



GAP IV ENERGY GRANT 2025-2026 OPPORTUNITY

MassDEP's Official Answers to Questions

On August 15, 2025, the Massachusetts Department of Environmental Protection (“MassDEP”) posted the Gap IV Energy Grant 2025-2026 Funding Opportunity (“Gap IV Energy Grant Program”) for the Clean Energy Results Program seeking proposals from publicly owned drinking water and wastewater facilities, nonprofit agricultural or food producing or food distribution organizations, and small businesses engaged in food distribution or processing. In accordance with the Gap Energy Grant Program’s Estimated Procurement Calendar, MassDEP held two Bidders’ Informational Conferences via Zoom; one on August 20, 2025; and the other on September 9, 2025. At each Conference MassDEP informally responded verbally to questions from interested parties. In addition, following each Conference MassDEP accepted written questions submitted via email.

Presented below are MassDEP’s official answers to the questions received during the 2nd Bidders’ Informational Conference, held on September 9, 2025, as well as answers to any questions submitted via email, and received by September 10, 2025, submission deadline. The information in this document is intended to assist all parties interested in applying for funding through the Gap IV Energy Grant Program.

Questions

Q1: Does a small composting business that leases land on a farm qualify as an eligible entity under the small business category? We would like to install a solar powered static aerated system with blowers and controls system at our operations. Would that be an eligible project and if we were moved to another location would that be allowed under a Gap Energy Grant?

A1: Whether this composting business is an eligible entity is a multi-step determination process. First, a composting business would need to meet the small business requirements, which includes the definition of a small business engaged in food distribution or processing. For a composting business, whether the composting business is integrated with an agricultural business, such as a farm with distribution or processing business elements will be a critical part of eligibility. The composting business should have a direct relationship with the functions of the farm which would support the eligible small business definition, which requires the small business to either

be in food distribution or processing. The composting business would also need to complete the Small Business Attestation form.

If the composting business passes the first part of this determination, then the second part of the determination is whether the composting business meets the requirements of ownership of a facility. Since the applicant has stated it is a lessee of the land or open area where its composting business is located, it may not satisfy the requirement of land ownership unless it can demonstrate that the “facility” is something other than land on which it operates (e.g. built composting infrastructure).

Additionally, the project posed by this inquiry, a solar array and static Compost Aeration and Heat Recovery (CAHR) system with blowers and controls is an eligible renewable technology that can expedite composting and harness thermal energy through a heat exchanger during the decomposition process. However, the Gap IV Energy grant evaluation criteria (Section R, pages 13-14) is heavily focused on achieving project cost effectiveness (up to 25 points) and annual energy savings (kWh) (up to 25 points) for all project applications. This type of project may need to include using the captured heat energy to heat an onsite building facility, greenhouse, etc., in order to competitively demonstrate cost effectiveness and energy savings

Q2: A small nonprofit farm that recently got a fairly comprehensive audit to identify energy saving projects, most notably shifting away from oil heating, is looking to make the recommended audit improvements. The farm is a non-profit but operates on Town-owned land. Is there an opportunity for them to apply for the grant? Can the nonprofit farm submit a joint application from the farm and the Town?

A2: As noted in our Second Amended Gap IV Grant RFR, September 9, 2025; page #8; Section F. Facility Ownership and Authorization: In order to qualify for grant funding, an Eligible Applicant must own the Facility at which the project will be completed.

Q3: A church is trying to implement decarbonization and resiliency measures into their facility and have asked a series of questions about their eligibility. The responses below respond to each specific question.

Q3(a): Do you need to have a formal commitment from the utility as to the specific level of incentives that they might provide (standard levels versus custom)?

A3(a): No. However, you should indicate that you have reached out to the appropriate utility and if you have that communication in writing, please submit documentation of that outreach with your application. Based on your project proposal, you may be able to estimate what the utility incentive might be and factor that into the application.

Q3(b): What is the best way to demonstrate net benefit in a project where projected heating/cooling levels will actually increase electric consumption/costs as a result of the new system, but in favor of making the building functional and resilient?

A3(b): An applicant can factor in what the estimated avoided fossil fuel use (i.e., therms of natural gas, gallons of propane or fuel oil) would be from the upgraded and more efficient HVAC system. We would also like to know about the GHG emissions reductions based on avoided use of fossil fuels.

Q3(c). We have applied for a number of grants but have been unsuccessful. Is this information that should be included in our application?

A3(c): This information could be included in the narrative portion of your application.

Q3(d): Can this grant be used to offset costs related to participating in ESCO financing?

A3(d): Please describe how the ESCO (Energy Service Company) financing would work in your proposed project narrative and how this arrangement will benefit the eligible entity and that will be evaluated during our review process.

Q4: We have a client with some interest in the GAP IV grant. However, their efficiency assessment dates to 2022, which would seem to fail the two-year age limit in the RFP. I am writing to confirm that 2 years is a strict limit for the grants and that our client needs to update their energy efficiency assessment.

A4: Yes. An assessment conducted within two (2) years of the grant application date is required.

