



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

## Funding Opportunity Announcement

### Maryland Energy Infrastructure Grant Program

### Fiscal Year 22 Grant Program

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**Program Description:** The Maryland Energy Administration (MEA) is pleased to announce the FY22 Maryland Energy Infrastructure Grant Program (MEIP). The MEIP program provides funds from the Maryland Gas Expansion Fund (MGEF) established by Maryland Public Service Commission (PSC) Order No. 88631 to incentivize natural gas infrastructure expansion by Local Distribution Companies (LDC's) and Maryland Anchor Customers.

**Type of Grant Program:** Competitive

**Application Deadline:** MEA will be accepting applications until 11:59 PM EST, December 15, 2021.

**Program Budget:** The total program budget for FY22 is up to \$7,500,000. The funding will be allocated to two areas of interest ("AOI") outlined below along with the anticipated funding value. This allocation may be adjusted or reallocated based on the number and quality of applications received.

AOI 1: For Local Distribution Companies up to \$2,500,000 is available.

AOI 2: For All Maryland Anchor Customers up to \$5,000,000 available. Of the \$5,000,000 available for Anchor Customers, to the extent quality applications are received, MEA anticipates prioritizing approximately \$2,500,000 for projects serving Maryland Public Schools.

**Eligible Applicants:** To be considered for a grant award an application must be complete, accurate, and signed by an authorized representative of the applicant. A contractor other than the Maryland Environmental Service **may not** apply on behalf of a client.

AOI 1: Local Distribution Companies

- Organized businesses that presently hold or that have filed an application for a tariff or other licenses for natural gas distribution with the Maryland Public Service Commission and/or the U.S. Federal Energy Regulatory Commission

AOI 2: Maryland Anchor Customers

- Maryland businesses
- Maryland State and local governments and their instrumentalities

- Non-profit organizations
- Residential and commercial condominium associations, homeowners' associations, apartment complexes, and their developers

**Ineligible Applicants:**

- Homeowners

**Eligible Activities\*:** The FY22 MEIP is available to Maryland Anchor Customers, and Maryland Local Distribution Companies that invest in assets to assist customers in converting their operations to natural gas, projects that integrate previous natural gas customers who no longer possess natural gas infrastructure or functional natural gas infrastructure, to provide benefits to existing customers not presently utilizing their natural gas infrastructure and/or seeking to expand their energy demand, and for the material and labor needed to construct distribution infrastructure serving such endeavors. Examples of activities and assets that are eligible for funding include but are not limited to the following:

- Physical distribution infrastructure (such as piping, city gates, compression stations, locators, couplings, pig launchers and receivers, and pigs)
- Design/planning/procurement (capped at \$70,000 or 20% of project cost)
- Boilers
- Natural gas vehicle fueling stations
- Natural gas retrofit equipment, for AOI 2 applicants who have assets and/or systems fueled by a commodity other than natural gas but who wish to upgrade their assets and/or systems to instead be fueled by natural gas
- Natural gas-fired combined heat and power (CHP) equipment
- Natural gas-fired generation for primary on-site electricity use
- Installation or conversion of municipal utility or cooperative owned and operated generation assets under 15 MW
- Natural gas infrastructure used in any water or wastewater utility endeavor
- Natural gas infrastructure used in any anaerobic digestion endeavor
- Applicants who were awarded MEIP anchor customer grants in the FY20 program cycle may receive subsequent funding in this program cycle (FY22) for the same project up to, but not exceeding, \$3,000,000 or 30% of the project cost. MEA may prioritize, select, and deny subsequent funding applications for the same project at its discretion.

