



ADVANCING CLIMATE TECH IN MARYLAND

FY26 ANNUAL REPORT: Maryland Energy Innovation Accelerator & Climate Tech Founders Fund



Cover: Delegate Vogel, Delegate Qi and Senator Feldman, Maryland General Assembly
Celebrate MEIA milestones with Maryland Commerce representatives at the launch of Phase 2 in Rockville.

Marking the next chapter in the growing climate technology ecosystem in Maryland.

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Carbon Lockdown student interns
Demonstrate their innovative wood burial method for carbon removal.

Exploring new approaches to address climate change and advance carbon management.

Kobby Osei-Kusi, *Founder, Pirl*
Demonstrates Pirl's EV charging technology at Maryland Day.

Connecting Marylanders with startups developing solutions for a cleaner energy future.



John Paul Moscarella, *MEIA Advisor*
Brings expertise and industry perspective to the climate technology ecosystem in Maryland.

Helping connect entrepreneurs, ideas and resources to accelerate innovation.



Brian Toll, Co-founder and CEO, EDAC
Hao Shen, Chief Technology Officer, EDAC
Demonstrate the Electrosynthesizer™, a technology designed to help decarbonize industrial processes.

Developing new approaches to reduce emissions from some of the most energy-intensive industries.

Executive Summary

This report provides an overview of annual activities and progress across the Maryland Energy Innovation Accelerator (MEIA), a program of the Maryland Clean Energy Center (MCEC), and the Climate Technology Founder’s Fund (CTFF) and partner programs established under Senate Bill 960. Together, these efforts support Maryland’s climate technology ecosystem through direct startup investment through CTFF, technical assistance and commercialization support through MEIA, and research seed funding through the Maryland Energy Innovation Institute (MEI²).

The report highlights governance, financials, investment activity, program delivery and outcomes, while also looking ahead to opportunities to strengthen the pipeline from research and innovation to commercialization and market impact.

MEASURING RESULTS

MEIA and CTFF are tracking key performance indicators across four dimensions: Entrepreneur & Startup Engagement; Investment & Funding Leverage; Jobs & Economic Development; and Climate & Community Impact. FY26 emphasizes establishment of measurement baselines and disciplined data collection to support year-over-year comparisons.

Cumulative key outcomes include:

\$136.8 million

FOLLOW-ON FUNDING RAISED BY SUPPORTED COMPANIES

\$198.6 million

GRANT REVENUE BY SUPPORTED COMPANIES

\$21.9 million

TOTAL REVENUE BY SUPPORTED COMPANIES

\$335.4 million

TOTAL MONEY BROUGHT IN TO THE STATE BY SUPPORTED COMPANIES

382

JOBS CREATED

180

CUMULATIVE NUMBER OF PARTICIPANTS

MEIA Programmatic Support

MEIA delivered Phase 0 and Phase 1 programming focused on ideation, entrepreneurial foundations, team formation, and venture development. The report includes data-snapshot tables for these phases.

Table 1.1: Program Participation (FY26)

Phase	Programs	Participants
Phase 0	3	26
Phase 1	2	11 startups
		15 EEIRs
Phase 2	2	4
Phase 3*	2	17

* Phase 3 Climate Technology Founder’s Fund made 5 Commitments and 3 Investments FY26

Ecosystem engagement included MEIA’s Climate Tech Exchange at the Maryland Clean Energy Summit, and Demo Day at Maryland Day at DC Climate Week.

INVESTMENT ACTIVITY

CTFF made 5 FY26 commitments and closed 3 transactions: HighT-Tech Inc., Alchemity, and Canopy Minerals. Alongside commitments, CTFF established an investment pipeline and advanced multiple applicants through due diligence for prospective FY27 deployment.

LEGISLATIVE FRAMEWORK

SB960 established the Climate Technology Founders Fund (CTFF) within the Maryland Clean Energy Center (MCEC) and codified a coordinated approach to climate innovation through investment capital provided by CTFF, accelerator programming

delivered by MEIA, and translational research support through MEI². Funding sources include state appropriations and SEIF transfers, federal grants, private contributions, investment returns, and interest earnings.

The CTFF is managed by MCEC staff and overseen by the MCEC Board of Directors, with investment decisions reviewed and approved by the Fund Oversight Committee. In FY27, the fund continued to operate under the governance and investment framework established pursuant to SB960 and the committee’s adopted Investment Guidelines.

