

TO: All Petroleum Product Vendors

FROM: Carlene O. Taylor, Manager
Energy & Refugee Services

SUBJECT: Supplier/Vendor Conditions of Participation Form

DATE: October 11, 2007

Attached please find a 2007-2008 Supplier/Vendor Conditions of Participation Form (hereinafter referred to as the "Document") for vendors of No. 2 oil, kerosene and propane, setting forth the conditions of participation in the energy assistance program administered by the state Department of Social Services (DSS). The conditions referenced in this Document apply to fuel deliveries made to households determined by Community Action Agencies to be eligible for benefits provided through the Connecticut Energy Assistance Program (CEAP) or the Contingency Heating Assistance Program (CHAP).

If your company wishes to participate in the delivery of fuel in accordance with the CEAP and CHAP programs, please complete, sign the attached Document and have it notarized. **Please return the attached Document as soon as possible to:**

**Connecticut Department of Social Services
Energy & Refugee Services Division, 10th Floor
25 Sigourney Street
Hartford, Connecticut 06106-5033**

Please note the following:

- **The fuel authorization process remains the same as last year.** Vendors will deliver up to the identified amount. Vendors will receive authorizations from the Community Action Agency for "Basic," "Crisis Assistance" and "Safety Net Assistance" benefits **prior** to each delivery. **Only one delivery is to be made per authorization.** (Example - If you receive an authorization for \$400, and only deliver \$185, the remaining \$215 cannot be made under that authorization.)
- **Vendors must provide verification of their registration with the Department of Consumer Protection,** in accordance with Sec. 16a-23m of the Connecticut General Statutes.
- Deliveries made under the Fixed Margin Pricing Program will be paid based on daily #2 oil and kerosene prices. Vendors can obtain these prices by calling **(860) 424-5101, or by checking the Vendor Information section of our website at www.ct.gov/staywarm after 3:00 p.m. each day.** The posted prices reflect the amounts that will be paid for deliveries of #2 oil and kerosene made on the following day.
- Energy assistance eligible clients may use a portion of their benefits to pay for a restart of their deliverable fuel heating system. Restart payment will be made, provided that sufficient funds remain in the eligible household's benefits. No more than one restart payment will be paid per household per program year. Payment for additional restarts will be the responsibility of the participating household.
- Funds may be available to assist CEAP eligible homeowners whose deliverable fuel heating systems are unsafe or inoperable and in need of repair and/or replacement.

This year, vendors of #2 oil and kerosene are being offered two pricing options. Vendors may choose to participate in the Fixed Margin Pricing Program, or may choose to participate in a Discount Off Retail Option.

Fixed Margin Pricing Program – Under the Fixed Margin Pricing Program, vendors making deliveries of oil and/or kerosene to energy assistance households will be paid based on the daily New Haven Harbor #2 oil and kerosene “average” prices, as determined from The Journal of Commerce, plus a fixed margin of 31 cents per gallon, or the vendor’s normal retail price, whichever is lower.

Under this pricing mechanism, oil deliveries made on Tuesday, January 9, 2007 would have been paid based on the Monday New Haven Harbor #2 oil price postings as published in the Monday, January 8, 2007 edition of The Journal of Commerce. The price would have been calculated as follows:

New Haven Harbor “low” for Monday, January 8, 2007	\$1.547
New Haven Harbor “high” for Monday, January 8, 2007	\$1.622
New Haven Harbor “average” for Monday, January 8, 2007	\$1.585
Fixed Margin	+ .310
Total Fixed Margin Price for Tuesday, January 9, 2007	\$1.895

The Journal of Commerce also publishes daily “low” and “high” prices for kerosene. The daily Fixed Margin price for kerosene will be determined based on those prices, and calculated in the manner described above. If the vendor selects to participate in the Fixed Margin Pricing Program, all kerosene deliveries will be paid in accordance with the daily Fixed Margin kerosene price, or the vendor’s normal retail price, whichever is lower. DSS will determine all daily fixed margin prices.

Discount Off Retail Option – Under the Discount Off Retail Option, vendors making deliveries of oil and/or kerosene to energy assistance households will be paid based on their daily retail price at the time of delivery, less a 35 cents per gallon discount.

