

# Mechanical Contractors

## Chapter Definitions and Terms

- eHEAT (Electronic Household Energy Automated Technology)
- Electronic Funds Transfer (EFT)
- Energy Assistance Program (EAP)
- Energy Related Repair (ERR)
- Heating System is a permanent source of interior home heat, such as furnaces, boilers, and wood stoves
- Minnesota Management & Budget (MMB)

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The Energy Assistance Program (EAP) is a health and safety program which helps low-income households keep their homes heated. An essential part of this program is ensuring households have a functioning heating system. The Energy Related Repair (ERR) program is an emergency benefit for households facing no-heat or life-threatening situations resulting from a malfunctioning or nonfunctioning heating system. As a crisis program, ERR requests must be addressed within required timelines.

Mechanical contractor participation is critical in providing the ERR benefit to EAP-eligible households. Mechanical contractors support the delivery of ERR benefits by repairing or replacing homeowners' heating systems.

# Requirements for Energy Related Repair (ERR)

## ERR Eligibility

Households receiving ERR services must be eligible for the Energy Assistance Program (EAP), own their home, and be in a no-heat or life-threatening situation.

## Response Time

ERR is an emergency program, therefore a quick response is critical. An ERR program response includes a mechanical contractor's visit to the home to evaluate the heating system issue and either repair the system or provide temporary heat to allow time for the unit's repair or replacement. In accordance with in the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. § 8623(c)), services must be provided:

1. Within 18 hours if a life-threatening situation.
2. Within 48 hours if a non-life threatening situation.

# Registration, Agreement, and Contractor Requirements

## Mechanical Contractor Registration

Mechanical contractors must register with Commerce and Minnesota Management & Budget (MMB) to receive payments from EAP for services performed. Mechanical contractors register by submitting the [Mechanical Contractor Registration for EAP Payments](#) form to their local EAP Service Provider, which is then provided to Commerce to complete registration. Registration information must include:

- Full legal business name.
- Assumed name or Doing Business As (DBA), if any.
- Mailing address.
- Contact name.
- Phone number.
- Fax number.
- E-mail address.

- If the mechanical contractor is an individual or sole proprietor, the owner’s full legal name and social security number.
- If the mechanical contractor is a corporation, Federal Employer Tax Identification Number (TIN).
- EAP Service Provider(s) that a mechanical contractor is working with.
- Special services performed (boiler, electric, inspections, mobile home, oil, and/or wood or biofuel stove).
- Counties served.
- Completed and signed IRS Form W-9.

To receive payment, mechanical contractors must have an MMB Vendor Registration Number (also referred to as a Vendor ID Number or a SWIFT ID Number). Commerce registers new mechanical contractors with MMB as part of the eHEAT registration process.

Mechanical contractors submit any changes in their registration information (e.g., change of business name, contact information, etc.) to their local EAP Service Provider. The Service Provider informs Commerce by emailing updated information to [eheat.doc@state.mn.us](mailto:eheat.doc@state.mn.us). To change banking information, mechanical contractors must contact MMB.

## Mechanical Contractor and Service Provider Agreement

The [Agreement Between Mechanical Contractor and Service Provider](#) (Appendix 17A) specifies the requirements to participate in the EAP’s ERR program. Signing the agreement establishes formal expectations for both parties. The agreement details the program and mechanical contractors’ roles, including requirements for conducting work, communication, eHEAT security administration, and data practices. Mechanical contractors must sign the agreement in eHEAT to receive EAP payments.

## Mechanical Contractor Requirements

### Contractors must:

- Be bonded, licensed, and insured, as required by pertinent laws, ordinances, regulations, or codes.
- Warranty work and materials in each household where service is provided. The warranty must be in writing, with the original provided to the household and a copy to the Service Provider.
- A mechanical contractor must not be excluded/debarred from receiving Federal funds.
- Submit all required documentation (see Required Documentation section below)
- Submit an itemized invoice to Service Provider within 60 days upon satisfactory completion of work. Invoices submitted after September 15 will not be paid.

