BUSINESS BUILDS: CLIMATETECH CAPITAL

FY27 Webinar

MEET THE TEAM

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AGENDA

1. MassCEC Overview
2. Business Builds: Climatetech Overview
3. How to Apply
4. Q&A

MASSCEC

WHO IS MASSCEC?

MassCEC is a quasi-state economic development agency dedicated to accelerating the growth of the clean energy and climatetech sector across Massachusetts.

- MassCEC aims to make Massachusetts the climate innovation lab for the world while driving an equitable clean energy transformation.
- We do this to create good jobs, increase affordability, accelerate economic growth, and improve quality of life for Massachusetts residents.
- Created in 2008 as part of "An Act Relative to Green Jobs in the Commonwealth" (Chapter 307, §1)
- Locations in Boston, Charlestown, and New Bedford
- Board Chair: Rebecca Tepper, Energy & Environmental Affairs Secretary
- 60+ programs that help innovative companies and communities access capital and vital growth resources.

KEY ATTRIBUTES

Innovative

Collaborative

Results-Oriented & Data Driven

Statewide Approach

CLIMATETECH: OUR IMPACT AREAS

PILLAR 1

COST REDUCTION

Supporting new technologies, ideas, and models that make **clean energy** solutions more affordable

PILLAR 2

ECONOMIC GROWTH

Expanding our **climatetech economy** by investing in communities and businesses so they **stay and grow** in MA

PILLAR 3

JOBS

Creating hands-on training opportunities and career pathways to prepare a **skilled clean energy workforce**

CLIMATETECH

Technologies that reduce GHG emissions, reduce reliance on non-renewable energy sources, and/or help communities adapt to climate change through resilient infrastructure.

Energy & Electricity

Transportation

Buildings

Industry & Manufacturing

Agriculture & Water

Enabling Solutions

Mitigation

Adaptation & Resilience

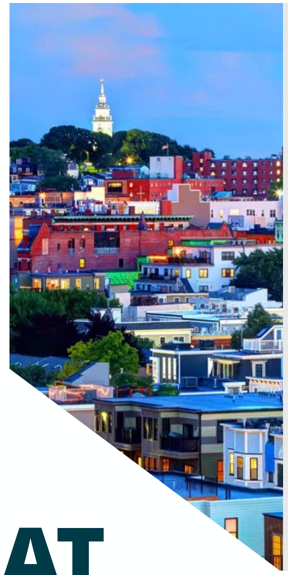
Prepare for and respond to the impacts of climate change

Adaptation & Resilience

WHAT WE DO

INNOVATION

We nurture a globally competitive, sustainable clean energy industry rooted in Massachusetts. MassCEC invests early in high-potential startups, de-risks breakthrough technologies, and strengthens the innovation pipeline.

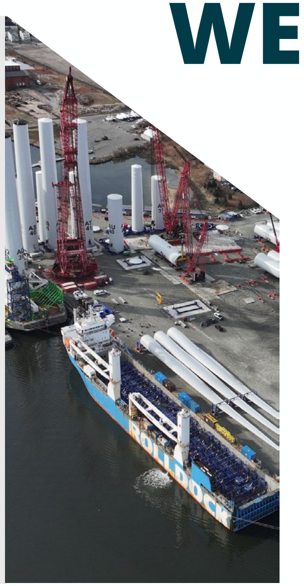


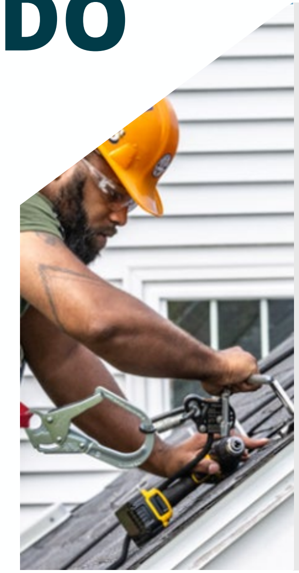
PROVE FOR SCALE

We advance solutions by piloting technologies and approaches that others will scale-up. Mass Clean Energy Center tests solutions in real-world conditions, generates market insights, and informs policy making.

INFRASTRUCTURE

We build the infrastructure and support supply chain growth that anchors Massachusetts as a climate economy hub. MassCEC directs investments to unlock major industrial opportunities, fosters supplier ecosystems, and optimizes existing infrastructure.





