



Maryland
Energy
Administration

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Funding Opportunity Announcement (FOA)

FY25 Open Energy Innovation Program

Description:

The Maryland Energy Administration (MEA) welcomes proposals for energy projects and initiatives outside of the agency's suite of established technology to foster innovation and create opportunities for efforts that are not eligible for MEA's sector-specific energy programs offered in a given fiscal year. MEA acknowledges that these types of proposals can potentially help advance the State's energy goals, greenhouse gas reduction goals, and agency mission, in innovative ways while also being responsive to evolving energy and environmental issues, as well as engaging a broad range of stakeholders. MEA's OPEN Energy Innovation Program ("Open Energy Innovation" or "Program") is competitive but allows the agency to consider these proposals that are outside of MEA's suite of established energy programs for potential funding. Applications under the Program should be for efforts that have the potential to be scalable and replicated to benefit new sectors of the economy or demonstrate the deployment of new emerging technologies and provide a public benefit beyond a single project or activity, in support of Maryland's energy and environmental goals.

The OPEN Energy Innovation Program is designed to support forward thinking energy projects that drive greenhouse gas reductions, equity in energy projects and energy affordability. This grant opportunity operates on a competitive basis, meaning that applicants are evaluated and selected based on their qualifications, project proposals, and alignment with the grant objectives, ensuring that only the most promising and impactful projects receive funding.

Funding Cycle Statement:

Each funding cycle will provide opportunities for eligible applicants to submit their innovation proposals for consideration. The success of the Program and number of awards granted are contingent upon the availability of funds, which may vary each cycle. Additional calls for proposals may be offered.

Application Deadline:

Applications will be accepted, screened for eligibility, and evaluated throughout the fiscal year, subject to funding availability. **MEA will accept applications in three rounds:**

Group 1 - Due November 22, 2024

Group 2 - Due December 20, 2024
Group 3 - Due January 24, 2025

Proposals received after each date may be deferred to the next funding cycle or to the following fiscal year at MEA's sole discretion, or the applicant may need to submit a new application in a subsequent fiscal year. Given the unique nature of applications received under the Program, MEA cannot firmly estimate the timeframe for thorough consideration, award, and negotiation of grant agreements.

Program Funding:

The Program does not have a set funding amount, funding is based on the quality of applications **received** and outcomes related to the evaluation criteria that can be achieved.

As noted above, the Program will receive and review in Fiscal Year 2025, subject to the availability of funding. Each award cycle will provide opportunities for eligible applicants to submit their innovation proposals for consideration. The success of the Program and number of grants awarded are contingent upon the availability of funds, which may vary each cycle.

Grant amount: Typically grants will be up to **\$200,000**; however, larger grants are possible for exceptional proposals. Proposals exceeding the typical maximum funding amount of \$200,000 will require exceptional and thorough justification; must have the potential for large scale energy and greenhouse gas reduction benefits, including clearly defined outcomes closely aligned with State statutory goals and agency mission; and must demonstrate a high probability of success. Larger requests will likely entail follow-ups for additional data as well as a thorough due diligence review by MEA.

Review of a proposal submitted in response to an OPEN Energy Innovation Program FOA is not a guarantee of funding.

Notes on Funding: MEA funding sources have various restrictions including geography, income limitations and other aspects. In evaluating proposals and negotiating awards, MEA will work with the applicants to align their proposal with the restrictions of the funding source used to support selected activities. For example, some funding for the Program is geographically restricted by statute to projects that are owned by or benefit low-to moderate-income communities located in a census tract with a median income at or below 80% of the median income for the State, or overburdened or underserved communities as defined § 1-701 of the Environmental article.

Eligible Applicants:

Businesses, nonprofit organizations, local governments, State government, instrumentalities of the State or local governments, and higher educational institutions. The primary area of performance, including investment of any grant funds, must be within the State of Maryland.

Eligible Activities:

For FY25, MEA will consider proposals that fit one or more of the Areas of Interest. Applicants may

propose activities beyond the scope of these Areas of Interest. While all proposals will be required to clearly demonstrate benefits related to the program's criteria, proposals beyond the AOIs below will need to provide exceptional justification.

MEA has outlined the following top outcomes for the program.