OVERSIGHT AND ADMINISTRATION

In its second year, the Fund Oversight Committee continued to strengthen governance and operational processes for the Climate Technology Founders Fund (CTFF). Building on the Investment Guidelines* adopted in FY25, the committee refined diligence and review procedures, enhanced oversight practices, and approved the fund’s inaugural investments. The committee continues to provide expertise across venture finance, corporate investing, technology commercialization, and inclusive economic development while ensuring accountability and alignment with Maryland’s climate innovation goals.

[*mdeia.org/committee-guidelines](https://mdeia.org/committee-guidelines)

FINANCIAL OVERVIEW

FY26 Budget Update: The report includes tables for the Allocation & Proposed Uses; FY26 Sources of Funds; and FY26 Uses of Funds. In FY27, MEIA plans to utilize the remaining available funds across CTFF investments, MEIA programming, and MEI² seed grants. Future allocations will be evaluated based on program demand, investment opportunities, and any additional appropriations that may become available.

THE ROAD AHEAD

Looking ahead, CTFF and MEIA will focus on deploying the remaining available capital, closing investments approved during FY26, and continuing due diligence on a growing pipeline of Maryland climate technology companies. As investment activity matures, priority will be placed on supporting portfolio companies, attracting additional private-sector investment, and maximizing the economic and environmental impact of Fund resources.

Future growth of the fund will depend on securing additional funding sources and leveraging public investments to catalyze private capital. Through continued investment, commercialization support, and ecosystem development, CTFF and MEIA will remain focused on advancing Maryland’s climate innovation economy, supporting high-growth ventures, and strengthening the state’s leadership in climate technology.

Emily Sheppard, Mike Ducker & Ben Margolis, MEIA
Connect with industry partners at the Vicinity Energy Ideation Event.

Creating opportunities for climate tech innovators in Maryland to share ideas, build partnerships and explore solutions to real-world challenges.



Outcomes & Impact

The Climate Technology Founder’s Fund and MEIA programming are designed to accelerate the commercialization of climate technologies, attract private investment, and generate economic and environmental benefits for Maryland. MEIA is tracking outcomes across four key dimensions: Entrepreneur & Startup Engagement, Investment & Funding Leverage, Jobs & Economic Development, and Climate & Community Impact. Outcomes are tracked cumulatively including impacts of all programs funded through the CTFF including MEI² and MEIA.

ENTREPRENEUR & STARTUP ENGAGEMENT

58

NUMBER OF PARTICIPANTS

15

EXECUTIVES-IN-RESIDENCE ENGAGED



Samad Saifudin, CEO, ThresholdStack
Demonstrates ThresholdStack’s autonomous building-scanning technology alongside the company’s robotic dog.

Using emerging technology to make buildings smarter, more efficient and more responsive.

INVESTMENT & FUNDING LEVERAGE

5 commitments / \$450 thousand

CTFF COMMITMENTS MADE FY26

\$500 thousand

CTFF COMMITMENTS TO DATE

\$275 thousand

TOTAL CAPITAL INVESTED BY CTFF FY26

\$4.67 million

PRIVATE CAPITAL LEVERAGED FY26

\$136.84 million

CUMULATIVE FOLLOW-ON FUNDING RAISED BY SUPPORTED COMPANIES

\$198.64 million

CUMULATIVE GRANT REVENUE BY SUPPORTED COMPANIES

\$21.95 million

CUMULATIVE REVENUE BY SUPPORTED COMPANIES

\$335.49 million

CUMULATIVE MONEY BROUGHT INTO THE STATE BY SUPPORTED COMPANIES



Damena Agonafer and Yunho Hwang, *University of Maryland professors*
Celebrate recognition at the Vicinity Energy Ideation Event, which brought researchers together to explore new approaches to district energy.

ENTREPRENEUR & STARTUP ENGAGEMENT

382

JOBS CREATED

129

NUMBER OF UNIQUE COMPANIES

275

CUMULATIVE PATENTS FILED
(PATENTS, LICENSES, DISCLOSURES)

Connecting academic research with industry expertise to advance more efficient and sustainable energy systems.

MEIA Programmatic Support



s part of the CTFF funding, MEIA provides comprehensive technical assistance, commercialization support, and entrepreneurial development. MEIA organizes its programming into sequential phases that align with the stages of startup growth. In FY26, MEIA delivered programming through Phases 0, 1, and 3, while also making its first CTFF investments. While Phase 2 is underway with awards expected to be announced in FY27.

