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Frequently Asked Questions ("FAQs") FY24 Resilient Maryland Program

The following questions are asked frequently regarding the Maryland Energy Administration ("MEA") <u>Resilient Maryland Program</u>¹ ("the Program"). This document is provided as a <u>guidance</u> <u>resource only</u> for FY24 Resilient Maryland Program applicants and interested parties ("FAQ Document"). None of the information in this document should be construed as professional consultation. This FAQ document does not replace or override the terms, conditions, restrictions, and requirements of the Program as established in its Funding Opportunity Announcements ("FOAs"). If there is any conflict between the information provided in this FAQ document and the Program's FOAs, the FOAs shall control. Please direct any questions that cannot be answered by the Program FOAs or this FAQ document to the MEA Resilient Maryland Team at <u>RMP.MEA@Maryland.gov</u>.

What is a microgrid?

<u>Answer</u>: A microgrid is a system of two (2) or more distributed energy resources (or "DERs" for short), like solar panels, battery storage, hot water storage, smart controls, and other components, that all work together to provide energy to communities and campuses without the need to rely on the utility grid. They reduce the amount of energy that's needed from the utility during normal conditions, and they provide power to important buildings and services during storms, extreme temperature events, and other emergency situations that cause the utility power grid to go out. For more information, check out <u>this article</u>² by microgrid industry advocacy organization, Microgrid Knowledge.

What is a resiliency hub?

<u>Answer</u>: A resiliency hub is a place in a community that people can easily get to during power outages and emergencies where they can charge their phones and computers, refrigerate temperature-sensitive items such as medication and breastmilk, plug in portable medical equipment such as dialysis or CPAP machines, and stay in safe, healthy, well-lit space that keeps indoors at safe and healthy temperatures.

¹ <u>https://energy.maryland.gov/business/pages/ResilientMaryland.aspx</u>

² <u>https://www.microgridknowledge.com/about-microgrids/article/11429017/what-is-a-microgrid</u>

What is a resilient facility power system (RFPS)?

<u>Answer</u>: A "resilient facility power system," or "RFPS," is like a microgrid, but the main difference is that an RFPS serves only a single building. A microgrid serves multiple buildings and facilities.

What does the Resilient Maryland Program do?

<u>Answer</u>: The Resilient Maryland Program is a comprehensive resilient energy system MEA state grant program that provides Maryland organizations grant funds to plan and install microgrids, resiliency hubs, and RFPSs. It offers funding under three (3) Areas of Interest (or "AOIs" for short). AOI 1 provides feasibility and planning funds, AOI 2 provides funds to install microgrids and RFPSs, and AOI 3 provides funds to install solar and battery storage systems at buildings that will serve their communities as resiliency hubs.

How do I know if a microgrid, resiliency hub, or RFPS is right for my community or organization?

<u>Answer</u>: There are many things to consider when exploring these technologies. <u>Consistency</u> in the amount of energy needed and high energy cost are the keys to making the project economical. Additionally, microgrids, resiliency hubs, and RFPSs can be important parts of delivering equitable outcomes to Maryland's low-to-moderate income, overburdened, and underserved communities. Some key starting questions that you and your team may want to ask yourselves include:

- What challenges does our community or organization face when getting access to and using energy?
- Does the community or organization have a sustainability plan, or, if not a full plan, stated sustainability objectives? What are the key goals?
- Can installing a microgrid help reduce energy burden³ for the community or the organization?
- How would a microgrid, resiliency hub, or RFPS, as applicable, help overcome present energy challenges? How would it help meet sustainability goals?
- What are the community or organization procurement policies or practices that we need to follow when we put out requests for proposals?
- Does our community or organization have the bandwidth and resources to handle managing a microgrid, resiliency hub, or RFPS project, or should we consider contracting

³ "Energy burden" is the amount of monthly household income spent on paying for energy. The U.S. Department of Energy estimates that energy burden is approximately 3 – 9% in the United States, and that low-to-moderate income households have energy burdens on the upper end of this range. Source: https://www.energy.gov/scep/slsc/low-income-community-energy-solutions

project management services or a developer that provides these services in addition to microgrid, resiliency hub, or RFPS design services?

