

FY2026 Local Government Energy Modernization

Area of Interest 2 (AOI2): Competitive Planning Grant

Updated 8/27/2025

Program Description: The mission of the Local Government Energy Modernization (L-GEM) program is to support local governments as they engage in sustainable, long-term clean energy and energy efficient projects that lead to reduced energy usage and greenhouse gas emissions, increased cost savings, and robust clean energy and economic development. This program specifically aims to reduce greenhouse gas emissions from the building sector which aligns with Maryland's goal of achieving net-zero emissions by 2045. By empowering local governments to lead by example, the program aims to inspire community-wide engagement and drive broader adoption of clean energy solutions among residents, businesses, and institutions.

Area of Interest 2 (AOI2) is a competitive planning project grant that provides Maryland's local governments with the opportunity to request funding for measures that facilitate planning projects which may lead to future energy efficiency, renewable energy, or emissions-reducing capital improvements. Planning projects are essential for identifying opportunities, assessing feasibility, and building a strong foundation for successful and cost-effective implementation of future clean energy projects.

Counties and municipal governments may submit one application per planning project. Planning projects may include Feasibility Studies, Energy Audits, Energy Planning, and Strategy Development.

Type of Grant Program: Statewide Competitive

Application Deadline: December 5, 2025, at 5:00 p.m. Eastern time

Anticipated Funding: For this Funding Opportunity (AOI2), a total of \$3 million 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. Each applicant may submit one application only. The maximum requested funding for eligible activities within one application is capped at \$300,000.

Application URL: <https://form.jotform.com/marylandenergy/FY26-L-GEM-AOI2>

Period of Performance: Grantees will be given between 24 and 27 months to complete their projects beginning with the date of the award execution. 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.

Program Changes: Any update (e.g. extension of a deadline) or clarification about the Program and any corrections to inadvertent errors in the Program information will be available on the Program webpage.

Section 2: Eligibility

Eligible Applicants: Only incorporated towns, cities, and counties of Maryland may apply. Counties, including the City of Baltimore, that apply for AO11 are not eligible to apply for AO12 or AO13.

Eligible Activities: Planning projects must occur on local government owned or leased properties. Activities may include, but are not limited to:

- **Feasibility Studies** An evaluation that determines whether proposed upgrades are technically, financially, and operationally feasible before moving forward with implementation. Feasibility studies for Renewables, Energy Storage, Energy Efficiency, and Electrification are encouraged.
 - For solar site surveys and preliminary development of solar projects, please review MEA's [Solar Technical Assistance Program](#)
- **Energy Audits:** A comprehensive evaluation of a building's energy use, systems, and operations to identify efficiency opportunities.
- **Strategy Development:** A process that may include financial analysis (i.e., ROI, payback, modeling, and incentive stacking), strategic planning (i.e., goal setting, phased implementation, continuous improvement), stakeholder engagement, regulatory and policy analysis, and risk management.
- **Energy Planning:** A process that may include pre-construction technical planning, energy modeling, energy use analysis, load profiling, energy forecasting, supply planning, benchmarking, efficiency use identification, resilience considerations, and policy and regulatory alignment.

Award Amounts: The Minimum request for a grant award is \$50,000. The maximum request for a grant award is \$300,000. MEA will reimburse up to 90% of the total project cost.

Local governments may apply for funding to support one or more of the aforementioned eligible planning activities. Applicants may pursue a single activity or a combination of activities, provided the total funding request is at least \$50,000 and no more than \$300,000.

If applicants are applying for additional MEA grant programs, each application has to request funding for distinct measures or technologies to avoid duplicative funding.

The number and size of awards granted in FY26 ultimately will depend on the quantity and quality of all applications received. All applications received by the deadline will be considered.