- Reduction in Greenhouse Gas (GHG) Emissions
- Advancement of Energy Equity
- Energy Affordability

Applications seeking funding for analysis and research should clearly demonstrate other sources of funding that will be available to support the activity. The amount of funding MEA offers will consider the availability and amount of cost sharing obtained from other sources.

Ineligible Activities:

Proposals for a technology, service, application, or other initiative similar to those covered by one of MEA's other technology or sector programs are ineligible. A proposal that differs from an existing program only in the amount of incentive requested typically will be ineligible. Examples of ineligible activities include:

- Proposals seeking funding for business development activities.
- An application submitted because another applicable MEA program, or other state agency program, is no longer accepting applications in a given fiscal year or has not yet launched for the year will be ineligible.
- Projects that include fossil-fuel or other combustion or reaction-based technologies that produce greenhouse gas emissions are typically not eligible for funding. Specific examples include:
 - Efforts that expand the use of fossil fueled or natural gas technologies.
 - Expansion of infrastructure that results in an expansion of fossil fuel or natural gas delivery volume.
 - New installations of fossil fuel or natural gas fired technologies.
 - Projects that result in significant life extension of fossil fuel or natural gas 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. Projects must be in concert with other energy efficiency improvements that reduce or eliminate fossil fuel use.
- A proposal may include capital projects, technical assistance, and other activities that align with the evaluation criteria specified in this FOA. In certain compelling cases, studies or strategy development will be considered.
- While proposals from profit-seeking entities are not excluded from applying, these types of applications should show significant capital from other sources, or inclusion of the proposing entity's own financial resources.

Note: Limited exceptions may be considered for fossil fuel or natural gas technologies 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 or natural gas technologies should

provide evidence of a technical analysis explaining why electrified or other zero emission alternatives cannot be implemented. This analysis should not be on the basis of operating or capital costs alone.

Applicants who have questions as to whether a potential proposal may be eligible should contact the program manager for initial guidance prior to submitting an application. Any guidance provided is not a guarantee of award or endorsement of a project proposal.

Competitive Evaluation Process:

Applications for the OPEN Energy Innovation Program will initially be evaluated for eligibility by the Program Manager. Eligible applications will then be provided to a review committee of relevant MEA staff, or other qualified individuals, for evaluation using the Evaluation Criteria as described in this FOA. The review committee will provide a recommendation as to whether the project merits or does not merit award based on a consensus decision, and award recommendations will be referred to the Division Director of Energy Programs. The review committee may request additional information throughout this process. Where a consensus cannot be achieved, the committee will provide a summary of the merits and concerns of the proposal to the Division

Director of Energy Programs for a final decision. A favorable evaluation by a review committee is not a guarantee of award as additional vetting may be performed by agency leadership, and funding must be available to support the proposed activity. MEA may also elect to fund an application in a future year or request that an applicant reapply under a future year's funding terms, where applicable. Applications determined to be ineligible will not be reviewed further.

Evaluation Criteria:

To be successful, a proposal must be consistent with MEA's mission and allowable uses for the Strategic Energy Investment Fund and proposals should specifically address one or more of the following core agency priorities.

- Reduction in Greenhouse Gas (GHG) Emissions
- Advancement of Energy Equity
- Energy Affordability

The evaluation of applications will consider the following criteria.

- Distinctness from MEA's existing portfolio of technology or sector specific programming, which may include novel approaches not covered by existing programs or integration of multiple elements in a new way or for a magnified outcome;
- Project ensures an affordable and reliable energy supply for the State.
- Contribution to Environmental Justice ;
- Potential of the proposal to contribute to MEA's mission;
- Uniqueness or innovativeness of the proposal;
- Long-term sustainability of an Initiative;
- Stakeholder and Community Engagement;
- Job Creation and Economic Development;

- Potential replicability or scalability within a sector or technology;
- Technical and financial feasibility;
- Other criteria deemed consistent with State or agency priorities including the adoption of electric vehicles, advancement of progress towards Maryland’s Renewable Portfolio Standard Goals.

