



BOARD MEETING AGENDA

05.20.2024

MCEC Conference Room: 5000 College Avenue, Suite 31010 College Park, MD 20740
Virtual Access: <https://us02web.zoom.us/j/88426514811?pwd=S0NNZUJ6WHpBM1IMN2xqaVRld212UT09>
Meeting ID: 884 2651 4811 / Passcode: 197838

10:00 - 10:03 AM	Welcome, Introductions & Overview	Chairman Gill
10:03 - 10:07 AM	Minutes <ul style="list-style-type: none">▪ (ATTACHMENT A)	Ms. Sirois
10:07 - 10:25 AM	Draft FY25 Strategic Plan <ul style="list-style-type: none">▪ (ATTACHMENT B)	Ms. Magruder
10:25 - 11:30 AM	Closed Session <p>This meeting will only be closed under the provision or provisions from General Provisions Art. § 3-305(b): (1) “To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; any other personnel matter that affects one or more specific individuals”; (3) “To consider the acquisition of real property for a public purpose and matters directly related thereto.” (CONFIDENTIAL ATTACHMENTS C & C.1)</p> <p>Board Members to report out on what was discussed in closed session.</p>	Ms. Magruder
11:30 - 11:45 AM	FY 2025 Proposed Budget <ul style="list-style-type: none">▪ (ATTACHMENT D)	Ms. Pelletier Ms. Kolb
11:45- 11:55 AM	Election of Officers	Mr. Gill
11:55– 11:58 AM	Open Discussion, New Business & Announcements, Press & Public Comments	
11:58 – 12:00 PM	Closing Remarks & Adjourn	Ms. Magruder Chairman Gill

Next Scheduled MCEC Board Meeting: Mon. June 24, 2024 from 10:00 AM - Noon at the MCEC Office Conference Room, College Park & online

Present: Chairman Mike Gill, Ms. Andrea Pelletier, Ms. Brittney Powell, Dr. Salvo Vitale, Dr. Eric Wachsman, Dr. Samuel Williams, Mr. Ian Ullman, Ms. Kathy Magruder, Ms. Sabrina Bachman, Mr. Steven Cowan, Ms. Amy Gillespie, Mr. Wade Haerle, Ms. Rylee Kennedy, Ms. Dorothy Kolb, Ms. Tericka Mobley, Ms. Limunga Mingo, Ms. Pamela Powers, Ms. Maya Ross, Mr. Ben Rupert, Ms. Mary Sirois, Mr. Keith Wang, Ms. Martha Absher, and Mr. Robert Edwards.

Welcoming Remarks: **Ion storage tour-** Chairman Gill started the meeting at 1:05 PM. Ms. Magruder mentioned the morning event and tour at Ion Storage.

First Order of Business: The first order of business was to approve the Board of Directors Meeting Minutes for February 26, 2024.

Chairman Gill requested a motion to approve the minutes from the February 26, 2024 board meeting. Dr. Williams moved the motion. Ms. Pelletier seconded the motion. The motion passed unanimously.

Chair Gill – AYE

Ms. Powell – AYE

Director Pinsky – AYE

Treasurer Pelletier – AYE

Dr. Williams – AYE

Mr. Ullman – AYE

Ms. Norton – Excused

Mr. Vitale – AYE

Dr. Wachsman – Excused

Ms. Magruder welcomed Martha Absher and Keith Wang who then introduced themselves.

Financial Report: Ms. Pelletier highlighted budget variances for revenue and expenses. Ms. Magruder clarified budget fiscal year recognition for the Wood Innovation grant revenue. Mr. Haerle provided variance analysis for revenue and expenses for MEIA. Ms. Pelletier inquired about how much of the grant income originates from EDA.

Executive Director Report: Ms. Magruder addressed new board member appointments and expressed heartfelt appreciation for Ms. Pelletier as her term as a MCEC Board Member comes to an end. She summarized the work of MCEC divisions, including legislation, and invited the Members to attend the Advisory Council meeting and called attention to MCEC’s 15th Anniversary celebration. She outlined the strategic plan and budget development process, priorities and considerations. Mr. Ullman drew attention to the necessity to align investment priorities with State funding. Mr. Edwards provided background, functions, and feedback about the LPO program. Ms. Magruder presented Chris Rice as a supplemental appointment to the MCEC Advisory Council asking for a motion.