Ineligible Activities

- **Planning projects that include fossil-fuel or other combustion technologies** that produce greenhouse gas emissions are typically not eligible for funding. This includes feasibility studies, technical assessments, or design work intended to support new installations, infrastructure expansion, or upgrades that would extend the operational life of fossil fuel systems. Limited exemptions may be considered only with a thorough technical analysis demonstrating that zero-emission alternatives are not feasible for technical or safety reasons. Cost alone is not a valid justification. All exemption requests must include justification, consideration of alternative technologies, and a plan to reduce or phase out fossil fuel use in the future.
- **Transportation Planning and Implementation Projects:** Funded through MEA's [Community EVSE](#) and [Medium-Duty and Heavy-Duty Zero-Emission Vehicle Grant Program](#)
- **Residential Planning Projects**
 - Multi-family Affordable Housing funded through [Maryland Department of Housing and Community Development's Multifamily Energy Efficiency and Housing Affordability Program](#)
 - Residential energy efficiency, electrification, and solar projects funded through MEA's [Energy Efficiency Equity Program](#)
- **Schools**
 - Funded through the Maryland Energy Administration's [Decarbonizing Public Schools Program](#). Eligible applicants are Local Education Agencies (public K-12 schools and support facilities)
 - Funded through the Maryland Energy Administration's [Higher Education Clean Energy Grant Program](#)
 - Private Schools funded through the [Commercial and Industrial Program and Electrifying Community Buildings Program](#)
- **Automated residential solar permitting and plan review**
 - Costs to adopt the free-to-use U.S. National Renewable Energy Laboratory SolarAPP+ residential solar permitting software funded through MEA's [SolarAPP+ Implementation Grant Program](#)
- **Implementation Funding:** Funding under this Area of Interest is limited to planning and pre-implementation activities. Requests for funding related to the direct implementation of energy measures—including equipment purchases, construction, or installation—are not eligible. Applicants seeking support for implementation projects must apply under Area of Interest 3 (AOI3).
- **Measures funded by other MEA grant programs:** If applicants are applying for additional MEA grant programs, each application has to request funding for distinct measures or technologies to avoid duplicative funding.

Rented or Leased Buildings: Entities that rent or lease their facilities must meet the following requirements:

- The application includes a letter of concurrence signed by the property owner stating that:
 - (1) The property owner permits the grantee to conduct the proposed planning activities at the leased facility
 - (2) The property owner agrees to allow reasonable access to the facility for any necessary site visits, data collection, or technical evaluations associated with the planning activities.

Note: for grantees leasing property, the grant agreement will require the grantee to return grant funds to MEA if the requirements in (1) and (2), above, are not met.

Section 3: Minimum Requirements and Competitive Criteria

The following requirements apply to each applicant. Each “minimum requirement” condition must be met for applications to be evaluated and considered for funding, no exceptions. Each “competitive criteria” condition will be scored and used to rank applications based on their relative strength, with higher-scoring proposals receiving priority consideration for funding.

Minimum Requirements:

- **Applications are submitted by the grantee:** Third parties may not submit an application on behalf of the grantee
- **Signatory Authority:** A signature applied to the application by an officer with the authority to commit the grantee to execute the grant’s requirements (e.g., Chair of the Board, President, Chief Financial Officer, General Manager, etc.). This individual should have sufficient authority to identify, authorize, and provide the necessary resources to perform implementation.
- **W-9:** IRS Form W-9 for the applicant must be submitted with the application. The name on the W-9 form must match the organization name as it should appear if selected for a grant award. The mailing address on the W-9 should match the business address for the organization, where bills and other financial correspondence would be directed.
- **Identification of Project Manager:** Consistent with the intent to develop capacity for ongoing efforts, applicants should identify a 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

Competitive Criteria: Award selection will prioritize local governments that do not have an energy policy or do not already track utility data. Applications will be evaluated in comparison to the following criteria:

- **Project Narrative:** Applicant clearly identifies:
 - Buildings to be assessed, including names, addresses, and gross square footage.
 - The planning activities to be undertaken as well as their purpose and anticipated outcomes. Planning projects that include planning for renewable energy technologies will be considered more competitive.