*\*additional measures may be considered on a case-by-case basis*

**Ineligible Activities:**

- *Natural gas generation used solely for back-up power.*

**Evaluation Criteria :**

- Completeness of application
- Amount of natural gas consumption volume vs. the baseline for existing dwelling and/or other asset(s)

- The energy commodity to be replaced or (likely) to be avoided in new construction scenarios
- Geographic distribution of MEIP grants
  - Preference will be given for projects located within a [One Maryland Economic Development zone](#)
- Economic and workforce development impacts resulting from the project
- Air quality improvements for the immediate surrounding community
- Energy grid resiliency hardening and community energy profile resiliency hardening
- Reliability or resiliency concerns addressed by the project for the organization or community served
- Benefits to Maryland Public Schools including whether any school applicant has:
  - a student body the majority of which is comprised of socially or economically disadvantaged students, or
  - a student body the majority of which is comprised of traditionally underserved students
  - Schools in need of significant heating and cooling modernization to reduce operating costs or improve indoor environmental quality.
- Whether any natural gas distribution infrastructure expansion incentivized by the MEIP grant will displace diesel or gasoline trucks or diesel marine vessels as a primary means of energy delivery, and the number of trucks or vessels displaced
- The scope of jobs expected to be created as a result of the MEIP grant

**Review Process:** The MEA Program Manager will assemble a Review Team of at least three MEA staff members. MEA may utilize technical assistance to provide analysis at the Program Manager's discretion. All team members will review each complete application. Recommendations for funding are subject to the amount of funding available. If program funding is exhausted, the review team may recommend holding one or more additional eligible projects for consideration if additional funding becomes available before the end of the fiscal year. The Program Manager will make recommendations to the Director, incorporating input from the Review Team.

**Partial awards:** Partial awards may be awarded under the Program. If sufficient funds are not available to fully fund a project, the applicant may be offered partial funding, based on budget availability, for the project as originally submitted. If the applicant does not accept partial funding for the project, MEA will offer the remaining funding to the remaining approved but unfunded applicants in order of ranking (highest to lowest). MEA will follow this process until all funding has been expended, or until all remaining approved applicants have rejected the offer.

**Required Application Documents:**

- MEA Application: Please note that the name on the MEA Application must match the name and address listed on the applicant's W9 form
- Most recent (12) consecutive months data of natural gas consumption volume (if applicable)
- Most recent (12) consecutive months' fuel consumption invoices, utility bills, or another acceptable third party accounting (if applicable)

- Current Certificate of Status provided by the [Maryland State Department of Assessments and Taxation](#)
- A copy of their license to operate natural gas infrastructure in Maryland (if applicable)

**Submission Instructions:** MEA is encouraging the use of electronic applications to streamline processing and reduce environmental impacts. If you cannot apply electronically, please contact MEA no later than five (5) days prior to the application deadline to work on an alternative method to submit an application.

Electronically submitted application packages should be submitted to MEA via email to:

>>>[MEIPMEA@Maryland.gov](mailto:MEIPMEA@Maryland.gov)<<<

**Grant Program General Provisions:** The MEIP is also covered by General Provisions. A copy of the General Provisions is available on [MEA's website](#); these General Provisions will be incorporated into all FY22 MEIP grant agreements issued by MEA. In the event a General Provision or another term of the Grant Agreement conflicts with [Md. PSC Order 88631](#), [Md. PSC Order 88631](#) shall control.

In addition to the general provisions, the following funding qualification applies to this program:

- MEA may obligate less than the entire FY22 Maryland Energy Infrastructure Program budget, based on the quality and eligibility of applications submitted to MEA, and consistent with the terms of [Md. PSC Order 88631](#) relating to the Maryland Gas Expansion Fund.

**Administrative and General Requirements:**

- **Award Execution Deadline:** An applicant organization selected for an award under this Program must be able to enter into a Grant Agreement with MEA, by no later than 5:00 PM. EDT, April 29, 2022 unless extended in writing by MEA.
- **Payout:** MEA will not reimburse a Grantee for costs incurred by a Grantee prior to the effective date of a Grant Agreement. The exception is a subsequent phase of a project awarded in FY20 that can be clearly delineated from the initially funded phase of the project.

Questions can be directed to Program Manager, David Giusti at [David.Giusti1@maryland.gov](mailto:David.Giusti1@maryland.gov) or via phone, (410) 913-2387.