Ms. Magruder requested a motion to approve a supplemental appointment to the Advisory Council. Dr. Wachsman moved the motion. Ms. Pelletier seconded the motion. The motion passed unanimously.

Chair Gill – AYE

Ms. Powell – AYE

Director Pinsky – Excused

Treasurer Pelletier – AYE

Dr. Williams – AYE

Mr. Ullman – AYE

Ms. Norton – Excused

Mr. Vitale – AYE

Dr. Wachsman – AYE

Dr. Williams congratulated MCEC on passage of the Climate Tech Founders Fund and asked for more details on how this funding will support universities. Ms. Magruder confirmed it will be elaborated on further in the meeting.

Legislative Report: Ms. Powers noted a successful end to the legislative session and summarized key pieces of legislation among what was tracked by MCEC. Mr. Edwards and Mr. Ullman conversed about data centers and areas of focus. Mr. Ullman provided clarification and additional points on some of the bills Ms. Powers had summarized.

MEIA Report: Mr. Haerle provided details about the Climate Technology Founders Fund and fund allocation. Mr. Edwards inquired about money deployment options. Mr. Ullman shared some general advice with MCEC after Ms. Magruder asked about discretionary funding. Dr. Williams inquired about plans to focus on universities particularly about strategic student engagement for industry pipeline and expressed interest in continuing to engage in this work. Mr. Haerle noted significant percentage of work with universities and the plan to engage even more, generally focusing more on outreach. Mr. Edwards noted the possibility of a National Lab coming to Howard University and aligning initiatives.

Grant Report: Ms. Gillespie updated the Members on FY23 grant applications and status, with focus on the Charging and Fueling Infrastructure Grant. She shared a summary of grant applications for FY24 and FY25 and answered Ms. Pelletier’s question about who identifies grants. She also shared with the Members grant fee for service and KPI totals. Ms. Magruder and Ms. Gillespie commented about capacity, grant budget management, leveraged investment, and the balancing act of deliverables, capacity and continuation of funding. Ms. Magruder congratulated Ms. Gillespie on successes.

Wood Energy Report: Ms. Ross shared conclusions of the Fuelwood Supply Chain Analysis including key points, takeaways and opportunities. Dr. Williams inquired about the link to the analysis and position of the legislature, which Ms. Ross addressed. Mr. Ullman followed with a note about MEA's position on wood energy. Ms. Magruder and Ms. Ross followed up with some additional information addressing Dr. William's inquiry that the supply chain analysis did provide answers, but a cost benefit analysis might need to be next step.

Finance Report: Mr. Cowan summarized C3 Fund Applications with types of entities and individuals that applied, geographic breakdown, and internal process for evaluating applications. Ms. Pelletier inquired about application requirements and Dr. Wachsmann about preference on distribution of proposals between loans or grants. Ms. Magruder responded about intent of the funding and matching need to resource.

MarComm Report: Ms. Bachman focused on the MD Clean Energy Summit noting difference in format and sponsorship. She called attention to recent event reports, the Advisory Council meeting and grant division support. Ms. Magruder elaborated on the format, drawing the Members attention to the roundtables and their goal.

PTAS Report: Mr. Rupert provided a MOU summary report, procurement summary, PTAS impact metrics, FY23 and FY24 totals and targets. Ms. Magruder applauded Mr. Rupert and Ms. Mingo on their reporting and reminded the Members of PTAS impact on driving project development, promoting IaaS providers, supporting decision makers and fulfilling support from idea to implementation.

Open Discussion, New Business & Announcements: Mr. Edwards and Chairman Gill greeted one another.

Adjournment: *The meeting adjourned by consensus at 3:00 PM*

Recording of the meeting can be found at: https://bit.ly/MCEC_2023_4-29

MCEC Board of Directors

May 20, 2024

PROPOSED

DRAFT MCEC Strategic Plan

VISION

Maryland has achieved net zero emissions and realizing the resulting economic, environmental and societal benefits.