- The ability to carry out the proposed planning activities, either through qualified in-house staff, partnerships, or a plan to engage experienced consultants. While MEA values strong project leadership, it also recognizes and supports applicants demonstrating a need for additional capacity and resources to build energy planning capabilities.
- Anticipated challenges and plans to overcome them
- Clear demonstration of community engagement and understanding of community needs
- Reasonable justification for planned expenditures.
- The extent to which the proposed planning activities are likely to inform and lead to future capital projects.
- Demonstration of need for additional capacity and resources to implement energy planning
- **Accuracy and completeness of application:** Applications with clear, detailed, and fully completed responses are preferred.

Section 4: Submission and Funding Procedures

Submission Instructions: Once complete, applications should be submitted to MEA via the online electronic application listed above. MEA will not accept any application packages after the deadline listed at the beginning of this Funding Opportunity Announcement 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 msec.mea@maryland.gov or by calling Program Manager Lacey Allor at (410) 507-7143 no fewer than fourteen (14) days prior to the deadline to arrange an alternative method of submission.

Review Process: The review of applications will follow a structured, multi-stage process:

1. The program manager will first review each application for eligibility, ensuring it meets the minimum criteria outlined in the FOA.
2. Each member of the review team will independently score the application based on the specified competitive criteria.
3. The evaluation team will then compile individual scores, finalize overall scores, rank all applications accordingly, and make final recommendations for funding.

Applications will be reviewed by a team that may include individuals from MEA and other entities with experience in energy, construction, and capital development. The final grant amount for each Grantee will be made after review of all proposals received and is subject to funding availability for the Program and any relevant statutory requirement applicable at that time.

Partial Awards: Partial awards may be considered under this program.

- Full grant awards will be made based on rankings of applications, in descending order

from highest to lowest, until grant funds are exhausted.

- If sufficient grant funds are not available to fully fund a project, the applicant will be given an option to accept partial funding, based on the ability to complete the project with partial grant funding.

Electronic Payments: 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. A successful 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.

Funding Disbursement: Funding will only be disbursed to awardees as projects are completed upon proof of purchase via detailed invoice documentation and project status updates provided to MEA throughout the period of performance. Projects for which equipment has already been purchased and/or installed prior to executing a grant agreement are ineligible for grant funding.

If we should receive an oversubscription in one category over the other MEA reserves the right to distribute the funding between these two categories to support the greatest number of eligible projects to support local governments

Reporting: Provide the following updates to MEA throughout the grant performance period:

- Quarterly progress reports outlining your project's status
- Detailed invoices, as necessary, that include the date, project address, equipment name and model, quantity, cost, and total cost incurred
- Upon project completion: final close-out report and invoice

Section 5: Additional Requirements and Provisions

General Provisions:

MEA grant programs are covered by general provisions that apply to all energy programs, the most current version of these General Provisions is [General Provisions v3 2.11.22](#). The most recent General Provisions document will be incorporated into all FY26 grant agreements issued by MEA.

Program-Specific Requirements:

In addition to the general provisions, the following requirements apply to this program:

1. MEA will not reimburse for any costs expended prior to the execution of the Grant Agreement, unless MEA agrees otherwise in writing.
2. The application requires a community to identify the version of the energy code that it is currently enforcing and to provide documentation demonstrating adoption of the code. To be eligible for an MSEC FY26 Program grant funding, a community should follow the 2018 International Energy Conservation Code (IECC). If an applicant itself has not adopted the IECC but, instead, follows the IECC of another entity (e.g., a municipal government adhering to a county government's codes), it must include an explanation in its application.
3. **Building Energy Performance Standards Benchmarking:** Buildings subject to Maryland's Building Energy Performance Standards (BEPS)¹ must be in compliance with BEPS benchmarking requirements. Applicants must provide the relevant unique building identifier(s) known as UBID(s) of covered building(s) to MEA prior to execution of a grant agreement with MEA.

Contact Information: For more information or assistance, please visit the [FY26 Local Government Energy Modernization webpage](#) or contact:

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msec.mea@maryland.gov
(410) 507-7143

¹ <https://mde.maryland.gov/programs/air/ClimateChange/Pages/BEPS.aspx>