<p>In addition to the above criteria, the project must support MEA’s mission to promote clean, affordable, reliable energy and energy- related greenhouse gas emission reductions to benefit Marylanders in a just and equitable manner, there are other criterion that will be reviewed</p>	
Evaluation Criterion	Description
Value Proposition	<p>Proposal must thoroughly explain the project and clearly define the value proposition to MEA.</p> <p>Specifically, it should discuss how the project meets the State’s energy and greenhouse gas reduction goals; define and explain direct public benefits; clearly demonstrate that the project is not eligible for existing MEA programs or resources; and explain why its consideration under OPEN Energy Innovation Program fits the purpose of the program.</p>
Greenhouse Gas Reductions	<p>Proposals must clearly demonstrate how energy benefits accrue that will directly yield quantifiable and measurable greenhouse gas reductions or how those energy benefits directly contribute to the development of projects and solutions that yield greenhouse gas reductions. These reductions must be substantial.</p> <p>Proposals should demonstrate the anticipated energy benefits and the project cost, including the total funding request from MEA. This information will be used to estimate the greenhouse gas reductions and cost per metric ton of greenhouse gas reduction.</p> <p>While there is no firm threshold, the benefits in greenhouse gas reductions from public funds should be substantial for each dollar of MEA funds provided.</p>
Equitable Solutions	<p>Proposals must clearly demonstrate, define, and quantify to the highest extent possible the benefits to low-to-moderate income, overburdened¹, and underserved¹ communities. Proposals should clearly address the following, where applicable: reduce energy burden²; enhance the efficiency, sustainability, and resilience of low-to-moderate income, overburdened, or underserved communities; increase access to the direct benefits of clean energy, energy efficiency, and energy resilience technologies for low-to-moderate income,</p>

¹ Defined in §1-701(a)(7) of the Environment article of the Maryland Code.

² Energy burden is defined as the percentage of monthly household income that is spent on utilities and energy-related expenses.

	overburdened, or underserved communities; or help these communities mitigate the harmful impacts of climate change and environmental disparities, as well as historic environmental and social justice.
Innovation and Uniqueness	Proposal must demonstrate, with sufficient detail and vetted evidence, that the project is innovative and unique from existing technologies and solutions, and that no existing MEA programs or anticipated programs that have been announced can consider it. It must also demonstrate that existing non-MEA programs are unable to support it, or that the funding that is requested of MEA would help to fill a funding gap that existing non-MEA programs and sources of affordable capital could satisfy.
Scalability, Replicability and Knowledge Transfer	Project has the ability to grow and expand its impact and shows a clear plan for incremental expansion. The proposal can be duplicated or transferred to similar contexts or different regions. Proposal shows efforts to train and build the capacity of local personnel and communities.
Effective Partnerships	Must demonstrate that the Applicant has consulted key partners as part of the proposed activity and has engaged the critical stakeholders key to the project's success. Project partners that are essential to the implementation of a project must be explicitly named in the application and letters of support or participation provided (e.g., host facilities, applicable local government leaders where a project is to be conducted in partnership with the local government, applicable utility where a project seeks to modernize or update the utility grid).
Budget Justification	Appropriateness and justification of the proposed budget.

¹ Defined in §1-701(a)(7) of the Environment article of the Maryland Code.

² Energy burden is defined as the percentage of monthly household income that is spent on utilities and energy-related expenses.

Prerequisite:

All proposals must demonstrate how the project relates to State energy policy goals, MEA's mission, or environmental goals related to clean energy or energy use. Any applications that do not clearly and thoroughly demonstrate how the proposed effort relates to one or more of these goals, and MEA's mission, will not be considered.

Examples of energy and environmental goals include, but are not limited to:

- (1) Advancing compliance with the State's Renewable Portfolio Standard (RPS);*
- (2) Achieving the greenhouse gas reduction targets established by the Climate Solutions Now Act of 2022 (Ch.38, 2022 Laws of Maryland); and,*
- (3) Helping Maryland achieve the Governor's goal of 100% clean energy by 2035.*

Application Format:

The initial proposal submitted to MEA should consist of 1) the OPEN Energy Innovation Application Form,

2) a concept paper that will enable the MEA review committee to assess potential eligibility and interest by MEA, and 3) any necessary attachments to demonstrate engagement of key project partners or securing of matching funds.

The concept paper submitted to MEA shall be no more than 10 pages. The concept paper must include, at a minimum, the following information:

- the name and address of the entity submitting the proposal;
- a description of the entity submitting the proposal;
- the name of the point of contact for the proposal, along with contact information;
- the date of submission;
- a description of the proposed project;
- **a full budget description of the proposed project**
- address all applicable evaluation criteria listed above, note that applications should provide energy saved, generated in common units such as kilow-watt hours, therms etc.
- requested funding amount;
- project partners (if applicable) including any required letters of participation or support; and,
- commitment of matching funds including in-kind support (if applicable).

