

Electrifying Community Buildings Grant Program

FY26 Frequently Asked Questions

Updated: December 2025

Eligibility - Building Type

Are research laboratories eligible for Electrifying Community Buildings if they're associated with an accredited university or college such as the University of Maryland?

Yes, if the research facility falls within the umbrella of an accredited university or college it qualifies for Electrifying Community Buildings, especially if it is also in an overburdened census tract as defined by Maryland statute.

Are daycares eligible for Electrifying Community Buildings?

Yes, daycares generally qualify for Electrifying Community Buildings as a building type.

Are the funds available to state agencies for use in electrifying state owned or leased facilities?

Yes, Electrifying Community Buildings funds may apply to state owned or leased facilities as described on the website and in the FOA for qualifying electrification projects.

Are privately owned halfway houses eligible for Electrifying Community Buildings? Affordable multifamily housing projects should be submitted to the Department of Housing and Community Development's <u>Multifamily Energy Efficiency and Housing Affordability Program</u>.

Are performing arts centers eligible for Electrifying Community Buildings?

Yes. Performing arts centers, as well as arts centers in general, are eligible to apply for Electrifying Community Buildings grant funding.

Is university or private school student housing eligible for Electrifying Community Buildings?

Student housing is eligible to apply for grant funding as long as the building is owned by the university or private school, and is located on-campus.

Are warehouses eligible for Electrifying Community Buildings?

No. Since Electrifying Community Buildings is intended for community-serving buildings, warehouses are a better fit for the MEA's <u>Commercial & Industrial Grant Program</u>.

Are volunteer fire stations eligible for Electrifying Community Buildings?

Yes, volunteer fire stations qualify to apply for Electrifying Community Buildings grant funding.

Eligibility - Project Type

Are electric-to-electric upgrades allowable?

No, electric-to electric projects are not eligible for Electrifying Community Buildings funding. Instead, electric-to-electric projects should explore MEA's Commercial & Industrial Grant Program.

Can solar be considered as part of the project if it is replacing fossil fuel use? Commercial solar projects are not eligible for Electrifying Community Buildings funding. Solar upgrades may instead be eligible for funding through the MEA's Commercial Solar Grant Program.

For multi-building properties, do the core electrification upgrades and the optional upgrades need to be co-located in the same building? For example, a boiler replacement in one building but an envelope improvement in another building? If there are multiple buildings within a scope of work, each individual building seeking project funding must meet the core electrification requirement in order to qualify.

Our building is looking to upgrade all lighting to LED lighting, would this type of project qualify?

Lighting projects for commercial or industrial buildings, including private K-12 schools or colleges and universities, are encouraged to explore the MEA's Commercial & Industrial Grant Program.

Does a project qualify if there is only an existing oil heat system and no air conditioning in the building?

Yes, as long as the scope of work includes the replacement of a fossil fuel-powered system with an efficient electric alternative, such as a heat pump, it qualifies to apply for the Electrifying Community Buildings Grant Program.

Are there minimum energy efficiency standards or other requirements for equipment? Electric appliance upgrades, such as commercial kitchen equipment, must be ENERGY STAR certified or have equivalent ratings.

Would the conversion of existing chillers to upgraded chillers with geothermal be a viable project?

Electrifying Community Buildings can only fund projects that include the replacement of existing fossil fuel-powered equipment with efficient electric alternatives, such as heat pumps for space heating and cooling, heat pump water heaters, and heat pump dryers. If a project scope includes both electrification and energy efficiency upgrade components, applicants may apply to both the Electrifying Community Buildings Grant Program for the electrification aspect of the project and the Commercial & Industrial Grant Program for other energy efficiency upgrades.

Do building backup generator systems qualify?

No, building backup generator systems do not qualify for Electrifying Community Buildings funding. However, this scope of work may be eligible under the MEA's Resilient Maryland Grant Program, which is planned to launch by the end of Fall 2025.

Are partial electrification projects accepted (dual-fuel appliances)?

No, projects that include fossil fuel or other combustion technologies that produce greenhouse gas emissions are not eligible for Electrifying Community Buildings funding.

