

2024 Annual State Agency Report: Efforts to Reduce Greenhouse Gas Emissions or Address Climate Change

Pursuant to Environment Article §2–1305(c), Annotated Code of Maryland



December 5, 2025

The Honorable Wes Moore State House 100 State Circle Annapolis, MD 21401

Maryland Commission on Climate Change Maryland Department of the Environment 1800 Washington Blvd Baltimore, MD 21230

Re: Environment Article § 2-1305(c) (MSAR # 10684)

Governor Moore,

Pursuant to Environment Article § 2-1305(c) the Maryland Energy Administration ("MEA") submits this 2024 Annual State Agency Report: Efforts to Reduce Greenhouse Gas Emissions or Address Climate Change. This report fulfills the requirement of MEA to report annually on the status of programs that support the State's greenhouse gas reduction efforts or address climate change.

As required, five color hard copies will be sent to the Department of Legislative Services Library.

Sincerely,
/s/
Landon R. Fahrig, Esq.

Assistant Division Director of Energy Policy

cc: Sarah Albert, Department of Legislative Services (5 copies)

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## Introduction

Environment Article § 2-1305, Annotated Code of Maryland requires that each State agency review its planning, regulatory, and fiscal programs to identify and recommend actions to more fully integrate the consideration of Maryland's greenhouse gas reduction goal and the impacts of climate change. Additionally, certain State Agencies, including the Maryland Energy Administration ("MEA"), must report annually on the status of programs that support the State's greenhouse gas reduction efforts or address climate change, in accordance with § 2–1257 of the State Government Article, to the Commission and the Governor. This report serves that purpose.

MEA serves a pivotal role in advancing a clean energy economy and reducing Maryland's carbon footprint, and shares the Moore Administration's goals of carbon pollution cuts of 60% by 2031 and a net zero greenhouse gas economy by 2045. The mission of the Maryland Energy Administration is to promote clean, affordable, reliable energy and energy-related greenhouse gas emission reductions to benefit Marylanders in a just and equitable manner. To that end, MEA has developed a bevy of programs funded through the Strategic Energy Investment Fund ("SEIF") that aid the state in accomplishing these lofty goals. A number of these programs directly reduce greenhouse gas emissions. For fiscal year 2024 ("FY24"), MEA programs provided an estimated total of 77,206 metric tons of avoided CO<sub>2</sub>/year over the life of the projects that they supported.

# FY24 Programs Resulting in Avoided Carbon Emissions

## **Energy Efficiency Equity Grant Program**

FY24 SEIF Expenditures and Encumbrances: \$19.368 million<sup>1</sup>

Beneficiaries

Nonprofit organizations and local governments can receive funding from this program to implement energy efficiency measures that benefit low- to moderate-income ("LMI") Marylanders.

#### Description

Grants were awarded for energy efficiency projects that generate significant energy savings, with the benefits of the energy savings being passed on to Marylanders experiencing LMI. Priority was given to projects that maximize energy savings and the number of residents that benefit from the measures. MEA allocated grant funds by formula on a regional basis to prioritize a fair

<sup>&</sup>lt;sup>1</sup> This reflects the awards made in FY24 and does not include financial transactions for awards from prior fiscal years that impacted FY24 accounting.

distribution of funds across the state, before then making awards competitively within each region.

Through the program, energy efficiency upgrades have been completed at community centers, libraries and shelters, as well as residential homes.

Note that FY24 projects are still being installed. For this reason, the anticipated outcomes for FY24 are based on results from previous fiscal years. Some energy saving measure installations may leverage additional funding sources. Actual energy and environmental benefits will not accrue until the individual projects have been completed.

