



Maryland
Energy
Administration

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

Funding Opportunity Announcement

Low Income Solar Grant Program (Pilot)FY2022 Grant Program

Program Description: During Fiscal Year 2022 (FY22), the Maryland Energy Administration (MEA) will provide grant funding for the design and installation of solar energy systems for a limited number of Low Income (LI) single family homes that have received an energy audit and weatherization-type energy efficiency upgrades as part of MEA's Low-to-Moderate Income Energy Efficiency Grant Program. The Pilot Low Income Solar Grant Program will make available up to 100% of the cost for the design and installation of solar photovoltaic (PV) systems ranging in size from 1kW to 10 kW, with a cap of \$25,000 per home.

Through this pilot program, MEA aims to gain insight into best practices for deploying solar energy to low-income residential households as outlined in §9–20B–05(i) of the State Government article. The results of this pilot will be used to inform planning for any future programs.

Type of Grant Program: Competitive statewide

Application Deadline: Round 1: Monday November 29, 2021 by 11:59PM EDT (completed)

Round 2: Wednesday, April 20, 2022 by 5:00 PM EDT

Eligible Applicants: Non-profit organizations and local governments that have received an award from MEA's FY20, FY21, FY22 Low-to-Moderate Income Energy Efficiency Grant Program. An Applicant who submitted an application in in Round 1 may update their previous proposal and resubmit in Round 2.

Eligible Activities: The installation of solar PV systems for the benefit of low income residential households and sized to produce less than 100% of the homeowner's estimated annual energy use. Each solar photovoltaic system funded through this pilot program can range in size from 1 kW to 10 kW. The grant funds must be used for the purchase of a system to benefit the low income household and not to facilitate a power purchase agreement. For a roof-mounted system, the roof structure of the house must be favorable for solar, as determined by the grantee's solar contractor. A roof-mounted solar installation may include limited roof repair and replacement in the vicinity of the solar array, structural support of the roof (as needed), and mold remediation in areas needed to support the installation of the array and supporting equipment. If a roof-mounted structure is not favorable for a home, a ground mounted system may be considered for the benefit of a low income household.

MEA anticipates that the majority of the solar installations funded will be roof-mounted systems.

Program Budget: Up to \$1,500,000. The funding is from the Strategic Energy Investment Fund (SEIF). MEA reserves the right to obligate all, some, or none of the FY22 Low Income Solar Grant Program budget, based on the eligibility and quality of applications submitted to MEA.

Award Formula: MEA anticipates awarding at least ten (10) grants, with a grant award of up to \$200,000 per awardee, inclusive of all direct and indirect costs. MEA will provide up to \$25,000 for each solar system installation to benefit a low-income household. If MEA does not receive sufficient qualified applications for the available funds, MEA may opt to increase individual grant amounts awarded to successful applicants.

Evaluation Criteria: Each application will be evaluated by MEA based on the following criteria:

- Leveraging factor (percentage of MEA grant funding/total cost of the solar project). A higher rating will be given to a project that can obtain additional funding from other sources, and thus result in a lower percentage of MEA grant funding relative to total funding.
- Number of energy-efficient home upgrades applicant has completed as part of MEA's Low and Moderate Income (LMI) Energy Efficiency Grant Program. A higher rating will be given for a higher throughput as more potential renewable energy deployment to serve low income residential households
- Applicant's past performance in the LMI Energy Efficiency Grant Program.
- The number and approximate sizing identified in the application and the cost for completing the installation of the solar system identified.
- Identification of one or more solar installers with which the applicant has either contracted with, or are committed to contracting with in the future, on one or more individual project(s). Note: Each solar installer identified provide a current employee on staff with current NABCEP PV Installation Professional Certification.
- Identification of one or more roofing company(ies) with which the applicant has either contracted with, or are committed to contracting with, on one or more individual project(s).
- Innovative delivery or project design will be given a higher rating.

MEA reserves the right to use geographic diversity as a deciding factor when evaluating grant applications.

