



Larry Hogan, *Governor*
Boyd K. Rutherford, *Lt. Governor*
Mary Beth Tung, *Director*

FY23 Funding Opportunity Announcement (FOA) Decarbonizing Public Schools Program

Program Description

The Maryland Energy Administration (MEA), in partnership with the Interagency Commission on School construction (IAC), is pleased to announce the Fiscal Year 2023 (FY23) Decarbonizing Public Schools Program to help Maryland Local Education Agencies (LEAs) develop capacity and advance strategies for promoting clean and efficient energy use within their portfolio of current and future K-12 schools and support facilities.

Pursuant to Chapter 608 of the 2021 Laws of Maryland (effective July 1, 2021), each Maryland LEA is required to adopt or update an energy policy for its elementary and secondary school facilities. Each school district is encouraged to set targets to increase its use of renewable energy and reduce its greenhouse gas emissions (GHG). Compiling and analyzing energy data is fundamental to understanding school energy usage patterns, quantifying current energy costs, making informed capital decisions regarding energy improvements, identifying and addressing utility billing anomalies, and developing energy procurement efforts that can reduce costs and increase clean energy adoption.

The FY23 Decarbonizing Public Schools Program (Program) expands on MEA's initial FY22 pilot program. FY23 Program funding will allow more Maryland LEAs to build the capacity for managing energy data, reduce operating costs, and insert energy performance criteria into capital improvement planning. The Program's overall intent is to enhance energy efficiency and reduce lifecycle costs of school facilities, while reducing GHG emissions, on a portfolio-wide basis.

Grant funding is offered for two areas of interest (AOI). The first, AOI.1, will defray the costs of energy data management and use of ENERGY STAR Portfolio Manager® (Portfolio Manager). The second, AOI.2, will help cover the cost of incorporating net zero energy (NZE) design principles into facility development portfolios and long-term capital plans. Grants under AOI.2 are intended to boost LEA capacity to cost-effectively plan, design, and implement NZE schools. For this program, "net zero" means that the total amount of energy used by a school building, complex, or entire LEA facility portfolio on an annual basis is less than or equal to the amount of renewable energy created annually on the site(s).

Type of Grant Program: Competitive, with consideration of need. Applicants may apply for either their entire school district or a significantly sized multi-facility subset. Grants are intended to fund scopes for portfolio-level activities. Scopes for individual school facilities will not be considered.

Application Deadline: Friday, December 16, 2022 at 5:00 p.m.

Eligibility Requirements: Entities eligible for Program grant funding are limited to Maryland LEAs, subject to the following restrictions:

- An LEA may apply for one or both areas of interest simultaneously in FY23 if the LEA did not receive

funding through either area of interest in the FY22 Program.

- An LEA that applied for and received an AOI.1 award in FY22 is ineligible for AOI.1 in FY23; similarly, an LEA that applied and received an AOI.2 award in FY22 is ineligible for AOI.2 in FY23. However, an LEA that received an award in only one of the two AOIs in FY22 may be eligible for the other AOI in FY23. For example, if awarded funding through AOI.1 in FY22, an LEA may be eligible for funds under AOI.2 in FY23 and if awarded funding under AOI.2 in FY22, an LEA may be eligible for funds under AOI.1 in FY23.
- An LEA applying solely for AOI.2 must demonstrate that it has already incorporated energy data collection and analysis into its facility management and capital planning efforts.

Benefits: LEAs can proactively control the impact of energy use on current operational costs as well as the investments that determine total lifecycle costs of facility ownership. AOI.1 supports the implementation of Portfolio Manager for handling energy data. The metrics developed from this data are integral to generating current and future strategies for an LEA-wide energy policy. In addition, AOI.1 may provide the ancillary benefit of detecting utility billing errors and the basis for determining any dollar amounts subject to refund from the utility to the LEA. AOI.2 will prepare LEAs for the tasks and opportunities related to the adoption of NZE criteria in their facility design and construction.

Area of Interest (AOI.1) - Energy Data Management Support for K-12 School Districts: AOI.1 can provide funding for approximately one year of technical support to establish or expand the use of Portfolio Manager accounts intended to build an LEA's capacity for energy data analytics. Program grants can defray the LEA's costs of implementing the Portfolio Manager benchmarking tool, as well as the costs of consultants and other resources to initiate the collection, analysis, and dissemination of critical energy performance metrics. When implemented, Portfolio Manager will inform LEAs' efforts to produce reports such as those required by Chapter 608.