### Program Accomplishments

Fiscal Year	FY24
# of grants issued	61
Anticipated annual kWh savings	6,750,000
Anticipated annual fuel savings (MMBTU) <sup>2,3</sup>	35,400
Anticipated CO <sub>2</sub> avoided (metric tons CO <sub>2</sub> /year)	3,971

## **Maryland Smart Energy Communities**

SEIF Expenditures and Encumbrances: \$5.585 million

## **Participants**

Since 2013, the Maryland Smart Energy Communities ("MSEC") program has benefited local incorporated governments (i.e., towns, cities, and counties) in Maryland. In FY24, the program expanded to include new Areas of Interest ("AOI") that included the Clean Energy and Community Development Pilot to promote economic growth through comprehensive community approaches to addressing the State's energy and climate goals. The MSEC program also absorbed the Street Light and Outdoor Lighting program in FY24, which was previously a standalone program; this part of the MSEC Program funded projects at State based universities, in addition to the traditional local and municipal government grantees from previous years. In total, the MSEC program provided 41 awards to 20 awardees in FY24.

#### Description

The goal of the program is to support local communities as they adopt clean energy policies. Communities benefit from sustained reduction of energy usage, cost savings, and opportunities for renewable energy development.

## Program Details

<sup>&</sup>lt;sup>2</sup> Million British Thermal Units.

<sup>&</sup>lt;sup>3</sup> May include natural gas, propane, or #2 fuel oil.

Projects selected for MSEC funding in FY24 include heating, ventilation, and air conditioning replacements, lighting upgrades, and electric vehicle replacements for existing gasoline vehicles.

Energy and greenhouse gas savings estimates shown below are based only on the FY24 awards to existing MSEC communities for energy projects identified in their respective grant agreements. Savings from other energy projects that contribute to the MSEC energy goals, but do not receive direct MSEC funding, are not included in the estimates below.

Some projects have lead times and therefore are still being installed. The FY24 annual savings estimates shown below reflect the initial projections. In addition, the new MSEC communities participating in the FY24 program will still be developing their specific clean energy projects so these project savings are not included below.

MSEC Program	FY24
# of MSEC awards to municipal governments	27
# of MSEC awards to county governments (or county equivalent)	11
# of new MSEC communities	1
Estimated annual reductions (in kWh) anticipated from projects for existing MSEC communities	2,600,176
Estimated annual avoided gasoline (gallons)	79,080
Estimated annual avoided natural gas use (MMBTU)	446
Anticipated annual CO <sub>2</sub> avoided (metric tons CO <sub>2</sub> /year)	2,509

## Commercial, Industrial, and Agriculture Grant Program

SEIF Expenditures and Encumbrances: \$2.994 million<sup>4</sup>

### Beneficiaries

The Commercial, Industrial, and Agriculture ("CI&A") Grant Program offers financial incentives to Maryland's commercial, industrial, and agricultural sectors.

### Description

In FY24, the CI&A grant program provided fifteen grants to increase the energy efficiency of electric and non-electric fuel consumption of existing facilities, either in whole or in part, and in

<sup>&</sup>lt;sup>4</sup> The amount listed does not include projects whose participants received an initial commitment but ultimately decided to not participate in the program.

new construction. Eligible energy efficiency measures included building envelope and insulation improvements, lighting and controls, motors and variable frequency drives, and heating, ventilation, and air conditioning upgrades.

## Program Accomplishments

Many projects have long lead times and therefore are still being installed. FY24 annual savings estimates below reflect the initial projections of the energy reductions that are anticipated to accrue from program-funded projects, but are subject to change. The summary report below shows anticipated total project savings, including energy savings from any measures that may be benefitting from other funding sources, including utility incentives and financing through a Jane E. Lawton Conservation loan.

Fiscal Year	FY24
# of grant awards	15
Annual electricity savings (kWh)	4,966,906
Annual natural gas savings (therms)	65,250
Annual propane savings (gallons)	0
Anticipated annual CO <sub>2</sub> avoided (metric tons CO <sub>2</sub> /year)	2,373

## **Decarbonizing Public Schools Program**

SEIF Expenditures and Encumbrances: \$24.281 million

Beneficiaries

Maryland local education agencies ("LEAs") are eligible to participate.5

### Description

Offered for the first time in FY22, the Decarbonizing Public Schools Program made grants available to expand the capacity of LEAs to manage energy data, reduce operating costs, and incorporate energy performance criteria into capital improvement planning.