We are looking at replacing our boiler and chiller system with rooftop units. If these units are electric, would this be qualified or eligible for funding through this grant? No, electric-to electric projects are not eligible for Electrifying Community Buildings funding. Instead, electric-to-electric projects should explore MEA's Commercial & Industrial Grant Program.

Can a building with existing fossil fuel-powered heating technology and an all-electric air conditioning system qualify for Electrifying Community Buildings funding? Since Electrifying Community Buildings does not fund electric-to-electric upgrades, buildings in this situation that are looking to upgrade the whole existing system could

only qualify for funding for the fossil fuel system electrification portion of the project. Funding would not be eligible for the electric-to-electric portion of the project.

A cost breakdown differentiating between the fossil fuel heating system replacement expenses versus the electric air conditioning replacement expenses would need to be provided. If costs cannot be distinguished from one another, the project would not qualify for Electrifying Community Buildings. Instead, the project may be a better fit for the MEA's Commercial & Industrial Grant Program.

For buildings looking to electrify existing fossil fuel-powered kitchen equipment, do the new models need to be induction, or is electric also acceptable?

New kitchen equipment can be either induction or electric as long as they're ENERGY STAR-certified or equivalently rated.

Must all electrification projects include the installation of new heat pump equipment, or can existing fossil fuel-powered systems be replaced with electric equipment, such as electric boilers?

Please refer to Page 2 of the <u>Funding Opportunity Announcement</u>, which lists examples of "Core Electrification" equipment applicants may want to install to replace existing fossil fuel-powered equipment. The listed equipment types include heat pumps for space heating and cooling, heat pump water heaters, and heat pump dryers.

Are new doors eligible for funding? If so, do doors require manufacturer spec sheets to be uploaded with the application?

Yes. As long as projects also include the replacement of existing fossil fuel-powered equipment with an efficient electric alternative, building envelope measures (including doors) are eligible for grant funding. Doors and other building envelope measures <u>do not</u> require manufacturer spec sheets to be uploaded to the application.

Do water heaters need to be ENERGY STAR-certified to qualify for grant funding?

No. Water heaters do not need to be ENERGY STAR-certified to be eligible for Electrifying Community Buildings grant funding. The only measures that must be ENERGY STAR-certified or equivalently rated are supporting electrification appliances.

Evaluation Criteria

Is the equity focus category just overburdened or underserved as well?

Prioritization will be given to buildings located in <u>overburdened</u> census tracts only. Please refer to the <u>MDEnviroScreen Tool</u> to determine whether your building falls within an overburdened census tract.

Are the equipment spec sheets required to be submitted with the initial application or as the project is installed/completed?

Equipment spec sheets are required upon application submission. Please submit spec sheets for the equipment you're expecting or planning to install. However, if the equipment actually purchased changes from the time of application submission, updated spec sheets may be emailed to building.decarbonization@maryland.gov.

How do applicants assess baseline data for a building that is not currently occupied? Please work with a verified service provider or vendor to help assess baseline data for currently unoccupied buildings. Please visit the Maryland Clean Buildings Hub for Service Provider & Vendor Resources.

Does the program's evaluation criteria take carbon capture into consideration?

No, Electrifying Community Buildings does not take carbon capture into consideration for project evaluation. However, minimum application requirements include the provision of a project's energy impact and competitive criteria that takes into account a project's greenhouse gas reduction investment (\$MEA/MTCO2e).

For rented or leased buildings, is there a standard letter of concurrence that can be attached indicating consent of the building or property owner?

There is no standard letter of concurrence for the building or property owner to utilize. Applicants who rent or lease building space should refer to Page 3 of the <u>Funding</u>

<u>Opportunity Announcement</u> for the information required in the letter of concurrence.

For applicants who own their building, is a letter of concurrence required?

No. A letter of concurrence is not required for building owners. Building owners only need to identify an individual with the authority to commit them to execute the grant's requirements, and that individual must sign the Jotform application.

Funding

Is the grant funding disbursed prior to work beginning or does the applicant need to pay for the work upfront and then get reimbursed?

Grant funding will only be disbursed to awardees on a quarterly basis following the full execution of a grant agreement. Funding will only be issued as reimbursement for completed work upon proof of purchase via detailed invoice documentation and project status updates provided to MEA throughout the performance period.

