

**ILLINOIS
FINANCE
AUTHORITY.**



**ILLINOIS
CLIMATE
BANK**

40101d Funding Opportunity - May 21, 2024

Agenda

- Overview of the Illinois 40401d award
- Overview of the Notice of Funding Opportunity
- How to Register and Apply in GATA/AmpliFund
- Q&As

GRID RESILIENCE 40101(d) FORMULA GRANTS

US DOE award **\$40 M** to State of Illinois over 5 years. \$16 million has been awarded for Y1 & Y2. Another \$8 M requested for Y3.



- **Grants:** IFA/CB will award grants to improve reliability and resilience,
- **Priority:** disadvantaged communities (DACs) & EIECs.
- **Projects:** Monitoring and control, undergrounding, poles, advanced conductors, distributed energy resources including microgrids, protection, modeling, hardening, weatherization, vegetation management, and fire prevention.

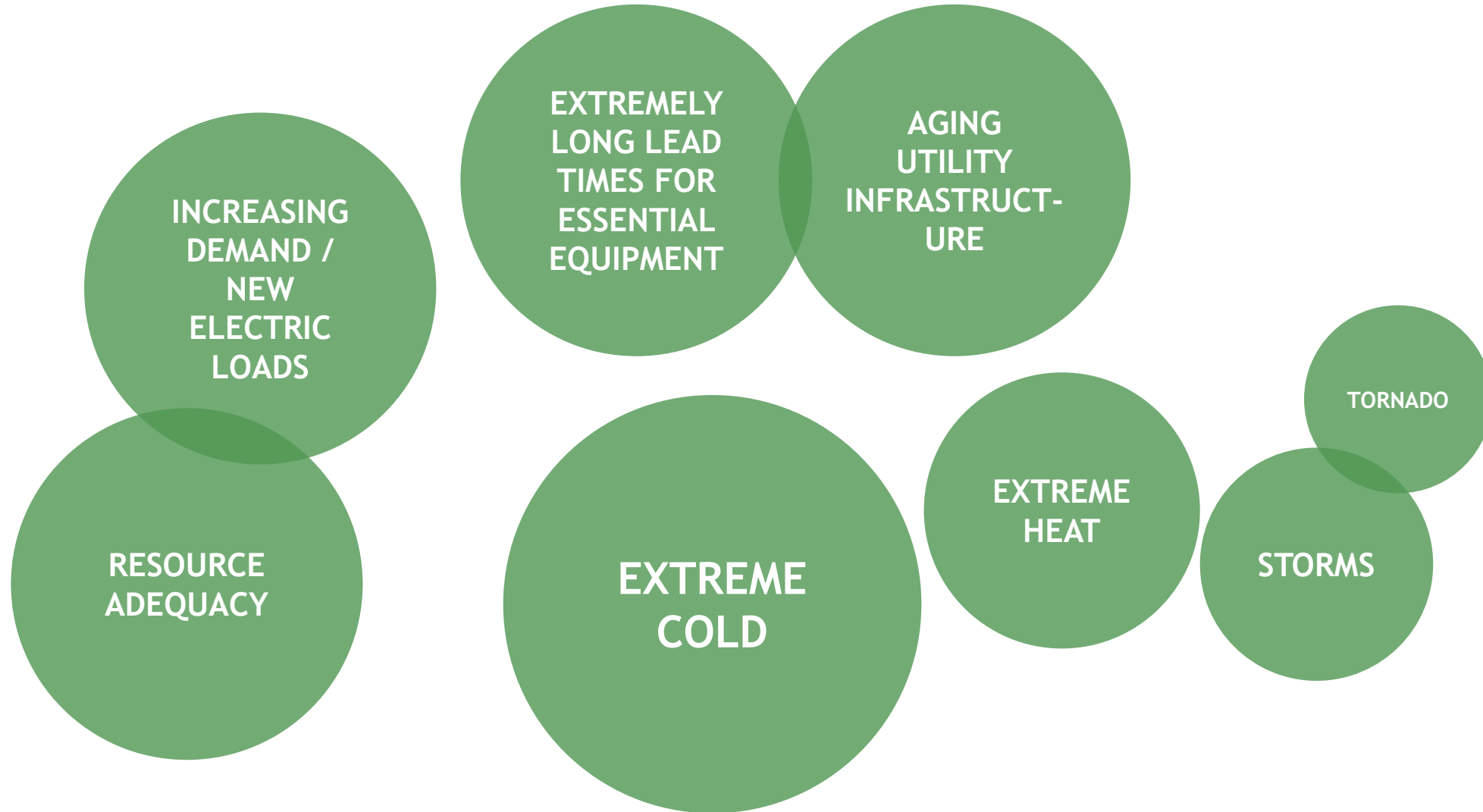
OPPORTUNITY:

- IFA released a NOFO for project proposal pre-applications (due June 24).
- **Cost Match:**
 - Small utilities match 1/3 + 15%;
 - Large utilities and other entities match 1:1 + 15%

NEXT STEPS:

File pre-application through AmpliFund/GATA portal by June 24.