Applicants may receive funding to support one or multiple AOIs, for either their entire school district, for a significantly sized multi-facility subset or for individual school facilities.<sup>6</sup> AOI 1 is for "Feasibility and Planning" for capacity building and data management purposes as LEAs plan for net zero energy construction. AOI 2 is for "Energy Efficiency Capital" for energy efficiency upgrades and repairs to school buildings. AOI 3 is entitled "Solar on Schools" for

<sup>&</sup>lt;sup>5</sup> In Maryland, local education agencies correspond with the county, or county-equivalent, public school system.

<sup>&</sup>lt;sup>6</sup> An applicant selected to receive an award under multiple Areas of Interest, or from multiple funding sources (e.g., energy efficiency, renewable energy/climate change), will receive multiple awards.

installation and planning of solar arrays on existing school roofs and infrastructure. AOI 4 focuses on "Net Zero Energy Schools", enabling design, construction and post-occupancy commissioning of the next generation of net zero energy schools in Maryland.

#### Program Accomplishments

Fiscal Year	FY24
# of grant awards	30
# of LEAs receiving an award to help defray the cost of energy management and ENERGY STAR Portfolio Manager deployment	6
# of LEAs receiving an award to cover the cost of incorporating net zero energy design principles into LEA facility development portfolios	1
Anticipated Energy Savings (kWh)	8,769,677
Anticipated annual CO <sub>2</sub> avoided (metric tons CO <sub>2e</sub> /year)	6,204

## **Resilient Maryland**

SEIF Expenditures and Encumbrances: \$9.245 million<sup>7</sup>

## Beneficiaries

Potential applicants include businesses, critical infrastructure facilities, local and state governments (e.g. public universities, community colleges, and schools), nonprofit organizations, healthcare facilities, multifamily housing, regional planning organizations, agriculture, food production and supply chain, hotels, utilities, cooperatives, and municipal utilities implementing microgrids to improve community resilience. Downstream beneficiaries include LMI Maryland residents.

#### Description

Resilient Maryland is aimed at driving growth in the adoption of microgrids and other distributed energy resource ("DER") systems that enhance a facility's resiliency, sustainability, and efficiency. Solar photovoltaic ("PV") generation, resilient combined heat and power for critical purposes, energy storage systems, grid-interactive energy efficiency technologies, and many other DERs can be strategically combined to provide long-term affordable energy and resilient power solutions that bolster essential infrastructure, vulnerable communities, and businesses and organizations sensitive to energy disruption. The FY24 program covered three different AOIs in FY24:

AOI 1 focuses on feasibility analyses, planning, preliminary designs, financial analyses, greenhouse gas reduction projections, analyses on barriers to system implementation, and other

<sup>&</sup>lt;sup>7</sup> This reflects the awards made in FY24 and does not include financial transactions for awards from prior fiscal years that impacted FY24 accounting.

pre-construction activities for community and campus-scale microgrids and other innovative configurations. The program provides competitive grants that help offset the costs of equipment and installation of DERs and the associated wiring and communication infrastructure comprising the microgrid. AOI 2 focuses on similar activities as AOI I, but for a single facility.

AOI 3 incentivizes the design of "resiliency hubs", which are community locations fitted with a solar PV and battery storage system for community members to safely congregate, sized to power essential loads during an electricity grid outage. AOI 3 also incentivizes capital construction. Funding is provided to partially compensate solar microgrid developers for costs incurred in the development and construction of eligible combined solar and energy storage systems. When the electric grid is operational, the solar plus storage system may be used to provide solar energy and peak shaving to the facility where the hub is located.

## Program Accomplishments

Fiscal Year	FY24
# of projects receiving an award	23
Solar Capacity Installed through Resiliency Hubs (kW)	1,029
Anticipated annual CO <sub>2</sub> avoided (metric tons CO <sub>2e</sub> /year)	8,988

## **Residential Clean Energy Rebate Program**

SEIF Expenditures and Encumbrances: \$4.762 million

Beneficiaries

Beneficiaries include homeowners that install eligible renewable energy systems.

