal and state requirements, and follows procedures outlined in the Subgrantee's operational plan
- Budget management of funds
- Compliance with production goals
- Contract compliance
- Timely and accurate submission of reports and invoices
- Identification of Training and Technical Assistance needs

This list is not meant to be all inclusive and may be expanded as necessary to ensure compliance with both federal and state program guidelines.

Financial Monitoring

THDA will comply with the requirements of 2 CFR 200 Subpart F Audit Requirements.

THDA's Internal Audit will perform a desk review using the Financial Monitoring Checklist and will issue a financial monitoring memo to the subgrantee. In addition, THDA's Internal Audit will perform a more comprehensive financial monitoring review at least once every three years to include additional testwork covering the following areas at a minimum:

- Financial Management/Accounting Systems and Operations
- Audits
- Payroll/Personnel
- Vehicles and Equipment
- File review of recent purchases
- Procurement
- Sub-awards/Subgrantee Monitoring
- Invoicing
- Records Retention

Coordinator Reviews

All invoices submitted for payment will undergo a desk review prior to any payment being authorized. This desk review will include subgrantee invoices and the documentation that supports the amount invoiced. The invoice and supporting documentation will be reviewed and approved by multiple staff persons prior to submission to THDA's fiscal department for payment.

Invoices reviewed that lack sufficient backup documentation will not be paid until documentation is provided that justifies the amount invoiced. Additionally, any invoiced expense that is not an allowable expense will be disallowed and deducted from the amount to be paid.

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

Technical Monitoring

THDA will conduct quality assurance inspections of at least five percent (5%) or more of all completed units per Subgrantee during the program year. Subgrantees that do not have an independent QCI to conduct the final inspection will increase monitoring to ten percent (10%) of completed units. THDA may increase the percentage of units being monitored for Subgrantees with significant deficiencies based on previous monitoring, in progress monitoring, desk reviews, multiple dwelling unit types, analysis of risk assessment and various other observations. Inspections will be performed by a certified Quality Control Inspector and performed by a THDA employee or a contractor acting on behalf of the Grantee. Weatherization activities will be monitored to ensure compliance with the guidelines provided in the Tennessee Weatherization Field Guide, the Health and Safety Plan, technical assistance memorandums and the WAP Manual.

Technical monitoring consists of desk review as well as site visits to verify quality work practices and validity of the energy audit and inspection.

In-progress quality assurance inspections will also serve as an opportunity to provide technical assistance as appropriate. THDA compensates contract workers who attend at a flat rate of \$150/inspection using T&TA funds. The compensation encourages contractors to attend hands-on training while being removed from other paid work for the day. Additional description to this is found in the T&TA section of the plan.

Subgrantees whose completed units require reworks, or other corrective action cannot use DOE funds for the correction process. Findings related to technical assistance visits will be tracked on a Subgrantee, auditor and contractor level to help identify exceptional, as well as poor performance and workmanship issues. These results will be used to identify training and technical assistance needs for our continuous quality improvement process.

Technical monitoring will review the work of the auditor, contractors, and the QCI. If there are repeat findings from the same QCI the local agency will be notified and the QCI will be placed on a corrective action plan including increased training.

THDA will monitor for the training and certifications requirements of WAP contractors and auditors during the technical monitoring visit. This is a shared responsibility with the Subgrantee.

Monitoring Reports and Corrective Action Plans

Within thirty (30) days following every programmatic, financial, or technical monitoring review, a report that details the findings of the visit, including any identified best practices will be provided to the Subgrantee agency. Should there be a significant delay to the thirty days, THDA will notify the Subgrantee with brief description and an alternate timeframe when the report will be delivered. The Subgrantee will be required to provide a written Corrective Action Plan (CAP), responding within (30) days, that addresses all identified findings and concerns. The CAP must provide the actions the local agency has taken or plans to take, along with a timeline for implementation, to address and alleviate the concerns. Issues must be resolved in a timely manner if significant deficiencies are discovered during monitoring. If the Subgrantee disagrees with any findings in the monitoring report, they may provide rebuttal as part of their CAP. The CAP is not final until it has been reviewed and all corrective action plans and/or rebuttals accepted by the Grantee. If there are questioned costs identified as part of the monitoring visit, and these costs are not successfully resolved during the CAP process, these costs will be recovered from the next invoice. If they cannot be recovered from a subsequent invoice, the Subgrantee will be required to make payment arrangements with THDA for the questioned costs.

