



Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul G. Pinsky, Director

SOLAR ON SCHOOLS REV 3.0

FY2024 Decarbonizing Schools Program

*****THIS FOA IS FOR AREA OF INTEREST 3: SOLAR ON SCHOOLS*****

Area of Interest (AOI) Description: The Maryland Energy Administration (MEA) is pleased to announce funding under AOI 3: Solar on Schools (“AOI 3”, “this AOI”) as part of the FY24 Decarbonizing Schools Program. This **program** provides Maryland LEAs with the opportunity to request funding to support the installation and planning of solar arrays on existing school roofs and infrastructure. Eligible locations are ones that meet the requirements set forth in Maryland’s [HB550](#), 2023 Acts of Maryland, including being located in a low-income census tract, and/or in [an overburdened or disadvantaged community](#).

Type of Grant Program: **First-Come, First-Served** ~~-Competitive~~

Application Deadline: **Rolling until funds are depleted or 3:00 P.M. EST, Friday, March 15, 2024.**

Anticipated Funding: A total of **\$10,000,000** is anticipated to be available, from the Strategic Energy Investment Fund (“SEIF”). The amount awarded may be more or less, depending on the quantity and quality of applications received.

Eligible Activities: The planning and installation of rooftop solar systems on existing buildings and infrastructure, and/or the installation of ground mounted solar, and/or the installation of solar canopies over existing parking lots that are owned by the LEAs. Each LEA is limited to one award under AOI 3.

PERIOD OF PERFORMANCE:

Twenty four (24) months, beginning with the date of the award. An extension for good cause may be requested by a grantee and must be justified with written documentation explaining the need for an extension. Extensions are granted by and at the sole discretion of MEA.