### Description

The Clean Energy Rebate Program ("R-CERP") was designed to support renewable energy installations across the state, and offers incentives for both residential and commercial projects. In FY24, Residential R-CERP provided incentives for solar PV, geothermal heating and cooling, and wood and pellet stoves. The solar PV category has expanded to also include solar shingles, where the solar PV technology is installed as part of a building's roof. Solar PV is the most popular technology by far, representing over 4,000 awards and approximately 90% of FY24 residential CERP applications.

In FY24, R-CERP applications far exceeded commercial applications in both the number of awards made and total dollar amount of awards issued. R-CERP incentive levels are set at a prescribed amount per technology installation (e.g., \$1,000 per solar PV award, \$3,000 per geothermal heat pump.) By offering incentives for multiple technologies, potential program participants have options to help suit their cost and/or geographical requirements.

### Program Accomplishments

Fiscal Year	FY24
Total # of awards	4,448
Estimated new electricity generated or avoided incentivized by R-CERP (kWh/year)	36,791,161
Estimated MMBTU/year avoided due to projects receiving R-CERP incentives	125,537
Overall Solar PV Capacity <sup>8</sup> (kW)	43,280
Solar Thermal (sq. ft.)	0
Capacity of new Geothermal installed (Ton)	887
# of wood and pellet stove installations	120
Anticipated annual CO <sub>2</sub> avoided (metric tons CO <sub>2</sub> /year)	36,791

## **Commercial Clean Energy Rebate Program**

SEIF Expenditures and Encumbrances: \$0.968 million

## Beneficiaries

Beneficiaries can include businesses, nonprofit organizations, and state and local government entities that install eligible renewable energy systems.

### Description

The FY24 Commercial Clean Energy Rebate Program ("C-CERP") provides incentives for solar and geothermal systems. There were a total of 94 C-CERP projects in FY24, all of which involved solar technology. In FY24, commercial projects occurred across the state, in 20 of Maryland's counties.

Commercial incentive levels are calculated based on the size and type of renewable energy system. By offering incentives for multiple technologies, potential program participants have options to help suit their cost and/or geographical requirements.

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<sup>&</sup>lt;sup>8</sup> Includes residential solar PV shingles.

#### Program Accomplishments

Fiscal Year	FY24
Total # of awards	89
Estimated new electricity generated or avoided incentivized by C-CERP (kWh/year)	6,746,391
Estimated MMBTU/year avoided due to projects receiving C-CERP incentives	23,020
Overall Solar PV (kW)	7,937
Anticipated annual CO <sub>2</sub> avoided (metric tons CO <sub>2</sub> /year)	6,746

## **Solar Canopy and Dual Use Technology Program**

SEIF Expenditures and Encumbrances: \$3.540 million

## Beneficiaries

Potential applicants include businesses, state and local governments, and non-profit organizations.

## Description

This competitive program, previously called the Parking Lot Solar Canopy with Electric Vehicle Charger program, has been offered by MEA since 2014. Eligible projects must consist of at least 75 kW of solar PV panels mounted on a canopy-type structure over a parking lot or parking garage roof, and at least four Level 2 or Level 3 EV charging stations must be installed in conjunction with the canopy system. Participating parking lot properties can help support the state's electric vehicle adoption, Renewable Portfolio Standard, and greenhouse gas reduction goals all while performing the facility's primary function of providing parking access. As ancillary benefits of these projects, vehicles parked underneath the canopies are protected during inclement weather and kept shaded, and thus cooler, during the summer months.

In addition to solar canopies over parking lots, waterborne solar installations are eligible and other dual use opportunities may be proposed for consideration. The addition of dual use technologies was to get the most out of real estate, providing an energy generation service as well as an existing service. As an example, storm water retention ponds may benefit by adding solar over the ponds, or potentially adding floating solar on top of the ponds. In this way the land provides the existing storm water retention service, as well as energy generation.