PHASE 0: IDEATION & ENTREPRENEURIAL FOUNDATIONS

Phase 0 provides early exposure and training for entrepreneurs and researchers who are beginning to explore commercialization pathways for climate technologies. Activities in FY26 include:

- ▶ Pre-accelerator programs to introduce participants to startup formation, customer discovery, and the basics of fundraising.
- ▶ Ideation programs to work with teams to help solve real world problems based on issues presented by corporate partners and participants.

Table 2.1: Phase 0 Programs & Participants

Program	Participants
Vicinity Energy Ideation Program	6
Winter Pre-accelerator	16
Frostburg State University Pre-accelerator	4

PHASE 1: TEAM FORMATION & VENTURE DEVELOPMENT

Phase 1 focuses on supporting entrepreneurs as they move from concept to early company formation. Activities in FY26 included:

- ▶ Launchpad programs to recruit entrepreneurs and build founding teams by connecting startups with potential co-founders, executives, and advisors, with up to \$10,000 in services from Energy Executives in Residence (EEIRs) to support technical and market validation.
- ▶ Soft Launch support to help companies transition from Phase 0 into more structured business development activities, including mentorship, resource navigation, and preparation for participation in subsequent accelerator phases.

Table 2.2: Phase 1 Participants

Startups Supported	EEIR Engagements
11	15

PHASE 2: PROTOTYPING & MANUFACTURING

Phase 2 is intended to support startups entering prototype and product development through access to prototyping and manufacturing expertise and up to \$30,000 of technical assistance and services.

FY26 Status: MEIA secured funding for Phase 2 and launched the Prototyping & Manufacturing Programs. During FY26, efforts focused on program development, including procurement activities, establishing technical assistance resources, and onboarding service providers. Four startups were selected to receive Phase 2 awards supporting product development, prototyping, and pilot projects.

Looking ahead: Phase 2 projects will continue into FY27 as awardees work with technical vendors to advance prototype development, manufacturing readiness, and commercialization milestones. MEIA will also conduct 2 additional competitive selection processes in FY27 to support a new cohort of startups through the Phase 2 program.

PHASE 3: CTFF & INVESTMENT READINESS

Phase 3 is aligned with the Climate Technology Founder’s Fund itself, supporting companies preparing for and raising investment.

FY26 Status: MEIA deployed its initial CTFF investments, closing the fund’s first transactions and advancing a growing pipeline of Maryland climate technology companies. In parallel, MEIA administered an eight-month Investment Readiness Program designed to prepare startups for fundraising through targeted training, investor engagement, and one-on-one coaching.

Table 2.3: Phase 3: CTFF & Investment Readiness

Program	Participants	Notes
Investment Readiness Program	15	Facilitated 1 investment, 40 investor introductions, 8 workshops, 1:1 coaching, and a final pitch event.
CTFF Investment Commitments	5	
CTFF Investments Closed	3	

Looking Ahead: CTFF and MEIA will focus on deploying remaining available capital, closing investments approved during FY26, and continuing due diligence on a growing pipeline of Maryland climate technology companies.

EVENTS & ECOSYSTEM ENGAGEMENT

In addition to structured programming, MEIA and its partners delivered events to strengthen Maryland’s climate innovation ecosystem:

- **Climate Tech Exchange:** Convened startups, investors, and corporate partners as part of the Maryland Clean Energy Summit, providing a platform for entrepreneurs to connect with potential customers and capital providers.
- **Regional Engagement Trips:** Organized visits to Western Maryland and the Eastern Shore to connect with entrepreneurs, academic partners, and local leaders, ensuring statewide reach and inclusivity.
- **ARPA-E Summit Support:** Participated in the ARPA-E Innovation Summit in San Diego to engage with national energy innovation leaders and identify emerging trends, opportunities, and best practices that can be applied to support Maryland’s climate technology ecosystem.
- **Practice Pitch Events:** Hosted two practice pitch sessions to prepare climate tech startups for investor engagement and upcoming funding opportunities.

- **Baltimore Climate Tech Collaboration:** Served as an official sponsor of 2 Baltimore Climate Tech events, supporting urban focused climate entrepreneurship and community building.
- **Climate Tech Industries Alliance:** Joined the statewide Climate Tech Industries Alliance, strengthening alignment with industry, academic, and policy leaders working to advance Maryland’s climate technology sector.
- **Maryland Business Innovation Association (MBIA):** Continued MEIA’s partnership with MBIA to strengthen connections with incubators and accelerators across Maryland and expand support for entrepreneurs statewide. During FY26, five MEIA-supported startups received MBIA grants, and MEIA Ecosystem Manager Mike Ducker joined the MBIA Board of Directors, further strengthening collaboration between the organizations.
- **MEIA Demo Day:** Showcased Maryland climate technology startups during DC Climate Week, connecting entrepreneurs with investors, customers, and industry partners.

