



Thursday, January 18, 2024

4 PM

Virtual Access: <https://us02web.zoom.us/j/85849526423?pwd=MFlpL1RpVEplUXRiUEJlOOGNRRXRqQT09>

Meeting ID: 858 4952 6423

Passcode: 884745

Investment Oversight Committee Agenda

4:00 PM – 4:10 PM	Welcome, Introductions & Overview <ul style="list-style-type: none">• Al Delia VP, Regional Development & Engagement Frostburg State University Senior Director-Strategy, Planning & Operations Environment, Equity & Justice Center• Marissa Ramirez Natural Resources Defense Council Senior Director-Strategy, Planning & Operations Environment, Equity & Justice Center• Jimmy Rhee Strategic Advisor TLG – Asia	Ms. Magruder MCEC, Executive Director Ms. Lierman Comptroller, State of Maryland
4:10 PM – 4:15 PM	Minutes <ul style="list-style-type: none">• December 4, 2023 (<i>Motion</i>)	Ms. Powers MCEC, G & I Relations Manager
4:15 PM – 4:45 PM	Guidelines Overview <ul style="list-style-type: none">• Confirm LMI Definition• Review Fund Investment Guidelines (<i>Motion</i>)• Procurement Policy (<i>Motion</i>)• Review Eligibility & Investment Criteria• Review Application Process & Timeline (<i>Motion</i>)	
4:45 PM - 4:55 PM	Group Discussion <ul style="list-style-type: none">• Vice Chair Election (<i>Motion</i>)• Open Meetings Act Training• Planning	Ms. Magruder Ms. Lierman Mr. Cowan MCEC, CIO Mr. Semeniak McGuire Woods, LLP Mr. Vijayan MCEC, AAG
4:55 PM – 5:00 PM	Closing Remarks	Ms. Lierman Ms. Magruder



Monday, December 4, 2023

4 PM

Zoom Access: <https://us02web.zoom.us/j/86228636118?pwd=RmhKblhJUlrWE04LzZLcFBIM2VnQT09>

Meeting ID: 862 2863 6118

Passcode: 504361

Investment Oversight Committee Meeting Minutes

Present: Chair, Comptroller Brooke Lierman, Mr. Elorm Addea-Nuku, Ms. Yinka Bode-George, Ms. Watchen Bruce, Ms. Pamela Kelly, Mr. Michael Grossman, Mr. James McDonnell, Mr. Christopher Peoples, Mr. Roop Vijayan, Mr. John Semeniak, Ms. Kathy Magruder, Mr. Steven Cowan, Ms. Pamela Powers, Mr. Alex Butler, and Ms. Kim Pezza.

Welcoming Remarks: Ms. Magruder welcomed committee members to the meeting at 4:01 PM and introduced Comptroller Lierman as Chair of the committee. Chair Lierman addressed members with an introduction and requested that members and attendees introduce themselves, providing their background and interest in serving on the committee.

Introductions: Members of the Investment Oversight Committee for the C3 Fund and attendees introduced themselves.

MCEC Executive Director Overview: Ms. Magruder briefed members on the Open Meeting Act, noting that meetings of this committee are subject to the act, with the ability to close under certain circumstances. She encouraged members to visit the website for more information and welcomed them to take the Open Meetings Act Training, which is available online. Ms. Magruder requested that Mr. Vijayan provide detailed information during the next group meeting.

Ms. Magruder reviewed the statute directive, including the eligible measures for the C3 fund, revenue sources for the fund, and composition of the Investment Oversight Committee. She continued with the various definitions of Low-Income, Disadvantaged, Underserved, and Overburdened Communities, noting differences among the definitions from the Federal and State government entities.

She continued with the investment strategy developed for the fund and investment criteria with items to consider, including measurable performance metrics, shovel-ready projects, and expected completion timeline. Ms. Magruder requested that members weigh in on the process for project financing approval.

Group Discussion: The group discussed the need for further review of the guidelines and investment strategy, recommending using Google Docs for comments and edits necessary to the documents.

New Business & Announcements: Chair Lierman recommended future dates and times for additional meetings. The group agreed that the third Thursday at 4 PM worked well with schedules. She requested that members interested in serving as Vice Chair or Secretary of the committee email MCEC staff.

Adjournment:

The meeting adjourned at 4:15 PM with consensus.

**MARYLAND CLEAN ENERGY CENTER
CLIMATE CATALYTIC CAPITAL FUND
INVESTMENT GUIDELINES**

[_____], 2024~~3~~

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ARTICLE I DEFINITIONS

“Act” means Sections 10-801 et seq. of the Economic Development Code of the Annotated Code of Maryland, as amended.

“Board” means the Board of Directors of the Center.

“Center” means the Maryland Clean Energy Center.

“C3 Fund” means the Maryland Clean Energy Center Climate Catalytic Capital Fund.

“Chairperson” means the Chairperson of the C3 Fund Oversight Committee appointed pursuant to these Guidelines.