WORKFORCE

We grow a skilled, diverse, and job-ready workforce that can meet the demands of a fast-growing climate economy. MassCEC provides funding, infrastructure, and partnerships to train workers and support career access, particularly in underserved communities.

MASSCEC IMPACT DATA

162,940
Climatetech and Clean Energy Workers

68%
Of New Clean Energy Jobs Are Located Outside Of Route 128

3,600+
Certificate Trainings Supported

7,100+
College & Vocational Internships
65% are Women and Minorities

65%
Women & Minority Interns

620+
Employers Engaged Statewide

BUSINESS BUILDS: CLIMATETECH

CHALLENGE

Scaling in Massachusetts is expensive. And climatetech companies face an added hurdle: a "missing-middle" financing gap for commercial operations.

Early-stage companies often struggle to scale, or end up scaling elsewhere splitting their R&D from their operations – this slows the path to market while reducing the positive economic impacts to MA.

PURPOSE

Business Builds: Climatetech provides capital grants between $500K - $2M to help for-profit companies producing critical climate technologies make the capital investments needed to scale in or relocate to Massachusetts.

Business Builds: Climatetech was created by the Mass Leads Act. It complements the Mass Life Science Center's Business Builds: Life Sciences and the Massachusetts Office of Business Development's Business Builds capital programs.

PROGRAM GOALS

1. **Support Capital Investments:** provide catalytic capital for facilities, equipment and commercial-scale operations.
2. **Address Climate and Energy Challenges**
3. **Drive Economic Growth and Competitiveness**
4. **Promote Equitable and Place-Based Development**
5. **Compliment Existing Economic Development Programs**

WHO'S ELIGIBLE?

For-profit companies making significant workforce and facility expansions in MA. Strong applicants have:

- Shovel-ready projects (with preference to spend majority of award by July 2027, for this round)
- Projects enabling 50%+ job growth
- Projects with $10M+ in capital investments

EXAMPLE PROJECTS

A battery storage company installing new manufacturing lines to scale production.

A low-carbon cement company building a FOAK commercial production facility.

A grid-technology company installing new equipment to produce next-generation transmission lines at commercial scale.

A heat pump manufacturer relocating final assembly to Massachusetts and outfitting a new production facility.

PROJECT REQUIREMENTS

Projects that support climatetech company expansions:

- Provide 50/50 match (cannot be state grants or in-kind)
- *Bridge funding required. This is a reimbursement grant.*
- Commissioned within 1 – 3 years. However:
    - For this round of B2C2, preference will be given to those who have a period of performance through July 2027.

REIMBURSEMENT REQUIREMENTS

- Submit invoices in batches, once a month and within 3 months of the vendor's invoiced date
- MassCEC will pay within 45 days
- Spend funds within the fiscal year* you project. Funding won't roll over, so plan each year's spending accurately.

**MassCEC fiscal year runs from July 1 through June 30*

ELIGIBLE EXPENSES

Budget Category	Description	Reimbursable
Capital Expenses		
Infrastructure & Equipment	Equipment, digital infrastructure, permanent installations.	✅ Eligible
Capital Labor	Company's staff salaries/wages for capital labor.	❌ Not eligible
Capital Labor Fringe	Benefits related to capital labor.	❌ Not eligible
Capital Subcontractors / Consultants	Third-party installation, engineering, and construction services.	✅ Eligible
Other Capital Materials and Costs	Permanent building an installation materials.	✅ Eligible
Capital Overhead/Indirect Costs	Allocated indirect costs on capital expenditures.	❌ Not Eligible
Operating Expenses	Essential costs that businesses incur for daily operational activities necessary to generate revenue, including rent, salaries, and marketing.	❌ Not Eligible

HOW TO APPLY

TIME COMMITMENT

A **Full Application** requires a significant amount of time to gather Certificate of Good Standing (Dept. of Revenue, Sec. of Commonwealth), Certificate of Compliance (Dept. of Unemployment Assistance), vendor quotes, cost share commitments, and a complete, itemized budget with accurate fiscal year spend projections.

Program will run twice per year (Oct 1 and April 1), as funding is available.