MISSION

MCEC is the statewide green bank providing knowledge, connection and access to technical support and capital to enable advancement of clean energy and climate reduction solutions, from idea to implementation.

VALUES

MCEC is ...

- **Knowledgeable**
- **Proactive**
- **Responsive**
- **Connected**
- **Collaborative**

OBJECTIVES

RESULTS

- Maryland ratepayers have access to 100% clean energy generation, reliable transmission and affordable energy
- Maryland leads the country in innovative climate tech commercialization
- Citizens across Maryland have affordable and convenient access to various modes of clean transportation
- Maryland homeowners, regardless of income, are empowered to make effective energy choices and have access to convenient affordable capital to implement decarbonization solutions
- Maryland public and private owned buildings operate in the most efficient and resilient manner possible, consistently reducing carbon and increasing electrification of systems
- Maryland is maximizing opportunities to capture and reduce carbon

PRIORITIES & STRATEGIES

Establish MCEC value in the marketplace towards achieving its mission

- Position MCEC as a clearinghouse of information between industry, academia, government and consumers via newsletters and social media
- Market MCEC products and services to appropriate audiences to increase fee for service income through targeted advertising and public relations
- Create and utilize MCEC collateral materials and informative web content to build client and consumer awareness
- Participate in and sponsor events and trade shows to reach typically underserved audiences
- Produce and Distribute Annual Report including tracking and reporting on MCEC key performance indicators

PERFORMANCE MEASURES

- # Event attendees
- # consumer touches
- \$ Sponsorship and registration fee income generated
- # website hits
- # social media views and engagement
- # subscribers

PRIORITIES & STRATEGIES

Capacitate MCEC with adequate financial resources and qualified staff

- Generate funding and fee income for MCEC operations and programs to broaden operational capacity, increase capital for direct and leveraged investment, win grant awards and effectively manage related deliverables
- Continue to win grant funding awards directly for MCEC and its partners
- Adopt and enforce compliance and risk management policies, processes and procedures related to use of grant funds
- Coordinate staffing to support grant deliverables with administrative capability

PERFORMANCE MEASURES

- \$ grant funding applications submitted and awards received
- Risk management compliance policies adopted
- \$ funding & fee income generated

PRIORITIES & STRATEGIES

Provide cost effective and efficient procurement, contract management and technical advisory services to expedite project implementation

- Provide contract, project management and technical support capability; especially in relation to achieving grant deliverables and non-revenue generating activity
- Improve operations and processes related to client services and project management tracking using shared customer relations management software
- Improve processes and procedures for procurement services, solicitation and contracts management
- Develop and implement a team of project navigators to provide technical assistance to community serving and commercial building owners enabling compliance with BEPS regulations, including benchmarking, audits, project development and implementation
- Promote PTAS capabilities to target market audiences to meet or exceed fee revenue targets

PERFORMANCE MEASURES

- # of MOUS with clients
- # and \$ contracts executed by MCEC to drive business to market (both internal and external to MCEC)
- # of procurements managed
- \$ fee revenue generated
- % MBE Contracting goals achieved

PRIORITIES & STRATEGIES

Facilitate access to capital to finance and fund deployment of clean energy project and carbon reduction solutions

- Enhance and increase uptake of residential lending products and programs with loans for appliances and solar
- Implement updates and improvements to MDPACE Program to increase volume of CPACE transactions and related fee income
- Deploy funds and grow the Climate Catalytic Capital (C3 Fund) to achieve statutory mandated objectives
- Add financing programs and products using federal grant and loan program tools targeted toward certain priority GHG reduction strategies including: clean transportation, building energy performance and clean energy generation
- Expand staff capacity and contractual services to more effectively deliver financing solutions

PERFORMANCE MEASURES

- \$ value of private capital investment leveraged with public funding
- \$ value of direct and indirect lending investments
- # of loans made
- \$ value equity investments made and ROI
- # of new financing programs added
- \$ fee revenue generated