- What is our timeline for getting the microgrid, resiliency hub, or RFPS installed?
- Who are the key project stakeholders, i.e., whose support do we need to secure?
- Do we have a contact at the local electric utility that we could engage for their feedback and expertise?
- What challenges might we face if we pursue a microgrid, resiliency hub, or RFPS?

These example questions are designed to help get you started. Pursuing a microgrid, resiliency hub, or RFPS is a large decision, and each system will have unique factors to consider. However, it's very important to start these conversations early no matter what the decision ends up being. Collaborative teams and organized planning are very important for any large capital project, and they're especially important for large energy systems like these. It's recommended to engage senior community or organizational leadership early, and to keep them involved from concept through construction.

Can MEA recommend a developer or contractor for my project?

No. MEA is a State of Maryland executive agency, and because of that, we cannot and will not endorse or otherwise provide any unfair competitive advantage to businesses, service providers, developers, contractors, etc. We also do not keep lists of approved developers or contractors. Your local electric utility might keep lists of approved developers and contractors that they work with. You should contact them to find out what may be available.

Which Area of Interest ("AOI") should our community or organization apply for?

It depends on where you are in the project timeline. See below:

- <u>AOI 1: Preconstruction Planning</u>: An applicant should apply to AOI 1 if they have made the decision to pursue a microgrid, resiliency hub, or RFPS, but have not yet started a feasibility study or done any detailed planning work. You <u>should not</u> apply for AOI 1 funding if your community or organization <u>has not begun</u> to explore the concept of a microgrid, resiliency hub, or RFPS. AOI 1 is designed to help propel projects that have been defined in general concept and have basic-level support from stakeholders.
- <u>AOI 2: Capital Support</u>: An applicant should apply to AOI 2 if they have either: (1) been awarded a prior (FY20 – FY23) Resilient Maryland preconstruction planning grant, have completed the Final Deliverables, and are ready to begin construction of a microgrid or RFPS (this is <u>strongly preferred</u>), or (2) have completed preconstruction planning activities that demonstrate equivalence to the Final Deliverables that AOI 1 funds are

provided for, and are ready to begin construction of a microgrid or RFPS.

 <u>AOI 3: Resiliency Hubs</u> An applicant should apply to AOI 3 if they have either: (1) been awarded a prior (FY20 – FY23) Resilient Maryland preconstruction planning grant, have completed the Final Deliverables, and are ready to begin construction of their resiliency hubs (this is <u>strongly preferred</u>), or (2) have completed the preconstruction planning activities that demonstrate equivalence to the Final Deliverables that AOI 1 funds are provided for, and are ready to begin construction of a resiliency hub.

If I submit an application, am I guaranteed to get a Resilient Maryland grant?

No. The Resilient Maryland Program is a **competitive** program. This means that MEA will accept all valid applications up to the <u>3:00 P.M. EST, Thursday, March 14, 2024</u>, deadline, and will then evaluate each one according to the Evaluation Criteria that are defined in each AOI's respective FOA. Only the best-scoring proposals will be awarded, subject to funding availability. **Applications will only compete within their respective AOIs.** This means that AOI 1 applications only compete with other AOI 1 applications, AOI 2 applications only compete with other AOI 2 applications, and AOI 3 applications only compete with other AOI 3 applications. We will not evaluate an application from one AOI against an application for another AOI under any circumstances.

Can my developer apply and receive the funds?

Generally, no. A Resilient Maryland grant is provided for the benefit of the <u>community</u> or <u>organization</u> that the microgrid, resiliency hub, or RFPS will benefit. MEA may consider exceptions to this rule under extraordinary circumstances, and this is at the sole discretion of MEA. In almost all circumstances, the grantee must be the site owner or site controller. Requests for exceptions will be considered but are under no circumstances guaranteed.

Does MEA have to approve my developer or contractor before I select them?

No. The only requirements that MEA has for a grantee's developer, contractor, or other contracted third-party service related to the completion of the project, are (1) to be registered to do business in the State of Maryland, (2) have a North American Board of Energy Practitioners ("NABCEP") certified PV Installation Professional on staff and tasked to the project (if it involves solar), and (3) is in Good Standing with the Maryland Department of Assessments and Taxation ("DAT"). See the respective FOA for the AOI you're considering for more information on how to get documentation that a business is in Good Standing.

⁴ MEA extended the deadline from February 15, 2024, to March 14, 2024, on January 25, 2024.