Identifying biggest threats / hazards



Prioritized Project Types



COMMUNITY RESILIENCE HUBS

Community gathering places that can provide life-essential or other support services to communities during extreme weather and grid-related events.



CRITICAL FACILITY MICROGRIDS

Essential public services that serve large populations that would pose risks to public health & safety if they lost power for extended durations.



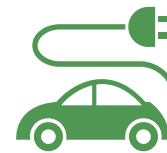
EMERGENCY EQUIPMENT SHARE

Support efforts of small municipal and co-op utilities to prepare for and quickly recover from storms by creating a hub of easy-to-access essential equipment that otherwise has long lead times.



COMMUNITY-DRIVEN INITIATIVES

Comprehensive efforts that address resilience needs of a community, that is driven by local community planning efforts. This could include seed funding for early-stage planning.



REPLICABLE INNOVATIVE PILOTS

New technology or implementation approaches that address grid resilience needs in new ways that would benefit for the deployment of replicable pilot projects and knowledge-sharing.

Eligible

- A. Weatherization (technologies and equipment)
- B. fire-resistant technologies and fire prevention systems
- C. monitoring and control technologies
- D. undergrounding of electrical equipment
- E. utility pole management
- F. power lines relocation or reconductoring
- G. vegetation and fuel-load management
- H. DER construction for enhancing system adaptive capacity during disruptive events, incl.:
 - a. microgrids; and
 - b. battery-storage subcomponents
- I. adaptive protection technologies
- J. advanced modeling technologies
- K. hardening of power lines, facilities, substations, of other systems
- L. replacing old overhead conductors and underground cables
- M. other measures (as determined or approved by US DOE)

Non-Eligible

- A. Construction of a
 - a. new electric generating facility
 - b. large-scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events
- B. Cybersecurity