MEA may request an expanded version of the proposal or additional information and documentation. A request for additional information may include a follow-up meeting with the applicant.

Application Submission Method:

An application to the OPEN Energy Innovation program must be submitted to the following MEA email address: OPEN.MEA@maryland.gov. To aid in identification, the subject matter for the email should be "OPEN Energy Innovation Program: [Project Description]".

Grant Program General Provisions: MEA grant programs are covered by general requirements ("General Provisions") that will be made part of the grant agreement between MEA and a grantee. The General Provisions are available for review on [MEA's website](#)³. For FY25, the [General Provisions Version 3.0](#) will be incorporated into all MEA FY25 grant agreements.

COMAR: Grants from the Strategic Energy Investment Fund are covered by regulations found in the Code of Maryland Regulations (COMAR), 14.26.02.00 through 14.26.02.9999.

Other OPEN Energy Innovation Program Provisions and Requirements:

In addition to the General Provisions, the following funding requirements or provisions apply to this program:

- MEA may negotiate additional requirements into awards to increase public benefit. Such additional requirements may include reduction in the requested grant amount to reflect factors related to return on investment such as the social cost of carbon, financial or in-kind cost share, use of funded facilities for public engagement and education, local product content, minority business participation, revenue sharing or other requirements consistent with agency mission, State goals, and statute.
- MEA at its discretion may fund some, all, or no proposals received through an OPEN Energy Innovation Program FOA in a given fiscal year. ³
<https://energy.maryland.gov/Pages/all-incentives.aspx>
- MEA may determine, at its discretion, that a proposal has merit and develop a future year competitive or publicly advertised program to address the proposed need instead of funding the proposal through the OPEN Energy Innovation Program.
- A proposal cannot receive funding if it is not permissible within MEA's established resources in a given fiscal year and within the allowable uses of the Strategic Energy Investment Fund.⁴
- Based on the evaluation criteria and funding availability, MEA may consider funding a component or subset of the activity proposed.
- MEA may, at its discretion, seek to bring multiple proposals together into broader coalitions to achieve State policy and Open Energy Innovation program goals.
- **Notice on Public Information:** No sensitive or otherwise confidential information should be disclosed to MEA in an OPEN Energy Innovation proposal without prior written approval from the MEA Program Manager. If sensitive or confidential information must be provided to MEA, the submitter of the proposal must first contact MEA to determine the most secure way to transmit this information. All information submitted in an OPEN Energy Innovation proposal is subject to the Maryland Public Information Act (PIA). If the submitter of the proposal believes information in the proposal is confidential and therefore should not be disclosed, the submitter should clearly mark this information and identify it by page and section or line number. Upon request for information from a third party, MEA is required to make an independent determination whether the information must be disclosed under the PIA. Designating information as confidential does not guarantee that it will be withheld from disclosure.
- If an applicant is selected for a grant under the Program, the applicant will be required to execute a grant agreement with MEA. The grant will be issued to the name, address, and federal tax identification number provided by the applicant to MEA on the applicant's IRS Form W-9. **Once a grant agreement or commitment letter has been executed between MEA and a grantee, the grant cannot be reassigned to an entity with a different federal tax identification number.**

- Participation in MEA grant programs is voluntary. If selected for award and to ensure the secure transmission of grant funds, 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. **Grantees must fill out and submit the "[ACH/Direct Deposit Authorization for Vendor Payments Form X-10](https://www.marylandtaxes.gov/forms/state-accounting/static-files/GADX10Form.pdf)"⁵ 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.
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⁵ <https://www.marylandtaxes.gov/forms/state-accounting/static-files/GADX10Form.pdf>

Program Updates or Clarifications:

- Any update (e.g., extension of a deadline) or clarification about the OPEN Energy Innovation Program and any corrections to inadvertent errors in the Program information will be available on the Program webpage. In addition, MEA will communicate clarifications and updates made directly to applicants or grantees, as applicable, by letter and/or e-mail. The final grant amount is subject to funding availability for the Program and any relevant statutory requirement applicable at that time.

Questions can be directed to:

Garry Aime, Program Manager at
OPEN.MEA@maryland.gov or 443-306-8149