AGREEMENT NUMBER: 25-CPRG-01

INTERGOVERNMENTAL AGREEMENT

Federal Award Project Description: State of Illinois: Climate Pollution Reduction Grant Implementation
Federal Awarding Agency: United States Environmental Protection Agency
FAIN: 00E03862
Federal Assistance Listing Number: 66.046-Climate Pollution Reduction Grants
Federal Funding Opportunity Name and Number: EPA-R-OAR-CPRGI-23-07
Amount of EPA Funds Obligated to Recipient: $430,251,378
Subrecipient: Illinois Finance Authority
IFA Unique Entity Identifier: RBHJRALA6356
EPA Award Date: 10/02/2024
Period of Performance of Federal Award: 10/01/2024-09/30/2029
Subaward Period of Performance Start and End Date: 1/28/2025 - 09/30/2029
Amount of EPA Funds Obligated under Initial Subaward: $137,598,910
Cumulative Amount of EPA Funds Obligated to IFA under Initial Subaward and Subsequent Amendments: $137,598,910
Subrecipient's Indirect Cost Rate: 10% *de minimis* rate applied to Modified Total Direct Costs
Total Amount of EPA Funds Committed to IFA: $137,598,910

This Intergovernmental Agreement ("Agreement") is entered into by and between the Illinois Environmental Protection Agency ("Illinois EPA" or "IEPA" or "Agency") and Illinois Finance Authority ("IFA"), designated as the Illinois Climate Bank. Illinois EPA and IFA may also be individually referred to herein as "Party" and collectively as "Parties".

SECTION 1: PURPOSE AND AUTHORITY

1.1 Under the federal Inflation Reduction Act ("IRA") of 2022, U.S. Environmental Protection Agency ("U.S. EPA") has allocated $430,251,378 ("CPRG Award") to the Illinois EPA Office of Energy under the Climate Pollution Reduction Grant ("CPRG Program ") [Grant No. FAIN 00E03862], to implement greenhouse gas reduction measures. Amendment to Clean Air Act P.L. 117-286. This Agreement is between Illinois EPA and IFA, designated as the Illinois Climate Bank (20 ILCS 3501/850-5), in the amount of $137,598,910, as a subawardee or subrecipient of the CPRG Program to reduce greenhouse gas emissions in the building, freight, and power sectors as outlined in the EPA Approved Workplan-Attachment C (referred to herein as the "Workplan"), defined as portions of or all of the tasks below. All activities undertaken by IFA for these tasks must comply with the U.S. EPA grant agreement [Grant No. FAIN 00E03862], EPA-approved workplan, and applicable federal, state, and programmatic requirements incorporated by reference.

1.1.1 Task 1.1: Clean Building Catalyst Fund

1.1.2 Task 1.6: Community Geothermal Planning +Pilots

1.1.3 Task 1.7: Stretch Building Code Adoption

1.1.4 Task 2.1: Heavy Duty Vehicle Charging

1.1.5 Task 2.3: Zero-Emissions On-Road and Off-Road Vehicles

1.1.6 Task 5.2: Small Utility Clean Energy Planning

1.2 Section 5 of the Intergovernmental Cooperation Act provides, in part, that "[a]ny one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking or to combine, transfer, or exercise any powers, functions, privileges, or authority which any of the public agencies entering into the contract is authorized by law to perform." (5 ILCS 220/5). Illinois EPA and IFA are "public agencies" within the meaning of Section 2 of the Intergovernmental Cooperation Act. (5 ILCS 220/2).

1.3 Section 1 of the Amended Grants Policy Issuance (GPI) 16-01, EPA Subaward Policy, dated October 1, 2024, defines a "pass-through entity" as: "A recipient or subrecipient that provides a subaward to a subrecipient (including lower-tier subrecipients) to carry out part of a Federal program. The authority of the pass-through entity under this part flows through the subaward agreement between the pass-through entity and subrecipient."