Resilience Program Criteria



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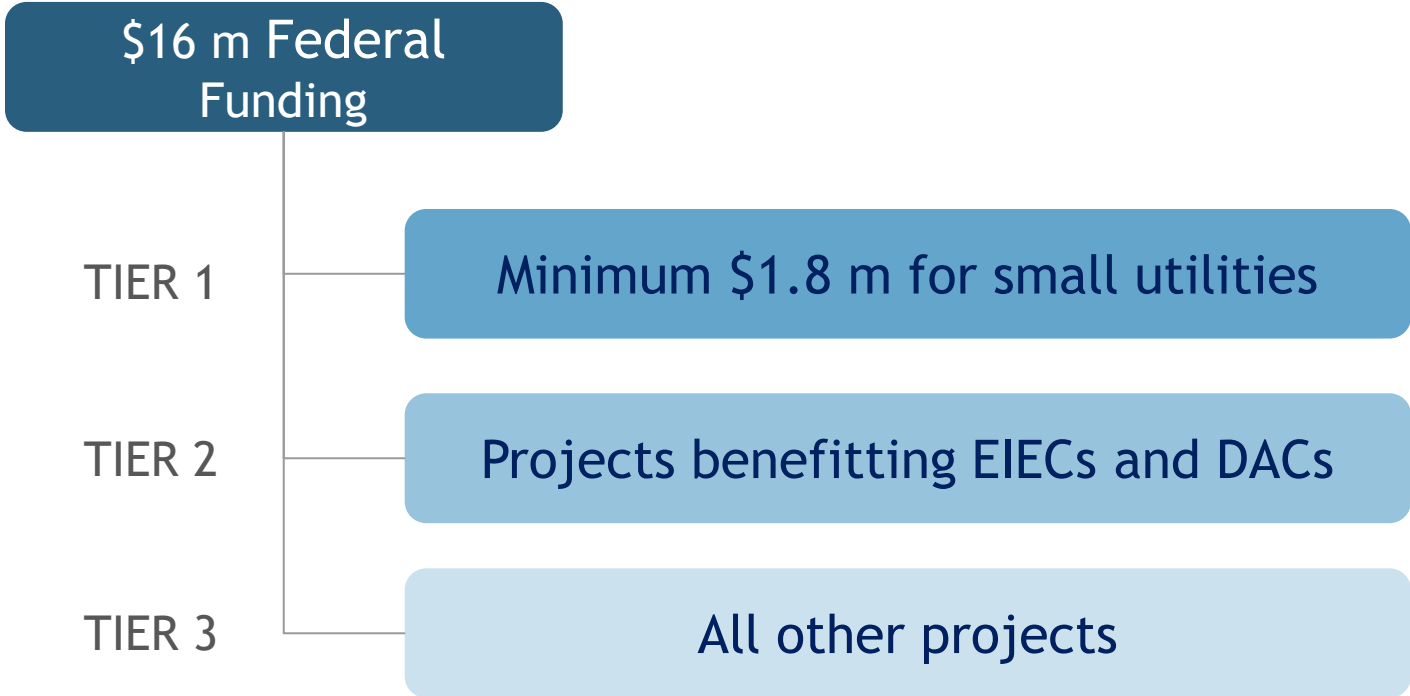
| | WHO | WHERE | WHAT | WHEN | HOW |
|--------------------------|---|---|--|---|---|
| DOE Minimum Requirements | <ul style="list-style-type: none"> • El. grid operator • El. storage operator • El. generator • Transmission owner or operator • Distribution provider • Fuel supplier • Other relevant entity | <ul style="list-style-type: none"> • State of Illinois | <ul style="list-style-type: none"> • Monitoring/Control • Undergrounding • Utility pole manage. • Power lines • DERs & microgrids • Adaptive protection • Advanced modeling • Hardening • Weatherization • Fire-resistance/prev. | <ul style="list-style-type: none"> • 5-year period of performance per each annual budget period | <ul style="list-style-type: none"> • Workforce development • Diversity, Equity, Inclusion and Accessibility • Buy America • Davis-Bacon • Cost-match |
| Illinois Prioritization | <ul style="list-style-type: none"> • Local governments • Hospitals • Schools • Non-profits/co-ops • Match community • Small utility set-aside | <ul style="list-style-type: none"> • 60% of benefit in EIEC/DACs • Prioritize high outage areas • Consider future climate risk | <ul style="list-style-type: none"> • Community Resilience Hubs • Critical Facility Microgrids • Emergency Equipment Share • Community-Driven Initiatives • Replicable Innovative Pilots | <ul style="list-style-type: none"> • Y1 & Y2: Shovel-/Paper-ready projects • Community-based Project Planning • Propose flexible match timeframes to DOE | <ul style="list-style-type: none"> • Simplified pre-application process • Technical assistance • Seed grants for initial work for Community-based Projects • Workforce hubs |

Funds Available



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2024



2025

+\$8 m Federal Funding

2026

+\$8 m Federal Funding

2027

+\$8 m Federal Funding

To ensure that funding is allocated in accordance with the stated objectives, IFA/CB will follow the following matrix in selecting projects:

1. Small Utilities that invest in EIECs and DACs
 2. Other Small Utilities
 3. Other eligible entities that invest in EIECs and DACs
 4. Other projects (not specifically designed to benefit EIECs and DACs)
-