“Committee” means the C3 Fund Oversight Committee.

“Cost” means (i) the purchase price of a project; (ii) the cost to acquire any right, title, or interest in a program or project; (iii) the cost of any improvement; (iv) the cost of any property, right, easement, and franchise; (v) cost of demolition, removal, or relocation of structures; (vi) the cost of acquiring land to which the structures may be moved; (vii) the cost of equipment; (viii) financing charges; (ix) interest before and during construction and, if the Center determines, for a limited period after the completion of construction; (x) reserves for principal and interest and for improvements; (xi) the cost of revenue and cost estimates, architectural, engineering, financial, and legal services, plans, specifications, studies, surveys, and other expenses necessary or incident to determining the feasibility of improving a program or project; and (xii) other expenses as necessary or incident to financing a program or project, acquiring and improving a project within a program, and placing a project or program in operation.

“Fiscal Year” means the fiscal year of the Center which begins on July 1 and ends on June 30 in the following calendar year.

“General Assembly” means the General Assembly of the State of Maryland.

“Governor” means the Governor of the State of Maryland.

“Guidelines” means these Maryland Clean Energy Center C3 Fund Guidelines, as the same may be amended, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms hereof.

“Low-to moderate-income household” means a household located in a census tract with an average median income at or below 80% of the average median income for the State.

“Qualified Program or Project” means a program or project related to the purposes specified in [Section 2.12](#) of these Guidelines.

“Secretary” means the Secretary of the Committee elected pursuant to these Guidelines.

“State” means the State of Maryland.

“Statute” means Maryland Economic Development § 10-855, as amended.

“Vice Chairperson” means the Vice Chairperson elected by the Committee pursuant to these Guidelines.

ARTICLE II PURPOSE

2.1 Purpose and Function of the C3 Fund.

(a) The purpose of the C3 Fund is to promote geographical impact remedies and to leverage increased private capital investment in technology development and deployment, including project planning, to:

- (i) reduce greenhouse gas emissions and enable the adoption of measures to combat climate impacts;
- (ii) facilitate the electrification of the transportation sector and the use of sustainable alternative fuels in aviation;
- (iii) enable improvements in energy management and efficiency to reduce greenhouse gas emissions from the building sector;
- (iv) expand the deployment of clean energy generation and energy storage capacity;
- (v) target the implementation of energy and weatherization measures for Low-to moderate-income households;
- (vi) optimize the economic, health, social, and environmental value of community-scale infrastructure for resilience and energy equity;
- (vii) allow for the deployment of advanced clean energy technology; and
- (viii) provide for the creation of a Maryland Green Bond program.

(b) The function of the C3 Fund is to achieve the objectives listed above to the fullest extent permitted by the Act or any other applicable provisions of the laws of the State of Maryland or regulations of the State’s agencies, in each case, pertaining to the purpose or investments of the C3 Fund.

(c) In addition to the purposes outlined in subsection (a) above, any allocation of monies from the C3 Fund may take into consideration the State climate change policies and programs and any climate mitigation and adaptation measures.

2.2 Independent Audit.

The C3 Fund is subject to an independent audit. The Center shall report to the Governor and the General Assembly on the use of the C3 Fund and outcomes of investments made from the C3 Fund on or before October 1 of each year.

ARTICLE III C3 FUND OVERSIGHT COMMITTEE

3.1 Name of Committee.

The name of the Committee shall be the “C3 Fund Oversight Committee.”

3.2 Purpose of C3 Fund Oversight Committee.

The purpose of the Committee is to manage the C3 Fund. Expenditures from the C3 Fund may be made only with the approval of the Committee and for Qualified Programs or Projects.

3.3 Membership and Term.

(a) The Board shall appoint the members of the Committee. The Committee shall consist of at least four (4) members, but not more than eleven (11) members, and shall be comprised as follows:

- (i) at least one (1) member, but not more than four (4) members shall have a background in finance (including debt, equity, grants, and program and project level finance) relating to climate change, clean energy, and sustainable technologies and/or industries and including large and smaller scale standardized and aggregated transactions;
- (ii) at least one (1) member, but not more than two (2) members shall have a background in clean energy technologies and/or sustainable industries;
- (iii) at least one (1) member, but not more than two (2) members shall have a background in state and local climate change mitigation and adaptation policies and programs;
- (iv) one (1) member shall have a background in the legal industry; and
- (v) two (2) members shall be determined in the sole discretion of the Board.

(b) The term of an appointed member is three (3) years and begins on July 1 of each year. For the initial terms, the Board shall ensure that the members have staggered terms, with appointments being required for the first three years of the Committee. At the end of a term, an appointed member continues to serve until a successor is appointed and qualifies. A member who is appointed after a term has begun serves only for the rest of the term and until a successor

is appointed and qualifies.

(c) In making appointments to the Committee, the Board may consider diversity and all geographic regions within and outside the State.