SECTION 2: TERM

2.1 This Agreement shall begin upon execution, or the date when the CPRG Award is received by Illinois EPA from U.S. EPA, whichever comes later. This agreement shall terminate five years after the date when the Award is received by Illinois EPA from U.S. EPA, unless sooner terminated or further extended as provided herein ("Term"). This Agreement may be terminated by either Party, with or without cause, upon thirty (30) days' prior written notice. IFA shall be paid for work completed, in accordance with this Agreement and delivered to the Illinois EPA, as well as any non-cancelable obligations made prior to the date of termination if the Agreement is terminated by Illinois EPA without cause. The Agreement may be terminated for cause by Illinois EPA in the event that the IFA is in material default or breach hereunder, provided Illinois EPA first provides IFA with notice of a material breach and at least fourteen (14) days to cure the alleged breach. Such non-cancelable obligations must be: a) clearly documented as occurring prior to the date of termination notice; b) proven to be noncancelable; c) properly established in accordance with this Agreement; and d) of a nature that cannot be reasonably entered as a cancellable obligation.

SECTION 3: RELATIONSHIP BETWEEN IFA AND ILLINOIS EPA

3.1 **COMPLIANCE AND AGREEMENT TERMS:** The Parties shall comply with all the terms, conditions, and provisions of this Agreement, including all attachments and incorporated documents, and all applicable terms and conditions of the CPRG Award.

3.2 **SCOPE OF RESPONSIBILITIES**

3.2.1 Illinois EPA retains primary responsibility for oversight of the CPRG Award, including ensuring compliance with all federal terms and conditions.

3.2.2 IFA shall administer their portions of the tasks as outlined in this Agreement and its attachments and shall be responsible for oversight, reporting, and compliance related to their portion of the tasks.

3.2.3 IFA shall not be responsible, at any time, for directing the work of any contractor or subcontractor hired by Illinois EPA.

3.2.4 IFA will provide professional quality, financial expertise, technical accuracy, timely completion, and the coordination of all services furnished by IFA under this Agreement. Illinois EPA shall not be responsible for remediating any insufficiencies on the part of IFA.

3.2.5 IFA must meet all U.S. EPA requirements and abide by all CPRG Program rules and any terms and conditions agreed upon between U.S. EPA and Illinois EPA and incorporated into this Agreement.

3.3 **ILLINOIS EPA AUTHORITY:** Nothing in this Agreement shall preclude Illinois EPA from prospectively imposing additional requirements necessary under existing law to protect human health or the environment or to comply with the terms and conditions of U.S. Grant No. FAIN 00E03862.

3.4 **COST RECOVERY BY ILLINOIS EPA:** Illinois EPA may recoup costs incurred in performing its duties under this Agreement and the overall CPRG Program consistent with allowable budget categories including Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other Direct Costs, and Indirect Costs.

3.4.1 **MECHANISM FOR COST RECOVERY:** Illinois EPA may recover costs through the following methods:

3.4.1.1 **DRAWDOWN FROM FEDERAL GRANT AWARD:** Illinois EPA may charge allowable costs for its scope of work under the program to US EPA, per the terms of its award and up to the amounts per allowable budget category in the approved federal workplan and budget (outlined in Attachment C).

3.4.1.2 **UPON INVOICE TO IFA:** Illinois EPA shall invoice IFA for costs agreed between the parties and incurred in the administration of the CPRG program that are not funded by the federal grant, not to exceed the amounts per allowable budget category in the approved federal workplan and budget (outlined in Attachment C). Such invoices shall include itemized documentation of expenditures and allowable budget categories and be submitted on a monthly basis. IEPA shall be entitled to recover such invoiced costs from program income received due to interest and/or principal payments on the loan.