PRIORITIES & STRATEGIES

Establish Maryland as a leading state in climate tech innovation

- Provide technical and financial support to further job and company creation in the Maryland clean energy and climate tech innovation ecosystem, including later stage commercialization and support services for prototype and manufacturing
- Launch and manage Climate Tech Founders Fund to make successful equity investments
- Host annual Pitch Event and Tech Showcase
- Promote success stories and companies that have benefited from affiliation with MEIA to drive additional participation and investor support
- Promote MEIA program at HBCUs and minority serving institutions to increase participation of MWVOB start-ups
- Proactively build relationships with venture investors to attract funding for MEIA companies
- Prepare and submit phase II application for US Dept of Commerce EDA Build to Scale grant funds to maintain funding support
- In partnership with Maryland Energy Innovation Institute (MEI2), track MEIA program and climate tech ecosystem key performance indicators

PERFORMANCE MEASURES

- # new companies created
- # companies participated in MEIA programs
- \$ funds raised to support growth of climate tech companies (grants, loans & equity)
- \$ ROI on CTFF Equity Investments
- Other performance metrics inclusive of MEII KPIs

PRIORITIES & STRATEGIES

Engage in effective government & industry relations to impact policy that drives market success

- Provide timely and pertinent information to stakeholders about policy and regulation, including actions being considered by the Maryland General Assembly during annual sessions
- Maintain MCEC Advisory Council, and host meetings with clean energy industry representatives and organizations
- Increase industry outreach partnerships and utilization of MCEC services and capabilities
- As budget allows, host Training & Awareness Building Programs; targeted to potential channel partners and stakeholder audiences
- Effectively comply with requirements of Open Meetings Act

PERFORMANCE MEASURES

- KPIs are mostly qualitative, and will be reported in terms of met or unmet

PRIORITIES & STRATEGIES

Implement effective Communications, Events, Outreach, Education & Training initiatives to promote MCEC services and resources

- Facilitate industry and stakeholder networking and professional development opportunities at hosted events
- Promote MCEC products and capabilities
- Encourage consumer adoption of decarbonization products, services and technologies
- Host annual Legislative Reception
- Host annual Maryland Clean Energy Summit
- Sponsor and host occasional educational webinars and programs to engage and inform target audiences
- Recognize MCEC 15th Anniversary by hosting related celebrations and events
- Provide B2B networking and professional development opportunities

PERFORMANCE MEASURES

- # Event attendees
- # consumer touches
- \$ Sponsorship and registration fee income generated
- # website hits
- # social media views and responses
- # inquiries received

MCEC FY 2025 BUDGET

	Total 2024 Budgeted	Total 2024 Projected	Total 2025 Proposed	VARIANCE FY24 PROJECTED VS FY25 PROPOSED	
				\$ INCR (DECR)	% INCR (DECR)
Income					
Grant Revenue	1,384,048	1,462,435	1,300,000	(162,435)	-11.11%
C3 Fund	8,750,000	8,750,000	250,000	(8,500,000)	-97.14%
Seminars & Training	2,400	1,600	2,400	800	50.00%
Interest Income	36,000	102,177	142,200	40,023	39.17%
Events Income	157,600	208,134	221,425	13,291	6.39%
MCAP Fees Revenue	136,027	80,092	153,477	73,385	91.63%
CEA Admin Revenue	159,225	106,149	91,830	(14,319)	-13.49%
MCGB share of CEA expenses	18,096	13,572	17,499	3,927	28.94%
DCGB share of CEA expenses	16,800	13,300	0		0.00%
MD-PACE	29,500	8,558	9,000	442	5.17%
Consulting Fees	120,000	94,450	150,000	55,550	58.81%
SFA			100,000	100,000	NA
USDA REAP Admin Portion			3,000	3,000	NA
Total Income	10,809,696	10,840,466	2,440,831	(8,386,335)	158.36%
Expenses					
Salaries & Benefits	1,540,115	1,358,568	1,640,707	282,139	20.77%
Travel, Meetings & Meals	40,950	34,645	41,250	6,605	19.06%
Prof. Development & Training	9,880	4,593	13,200	8,607	187.38%
Event Expenses	126,473	168,756	265,598	96,842	57.39%
Contractual Services	751,800	504,439	357,800	(146,639)	-29.07%
Marketing	59,718	27,885	55,039	27,154	97.38%
Total Program Support	437,413	325,126	480,141	155,015	47.68%
Office Expense	120,787	87,603	113,185	25,582	29.20%
Dues & Subscriptions	3,600	2,253	4,707	2,454	108.95%
Software Subscriptions	7,000	9,685	12,283	2,598	26.82%
Total Expenses	3,097,736	2,523,553	2,983,911	460,358	18.24%
Net Operating Income	7,711,960	8,316,914	(543,079)	(8,859,993)	-106.53%
MEIA Commitment	(300,000)	(300,000)		300,000	-100.00%
To C3 Fund	(5,000,000)	(5,000,000)	0		
To fund Enervee Eco Lending (loans)			(1,000,000)		
To fund CEA/InClime Direct Lending			(2,000,000)		
To fund Tenet EV lending			(2,000,000)		
Net Surplus/Deficit	2,411,960	3,016,914	(5,543,079)	(8,559,993)	-283.73%