Cost Share Requirements



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SMALL UTILITIES

Cost Share =
1/3 of grant
amount
+ 15%
= 48%



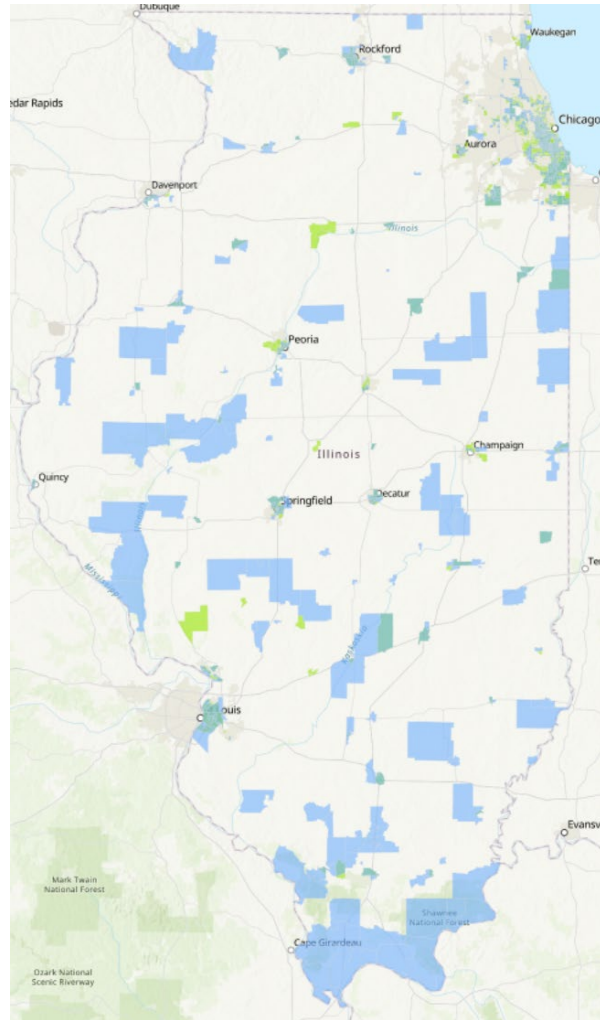
OTHER ENTITIES

Cost Share =
100%
+ 15%
= 115%



Prioritizing EIECs and DACs

STATEWIDE



EQUITY INVESTMENT ELIGIBLE COMMUNITIES (EIECs)

CEJA-designated environmental justice communities, based on low-income population and pollution burden, or “Restore.Reinvest.Renew” communities, based in part by rates of gun injuries, child poverty, unemployment and incarceration



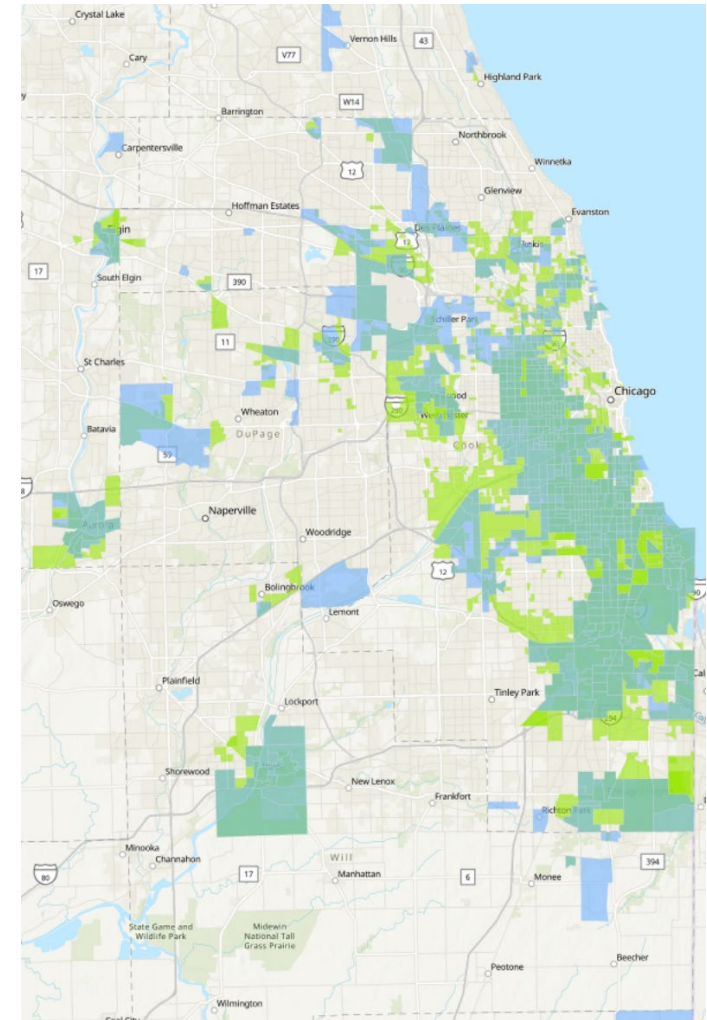
FEDERAL DISADVANTAGED COMMUNITIES (DACs)

Federally-designated communities based on the White House Climate and Economic Just Screening Tool as developed as part of the Justice40 initiative.