3.4.2 **RECONCILIATION AND ADJUSTMENTS:** Illinois EPA and IFA shall reconcile administrative costs at least quarterly to ensure compliance with federal cost principles under 2 CFR Part 200 and the budget established under Grant No. FAIN 00E03862. Adjustments to invoicing or cost recovery mechanisms may be made upon mutual agreement, provided they comply with federal and state guidelines.

3.4.3 **COST RECOVERY PAYMENTS:** Illinois EPA shall submit invoices to IFA within thirty (30) days of the end of each calendar quarter for costs incurred in performing its duties as outlined above. Illinois EPA shall itemize the hours spent on CPRG Program work together with sufficient documentation to support its pay request including costs as approved in the CPRG Award. Invoices for supplies purchased, services performed, and expenses incurred through June 30 of any year must be submitted to the IFA no later than July 31 of that year. Illinois EPA shall submit invoices no more frequently than once per month. Invoices shall be submitted as follows:

Illinois Finance Authority
Attn: Accounts Payable Department
160 N. LaSalle Street, Suite S-1000
Chicago, IL 60601

3.4.4 Failure by Illinois EPA to submit pay request(s) to IFA in a timely manner (i.e., as provided in paragraphs above) will render the amounts billed an unallowable expense which IFA will not reimburse. In the event Illinois EPA is unable, for good cause, to submit a timely pay request (s), Illinois EPA shall notify IFA in a timely manner of such inability and may request an extension of time to submit said pay request(s). IFA's approval of such request(s) for an extension of time to submit a pay request(s) shall not be unreasonably withheld.

3.4.5 IFA shall process an approved request for payment within thirty (30) days of request; to the extent processing a payment requires submission of a voucher to the Office of the Illinois Comptroller or to a non-profit entity that receives a loan of CPRG funds from IFA (the "Borrower"), IFA shall send a voucher for payment of an approved request for payment to the Comptroller's Office or to the Borrower, depending on the cost recovery method, no more than thirty (30) days after receipt of the request. Notwithstanding the foregoing, IFA shall not be responsible for any delays in the Comptroller or Borrower making any payment or payments hereunder.

3.5 **COST RECOVERY BY IFA:** IFA may recover administrative costs associated with the Scope outlined in Section 4, consistent with allowable budget categories, from Illinois EPA per the terms of the federal grant award, or through Program income generated by interest and/or principal payments related to loan programs. IFA may incur pre-award costs (i.e., costs incurred prior to the effective date but subsequent to the EPA Award Date (10/2/2024) where such costs are necessary for efficient and timely performance of the scope of work and approved by Illinois EPA.

3.5.1 **MECHANISM FOR COST RECOVERY:** IFA may recover costs through the following methods:

3.5.1.1 **UPON INVOICE TO ILLINOIS EPA TO DRAW DOWN FUNDS FROM FEDERAL GRANT AWARD:** IFA may charge allowable costs to the balance of federal grant award that is not lent to the Borrower.

3.5.1.2 **FROM PROGRAM INCOME:** IFA shall be entitled to recover costs incurred in the administration of the CPRG program that are not funded by the federal grant, not to exceed the amounts per allowable budget category in the approved federal workplan and budget (outlined in Attachment C), from program income received due to interest and/or principal payments on loan programs.

3.5.1.3 **UPON INVOICE TO BORROWER:** IFA shall be entitled to invoice Borrower for costs incurred in the administration of the CPRG program that are not funded by the federal grant, not to exceed the amounts per allowable budget category in the approved federal workplan and budget (outlined in Attachment C) and pursuant to any contract with the Borrower. Such invoices shall include itemized documentation of expenditures and allowable budget categories and be submitted on a monthly basis.

SECTION 4: SCOPE OF WORK

4.1 GRANTS AND LOAN PROGRAM ADMINISTRATION

4.1.1 IFA will design and administer grant and loan programs for the task identified in the CPRG Workplan, outlined below and in attachment C, where IFA is listed as the subrecipient.