Q5: Our nonprofit theatre company, that in addition to performing operates from a 100-acre organic farm and provides a farm-to-table program that serves thousands of meals each year for our community. It also works at the intersection of arts, agriculture, and community engagement and is interested in applying for this grant.

In addition, we've become leaders in the clean energy transition and have several capital projects that closely align with the GAP grant's goals. Before undertaking the significant work of applying, we'd like to clarify whether our organization would be considered eligible.

A5: Your question has not provided sufficient information to determine whether your organization meets the eligibility requirements for a nonprofit agricultural or food producing organization. If your nonprofit theater organization can demonstrate that it is a nonprofit food producing or distribution organization that is registered with the Mass Attorney General's Office of Public Charities and can satisfy the other requirements in the Nonprofit Attestation Form, then it may be an eligible entity. Please review the responses to questions we received from the first informational conference on August 20th and the slides that were presented, as well as the responses to emailed questions. From that presentation you will have a sense of the type of food and agricultural entities we have funded in the past. We have also amended the eligibility description for nonprofits so please review that as well.

Q6: We are seeking guidance on the eligibility of our project to compete for a MassDEP Gap IV Energy Grant. We are a community solar cooperative that would like to develop a solar array on

the roof of a building to benefit a food cooperative tenant in that building. We would be the owner of the solar array; the food cooperative would use the power generated but the building is owned by a community development corporation. Of the three entities that I have listed, are any of us eligible to apply for this grant? Please advise.

A6: The Gap IV Energy Grant requires that a Facility where the energy efficiency or clean energy upgrade is being installed is owned by the grant applicant. See p. 8, Section F of the Gap IV Energy Grant Request for Responses.

If the Facility owner wants to install solar on its building, it could be an eligible applicant if it can meet the nonprofit or small business eligibility requirements. There does not appear to be a viable avenue for community solar cooperative to be an eligible entity under the Gap IV Energy Grant requirements.

Q7: We are a large safety-net hospital (meaning that we serve a low-income population), and we are a nonprofit. In terms of food production and distribution, we maintain two food-producing rooftop farms on the hospital campus. We additionally operate a food pantry for our patients that distributes produce from our farms in addition to other food products. The food pantry has been open for more than 20 years and distributes over 1 million pounds of food per year to an average of 6,900 households per month.

We would like to apply for this grant to fund the construction of a second solar array at the hospital. I would greatly appreciate it if you could let us know whether we qualify as an eligible entity to apply for the Gap IV Energy Grant.

A7: If the hospital is a certified nonprofit with a 501(c)(3) designation and registered with the MA Attorney General's Office of Public Charities, it may be an eligible entity. If the hospital is not registered with the MA Attorney General's office of Public Charities, it must demonstrate that it, or its food pantry, if the pantry is a 501(c)(3) nonprofit. Nonprofit food pantries do meet the eligibility requirements and certainly one with a rooftop farm would meet the definition of a food producing or distribution organization.

Q8: We are working with a community action center and food pantry that is in the final stages of development for their solar project. They will be ready to begin construction in the late fall. Will they still be eligible for Gap Grant funding if construction is already underway before a contract is signed?

A8: If the community action center can demonstrate that it is a nonprofit food producing or distribution organization that is registered with the Mass Attorney General's Office of Public Charities and can satisfy the other requirements in the Nonprofit Attestation Form, then it may be an eligible entity. If selected, the grantee would need to sign a contract with MassDEP prior incurring eligible costs on the solar array. (Please also see Question and Answer # 19 related to expenditures made before a grant contract is signed).

Q9: We are already enrolled in Demand Response, will that be credited in the grading rubric?

A9: Yes. Participation in active Demand Response plan or program will receive up to five (5) under the Evaluation Criteria (see Section R. “Evaluation Criteria”). For applicants who have already enrolled and are participating in a Demand Response Plan, please provide the annual revenue received from your Demand Response participation in Appendix C Gap IV Grant Application Data Table, Excel spreadsheet.

Q10: This question contains three parts; all of the subparts are answered below:

Q10a: Can funding requests for two separate small-scale solar projects—one at the Water Department facility and one at the Sewer Department facility—be submitted together in a single application?

A10a: Yes. Eligible entities can submit multiple energy saving projects (i.e., energy efficiency, clean energy generation) together in one application. The separate projects should be listed in Appendix C (Gap IV Grant Application Data Table, Excel spreadsheet).

Q10b. Given that the Sewer Department received a GAP III grant in 2023 for rooftop solar, would our application be more competitive if submitted solely by the Water Department?

A10b: No. All Gap IV Grant applications will be evaluated based on the Evaluation Criteria listed in Section R: Evaluation Criteria, pages 13-14.

Q10c: In the application it is mentioned that \$75,000 is the minimum grant award. Can an application for project funding be less than this?

A10c: No. The minimum grant award in our Gap IV grant round is \$75,000. To maximize cost and energy savings, please consider all identified energy-saving opportunities at your eligible facilities.

Q11: Can a local “seed funding” grant be applied toward the Town’s required cost-share contribution?