Ben Margolis, MEIA Director
Welcomes guests to the Phase 2 Launch Event.

Celebrating the entrepreneurs
and innovators moving the
climate technology economy in
Maryland forward.



Investment Activity

OVERVIEW OF INVESTMENT APPROACH

The Climate Technology Founder’s Fund (CTFF) is designed to catalyze private sector investment into Maryland-based climate technology startups. Investments are structured as convertible notes, or equity instruments, with a preference for structures that align with industry norms while accommodating MCEC’s statutory requirements.

The Fund Emphasizes:

- Catalytic capital to unlock follow-on private investment;
- Diversity and inclusion, with at least 40% of equity investments preferred to invest in minority, women, and veteran-owned businesses;

- Maryland impact, prioritizing companies headquartered or committed to growing in the state; and
- Alignment with climate goals, focusing on technologies that reduce greenhouse gas emissions, support grid modernization, or provide negative emissions benefits.

FY26 INVESTMENT ACTIVITY

FY26 marked a major milestone for the Climate Technology Founder’s Fund, with the completion of its first investment transactions. **CTFF deployed \$275,000 into 3 Maryland climate technology companies, leveraged \$4,675,000 in matching private capital**, and expanded its portfolio through additional investment commitments and pipeline development activities.

Table 3.1: FY26 CTFF Investment Activity

Company	Technology Area	Commitment Type	Amount	Status
HighT-Tech Inc	Advanced Materials	Convertible Note	\$75,000	Closed
Alchemy	Sustainable Fuels	Convertible Note	\$100,000	Closed
Canopy Minerals	Critical Minerals	Convertible Note	\$100,000	Closed



Delegate Michele Guyton, Vice Chair, House Environment & Transportation Committee
Delivers remarks at the Vicinity Energy Ideation Event.

Using emerging technology to make buildings smarter, more efficient and more responsive.



Ratnesh Tiwari, *Co-founder and CEO, NextGlass*
Demonstrates super-insulating vacuum windows that offer wall-level insulation.

Developing building technologies that can improve energy efficiency without requiring major changes to existing structures.

PORTFOLIO HIGHLIGHTS

- HighT-Tech Inc - Develops advanced catalysts and battery materials using a patented ultrafast high-temperature sintering process that reduces energy use, lowers production costs, and enables more sustainable manufacturing of clean energy technologies.
- Alchemity - Commercializing a ceramic membrane reactor that converts methane-rich gas streams into sustainable aviation fuel, renewable diesel, and other chemicals through a modular, single-step process that minimizes carbon emissions.
- Canopy Minerals - Developing a low-cost, non-destructive mineral sensing technology that analyzes plants to identify critical mineral deposits, improving exploration efficiency and supporting domestic supply chains for clean energy materials.

INVESTMENT PIPELINE DEVELOPMENT

In addition to investment activity, the CTFF spent FY26 building a robust pipeline of climate technology startups.

This pipeline reflects strong interest across multiple sectors including energy efficiency, energy storage, grid modernization, carbon management, and low-carbon industrial technologies and it positions the fund for continued investment activity in FY27 as additional appropriations are realized.



Background & Legislative Authority

ESTABLISHMENT OF THE FUND AND RELATED PROGRAMS

The Climate Technology Founder’s Fund (CTFF) was created by the Maryland General Assembly during the 2024 Regular Session through the passage of Senate Bill 960. The legislation establishes the CTFF within the Maryland Clean Energy Center (MCEC) to accelerate the commercialization of innovative climate technologies in Maryland.

SB960 also codifies a comprehensive support framework for early-stage climate technology development, ensuring that resources flow not only to direct startup investment but also to supporting programs that strengthen the broader innovation ecosystem. Specifically, the legislation:

- ▶ Establishes the Climate Technology Founder’s Fund to provide early-stage financing to Maryland startups;
- ▶ Directs funding to the Maryland Energy Innovation Accelerator (MEIA) to provide technical assistance, entrepreneurial support, and commercialization services; and
- ▶ Allocates support for Maryland Energy Innovation Institute (MEI²) seed grants to advance university-based research and technology transfer.

