

Program Overview Document

FY24 Resilient Maryland Program

Note: Updated November 15, 2023, to correct an instance of "FY23" to "FY24" (change is highlighted in yellow) and to make several formatting corrections. Updated November 20, 2023 to correct the Application Deadline in the Submission Instructions section.

Note (Updated January 16, 2024): Deadline extended to 3:00 P.M. EDT, Thursday, March 14, 2024.

Program Description:

The Maryland Energy Administration ("MEA") announces the Fiscal Year 2024 ("FY24") Resilient Maryland Program ("Resilient Maryland", "the Program"). This award-winning program provides funding to Maryland organizations seeking to develop and install resilient microgrids, resiliency hubs, and resilient facility power systems to provide reliable, affordable, and sustainable power for their operations and essential energy needs. The Program offers funding under three (3) Areas of Interest (AOIs).

Program Purpose:

The FY24 Resilient Maryland Program is offered to Maryland organizations that seek comprehensive energy solutions through the adoption of distributed energy resources (DER) systems like microgrids, resiliency hubs, and resilient facility power systems located on or close to the facilities that they will serve. Resilient Maryland funds are provided to help offset feasibility analysis and development costs as well as provide capital funds for system equipment and installation expenses. Microgrids, resiliency hubs, and resilient facility power systems help reduce reliance on utility-supplied energy, contribute to sustainability goals through the use of clean energy technologies that reduce greenhouse gas emissions, and safeguard essential systems and services against the harmful effects of power outages. These benefits help bolster critical infrastructure; ensure continued operation of community lifelines such as food supply, emergency services, and medical care; bolster the resilience of Maryland communities, especially those that experience low-tomoderate income, are overburdened, or underserved¹; reduce energy burden (the percentage of monthly income households in a community spend on energy expenses); and contribute directly to meeting Maryland's energy, climate and economic goals.

Type of Program: Competitive

Application Deadline: 3:00 P.M. EST, Thursday, March 14, 2024²

Areas of Interest: The FY24 Resilient Maryland Program provides three (3) Areas of

Interest (AOIs), explained on the table on the following page.

Area of Interest	Description
1: Preconstruction Planning	Funds are provided under AOI 1 to help offset the costs of feasibility analysis and other pre-construction activities for a microgrid, resiliency hub, and resilient facility power system. These activities include preconstruction planning documents and deliverables such as preliminary designs, financial proformas, greenhouse gas reduction analyses, and implementation barrier analyses. See the FOA for AOI 1 for full details and requirements.
2: Capital Support	Funds are provided under AOI 2 to help offset the capital costs for equipment and installation of a community or campus-scale microgrid, or a resilient facility power system (also known as a "single-building" microgrid). See the FOA for AOI 2 for full details and requirements.
3: Resiliency Hubs	Funds are provided under AOI 3 to help offset the capital costs for equipment and installation of a solar PV and battery storage system for a facility at a location designated as a "Resiliency Hub" for a Maryland community. A "Resiliency Hub" is defined as A nearby facility within Walking Distance that is publicly accessible by a local community, such as but not limited to a community center, athletic facility, school, library, faithbased institution, etc., that is powered by a Solar Plus Energy Storage System in both normal and grid-outage

¹ "Overburdened community" and "underserved community" are defined in §1-701 of the Environment Article, Annotated Code of Maryland. See

 $\underline{https://mgaleg.maryland.gov/mgawebsite/Laws/StatuteText?article=gen\§ion=1-701\&enactments=true}$

² Extended from February 15, 2024, to March 14, 2024, on January 16, 2024.

situations, to help meet important community needs
during an extended electricity grid outage. See the FOA
for AOI 3 for full details and requirements.

Eligible Applicants:

Organizations and other entities eligible to apply under the Resilient Maryland Program are specific to each AOI and are listed in each AOI's respective Funding Opportunity Announcement (FOA), available on the Program webpage³.

Eligible Activities:

Activities eligible for funding under the Resilient Maryland Program are specific to each AOI and are listed in **each AOI's respective FOA.**

Funding:

A total of up to **\$6** million is anticipated to be available, split between each AOI, explained in the table on the following page. MEA at its discretion may shift funds between AOIs based upon demand, quality of applications, and funding availability.

Additional funding restrictions are specific to each AOI and are explained in each AOI's respective FOA.

Notice of geographical funding restrictions: This program is funded in whole or in part by alternative compliance payments made under Maryland's Renewable Portfolio Standard. Md. Code Ann., State Government § 9-20B-05(i) specifies the allowable uses for solar alternative compliance payments to loans and grants to support the creation of new solar energy sources that are owned by or directly benefit:

- 1. Low-to-moderate communities located in a census tract with an average median income at or below 80% of the average median income for the state; or,
- 2. Overburdened or underserved communities, as defined in §1-701 of the Environmental Article.