Compliance with Corrective Action Plans will be monitored through desk reviews, communication with the Subgrantee, and subsequent monitoring visits. Subgrantees with significant deficiencies identified may receive additional monitoring visits as necessary. Subgrantees who continue to have substandard performance that is not successfully addressed by corrective action may have funding reduced, be placed on probation or face termination and will no longer be allowed to participate in the program.

Reporting

Within thirty (30) days from the end of the program year, THDA will create a report that provides a summary of each Subgrantee's financial reviews, program monitoring reports and any outstanding issues. This report will provide an overview of each Subgrantee's needs, strengths and weakness. This report will be utilized as a planning document and will be made available to DOE upon request.

As mandated by federal guidance, THDA will also provide to DOE a report that includes successes and significant problems identified through monitoring. This narrative report will be incorporated within the mandated *T&TA, Monitoring and Leveraging Report*. This annual report will be submitted within thirty (30) days from the end of the reporting period.

In addition to DOE reporting requirements related to monitoring, State Policy 22 requires an annual report of Subrecipient Monitoring. THDA will provide a summary of all Subgrantee monitoring, including findings and recommendations to the Tennessee Department of Finance and Administration.

Technical and Programmatic Monitoring Schedule

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

The monitoring will follow the quarterly schedule noted below and will also be based on production. Throughout the year we will monitor each Subgrantee at least once. Based on monitoring findings and outcomes, THDA will conduct additional visits as needed. Based on production, we will conduct annual program year monitoring visits for Subgrantees. Within thirty (30) days following every technical review, a report that details the findings of the visit, including any identified best practices will be provided to the Subgrantee agency. Should there be a significant delay to the thirty days, THDA will notify the Subgrantee with brief description and an alternate timeframe when the report will be delivered. The Subgrantee will be required to provide a written Corrective Action Plan (CAP), responding within (30) days, that addresses all identified findings and concerns. The CAP must provide the actions the local agency has taken or plans to take, along with a timeline for implementation, to address and alleviate the concerns. If the Subgrantee disagrees with any findings in the monitoring report, they may provide rebuttal as part of their CAP. The CAP is not final until it has been reviewed and all corrective action plans and/or rebuttals accepted by the Grantee.

Tentative Monitoring Schedule

- First Quarter
 - None
- Second Quarter – East TN
 - ETHRA, SETHRA, KKCCAC, UETHDA
- Third Quarter – Middle TN
 - CMCCAA, MCCAA, MDHA, UCHRA, SCHRA
- Fourth Quarter – West TN
 - MHCD, SWHRA, DHRA, MCHRA

V.8.4 Training and Technical Assistance Approach and Activities

Training and technical assistance (T&TA) is available and required for all subgrantee personnel and private contractors providing any aspect of operating the Weatherization Assistance Program (WAP). Requests can be initiated by a subgrantee, monitor, or THDA program staff. THDA will ensure that all training paid for with T&TA funds meet the requirements of WPN 22-4.

For grantee provided assistance, THDA will determine the most appropriate personnel or method to provide (T&TA). Classroom and field training sessions providing hands-on experience will continue for subgrantee evaluators performing energy system health and safety tests and repairs. Field training sessions will reinforce classroom training that has already been conducted and will provide updated information on new heating equipment and components.

THDA will meet the requirements outlined in WPN 22-4 by providing training on the two required levels. Training schedules are updated every six months, and additional trainings can be requested on an as need basis. THDA makes every attempt to coordinate trainings when requested, based on the already scheduled courses and instructor availability. THDA's Training Schedule does not span multiple Program Years.

Programmatic/Administrative Training

Programmatic training is provided annually at an event preceding the next PY, for example PY27 Annual Training will occur in Q4 of PY26. Programmatic training is also provided by THDA staff during monthly coordinator meetings and as issues are identified and as requested by the Subgrantees. The trainings will focus on areas of deficiency, updated and/or new policies.

Fiscal Training

Fiscal trainings are conducted by THDA staff as issues are identified and as requested by the Subgrantees. These trainings will address issues associated with 2 CFR 200 to ensure Subgrantees are complying with procurement, contractual requirements, reporting, and allowable costs. Overall expenditures are reviewed during monthly meetings with Subgrantee staff and THDA coordinators to identify any possible concerns in advance of monitoring visits.

Subgrantees are encouraged to seek additional training on 2 CFR 200 from entities such as WIPFLI and CAPLAW.