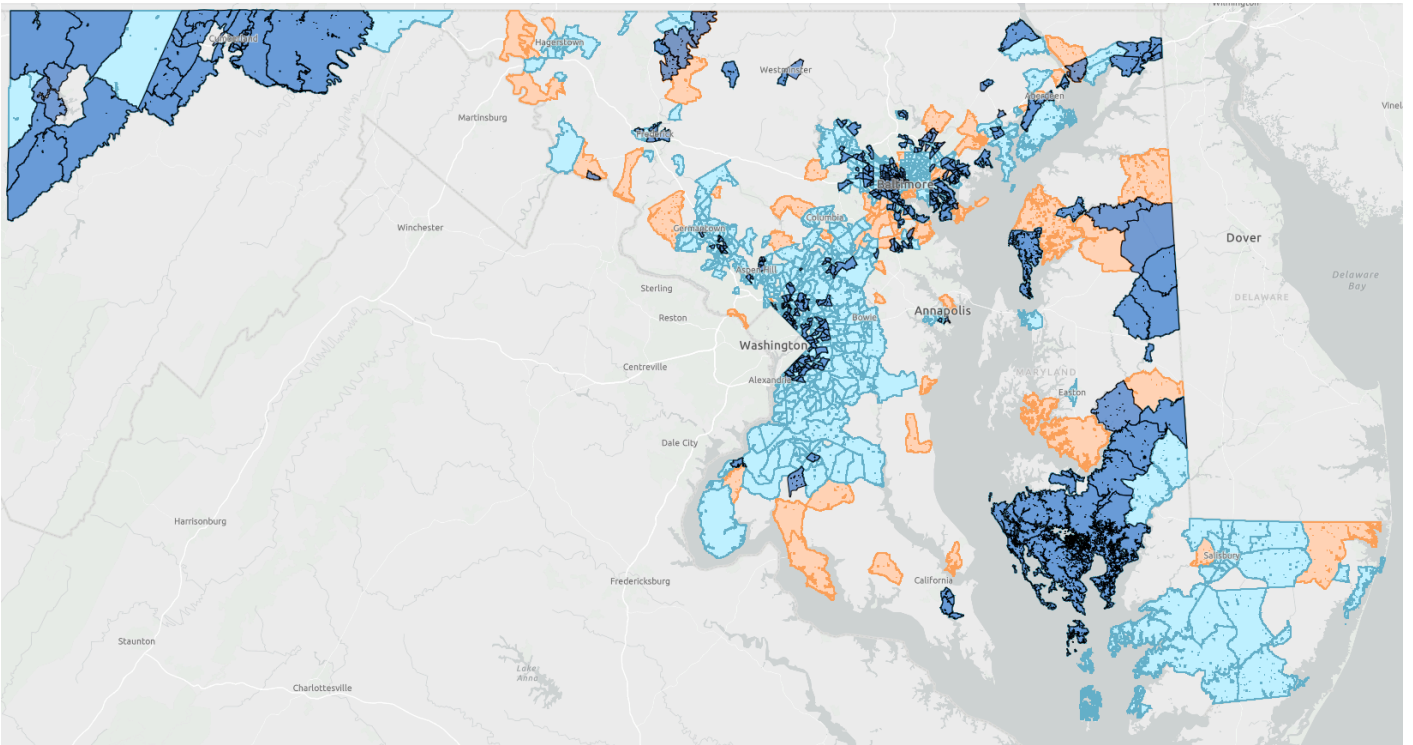
AOI 3 SCOPE OF WORK

- Planning and technical studies:
 - Each LEA may be eligible to apply for funding up to \$50,000, specifically earmarked for comprehensive technical reporting, evaluation and preliminary planning of solar installations. This funding is intended to supplement, not replace, the portfolio-wide screening offered through the Maryland Environmental Service (MES), which remains available to LEAs at up to \$10,000 per site.

- The scope of 'technical reporting' encompasses, but is not limited to, detailed site evaluations, solar potential assessments, structural analyses of existing school infrastructure, and preliminary engineering studies. These reports aim to provide LEAs with a clear pathway to solar implementation, outlining logistical, technical, and financial feasibility.
 - Targeted Utilization of Funds: The funds should be directed towards high-value projects that have been identified in collaboration with the Interagency Commission on School Construction (IAC) as 'solar ready' or those that will be viable post-completion of funded upgrades. The enhanced funding is designed to complement, not complicate, the current web of programs. LEAs in the early stages of solar project consideration are encouraged to leverage the MES program for preliminary screening before pursuing targeted technical studies with the additional funds.
- MEA proposes to provide up to three grants per LEA for site-specific technical analysis and pre-engineering. This measure aims to concentrate efforts on the most promising projects and ensure equitable distribution of funds.
- Solar purchased by LEA: For the installation of a solar system purchased/owned by the LEA, up to \$2,500/kW of grant funds are available with a cap of \$1,000,000 per project. On a case-by-case basis, MEA may consider increasing the grant to \$3,000/kW with the cap remaining at \$1,000,000 per project when unique circumstances or a compelling reason is specified in the application.
- 3rd Party-Owned Solar System: For the installation of a 3rd party-owned solar canopy system, up to \$600/kW of grant funds are available, with a cap of \$750,000. For installation of a 3rd party-owned rooftop system, up to \$400/kW of grant funds are available, with a cap of \$750,000. To be eligible, a system must be net metered.

Location determination: Funding for FY24 Solar on Schools is restricted to schools in specific census-tracts that meet specific criteria set by Maryland's House Bill 550, in the 2023 Acts of Maryland. A list of approved census tracts can be found on the [MEA website](#) or referenced on the map below. If a potential applicant believes a school may serve a qualifying census tract but is not physically located itself in a qualifying census tract, please contact MEA **PRIOR** to applying to determine program eligibility.

If a school serves one or more qualifying census tract(s) but is not physically situated in a qualifying census tract itself, applicants must provide documentation showing that at least 50% plus one of the students enrolled in the school come from qualifying census tracts.



Census Map of Maryland denoting census tracts where Program funding is applicable. Census tracts highlighted in dark blue meet income requirements, light blue are underserved census tracts and orange are overburdened communities.