BOTH

CHICAGO AREA



Simplified Application Process



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Pre-application

- Register in GATA/AmpliFund
- Apply in AmpliFund:
 - Applicant's Info (populate fields)
 - 5-page Project Narrative (upload)
 - Timelines, Milestones and Budget (upload)
 - Certify Funding Compliance (populate fields)

Full Application (pre-selected projects)

- Register in SAM.gov
- Submit additional forms in AmpliFund:
 - Full Budget
 - Funding Application Form
 - Cost-Match commitment
 - Environmental Questionnaire
 - Waivers (foreign work, BABA, etc.)
 - USDOE Secretary "Other entity" designations
 - Other

Additional Funding Cycles (NOFOs)

- Will open for the remaining funding
- First round applicants will receive feedback on resubmitting applications

- 1. Project Executive Summary.** What are objectives, activities, and outcomes?
- 2. Project Location.** Where located and what communities benefit?
- 3. Anticipated Community Benefits and Equity.** Anticipated community benefits, for which communities, and how it will reach historically underserved populations.
- 4. Funding Objectives.** How it meets the funding objectives.
- 5. Project timeline.** Overview in narrative and fill out Attachment A spreadsheet “Part III – Timeline”.
- 6. Project Costs.** Overview in narrative and fill out Attachment A spreadsheet “Part I – Cost”.
- 7. Performance Measurement.** Overview in narrative and fill out Attachment A spreadsheet “Part II – Metrics”.
- 8. Workforce and Labor standards.** Describe proposed strategy.

Tip: Focus on the description of the benefits of the project and demonstrate the likelihood of the your ability to achieve the describe benefits as a direct (or substantial) consequence of the proposed project activities. Describe how you will successfully measure these benefits.

Min. DOE Requirements

IL Priority Alignment

Community Benefits

- a) Result in Community Benefits (as discussed further below);
- b) Be located in Illinois; and
- c) Include required Cost Match

- Alignment with the Program Objectives & Metrics
- Expected impact on EIECs/DACs
- Expected Environmental/Public Health Benefits
- Contractor and Workforce Commitments

Must score at least 30/50 points with 10 max* points in each of the five Program Objectives categories:

- 1) Resilience
- 2) Environment
- 3) Equity
- 4) Affordability
- 5) Safety

*Each category will be evaluated in the following three brackets: Poor (1-3 points), Fair (4-6 points), Strong (7-10 points), based on the description of the benefits in the project pre-application and the likelihood of the applicant's ability to achieve them as a direct (or substantial) consequence of the proposed project activities and to successfully measure these benefits.

Resilience Program Objectives

OBJECTIVES

EXAMPLES

RESILIENCY

Reduce outages in EIECs/DACs (durat. & freq.)

Increase community resilience for those least able to respond to disruptions

Align resilience planning with future climate risks

ENVIRONMENT

Enhance environmental quality and public health

Speed the installation and integration of renewables

Leverage nature-based solutions and native tree planning

AFFORDABILITY

Reduce the energy burden for low-income residents

Ensure low-income and disadvantaged communities directly benefit first

Support communities in making long-term affordable energy decisions

Reduce costs for public entities that pass-through costs to taxpayers/users

EQUITY

Increase access / opportunities for EIECs/DACs residents & businesses in

Build awareness and trust in grid/energy systems in frontline and EJ communities

Support communities and small utilities that lack capacity

Ensure equity in outage management processes, as well as planning

SAFETY & WORKFORCE

Ensure the safe operation of the energy system

Prepare the workforce for emerging technology opportunities

Address health & safety limitations on building stock

Protect homes from in-home hazards during flooding/disasters

Resilience Program Metrics



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METRICS

EXAMPLES

RESILIENCY

SAIDI (System Average Interruption Duration Index)

SAIFI (System Average Interruption Frequency Index)

CELID (Customers Experiencing Long Interruption Durations)

CEMI (Customers Experiencing Multiple Interruptions)

Specifically measure impacts in Equity Investment Eligible Communities / DACs

ENVIRONMENT

Metric Tons of GHGe Reduced

NOx, Sox, PM Tons Reduced

MW/MWh of renewable energy, energy storage installed for critical loads

Peak demand reduction

AFFORDABILITY

Reduction in energy burden for participating customers

Reduction in costs for all /non-participating customers

Reduction in costs to public agencies for outage response

EQUITY

Total project value (& %) in Equity Investment Eligible Communities

Value of diverse contractor spending

and dollar value of project value to Equity Eligible Contractors / Persons

New business starts in Equity Investment Eligible Communities

SAFETY & WORKFORCE

Jobs created

Graduates of training programs

Homes hardened / residents supported

Reduction in wires down events