THDA is preparing to schedule a training in late Q2/early Q3 specifically for agency fiscal staff to review Chapter 14, titled Fiscal Accountability, of the WAP Manual. This training will include an overview of contractual requirements, appropriate use and allowable expenditures of budget categories, and invoice submissions and processes.

Comprehensive Training

All staff hired to provide services equal to the JTA of a Retrofit Installer Technician must receive Comprehensive Training from an IREC-accredited training

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

facility within the first year of hire and must receive job specific training every five (5) years after the completion of their initial training to serve as a refresher. This training is mandatory for a Retrofit Installer Technician.

All staff hired to provide services equal to the JTA of a Crew Leader must receive Comprehensive Training from an IREC-accredited training facility within one year of their hire or appointment to the Crew Leader position and must receive job specific training every five (5) years after the completion of initial training to serve as a refresher. This training is mandatory for the Crew Leader position, and RIT is a prerequisite for this training.

All staff hired to provide services equal to the JTA of an Energy Auditor must receive Comprehensive Training from an IREC-accredited facility before performing the duties of the Energy Auditor position and must receive job specific training every five (5) years after the completion of initial training to serve as a refresher. This training is mandatory for an Energy Auditor.

All staff hired to provide services equal to the JTA of a Quality Control Inspector must receive Comprehensive Training from an IREC-accredited facility before performing the duties of the Quality Control Inspector position and must receive job specific training every five (5) years after the completion of initial training to serve as a refresher. This training is mandatory for a Quality Control Inspector.

Contractor Training Reimbursement

Agencies must document anticipated training costs within their T&TA Plan, as part of the Operational Plan, or obtain approval from THDA through a waiver request prior to the contractor incurring any training expenses. Agencies are not required to enter into training cost agreements with contractors and maintain sole discretion regarding the use of their T&TA allocations.

For required trainings, contractors may be reimbursed for costs of course registrations, lodging and mileage reimbursement at the GSA rate. Mileage should start at the point of the sponsoring agency's primary office if travel occurs during traditional work hours; mileage may start at contractor's office if travel occurs outside of work hours. An additional stipend, not to exceed \$100 per day (not including days used solely for travel), is permitted with subgrantee request and THDA approval. Contractors must submit their costs to a sponsoring agency, agencies in turn will utilize their T&TA allocation to support these reimbursements. THDA will not reimburse contractors directly for any costs.

- If the course completion has a pass/fail component, and results in a fail – one subsequent attempt will be eligible for T&TA use. Additional attempts will not be eligible for reimbursement and agencies must seek additional funding sources or require the contractor to fund "third" attempts and beyond.

Agencies are required to obtain a Retention Agreement for contractors accessing T&TA funds. Agencies are required to follow an established and approved training plan for each contractor when utilizing T&TA funds; additional courses may be assessed as a result of monitoring or QCI results. Retention Agreement terms should include a specific amount of time term that contractors will work in the WAP -or- designate a specific number of jobs to be completed, either must align with the cost of the T&TA provided.

For conference participation and attendance (i.e. not required training), contractors are only allotted registration fees and a stipend, not to exceed \$100 per day (not including days used solely for travel), with subgrantee request and THDA approval. Subgrantee must submit the request for use of T&TA funds in this regard as a Waiver and include justification for attendance and anticipated outcome. Retention Agreements are not required to sponsor conference attendance.

Exam fees are also eligible for reimbursement via T&TA. In the event that the trainee does not pass the first attempt at the exam, subgrantees may pay for one more attempt. If trainees fail the second attempt, the trainees will need to retake the class, and THDA reserves the right to require the subgrantee to pay for the exams' expense. (All online courses require the trainee to retake the course for a second attempt at the class which is an allowable expense for the subgrantee. Any future attempts by trainees will need to be funded by the contractor. THDA reserves the right to fund future exam attempts on a case-by-case basis.)

Specific Training

Single-issue, short-term training to address acute deficiencies in the field are available such as: ASHRAE 62.2, Building Analyst, Combustion Appliance Zone Safety, Zonal Pressure Diagnostics, Leakage Envelope and Ducts, and WA Web Audit Software. Individual sections of the Retrofit Installer Technician class can be pulled out for focused training such as dense packed wall and crawlspace. Training and technical assistance will also be provided through on-site visits, webinars, interactive web-based meetings, regional training sessions, or statewide training sessions and third-party providers such as OSHA online training, CPR, online asbestos awareness training, online mold and moisture training, online lead safe weatherization and 3rd-party hands-on lead safe weatherization training.