Together, these three elements: direct investment capital, accelerator programming, and research seed funding; form a coordinated structure to move technologies from lab to market, grow Maryland-based companies, and attract private capital into the state’s climate innovation economy.

PURPOSE OF THE FUND

The purpose of the CTFF is to provide early-stage funding for startup companies developing and commercializing qualified climate technologies. The fund is designed to bridge the financing gap for young companies, enabling them to move from prototype and demonstration toward commercialization and market adoption.

The program’s design ensures that:

- ▶ Private capital is leveraged into Maryland climate technology companies;
- ▶ Small, minority, women-owned, and veteran-owned businesses are prioritized (with at least 40% of funds preferred for such companies);
- ▶ Resources are aligned with Maryland’s climate and economic development goals.

FUNDING ALLOCATIONS

SB960 specifies how funding may be used:

- ▶ Up to **\$1.72 million annually** for direct startup investments through the CTFF
- ▶ Up to **\$3.28 million annually** for MEIA’s technical assistance and commercialization support programs; and
- ▶ Up to **\$2 million annually** for MEI² seed grants, with **40% directed to startups** originating from minority-serving institutions.



Maryland State House, Annapolis
The seat of Maryland state government and a symbol of public leadership.

Where policy and investment help create the conditions for climate innovation to thrive.

Fund Oversight & Administration

OVERSIGHT STRUCTURE

The Fund Oversight Committee was formally established by the MCEC Board in Fiscal Year 2024. Its purpose is to manage the CTFF in alignment with statutory intent, ensuring that all investments and program allocations support Maryland’s clean energy and climate goals while meeting fiduciary, ethical, and public transparency standards. The committee includes leaders with deep expertise in clean energy, venture investment, finance, and equity.

OVERSIGHT COMMITTEE MEMBERS

Rob Edwards

Chair
Managing Director, Hamilton Clark;
Member, MCEC Board of Directors
Brings extensive experience in investment banking and capital formation, with a focus on financing growth-stage energy and technology ventures.

Anthony L. Williams

Vice President and
Senior Investment Officer
A recognized leader in small business development and financial advisory, with decades of experience in real estate financing and economic development.

Shounok Sinha

Managing Director
Constellation Technology Ventures
Provides perspective from a leading corporate venture arm investing in clean energy, grid modernization, and emerging technologies.

Gwen Cheni

Former Partner
IndieBio & Khosla Ventures
Offers expertise in early-stage investment and commercialization of science-based startups, particularly in climate and biotechnology.

Faith Davis

Director
Exelon’s Climate Change Investment Initiative (2c2i) Fund
Contributes experience in corporate sustainability investment, with a focus on supporting technologies that advance decarbonization.

Katherine Hill Ritchie

Senior Director, Venture Funds, Maryland Technology Development Corporation (TEDCO)
Brings deep knowledge of Maryland’s innovation ecosystem and experience managing early-stage investment funds to support technology commercialization.

Kathy Magruder

Vice Chair
Executive Director, Maryland Clean Energy Center
Provides strategic oversight and ensures alignment of the fund with MCEC’s mission to advance clean energy and economic development across Maryland.

Christopher Peoples

Managing Partner, Peoples Partners and Associates, LLC
Evaluates financial coordination of projects and secures procurement of funds to contribute to Maryland’s goals of clean technology solutions.

MEIA TEAM MEMBERS

Ben Margolis

MEIA Director, Maryland Clean Energy Center
Provides strategic oversight and ensures alignment of the fund with MCEC’s mission.

Mike Ducker

MEIA Ecosystem Manager, Maryland Clean Energy Center
Builds and maintains networks to support growth, collaboration, and innovation within the climate tech community.

Emily Sheppard

MEIA Programs Coordinator, Maryland Clean Energy Center
Provides expert support in organizing, planning, managing, and executing MEIA programs and projects.

Dietrich Ruehlmann, *Executive Director, GaiXus*
Demonstrates GaiXus’s water quality monitoring system at Demo Day.

Developing technology to help communities better understand and protect their water resources.



Financial Overview

ALLOCATION & USES (PROPOSED)

In accordance with SB960, funds under the Climate Technology Founder’s Fund (CTFF) are allocated across three primary categories:

- **CTFF Direct Investments** – Up to \$1.72 million for equity and convertible note investments in Maryland-based climate technology startups.
- **Maryland Energy Innovation Accelerator (MEIA) Programming** – Up to \$3.28 million to support entrepreneurial development, technical assistance, and commercialization services.
- **Maryland Energy Innovation Institute (MEI²) Seed Grants** – Up to \$2 million to support university-based research, technology transfer, and startups emerging from Maryland’s minority-serving institutions.

