

FY2026 Electrifying Community Buildings Grant Program

Description: The Maryland Energy Administration (MEA) is pleased to announce funding as part of the FY26 Electrifying Community Buildings Grant Program. This is a **competitive program** that provides Maryland's Community-Serving Buildings with the opportunity to request funding for measures that facilitate efficient electrification of building systems (mechanical, thermal, laundry, cooking), which may result in lifecycle cost reductions as well as zero onsite emissions. Funding will help more Marylanders cover the costs of building electrification efforts, which could also include responsible pre-electrification such as electric panel upgrades, weatherization, and deep energy efficiency improvements. The Program's overall intent is to support the electrification of existing buildings whose primary function is to serve the public, such as hospitals, museums, centers for arts and sciences, private K-12 schools, places of worship and similar community-serving buildings.

Eligible Applicants: Community-Serving Buildings (see sample list below)

Type of Grant Program: Statewide Competitive

Application Deadline: 5:00 P.M. EST, Wednesday, December 31, 2025

Anticipated Funding: A total of \$6,855,822 is anticipated to be available in FY26. The amount awarded may be more or less, depending on the quantity and quality of applications received.

Application URL: <https://form.jotform.com/251754347545160>

PERIOD OF PERFORMANCE:

Grantees will be given between 24 and 27 months to complete their projects beginning with the date of the award execution. 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 allowed at the sole discretion of MEA.

FUNDING DISBURSEMENT:

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. MEA will **not** reimburse the Grantee for costs incurred prior to the Effective Date of the executed grant agreement unless MEA agrees otherwise in writing.

SCOPE OF WORK:

Funds are available to complete a variety of *electrification retrofit* projects in community-serving buildings. Electrification refers to the replacement of fossil fuel-powered equipment and systems with electric alternatives. All projects must include at least one “Core Electrification” upgrade to qualify. Examples of eligible projects are summarized below:

CORE ELECTRIFICATION UPGRADES:

At least one of the following “Core Electrification” upgrades must be included in the project scope of work to qualify for funding consideration:

- **Replacements of Fossil Fuel-Powered Equipment with Electric Alternatives, Including, But Not Limited To:**
 - Heat Pumps for Space Heating & Cooling
 - Air-Source, Water-Source, Ground-Source
 - Heat Pump Water Heaters
 - Heat Pump Dryers

SUPPORTING ELECTRIFICATION UPGRADES:

The following supporting electrification measures only qualify for funding if installed in tandem with larger “Core Electrification” upgrades (see above):

- **Hot Water, Chilled Water & Steam System Management** - Improvements that do not use fossil fuels or extend the service life of fossil fueled equipment
- **ENERGY STAR or Equivalent Appliance Upgrades** - Including, but not limited to: electric kitchen equipment, induction stovetops and ovens

PRE-ELECTRIFICATION UPGRADES:

The following pre-electrification measures only qualify for funding if installed in tandem with larger “Core Electrification” upgrades (see above):

- **Building Envelope** - Measures that improve a building’s efficiency, and thus reduce the overall load needed to electrify
 - Insulation or air sealing of windows, doors, ceilings, floors, etc.
- **Building Controls** - Upgrades that optimize building system components to improve efficiency and performance
 - Building automation measures
 - Building management systems
- **Electric Panel & Wiring** - Upgrades that increase a building’s electric capacity for electrification purposes

ELIGIBLE APPLICANTS:

Applicants must be registered to do business in Maryland and be in good standing.

Applicants must be owners or entities that rent or lease buildings whose primary function is to serve the public. This includes, but is not limited to, the following building types:

- Hospitals and medical or care facilities
- Houses of worship
- Universities and colleges
- K-12 private or charter schools
- Pre-schools or daycare centers
- Not-for-profit or community-based organizations
- Centers for the arts and sciences
- Senior centers
- Museums and private libraries
- Grocery stores
- Other community-serving buildings that provide services or is used for community activities

RENTED OR LEASED BUILDINGS:

Entities that rent or lease their facilities must meet the following requirements:

- The application includes a letter of concurrence signed by the property owner stating that:
 - (1) The property owner permits the grantee to install the proposed upgrades
 - (2) The property owner will ensure that these upgrades to the subject property remain in place and operational for the balance of the equipment's economic life, regardless of lessee turnover
- Additionally, the performance analysis must demonstrate that payback on investment for the proposed improvements is shorter than the balance of term for the lease currently in force

Note: for grantees leasing property, the grant agreement will require the grantee to return grant funds to MEA if the requirements in (1) and (2), above, are not met.

