

**ENERGY PROGRAMS**  
**DUKE ENERGY PROGRESS COMPANY'S NC Rate Settlement Fund**

**EP – 620 DUKE ENERGY PROGRESS COMPANY'S NC Rate Settlement Fund**

**Change -4-2022**  
**February 11, 2022**

**620.01 GENERAL INFORMATION**

- A. NC Rate Settlement fund is funded 100% from monies contributed by Duke Energy Progress customers and employees and from corporate donations. Allocations are made **only** to counties that have Duke Energy Progress residential customers. (See Figure 500-1.) Allocations are based on the number of Duke Energy Progress residential customers in each county. Counties spend the money until the funds are exhausted or until the end of the State fiscal year.

The following sections of the Energy Programs manual also apply to NC Rate Settlement Fund:

|   | Section   | Section Number |
|---|---|----------------|
| 1 | Contracting and Vendor Agreement                | 120            |
| 2 | Retention                                       | 125            |
| 3 | Appeals and Hearing Process                     | 135            |
| 4 | Overpayments and Fraud                          | 140            |
| 5 | Household Composition                           | 150            |
| 6 | U. S. Citizenship and Non-Citizens              | 175            |
| 7 | Energy Programs Outreach Plan                   | 200            |
| 8 | Crisis Intervention Program System Instructions | 600            |

- B. Explore the possibility of a NC Rate Settlement fund payment prior to providing Low Income Energy Assistance or Crisis Intervention Program (CIP) assistance.

**NOTE: Native American Tribes who administer their NC Rate Settlement fund do not receive NC Rate Settlement funds; therefore, those served by Native American Tribes can apply for NC Rate Settlement at local county agencies.**

- C. Households do not have to heat with electricity to be eligible. The temperature outside is not the sole determining factor for a crisis, it must be linked to a life-threatening or health related emergency. Households may receive funds for all types of fuel used.

**620.02 ELIGIBILITY REQUIREMENTS**

- A. Counties must begin taking applications when their NC Rate Settlement allocation is received. (See 500.04 below.)
- B. A household must be a Duke Energy Progress residential customer. Accept the applicant's statement, unless questionable. If questionable, view a current service bill or telephone your local company to verify that the household is a Duke Energy Progress customer.
- C. A household must be experiencing a heating or cooling-related crisis. Refer to 500.05 below for guidelines on how to assess whether a crisis exists.
- D. A household must have countable net income at or below 150% of the current poverty level. (See 500.06 below.)

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- E. Assistance must be authorized within 18 to 48 hours. (See 500.04 G. below.)
- F. Benefits cannot exceed **\$800** per application and **\$800** per State fiscal year.
- G. There must be a signed agreement with each vendor who receives a NC Rate Settlement fund payment. (See 500.03 below.)

**620.03            VENDOR AGREEMENT (See Section 120 on Contracting and Vendor Agreements)**

The purpose of a vendor agreement is to ensure that the vendor does **not** treat recipients adversely.

**County Responsibility for Negotiating Vendor Agreements**

When the local county agency chooses to make a voucher or vendor payment or issue a two party check, there must be an agreement with the vendor. See B. below for exceptions. In some instances, the payment will be to a landlord which makes him an energy supplier; therefore, a vendor agreement is required.

- A. Vendor Agreements must be renegotiated each year. To ensure that applicants receive benefits without delay, you should negotiate vendor agreements at the time you become aware of a new vendor.
- B. Always use DSS-8163.
- C. If the DSS-8163 is returned and the vendor has added any addendum or changed any wording, the DSS-8163 is void. You must negotiate a new DSS-8163.
- D. Retain the original.
- E. Give a copy to the vendor.

**620.04            APPLICATION PROCESS**

Everyone who wishes to apply must be given the opportunity to apply without delay. The applicant must be allowed to sign an application, DSS-8178, on the day he:

- Appears at the local county agency; **or**
- Appears at an agency that is taking applications per the county's plan. (See EP 200.)

**A.            Acceptance of Application**

Application taking must begin on the first working day of July and continue until the NC Rate Settlement fund allocation is exhausted or until the end of the current State fiscal year, whichever occurs first.

1. The applicant or his representative must apply for NC Rate Settlement fund in the county in which the household resides. The applicant must be a resident of North Carolina.
2. When you receive a request for assistance by mail or telephone and a crisis is indicated, follow-up within one workday to schedule an interview. If the request is made by an individual who would have difficulty coming to a local county agency or outpost office, obtain the information for the application by telephone. (See

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Section EP 400 for more information regarding telephone interviews.) Mail the person an application to sign. If a life-threatening situation exists, a home visit to obtain the needed information may be necessary if the information cannot be obtained by some other means.