Vendors wishing to participate in the CEAP and CHAP programs must choose one of the offered pricing options and indicate their choice on the attached Document. This selection will remain in effect throughout the program year.

Vendors must indicate their retail price per gallon on all delivery tickets, bills or statements. Failure to include the retail price per gallon may result in delayed payments.

For deliveries of oil and/or kerosene paid by the program, vendors shall not charge energy assistance customers the difference between their retail price and the energy assistance price.

DSS staff may monitor and verify the accuracy of all reported retail prices.

The pricing mechanisms may be adjusted by DSS to respond to unanticipated changes in the home heating oil and/or kerosene markets.

Deliveries made before an energy assistance customer's eligibility has been determined will be paid, if the customer is found eligible, in accordance with the pricing option chosen by the Vendor.

The attached Document, once received and accepted by DSS, shall be in effect from November 1, 2007, through September 30, 2008. Important dates are provided below:

November 1, 2007	First day for authorization and delivery of fuel.
March 14, 2008	Deadline for fuel authorizations or deliveries.
May 1, 2008	Last day that a household can apply to establish its eligibility for benefits.
May 30, 2008	Last day to submit deliverable fuel bills.

Please keep the first two pages for your records. If you have any questions concerning the completion of the Document, please call the Energy Services Unit at 1-800-842-1132.

SUPPLIER/VENDOR CONDITIONS OF PARTICIPATION FORM

**2007/2008 CONNECTICUT ENERGY ASSISTANCE PROGRAM (CEAP) AND
CONTINGENCY HEATING ASSISTANCE PROGRAM (CHAP)**

The purpose of this Supplier/Vendor Conditions of Participation Form (hereinafter referred to as the "Document") is to establish the conditions for participation by vendors of No. 2 oil, kerosene and propane in the 2007/2008 energy assistance programs. The conditions referenced in this Document apply to fuel deliveries made to households eligible for the Connecticut Energy Assistance Program (CEAP) and the Contingency Heating Assistance Program (CHAP).

PART I – DOCUMENT TERM AND IMPORTANT DATES

This Document shall be in effect from November 1, 2007, through September 30, 2008. Important dates are provided below:

November 1, 2007	First day for authorization and delivery of fuel.
March 14, 2008	Deadline for fuel authorizations or deliveries.
May 1, 2008	Last day that a household can apply to establish its eligibility for benefits.
May 30, 2008	Last day to submit deliverable fuel bills.

PART II – VENDOR INFORMATION

List your primarily used business name.

Legal Business Name _____

Business

Mailing Address _____
P.O. Box or Street Town State Zip

Contact Person _____ FEIN, or Social Security # _____

Fax No. () _____ Phone Number _____

E-mail Address _____

If your company does business sharing different names but with the same federal identification or social security number, list all other names that your company uses, including address and contact information. Please add additional pages if needed.

Business Name _____

Business Address _____
P.O. Box/Street Town State Zip Code

Contact Person _____

Phone Number () _____ Fax Number () _____

E-mail Address _____

Business Name _____

Business Address _____

P.O. Box/Street Town State Zip Code

Contact Person _____

Phone Number () _____ Fax Number () _____

E-mail Address _____

Business Name _____

Business Address _____

P.O. Box/Street Town State Zip Code

Contact Person _____

Phone Number () _____ Fax Number () _____

E-mail Address _____

Additional Information

1. Indicate which Community Action Agency(s) your company does or would like to do business with.

(Please Check)

- | | |
|---|--|
| _____ ABCD (Bridgeport area) | _____ CTE (Stamford area) |
| _____ ACCESS (Willimantic/Danielson area) | _____ HRANB (New Britain) |
| _____ BCO (Bristol area) | _____ NEON (Norwalk area) |
| _____ CAANH (New Haven area) | _____ NO/NOGM (Waterbury/Meriden area) |
| _____ CACD (Danbury area) | _____ TEAM (Derby/Ansonia area) |
| _____ CRT (Hartford/Middletown area) | _____ TVCCA (Norwich/New London area) |

2. Indicate whether your company will accept new energy assistance customers that reside in your service territory. ___ Yes ___ No

