



Wes Moore, Governor
Aruna Miller, Lt. Governor
Paul G. Pinsky, Director

NET ZERO ENERGY SCHOOLS FY2024 Decarbonizing Schools Program

*****THIS FOA IS FOR AREA OF INTEREST 4: NET ZERO ENERGY SCHOOLS*****

Area of Interest (AOI) Description: The Maryland Energy Administration (MEA) is pleased to announce funding under AOI 4: Net Zero Energy Schools (“AOI 4”, “this AOI”) as part of the FY24 Decarbonizing Schools Program. This is a **competitive program** that provides Maryland’s Local Education Agencies (LEAs) with the opportunity to request funding to support the design, construction and post-occupancy commissioning of the next generation of Net Zero Energy (NZE) Schools in Maryland. Funding is expected to be provided for multiple fiscal years to coincide with planning and construction phases.

Type of Grant Program: **Competitive - statewide**

Application Deadline: **3:00 P.M. EST, Friday, March 15, 2024.**

Anticipated Funding: A total of \$8,000,000 is anticipated to be available, from the Strategic Energy Investment Fund (“SEIF”). The amount awarded may be more or less, depending on the quantity and quality of applications received. On average, MEA expects to provide \$2 to \$3 million per project.

Eligible Activities: Funding is available for design, construction, and post-occupancy commissioning of incremental costs for net zero energy schools.

PERIOD OF PERFORMANCE:

Seventy-Two (72) months beginning with the date of the award. 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.

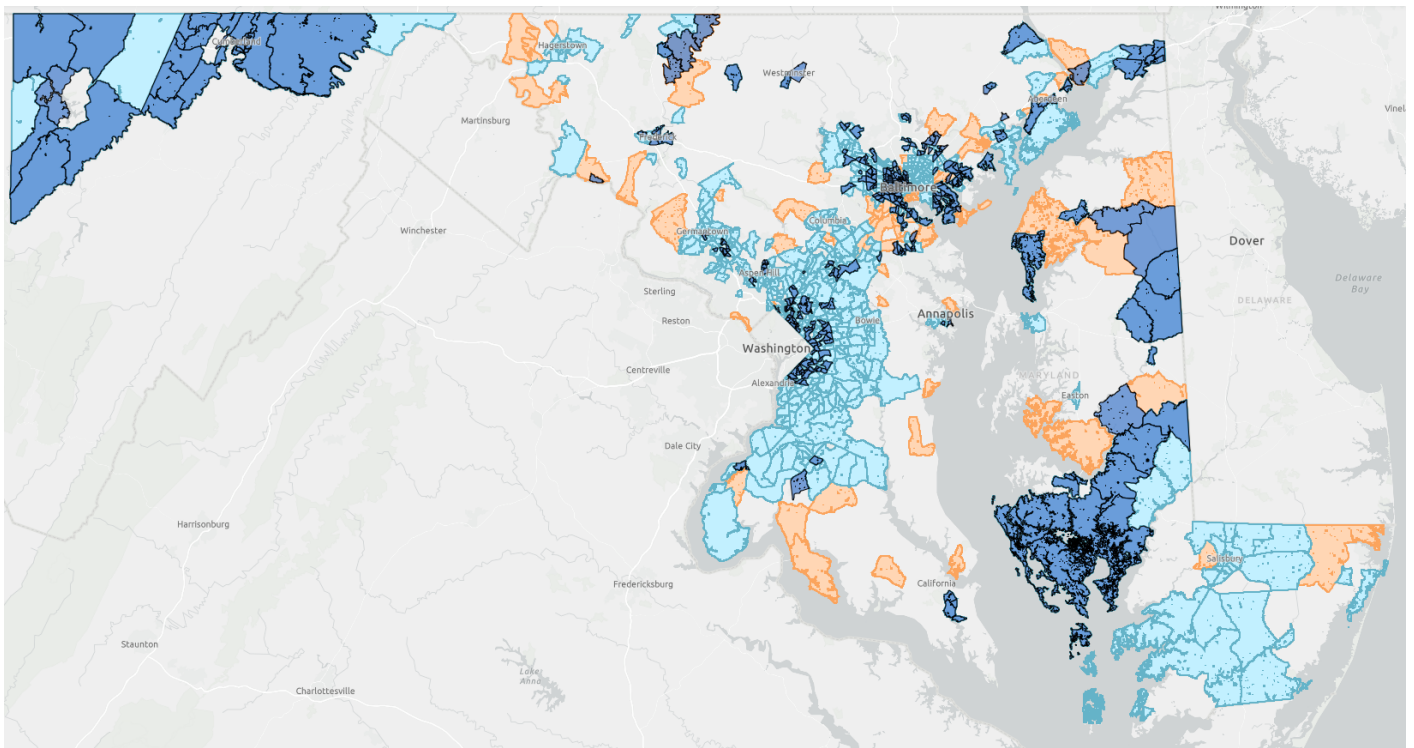
AOI 4 Cost and performance metrics for each project:

The net zero energy schools AOI4 helps LEAs plan design strategies, as well as energy efficiency and renewable energy technologies, that will vary from school to school and will not be selected until the school design process is underway. In addition, funding will assist with post-occupancy commissioning and studies. For this reason, the cost and performance metrics associated with the net zero school initiative will look at the schools on a building by building basis.

For this reason, MEA will be tracking the net zero school initiative using the following metrics:

- Construction costs (\$/Gross Square Footage (GSF)) (net zero school costs versus the construction costs for a standard school that is built to the minimum current commercial energy codes)
- Modeled energy intensity (BTU/GSF) (design phase)
 - o kWh/GSF(modeled)
 - o MMBTU/GSF (modeled)
- Modeled renewable energy requirements to achieve net zero
 - o Renewable energy intensity (Watts of renewables/GSF)
 - o Total renewable energy requirements (W)
- Actual energy intensity (BTU/GSF) of the net zero school once the building has been in operation
 - o kWh/GSF(actual)
 - o MMBTU/GSF (actual)
- Employment Hours associated with each phase of each project and the associated costs

****Location determination**** In the event that Solar Renewable Energy Credit (SREC) Alternative Compliance Payments (ACP) are utilized as the funding source for Fiscal Year 2024 Net Zero Energy (NZE) Schools, the allocation of those awards will be restricted to Maryland census tracts that meet specific criteria established by the Maryland Department of the Environment. Census-tracts must be either low- or moderate-income, disadvantaged, or overburdened, as defined by Maryland’s House Bill 550, in the 2023 Acts of Maryland. A list of approved census tracts can be found on the [MEA website](#) or referenced on the map below. Please contact MEA **PRIOR** to applying to determine if the LEA or applicable student population is located in an approved census-tract.



Census Map of Maryland denoting census tracts where Program funding is applicable. Census tracts highlighted in dark blue meet income requirements, light blue are underserved census

tracts and orange are overburdened communities.

AOI 4 TIMELINE

To design a net zero school, the necessary energy efficient design elements need to be incorporated very early in the process, to include such early but important design decisions as site orientation, to keep costs minimized. For this reason, net zero school projects need to be selected at the very beginning of the new school design/construction process.

MEA understands that the FY24 funding cycle does not align with the CIP schedule so LEAs may come to the table before their project planning begins, or if they're already in the middle of their design cycle. The following sample construction schedule is for LEAs already in the process of design fund acquisition.

- FY 2025 CIP Planning request received by IAC: October 2024
- FY 2025 CIP Planning request approved by IAC: Spring 2025
- Design work starts (due to availability of county funding): Spring 2025
- Design work completed: Spring/Summer 2025
- FY 2026 CIP Funding request received by IAC: October 2025
- FY 2026 CIP Funding request approved by IAC: Spring 2026
- Project put out to bid: Fall 2025/Winter 2026
- 20 - 24 month construction window: July 2026 - July 2028
- Earliest likely school opening: July 2028

This timeframe is for elementary and middle schools only; some middle and high schools will require a lengthier design and construction timeframe.

Under the proposed budget of \$8,000,000, the allocation of funds is structured in a three tiered process to ensure the efficient use of resources, provide clear milestones for participating LEAs, and to provide a fair exit strategy for each participant after the successful completion of each tier. Funds from each grant will be provided to support the incremental costs related to the administrative and technical costs related to planning for the project, design costs, construction, and post occupancy and commissioning of a net zero school.

AOI 4 MINIMUM APPLICATION REQUIREMENTS

- A scope of work or executive summary detailing LEA goals and potential locations for a NZE school
- A prospective schedule and plan for LEA design and construction. Detailed notes from LEA or assigned design team on how they intend to meet NZE designs including renewable energy production, controls, building envelope and commissioning needs
 - Modeled construction costs for net zero energy school
 - Modeled energy intensity and renewable energy requirements to achieve net zero
- Include current energy usage at existing school to be replaced to show

energy savings for LEA

- o Capital stack plans to incorporate state, federal and local funding
- A signature applied to the application by an LEA officer with the authority to commit the LEA to execute the grant's requirements (e.g., Chair of the Board of Education, Chief Financial Officer, General Manager, etc.). This individual should have sufficient authority to identify, authorize, and provide the necessary resources to perform the following activities:
- Consistent with the intent to develop capacity for ongoing efforts, applicants should identify an LEA 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.