CPRG Approved Task: IFA Sub Awardee/ Subrecipient	Total (IFA)	Grant Program	Loan Program	Other
Task 1.1 Clean Building Catalyst Fund	**$80,465,060**	$80,000,000*		$465,060
Task 1.6 Community Geothermal Planning + Pilots	**$17,500,874**	$15,000,000		$2,500,874
Task 1.7 Stretch Building Code Adoption	**$18,951,405**	$18,000,000		$951,405
Task 2.1 Heavy Duty Vehicle Charging	**$11,265,060**		$10,000,000	$1,265,060
Task 2.3 Zero- Emissions On-Road and Off-Road Vehicles	**$6,832,530**		$6,000,000	$ 832,530.08
Task 5.2 Small Utility Clean Energy Planning Support	**$2,583,881**	$2,000,000		$583,881

*A portion of the Clean Building Catalyst grant budget may be used to issue bridge loans as outlined within the CPRG approved Workplan.

4.1.2 Ensure program compliance with applicable federal and state regulations, including the Build America Buy America provisions and other federal grant requirements.

4.1.3 Develop program documentation, application guidelines, and reporting frameworks necessary to comply with the efficient execution of these tasks and the CPRG Approved Workplan.

4.1.4 Additionally, upon request from IEPA and approval by IFA, IFA will support IEPA in executing additional tasks identified in the CPRG Workplan, included in Attachment C. IEPA and IFA will use best efforts to develop an estimated budget for such tasks. In the event such agreed budget would result in total costs exceeding the total line item budgets by task listed in Section 4.1(I), IEPA will work with its US EPA project officer to amend the budget as necessary to implement the agreement. In the event such agreed budget would result in costs for any task not listed in Section 4.1(I), IEPA will work with its US EPA project officer to amend the budget as necessary to implement the agreement.

4.2 REVOLVING LOAN FUND ADMINISTRATION

4.2.1 For the two tasks involving loans as specified in the CPRG Workplan spreadsheet (Task 2.1: Heavy-Duty Vehicle Charging and Task 2.3: Zero Emissions On-Road and Off-Road Vehicles), IFA may facilitate the establishment of a loan to the Borrower, which will manage the revolving loan fund. Additionally, a portion of Task 1.1 Clean Building Catalyst grant money may be used to issue bridge loans as outlined within the CPRG approved Workplan and detailed further in Attachment E. If this path is taken, IFA will oversee the terms and conditions of the primary loan agreement with the non-profit entity to ensure alignment with the CPRG Award and ensure the loan repayments and program income generated through this revolving loan fund are recycled to fund future loans, grants, or subsidies for eligible projects or to support other programmatic objectives.

4.3 REPORTING, OVERSIGHT, AND COMPLIANCE

4.3.1 **REPORTING OBLIGATIONS:** IFA is responsible for ensuring all reporting requirements associated with the IFA portion of tasks under this Agreement are met. This includes facilitating timely and accurate reporting to Illinois EPA in compliance with all federal and programmatic obligations. IFA must ensure that reporting processes are adjusted as necessary to meet any updated or additional requirements issued by U.S. EPA during the term of this Agreement. This section and Attachment F may be amended to incorporate new federal or state reporting obligations, programmatic adjustments, or other requirements necessary to ensure compliance with the CPRG Award and U.S. EPA directives.

4.3.1.1 **COORDINATION WITH ILLINOIS EPA:** IFA shall work closely with Illinois EPA and Borrower (if applicable) to ensure that all required data, metrics, and documentation are collected and submitted to Illinois EPA in a timely manner

4.3.1.2 **DOCUMENTATION PROVIDED TO ILLINOIS EPA:** IFA will provide Illinois EPA with all necessary reports including but not limited to programmatic reports, financial reports, and other reports and information as requested by Illinois EPA for management of the CPRG Grant.