AOI.1 PERIOD OF PERFORMANCE:

Fourteen (14) months beginning with the date of 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.1 SCOPE OF WORK

- Creation of a Portfolio Manager account for receiving utility data either directly from utility invoices or downloaded from the LEA's existing software for facilities management.
- Creation and use of a Portfolio Manager account, to be populated with the LEA's utility bill data for its portfolio of facilities (or alternatively, for a significantly sized subset of those facilities).
- Analysis of energy information generated after data has been entered into the Portfolio Manager.
- Tracking and benchmarking the energy performance of facilities, using information derived from Portfolio Manager.
- Development of decision-making protocols for using energy performance metrics to improve portfolio-wide lifecycle cost management and to support data reporting duties consistent with Chapter 608.
- Provide an outline of the LEA's plans and provisions for continuing energy data management activities subsequent to this grant's period of performance.

AOI.1 EXAMPLES OF ALLOWABLE COSTS

- Consultant support for the portfolio-wide collection, input, and analysis of historic and current utility bill data on a portfolio-wide, school-level basis into Portfolio Manager. Historic data collection should represent at least 12 months of energy bill data.

- Funding for a new temporary position (e.g., interns, temporary employees, contractual) to manage energy bill data.
- Acquisition, setup, operation and use of utility bill management software that can facilitate the management of utility data and export of data to Portfolio Manager. May include software licenses, modules, subscriptions and other necessary elements.

AOI.1 DELIVERABLES

The following deliverables are anticipated to document activities conducted during the grant period:

- A grant implementation plan to include the following:
 - Identification of any key LEA 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 process, including a timeline to establish, and ideally populate with data, by May 1st, 2024 one or more ENERGY STAR Portfolio Manager® accounts for administering LEA-wide energy use data in a manner compliant with Chapter 608;
 - Outline of the process for using LEA's energy data to support current and future implementation of district-wide energy management activities and energy policy; and
 - Explanation of (1) how funding from this grant will be used to meet the scope and deliverables of this grant award, and (2) how the LEA plans to continue energy data management after the end of this grant's period of performance to support facility planning, cost management, investment feasibility analysis, and policy implementation.
- Final close-out report outlining progress, identification of next steps occurring after the grant performance period, and a summary of lessons learned and recommended best practices.
- Sharing of school energy data with IAC and MEA via Portfolio Manager for the purposes of state-wide energy program planning.
- Quarterly progress reports in concert with invoices submitted to MEA.

AOI.1 MINIMUM APPLICATION REQUIREMENTS

- 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:
 - direct the energy data management activities described in this Program announcement and facilitate data collection from the LEA's K-12 properties, and from the utilities that serve these properties;
 - enter or import data into a Portfolio Manager account; and
 - ensure that the data is available to the IAC and MEA via Portfolio Manager.
- 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.1 COMPETITIVE APPLICATION CRITERIA

Award selection will prioritize those LEAs that do not have an energy policy or do not already track utility data. Applications that meet this threshold criterion will then be evaluated in comparison to the following criteria:

- Demonstration of the applicant's current need for assistance in developing an energy policy and utility bill management strategies; and
- Demonstration of the challenges in raising local resources for energy management. The

applicant should clearly describe these challenges in the application.

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 AOI.1 Scope of Work; and,
- Demonstration of the need for additional capacity to implement energy policy.

Area of Interest (AOI.2) – Support for Implementing NZE elements into the LEA’s portfolio approach to facility construction and renovation, including the LEA’s Educational Facilities Master Plan (EFMP).

As an emerging design concept, NZE construction will challenge the business-as-usual approach to school construction planning. The intent of this grant is to allow LEAs to identify NZE opportunities on a portfolio scale. Grants can be used to cover the costs of consultative services or additional LEA staff for tasks specific to the integration of portfolio-wide NZE considerations into the LEA’s EFMP. An LEA applying solely for AOI.2 must demonstrate that it has already incorporated energy data collection and analysis (commensurate with the scope described in AOI.1) into its facility management and capital planning efforts.

AOI.2 PERIOD OF PERFORMANCE

Fourteen (14) months beginning with the date of 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.2 SCOPE OF WORK

As described below, AOI.2 is broken into three different tiers, or levels, of NZE-focused projects. An applicant may opt to conduct the activities in Tier 1 alone, Tier 1 and Tier 2 combined, or Tiers 1, 2, and 3 combined. Note the differences in **project types** indicated for each tier described below.