MEIA BUDGET SUMMARY

	Total 2024 Budgeted	Total 2024 Projected	Total 2025 Proposed	VARIANCE FY23 PROJECTED VS	
				\$ INCR (DECR)	% INCR (DECR)
Income					
Corporate General Sponsorships	38,400	38,500	38,400	(100)	-0.26%
Grants (EDA and others)	325,000	238,171	570,000	331,829	139.32%
Tech to Market	30,000	-	30,000	30,000	NA
MCEC Commitment	300,000	300,000	-		
MEIA Appropriation			625,000		
Prototype Appropriation			87,500		
Manufacturing Appropriation			70,000		
Business Development			37,500		
Total Income	693,400	576,671	1,458,400	881,729	152.90%
Expenses					
Cohort Expenses	170,000	193,486	540,000	346,514	179.09%
Admin Staff	366,864	279,514	674,700	395,187	141.38%
Other Admin Expenses	152,356	67,774	240,270	172,496	254.52%
Total Expenses	689,220	540,773	1,454,970	914,197	169.05%
NET OPERATING INCOME	4,180	35,898	3,430	(32,468)	-90.45%

MCEC			
Runway		2024	2025
Starting Unrestricted Operating Cash as of	5/1/2024	4,395,382	3,771,371
Use of funds for FY24 bonuses		(20,000)	0
Reserve for accrued leave balance (adjust at 6/30/2024)		(50,000)	0
Projected Revenue		75,744	2,440,831
Projected available funds		4,401,126	6,212,202
Projected Expenses		(629,755)	(2,983,911)
Projected Unrestricted Cash at 6/30/2024 and 6/30/2025		\$3,771,371	\$3,228,292
WITH DIRECT LENDING			
Runway		2024	2025
Starting Unrestricted Operating Cash as of	5/1/2024	4,395,382	3,771,371
Use of funds for FY24 bonuses		(20,000)	0
Reserve for accrued leave balance (adjust at 6/30/2024)		(50,000)	0
Projected Revenue		75,744	2,440,831
Projected available funds		4,401,126	6,212,202
Projected Expenses		(629,755)	(2,983,911)
Projected Unrestricted Cash at 6/30/2024 and 6/30/2025		3,771,371	3,228,292
C3 Funds	5/1/2024	5,128,123	5,128,123
Funding for: Enervee Eco Appliance Financing			(1,000,000)
Funding for: InClimate Direct Lending			(2,000,000)
Funding for: Tenet EV Financing			(2,000,000)
Projected Restricted C3 Funds at 6/30/2024 and 6/30/2025		5,128,123	128,123
TOTAL PROJECTED UNRESTRICTED & RESTRICTED CASH		\$8,899,494	\$3,356,415

MEIA			
Runway		2024	2025
Starting Unrestricted Operating Cash as of	5/1/2024	351,073	349,525
Projected Revenue		98,500	1,458,400
Projected available funds		449,573	1,807,925
Projected Expenses		(100,048)	(1,454,970)
Projected Unrestricted Cash at 6/30/2024 and 6/30/2025		349,525	352,955