# Mechanical Equipment and Work Standards

All heating system repairs and replacements must be performed by a bonded heating contractor who conducts pressure tests when required and must conform to the applicable standards set forth in the following:

- International Mechanical Code (IMC).
- International Fuel Gas Code (IFGC).
- National Electrical Code (NEC).
- State Fire Code (currently 2006 IFC with amendments).
- Local codes and ordinances.
- 2015 Minnesota Energy Code.
- Manufacturers' specifications and installation instructions.

## Repairs

Install an electronically commutated (EC) motor when replacing a motor, if possible. If a proposed repair is not cost-effective given the age or condition of the heating system, consult with the local Service Provider.

## Replacements

The replacement furnace must meet or exceed the following criteria:

- Annual Fuel Utilization Efficiency (AFUE) of at least 93%.
- For fuel oil units the AFUE must be at least 80%.
- Sealed combustion two-pipe system except when prevented by a dwelling's physical conditions.
- Burner with a minimum of two (2) stages.
- Electronically commutated (EC) motor.

For replacement boilers the AFUE must be at least 80% or higher, when possible.

**Exceptions** to installing a high efficiency heating system include:

- Physical conditions exist that prevent installation.
- Biofuel burning heating units.

In mobile homes, the replacement must:

- Be certified for use in a mobile home and installed to manufacturers' specifications.

- Be installed as one complete unit from the base of the furnace to the top of the vent on the roof.
- Use the same method for supplying combustion air and venting as the original equipment, unless it is a pre-code mobile home.
  - Be approved by the MN Department of Labor and Industry if it is an alteration to the mobile home.
  - Alterations to the heating system are allowed in pre-code manufactured homes constructed on or before July 1, 1972.
- Have the ducts connected to the furnace cabinet when a furnace with a package air or blend air system is replaced.
- Meet the HUD code for drywalling of the furnace and water heater compartments.

## Electrical Work

New, extended, additional, or altered wiring to the unit must be performed by a licensed electrician or a heating contractor with a certificate of completion to do electrical work inside or physically attached to a heating system. This includes low voltage wiring, such as the wiring for a thermostat.

# Required Documentation

## Bids

Minnesota Department of Commerce requires a bid for repairs or replacements over \$4,999. Service Providers may have additional requirements.

## Itemized Invoice

Heating contractors must submit an itemized invoice for work completed unless an itemized proposal or bid was previously provided. The itemized invoice must include details of costs for labor, major parts, and new equipment to reflect the work done and ensure program accountability.

- **For repairs:** labor (rate x hours) and major parts with quantity and price (e.g., ductwork, thermostat, abatement).
- **For replacements:** furnace or boiler make, model and price; labor (rate x hours); and major parts with quantity and price (e.g., ductwork, thermostat, abatement).
  - An [ERR Completion Certificate](#) signed by the contractor.
  - Manual J (see the requirements below).
  - Rebates, if applicable.

Contractors must submit itemized invoices for work completed to the Service Provider within 60 days of satisfactory work completion. Commerce will not pay invoices submitted after September 15.

## Rebates

ERR rebates should benefit EAP when possible.

- For utility rebates, contractors must provide the rebate information to the EAP Service Provider for completion and submittal.
- Contractors should deduct manufacturer rebates from the invoice, if possible.
- Homeowners must complete and sign all rebate documents, if required, before the contractor provides them to the Service Provider.

## Manual J Requirement

2015 Minnesota Energy Code requires a Manual J or an approved equivalent method when installing a heating system. The calculation is not required to submit a bid or proposal, but must be performed before installing the heating unit.

If a Manual J is not required by code due to the dwelling type – for example, a mobile home – a photo of the mobile home data plate or a copy of other available documentation is needed. If no documentation exists for a mobile home, replace with the same size furnace unless the contractor recommends a different size. The contractor must explain in writing how the furnace was properly sized for a dwelling if required documentation does not exist or cannot be provided.