- **Tier 1:** Complete a portfolio-wide analysis to identify NZE opportunities in **future new school construction projects (new, replacement, and full renovation)**, including the following to be added to the LEA’s EFMP:
 - Evaluate all future new, replacement, and full renovation projects for suitability as an NZE school;
 - Develop policies for NZE school deployment; and,
 - Develop NZE design criteria for new school construction.
- **Tier 2:** Additionally, complete portfolio-wide analysis of schools to identify energy saving opportunities in future partial renovation, addition, and major systemic projects, including the following to be added to the EFMP:
 - Identify ways to increase energy efficiency in building envelopes during renovation and roof projects;
 - Make recommendations for consideration of energy efficient equipment in heating, ventilation and air-conditioning replacement projects;
 - Develop policies for evaluating energy efficiency during the planning phases of systemic renovation projects; and
 - Develop design standards for incorporating energy efficiency into these projects.
- **Tier 3:** Additionally, complete a portfolio-wide analysis of schools to identify opportunities for renewable and cleaner energy generation, including the following to be added to the LEA’s EFMP:
 - Identify locations conducive for solar arrays and other renewable energy opportunities;

- Identify opportunities for power purchase agreements (PPAs) that can be used to access distributed energy resources such as solar and combined heat and power;
- Identify alternative sources of financing, including bonds and leases supported by energy savings;
- Identify opportunities for Energy as a Service (EaaS) agreements; and,
- Develop plans and procurement options to solicit PPAs.

AOI.2 EXAMPLES OF ALLOWABLE COSTS

A new, temporary, or consulting position, or consultant support devoted to helping to update the LEA's EFMP to incorporate NZE strategies at the portfolio and facility level.

AOI.2 DELIVERABLES

The following deliverables are anticipated to document activities conducted by the LEA using grant funds during the grant period:

- Grant implementation plan defining the LEA's approach to portfolio scale net zero analysis, including key activities, milestones, stakeholder management and other aspects related to implementation.
- NZE Strategy Report, integrated into or supplementing the LEA's EFMP, including:
 - An inventory of the LEA's organizational, physical, and budgetary resources available for performing NZE design and planning work.
 - LEA-specific strategy to incorporate NZE design principles into successful processes for facility planning, construction, rehabilitation and maintenance of school facilities. These should include elements related to long term facility planning, obsolescence, replacement, and equity for underserved or economically vulnerable communities.
 - Identification and ranking of potential facility sites that are suitable for hosting NZE construction.
 - Description of any known utility interconnection issues that need to be considered where on-site power generation technologies may be installed.
 - Evaluation of the LEA's current ability to pursue energy-related capital improvements with alternative finance and procurement methods that lessen impacts on traditional debt capacity. Alternatives to be evaluated should, at a minimum, include energy performance contracts, PPAs, EaaS business models, and "green" bonds. The evaluation should describe potential for the LEA's existing charters, regulations, or standard operating procedures to either help or hinder the use of alternative finance methods.
- Final closeout report outlining progress, next steps, and a summary of lessons learned and recommended best practices.
- Quarterly progress reports in concert with invoices submitted to MEA.
- Grant recipients must incorporate NZE considerations into their FY25 EFMP (due July 1, 2024 to the IAC), and generate and submit to MEA by September 30, 2023 a NZE Strategy Report that provides an LEA-wide blueprint for adding NZE criteria to LEA facility construction planning.

AOI.2 MINIMUM APPLICATION REQUIREMENTS

- A signature applied to this application by an LEA officer with the authority to commit the LEA to execute the grant's requirements. This individual should have sufficient authority to identify and provide the necessary resources to perform the following activities:
 - Identify opportunities to develop net zero plans, policies, designs and (where appropriate) solicit implementation services;
 - Demonstrate how one or more upcoming school construction or renovation projects

- may be candidates for applying NZE principles; and
- Indicate the anticipated number of new school construction or renovation projects suitable for construction with NZE school criteria within the next 3 to 6 years.
- Identification of an LEA staff person who will be responsible for overseeing the execution of the activities outlined in this grant announcement and ensuring continuity of activities after the end of the award's period of performance.

AOI.2 COMPETITIVE APPLICATION CRITERIA

An application that meets the above minimum requirements will be evaluated based on the following criteria:

- **Priority 1:** LEA does not have previous experience with NZE School construction or has not already developed specific NZE design criteria, and the LEA has not previously conducted a portfolio-wide analysis of net zero design opportunities. If the LEA has begun some level of NZE analysis, the degree and description of work remaining will be considered.
- **Priority 2:** Remaining funds will be distributed based on each application's thoroughness in expressing interest, ability, and commitment to engage in the following activities as expressed in the LEA's application:
 - Proposed use of the Decarbonizing Public Schools AOI.2 program funding;
 - Identified human resources for performing the AOI.2 scope of work; and,
 - Ability to solicit resources for NZE design standards, construction finance, procurement of development capacities, and any other resources needed by the LEA to advance portfolio-wide NZE facility development.

FUNDING

A total of \$1,800,000 is anticipated to be available for distribution between AOI.1 and AOI.2, with \$1M anticipated for AOI.1 and \$800,000 for AOI.2.

