



Maryland
Energy
Administration

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor
Mary Beth Tung, Director

OFFSHORE WIND BUSINESS DEVELOPMENT GRANT PROGRAM (FY 2019)

Funding Opportunity Announcement (FOA)

May 2018

1. Program Overview

The Maryland Energy Administration (MEA) is excited to announce the Offshore Wind Business Development Grant Program (Program) for Fiscal Year 2019. The Program provides grant funding on a **competitive basis** to help defray barrier entry costs for Maryland's emerging businesses, including minority owned emerging businesses, entering the global offshore wind industry. MEA will consider applications in the two following Areas of Interest (AOI):

AOI 1 - Market Entry Assistance

AOI 2 - Capital Expenditures and Facility Upgrades

More information is located in Section 4: Project Description of this document. For more information please visit MEA's website at www.energy.maryland.gov.

2. Program Budget

The Program has a budget of \$1.2 million for Fiscal Year 2019. MEA will initially reserve \$200,000 of total grant funding for AOI 1 and \$1 million of total grant funding for AOI 2. MEA reserves the right to redistribute reserved grant funding between the AOIs as needed. MEA may increase or decrease the Program budget at its sole discretion.

3. Funding Eligibility

The Program is exclusively open to Maryland's "Emerging Businesses," including minority owned emerging businesses. The [Maryland Offshore Wind Energy Act of 2013](#) defines an emerging business as:

[A] business that is at least 51% owned and controlled by an individual or individuals who are certified to have a personal net worth, as defined in [§ 14-301 of the State Finance and Procurement Article](#), that does not exceed \$6,500,000 as adjusted each year for inflation

according to the Consumer Price Index ([Md. Code Ann., State Government § 9-20C-01\(e\)](#)).

Applicants are required to submit a notarized Personal Net Worth (PNW) Statement Form for the business owners. Applicants that do not submit this documentation and/or do not meet the Emerging Business requirements are not eligible to receive grant funding from the Program.

The [Maryland Offshore Wind Energy Act of 2013](#) included language encouraging minority participation in the offshore wind industry. Following the spirit of the law, MEA strongly encourages emerging businesses representing and working to empower Maryland's underserved communities, including minorities (as defined in [Md. Code Ann., State Government § 9-20C-01\(g\)](#)), and veterans of the United States Armed Services to apply to the Program.

4. Project Descriptions

AOI 1: Market Entry Assistance

1. Grant awards are calculated as 100 percent of specified administrative expenses, not to exceed \$25,000 per applicant. *Note: MEA grants reimburse awardees for work completed and costs incurred within the grant period.*
2. Grant funds can be used to help defray costs that are required for bidding on specific, identified business opportunities in the global offshore wind supply chain. Grant funds may be used for business expenses in areas including but not limited to, administration, legal, marketing, engineering, and design, translation services.
3. In certain cases, where travel is shown to be necessary (such as for conclusive bid negotiations), a portion of those costs may be considered and included as part of the grant award. Up to 25 percent of the total grant award may be used for travel costs. MEA will not consider travel costs for "exploratory" business dealings and discussions.
4. Applicants who are awarded a grant through AOI 1 may apply for an additional grant for AOI 2 in a subsequent fiscal year.

AOI 2: Capital Expenditures and Facilities Upgrades

1. AOI 2 Grants are calculated as 50 percent of total project costs up to \$400,000, whichever is the lower amount. *Note: MEA grants reimburse awardees for work completed and costs incurred within the grant period.*
2. Grant funds may be used to offset capital expenditure costs such as upgrading physical assets such as real property, buildings, and equipment necessary for providing goods and services to the offshore wind industry through previously secured contracts or conditional purchase orders.
3. Grant funds may **not** be used for the purchase of real property; however, Grantees' 50 percent cost share may be used for this purpose.

4. If a project includes the construction or renovation of a facility, the applicant will be required to ensure the facility meets current energy codes required by the authority having jurisdiction (AHJ) within the State of Maryland.
5. If a project includes procuring new equipment, applicants will be required to make reasonable efforts to ensure the equipment is cost effective and energy efficient.
6. Applicants who were awarded a grant through AOI 1 in a previous fiscal year may apply for AOI 2.

5. Application

The Program utilizes an online application platform which all applicants are required to use when submitting applications. The online application platform can be accessed via MEAs website (www.energy.maryland.gov). A number of additional application materials are required as part of the application package, which are discussed in greater detail below.