3.4 Chairperson.

The Committee shall elect from its members a Chairperson who shall serve a term of one (1) year or until a successor is chosen by the Committee, whichever is longer. The Chairperson shall preside at all meetings of the Committee which he or she attends.

3.5 Vice Chairperson.

The Committee shall elect from its members a Vice Chairperson who shall serve a term of one (1) year or until a successor is chosen by the Committee, whichever is longer. In the absence or incapacity of the Chairperson, the Vice Chairperson shall perform all the duties and responsibilities of the Chairperson. In the absence or incapacity of the Vice Chairperson, or in case of his or her resignation or death, the Committee shall elect from among its members an acting Vice Chairperson during the time of such absence or incapacity or until such time as the Committee shall elect a new Vice Chairperson.

~~3.6 Secretary.~~

~~A Secretary may be elected by the Committee. The Secretary shall perform the duties imposed by resolutions of the Committee. In the absence or incapacity of the Secretary, or in case of his or her resignation or death, the Committee shall elect from amongst its members an acting Secretary who shall perform the duties of the Secretary during the time of such absence or incapacity or until such time as the Committee shall elect a new Secretary. The Secretary shall serve until a successor is elected by the Committee.~~

~~3.73.6 Removal.~~

~~One or more Committee members may be removed, with or without cause, by the affirmative vote of a quorum of the Board[SC1].~~

~~3.83.7 Compensation.~~

~~No Committee member shall at any time receive compensation for the performance of his or her duties, but a Committee member may be reimbursed by the Center for expenses under the Standard State Travel Regulations, as provided in the State budget.~~

ARTICLE IV COMMITTEE MEETINGS

4.1 Meetings of the Committee.

The Committee shall determine the times and places of its meetings.

4.2 Regular Meetings.

The Committee shall hold regular meetings for the transaction of any lawful business of the Committee related to the C3 Fund. The regular meetings shall be held in accordance with a schedule of meetings established by the Committee, provided that the Committee shall meet at least four (4) times per calendar year.

4.3 Special Meetings.

The Chairperson may, when the Chairperson deems it appropriate, call a special meeting of the Committee for the purpose of transacting any business designated in the notice of such meeting.

4.4 Order of Business.

The order of business of any meeting of the Committee shall be as set forth in the agenda for such meeting. The Committee may vary the order of business in its discretion.

4.5 Organization.

At each meeting of the Committee, the Chairperson, or in the absence of the Chairperson, the Vice Chairperson, shall act as presiding officer. The presiding officer shall prepare or direct the preparation of a record of the business transacted at such meeting. Such record when adopted by a majority quorum of the Committee members in attendance at the next meeting ~~and signed by the Chairperson~~ shall be the official minutes of the Committee meeting.

4.6 Attendance.

Any member of the Committee may participate in a meeting of the Committee by means of teleconference, videoconference, or similar communications equipment enabling all Committee members participating in the meeting to hear one another, and participation in a Committee meeting shall constitute presence in person at such a meeting.

4.7 Quorum.

A quorum of the Committee shall consist of a majority of the Committee members.

4.8 Enactment.

When a quorum is present, an affirmative vote of a majority of voting members attending the Committee meeting shall be sufficient for action, including the passage of any resolution for investment approval, except as may otherwise be required by these Guidelines or applicable law.

4.9 Report of Committee Actions.

The Committee shall report to the Board on the Committee's actions and activities at the Board meeting next following each Committee meeting.

4.10 Legal Requirements.

All meetings of the Committee shall be noticed and conducted in accordance with the applicable requirements of the Public Information Act and the Open Meetings Act.

ARTICLE V INVESTMENTS

5.1 Investment Types.

(a) The investment types related to the C3 Fund include the Revolving Loan Fund, the Block Grant Program, the Equity Investment Fund, and the Capacity Building Program. The Revolving Loan Fund will provide debt financing for programs in all sectors, including those serving homes and businesses targeting Low-to moderate-income households. The Block Grant Program will provide grants in all sectors, including those focusing on local government and community organizations. The Equity Investment Fund will support actions in all sectors, including technology startup and advancement. The Capacity Building Program will support training, technical assistance, and other enabling activities of partners and collaborators. These sources of investment may be utilized in various sectors, including, but not limited to, the energy sector, the transportation sector, the buildings sector, the agriculture sector, the forestry sector, and the waste sector, and others, as determined from time to time by the Board.

(b) Additional funds and sub-funds may be created, as determined from time to time by the Board.

5.2 C3 Funding Sources.

- (a) C3 Funding sources specifically authorized by the Statute include:
- (i) money appropriated in the State budget to the C3 Fund;
 - (ii) money made available to the C3 Fund through private contributions and federal grants or programs;
 - (iii) proceeds from the sale, disposition, lease or rental of collateral related to financing made from the C3 Fund;
 - (iv) repayment of financing made from the C3 Fund;
 - (v) returns from or recovery of any financing made from the C3 Fund;
 - (vi) proceeds from the sale of any financing made, or assets acquired with proceeds, from the C3 Fund;
 - (vii) interest earnings on money in the C3 Fund; and
 - (viii) any other money from any other source accepted for the benefit of the C3 Fund, including, without limitation, state or federal loan or

other programs.