A11: As noted in Section I: Applicant Cost Share and Other Funding Obligations, pages 8-9... “The required 10% cost share contributed by the Eligible Entity may include donor funds and other contributions that they already have but may not include anticipated or future grants or Mass Save® incentives”. Grant funds related to the proposed project application should be listed in Appendix C: Gap IV Grant Application Data Table, Excel spreadsheet – Total Incentives and other Grants (Column B).

Q12: We have been advised by a local solar installer that SMART incentives for solar projects greater than 25 kW are not yet confirmed. Should we therefore omit any estimate of this incentive in the project budget spreadsheet, particularly since the SMART incentive does not provide upfront cost coverage?

A12: Please refer to MA DOER's SMART 3.0 Program Details for incentive levels at <https://www.mass.gov/info-details/smart-30-program-details#summary-of-proposed-regulations>. You can include the applicable SMART incentive levels based on your project size that can be listed in Appendix C: Gap IV Grant Application Data Table, Excel spreadsheet – Total Incentives and other Grants (Other Revenues Column).

Q13: Can the GAP grant request include the 30% Federal Direct Pay incentive amount? At present, this incentive is still considered uncertain and is increasingly difficult for municipalities to claim. We are finding it challenging to secure the 30% funding in advance, which is where the GAP grant could provide tremendous value.

A13: Yes. The applicant may submit an application that does not include the 30% Federal Direct Pay incentive amount upfront. The applicant will need to meet the 10% minimum cost share requirement and complete APPENDIX B: APPLICATION AUTHORIZATION AND CERTIFICATIONS. The applicant should make a note in APPENDIX A: APPLICATION AND FUNDING OVERVIEW table that they will be pursuing the 30% Federal Direct Pay incentive, which is uncertain at this time. If the applicant is awarded a Gap IV Energy grant and receives the 30% Federal Direct Pay incentive, MassDEP may need to reduce the grant award amount accordingly.

Q14: We are developing a Community Supported Biocycling® partnership with an eligible 501(c)(3) agricultural non-profit land trust that is a fiscal sponsor of small farms. They would potentially own the modular and relocatable facility to be installed with potential grant funds, but they do not own the [EJ designated](#) farmland where the project is located with their fiscally sponsored farm. Would this project be eligible for funding?

A14: If the Land Trust can demonstrate that it is a nonprofit food producing or distribution organization that is registered with the Mass Attorney General's Office of Public Charities and can satisfy the other requirements in the Nonprofit Attestation Form then it may be an eligible entity. Based on the information provided, the proposed Biocycling® project would be located on a farm that is not owned by the potentially eligible Land Trust entity. Please see section F. of the RFR for additional information regarding Facility Ownership.

Additionally, more details are needed on the Biocycling® of the waste products being proposed (e.g., food waste etc.) in the project, quantity of materials, modular and mobile processing of the materials, site ownership, and energy cost savings.

Q15: We are preparing a GAP IV Energy Grant application for a rooftop solar PV installation for a small food processing business. The existing roof requires repair work in order to safely host the array. We understand that stand-alone roof repairs are not eligible; however, because the roof work is integral to enabling the solar installation, we would like to confirm whether our necessary roof repairs could be considered an eligible project cost when directly tied to the installation of new rooftop PV.

A15: Roof repairs needed to reinforce the roof, and rafters can be considered an eligible cost for a rooftop solar installation depending on the level of work that needs to be performed. Repairs that in total amount to a full roof replacement will not be covered. Additionally, the Gap grant can cover costs associated with upgrading the electrical service and panel, if necessary, in order to accommodate a rooftop solar installation.

Q16: Our solar co-op is organized under Chapter 157 not under Chapter 180. Is our solar coop eligible to apply?

A16: A solar cooperative organized under Chapter 157 is a business and as such would need to satisfy the small business definition in this grant and fill out the Small Business Attestation form. However, this grant is only open to small businesses engaged in food distribution or processing therefore a solar cooperative is not an eligible entity without also being a food distribution or processing business.

Q17: Can the grant funds be used for the build-out of commercial kitchen and the appliances like an induction stove that are needed?

A17: The types of eligible projects envisioned for any eligible entity including a commercial kitchen can be found in Section C, p. 4 of the RFR. These projects would need to contribute to energy efficiency and greenhouse gas reductions and the savings be significant enough to be competitive against other projects.

Q18: Can the energy audit be submitted after the grant deadline?

A18: It is a pre-requisite of this grant process that an application must include either the necessary energy assessment or feasibility study. Accordingly, any applications lacking this documentation will be deemed incomplete and will be disqualified from receiving funding. Please reach out to MassSave® or Municipal Light Plant provider for assistance in expediting an energy assessment.

Q19: Can you please give clarity on whether or not you can make purchases for a project prior to signing the contract?

A19: In general, MassDEP will only reimburse expenses incurred during the grant award contract period. Accordingly, any purchases made prior to the full execution of a grant award contract area is done so at the grantee's own risk. However, in exceptional circumstances, MassDEP may allow for reimbursement of expenses incurred outside of the grant award period. Applicants for a Gap IV grant award in such circumstances should discuss any such needs with the grant team during the contracting period following the announcement of awards.