Direct Pay Incentives from the Federal Government

Tax-exempt LEAs and governments may be eligible for substantial direct pay reimbursement towards the cost of the design, materials and installation, per the [federal Investment Tax Credit](#).¹ The amount a project may be eligible for varies depending on the details of the project, location etc but may amount to 30 to 50% or more of a project's costs subject to IRS requirements. A full list of rules and regulations is listed on the IRS [website](#). While MEA cannot provide tax advice, we recommend LEAs discuss with their financial office and solar consultants.

¹ <https://www.whitehouse.gov/cleanenergy/directpay/>

AOI 3 DELIVERABLES

The following deliverables are anticipated to document activities conducted during the grant period:

- A grant implementation plan to include the following:
 - Identification of any key LEA staff position(s) relevant to overseeing activities required by the grant, as well as the role(s) of individuals, consultants, etc. who will be responsible for completing the grant-funded work;
 - Outline of the process, including a timeline, by May 1st, 2025; and
 - Explanation of how funding from this grant will be used to meet the scope and deliverables of this grant award
- Final close-out report outlining progress, identification of next steps occurring after the grant performance period, and a summary of lessons learned and recommended best practices.
- Quarterly progress reports and invoices submitted to MEA.

AOI 3 MINIMUM APPLICATION REQUIREMENTS

- A signature applied to the application by an LEA officer with the authority to commit the LEA to execute the grant's requirements (e.g., Chair of the Board of Education, Chief Financial Officer, General Manager, etc.). This individual should have sufficient authority to identify, authorize, and provide the necessary resources to perform the following activities:
 - A system diagram detailing locations, dimensions, and orientations of the proposed system on the property;
 - A site map exhibiting the location of the system on the property;
 - Construction schedule;
 - Output(s) from a Solar Energy Calculator (i.e. [National Renewable Energy Laboratory's \(NREL\) PVWatts Calculator](#), or [PVsyst's Photovoltaic Software](#), or equivalent) document showing expected energy production;
 - A basic electrical schematic of the facility's electrical system (a one-line diagram is acceptable) and where/how the solar array connects to it;
 - *For a purchased system*, calculate and provide the simple payback period. For a 3rd party-owned system, show the cost savings to the site owner over a 15-year period. A 3rd party-owned system applicant does not need to submit this item in their application package;
- Project budget showing full cost and requested funding from MEA. Funding should take into consideration Elective/Direct Pay incentives for LEAs through the Federal Government; and

- Consistent with the intent to develop capacity for ongoing efforts, applicants should identify an LEA staff person who will be responsible for overseeing the continuation of the activities outlined in this grant announcement after the end of the award's period of performance.

AOI 3 COMPETITIVE APPLICATION CRITERIA

Award selection will prioritize those LEAs that can show the greatest cost benefit and greenhouse gas savings per dollar spent. Should funding remain after awards have been made based on the above criteria, applications will then be considered based on the following criteria:

- Justification of how funds will be used to advance or expand activities consistent with the Scope of Work;
- Maximum benefit to LEA and their students (energy reductions, cost savings and leveraging factors). Leveraging factor is the total cost of the project divided by the total grant and loan funds from all sources; and,
- Engagement plan demonstrating how students, staff, and faculty are involved with the project including: communications and opportunities to include the project in educational (curricular or otherwise) activities.

FUNDING

A total of **\$10,000,000** is anticipated to be available for AOI 3. Each LEA is limited to one award under this AOI. To receive funding the LEA must identify in the application the school(s) for which funding support is sought.

The amount awarded may vary depending on the quantity and quality of applications received. Each LEA is eligible to apply for the \$50,000 planning funds for technical assistance and additional funds for installation.

Project funding is highly encouraged to be combined with other incentives, including the Inflation Reduction Act's [Direct Pay](#) incentives for clean energy technologies. Projects that leverage additional funding sources, like the Inflation Reduction Act, will receive greater priority over projects that do not. Total incentive reimbursables combined with grant funding may not exceed the project budget.