Partial awards: Awards less than the original funding request submitted in the application may be awarded under the Program. Full grant awards will be made for approved projects, based on ranking, from highest to lowest, until sufficient funds are not available to fully fund another subsequent application. The applicant submitting the subsequent application will be given an option to accept partial funding, based on funding availability. If the applicant submitting the subsequent application will be given an option to accept partial funding, based on funding availability. If the applicant agrees, MEA will provide a partial grant award with remaining Program funds. If the applicant does not accept partial funding for the project, MEA will offer partial funding for an approved project to the remaining unfunded applicants in order of ranking (highest to lowest). MEA will follow this process until all funding has been expended or all remaining projects have rejected a partial funding grant award.

For partial grant award amounts, MEA will scale down the grant award amounts by \$25,000 increments (i.e., reduce the total number of solar installations whose costs will be reimbursable under a grant award). MEA will use the following criteria for determining the amount of a partial grant award.

- a. Scalability of the applicant's proposal
- b. Project size and requested amount in the application
- c. Impact on workforce development

Income Limits for Eligible Households: Funds must be used to fund solar projects that benefit Maryland's low income population. "Low income" is defined as household income at or below 175% of the federal poverty level. These limits can be found on the Maryland Department of Human Services Office of Home Energy Programs webpage. Each grantee is responsible for verifying, documenting, and retaining income verification that program participants and/or beneficiaries comply with the established income limits.

Eligibility Requirements for each Participating Home:

- Must have received, or is receiving, a whole home energy efficiency upgrade as part of MEA's Low and Moderate Income (LMI) Energy Efficiency Grant Program.
- Must be a primary residence, single family residential home.
- Single family homeowners must meet income requirements.
- Must be located in Maryland.
- Must be on a residential electricity tariff,

Reimbursable Project Costs:

- MEA will reimburse up to \$25,000 for each solar pv system installation.
- Costs associated with initial project review (from assessing the site's solar potential to submission of an individual installation proposal to MEA, to include designing, permitting, installing and commissioning the solar system.) are reimbursable as a direct cost, and considered part of the overall solar system cost.
- Eligible project costs that support LI solar deployment but are not directly related to the installation of a solar system include:
 - Strengthening, repairing, or replacing the roof (if necessary), and,
 - Remediating mold in areas where access is required for solar installation (as necessary).

Of the allowable budget per home (i.e., approximately \$25,000), no more than 20% (i.e., approximately up to \$5,000) can be used for measures that support LI solar deployment but are not directly related to the installation of a solar system.

Project invoicing requirements:

- Total invoicing per home/location may not exceed \$25,000 per location
- MEA will consider a Grantee's requests for reimbursements (including invoices) on a house-by-house basis but only after the grantee has obtained Permission to Operate (PTO) and passed all permitting inspections required by the Authority Having Jurisdiction for that house/location
- MEA will reimburse a grantee in arrears for actual costs incurred, after being supplied with all required supporting documentation. The required documentation will be outlined in the grant agreement, which will be developed between MEA and a grantee.
- MEA will not reimburse a grantee for any costs incurred prior to the execution of the grant agreement.
- Consistent with §2-208 of the State Finance and Procurement Article, a non-profit organization that is providing services funded with State funds can request reimbursement of indirect costs: "(1) at the same rate the nonprofit organization has negotiated and received:
 - (i) for indirect costs under a direct federal award;
 - (ii) from a nonfederal entity based on the cost

principles in Subpart E of OMB Uniform Guidance; or (2) if the nonprofit organization has not negotiated and received an indirect cost rate described in item (1) of this subsection, at a rate of at least 10% of the costs that would be considered modified total direct costs under OMB Uniform Guidance.”

Review Process: The MEA Low Income Solar Grant Program is a competitive program. The MEA Program Manager will assemble a Grant Review Team of at least 3 qualified program managers, energy specialists or other professionals, including individuals from outside MEA, at the Program Manager’s discretion. Initially, each Grant Review Team member will conduct an individual review of the complete applications using the evaluation criteria.

Once initial application reviews are completed by each member of the Grant Review Team, the grant review team will meet collectively to discuss their initial reviews, decide on a final ranking for each application and come to consensus on recommendations for funding.

Required Application Documents:

1. Fully completed FY22 Low Income Solar Grant Program Application
2. IRS W9 Tax Form for the applicant organization
3. For Non-Profits Only: Proof of incorporation and non-profit status for the applicant organization

Submission Instructions: MEA is encouraging the use of electronic applications to streamline processing and reduce environmental impacts. If you cannot apply electronically, please contact the MEA Program Manager at 410-537-4063 no less than ten (10) business days prior to the grant deadline to determine an alternative method to submit an MEA Low Income Solar application.