In FY24, the Solar Canopy and Dual Use Program was funded primarily through alternative compliance payments ("ACP") received via Maryland's Renewable Portfolio Standard, \$3.2 million from ACP and \$300,000 from Regional Greenhouse Gas Initiative ("RGGI") auctions.

Many of the parking lot solar canopy projects are in fairly visible locations, helping to increase

the visibility of solar to the public at large. As examples, this year's solar canopy projects will be installed at Frederick Police Headquarters, University of Maryland properties, and an apartment complex in Prince George's county.

FY24 projects are still being developed and are not yet installed. Anticipated system capacity estimates for these projects are included below, but are subject to change.

## Program Accomplishments

Fiscal Year	FY24
# of projects receiving an award	14
Solar capacity (kW) resulting from the parking lot canopy projects	10,452
Electric vehicle charging stations	68
Anticipated annual generation (kWh)	13,407,500
Anticipated annual CO <sub>2</sub> avoided (metric tons CO <sub>2</sub> /year)	4,111

## **Community Solar Program**

SEIF Expenditures and Encumbrances: \$3.193 million<sup>9</sup>

In FY24, the Community Solar Program was funded primarily through ACP received via Maryland's Renewable Portfolio Standard.

### Beneficiaries

The ultimate beneficiaries of MEA's Community Solar program are LMI residents who are now able to participate in a community solar project. Community solar helps improve energy equity by expanding the pool of Maryland residents who can participate in solar projects, opening up solar to rental households that make up 32% of Maryland's housing units<sup>10</sup> and households who may not have the financial resources (e.g., upfront capital, credit history) to otherwise access solar technologies.

#### Description

Community solar allows Maryland residents to purchase subscriptions for electricity produced from local community solar arrays, thereby gaining some of the same economic advantages as having solar modules directly on a residence, while avoiding possible obstacles to participation in solar that may exist (e.g., roof age, property ownership, roof orientation, or shading).

<sup>&</sup>lt;sup>9</sup> An award that was originally encumbered but then opted to not move forward has been removed from this amount.

<sup>&</sup>lt;sup>10</sup> U.S. Census Bureau, data.census.gov/table/ACSST1Y2023.S1101?q=maryland%20housing, accessed 1/21/2025.

The community solar arrays incentivized in FY24 are power purchase agreement (PPA) projects, in which subscribers agree to purchase the electricity produced by the community solar project, rather than purchase a portion of the community solar array itself. In FY24, incentives for subscriber organizations enable terms and conditions to be offered in the community solar subscription agreement that will increase cost savings, and provide more flexible subscription contract terms for LMI residents.

FY24 projects are still being developed and are not yet installed. Generation and capacity estimates for these future installations are included below, but are subject to change.

### Program Accomplishments

Fiscal Year	FY24
Total # of grant awards	25
Estimated total new electricity generation of all community solar projects receiving LMI incentives (kWh-ac/year) from MEA	28,173,835
Overall total capacity of community solar PV (kW) projects receiving LMI incentives from MEA	21,058
Estimated amount of new electricity generation from the incentivized community solar projects directed specifically to the LMI community (kWh-ac/year) <sup>11</sup>	19,524,337
Capacity of the incentivized community solar projects that is directed specifically to the LMI community (kW)	10,140
Anticipated annual CO <sub>2</sub> avoided from the LMI portions of the incentivized Community Solar projects (metric tons CO <sub>2</sub> /year)	8,901

# **Solar Energy Equity Grant Program**

SEIF Expenditures and Encumbrances: \$6.00 million

Beneficiaries

Non-profit organizations and local governments.