THDA requires that subgrantees seek training opportunities through the contracted T&TA provider, Community Housing Partners, before seeking external trainings. If CHP is unable to provide the training, or cannot do so in a timely manner, subgrantees may request training through another source. For out-of-state Comprehensive and Specific trainings, subgrantees must maintain documentation showing why similar training was not available or cost effective in Tennessee.

CHP's available training courses are listed online at <https://www.communityhousingpartners.org/energy-solutions/research-training-center/chp-courses/> and a class schedule is emailed on a regular basis. Training completions are tracked for each subgrantee including contractors to include name, subgrantee, completion

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

date, pass or fail, certification obtained.

After concluding a training or technical assistance activity, the specifics of the training are documented including which trainer conducted the activity, what training or assistance was provided, when and where the activity occurred, and which subgrantee staff participated in the activity. These reports will be completed by each subgrantee and kept in their records.

THDA will provide training and technical assistance to all subgrantees as described in the following plan:

1. Routine Technical Assistance: Technical assistance covering any programmatic aspect of operations can be provided by the monitoring staff (during monitoring visits), THDA staff. Technical assistance can be offered any time the subgrantee encounters a problem or issue. If the monitor identifies major problems that cannot be addressed during the monitoring visit, more extensive technical assistance will be scheduled in the immediate future following the monitoring visit. Technical assistance related to the actual installation of weatherization measures will be provided by THDA Technical Advisors.
2. State Training: Statewide training will be scheduled by THDA when it is deemed necessary. Appropriate subgrantee staff and private contractors are required to attend each state-sponsored training session. Funds are made available to support the expenses incurred while attending the training for subgrantee staff and private contractors. THDA will host bi-annual statewide meetings to provide general program updates and share programmatic and technical information and guidance.
3. Energy Auditor/QCI Exchanges - THDA hosts a monthly call with all EA/QCI to discuss trends and determinations for network wide or targeted training needs. These meetings also review the work quality observed in the field, to review contractor interactions, and to review recent monitoring results. In addition, EA/QCIs are given an opportunity to provide feedback on the energy audit software and share best practices.
4. Contractor Office Hours - Virtual office hours are held quarterly for all approved & interested contractors within the state. There is one morning session and one afternoon session per quarter. This time is held to answer their questions, field their feedback, and provide any support needed to be successful in the field.

Additionally, the reviews performed by compliance staff identify training needs. Frequent interaction among staff identifies problematic areas at specific subgrantees. All monitoring findings and observations are tracked on the Technical Monitoring Results Tracker. This log was implemented during PY24 and it tracks the number of findings, concerns, observations, and best practices in addition to assisting in planning trainings or onsite T&TA.

Training requirements for each job position under WAP are as follows. Subgrantees are required to verify such before awarding work to a contractor or issuing work orders to in-house crews. If certifications are found to be lacking and an established training plan has been breached, THDA has the option to recapture funds for measures completed by the in-house crew or contractor. The individual or contractor will be prohibited from performing the assigned or contracted activities on client dwellings until training has been completed. Participation in and the successful completion of advanced, refresher and other related training is required to maintain qualified staff to perform program activities. THDA will make every effort to assist subgrantee personnel with attaining the required skill levels.

Training and Certification Requirements

Any subgrantee weatherization staff assigned to perform energy audits or inspection activities as any portion of their job duties must participate in and successfully pass the training requirements listed here as well as any other training deemed necessary by THDA.

Contractors performing general weatherization work (and their employees) must attend comprehensive training for their job duties; Installer staff must attend Retrofit Installer Technician training, Crew Leaders must attend Crew Leader training.

Energy Auditor (EA)

- I. OSHA 10 Certification or Equivalent (10 Hours)
- II. BPI Energy Auditor Certification
- III. Retrofit Installer Technician Course (RIT)*
- IV. Lead Safe Weatherization Course (LSW)**
- V. HVAC Fundamentals Course****
- VI. ASHRAE 62.2 Course****
- VII. NEAT/MHEA/WAPez Software Training
- VIII. Renovate-Repair-Paint Certification (RRP)***

Quality Control Inspector (QCI)

- I. OSHA 10 Certification or Equivalent (10 Hours)
- II. BPI Energy Auditor Certification
- III. BPI Quality Control Inspector Certification
- IV. Retrofit Installer Technician Course (RIT)

