

Electrifying Community Buildings Grant Program

FY26 Frequently Asked Questions October 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?

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?

Yes. Performing arts centers, as well as arts centers in general, are eligible 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 <u>Commercial & Industrial Grant Program</u> 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.

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).

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.

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
Maryland Clean Buildings Hub for Service Provider & Vendor Resources 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.