Description

Offered for the first time in FY24, this program provides grant funding for the design and

<sup>&</sup>lt;sup>11</sup> The generation capacity and corresponding electricity generation directed specifically to LMI participants is a subset of each participating community solar project.

installation of solar PV energy-generating systems on the homes of LMI Marylanders, or those who are in overburdened or underserved communities, as defined by §1-701 of the Environmental Article, Annotated Code of Maryland. Each home must have had energy efficiency and weatherization-type upgrades completed through a recent fiscal year under either MEA's Energy Efficiency Equity Grant Program or through one or both of the Maryland Department of Housing and Community Development's ("DHCD") Weatherization Assistance Program or DHCD EmPOWER Maryland Limited Income Energy Efficiency Program. The Program funds up to 100% of the solar PV system design and installation cost, up to \$25,000 per home.

## Program Accomplishments

Fiscal Year	FY24
# of projects receiving an award	4
# of low income solar households anticipated to participate	240
Estimated Solar capacity (in kW(DC))	2,040
Anticipated annual solar generation (kWh/year)	12,000
Anticipated annual CO <sub>2</sub> avoided (metric tons CO <sub>2</sub> /year)	5,600

## Medium-Duty and Heavy-Duty Zero-Emission Vehicle Grant Program

SEIF Expenditures and Encumbrances: \$8.56 million

Beneficiaries

Fleet companies, organizations, and communities in Maryland

Description

Offered for the first time in FY24, this statutorily-required program provides financial assistance for the purchase of qualifying zero-emission vehicles and heavy equipment for commercial or industrial use. This program provides grants to Maryland fleet companies, organizations, and communities to help defray the costs of purchasing qualified, newly manufactured zero emission medium-duty or heavy-duty zero-emission fleet vehicles and off-road qualified heavy equipment property.

<sup>&</sup>lt;sup>12</sup> To be eligible, the upgrade had to occur under a fiscal year 2019 through fiscal year 2025 project.

#### Program Accomplishments

Fiscal Year	FY24
# of projects receiving an award	13
# of vehicles anticipated to be incentivized	46
Anticipated annual GHG avoided (Metric Tons of Carbon Dioxide Equivalent/year)	12,186

# Implementation Milestones

In FY24, MEA programs achieved the following program milestones: Issued more than 7,500 awards
Provided \$102 million in awards
Annual savings of 108,217,646 kWh
Annual savings of 184,403 MMBTU
Installation of over 50MW of new solar renewable generation
Installation of approximately 15,516 kWh battery storage capacity
Annual savings of 79,080 gallons of gasoline equivalent

# **Enhancement Opportunities**

MEA continually looks to collaborate with program stakeholders in addition to the U.S. Department of Energy and other Maryland state agencies to improve the MEA program mix and offer the most efficient and effective programs for the citizens of Maryland. MEA will continue this outreach, and enhance its communication with other states to bring new program and policy opportunities to Maryland.

# **Funding**

MEA does not receive general funds. MEA programs are funded through a combination of RGGI auctions, ACP, and U.S. Department of Energy funding and any Special Funds deposited into the SEIF. The great majority of SEIF revenue comes from RGGI and ACP. All SEIF funding sources are variable in nature and subject to fluctuations.

RGGI is a multistate collaborative cap-and-invest program aimed at reducing CO<sub>2</sub> emissions from power plants in the region. RGGI includes 11 states in the northeast that all agree to participate in reducing CO<sub>2</sub> emissions through the initiative. The states set a cap on CO<sub>2</sub> emissions, which declines over time, leading to lower emissions. The RGGI states sell allowances at quarterly auctions and invest the revenue from these sales into energy efficiency, clean energy, utility bill assistance, and other energy-related programs. Maryland, as a member

state to RGGI, deposits the proceeds from these quarterly auctions into the SEIF where it is administered by MEA. At least 50% of RGGI revenue goes to utility bill assistance through the Department of Human Services, 20% is dedicated to energy efficiency, 20% is earmarked for clean energy and greenhouse gas reduction initiatives, and up to 10% (but not more than \$7.5 million per year) is allocated to administrative expenses.