3. Indicate the type(s) of services your company provides.

___ Furnace Repairs/Replacements ___ Clean & Tune Services ___ Annual Service Contracts

4. Please indicate emergency/special fees charged to your regular customers, if any, for the following:

- Same-day, weekday delivery: \$ _____
- Same-day, weeknight delivery: \$ _____
- Same-day, weekend delivery: \$ _____
- Furnace start-up: \$ _____
- Minimum delivery: \$ _____ Fee if not met: \$ _____

5. Please indicate payment plans offered to energy assistance customers.

(Please check all those that apply):

- ___ Cash on Delivery (C.O.D.)
- ___ Credit (With prior credit approval.)
- ___ Budget (with price protection, i.e. fixed/capped price)

PART III – GENERAL PROVISIONS

(Full Name of Vendor)

hereinafter referred to as "Vendor," does hereby agree that it, its trade name(s) and d.b.a(s) shall:

1. Not bill an energy assistance customer or Community Action Agency more for services or product than billed to any other customer who orders the same services or quantities of product;
2. Legibly post on **all** invoices/metered tickets the **client name, service address** and the **current (as of date of delivery) residential retail rate per gallon;**
3. Extend to energy assistance customers any prompt payment discounts afforded other customers, and shall provide that the beginning of the discount period commences upon the date of the Vendor's presentation of the bill to the Community Action Agency;
4. Make deliveries in accordance with Sec. 16a-22a of the Connecticut General statutes;
5. Make deliveries within the amounts authorized by the Community Action Agency. Vendors will receive authorizations from the Community Action Agency for "Basic," "Crisis Assistance" and "Safety Net Assistance" benefits **prior** to each delivery. **Only one delivery is to be made per authorization;**
6. Agree that the energy assistance program may cover the cost of a clean, tune and test for an energy assistance customer. In order to be eligible for payment, the clean, tune and test must be authorized by the Community Action Agency;
7. Agree that the energy assistance program may pay for up to one (1) restart per household during the program year. Restart payment will be made, providing that sufficient funds remain in the eligible household's benefits. Payment for additional restarts will be the responsibility of the participating household;
8. Allow inspection by the state or an agent of the state of any company records deemed necessary by the state or said agent for verification of the accuracy and legitimacy of invoices, including, but not limited to retail rates per gallon, and shall retain all records related to participation in the program for a period of three years from the close of the program;
9. Agree that in the case of a disputable invoice, the state reserves the right to withhold payment until resolution of the matter;
10. Agree that in order to receive payment, the energy assistance customer and/or Vendor must submit bills to the Community Action Agency by **May 30, 2008;**
11. Submit this properly executed Document in order to be included on the Approved Supplier Vendor List;
12. Submit verification of your registration with the Department of Consumer Protection for your company and all DBA's, in accordance with Sec. 16a-23m of the Connecticut General Statutes. **The verification(s) must be attached to your completed Document;**
13. Agree that energy assistance customers will not be charged the difference between the Vendor's retail price and the pricing option chosen through this Document, i.e., the **Fixed Margin Pricing Program** or the **Discount Off Retail Option;**

