

Strategic Energy Investment Advisory Board Meeting

July 10, 2026



Agenda

Welcome	<i>Landon Fahrig, Esq, SEIAB Staff</i>
MEA Priorities	<i>Kelly Speakes-Backman, Director</i>
Financials	<i>James Cobb, Finance & Admin Division Director</i>
Utility RELIEF Act	<i>Ian Ullman, Deputy Director of Policy</i>
MEA Programs	<i>Eric Coffman, Programs Division Director</i>
Board Discussion	<i>Board Members <u>Only</u></i>
Public Comment	<i>All</i>
Closing Remarks	<i>Landon Fahrig</i>



Maryland Energy Administration

The Mission of MEA is to promote **clean, affordable, reliable energy** and energy-related greenhouse gas emission reductions to benefit Marylanders in a just and equitable manner.

Our Priorities:

1. Create a positive impact for Marylanders
2. Drive toward our mission through policies and programmatic work
3. Achieve operational excellence
4. Actively engage in clear, impactful communications

MEA Financials

Strategic Energy Investment Advisory Board

Strategic Energy Investment Fund (SEIF)

Fund comprised of revenue from **multiple sources** intended to **decrease energy demand and increase energy supply**

- Regional Greenhouse Gas Initiative (RGGI) Auctions
- Renewable Portfolio Standard (RPS) Alternative Compliance Payments (ACP)

Each revenue source requires **specific usage directives**



Strategic Energy Investment Fund (SEIF)

- Guiding statute: § 9-20B
- Directs allocation of revenues from RGGI auctions to sub-accounts
- Annual appropriations and direct expenditures from sub-accounts
- Maryland Department of the Environment (MDE) provides management & oversight of the RGGI auction program of allowances
- MEA administers the SEIF

Strategic Energy Investment Fund (SEIF)

MEA's 3 prime directives in administering the SEIF per § 9-20B-05

- Ensure SEIF resources are utilized only to **carry out the purposes of the Program**
- Fund may **not** be used for the general obligations of government
- Fund expenditures only made by an appropriation or budget amendment



RGGI Market Structure

Regional CO₂ allowance auctions

- Quarterly auctions
- Notice and application materials

Centralized CO₂ Allowance Tracking System (RGGI COATS) as a registry platform

- Allowance tracking
- Emissions tracking
- Compliance processing
- Offsets projects

Independent market monitor oversight

- Regional auctions
- Secondary market



RGGI Auction Price Mechanics

Minimum Reserve Price: Floor price for RGGI auction allowances (\$2.69 in 2026)

Cost Containment Reserve (CCR): 10% of annual state base budgets. Moderates CCR allowance prices when demand exceeds supply and the Interim Clearing Price surpasses the CCR Trigger Price (\$18.22 in 2026, increasing 7% p.a.)

Emissions Containment Reserve (ECR): 10% of annual state base budgets. Secures additional emission reductions if demand nears the Initial Offering. ECR Allowances are withheld if the Interim Clearing Price is less than the ECR Trigger Price (\$8.41 in 2026, increasing 7% p.a.)



RGGI Auction 72 Results: June 3, 2026

- Total Allowances Sold: 18,349,699
- Clearing Price: \$35.00
- Total Auction Proceeds: \$642,239,465
- Auction Proceeds to MD: \$115,523,940

Cost Containment Reserve (CCR): There were **no CCR** allowances sold.

- The CCR is a fixed additional supply of allowances that are made available for sale if the interim clearing price exceeds a certain price level (\$18.22 in 2026). There were no allowances available for sale.