4.4 **MANAGEMENT OF PROGRAM INCOME:** If the IFA earns program income—defined as gross income directly generated by a supported activity or earned as a result of this Agreement or any loan programs administered by IFA under Task 2.1: Heavy Duty Vehicle Charging or Task 2.3 Zero-Emissions On-Road and Off-Road Vehicles, in accordance with 2 CFR Part 200.1, 2 CFR Part 200.30 and 2 CFR Part 1500.8, the use of program income must align with applicable federal and state regulations, as well as the terms and conditions of this Agreement. Program income managed by IFA is limited to interest and principal payments received by IFA through loan programs related to this Agreement.

4.4.1 **ALLOWABLE USES OF PROGRAM INCOME:** Program income generated from administering the tasks may be used to support the administrative costs incurred by IFA or Illinois EPA in managing and implementing the CPRG Program and further outlined within Section 3 of this Agreement.

4.4.2 **PROGRAM INCOME REPORTING:** All program income activities must be documented and reported to Illinois EPA as part of regular reporting.

SECTION 5: ADMINISTRATIVE PROVISIONS

5.1 **WORK PRODUCT**: All documents and reports, including the requirements included in Attachment F, delivered, or specified to be delivered by IFA to the Illinois EPA under this Agreement shall become and remain the property of both the Illinois EPA and IFA; IFA may retain a copy in its records. Copies of raw data utilized in the preparation of these documents, reports, and other work products shall be made available to Illinois EPA upon request. IFA shall provide all personnel, materials, and equipment necessary to fulfill the purposes of this Agreement.

5.2 **MULTIPLE COUNTERPARTS**: This Agreement may be executed in one or more counterparts, all of which shall be one and the same Agreement, binding on all Parties hereto, notwithstanding that all Parties are not signatories to the same counterpart.

5.3 **LAWS OF ILLINOIS**: If IFA procures services to support any portion of the Scope of Work hereunder, it shall comply with the applicable provisions, if any, of the Illinois Procurement Code (30 ILCS 500/1-1, *et seq.)* and the Architectural, Engineering and Land Surveying Qualifications Based Selection Act (30 ILCS 535/1, *et. Seq.).* All purchases of equipment, supplies, goods, and other materials by IFA hereunder shall be made in accordance with any applicable provisions of the Illinois Procurement Code. If IFA sub-grants any Scope of Work hereunder, it shall comply with all applicable provisions of the Grant Accountability and Transparency Act (30 ILCS 708/1, *et seq.)* along with all other applicable state and federal laws.

5.4 **AVAILABILITY OF APPROPRIATION; SUFFICIENCY OF FUNDS**: Notwithstanding any provision herein to the contrary, this Agreement and the Parties' obligations hereunder are contingent upon and subject to the availability of sufficient funds and availability of State and Federal appropriation(s). The Illinois EPA may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if: (i) sufficient funds for this Agreement have not been appropriated or otherwise made available to the Illinois EPA by the State or the federal funding source; (ii) the Governor reserves funds; (iii) the Governor or the Illinois EPA determines that funds will not or may not be available for payment; or (iv) Illinois EPA determines that there are otherwise insufficient funds available. Illinois EPA shall provide notice, in writing to IFA, of any such funding and/or appropriation failure and its election to terminate or suspend this Agreement as soon as practicable. Any suspension or termination pursuant to this Section will be effective upon the date of the written notice unless otherwise indicated.

5.5 **AUDIT/RETENTION OF RECORDS**: IFA shall maintain books and records relating to the performance of the Scope of Work necessary to support amounts charged to the Illinois EPA pursuant to this Agreement using accounting procedures and practices that conform to generally accepted accounting principles.

Illinois EPA Office of Energy's record retention period established with the State Records Commission is six (6) years after closure of any grant award. Therefore, IFA must retain its records for six (6) years after the end of the Term of this Agreement. If any litigation, claim, negotiation, audit, cost recovery, or other action involving the records has been started before the expiration of the applicable retention period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the applicable retention period, whichever is later.