Participation in MEA grant programs is voluntary. If selected for award and to ensure the secure transmission of grant funds, grantee recipients of MEA funding are generally required to receive electronic payments from the State of Maryland. Electronic payments are set up through the State of Maryland's Comptroller's Office. Grantee must fill out and submit the "[ACH/Direct Deposit Authorization for Vendor Payments Form X-10](#)" to the Comptroller's Office via the submission methods outlined on the X-10 form. ACH/Direct Deposit Authorization for Vendor Payment Form X-10 should not be sent to MEA.

Failure to submit ACH/Direct Deposit Authorization Form X-10 may result in award reimbursement being delayed.

If an applicant is unable to receive ACH/Direct Deposit payments, MEA may provide an exception

to this requirement on a case-by-case basis, at the sole discretion of MEA.

REVIEW PROCESS:

Applications will be reviewed by a team that may include individuals from MEA, IAC, and other entities with experience in energy, construction, and capital development. Applications will be reviewed using the evaluation criteria and priority factors outlined in this FOA.

PARTIAL AWARDS:

In general, partial awards are anticipated under this program. Awards will be distributed until funds are exhausted. In the case where the remaining funds are insufficient to fully fund an additional qualified project, a partial award will be offered to the LEA based on budget availability. If the partial award is not accepted, MEA will offer the remaining funding to the remaining approved but unfunded applications.

EQUITABLE FUNDING ACKNOWLEDGMENT AND APPROACH:

MEA recognizes that LEAs across Maryland are diverse in their needs, priorities, and financial constraints. Understanding this variability, it is a fundamental objective of the FY24 Decarbonizing Public Schools Program to provide equitable funding opportunities to all LEAs within the state, regardless of their circumstances.

To this end, MEA is committed to ensuring that the allocation of funds under the Decarbonizing Public Schools Program helps address equitable access to clean energy and more sustainable schools. To effectively support communities in Maryland that are disproportionately affected by environmental harms, MEA prioritizes equity. This is particularly relevant in the context of delivering benefits from numerous environmental programs. In Maryland, an 'Overburdened Community' is defined as any census tract where at least three environmental health indicators are above the 75th percentile statewide, in accordance with the criteria established by Maryland's 2022 SB0528. MEA aims to use such designations to help guide policy and allocation decisions to promote health and sustainability.

GRANT PROGRAM SPECIFIC PROVISIONS:

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.

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.

GRANT PROGRAM GENERAL PROVISIONS:

MEA grant programs, including pilot programs, are covered by general requirements (“General Provisions”) that will be made part of the grant agreement between MEA and a grantee. The General Provisions are available for review on [MEA’s website](#). These General Provisions, Version 3.0, are incorporated into all MEA FY24 Grant Agreements. In addition to the General Provisions, the following funding qualifications apply to the program:

- Funds may be used for physical construction activities, the purchase of materials, or equipment.
- Funds must be used for additional capacity and may not be used to supplant existing activities, including staffing, systems, and other efforts already implemented or contracted for previously. In the review of grant activities for a grant awardee, MEA may request documentation to demonstrate that activities are unique and distinct from an LEA’s baseline activities.
- Funding may not be used for staffing under this AOI.
- Funding may not be used for activities already completed but may be used to supplement or expand on those activities.
- MEA grant funds cannot be used to offset project costs that were incurred prior to the execution of a grant agreement with MEA.

SUBMISSION INSTRUCTIONS:

Once complete, Application packages should be submitted to MEA via email to Schools.MEA@Maryland.gov. Applications submitted to the direct email inbox(es) of MEA employees will not be considered. **All documents must be submitted no later than 3:00 P.M. EST on Friday, March 15, 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 Schools.MEA@Maryland.gov or by calling Program Manager Ryan Kmetz at 443-537-8006 no fewer than fourteen (14) days prior to the deadline to arrange an alternative method of submission.

CONTACT INFORMATION:

For more information or assistance, please visit the FY24 [MEA Decarbonizing Public Schools Program webpage](#) or contact:

Ryan Kmetz

Program Manager, Schools Decarbonization Program

ryan.kmetz@maryland.gov