The amount awarded may vary depending on the quantity and quality of applications received. It is expected with both AOI.1 and AOI.2 that the level of effort and funding amount will be more for LEAs with higher enrollments (as a reasonable approximation of facility footprint and energy use intensity). Therefore, grant amounts will be calculated using the following scaling factors that were derived from the Maryland State Department of Education's approved audited 2020 total eligible Full Time Enrollment (FTE) values¹. Scaling factors are based on increments of 5,000 students.

- **AOI.1- Anticipated number of awards: Eight (8); anticipated total funding for all awards in aggregate: \$1,000,000.** Individual awards provide a base grant of \$60,000 plus an additional \$5,000 x scaling factor.

¹

<https://marylandpublicschools.org/about/Documents/DBS/BudgetRes/2021/FY22-Revised-DRAFT-StateAid-Blueprint-MD-FutureFor mulaCalculations060121.pdf>, page 2, column 24.

SCALING FACTORS		
Kent – 0	Allegany – 1	Harford – 7
Somerset – 0	Cecil – 2	Frederick – 8
Garrett – 0	Wicomico – 2	Howard – 11
Talbot – 0	Calvert – 3	Baltimore City – 15
Dorchester – 0	St. Mary’s – 3	Anne Arundel – 16
Caroline – 1	Washington – 4	Baltimore County – 16
Worcester – 1	Carroll – 4	Prince George’s – 16
Queen Anne’s – 1	Charles - 5	Montgomery - 16

The largest LEAs are capped at a factor of 16, regardless of student enrollment, to allow for broader distribution of limited funds.

Example: *If a County with a scaling factor of 11 were to agree to complete AOI.1 it would be eligible for an award amount of \$60,000 + (11 x \$5,000) = \$115,000.*

- **AOI.2- Anticipated number of awards: 8; anticipated total funding for all awards in aggregate: \$800,000.**
 - Actual grant funding will be based on 2020 FTE, using the chart of scaling factors outlined in the Funding section for AOI.1 above. It is anticipated that award amounts will be no less than:

	Base Grant Amount	Additional Amount for Scaling Factor
Tier 1 Activities	\$50,000	\$2,000
Tier 1 & 2 Activities	\$55,000	\$3,000
Tier 1, 2 & 3 Activities	\$60,000	\$4,000

Example: *If a County with a scaling factor of 11 were to agree to complete AOI.2 for Tier 1 and 2, it would be eligible for \$55,000 + (11 x \$3,000) = \$88,000.*

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 not anticipated under this pilot program. Awards will be distributed per the formula outlined in the “Funding” section (above) until funds are exhausted. In the case where the remaining funds are insufficient to fully fund an additional qualified project, a partial award may be offered.

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, will be incorporated into all MEA FY23 grant agreements. In addition to the General Provisions, the following funding qualifications apply to the program:

- Funds may not 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.
- Future staffing plans should take into account that any award is a temporary funding source offered to develop organizational capacity.
- An LEA applying solely for NZE (i.e., AOI.2) must demonstrate that it has already incorporated energy data collection and analysis into its facility management and capital planning efforts.
- MEA grant funds cannot be used to offset costs that were incurred prior to the execution of a grant agreement by MEA.
- LEAs that were previously awarded an FY22 grant for this program are not eligible for FY23 grant funding within the same AOI as awarded in FY22. LEAs may apply for funding under an AOI through which they did not receive funding in FY22.

SUBMISSION INSTRUCTIONS:

MEA encourages the use of electronic communication, including applications, to streamline processing and reduce environmental impacts. If you choose to “opt out” of electronic communications for this pilot program, please contact MEA no later than five (5) days prior to the application deadline to establish an alternative method to apply.

Applications should be submitted electronically to MEA via email to:

>>>schools.MEA@Maryland.gov <<<

CONTACT INFORMATION:

For more information or assistance, please visit the FY23 [MEA Decarbonizing Public Schools Program webpage](#) or contact Christopher Russell, Program Manager at Chris.Russell@Maryland.gov (for AOI.1) or Garry Aime, Program Manager at Garry.Aime@Maryland.gov (for AOI 2).

Related Programs and Additional Resources:

[Solar Technical Assistance](#) - State and local government entities, including LEAs, can receive technical assistance to conduct solar analysis for one or more sites, including at a portfolio scale. At MEA's cost, awarded LEAs can receive technical assistance from the Maryland Environmental Service to evaluate one site, multiple sites, or a portfolio of facilities for appropriate solar energy system sites. This activity may be used in concert with the activities in this FOA.

U.S. Environmental Protection Agency - [Energy Star Portfolio Manager](#)

Other programs offered by MEA can be found on [Incentives Page](#)