RGGI Auction 72 Results

	<u>Allowances Sold</u>	<u>Allowance Price</u>	<u>RGGI Revenue</u>
Auction 72	3,300,684	35.00	115,523,940
Auction 71	4,725,313	24.99	118,085,752
Auction 70	2,761,453	26.73	73,813,639
Auction 69	2,761,452	22.25	61,442,307
Auction 68	2,761,452	19.63	54,207,303
Total Auctions 1-72			1,922,835,026



SELF Revenues

	<u>FY2026</u>	<u>FY2027</u> <i>budgeted</i>
Revenues		
RGGI Proceeds	368.9	276.6
ACP	<u>339.6</u>	<u>341.4</u>
Total	708.5	618.0

SEIF FY26 Status of Funds (\$ Millions)

Beginning Fund Balance FY2026		625.2
FY2026 Revenue Projection	708.5	
FY2026 Appropriations/Transfers	(1,064.0)	
Projected Funds Available EOY FY2026		269.6

Budget/Disbursements (\$ Millions)

Breakout	FY26	FY27
Administration	\$9.1	\$9.6
Energy Efficiency Low-to-Moderate Income	\$17.2	\$35.0
Energy Efficiency All Other Sectors	\$72.8	\$40.8
Renewable and Clean Energy Programs	\$65.6	\$80.3
Alternative Compliance Payments	\$198.0	\$190.0
Other Disbursements/In-State Transfers	\$701.3	\$67.6



2026 Legislation

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Utility RELIEF Act: HB 1532 / SB 841

Supports Local Generation

- Auction, DRIVE Act, SolarAPP+, Balcony Solar, Net Metering Modernization

Modernizes Grid Infrastructure

- CPCN reform, ATTs/GETs

Holds Companies Accountable

- Notice for rate requests, historical test years, exec compensation, RTO adder, data center registry and requirements

Provides Ratepayer Relief

- EmPOWER temporary adjustments, LI 6% burden cap



Changes to the SELF

- **Expands Use of ACP** (Census Tract and Income Requirements Repealed for 5 Years)
- **Expands Use of Energy Assistance** to include both Electric and Fuel Assistance
- **Support for Power Plant Research Program** (\$3M in FY27, \$5M in future years)
- **DRIVE Act Support from SELF** (\$9M in FY28; Changes to MEA Storage Program)

MEA Programs Update

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FY26 Wrap Up

Number of Grant Applications Received	600 +
Funding Requested	\$469 million +
Number of Grants Awarded	490+
Grant Funding Awarded	Over \$256 million
Number of Rebates Awarded	4,000+
Rebate Funding Requested	\$22+ million
Rebate Funding Awarded	\$16+ million
Percent of Program Budget Committed	95%+



Example Successes - Funding and Efforts Underway

Community Solar

\$43M

Benefiting low and moderate income Marylanders across the state.

Energy Efficiency

\$56M

Investments in schools, commercial buildings, businesses, local governments, LMI households.

Affordability

**4 communities
200 homes**

Heated and cooled by ground source heat pumps - no need for additional gas infrastructure and reduces grid strain.

Decarbonization

Clean Bldgs Hub

Technical assistance in FY27 to empower Maryland building owners



Eleven (11) FY27 Programs Under SELF

Grid Sector

- Megawatts for Maryland
- Community Solar
- SolarApp+
- Residential & Commercial Energy Storage **(Rebate)**

Transportation Sector

- Residential EVSE Program **(Rebate)**
- Commercial & Community EVSE
- Medium-Heavy Duty Vehicle ZEV (MDHD)

Buildings Sector

- Commercial & Community Buildings
- Residential Energy Equity
- Maryland Solar Access **(Rebate)**

Innovation

- Energy Prize Challenge



Major Program Changes for FY 27

Funding

\$358M

Total FY27 Budget

Residential Energy
Equity expanded to
\$40+ million to
address affordability

Programs

Key Initiatives

- REE Programs focus on heat pumps, community solar
- Commercial & Buildings: a single program serving multiple sectors
- Megawatts for Maryland
- Energy Challenge Innovation Prize

Operations

MyMEAPortal

All program applications will be processed through the central portal.

Exception:

SolarApp+ applications remain separate.



Megawatts for Maryland

Program Overview

Reducing energy costs by scaling clean energy and storage across the state

**\$200 Million Total in
FY27 and FY28**

Capacity

Anticipating 200 to 400 MW of new Tier 1 clean energy or storage equivalent

Eligible Technologies

Focus on grid-scale solar resources including stand alone energy storage

Qualifications & Awards

Bidders will be thoroughly reviewed for qualifications, with awards made based on lowest cost



Discussion

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