TIMELINE

All submissions are made through Submittable.

masscec.submittable.com

Process Step	Date
Office Hours	Thurs. Sep 10, 2026
Questions Due	Tues. Sep 15, 2026
Q&A Posted on Website	Thurs. Sep 17, 2026
Application Due	Thurs, Oct 1, 2026
Finalist Interviews (as applicable)	Tues, Nov 3 – Tues Nov 17, 2026
Notification of Awards	Est. Winter 2027
Contracting Concludes/Projects Begin	Est. Winter 2027

SELECTION CRITERIA

1. **Priority Sector:** rewards companies in MassCEC's strategic sectors with strong economic growth potential and importance to the Commonwealth.
2. **Expansion Locations:** scores economic impact of location—higher for projects outside Route 128 or in Gateway Cities, rural areas, or economic development zones.
3. **Job Growth Potential:** preference for projects estimated 50%+ job growth over five years with wages above the statewide average.
5. **Investment in Massachusetts:** capital investment ($10M+), expansion of manufacturing, HQ, or R&D, new locations, or new business functions in the state.
6. **Public Good:** community development, workforce advancement, regional impact, infrastructure, environmental gains, or other public value.

REQUIRED ATTACHMENTS

1. Resumes of key personnel
2. Financial statements (2025 or later)
3. Project Budget Template (Attachment 2)
4. Itemized Vendor Quotes for Equipment over $100,000
5. Matching funds commitment letters
6. Red-lined Sample Contracts
7. State certificates:
    a. MA DOR Certificate of Good Standing
    b. MA DUA Certificate of Compliance
    c. MA Sec. Certificate of Good Standing
8. (optional) List of known or prospective MA-based vendors
9. (optional) Letters of Support

SUMMARY

SUMMARY

1 Funding

- Up to $2M for capital expenses
- 50/50 match funds
- Costs reimbursed after we receive invoices

2 Eligibility

For-profit companies producing climatetech scaling in or relocating to MA. Strong applicants:

- Expect 50% job growth
- $10M+ in capital investment

3 Timing

- Applications due Oct 1
- Notifications Est. Winter 2027
- Program will run twice per year (Oct 1 and April 1), as funding is available.

4 Spending

Projects should be “shovel ready” with preference to applicants who can spend majority of award by July 2027, for this round

TIPS

- ❑ Start the process of getting your **State Certificates** now. It can take a few weeks. (MA DOR Certificate of Good Standing, MA DUA Certificate of Compliance, MA Sec. Certificate of Good Standing)
- ❑ If your project is not "shovel ready" now:
  - You should still apply – you can get feedback on your application/project and would be eligible to be considered for the April round of the program
  - You could consider breaking your project into smaller parts- applying for part of the project now, and the less ready part in a future round.
- ❑ Are you not sure if you're "**climatetech**"? No worries! Please reach out to us, and consider the other sector capital programs offed by TeamMA : Mass Life Science Center's Business Builds: Life Sciences and the Massachusetts Office of Business Development's Business Builds capital programs
- ❑ You **can stack the grant** from this program with our capital tax incentive available under CTIP (up to $7.5M) – as long as the capital purchases are different (See next slide)

CLIMATETECH TAX INCENTIVE PROGRAM (CTIP)

REOPENING DECEMBER 2026

To **accelerate climatetech economic growth and job creation** across the state by offering up to $30 million annually in tax credits to companies expanding or hiring in Massachusetts.

Job Creation	Capital Investment – Owning	Capital Investment - Leasing
• Up to $20k per job created • Minimum 5 net new FTE jobs created; must be maintained for 5 years • Only for taxable year for which it is awarded • Partially refundable	• Up to 50% of qualified capital investment • Owner must make cap investment of at least $5M in climatetech facility • Awardees must employ at least 50 net new FTE by year 5	• Up to 100% of total lease payments • Lessees must rent at least 25% of the rentable square footage • Lessees must employ at least 13 FTE total by year 5

Note: Companies may apply for more than one of the CTIP tax credits, but will not be awarded more than one of the tax credits in any tax year. $7.5M is the cap for any given business.

ANY QUESTIONS?

MASS
CLEAN ENERGY CENTER

QUESTIONS DUE TUES. SEP 15, 2026
INNOVATIONECOSYSTEM@MASSCEC.COM

SIGN UP FOR OFFICE HOURS:

Thurs, Sep 10, 12 – 1PM