

**ADDENDUM TO THE VENDOR AGREEMENT
2006-2007 LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM**

ATTACHMENT E

The following agreement is made between the state contractor for the Low-Income Home Energy Assistance Program:
and

Vendor

Local Agency

Address

Address

Telephone

Fax

Telephone

Fax

The above-named agency will establish on behalf of the State of Iowa a Prepaid Low-Income Home Energy Assistance Program (LIHEAP) Account in the amount of \$ _____ with the above-named energy supplier. These funds are to contract for delivery of liquid propane gas or fuel oil to eligible LIHEAP clients from October 1, 2006 to April 15, 2007, or until the funds in the Prepaid LIHEAP Account are exhausted. The above-named vendor agrees to contract delivery of fuel to eligible households at the cost of fuel at the time of delivery.

All provisions of the previously signed LIHEAP vendor agreement are incorporated by reference to this Addendum. The following additional provisions shall apply:

1. The local agency will notify the vendor in writing on at least a weekly basis of those households eligible for Low-Income Home Energy Assistance payments and the amount of their award. The vendor will deliver fuel to the eligible household, and the cost of the fuel delivered will be deducted from the Prepaid LIHEAP Account. If the delivery does not exhaust the payment for which that household is eligible, the remaining balance for that household shall be used for subsequent deliveries.

2. When the Prepaid LIHEAP Account credit balance is exhausted, clients approved for LIHEAP will be delivered fuel at the prevailing market price and payment will be made as federal funds are available.

3. The energy supplier will charge the approved household in its normal billing process the difference, if any, between the actual fuel cost and the amount of the LIHEAP award that is deducted from the Prepaid LIHEAP account. Prepaid LIHEAP Account funds may not be applied to current balances outstanding. Only deliveries of heating fuel and incidental home energy costs such as charges for delivery, routine services, and reconnections and may be paid with funds from the Prepaid LIHEAP Account. A price list of routine services that are normal and customary must be attached to this agreement (i.e., pressure check, safety / leak seek test, regulator replacement, after hour / same day / non-routine delivery, and other).

4. Energy Suppliers will assist the State of Iowa in collecting data concerning home energy consumption, amount and cost of fuels used for households eligible for LIHEAP assistance, payment history, or such other data as the state determines is reasonably necessary. Books, records, and other evidence pertaining to costs incurred and prices charged under this agreement, for the purpose of audit and/or examinations required for the proper administration of the program must be kept during the period of this agreement and for three (3) years thereafter.

5. After May 15, 2007, a reconciliation of the Prepaid LIHEAP Account will be made to assure agreement between the energy supplier and the local agency regarding the use of funds-Any LIHEAP credit balance remaining with a vendor will be returned to the local agency at the time of reconciliation. In the event that a merger or cessation of business is intended by the energy supplier, any of these federal funds remaining as a credit on the Prepaid LIHEAP Account must be returned to the local agency.

6. The State of Iowa reserves the right to monitor the use of funds by the participating vendor in order to evaluate compliance with the provisions of this agreement.

7. Vendor agrees to accept local agency payment guarantees by phone, fax, or email for emergency fills of deliverable fuels and upon such notification make delivery.

8. This agreement is effective when signed by the vendor and shall terminate on September 30, 2007. The termination of this agreement shall not discharge any obligation owed by either party to the other or to an eligible household if such obligation was incurred during the effective period of the agreement.

SIGNED:

RETURN TO :

Vendor Authorizing Signature

Local Agency Director

Date

Date