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

- V. Lead Safe Weatherization Course (LSW)**
- VI. HVAC Fundamentals Course****
- VII. ASHRAE 62.2 Course****
- VIII. NEAT/MHEA Software Training
- IX. Renovate-Repair-Paint Certification (RRP)***

Crew Leader (CL) Required to be present at each job site

- I. OSHA 30 Certification or Equivalent (30 Hours)
- II. Retrofit Installer Technician Course (RIT)*
- III. Lead Safe Weatherization Course (LSW)**
- IV. HVAC Fundamentals Course****
- V. ASHRAE 62.2 Course****
- VI. Crew Leader Course (CL)
- VII. Renovate-Repair-Paint Certification (RRP)***

Crew Worker (Retrofit Installer Technician - RIT)

- I. OSHA 10 Certification or Equivalent (10 Hours)
- II. Retrofit Installer Technician Course (RIT)*
- III. Lead Safe Weatherization Course (LSW)**
- IV. Renovate-Repair-Paint Certification (RRP)***

** This course may be exempt in the instance of prior experience. THDA review & approval of prior experience is required.*

*** This course is not required, but highly recommended.*

**** One person on each job site is required to hold this certification. THDA Recommends having multiple individuals certified to reduce the risk of noncompliance.*

***** This course is not required to begin work but should be completed with 6 months of hire or from date of signing retention agreement.*

THDA Monitoring Staff Required Certifications/Trainings Completed:

- I. BPI Energy Auditor Certification
- II. BPI Quality Control Inspector Certification
- III. Certified Lead Renovator (RRP)
- IV. WA Web
- V. OSHA 10

All certifications to be obtained within one year of hire. THDA Technical Advisors must also display a knowledge of the TN State Plan, WAP Manual and SWS Field Guide.

Client Education

Energy efficiency education occurs throughout weatherization services. Clients receive an assortment of healthy home brochures including EPA's Mold & Moisture in Your Home, Renovate Right: Lead Based Paint Activities, and the Citizen's Guide to Radon. THDA has created a Client Education Checklist for the auditor and client to work through step-by-step prior to the audit as well as during the quality control inspection.

A printable version of Preventing Carbon Monoxide Poisoning can be found here, https://www.epa.gov/sites/production/files/2015-08/documents/pcmp_english_100-f-09-001.pdf

A printable version of, "What You Should Know About Space Heaters" can be found here, <http://www.hipspro.com/pubs/SpaceHeatSafety.pdf>

A printable version of "Combustion Equipment Safety" can be found here, https://www1.eere.energy.gov/buildings/publications/pdfs/building_america/26464.pdf

T&TA dollars are not used to fund client education.

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: SE0001852, **State:** TN, **Program Year:** 2026
Recipient: State of Tennessee

Energy Savings Comparison Analysis of Subgrantees

Analysis of energy savings is currently conducted by THDA on multiple levels. A number of variables influence energy savings from unit to unit, agency to agency. Considering size and dwelling type, auditor experience and accuracy, effectiveness of client education, among other things all contribute to both the estimated and actual energy savings. Using the comparison analysis of energy savings will help highlight training needs across the network.

Additional Programmatic, Financial, Management Training Opportunities

Subgrantees are permitted to seek additional training avenues if sufficient justification can be presented on how said training would benefit the weatherization program. Training requests must be submitted to THDA for review and approval prior to the training.

Future Training Plan

Once Comprehensive training has been established, the training needed to address acute deficiencies, or any of the training listed above that does not fall under Comprehensive Training as defined in WPN 22-4, will be considered Specific training. Specific training will be provided by THDA Staff, webinars, or other outsourced training providers. All future trainings are also subject to change based on recommendations and monitoring reports from DOE, HHS, program and field policy updates, IG reports, or other partner recommendations. THDA provides semi-annual network-wide Weatherization meetings that cover programmatic and fiscal updates, planning, tracking, and trainings identified as problematic areas during monitoring and monthly invoicing. THDA will continue to train all field staff to their JTA in order to meet the mandate of WPN 22-4.

Conference Participation

THDA staff attend national conferences for training on WAP. Conferences are supported with administrative T&TA dollars under this grant. Subgrantees are kept apprised of all upcoming conferences and are encouraged to attend.

Percent of overall trainings

Comprehensive Trainings:	50.0
Specific Trainings:	50.0

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:	55.0
Percent of budget allocated to Crew/Installer trainings:	40.0
Percent of budget allocated to Management/Financial trainings:	5.0

V.9 Energy Crisis and Disaster Plan

The following plan will be executed upon a federal or state declaration of disaster for a specific area within the state.