Table 4.1: Allocations and Uses from Statute (FY25-FY28)

Sources/Uses	FY25	FY26	FY27
SOURCES OF REVENUE			
SEIF/ VLT Appropriation	1,200,000	1,200,000	1,200,000
SEIF/ VLT Prior Years’ Funds	2,200,000		
SUB TOTAL - REVENUE	3,400,000	1,200,000	1,200,000
USES OF FUNDS			
MEI²/ Seed Grants VLT Appropriation	1,000,000	500,000	250,000
MEIA Operational	625,000	625,000	625,000
Phase II Prototype	87,500	87,500	87,500
Phase II Manufacturing	70,000	70,000	70,000
Phase III Climate Tech Founders Fund	1,250,000	210,000	130,000
Bus Dev	37,500	37,500	37,500
SUB TOTAL - EXPENSES	3,070,000	1,530,000	1,200,000

Sources of Funds (Actual)

REVENUES TO THE CTFF IN FY26 included a combination of state appropriations, federal support, and program-generated income.

Table 4.2: Sources of Funds (FY26 Actuals)

SEIF/ VLT Appropriation	1,200,000
SEIF/ VLT Prior Years’ Funds	2,200,000
Federal Grants	-
Sponsor & Event Revenue	42,625
SUB TOTAL - REVENUE	3,442,625

Uses of Funds (Actual)

EXPENDITURES IN FY26 reflected both direct program activities and initial investment planning. They are broken down as follows:

Table 4.3: Use of Funds (FY26 Actuals)

MEI²/ Seed Grants VLT Appropriation	500,000
MEI²/ Seed Grants Prior Years’ Funds	625,000
MEIA Operational	632,322
Phase II Prototype	-
Phase II Manufacturing	-
Phase III Climate Tech Founders Fund Appropriation	210,000
Phase III Climate Tech Founders Fund Prior Years’ Funds	1,050,000
Bus Dev	37,500
SUB TOTAL - EXPENSES	3,054,822

1. MEIA Programming: Operating expenses, entrepreneurial support, and programmatic costs to deliver technical assistance.
2. MEI² Seed Grants: Funds allocated in FY26 to support research and technology transfer activities, consistent with statutory guidance.
 - A full accounting of MEI² seed grant expenditures is included in the MEI² Annual Report, which is available here: energy.umd.edu/publications
3. Phase II Prototype & Manufacturing: These are funds dedicated to supporting the MEIA Phase II programming for Prototyping & Manufacturing. Due to the timing of the Prior Years’ Funds allocation, these funds were carried over to the next FY.
4. CTFF Appropriations: The funds allocated to the Climate Tech Founders Fund are to directly invest into climate technology companies.
5. Business Development: These are dedicated funds to promote the new programming specific to MEIA Phase II Prototyping & Manufacturing program.

The Road Ahead



s the Maryland Energy Innovation Accelerator (MEIA) and the Climate Technology Founder’s Fund (CTFF) move into FY27, the program is positioned to build on the momentum established during FY26. The fund will continue scaling its impact through expanded capital deployment and strengthened programmatic support for Maryland’s climate technology ecosystem.

Moving forward, MEIA and CTFF will continue deploying capital while expanding and strengthening programmatic support for Maryland’s climate technology startups. This includes enhancing pathways from research to commercialization and building additional mechanisms to increase access to technical assistance, investment readiness resources, and private capital.

As MEIA looks beyond FY28, the anticipated expiration of state funding in FY29 presents a significant challenge to sustaining the progress achieved through the program. Continued state support and the establishment of a permanent funding mechanism will be critical to maintaining Maryland’s leadership in climate technology innovation, ensuring that promising startups can continue to access the capital, technical assistance, and commercialization resources needed to bring new technologies to market. Without a long-term funding commitment, many of the gains realized through MEIA and CTFF may be difficult to sustain and scale.