5.3 Use of the C3 Fund.

- (a) The C3 Fund may be used only to:
 - (i) evaluate and coordinate financing for Qualified Programs and Projects and clean energy technologies related to the purposes specified in [Section 2.12](#);
 - (ii) provide financing for Qualified Programs and Projects;
 - (iii) facilitate efficient tax equity markets for Qualified Programs and Projects;
 - (iv) secure private investment capital for financing of Qualified Programs and Projects;
 - (v) make grants to other green banks in the State for the purpose of financing Qualified Programs and Projects; and
 - (vi) administer the C3 Fund and activities of the Center in carrying out this part, provided, however, not more than 5% of the C3 Fund balance may be used for administrative purposes.

(b) The C3 Fund may not be used for a project to install new equipment that uses fossil fuels or improve the efficiency of existing equipment that uses fossil fuels.

(c) In each Fiscal Year, at least 40% of the C3 Fund balance shall be used for Qualified Programs and Projects in communities with Low-to moderate-income households; provided, however, if in any Fiscal Year there are not sufficient applications for Qualified Programs and Projects in communities with Low-to moderate-income households, the Committee may authorize funding that would otherwise be reserved for Low-to moderate-income households to be used for other Qualified Programs and Projects.

(d) So long as a program relates to or includes a use specified in subsection (a) above, the Committee may authorize the use of monies from the C3 Fund for program development, including, without limitation, the standardization and aggregation of projects and transactions with programs.

5.4 Procedures of General Applicability to Investments.

(a) The Committee shall make information regarding the rates, terms, and conditions for all its investment transactions available to the public for inspection; provided that public disclosure shall be restricted for patentable ideas, trade secrets, proprietary or confidential commercial or financial information, and disclosure of which may cause commercial harm to a nongovernmental recipient of such financing support.

(b) Any entity that receives an investment for a Qualified Program or Project shall provide the Committee with an annual statement during the time period that C3 Funds are dispersed, certified as correct by the chief financial officer or authorized representative of the recipient of such investment, setting forth all sources and uses of C3 Funds for such program or project in such detail as may be required by the Committee. The Committee will maintain any such audits for not less than five (5) years.

ARTICLE VI APPLICATION PROCEDURES & REPORTING REQUIREMENTS

6.1 Low-to Moderate-Income Qualified Program or Project Applications.

Prior to September 30 of any Fiscal Year, the Committee will prioritize applications for Qualified Programs or Projects in communities with Low-to moderate-income households. Following September 30 of any Fiscal Year, the Committee may authorize C3 Funds to be used for other Qualified Programs or Projects.

6.2 Competitive Selection and Award.

(a) The Committee may determine that the circumstances require for the submission of applications through the competitive selection process. Under the competitive selection process, applicants must complete a request for proposal (“RFP”) and follow the schedule pursuant to the formal qualifications and selection criteria provided in the RFP.

(b) During the competitive selection process, a RFP shall be published or distributed in a manner that the Committee determines will promote broad participation in the process. Notice of the RFP shall be posted on the website of the Center. The RFP will include guidelines that set forth information regarding the proposer’s qualifications, project eligibility, fees and expenses, and any other applicable information related to the Qualified Program or Project.

(c) Applications through the competitive selection process are due by the end of each fiscal quarter for an award to be made in the following fiscal quarter.

(d) The selection process will be conducted on a fair and thorough basis by the Committee. The selection process may include a scoring of the received RFPs administered by the Committee. One or more proposers may be selected for the purpose of entering into negotiations, if applicable, with respect to a Qualified Program or Project. The Committee will consider, including, but not limited to, the following selection criteria under the competitive selection process:

- (i) the eligibility of the proposer;
- (ii) the proposer’s qualifications and experience;
- (iii) the financial feasibility of the Qualified Program or Project, including the availability of required financing;
- (iv) the level and type of greenhouse gas emissions and or climate

- vulnerability reductions provided by the program or project;
- (v) the level and type of environmental, energy, and resource sustainability and security provided by the program or project;
- (vi) the cost-effectiveness of the Qualified Program or Project;
- (vii) the technological characteristics of the Qualified Program or Project, including scale up potential;
- (viii) the jobs and improved workforce environment created by the Qualified Program or Project; and
- (ix) the contributions by the Qualified Program or Project towards the statutory purposes of the C3 Fund.

All proposers will be notified of the results of the selection process on the website of the Center.

(a) The Committee will have the authority to award any RFP under the competitive selection process. Approval shall be subject to such program or project-specific terms, conditions, and requirements, as may be determined by the Committee within the limits established by the Committee.