Once commitment letters have been signed, can a grantee get started with purchase orders (POs) before signing the official grant agreement?

Yes, as long as no payments are actually being made, grantees who have signed commitment letters but have not yet signed the official grant agreement can proceed with POs at their own risk as long as they reach out to MEA first for approval.

What is the definition of administrative costs? Are engineering design services eligible for grant funds?

Administrative costs can be considered any activities that are not directly related to the physical construction of the project or the purchase or equipment or materials. That being said, costs associated with project engineering and design services can be included in total project costs and cost calculations.

Can more details be provided regarding the 50% funding cap described in the Electrifying Community Buildings Funding Opportunity Announcement?

The Electrifying Community Buildings Grant Program will only cover up to 50% of total project costs <u>after</u> utility incentives are applied. Total project costs include activities directly related to the physical construction of the project and the purchase of equipment and materials.

Is Electrifying Community Buildings funding renewed annually? Is it funded through State or Federal sources? If interested applicants are not ready to apply this year for Fiscal Year 2026 - will more funding likely be available in Fiscal Year 2027?

The Electrifying Community Buildings Grant Program is not renewed annually, and is not guaranteed to be available in the future. It is funded through a Dedicated Purpose Account (DPA) created as a result of <u>Governor Moore's commitment</u> to invest \$50 million for grants to electrify commercial buildings. Interested applicants are encouraged to apply for funding by the **December 31, 2025** submission deadline.

Are applicants allowed to apply for multiple Maryland Energy Administration Grant Programs for the same project?

Applicants cannot receive funding for the same equipment or upgrade from more than one program; but they may apply to several Maryland Energy Administration Grant Programs as long as each request covers a distinct upgrade.

How should prospective applicants approach providing total project costs for eligible upcoming building improvements if costs will likely not be finalized until after the Electrifying Community Buildings application deadline?

Applicants are encouraged to provide the most accurate cost information as possible for their upcoming projects. Once grant applications are submitted, changes cannot be made, and will be evaluated based on the included cost details. Once grants are awarded, the grant amount cannot be increased to accommodate any changes in the project.

If there are no utility rebates available for a building electrification project, how should applicants speak to this in their Electrifying Community Buildings application?

Applicants can simply list \$0 in their cost breakdown for utility incentive program funding. Applicants may also include language noting that utility incentives were explored, but ultimately were not available for their project. Applicants may also upload copies of any email communications with utility program representatives regarding their inquiry into program participation.

Vendors & Service Providers

Are there any contractor procurement rules regarding this opportunity? No, there are no contractor procurement stipulations.

Is there a "preferred-vendor" list based on the type of installation or upgrade?

There is no preferred-vendor list, but those interested are encouraged to visit the <u>Maryland Clean Buildings Hub</u> for <u>Service Provider & Vendor Resources</u> to review a list of possible Service Providers and vendors for their projects.

What are the steps to become a vendor?

There are no requirements to serve as a vendor for an eligible building and/or electrification project. All grantees are encouraged to thoroughly research their vendors and Service Providers to ensure companies are fully insured, licensed, and verified to perform and complete the planned project upgrades.

Miscellaneous

How does the reporting process work once a grant agreement is fully executed? Once the grant agreement is fully executed, grantees must provide a project status update alongside any detailed invoices (if applicable) on a quarterly basis.

How does MEA define "efficient"?

In the context of the Electrifying Community Buildings Grant Program, "efficient" can most closely be correlated with <u>heat pump systems</u> installed to replace existing fossil fuel-powered equipment or electric appliances that are ENERGY STAR certified or equivalently rated.

Are there any source requirements for metals used in or equipment used in an eligible project?

No. There are no metal source requirements.

What is the required specific timing of the eligible project to qualify for this funding? When would the project have to start and be completed?

Eligible projects may only apply funding to activities that occur after the grant agreement is fully executed. Once the grant agreement is executed, grantees have 24-27 months to complete their project. An extension for good cause may be requested by a grantee and must be justified with written documentation explaining the need for an extension.

Are there any character limits in the text boxes within the Electrifying Community Buildings Jotform application?

No. There are no character limits in the Jotform application.