14. Agree that, based on the availability of funds, payments will be issued within thirty days of the Community Action Agency's **receipt and approval of bills**. (The thirty day payment period is based on the date the bill is received, not the date the delivery is made.);
15. Agree that energy program payments will be determined according to the price on the **date that the fuel is delivered**, not the price for the date that the fuel was approved and/or authorized;
16. Agree that in the case of receipt of payment for a delivery from both an energy assistance customer and a Community Action Agency, the Vendor shall reimburse the customer if the customer so requests. (Reimbursement shall be for the amount paid by the customer.);
17. Make emergency deliveries to energy assistance customers within twenty-four hours of receipt of a fuel authorization from the Community Action Agency. If unable to make emergency deliveries within the twenty-four hour period, the Vendor must notify the Community Action Agency as to when the delivery will be made. (If the delivery cannot be made within the twenty-four hour period, it may be necessary for the Community Action Agency to cancel the authorization, and reauthorize the delivery with another vendor.);
18. Agree that payment under the energy assistance program is guaranteed only for those fuel deliveries which are approved and/or authorized by the Community Action Agency. (**In order to guarantee program payment for customers on automatic delivery, the Vendor must have received authorization from the Community Action Agency prior to making each fuel delivery.**);
19. Agree that completion of this Document obligates the Vendor to all terms and conditions, as detailed herein, for the 2007/2008 energy assistance program year and that failure to comply with any of these terms and conditions will result in the Vendor's suspension from the program for the remainder of the 2007/2008 program year;
20. Agree to safeguard the use, publication and disclosure of information on all clients who receive services under this program in accordance with all applicable federal and state law (section 17b-90 of the Connecticut General Statutes) concerning confidentiality;
21. Agree that vendors requesting to withdraw from participation in the 2007/2008 energy assistance program must do so in writing to the Department of Social Services, Energy and Refugee Services Division, 25 Sigourney Street, Hartford, CT 06106. If removal is so requested, the vendor will be suspended from participation in the programs for the remainder of the 2007/2008 program year. The Community Action Agency will notify the Vendor's energy assistance customers. These customers will be required to select another vendor from the list of participating vendors. No further authorizations will be issued to the withdrawn vendor during the remainder of the current program year. Payment for any outstanding authorizations of No. 2 oil and/or kerosene will be made in accordance with the pricing option established through this Document;
22. Agree that eligible households may change vendors during the course of the program year. In this event, any remaining balance of funds will be made available for the new vendor, and no further deliveries will be made by the previous vendor;
23. The Vendor, by signing this Document, does not bind itself to making deliveries to energy assistance customers outside of its normal service territory or working hours, or to providing services beyond those offered to customers whose deliveries are not approved

and/or authorized by the Community Action Agency. However, if such deliveries are made, the Vendor is bound to comply with the terms herein; and

24. Vendors are not obligated to accept new energy assistance customers. However, if a vendor has accepted an energy assistance authorization on behalf of a customer, the vendor is required to provide Crisis Assistance and/or Safety Net Assistance deliveries if they are authorized by the Community Action Agency during the remainder of the program year.

PART IV – PRODUCT PRICING OPTIONS

Vendors making deliveries of #2 oil and/or kerosene are being offered two pricing options. Vendors may choose to participate in the Fixed Margin Pricing Program, or may choose to participate in a Discount Off Retail Option. (Program details are provided below.)

Oil and/or kerosene vendors must choose one of the offered pricing options and indicate their choice where indicated on Part VII of this Document. This selection will remain in effect throughout the program year.

Fixed Margin Pricing Program – Under the Fixed Margin Pricing Program, vendors making deliveries of oil and/ kerosene to energy assistance households will be paid based on the daily New Haven Harbor #2 oil and kerosene “average” prices, as determined from **The Journal of Commerce**, plus a fixed margin of 31 cents per gallon, or the vendor’s normal retail price, whichever is lower.

Under this pricing mechanism, oil deliveries made on Tuesday, January 9, 2007 would have been paid based on the Monday New Haven Harbor #2 oil price postings as published in the Monday, January 8, 2007 edition of **The Journal of Commerce**. The price would have been calculated as follows:

New Haven Harbor “low” for Monday, January 8, 2007	\$1.547
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Fixed Margin	+ .310
Total Fixed Margin Price for Tuesday, January 9, 2007	\$1.895

The Journal of Commerce also publishes daily “low” and “high” prices for kerosene. The daily Fixed Margin price for kerosene will be determined based on those prices, and calculated in the manner described above. If the vendor selects to participate in the Fixed Margin Pricing Program, all kerosene deliveries will be paid in accordance with the daily Fixed Margin kerosene price, or the vendor’s normal retail price, whichever is lower.

DSS will determine all Fixed Margin prices.

Discount Off Retail Option – Under the Discount Off Retail Option, vendors making deliveries of oil and/or kerosene to energy assistance households will be paid based on their daily retail price at the time of delivery less a 35 cents per gallon discount.

DSS staff may monitor and verify the accuracy of all reported retail prices.

All propane deliveries will be paid at the vendor’s regular retail price.

Vendors must put their retail price per gallon on all delivery tickets, bills or statements. Failure to include the retail price per gallon may result in delayed payments.