## Completion Certificates

All replacements and repair work over \$1,100 must have a *Completion Certificate* signed by the contractor and household stating the specified work was completed and the client is satisfied with the work. The homeowner and mechanical contractor must sign and date the *Completion Certificate*. The *Completion Certificate* must be completely filled out before payment is made.

## Payments

Service Providers authorize payments for mechanical contractors for work completed on behalf of eligible households. Payments are made directly to the contractor and not to the households. The household may not contribute toward the cost of the ERR payments.

Service Providers initiate payments in eHEAT after all required documents, including itemized invoices, are received. Minnesota Management & Budget (MMB) processes payments by

Electronic Fund Transfer (EFT) to the mechanical contractor bank account or mailed as a warrant (check).

## Payment Requirements

Contractors must submit all required paperwork before payments are made. Service Providers certify payments after receipt of the signed *Completion Certificate* and inspection tool, if inspected. Service Providers conduct a minimum of one annual on-site inspection for contractors performing replacements, in addition to any locally-required inspections.

## Payment Notification

Both MMB and eHEAT send notification when payments are issued. MMB notification includes the following:

- Warrant or EFT number.
- Date of payment.
- What agency and program the payment is made on behalf of.
- The total payment amount.

eHEAT email notification includes the following information:

- Invoice number being paid.
- Payment amount.
- Household number.

## Finding Payment Information

Follow the steps below to search in eHEAT for details on payments received. Search results will show individual payments for each household.

1. Log in to eHEAT.
2. Go to 'Contractor Services' menu > 'Contractor Payments' tab
3. Enter the '**Warrant/EFT Number**' in that search field (do not fill in any other search criteria) and click "Go"
4. Results will display below and can be exported by clicking on file type icons in the upper right corner of the results

The screenshot shows the eHEAT web interface for Contractor Payments. The navigation menu includes 'Home', 'System Admin Services', 'Contractor Services', and 'Reports'. The 'Contractor Services' menu is expanded, showing 'Contractor Payments' and 'Manage Invoice'. The 'Contractor Payments' page has a search form with fields for 'Service Provider', 'Program Year' (set to 2020), 'Payment Status', and 'Contractor' (set to 'ADVANCED HEATIN'). Below these are fields for 'Invoice Number', 'Invoice Status', 'Status Date From/To', and 'Warrant/EFT Number'. The 'Warrant/EFT Number' field is circled in red. A 'Go' button is also circled in red. In the top right corner, there are icons for a green phone, a red PDF icon, and a green CSV icon.

## Payment Questions

Mechanical contractors with questions about EFTs received from the State of Minnesota can contact MMB's SWIFT help desk at 651-201-8106 or [efthelpline.mmb@state.mn.us](mailto:efthelpline.mmb@state.mn.us). SWIFT handles payments for all state agencies and can assist in identifying the full payment amount.

Direct all other payment questions to local EAP Service Providers. Service Providers refer questions they cannot resolve to Commerce.

## eHEAT

eHEAT (Electronic Household Energy Automated Technology) is web-based software that centralizes application intake, processing, and payment generation. Mechanical contractors use eHEAT to sign their annual agreement with Commerce and view payments. Mechanical contractors register for eHEAT through their local EAP Service Provider.

## eHEAT Security Policies

Mechanical contractors must ensure only authorized users have access to eHEAT. Additionally, users should only have access to eHEAT functions needed for their work assignments.

### Managing eHEAT Users

Mechanical contractors may have multiple eHEAT users. One user is designated as the eHEAT Security Administrator and manages access for other users. The eHEAT Security Administrator's responsibilities include:

- Limiting access to authorized personnel.
- Ensuring each user is assigned a unique user ID.
- Ensuring email addresses associated with each user ID are current.
- Creating new user groups that combine features in eHEAT for staff positions.
- Editing existing user groups as new features are assigned or no longer performed.
- Immediately deactivating eHEAT users:
  - Upon permanently leaving a position requiring eHEAT access.
  - Upon administrative leave or suspension.
  - When no longer employed by the mechanical contractor.
  - If on other leave, laid off, on an extended vacation, or reassigned to non-EAP duties for 30 days or longer.