PHASE 2: PROTOTYPING AND PRODUCT DEVELOPMENT

In FY26, Phase 2 received additional funding, enabling MEIA to launch its Technical Assistance Program to support prototype development and manufacturing readiness. Through a competitive application process, four startups were selected and onboarded into the inaugural cohort. While technical assistance projects will be deployed in FY27, participating companies are now positioned to access up to \$30,000 in specialized support to design, build, and validate prototypes and pilot-scale systems. Building on this momentum, MEIA plans to open two additional Phase 2 funding cycles in FY27, expanding access to technical assistance and accelerating the commercialization of Maryland’s climate technology startups.



Barrow Green
Demonstrates its innovative cooling technology.

Developing new approaches to make cooling more efficient and sustainable.



PHASE 3: INVESTMENT READINESS PROGRAM

Building on the success of the inaugural Investment Readiness Program, MEIA will launch a second cohort in FY27. Running from November 2026 through May 2027, the program will prepare Maryland-based climate tech startups that are actively raising capital through structured training, pitch coaching, and investor engagement. The program will continue to prioritize inclusive participation, with a goal of at least 40% participation from underrepresented founders, including women, minorities, and veterans. This effort will help startups strengthen their fundraising strategies, secure CTFF investments, and attract outside private capital.

CTFF CAPITAL DEPLOYMENT

Building on the successful deployment of Climate Technology Founder’s Fund (CTFF) investments, MEIA will continue expanding its portfolio in FY27 while tracking the growth and outcomes of funded companies. Planned activities include:

- ▶ Monitoring the progress, milestones, and economic impact of CTFF portfolio companies to measure commercialization success and private capital attraction;
- ▶ Deploying additional investments into high-potential, early-stage climate technology startups through new funding opportunities;
- ▶ Continuing to leverage private capital alongside CTFF investments to maximize the impact of state funding;
- ▶ Strengthening a diversified portfolio spanning renewable energy, energy storage, grid modernization, advanced manufacturing, carbon management, and other emerging climate technologies; and
- ▶ Expanding outreach to ensure continued participation from minority-, women-, and veteran-owned businesses, consistent with the goals of the Climate Technology Founder’s Fund.

FINANCIAL ROAD AHEAD

Table 5.1: Projected Sources of Revenue (FY27-FY29)

Source	FY27	FY28	FY29
CTFF Appropriation	\$1,200,000	\$1,200,000	TBD
Fee for Service	\$30,000	\$75,000	TBD
Sponsorships & Donations	\$20,000	\$25,000	TBD
Total Revenue	\$1,250,000	\$1,300,000	TBD

Table 5.2: Projected Allocation of Funds (FY27-FY29)

Allocation	FY27	FY28	FY29
MEI ² Seed Grants (SB960)	\$250,000	\$250,000	TBD
MEI ² Seed Grants (Prior VLT)	\$0	\$0	TBD
MEIA Operational	\$625,000	\$625,000	TBD
Phase II Prototype Support	\$87,500	\$87,500	TBD
Phase II Manufacturing Support	\$70,000	\$70,000	TBD
Phase II Prior Support	\$90,000	\$90,000	TBD
CTFF Direct Investments	\$130,000	\$130,000	TBD
CTFF Direct Investments (Prior VLT)	\$500,000	\$550,000	TBD
Business Development	\$37,500	\$37,500	TBD
Total Uses	\$1,790,000	\$1,840,000	TBD



Carlos Romero Talamás, PhD, CEO, Terra Fusion Energy Corporation
Demonstrates the magnetic force created during the Centrifugal Mirror Fusion experiment.