For those deliveries of oil and/or kerosene paid by the program, vendors shall not charge energy assistance customers the difference between their retail price and the energy assistance price.

The pricing mechanisms may be adjusted by DSS to respond to unanticipated changes in the home heating oil and/or kerosene markets.

Deliveries made before an energy assistance customer's eligibility has been determined will be paid, if the customer is found eligible, in accordance with the pricing option chosen by the Vendor through this Document.

PART V – MISCELLANEOUS PROVISIONS

The Vendor understands and agrees that if the State of Connecticut has reason to believe that the Vendor may have misrepresented, violated, or attempted to violate any part of this Document, they are subject to having their participation as a supplier in the energy assistance program immediately suspended. Suspected violations of Connecticut law shall be investigated, and if appropriate, prosecuted. Vendors found in violation shall be barred from participation in the energy assistance program for five years.

This Document is subject to Section 53a-157b of the Connecticut General Statutes, which provides as follows: "A person is guilty of false statement in the second degree when he intentionally makes a false written statement under oath or pursuant to a form bearing notice, authorized by law, to the effect that false statements made therein are punishable, which he does not believe to be true, and which statement is intended to mislead a public servant in the performance of his official function."

Should at any time any provision of this Document be found by the State to be legally unenforceable, that provision will automatically be considered void, but all other provisions of this Document will remain in effect. This Document is subject to the provisions in Executive Order No. 3 and 17, as they relate to non-discrimination.

This contract is subject to the provisions of Executive Order No. 3 of Governor Thomas J. Meskill, promulgated June 16, 1971 and, as such, this contract may be canceled, terminated or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. 3, or any state or federal law concerning non-discrimination, notwithstanding that the Labor Commissioner is not a party to this contract. The parties to this contract, as a part of the consideration hereof, agree that said Executive Order No. 3 is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to contract performance in regard to non-discrimination, until the contract is completed or terminated prior to completion. The contractor agrees, as part consideration hereof, that this contract is subject to the Guidelines and Rules issued by the State Labor Commissioner to implement Executive Order No. 3, and that he will not discriminate in his employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the State Labor Commissioner.

This contract is subject to the provisions of Executive Order No. 17 of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this contract may be canceled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. 17, notwithstanding that the Labor Commissioner may not be a party to this contract. The parties to this contract, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdictions in respect to contract performance in regard to listing all employment openings with the Connecticut State Employment Service.

PART VI – DELIVERABLE FUEL OPTIONS

Indicate the type(s) of heating fuel that you will provide pursuant to this Document.

_____ No. 2 Heating Oil _____ Kerosene _____ Propane

PART VII – PRICING OPTIONS

This section must be completed by all vendors delivering #2 oil and/or kerosene under the 2007/2008 CEAP and CHAP programs. (Propane vendors need not complete this section.)

Please check the box indicating which pricing option you wish to participate in. Your selection will remain in effect through the duration of the 2007/2008 program year.

FIXED MARGIN PRICING PROGRAM **DISCOUNT OFF RETAIL**
OPTION
(New Haven “average” plus 31 cents) (Retail less 35 cents discount)

PART VIII – ACCEPTANCE AND APPROVAL

This Document has been sent prior to Legislative approval. If any terms or conditions including pricing options should change, a new Document might have to be executed.

IN ORDER FOR THIS DOCUMENT TO BE COMPLETE, YOU MUST SIGN BELOW AND HAVE IT NOTARIZED. SIGNATURE ON THIS PAGE SIGNIFIES AGREEMENT TO THE TERMS AND CONDITIONS SPECIFIED IN THIS DOCUMENT.

Signed _____ Date ____/____/_____
Authorized Agent of Vendor

Print _____
Authorized Agent of Vendor

Sworn to before me this _____ day of _____, 200____.

(SEAL)

Notary Public/Commissioner of the Superior Court

My commission expires _____

You may return this Document and appropriate verification(s) by mail or fax to 860-424-4952.

REMEMBER TO INCLUDE VERIFICATION OF REGISTRATION AS A HOME HEATING OIL/PROPANE VENDOR WITH THE DEPARTMENT OF CONSUMER PROTECTION FOR YOUR COMPANY AND ALL DBA’S (IF APPLICABLE).