Upon mutual agreement, the parties may enter into a contract to memorialize the agreed-upon terms and conditions subject to all necessary approvals. Any RFP, financing or contracting documents shall include, such provisions as may be required by applicable laws or executive orders.

(b) If the Committee determines that the responses to the RFP have been insufficient in number or quality to achieve its objectives, the RFP may be extended, withdrawn and reissued, or cancelled at any time.

6.3 Programmatic Selection and Award.

(a) The Committee may determine that the circumstances require the submission of applications through the programmatic selection process. Under the programmatic selection process, the Committee will admit applications for Qualified Programs or Projects on a continuing or periodic basis.

(b) Applications through the programmatic selection process are due by the end of each fiscal quarter for an award to be made in the following fiscal quarter.

(c) The Committee will consider, including, but not limited to, the following selection criteria under the programmatic selection process:

- (i) the eligibility of the proposer;

- (ii) the proposer’s qualifications and experience;
- (iii) the financial feasibility of the Qualified Program or Project, including the availability of required financing;
- (iv) the level and type of greenhouse gas emissions and or climate vulnerability reductions provided by the program or project;
- (v) the level and type of environmental, energy, and resource sustainability and security provided by the program or project;
- (vi) the cost-effectiveness of the Qualified Program or Project;
- (vii) the technological characteristics of the Qualified Program or Project, including scale up potential;
- (viii) the jobs and improved workforce environment created by the Qualified Program or Project; and
- (ix) the contributions by the Qualified Program or Project towards the statutory purposes of the C3 Fund.

(d) The Committee will have the authority to award any programmatic applications. Investment in a Qualified Program or Project shall be subject to such project-specific terms, conditions, and requirements, as may be determined by the Committee within the limits established by the Committee.

6.4 Strategic Selection and Award.

(a) The Committee may determine based on what would best serve the purpose of the C3 Fund, the uniqueness of opportunity, urgency of need, cost or similar factors, that the Committee’s direct participation is required in the selection of funding a Qualified Program or Project through the strategic selection process. The Committee must execute an affirmative resolution adopted by a majority of the Committee permitting the utilization of the strategic selection process.

(b) The Committee must determine that the advantages of the strategic selection process outweigh the general public interest of an open and public process based on the finding of at least three (3) of the following characteristics:

- (i) Capabilities: The candidate obtains exceptional experience, expertise, availability, or holds a patent or other proprietary rights beneficial to the C3 Fund.
- (ii) Uniqueness: The Qualified Program or Project is unique based on its location, technology, improvements, implementation, or other similar unique attributes.

- (iii) Relevance: The Qualified Program or Project greatly aligns with the purpose of the C3 Fund or the overall mission of the Center.
- (iv) Urgency and Timeliness: The Qualified Program or Project requires an urgent need to act or the Qualified Program or Project would become unavailable due to a delay.
- (v) Multiphase Project; Existing Investment: The Qualified Program or Project is connected to a multiphase proposal or the Qualified Program or Project supports an existing investment or initiative under the C3 Fund.

(c) The Committee will have the authority to award any strategic selection application. Committee approvals under the strategic selection process shall to the extent applicable be subject to the procedures detailed in Section 6.1 and Section 6.2 above.

6.5 Reporting Requirements.

(a) Award recipients shall report to the Committee concerning the Qualified Program or Project financed with the proceeds from the C3 Fund annually. The report shall include the following:

- (i) construction status of the Qualified Program or Project;
- (ii) a financial statement specifying the amount of C3 Funds spent on the Qualified Program or Project in the preceding Fiscal Year;
- (iii) a summary of the operations and activities related to the Qualified Program or Project during the preceding Fiscal Year; and
- (iv) any such other information as may be reasonably requested by the Committee.

(b) If an event occurs that may delay or present adverse conditions which may materially impair the ability of the award recipient to meet the objectives of the Qualified Program or Project, the award recipient shall report to the Committee as soon as the impairment arises.

ARTICLE VII MISCELLANEOUS

7.1 Amendment of Guidelines.

These Guidelines may be altered, amended or repealed by the affirmative vote of at least a quorum of the Board.

Adopted on: June 17, 2010

Revised: April 24, 2023

MARYLAND CLEAN
ENERGY CENTER

**FINANCIAL MANAGEMENT &
PROCUREMENT POLICY**

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I. INTRODUCTION

The purpose of this manual is to establish, in writing, the policies and procedures of Maryland Clean Energy Center (MCEC) concerning appropriate financial management and procurement practices. All MCEC staff members should be apprised of these policies and procedures. It is the responsibility of the Executive Director to ensure the implementation of these policies and procedures.

II. PROCUREMENT POLICIES GENERALLY

200 GENERAL PROCUREMENT POLICY

This section of the manual concerns the policies and procedures for acquiring goods and services in the marketplace. These policies and procedures are designed to ensure timely and efficient procurements within the guidelines of good business practices. All purchases and procurements shall be reasonable and necessary. MCEC will operate under a best value policy. The products or services procured will offer the best value to satisfy MCEC's mission.

