

**BBNA is modeling its benefit levels after the State’s point system in order for program software to be compatible for data sharing and cross referencing. Benefit amounts are based upon community specific heating cost points for a “typical” home. The points were determined using the AHFC’s “AKWarm” energy modeling software, which incorporates Alaska specific data for weather, fuel and utility costs. The modeled community heating cost points are adjusted for dwelling type, and then adjusted for income, expressed as a percentage of the Alaska poverty level. An additional point is added if the household includes a priority group member. The final point total is multiplied by \$90. A complete description of BBNA’s benefit calculation begins on the following page.**

**The amount of a subsidized rental housing utility deposit is the minimum amount required to establish electric service, up to a maximum of \$500.**

## **Heating Assistance Benefit Computation**

### **Step 1 – Community fuel points**

BBNA will use the State’s heating point system that has been assigned each community in the region, based upon the community’s annual fuel cost and climatic conditions. These points are listed in Appendix A.

- If the household uses self-harvested wood or coal for heat, BBNA will use the community heating cost points for oil multiplied by 0.5.
- If the household uses purchased wood or coal for heat, BBNA will use the community heating cost points for oil multiplied by 0.8.

### **Step 2 – Dwelling type**

BBNA will multiply the community heating cost points by the first one of the following factors that describes the household’s dwelling. If more than one factor applies, BBNA will use the factor listed first:

- (1) the factor of 1.4 if the household resides in a mobile home with heated living space of 980 square feet or more;
- (2) the factor of 0.4 if the household resides in a travel trailer or mobile home less than 35 feet in length, or in an RV, tent or pickup camper;
- (3) the factor of 0.15 if the household resides in a one-room dwelling such as a studio apartment, hotel or boarding home;
- (4) the factor of 0.35 if the household resides on a boat;
- (5) the factor of 0.55 if the household resides in a one-bedroom dwelling, or a one-room house or cabin without bedrooms;
- (6) the factor of 1.3 if the household resides in a three-or-more-bedroom single family, duplex or triplex home;
- (7) the factor of 0.7 if the household resides in a two-bedroom unit in an apartment building of four or more attached units.

If the household resides in a single residence with one or more other households, the heating cost points are reduced to the household’s proportionate share of the home heating expenses.

### **Step 3 – Household size and income**

BBNA reviews and verifies each household's gross income for the month prior to application. Verification may be provided through: documentary evidence (wage stub, award letter, etc.); Division of Public Assistance and Department of Labor records; Workforce Development Department records, or impartial third parties such as fee agents, village council representatives, or social service agencies.

BBNA will assign each household the following percentage of heating cost points based upon the household's gross monthly income and family size, expressed as a percentage of the Alaska poverty level. The Alaska poverty level figures are included in Appendix B.

- 100 percent of points if the household's gross monthly income is no more than 25 percent of the Alaska poverty level;
- 90 percent of points if the household's gross monthly income is more than 25 percent but no more than 50 percent of the Alaska poverty level;
- 80 percent of points if the household's gross monthly income is more than 50 percent but no more than 75 percent of the Alaska poverty level;
- 70 percent of points if the household's gross monthly income is more than 75 percent but no more than 100 percent of the Alaska poverty level;
- 60 percent of points if the household's gross monthly income is more than 100 percent but no more than 125 percent of the Alaska poverty level;
- 50 percent of points if the household's gross monthly income is more than 125 percent of the Alaska poverty level but no more than the maximum allowable.

If the household's gross monthly income exceeds the maximum allowable poverty level the household is not eligible.

### **Step 4 – Priority groups**

BBNA will add an additional point to the income adjusted heating cost points if the household includes one or more members 60 years of age or older, legally disabled, or under six years of age.

### **Step 5 – Heating points of 2.0 or more**

Households must have heating cost points of 2.0 or more to be eligible for heating assistance.

### **Step 6 – Round points**

BBNA will round the final total heating cost points to the nearest whole number. The total heating cost points may not exceed 35 points.

### **Step 7 – Multiply by the benefit rate to determine household benefit**

BBNA will multiply by the FY 2020 benefit rate of **\$90.00** to determine the amount of the household's heating assistance.

The amount of heating assistance may be reduced by the amount of the unpaid balance that the household owes BBNA for previously awarded heating assistance to which the household was not entitled. BBNA will use this method of recouping overpayments only if the household has not responded to BBNA's request for repayment or the household defaults on its repayment agreement.

The following examples illustrate how a household's heating assistance benefit is determined.

<b>Example 1</b>		<b>Household Factors</b>	<b>Benefit Calculation:</b>
Step 1.	Community, Fuel	Aleknagik, Oil	13 points
Step 2.	Dwelling	3 bedroom house	13 points x 1.3 = 6.5 points
Step 3.	Household Size, Income	4, \$2,150	101-125% of poverty = 60%
			6.5 points x 0.6 = 3.9 points
Step 4.	Household includes elderly, disabled or child under age 6	No	N/A
Step 5.	Heating points of 2.0 or more	Yes	3.9 points
Step 6.	Round points		Rounded = 3.9 points
Step 7.	Multiply by benefit rate		3.9 points x \$90 = <b>\$351.00</b>
<b>Example 2</b>		<b>Household Factors</b>	<b>Benefit Calculation:</b>
Step 1.	Community, Fuel	Chignik Lagoon, Oil	9 points
Step 2.	Dwelling	2 bedrm house	No Adjustment
Step 3.	Household Size, Income	2, \$1,685	126-150% of poverty = 50%
			9 points x 0.5 = 4.5 points
Step 4.	Household includes elderly, disabled or child under age 6	Yes	4.5 points + 1 = 5.5 points
Step 5.	Heating points of 2.0 or more	Yes	5.5 points
Step 6.	Round points		Rounded = 5.5 points
Step 7.	Multiply by benefit rate		5.5 points x \$90 = <b>\$495.00</b>
<b>Example 3</b>		<b>Household Factors</b>	<b>Benefit Calculation:</b>
Step 1.	Community, Fuel	Dillingham, Oil	11 points
Step 2.	Dwelling	2 bedrm, 4+unit bldg	11 points x 0.7 = 7.7 points
Step 3.	Household Size, Income	2, \$1,685	126-150% of poverty = 50%
			7.7 points x 0.5 = 3.85 points
Step 4.	Household includes elderly, disabled or child under age 6	Yes	3.85 points + 1 points = 4.85
Step 5.	Heating points of 2.0 or more	Yes	4.85 points
Step 6.	Round points		Rounded = 4.9 points
Step 7.	Multiply by benefit rate		4.9 points x \$90 = <b>\$441.00</b>
<b>Example 4</b>		<b>Household Factors</b>	<b>Benefit Calculation:</b>
Step 1.	Community, Fuel	Pedro Bay, Wood Self	19 points x .5 = 9.75
Step 2.	Dwelling	One room cabin	9.75 points x 0.55 = 5.3625 points
Step 3.	Household Size, Income	1, \$1,250	126-150% of poverty = 50%
			10.45 points x 0.5 = 5.3625 points
Step 4.	Household includes elderly, disabled or child under age 6	No	N/A
Step 5.	Heating points of 2.0 or more	Yes	5.3625 points
Step 6.	Round points		5.4 points
Step 7.	Multiply by benefit rate		5.4 points x \$90= <b>\$486.00</b>