As for ACP revenue, Maryland's renewable portfolio standard ("RPS") allows two pathways for compliance. Energy suppliers must purchase a statutorily required amount of renewable energy credits ("RECs") up to a percentage of the volumetric amount of electricity they sell. However, if an energy supplier cannot purchase and retire the requisite amount of RECs required under the RPS, they can pay ACP as an alternative method of compliance. ACP is deposited in the SEIF and utilized to support the proliferation of new Tier 1 clean energy in the state.<sup>13</sup>

# Challenges

Program challenges include, but are not necessarily limited to: 1) marketing and communication; 2) developing new program strategies; and 3) fluctuations in or diversion of funding.

## **Marketing & Communication**

MEA is always exploring ways to improve its outreach to new grantees, market segments, and underserved communities. In response to this, MEA has launched a robust public information campaign to broaden consumer awareness of the many incentives that are funded by the state and federal governments. This campaign involves a diverse range of media types and platforms, and seeks to identify opportunities for in-person, community engagement.

The agency places a particular emphasis on equity, both in its programs and communications strategies. As such, a significant portion of its expenditures is dedicated to messaging in targeted geographic and demographic audiences. This includes a blend of geofenced digital marketing; statewide radio advertising on stations that broadcast news, sports, gospel, country and Spanish language programming; and providing MEA information booths at community events, from concerts to cookouts. MEA couples these efforts with the use of several other tools in the communications toolbox, from press releases and statements to its website and social media channels, to ensure broad public reach.

## **Development of New Program Strategies**

In compliance with its mission, the law, and Executive Order 01.01.2024.19, MEA is taking the following steps to meet these requirements:

<sup>&</sup>lt;sup>13</sup> Tier 1 renewable sources are defined under Md. Public Utility Companies Code Ann. § 7-701(s).

- 1. ensuring that MEA's programs maximize climate emission reductions in a just and equitable manner;
- 2. designing and standing up programs that specifically fund projects benefiting underserved and overburdened communities;
- 3. streamlining its programs and aligning the program designs with the needs of key beneficiaries (e.g., schools, communities, Marylanders facing economic challenges)
- 4. implementing process improvements and greater use of online applications to simplify the application process and accelerate awards,
- 5. expanding partnerships and collaborative opportunities with peer state agencies, local governments and community organizations, and
- 6. incorporating evaluation criteria in MEA programs to help ensure grants are benefitting underserved and overburdened communities.

For FY24, MEA delivered millions of dollars to benefit underserved and overburdened communities through greenhouse gas emission reductions, pollution reductions, labor considerations, and energy efficiency improvements.

## **Funding**

As previously mentioned MEA does not receive general funds, and is instead reliant on variable, market-based revenue sources that are subject to fluctuations. Additionally, it is not unprecedented for MEA revenues to be diverted to serve other State interests. MEA has bolstered its ranks in order to quickly and efficiently disburse funds in a manner that is consistent with its mission. However, if revenues that are typically deposited in the SEIF are diverted for other purposes, it could have crippling effects on MEA programming. For example, MEA is heavily reliant on ACP funding for the administration of its solar programming, and specifically carefully tailored solar programming that benefits LMI, overburdened, or underserved communities. Diversion of ACP would result in the reduction or elimination of those programs.

However, MEA continues to pursue opportunities, as they exist, for federal funds. Under the leadership and coordination of the Governor's Federal Office, all agencies are seeking federal funding to implement actions that support the achievement of the State's clean energy and environmental goals. State agencies will work closely with local governments, nonprofits, and community-based organizations to ensure Maryland is competitive for federal climate action implementation funds and to build capacity for local-level implementation. State agencies will offer support to Maryland's businesses and private sector to ensure they are competitive for federal investments.

MEA has applied for several federal funding opportunities offered by the U.S. Department of Energy. These opportunities represent over \$163 million in federal funding that will flow into Maryland via the two federal Home Energy Rebate Programs for energy efficiency and

electrification, the State Energy Program, the Energy Efficiency and Conservation Block Grant Program, the State Energy Program Energy Efficiency Revolving Loan Fund, the State-Based Residential Energy Efficiency Conservation Contractor Training, and the Grid Resilience Formula Grant. MEA continues to pursue full awards for these programs and is making its best efforts to navigate the federal approval process resulting in full awards.