3. If the applicant or his representative decides not to apply, complete the inquiry. Include as much information about the situation as possible.
4. You must research your county files to determine if anyone listed on the DSS-8178 has received NC Rate Settlement funds before.

**B. Who must be included in the application?**

The same rules apply as those in LIEAP and CIP. See Section 150 for instructions on who must be included.

**C. Explanation of Rights and Responsibilities**

1. Explain to the applicant he has the right to:
  - a. Receive assistance if found eligible.
  - b. Have any person participate in the interview for determination of eligibility.
  - c. Be protected against discrimination on the grounds of race, creed, or national origin by Title VI of the Civil Rights Act of 1964. He may appeal such discrimination through Section 504 of the Disability Act.
  - d. Have any information given to the agency kept in confidence.
  - e. Appeal if:
    - (1) He was denied the right to apply for assistance on the same day he or his representative went to the local county agency;
    - (2) His application was denied;
    - (3) His assistance was incorrect based on the county's interpretation of State regulations; **or**
    - (4) A decision is not made on his application within 24 to 48 hours.
  - f. Reapply at any time.
  - g. Withdraw from the assistance program at any time.
2. Explain to the applicant he has the responsibility to:
  - a. Provide the local county agency the necessary information which can be used to locate and obtain information needed to determine eligibility; **and**
  - b. Report immediately to the local county agency the receipt of benefits, which he knows to be erroneous. If he does not report such incorrect payments, he may be required to repay any overpayment.

3. Explain the meaning of fraud to the applicant.

**D. Completion of the DSS-8178 During the Application Interview**

1. Document the applicant's responses to the questions on the DSS-8178.
2. As part of the interview process, determine what other services may be appropriate to meet the crisis. Document on the DSS-8178 which services were provided.
3. The applicant must sign the DSS-8178.

**E. Eligibility Determination**

When you complete the interview, verify all necessary factors of eligibility to determine if the household is eligible.

The household must meet the following eligibility criteria in order to be eligible for NC Rate Settlement Fund.

1. Income

Household meets income eligibility if the total household's members' countable income is equal to or less than 150% of the current poverty level. Use the chart in Section 400 of the Energy Manual for income limits.

Refer to the Income Section of the Integrated Policy Manual at <https://economicbenefits.nc.gov> for types of income to count, how to verify income and which income deductions and base periods to apply.

2. A crisis situation must exist. See 500.05 below.

However, the temperature outside is not the sole determining factor for a crisis, it must be linked to a life-threatening or health-related emergency.

Document eligibility verification on the DSS-8178.

Receipt of NC Rate Settlement Fund benefits does not affect a household's eligibility for LIEAP, CIP, Emergency Assistance, etc.

**620.05 CRISIS DETERMINATION AND DOCUMENTATION**

A household is in a crisis if it is experiencing or is in danger of experiencing a life-threatening or health-related emergency and sufficient, timely, and appropriate assistance is not available from any other source.

**NOTE:** The temperature outside is not the sole determining factor for a crisis, it must be linked to a life-threatening or health-related emergency.

**A. Crisis Determination**

1. Guidelines For Determining If a Crisis Exists

The following guidelines are considered to support a decision that a crisis exists.

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If the answer to all the questions below is No, the applicant is not experiencing a crisis.

If the answer to one or more questions is Yes, it may be determined that a crisis exists. Counties must use prudent judgement. This is not an **all**-inclusive list. Consider the following guidelines to determine if a crisis exists.

- a. Has the family experienced an event beyond its control?
  - (1) The household is experiencing unusual and/or unexpected expenses; **or**
  - (2) There is a decrease in the household's income.  
**NOTE:** If there is no unusual and/or unexpected expense, decrease in the client's income, or if the client has misspent his income, the household may still be considered to be in a crisis situation if the answer to "b." is Yes.
  
- b. Is there no source of heating or cooling, or is the source of heating or cooling in jeopardy?
  - (1) The fuel supply is exhausted or terminated;
  - (2) The notice has been received notifying the household of termination of the heating or cooling source; **or**
  - (3) The heating or cooling source is in need of repair.
  