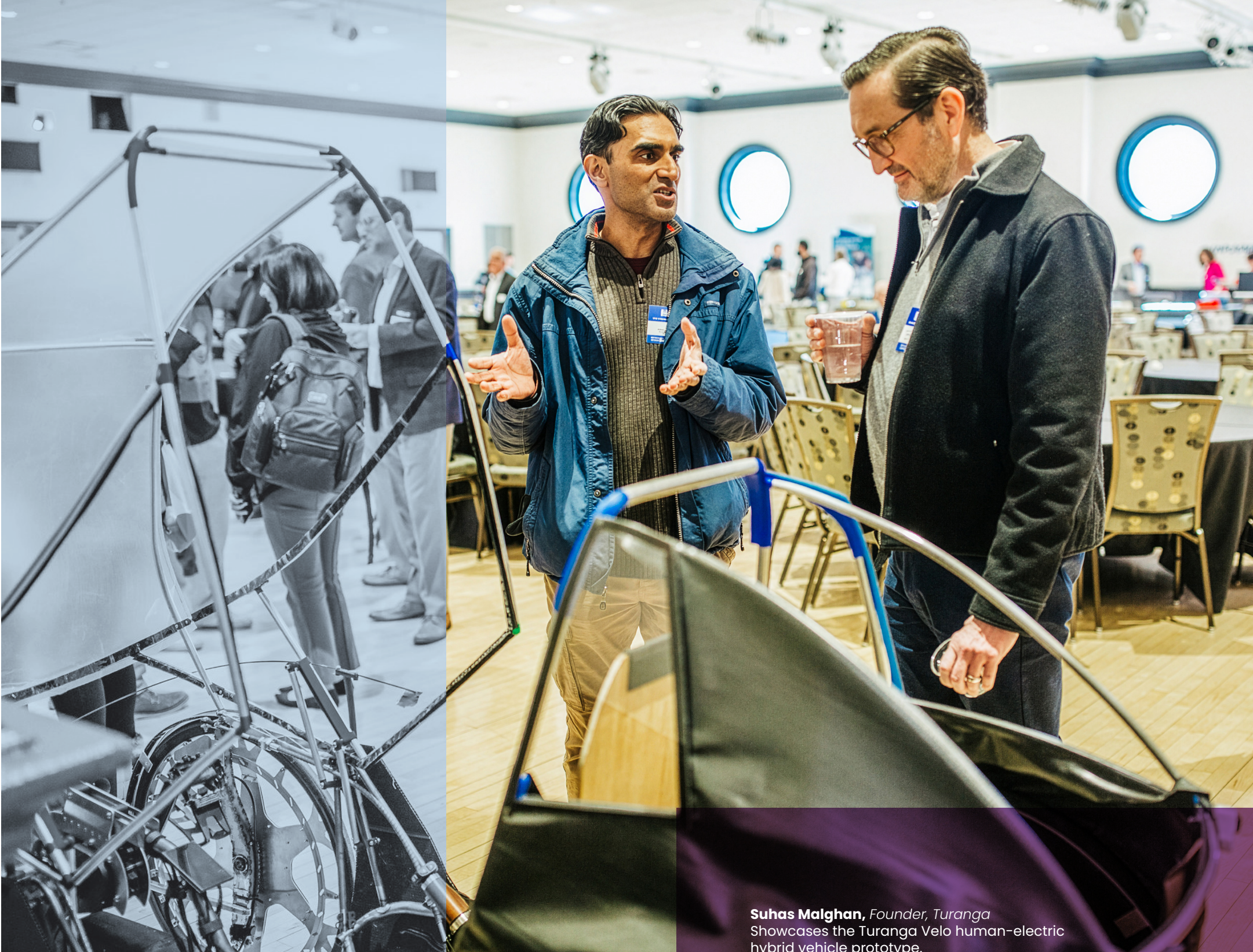
Exploring new approaches to fusion energy and the possibilities for a future of abundant, low-carbon power.

CONCLUSION

FY26 represented a pivotal year for the Climate Technology Founder’s Fund as MEIA transitioned from program development to implementation. Throughout the year, the fund expanded its impact by deploying capital, launching the inaugural Phase 2 Technical Assistance Program, and strengthening support for Maryland’s growing pipeline of climate technology startups. These efforts have helped bridge critical commercialization gaps by providing entrepreneurs with the resources needed to advance technologies from concept to market.

Looking ahead to FY27, MEIA will build on this momentum by deploying additional CTFF investments, expanding technical assistance through multiple funding cycles, and tracking the growth and outcomes of portfolio companies. Together with continued collaboration across Maryland’s innovation ecosystem, these efforts will accelerate commercialization, attract private investment, create high-quality jobs, and reinforce Maryland’s position as a leader in climate technology innovation.

To fully realize the long-term economic, environmental, and innovation benefits of these investments, sustained state support will be essential. As current funding is scheduled to sunset in FY29, establishing a permanent funding source for MEIA and CTFF will help ensure that Maryland continues to attract private investment, commercialize breakthrough technologies, create high-quality jobs, and remain a national leader in climate technology innovation.



Suhas Malghan, *Founder, Turanga*
Showcases the Turanga Velo human-electric hybrid vehicle prototype.

Reimagining how people move through their communities.



5000 College Ave., Suite 31010
College Park, MD 20740

mdcleanenergy.org | mdeia.org
info@mdcleanenergy.org
301-314-6061

 @MarylandCleanEnergyCenter
 @MDCleanEnergy | MDEnergyAccel
 MarylandCleanEnergyCenter | mdeia