For fiscal year 2024, MEA is identifying low-to-moderate communities using 2021 median household income data

³ https://energy.maryland.gov/business/pages/ResilientMaryland.aspx

published by the U.S. Census Bureau at the census tract level as part of the American Community Survey. For overburdened and underserved communities, MEA will use census tract data obtained through the Maryland Department of the
Environment (MDE) Environmental Justice Screening Tool
version 2.0 Beta⁴.

The list of census tracts eligible to own or directly benefit from grant funding originating from solar alternative compliance fees in fiscal year 2024 will be provided by MEA.

Area of Interest	Total Funding Availability
1: Feasibility and Planning	\$800,000
2: Microgrid Capital	\$3,000,000
3: Resiliency Hubs	\$2,200,000

Minimum Eligibility Criteria: Minimum Eligibility Criteria are specific to each AOI and are

explained in each AOI's respective FOA.

Evaluation Criteria: Evaluation Criteria are specific to each AOI and are explained

in each AOI's respective FOA.

Application Documents: Documents required to complete an application package are

specific to each AOI, and information on how to prepare an application can be found in each AOI's respective FOA.

Provisions: MEA grant programs are covered by general requirements

that will be made part of the grant agreement between MEA and a grantee. A copy of the General Provisions document is

available on <u>MEA's website</u>⁵; this document will be incorporated into all MEA FY24 grant agreements.

In addition to the general provisions, the following funding

qualification applies to this program:

⁴ https://mdewin64.mde.state.md.us/EJ/

⁵ https://energy.maryland.gov/Pages/all-incentives.aspx

- MEA at its sole discretion may obligate all or none of the FY24 Resilient Maryland program budget, based on the quality and eligibility of applications submitted to MEA.
- All projects that receive financial support from MEA must adhere to its Fossil Fuel Policy, which is provided as Appendix 1 to this Program Overview Document.

Submission Instructions:

Once complete, application packages should be submitted to MEA electronically via email to RMP.MEA@Maryland.gov. All documents must be submitted no later than 3:00 P.M. EST, March 14, 2024. MEA will not accept any application packages after this deadline under any circumstances, and all documents received by the deadline will constitute the entire submission. If electronic submission is not possible, an applicant should contact MEA via email at RMP.MEA@Maryland.gov or by calling Program Manager Brandon Bowser at 443.306.0304 (AOIs 1 and 2) or Program Manager David Comis at 443.908.1743 (AOI 3) no fewer than fourteen (14) days prior to the March 14, 2024 deadline to arrange an alternative method of submission.

Questions can be directed to the following MEA Program Managers (as applicable by AOI):

- AOI 1 and AOI 2: Brandon Bowser, Email: <u>BrandonW.Bowser@Maryland.gov</u>; Phone: 443.306.0304
- AOI 3: David Comis, Email: David.Comis@Maryland.gov; Phone: 443.908.1743

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APPENDIX 1: FY24 RESILIENT MARYLAND PROGRAM PROGRAM OVERVIEW DOCUMENT

MEA Fossil Fuel Policy

Each project that receives financial support from MEA must adhere to the MEA Fossil Fuel Policy:

- Projects that include fossil-fuel or other combustion technologies that produce greenhouse gas emissions are typically not eligible for funding.
- Specific examples of projects that would not be eligible for funding under the Program include:
 - Efforts that expand the use of fossil fuel or natural gas technologies, except where meeting one of the exemptions or those efforts are technically infeasible;
 - Expansion of infrastructure that results in an expansion of fossil fuel delivery volume;
 - New installations of fossil fuel or natural gas fired technologies;
 - Projects that result in significant life extension of fossil fuel fired systems, beyond basic health and safety repairs or efforts that enhance efficiency but do not extend the gas system/or fossil fueled fired equipment life. Note: Limited exceptions may be considered where there is no other technically feasible technology or where a source can be demonstrated to be zero emission. Any applications for projects involving fossil fuel should provide evidence that a technical analysis of why electrified or other zero emission alternatives cannot be implemented, this analysis should not be on the basis of operating or capital costs alone.
- While basic health and safety repairs or efforts that enhance efficiency but do not
 extend the gas system/or fossil fueled fired equipment life are allowable, projects must
 be part of a project that includes other energy efficiency improvements that reduce or
 eliminate fossil fuel use. This situation is anticipated to primarily, but not exclusively, be
 seen in residential energy efficiency projects.

Exemptions:

All exemption requests will be in writing and provide a thorough technical analysis of why electrification and other zero emission technologies cannot be applied from a technical

perspective and consider the following:

- Currently available commercialized technologies,
- Ability of locationally specific existing utility infrastructure to support non-fossil fuel applications,
- Thorough evaluation of alternatives,
- Mitigation efforts to offset the greenhouse gas emissions of fossil fuel use,
- A description of any efforts to make infrastructure ready for future technologies, such as green hydrogen, or phase out fossil fueled technology in the future, and
- Statutorily directed activities.

Operating and capital costs alone will not be considered justification for any exemption and exemptions will not be approved purely on cost saving opportunities alone.