

Program Overview Document

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 2024 (FY24) 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 (GHG) emissions. 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 FY24 Decarbonizing Public Schools Program (“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 while expanding the capacity for current and future construction of net zero energy schools. 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 four areas of interest (AOI) listed below.

Type of Grant Program: All AOIs are competitive with consideration of need. Each AOI may have additional specific criteria. Please review individual AOIs for further information.

~~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: 3:00 P.M. EST, Friday, March 15, 2024.

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 more areas of interest simultaneously in FY24.

AOI 1: CAPACITY BUILDING GRANTS FOR ENERGY MANAGEMENT AND NET ZERO ENERGY PORTFOLIO PLANNING

Type of Grant Program: Formula-based-Competitive - statewide

This AOI will provide grant funds to help LEAs establish energy baseline consumption information by leveraging resources that allow schools to benchmark their school district energy consumption with ENERGY STAR Portfolio Manager. Benchmarking data can then be used for determining investment feasibility, clear cost/benefit analysis and other preconstruction planning activities. The deliverables from this AOI would be: (1) to upload utility data in ENERGY STAR Portfolio Manager; (2) allow MEA and the Interagency Commission for School Construction (IAC) to access and analyze district-wide energy performance data that indicate grant funding opportunities; and (3) to inform facility planning efforts of feasible investment potential for energy efficiency upgrades and renewable energy adoption consistent with realizing school decarbonization and net zero energy (“NZE”) construction.

The results of AOI 1 activities under the Public School Decarbonization Program would enable the design-specific of energy efficiency and renewable energy capital improvement projects eligible for capital installation funds under the program’s AOI 2: Energy Efficiency Capital, AOI 3: Solar for Existing Schools for Disadvantaged and Overburdened Communities and AOI 4: NZE Implementation.

AOI 2: ENERGY EFFICIENCY CAPITAL

Type of Grant Program: Competitive-statewide

AOI 2 would provide financial assistance to LEAs seeking cost-savings through electrification-focused energy efficiency improvements to buildings, including weatherization, equipment maintenance, and electrification upgrades including boilers, chillers, and HVAC equipment as well as advanced controls for each of these measures.

AOI 3: SOLAR FOR EXISTING SCHOOLS

Type of Grant Program: First Come, First Served - Competitive

On-site solar power generation arrays could help schools to offset energy demand as well as reduce GHG emissions associated with current fossil fueled energy sources from which schools receive existing power supply. Siting solar panels at or near schools will reduce the facility’s carbon footprint, reduce LEA dependence on non-renewable fossil fuels, and ameliorate stress on the power distribution grid. These same solar assets will be visible to students, providing them with hands-on learning opportunities to stimulate interest in science, engineering, and technology. This AOI will focus on expanding solar in underserved and overburdened communities and is particularly relevant for schools planning for roof replacements. Each LEA is limited to one award for this AOI.

AOI 4: NET ZERO SCHOOLS IMPLEMENTATION PROGRAM

Type of Grant Program: *Competitive-statewide*

Net zero energy (NZE) design technology ensures that a building's annual energy consumption is at least balanced between the amount of energy it procures versus the amount of renewable energy that it self-generates. NZE technology enhances LEAs' capacity to achieve their energy cost performance and GHG reduction goals. Schools can achieve NZE by adopting highly efficient equipment, solar panels, geothermal heat pumps and other aspects of school design and construction. Under this AOI, MEA anticipates assisting LEAs by funding incremental costs associated with achieving NZE, including support for design, construction and post occupancy commissioning.

TECHNICAL ASSISTANCE AND OUTREACH:

In addition to the funding opportunities above, MEA is coordinating with IAC to explore and develop options to provide technical support via consultants and MEA staff to all LEAs. This support in long-term strategic planning is designed to support LEAs with the necessary technical expertise when undertaking future projects and equipping them with the knowledge and tools required to make well-informed decisions towards achieving net zero goals.

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 **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.

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 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.4) 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.
- MEA acknowledges that various LEAs may operate under different ownership structures for their assets, such as Public-Private Partnerships. These unique ownership arrangements do not automatically disqualify an LEA from applying for the programs described previously. Applications from LEAs with such ownership models will be evaluated individually. In the event of a grant award, specific details pertaining to these ownership structures will be thoroughly addressed in the terms of the grant agreement.

SUBMISSION INSTRUCTIONS:

1800 Washington Blvd, Suite 755 | Baltimore, MD 21230 | 410-537-4000 |
energy.Maryland.gov

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 schools.MEA@maryland.gov