AOI 4 COMPETITIVE APPLICATION CRITERIA

Award selection will prioritize those LEAs that can show the greatest energy reduction and greenhouse gas savings per dollar spent. Should funding remain after awards have been made based on the above criteria, applications will then be considered based on the following criteria:

- Justification of how funds will be used to advance or expand activities consistent with the Scope of Work; and,
- Demonstrate the need for additional capacity to implement energy efficiency measures; and,
- Provide a concise assessment demonstrating the project's impact on underserved or overburdened communities, with priority given to Title I schools and areas with high social vulnerability indices. Documentation should provide demographic and socioeconomic data, and outline the environmental challenges within the community to be addressed by the NZE School; and,
- Submit a plan outlining the engagement of students, educators, and the community in all phases of the NZE School project, with strategies for inclusive decision-making, community workshops, student initiatives, educational integration, and regular progress updates; and,
- Outline the educational benefits of the NZE School, detailing curricular enhancements in sustainability, and its role as a center for environmental education, including partnerships and public engagement opportunities.

FUNDING

A total of \$8,000,000 is anticipated to be available for AOI 4.

The amount awarded may vary depending on the quantity and quality of applications received. LEAs who are new to the NZE planning process, or who may need more time to plan a long-term portfolio of NZE Schools, are encouraged to apply for AOI1 funding in FY24 and AOI4 funding in

subsequent years.

Project funding is encouraged to be combined with other incentives, including the Inflation Reduction Act's [Direct Pay](#)/Elective Pay incentives for clean energy technologies. Total incentive reimbursables combined with grant funding may not exceed the project budget.

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. 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.

REVIEW PROCESS:

Applications will be reviewed by a team that may include individuals from MEA, IAC, and other entities with experience in energy, construction, and capital development. Applications will be reviewed using the evaluation criteria and priority factors outlined in this FOA.

PARTIAL AWARDS:

In general, partial awards are anticipated under this program. Awards will be distributed until funds are exhausted. In the case where the remaining funds are insufficient to fully fund an additional qualified project, a partial award will be offered to the LEA based on budget availability. If the partial award is not accepted, MEA will offer the remaining funding to the remaining approved but unfunded applications.

EQUITABLE FUNDING ACKNOWLEDGMENT AND APPROACH:

MEA recognizes that EAs across Maryland are diverse in their needs, priorities, and financial constraints. Understanding this variability, it is a fundamental objective of the FY24 Decarbonizing Public Schools Program to provide equitable funding opportunities to all LEAs within the state, regardless of their circumstances.

To this end, MEA is committed to ensuring that the allocation of funds under the Decarbonizing Public Schools Program helps address equitable access to clean energy and more sustainable schools. To effectively support communities in Maryland that are disproportionately affected by environmental harms, MEA prioritizes equity. This is particularly relevant in the context of delivering benefits from numerous environmental programs. In Maryland, an 'Overburdened Community' is defined as any census tract where at least three environmental health indicators are above the 75th percentile statewide, in accordance with the criteria established by

Maryland's 2022 SB0528. MEA aims to use such designations to help guide policy and allocation decisions to promote health and sustainability.

GRANT PROGRAM SPECIFIC PROVISIONS:

Projects that include fossil-fuel or other combustion technologies that produce greenhouse gas emissions are typically 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 project that includes other energy efficiency improvements that reduce or eliminate fossil fuel use.

Exemptions: All exemption requests will be in writing and provide 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, including pilot 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](#). These General Provisions, Version 3.0, are incorporated into all MEA FY24 Grant Agreements. In addition to the General Provisions, the following funding qualifications apply to the program:

- Funds may be used for physical construction activities, the purchase of materials, or equipment.
- 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 LEA’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 email to Schools.MEA@Maryland.gov. Applications submitted to the direct email inbox(es) of MEA employees will not be considered. **All documents must be submitted no later than 3:00 P.M. EST on Friday, March 15, 2024.** 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, an Applicant should contact MEA via email at Schools.MEA@Maryland.gov or by calling Program Manager Ryan Kmetz at 443-537-8006 no fewer than fourteen (14) days prior to the deadline to arrange an alternative method of submission.

CONTACT INFORMATION:

For more information or assistance, please visit the FY24 [MEA Decarbonizing Public Schools Program webpage](#) or contact:

Ryan Kmetz

Program Manager, Schools Decarbonization Program

ryan.kmetz@maryland.gov