- c. Once you determine a crisis exists, you must still determine if payment is needed to meet the crisis, or is there some other way to alleviate the situation?
  - (1) Does the applicant have sufficient resources, such as a savings or checking account to alleviate the crisis himself? Explore whether other family members may be able to offer assistance or support; **or**
  - (2) Explore with the applicant whether he or a member of the household will have income that can be used to meet the emergency. For example, the applicant has a cutoff notice for electricity but has ten days to pay the bill. In the interview, you determine that the applicant will begin receiving unemployment insurance in five days.
  - (3) Decide whether there are other community resources that can be used to alleviate the crisis.
  - (4) Will the fuel supplier agree to continue service until the applicant receives his next check?
  - (5) Explore if the applicant has a history of being in a crisis situation. If so, it is preferable to use other resources to assist in alleviating the situation. To maximize the **\$800** limitation in NC Rate Settlement fund, explore all other resources to assist in alleviating the situation.

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2. Verification and Documentation

a. Verify that a crisis exists by either:

- (1) Accepting the applicant's statement, unless questionable;
- (2) Viewing bills; **or**
- (3) Contacting collaterals, such as neighbors, vendors, landlords, etc.

b. Documentation should include but not be limited to:

- (1) Date of application;
- (2) Statement of crisis; **and**
- (3) Method of verification.

If you use the applicant's statement, document what he says and the date. When you use other evidence, show the type of document used and the date. When using collaterals, show the collateral's name, date, and statement.

If the DSS-8178 does not allow space for proper documentation, attach additional sheets as needed.

**B. Time Frames for Authorizing Assistance**

1. Time Frame for Authorizing Assistance When Crisis Is Not Life-Threatening

If a household is experiencing a crisis which is not life-threatening, authorize benefits within 48 hours (2 days). This does not mean issuance of benefits, but you must authorize eligibility to alleviate the crisis. These deadlines apply even if another agency is taking the application.

2. Time Frame for Authorizing Assistance When Crisis Is Life-Threatening

Since the household is experiencing a life-threatening situation, authorize benefits within 18 hours. This does not mean issuance of benefits, but you must authorize eligibility to alleviate the crisis. These deadlines apply even if another agency is taking the application.

**C. Notification of Eligibility**

1. If assistance is **approved**, use the Data Entry System to complete a DSS-8107.
2. If assistance is **withdrawn or denied**, use the Data Entry System to complete a DSS-8107.

**620.06 BENEFIT LEVELS AND LIMITATIONS**

- A. A household may receive benefits more than one time during a State fiscal year which is defined as **July through June**.

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- B. A household may receive \$800 for crisis assistance during a State fiscal year (July 1 through June 30).
- C. The maximum benefit that can be paid to a household during a fiscal year is \$800. There is no requirement that a household must receive \$800 in a fiscal year.
- D. Benefits may vary based upon the severity of the crisis and the services needed; however, benefits cannot exceed \$800 per application.
- E. **If more than \$800 is needed to alleviate the crisis, you must:**
  - 1. Determine if there are other community resources that can be used in conjunction with the \$800, including CIP and LIEAP funds.
  - 2. Negotiate with the vendor to alleviate the crisis for \$800; or
  - 3. Counsel the applicant on any available options which can be used. However, apply this option only if you are unable to alleviate the crisis using 1. or 2. above.

If you are unable to alleviate the crisis by one of the means listed above, **deny the application.**

F. **Crisis Assistance**

- 1. At the time of application, a household may be assisted with more than one type of fuel bill as long as the payment does not exceed the maximum benefit allowed per application.
- 2. Maximum assistance per application is \$800, not to exceed a maximum benefit of \$800 per household during the fiscal year.
- 3. Funds can be used to assist households with reconnection charges.
- 4. Funds cannot be used to prevent a crisis.
- 5. Funds are **not** to be used for:
  - a. Paying deposits;
  - b. Paying bills from current or prior residence that are older than 12 months;
  - c. Paying for repairs;
  - d. Purchase of space heaters, etc.; **or**
  - e. Assistance to households whose only crisis is lack of refrigeration.
  - f. Unauthorized or illegal usage fees associated with return checks and/or meter tampering charges.
- 6. Funds can be used for:
  - a. Purchasing or installing air conditioners;
  - b. Paying electric bills; **or**
  - c. Purchasing fans.

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**METHOD OF PAYMENT**

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**Crisis Assistance**

Payment must be made in **one** of the ways listed below. **No** other payment method is acceptable.

1. County-issued check to the fuel provider; **or**
2. A two-party check written to both the applicant and fuel provider. It must be clear that the check **cannot** be cashed without the authorized signature of both parties.
3. A voucher/vendor payment.

A household may **never** receive cash assistance to purchase items.

**620.08 OTHER SERVICES**

See Energy Manual Section EP 200, Energy Programs Outreach Plan, for Linkup and LifeLine Services.