INELIGIBLE FOR ELECTRIFYING COMMUNITY BUILDINGS FUNDING:

- Multi-family Affordable Housing
 - Funded through the [Maryland Department of Housing and Community Development's Multifamily Energy Efficiency and Housing Affordability Program](#)
- K-12 Public Schools
 - Funded through the [Maryland Energy Administration's Decarbonizing Public Schools Program](#)
- Local Governments
 - Funded through the [Maryland Energy Administration's Local Government Energy Modernization Grant](#)

- Incremental New Construction
 - Funded through the [Maryland Energy Administration's Commercial and Industrial Program](#)
- Electric-to-Electric Upgrades
 - Funded through the [Maryland Energy Administration's Commercial and Industrial Program](#)

AWARD AMOUNT:

The minimum request for a grant award is \$25,000. The maximum request for a grant award is \$1.5 million. The individual grant award amount is also capped based on total project costs and leveraged funding.

- MEA will only reimburse for up to 50% of the total project costs remaining after utility incentives are deducted (exclusive of project management and oversight costs)
- Administrative costs are not included in total project costs and should not be included in cost calculations
- Costs associated with project engineering and design can be included in total project costs and cost calculations
- Applicants are expected to leverage utility incentives wherever possible
- Applicants are also expected to cover the remaining 50% of total project costs through other federal, local, and State incentives, as well as with their own private funds
- If applicants are applying for additional MEA grant programs, each application has to request funding for distinct measures or technologies to avoid duplicative funding
- Applicants must leverage funds from federal, state, local, or private sources

REPORTING:

The following deliverables must be completed and submitted to clearly document all activities conducted during the grant period:

Upon Application Submission:

Provide a grant implementation plan to include the following:

- Identification of any key 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 project's scope of work, including a timeline of expected milestones
- Explanation of how grant funding will be used to complete the project

After Grant Agreement Fully Executed:

Provide the following updates to MEA throughout the grant performance period:

- **Quarterly Progress Reports** - outlining your project's status, including project milestones, accomplishments, and obstacles.

- **Quarterly Detailed Invoices** - provided alongside the quarterly progress report. Should include the date, project name, project address, equipment name and model, quantity, cost, and total cost incurred
- **Final Close Out Report** - provided upon project completion. Should outline the project's status, building plans for after the grant performance period, and a summary of lessons learned and recommended best practices

MINIMUM APPLICATION REQUIREMENTS:

The following requirements apply to each applicant. Each condition must be met for applications to be evaluated and considered for funding, no exceptions.

- **Administrative:** Applications are submitted by the grantee
 - Third parties may not submit an application on behalf of the grantee
- **Administrative:** A signature applied to the application by an officer with the authority to commit the grantee to execute the grant's requirements (e.g., Chair of the Board, President, Chief Financial Officer, General Manager, etc.). This individual should have sufficient authority to identify, authorize, and provide the necessary resources for implementation of the activities and terms described in this Funding Opportunity Announcement and the executed grant agreement
- **Administrative:** IRS Form W-9 for the applicant must be submitted
- **Administrative:** The applicant must be in Good Standing with the [Maryland Department of Assessments and Taxation \(DAT\)](#). The applicant must provide proof of Good Standing with the application. Acceptable proof includes (1) a screenshot or PDF of the applicant's status in DAT's [Business Entity Search](#) that indicates a Good Standing status; OR (2) a copy of a Certificate of Good Standing from DAT. Instructions on how to obtain a Certificate of Good Standing are available on [DAT's website](#)
- **Administrative:** Consistent with the intent to develop capacity for ongoing efforts, applicants should identify a 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
- **Budget:** Each application must include a simple budget outlining how the requested funds will be used. Applicants are encouraged, but not required, to use [MEA Electrifying Community Buildings Program Budget template](#)
- **Project Proposal:** The building name, address, gross square footage, scope of work, and a description of the community/communities served

- **Project Energy Impact:** Each project must include calculations demonstrating the amount of energy the project is expected to save annually. Each project must also include expected increases in electricity use as a result of electrification. These amounts should be provided as kilowatt-hours for electricity, therms for natural gas, and gallons for heating oil
 - An optional, pre-made project energy impact calculator can be found on the [Electrifying Community Buildings](#) webpage
- **Project Manufacturer Spec Sheets** - Detailed spec sheets or cut sheets for applicable proposed equipment being installed at the project site, including heat pumps for space heating and cooling, heat pump water heaters, heat pump dryers, and ENERGY STAR appliances

Reminder: to be eligible, applicants must leverage funds from federal, state, local, or private sources. MEA will only reimburse for up to 50% of the total project cost after utility incentives are applied (exclusive of project management and oversight costs).

COMPETITIVE APPLICATION CRITERIA:

Award selection will prioritize those applicants that can show the greatest energy use intensity reduction and greenhouse gas savings per dollar spent per project.

REVIEW PROCESS:

Applications will be reviewed by a team of individuals from MEA. Applications will be reviewed using the evaluation criteria and priority factors outlined in this FOA.