Applications must be submitted no later than **Wednesday, April 20th, 2022 by 5:00 P.M. Eastern Daylight Time**. Unless the Applicant has contacted MEA regarding an alternative method, applications must be submitted electronically to MEA at solar.mea@maryland.gov.

Grant Program General Provisions: MEA grant programs are covered by general provisions that will be made part of the grant agreement between MEA and the grantee. A copy of the General Provisions document is available on MEA’s website at <https://energy.maryland.gov/SiteAssets/Pages/all-incentives/Grant%20Agreement%20General%20Provisions.v.2.pdf>; this document will be incorporated into each FY22 grant agreements issued by MEA.

Program Specific Requirements:

Solar Renewable Energy Certificate (SREC)

- Each grantee must instruct the low income residential homeowner how to register their solar system with the Maryland Public Service Commission to receive their SRECs.

Definitions of “Indirect Costs”:

- MEA will use the definition of indirect costs provided in OMB Uniform Guidance, 2 CFR § 200.56.
 - 2 CFR § 200.56: “Indirect (F&A) costs means those costs incurred for a common or joint purpose benefitting more than one cost objective, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect (F&A) costs. Indirect (F&A) cost pools must be distributed to benefitted cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.”

Restrictions and Limitations:

- When a city, county or state government entity is a grantee (the site owner, site operator or system owner), the government entity will be required to attest to its compliance with Sections 14-416 and 17-303 of the State Finance and Procurement Article (as applicable) and MEA will only provide grant funds directly to the government entity and not to any other grantee.
- At least one person certified as a Solar PV Installer by the North American Board of Certified Energy Practitioners ('NABCEP') must be involved in the design and/or installation of the community solar array. Each applicant will be required to provide the name and certification number of this individual(s).
- Copy of the Maryland State Department of Assessments and Taxation (SDAT) Certificate of Good Standing for each non-governmental system owner and each solar installer must be in good standing in the State of Maryland. For a Good Standing Certificate, please see the website for the Comptroller of Maryland, or visit the State Department of Assessment and Taxation (SDAT) website for proof of good standing. A copy of good standing or a screenshot from SDAT showing good standing is acceptable.
- A residential home obtaining a solar installation as part of the Program is ineligible for a rebate under the MEA's Clean Energy Rebate Program.
- Each Grantee will be given up to 1.5 years to complete the solar system installations that make up the Grantee's Project under the Program.
- Grant extension requests are addressed in Attachment A, the General Grant Provision. See <https://energy.maryland.gov/SiteAssets/Pages/all-incentives/Grant%20Agreement%20General%20Provisions.v.2.pdf>.
- For each proposed home, a Maryland Historical Trust review must be completed without an adverse finding prior to being approved for funding under this program. The project must not have an adverse effect on a historic building or a historic district, as determined by the Maryland Historical Trust. (See Grant Agreement General Provisions).
- Each component (i.e. inverter, panels, etc) of a solar system used under this Program must be listed or labeled by a recognized national testing laboratory.

Grant Funding and Payment: Grant funds are released in arrears, upon submission of a valid invoice on grantee letterhead, along with necessary reporting and supporting documentation. Grants funds will be eligible for disbursement after each solar system installation receives permission to operate, or documentation of passed inspection, as required by the authority having jurisdiction. The Grantee will inform MEA when the home installation is completed (i.e., all requirements met, all permit inspections passed and permits completed). The Grantee will submit a Final Invoice and Completion Report to MEA. Upon receipt of a complete and accurate invoice and completion report, MEA will invoice for payment.

Program Changes: MEA reserves the right to modify or change the Program at any time as needed for legal, financial, or programmatic reasons. Changes will be available on the MEA Low Income Solar Grant Program webpage. Changes made after proposals have been submitted will be communicated directly to applicants or grantees, as applicable, by letter and/or e-mail.

Questions can be directed to the LI Solar Program Manager, Abigail Antonini, at abigail.antonini@maryland.gov or 410-371-6381.