201 PROCUREMENT INSTRUMENTS

When procuring goods and services, MCEC will typically use three basic procurement instruments: (1) purchase orders (2) contract agreements, and (3) master services agreements.

1. **Purchase Orders:** MCEC will use purchase orders to procure office supplies and equipment with a value of \$1000 or less. Purchase orders should clearly describe the items being purchased and the amount.
2. **Contractual Agreements:** Contractual Agreements are contracts with individuals or businesses for specialized services that MCEC employees do not have the knowledge or capability to perform or for goods in excess of \$1000. Contracts will clearly specify the scope of work, rate and terms of compensation, time period, deliverables, and terms of agreement.
3. **Master Services Agreements**
Master contracting is a procurement method available to MCEC that provides for the qualification of bidders and offerors for the procurement of services, supplies, or commodities. Awards for work are made through a secondary competition process. Following the award of the Master Services Agreement (MSA), MCEC may then issue a secondary competition solicitation to the Master Contractors. Master contracting streamlines the traditional procurement method in order to

achieve cost and/or administrative efficiencies for MCEC.

Secondary competition solicitations must be issued to all Master Contractors prequalified by MCEC to provide the specific goods or services requested (functional areas). Secondary competition is solicited in one of three forms, as defined for use in a given Master Contract:

1. Task Order Request for Proposal (TORFP) for services;
2. Purchase Order Request for Proposal (PORFP) for equipment or goods, or;
3. Request for Resumes (RFR) for labor.

202 FULL AND OPEN COMPETITION

MCEC strives to ensure full and open competition subject to the requirements of quality, price, timeliness, and performance. Purchases of specified materials, supplies, equipment, or services may be made in the open market for immediate delivery if the need arises.

203 CONFLICT OF INTEREST

MCEC requires full and open disclosure when dealing with procurement. MCEC employees and Board of Directors must at all times provide full disclosure of their relationships with prospective vendors, contractors, or consultants. Any MCEC employee or Board member who has a real or apparent conflict of interest must withdraw from the procurement process. An employee or Board member should not participate if the result is likely to affect the financial interests of his or her household.

III. PROCUREMENT PROCESSES

300 PROCUREMENTS UNDER \$50,000

Procurements for goods or services with an aggregate value of less than \$50,000 shall be made by the Executive Director using the best value policy. Although no formal bidding process is required such procurements, the Executive Director should, in appropriate circumstances, attempt to contact three vendors.

301 PROCUREMENTS BETWEEN \$50,000 AND \$200,000

For procurements for goods or services with an aggregate value of between \$50,000 and

less than \$200,000, the Executive Director shall obtain at least three bids, unless the Board of Directors approves otherwise. Bids should be in writing, clearly stating the service or products to be provided, and the timeframe for delivery.

302 PROCUREMENTS IN EXCESS OF \$200,000

A formal, competitive solicitation must be conducted for each procurement greater than \$200,000, unless the Board of Directors approves otherwise. This solicitation will be performed in accordance with the following steps:

1. **Prepare a Request for Proposal (RFP).** The RFP shall contain the following information:
 - Brief statement of purpose
 - Clear statement of products or services required
 - Date and time by which proposals must be returned
 - Evaluation criteria
 - Any other information which might be necessary or desirable to provide
2. **RFP Distribution.** MCEC will send RFP's by fax, mail, electronic mail, or hand delivery. RFP's will be distributed to agencies or companies that have sufficient qualifications and experience to submit a proposal.
3. **Review Proposals.** All proposals will be reviewed by the Executive Director and other appropriate individuals (e.g., staff or board members and technical experts). Standard evaluation criteria will be used to include price, quality, delivery terms, contractor integrity, financial and technical resources, and record of past performance.
4. **Contracting.** Once a decision has been made a contract will be negotiated with the selected organization. The contract will be signed by a duly authorized officer or representative of the contracting organization. The Treasurer will verify funds are available to cover the cost of the procurement and review the payment provisions.
5. **Monitoring Performance.** The implementation of the procurement will be monitored to ensure the fulfillment of all written requirements. A MCEC employee shall inspect all goods or services upon delivery. If the contracting organization violates any of the terms or conditions of the contract the Executive Director shall be notified immediately. The Executive Director is responsible for taking appropriate corrective action.

303 SINGLE SOURCE BASIS

MCEC reserves the right to award purchase orders or contract agreements on a single or sole source basis. MCEC may contract with a single source when it has been determined that doing so is in the best interest of MCEC. A written justification will be prepared and kept on file for any single source procurement. This justification should include the following information:

- A specific description of the supplies or services required, and a statement of facts that show the unique qualifications or services or items selected to satisfy those needs.
- Documentation that the anticipated price is fair and reasonable.
- Any other information supporting the use of other than full and open competition.