EVALUATION CRITERIA:

All Applicant's projects will be evaluated individually based on the following criteria. The highest scoring proposals will be awarded, subject to the program's funding availability.

Criteria	Evaluation Type	Requirement Description	Points
Administrative	Minimum Required	The application is submitted by the applicant and signed by an officer with sufficient authority.	N/A
Administrative	Minimum Required	Applicant provided W-9 and proof of Good Standing with the State of Maryland.	N/A
Administrative	Minimum Required	Staff person identified for ongoing oversight.	N/A
Budget	Minimum Required	The proposal provides a simple budget outlining how the requested funds will be used.	N/A

Project Proposal	Minimum Required	The proposal includes the building's name, address, gross square footage, and description of how it serves the community. The proposal should include a detailed overview of the project's scope of work and make a strong case for how it facilitates efficient building electrification. The proposal must also clearly explain why the project merits State investment and specify the expected outcomes.	N/A
Project Energy Impact	Minimum Required	The proposal includes calculations demonstrating the amount of energy the project is expected to save and fossil fuel displaced annually as well as any expected increases in electricity use as a result of electrification (provided as kilowatt-hours for electricity, therms for natural gas, and gallons for heating oil).	N/A
Project Manufacturer Spec Sheets	Minimum Required	Detailed spec sheets for applicable proposed equipment being installed at the project site, including heat pumps for space heating and cooling, heat pump water heaters, heat pump dryers, and ENERGY STAR appliances.	N/A
Project GHG Reduction Investment	Competitive	\$MEA/MTCO₂e reduction - each project will be evaluated based on the MEA dollar award per metric ton of carbon dioxide reduction equivalent.	0-50
Equity Focus	Competitive	Prioritization will be given to projects located in and benefitting overburdened communities, as defined in Maryland statute¹. Applicants can use the MDEnviroscreen Tool to identify overburdened census tracts.	0-20

¹ Md. Code Ann., Env't. Art. § 1-701, available at <https://mgaleg.maryland.gov/mgaweb/Laws/StatuteText?article=gen§ion=1-701&enactments=false>

Justification of Community Benefit	Competitive	The proposal provides a description of the community served and a justification for how the building benefits the broader community.	0-10
Justification of Funds for Efficient Electrification	Competitive	The proposal justifies how funds will be used to advance or expand efficient electrification activities, prioritizing upgrades to building components and systems.	0-10
Building Energy Performance (BEPS) Benchmarking	Competitive	BEPS-covered building applicants (buildings $\geq$ 35,000 square feet) have submitted benchmarking via ENERGY STAR Portfolio Manager to the Maryland Department of the Environment. Screen shots are acceptable forms of proof. Applicants not covered by BEPS will receive the full score for this category.	0-10

ELECTRONIC PAYMENTS:

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. A successful 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.

PARTIAL AWARDS:

Partial awards may be considered under this program, depending on the number of complete proposals received and associated total grant funds requested.

- Full grant awards will be made for approved projects, based on rankings of applications, in descending order from highest to lowest, until grant funds are exhausted
- If sufficient grant funds are not available to fully fund a project, the applicant will be given an option to accept partial funding, based on the ability to complete the project with partial grant funding

GRANT PROGRAM SPECIFIC PROVISIONS:

Projects that include fossil-fuel or other combustion technologies that produce GHG emissions are 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 scope of work that includes other energy efficiency improvements that reduce or eliminate fossil fuel use

Exemptions: All exemption requests should be provided be in writing and include 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 are covered by general requirements (“General Provisions”) that will be incorporated into the grant agreement between MEA and a grantee. The General Provisions are available for review on [MEA’s website](#). The most recent version is [General Provisions v3 2.11.22](#).

PROGRAM SPECIFIC PROVISIONS:

In addition to the General Provisions, the following funding qualifications apply to the program:

- Funds must be used for physical construction activities, the purchase of materials, or equipment, as described in the application scope
- 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 applicant’s baseline activities
- 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 costs that were incurred prior to the execution of a grant agreement by MEA

SUBMISSION INSTRUCTIONS:

Once complete, application packages should be submitted to MEA via the online electronic application at <https://form.jotform.com/251754347545160>. **All documents must be submitted no later than 5:00 P.M. EST on Wednesday, December 31, 2025.** 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, applicants should contact MEA via email at building.decarbonization@maryland.gov or by calling Program Manager Megan Lackay at 443-842-9201 no fewer than fourteen (14) days prior to the deadline to arrange an alternate method of submission.

CONTACT INFORMATION:

For more information or assistance, please visit the [FY26 Electrifying Community Buildings webpage](#) or contact:

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Electrifying Community Buildings Program Manager
building.decarbonization@maryland.gov