If the mechanical contractor's eHEAT Security Administrator needs to be deactivated, email [ehat.doc@state.mn.us](mailto:ehat.doc@state.mn.us).



## Managing eHEAT Access

The mechanical contractor eHEAT Security Administrator must conduct routine eHEAT access checks to ensure only the appropriate users are active in eHEAT. There are two user statuses in eHEAT:

- **Active:** user has access to eHEAT.
- **Deactivated:** user does not have current eHEAT access due to inactivity for over 60 days or because they were deactivated by an eHEAT Administrator. User needs to be reactivated by an eHEAT Administrator to regain access. eHEAT continues to list every user that had eHEAT access.

# Additional Requirements

## Walk Away Policy

Service Providers may terminate an ERR job if circumstances prevent them or contractors from visiting a home or providing ERR services. This “walk away policy” may be applied at any point during the ERR process prior to completion of work.

A mechanical contractor **must** contact the Service Provider if they discover the dwelling:

- Is vacant.
- Is condemned.
- Has serious structural problems or potentially hazardous health and safety conditions making ERR activities impossible, unsafe, or impractical.
- Is improperly connected to utilities required for the job.
- Does not allow sufficient access to the heating system.
- Owner or an occupant refuses to allow required work, diagnostic measures, or safety tests.

When the contractor reports a potential walk away situation, the Service Provider contacts the household to correct or address the concerns within a specified timeframe. The Service Provider will work with the contractor to determine whether work may continue. If the concerns are addressed, the Service Provider notifies the contractor the work may continue.

A mechanical contractor **may** contact the Service Provider if:

- There are vermin, unsanitary conditions or other health and safety problems exist on the property presenting hazards to workers or contractors.
- A household member or occupant is physically or verbally abusive.
- There are corrective actions the Service Provider or contractor considers necessary before providing eligible services.

- The household has a documented history of causing or creating inappropriate no heat situations requiring on-site service calls or mechanical services.

## Data Privacy

Mechanical contractors must protect personally identifiable information (PII). EAP information, including household application and eligibility status, is classified as private data under the Minnesota Government Data Practices Act (MGDPA), Minn. Stat. § 13. Immediately report possible violations to Commerce.

When communicating with Service Providers about EAP participants, mechanical contractors should use EAP household numbers instead of names, addresses or other PII. For example, use “HH 123456” instead of “John Doe.” If the use of PII is necessary, mechanical contractors must use a secure form of communication. For example, use encryption when emailing invoices, completion certificates, inspection forms, or other documents containing names or addresses.

## Non-Discrimination

Mechanical contractors cannot penalize or discriminate against customers for participating in EAP. The Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. § 8624(b)) states that an EAP eligible household must not be treated adversely or differently from other households because of receiving EAP assistance.

## Safe at Home Program

EAP follows the guidelines of the Safe at Home (SAH) program, which helps survivors of domestic violence, sexual assault, stalking, or others who fear for their safety to establish a confidential address. SAH allows its participants to go about their lives without leaving traces of where they live to keep their abuser from locating them.

Participants use a SAH assigned address and the Secretary of State’s office forwards their correspondence to their actual mailing address. SAH participants cannot be required to disclose their physical address. The SAH Program may be contacted at 1-866-723-3035 with questions or to confirm a SAH applicant’s participation in SAH.

Mechanical contractors must work with Service Providers to safeguard SAH participants’ identity and address. Mechanical contractors must keep the SAH participants’ names separate from their home address. For example, if a work ticket, invoice, or other documentation is generated, use the SAH participant’s EAP household number not their name. This is to reduce the paper trail as much as possible and never link the SAH participant’s name and address.

Additional information about SAH is found in [Chapter 2 - Applications & Application Processing](#) of the *EAP Policy Manual*. SAH is governed by Minn. Stat. § 5B and Minn. Rules § 8290.

# Appendices

17A – [Agreement Between Mechanical Contractor and Service Provider](#)

17B – [Mechanical Contractor Registration for EAP Payments](#)