Required Application Materials

1. A narrative of no more than 10 8½ by 11-inch pages with 1 inch margins in 12-point font, including the following sections:
 - a. *Description.* This section should give the review team a broad overview of the proposed business opportunity. It should help the review team to understand how/why the business opportunity is viable. It should include, at a minimum, the following:
 - i. An overview discussion of the proposed project;
 - ii. A discussion of economic and development opportunities that stem from the business opportunity in the offshore wind industry as well as any other industry;
 - iii. A discussion of potential market(s) estimates for the business;
 - iv. A work plan and project timeline with key internal milestones;
 - v. Details about the project location(s) and facility(s);
 - vi. Details about any cost effective energy efficiency measures incorporated into the project;
 - vii. Details about each business partner, including the nature of commitments made (financial or otherwise) by each project partner, the breakdown of responsibilities among project partners, biographies of key personnel to be involved in the project, and corporate qualifications;

- viii. A discussion of any potential issues (legal, regulatory, etc.) the project could encounter.
- b. *Project Budget and Grant Request.* This section should include details on total anticipated project costs, cost-share, and how the applicant intends to use grant funds. It should address why grant funding is necessary to implement the project, as well as how grant funds will increase business and economic development. It should include a minimum of the following:
 - i. A description of how the applicant intends to use grant funds;
 - ii. A total project budget with line items for equipment, labor, personnel, permitting/inspections, and administrative expenses (this can reference the pro-forma); and,
 - iii. Other sources of leveraged funds to be used in the project, including other federal/state grants and cash or in-kind services **(if applying to AOI 2)**.
- 2. A certificate of status from the Maryland Department of Assessments and Taxation (SDAT) showing the applicant is in good standing with the State of Maryland. Certificates of status can be ordered from SDAT online at www.dat.maryland.gov. Government entities are exempt from this requirement;
- 3. Applicants must provide sufficient documentation demonstrating the business is at least 51 percent owned and controlled by an individual(s).
- 4. Business Applicants must provide a completed Personal Net Worth (PNW) Statement for the business owners. PNW Statements must be notarized.
- 5. A signed copy of the Applicants U.S. Internal Revenue Service (IRS) W9 form.
- 6. A financial pro-forma for the proposal including total cost, revenue streams, and relevant assumptions. Include a discussion of any values that cannot be quantified. (Note: Any confidential information on the pro-forma should be labeled accordingly by the applicant);
- 7. All UL listing(s) and/or any other nationally recognized testing laboratory certifications for equipment required for permitting and installation, if applicable;
- 8. Site map (Google Earth) indicating location(s) of the proposed project;
- 9. Letter(s) of financial commitment from business partner(s) indicating that funds are available or financing is secured for completion of the proposed project; and,
- 10. Letter(s) of support from all other project partners.

Confidentiality

Please mark or otherwise indicate any portion of your application that you believe is confidential so that MEA may treat that portion accordingly, subject to the Maryland Public Information Act.

6. Evaluation

Evaluation Process

Qualified staff from MEA and/or other State agencies and institutions will form the evaluation team and review applications on a **competitive basis**. MEA reserves the right to contact applicants with questions and requests for additional information about the project proposals during the application review period. After an initial review, an applicant may be invited to present their proposal in person and answer questions from a panel of reviewers.

Evaluation Criteria

Applications will be evaluated according to the following criteria.

1. The proposed business opportunity and its strategic importance in developing Maryland's offshore wind supply chain and any other industry;
2. The likelihood of success of the applicant's proposed business opportunity;
3. Cost-effectiveness of the proposed business opportunity;
4. Percentage of any matching or shared funds available to the applicant for the proposed business opportunity (**if applying to AOI 2**);
5. The advantages that the proposed business opportunity will bring to Maryland and the Mid-Atlantic offshore wind supply chains;
6. Demonstration or verification that either:
 - a. The applicant's proposed practices or manufacturing is of equal or better standards than that presently used within the relevant export market; or,
 - b. The applicant is providing an innovative approach, technology, or methodology that will provide an advantage.
7. The proposed business opportunity could provide a projected, quantifiable increase in job opportunities within the specified applicant's Maryland facility;
8. Geographic diversity; and,