Because of specific public policy objectives or performance requirements, a competitive procurement policy is typically not applicable to the purchase of goods or services involving interagency agreements with units of local, State or Federal government.

IV. POLICIES RELATED TO THE PROCUREMENT PROCESSES

400 COST/PRICE ANALYSIS

A cost/price analysis shall be conducted for each procurement action equal to or more than \$50,000. The cost analysis shall consist of a review and evaluation of each element of the proposal. The price analysis shall consist of comparing price quotations, market prices, and similar information.

401 LEASE VERSUS PURCHASE ANALYSIS

In appropriate circumstances, an analysis as to whether it is more cost effective or practical to purchase or lease an item will be done by the Executive Director.

402 PROCUREMENT AUTHORITY

The Executive Director shall have the authority to approve all procurements with an aggregate value, of less than \$200,000. All procurements with an aggregate value of \$200,000 or more must be approved by the Board of Directors.

403 PROCUREMENT RECORDS

For each procurement action, the Executive Director shall maintain a procurement file with the following information:

- Procurement Instrument (Purchase Order or Contract)
- Copies of all bids and offers
- All purchase specifications including delivery requirements
- Cost/price analysis that was the basis for the award, if applicable
- If a single source was used, written justification as to why
- Upon completion of any contract with a cost of \$50,000 or more, written comments regarding the quality of services and any future recommendations.

404 MINORITY BUSINESSES

With respect to all procurements, MCEC will comply with the provisions of Title 14, Subtitle 3 of the State Finance and Procurement Article. The Executive Director will implement procedures designed to allow MCEC to try to achieve the goals specified in §14-302 of that Article.

V. PAYMENT FOR GOODS OR SERVICES

Sound business practice calls for each employee to preserve the assets and resources of MCEC. The following statements apply to all business activities which require the disbursement of company funds.

1. All revenue generated and all expenditures for goods or services must be recorded and accounted for in MCEC's accounting system.
2. The recording of financial transactions must be timely, accurate, and clearly identify the true business nature of the transaction.
3. All expenditures of MCEC must be approved, in writing, by the Executive Director. No expenditure of \$200,000 or more, either singly or in the aggregate, may be made unless done so under the terms of a procurement approved by the Board or a Board-approved budget for MCEC.
4. All invoices or requests for payment must be processed using the Financial Transaction Request Form (ATTACHMENT A), authorized by the Executive Director. A copy of the invoice, receipt, or expense report must be attached to the Financial Transaction Request Form.
5. The Executive Director shall provide a detailed financial statement for MCEC, including a list of all expenditures and a reconciliation of account, to the Board, on a monthly basis.

VI. CASH HANDLING AND DEBIT CARD PROCEDURES

The policies and procedures outlined above also apply to procurements using cash or debit cards. All receipts must be attached and kept on file. Only the Executive Director and the Treasurer may use the debit card.



Investment Oversight Committee

Eligibility & Investment Criteria

C3 Fund PROPOSED

Eligibility & Investment Criteria

Individuals, businesses, and organizations eligible to apply must be in good standing with the Maryland Department of Assessments & Taxation, with an active Federal Tax ID or Social Security number and will be required to complete and submit an IRS W-9 form.

C3 Fund investment proposals will be received and evaluated for awards, taking statutory directives into consideration, based on certain Investment Criteria.

State Climate Policy & Plan Fit

Project or Program investment that measurably enables or achieves improvements in:

- Climate Mitigation, includes significant estimated GHG reduction, demonstrated net zero impact or transition, other related benefits
- Renewable Energy generation, transmission, and distribution supply and/or efficiencies, including grid resilience and line loss reduction
- Building Electrification, Weatherization for Energy Performance, Storage and Resilience
- Clean Transportation adoption, including multi-modal solutions, fleet conversion and fossil fuel reduction, and/ or use of alternative fuel types
- Biomass energy and waste-to-value applications that achieve GHG reduction from improvements in agriculture, forestry, landfill gas, and waste management practices
- Delivery of carbon capture technologies and solutions
- Energy equity outcomes, specifically economic, health, social, and environmental benefits for low-income households and communities
- Commercialization and deployment of new advanced clean energy technologies

MCEC Funding Program Fit

Proposed investments may be funded or financed using one or more of the following :

C3 Fund Revolving Loan Fund

Intended to facilitate direct and leveraged lending using C3 Fund capital to provide rate subsidies, loss reserves, gap financing, reduced cost, and patient capital.

C3 Fund Equity Investment Fund

Intended to be used for direct and/or equity-linked investments in projects and initiatives that will generate revenue, income, or profit- a portion of which can be reinvested in the fund for future use.

C3 Fund Block Grant



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Intended to be used in the form of grants to, in whole or in part, fund eligible qualified projects and programs. At its discretion, the IOC may require C3 Fund Block Grants to be awarded as matching and/or reimbursable investments.

