

Commercial & Community Buildings Grant Program

Local Governments - Track 2

Sector Specific Guide

Application Due Date:

- December 9, 2026 - 3PM EST

Important Links:

- [Commercial & Community Buildings Webpage](#)
- [Funding Opportunity Announcement](#)
- [Project Energy Impact & Grant Calculator](#)
- [My MEA Application Portal](#)

Funding:

Local Government Buildings	Electrification	Energy Efficiency
Lifetime MTCO ₂ e Reduced (200 - 2,499)	\$400	\$400
Lifetime MTCO ₂ e Reduced (3,000 - 4,999)	\$450	\$450
Lifetime MTCO ₂ e Reduced (5,000+)	\$500	\$500
Minimum Grant Amount	\$50,000	\$50,000
Maximum Grant Amount	\$2,000,000	\$2,000,000
Total Project % Cap	80%	80%

Local Government Buildings (Solar)	Solar I (Direct Ownership)	Solar II (Third-Party Owned)
Groundmount & Rooftop Installations	\$3,000/kW	\$600/kW
Solar Canopy Installations	\$3,500/kW	\$750/kW
Minimum Grant Amount	\$50,000	\$50,000
Maximum Grant Amount	\$1,000,000	\$1,000,000
Total Project % Cap	80%	80%

Eligible Activities:

Funds must be used for physical construction activities, the purchase of materials or equipment, or any costs associated with project engineering and design as described in the application scope.

Electrification Measures:

Projects upgrading from existing fossil fuel-powered equipment to efficient electric technology. Also known as fuel-switching.

HVAC & Appliance Electrification:

- Air-source, water-source, or ground-source heat pumps
- Heat pump water heaters
- Heat pump dryers
- [ENERGY STAR](#)-certified electric or induction cooktops and/or stoves

In Tandem With Above Electrification Measures:

- Electric panel and wiring upgrades (electrical capacity)
- Building controls and/or building automation systems
- Insulation and/or air sealing of existing windows, doors, ceilings, floors, attic, roof
- Window and exterior door replacements

Energy Efficiency Measures:

Electric to electric upgrades that reduce the amount of energy required to achieve the same level of performance or comfort.

HVAC:

- Air-source, water-source, or ground-source heat pumps
- Heat pump water heaters
- Heat pump dryers
- High-efficiency electric motors and variable frequency drives (VFDs)
- Variable refrigerant flow (VRF) systems

Appliances & Refrigeration Equipment:

- [ENERGY STAR](#)-certified commercial kitchen equipment
- [ENERGY STAR](#)-certified commercial appliances and refrigeration equipment

Indoor & Outdoor Lighting:

- Street and outdoor lighting upgrades
- LED lighting

In Tandem with Above Energy Efficiency Measures:

- Electric panel & wiring upgrades
- Building controls and/or building automation systems
- Insulation and/or air sealing of existing windows, doors, ceilings, floors, attic, roof
- Window and door replacements
- Mechanical insulation

Renewable Measures (Solar):

The purchase and installation of rooftop solar systems on existing buildings and infrastructure.

- In tandem with the installation of a rooftop solar system, roof upgrades can be included in the scope of work
 - The installation of ground mounted solar
 - The installation of solar canopies over existing parking lots, parking garages, or other permanent impervious areas that are owned by the applicant

Pre-Implementation Costs In Tandem With Electrification, Energy Efficiency, and Renewable Measures:

- **Notice:** Eligible pre-implementation costs must be reasonable, necessary, and allocable to the performance of grant-supported activities.

- **Eligible Activities:** Financial analysis, pre-construction technical planning, energy modeling, energy use analysis, load profiling, energy forecasting, supply planning, benchmarking, efficiency use identification, resilience considerations, policy and regulatory alignment, and salaries and wages of administrative staff.

Mechanical Insulation:

- Scopes of work including only the installation of mechanical insulation to the exclusion of all other hardware that would be installed concurrently
- Each grant awarded under Mechanical Insulation (Track 4) will accrue to a single building or process
- An eligible project encompasses the design (site-specific specification), acquisition, installation, and commissioning of mechanical insulation applied to a thermal (heating and/or cooling) system, which may include:
 - Boilers, chillers, engines, furnaces, or similar technology
 - Point-of-use thermal exchangers that transfer resources as needed to achieve space conditioning or material processing
 - Networks of pipes, ducts, or other means for distributing thermal resources to various points of use

Community Resilience:

- **Ineligible Costs:** Preconstruction planning, soft costs (installation labor, permitting and inspection, interconnection, site assessments/studies, financing fees), and non-capital expenditures are not covered under this measure.

Eligible Project Types – Microgrids:

- **Microgrid Definition:** A distributed energy resource (DER) system designed to support projects intended to provide community-scale back up generation resilience for community buildings or critical facilities. Microgrid projects may include solar or other tier 1 renewable energy generation systems that are integrated with battery storage and a distributed energy resource management system (DERMS).
- **Microgrid Buildings:** A microgrid project may support one or more buildings with interconnected loads and generation assets.
- **Eligible Funding:** Funding provided through this measure is specifically designated for eligible costs related to the purchase and installation of system equipment, commissioning, and interconnection of microgrids for community or public buildings and critical facilities. Equipment must have the technical

capabilities to participate in a utility Virtual Power Plant (VPP) program.

- **Net Energy Metering & Utility Virtual Power Plant Programs:** If a Project intends to participate in Net Energy Metering (NEM) or a utility Virtual Power Plant (VPP) program, the applicant shall demonstrate through the system sizing analysis that sufficient excess capacity exists to enable participation in the applicable utility program while maintaining the project's ability to serve the critical load for the required resilience duration.

Eligible Project Types - Resilience Hubs:

- **Resilience Hub Definition:** A Resilience Hub is a trusted community site, such as but not limited to, a community center, school, library, or house of worship, where residents can receive emergency backup power for heating and cooling, cellphone charging, medical devices, and shelter during grid outages or extreme weather events.
- **Eligible Funding:** Funding provided through this measure is specifically designated for eligible costs related to the purchase and installation of system equipment, commissioning, and interconnection for microgrids at community buildings to serve as a 'Resilience Hub' in the event of a prolonged power outage.

Ineligible Measures:

- Feasibility studies for energy efficiency, electrification, renewable measures and community resilience upgrades
- Industrial operating and/or specialized equipment
- Acquisition of street or outdoor lights from utilities

Ineligible Applicants & Activities:

- Solar Photovoltaic (PV) arrays registered with the Maryland Community Solar Program, administered by the Maryland Public Service Commission (PSC)
- Community Resilience (Track 5) Ineligible Costs: Preconstruction planning, soft costs (installation labor, permitting and inspection, interconnection, site assessments/studies, financing fees), and non-capital expenditures