9. Completeness of application.

7. Anticipated Timeline

The following timeline applies to the Offshore Wind Business Development Grant Program:

May 2018:	Fiscal Year 2019 program announcement expected
August 1, 2018:	The deadline to submit applications is <u>11:59 pm EST</u>
September 2018:	Competitive Applicants deemed eligible for further consideration may be invited for in-person presentations
December 2018:	Target for grant award announcements
February 2019:	Target date for having grant agreements signed (projects begin)

8. General Terms, Conditions, and Requirements

1. The Offshore Wind Business development Grant Program and the Offshore Wind Workforce Development Grant Program are offered in accordance with the [Maryland Offshore Wind Energy Act of 2013](#) and [Annotated Code of Maryland Article – State Government §9-20C-03](#).
2. The Offshore Wind Business Development Fund is used to provide grants for both the Offshore Wind Business Development Grant Program and Offshore Wind Workforce Development Grant Program. MEA reserves the right, at its sole discretion and without notice, to redistribute program grant funding between these two programs.
3. AOI 1 Grant awards are calculated as 100 percent of specified administrative expenses, not to exceed \$25,000 per applicant.
4. AOI 2 Grants are calculated as 50 percent of total project costs up to \$400,000, whichever is the lower amount.
5. MEA reserves the right to obligate all, some, or none of the Offshore Wind Business Development Grant Program budget, based on the number, quality, and eligibility of submitted applications.
6. Submission of an application to the Offshore Wind Business Development Grant Program does not guarantee the applicant will be selected to receive a grant award.
7. It is in MEA's sole discretion to determine if a proposed project is eligible to receive a grant award from the FY 2019 Offshore Wind Business Development Grant Program.
8. All projects must be located in the State of Maryland.

9. Applicants must demonstrate they are registered to do business in the State of Maryland and are in good standing with the Maryland Department of Assessments and Taxation (SDAT) by submitting a certificate of status.
10. Applicants must demonstrate they satisfy the Emerging Business, including minority owned Emerging Business requirements as described in Section 3 of this FOA.
11. To receive grant funding for a project, the successful applicant must enter into a Grant Agreement with MEA by May 1, 2019, unless an extension is given in writing by MEA.
12. A grant award will not be made for any work commenced prior to the effective date of the Grant Agreement with MEA.
13. Prior to the start of construction, all projects selected for grant award must be reviewed by the Maryland Historical Trust (MHT) or the qualified historic preservation expert on MEA's staff to ensure that no historic property will be adversely impacted. MEA may require the Grantee to provide additional information concerning the proposed project site, in order to enable the historic preservation review. Any project identified to cause adverse impacts on historic properties shall not be eligible for grant funding under this Program.
14. All project equipment and facilities must meet the requirements of all Federal, State, and local laws, regulations, ordinances, and all other legally-binding requirements, including interconnection with the local electric utility and PJM Interconnection, if applicable.
15. Grantees shall ensure all equipment maintain certain safety criteria including:
 - a) Utilize equipment certified by a nationally recognized testing laboratory (NRTL);
 - b) Be installed by a licensed professional (e.g., a licensed electrician for electrical systems); and,
 - c) Be in compliance with all applicable building and fire codes.
16. Grantees shall ensure the any and all facilities receive all required permits, approvals, and inspections for safe and proper construction or renovation.
17. Any grant payment is contingent upon inspection of the project by MEA, at MEA's discretion, and compliance with all program requirements and terms and conditions.
18. MEA or its representative(s) may use photos and video of my facility, and data presented in my application for marketing, publicity, and advertising purposes. MEA and its representatives, subject to the requirements of the Maryland Public Information Act, and other applicable laws, will not divulge any confidential information or trade secrets.
19. MEA and its contractors make no representation or warranty and assume no liability with

respect to quality, safety, performance, or other aspect of any design, system, or appliance installed pursuant to this application, and expressly disclaim any such representation, warranty, or liability.

20. Program General Terms, Conditions, and Requirements are subject to change.

9. Questions

Grant application questions should be submitted to Samuel Beirne, Wind Energy Program Manager via email at wind.mea@maryland.gov.

10. Submission

The Program utilizes an online application platform which all applicants are required to use when submitting applications. The application is available on MEA's website. MEA will not consider late applications.

Application Deadline: August 1, 2018 at 11:59 PM EST