Subgrantees must identify those current clients who reside in a disaster area and contact the client to determine if the home has sustained any damage. If the client states the home was not damaged in the disaster, document the case file to reflect their statement, along with the date of the contact and the name of the agency representative who spoke to the client. No further action is required, and standard WAP procedures will be followed. If the client states damage occurred, document the contact in the client file, and follow the disaster plan guidance based on the current job status for the home.

Waitlisted

If a dwelling is on the waitlist, and the home is destroyed or condemned, or if the applicant has moved without intending to return once repaired, terminate the WAP case.

If the dwelling is damaged and requires repair, the home remains on the wait list. Determine if the home is eligible for extra priority points because of the disaster and adjust accordingly. Document the client file with relevant information and action taken.

Audit Only

If the home had an energy audit performed, but the job has not yet been awarded, do not award the job. If it is determined that the home was destroyed or condemned, or if the client is no longer residing in the home and does not intend to return once repaired, close the case and document the file.

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If the home was not destroyed, conduct a new energy audit to determine if the condition of the home permits the weatherization work to continue, and the weatherization measures to be installed. If home repairs are necessary due to damage, these repairs are to be completed utilizing funds other than DOE (insurance, disaster relief funds, personal funds or loans, funds from other programs, etc.) prior to the energy audit being performed.

Weatherization Has Commenced

If the installation of weatherization measures was in process (work had begun, but the quality control inspection had not been completed), and the contractor had not yet completed the work, determine the dwelling's condition.

If destroyed, the contractor is to invoice the agency for only those measures installed in the home at the time of the disaster. No post inspection is required, but the agency must confirm the home was destroyed and an audit is not possible due to damage. This home cannot be counted as a completed unit; DOE

Weatherization funds may be used to pay for audit and contractor costs.

If the home was not destroyed, and repairs are necessary due to damage, these repairs are to be completed utilizing other funding sources. Another energy audit will be required once repaired to establish the status of the home, and the appropriate energy measures based on that status.

The job may need to be deferred until necessary renovations are completed prior to weatherization taking place. The contractor may be paid for all measures installed at the point of the disaster, with a QCI to be conducted on the measures if possible. It may be necessary to rebid the job if the work to be performed changes significantly or there is a long delay before the job can be finished while waiting on repairs. Do not close the job until all weatherization work is completed. Depending on the amount of work to be performed following the disaster, the job may need to be rebid.

Items that had been installed but were subsequently destroyed due to the natural disaster and not covered by the homeowner's insurance or other funding sources, including disaster relief benefits, may be included in the subsequent audit and work order. The change order process must be followed to accommodate the newly defined measures.

DOE funds may only be used for those energy related incidental repairs. WAP is not designed to be a renovation program.

Home Damaged: Reweathering of Previously Completed Units

A home that has been weatherized prior to the disaster, but which was damaged by a federal or state declared disaster, may reapply for re weatherization services without regard to the date previously weatherized. A new energy audit is required. All other eligibility conditions will apply, and the job must be reported as a reweatherization.

Additional Priority Points

Current clients in a disaster area may be provided priority services, with 15 additional points provided to disaster victims. These points are added to the points already provided to vulnerable household members as part of the priority point system. Additional priority points will only be provided upon verification of a FEMA assigned number for that client/residence for the specific disaster. See V.3 Priorities for details.

Points to Remember

- If a weatherization job that was in process or completed was damaged in the natural disaster, the subgrantee must determine if the homeowner has insurance or other funds available to cover the costs of repairs. Weatherization funds may not be used if the damage was covered by insurance or other funding sources. Weatherization funds may only be used to address eligible weatherization activities, as currently allowed in Tennessee's policies and procedures.
- If possible, local agencies will coordinate the weatherization work efforts for the home to gain efficiencies. This does not negate the requirement to perform an energy audit based on current unit circumstances.
- Personnel that are paid from DOE funds are not allowed to perform disaster relief work in the community. They are permitted to perform work related to protecting the DOE investment, such as securing and protecting weatherization materials and equipment and agency program files and records when the disaster initially occurs.
- All jobs are subject to the annual ACPU. This includes both pre-disaster and post-disaster work with the exception of jobs that are considered re weatherization. This cap may only be exceeded with prior approval from the State.