C3 Fund Capacity Building Grant

Intended to be used in the form of matching and/or reimbursable grants to assist organizations and communities to plan and develop projects and initiatives to achieve greenhouse gas reductions and outcomes tied to state climate policy and plan desired outcomes.

MDPACE (Maryland Property Assessed Clean Energy Program)

Small business, commercial, industrial, manufacturing, agricultural, and nonprofit buildings, and facilities owners can obtain financing for energy efficiency, electric vehicle charging, and stormwater management infrastructure, as well as resiliency projects, through this tax lien collateralized loan program. C3Funds may be used to provide gap or bridge financing, rate subsidies, or direct loans with advantageous terms for projects that might not otherwise be funded by independent capital providers

Maryland Clean Energy Capital Program (MCAP)

Municipalities, institutions, non-profit organizations, and private partners may be able to access taxable and tax-exempt bond financing at advantageous rates through the Maryland Clean Energy Capital Program (MCAP) for project investments in excess of \$5M in value. The IOC may award C3 Fund investments to facilitate project development or cover costs associated with bond issuance in project financing, particularly in relation to Energy Performance Contract projects implemented to improve public buildings and facilities with the ability to enter into Shared Savings Agreements as collateral on debt.

Innovation Technology Performance

The C3 Fund may be used to enable and expedite commercialization and deployment of new advanced clean energy technologies. In evaluating possible investments, the IOC will consider the type of technology in relation to the potential environmental, economic, and social impacts, along with possible ROI to the fund for equity invested over time.

Financial Performance

C3 Fund investments that generate greater leverage for the use of funds, provide measurable net economic benefits, and provide an acceptable rate of return will be ranked higher in determining investment awards. Applicants are asked to quantify and/or guarantee a certain Rate of Return (ROR) in describing the proposed project, program, or initiative for which funding is being sought.

Investment Outcomes

All C3 Fund Investment proposals should delineate the following in regard to the project, program, or initiative to be funded:



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Size and Scale

Type of Investment

Total Cost of Investment by Type (grant, loan, equity)

Total Anticipated financial return to C3 Fund, if any

Anticipated Market and Market Penetration

Timing of Capital Infusions Requested by type

Total Anticipated GHG reductions

Total Anticipated FTE Contractor Hours and/or Jobs Created

Climate Adaptation Performance

C3 Fund investment proposals should describe the demonstrated vulnerability reductions and impacts that may result from project funding, with a particular focus on health, environment, and safety impacts for households and communities.

Readiness

Shovel-ready projects and ready-to-implement program proposals will be ranked higher in evaluation for funding awards. Applicants are asked to indicate readiness as immediate, within 12 months, and greater than 12 months.

Time to Completion

Projects and initiatives will be considered in relation to the anticipated time to completion or impact. Applicants are asked to indicate and describe the method used to determine when outcomes will occur in timeframes prior to, by, or beyond 2030.

Primary Benefit Location

Proposed projects, programs, and initiatives proposed for investment of C3 Funds must be able to demonstrate a primary benefit or return on investment that will positively impact the environment and energy economics for Maryland citizens, businesses, nonprofits, Municipalities and/or institutions.

Principal Applicants, Project Managers and Partners

Names, contact information, primary addresses, and resumes must be provided for all individuals who will lead, oversee, participate, and report on outcomes in project and program implementation using C3 Fund investments.



Investment Oversight Committee

Application Process and Timeline

MCEC staff recommends an application process that involves stated rounds of project submissions for investment consideration by the C3 Fund. Staff proposes opening an application window in perpetuity and asking for monthly submissions by the 15th of each month for award decisions to be announced approximately 60 days later.

Application forms will be available on the MCEC website on a tab designated for the C3 Fund. This page contains information regarding the fund, the application process, the timeline with application criteria, necessary information for acceptance, and contact information for questions.

Applications and specific programmatic proposals for the use of C3 Funds are accepted on a rolling basis and due by the 15th of each month for consideration by MCEC staff over a 60-day review period, with decisions made by the next scheduled meeting of the IOC following staff recommendation.

<https://www.mdcleanenergy.org/c3fund/>

Contracts for service will be considered and awarded in keeping with MCEC Procurement Policies & Guidelines and COMAR regulations. Requests for proposals for specific contracts for service will be [posted on an as-needed basis](#).

The following illustrates the revolving timeline:

March 1	<i>Application Window Opens</i>
March 15	<i>March Applications Due</i>
March 15	<i>March Application Review Process Begins</i>
March 15 – April 15	<i>Preparation of Materials to Present to IOC for March Applications (30 days)</i>
April 15	<i>April Applications Due</i>
April 15	<i>April Application Review Process Begins</i>
April 15 – April 30	<i>IOC Review Period for March Applications (2 weeks)</i>
April 15 – May 15	<i>Preparation of Materials to Present to IOC for April Applications (30 days)</i>
June 1	<i>March Award Announcements</i>

C3 Fund Application and Review Timeline - Proposed