Books and records required to be maintained under this Section shall be available for review or audit by representatives of: the Illinois EPA, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority (including agencies, departments, and instrumentalities of the federal government if federal funds are used and/or otherwise provided under federal law or any Agreement between Illinois EPA and a federal agency, department, or instrumentality providing funding for the Scope of Work), upon reasonable notice and during normal business hours. IFA shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this Section shall establish a presumption in favor of the Illinois EPA for the recovery of any funds paid by the Illinois EPA under the Agreement for which adequate books and records are not available to support the purported disbursement.

5.6 **MODIFICATIONS AND SURVIVAL**: Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this Agreement officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, including reporting and recordkeeping obligations, shall survive termination or expiration of the Agreement.

5.7 **FREEDOM OF INFORMATION ACT**: This Agreement and all related public records maintained by, provided to, or required to be provided to the Illinois EPA or IFA are subject to the Illinois Freedom of Information Act ("FOIA") (5 ILCS 140) notwithstanding any provision to the contrary that may be found in this Agreement. Upon request, each Party shall make available to the other Party all documents in its possession that are necessary to comply with requests made under FOIA.

5.8 **ASSIGNMENT**: No Party may assign or delegate, in whole or part, the rights or obligations created by this Agreement without the prior written consent of the other Party. Any such assignment or delegation without the other Party's consent shall be null and void.

5.9 **ENTIRE AGREEMENT AND ATTACHMENTS**: This Agreement, including all attachments, constitutes the entirety of the Agreement between the Parties and supersedes any other agreement or communication, whether written or oral, that may have been made by either Party.

I. ATTACHMENT A: STANDARD CERTIFICATIONS FOR INTERGOVERNMENTAL AGREEMENTS

II. ATTACHMENT B: TAXPAYER IDENTIFICATION PAGE

III. ATTACHMENT C: EPA APPROVED WORKPLAN AND BUDGET

IV. ATTACHMENT D: MILESTONES AND DELIVERABLES

V. ATTACHMENT E: BUDGET AND SCOPE BREAKDOWN

VI. ATTACHMENT F: REPORTING REQUIREMENTS

VII. ATTACHMENT G: SPECIAL TERMS AND CONDITIONS

5.10 **CONFIDENTIAL INFORMATION** Each Party shall treat the confidential information of the other Party with the same degree of care and protection it affords to its own confidential information unless a different standard is set forth in this Agreement. Notwithstanding the foregoing, the Parties shall comply with applicable law relative to the inspection, copying and disclosure of records, including but not limited to the Freedom of Information Act (5 ILCS 140/1 *et seq.)* (applicable to both Parties) and Section 7 of the Environmental Protection Act (415 ILCS 5/7) (applicable to Illinois EPA).

5.11 **SEVERABILITY CLAUSE**: If any provision of this Agreement is found to be invalid, such invalidity shall not affect the validity of the remaining portions of this Agreement.

5.12 **ABILITY TO CONTRACT**: Each Party represents to the other that it has the legal authority to enter into this Agreement. With respect to the subject matter of the Agreement, each Party shall duly authorize and execute any additional agreements, documents, instruments, amendments, and certification reasonably necessary and appropriate to maintain compliance with any applicable law.

5.13 **ATTESTATION**: The below signatories represent that they are duly authorized to execute this Agreement on behalf of their respective bodies.

5.14 **NOTICE AND REPRESENTATIVES**: All notices required to be given hereunder shall be sent by e-mail or certified mail to the other Party as provided below. Either Party may from time to time designate by written notice substitute addresses (including e-mail addresses) and/or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt:

To IFA:
Illinois Finance Authority
160 N. LaSalle St., Suite S-1000
Chicago, IL 60601
Christopher Meister
cmeister@il-fa.com

To Illinois EPA:
Illinois Environmental Protection Agency
Associate Director's Office- Office of Energy
1021 North Grand Ave. East
P.O. Box 19276
EPA.Energy@Illinois.gov

5.15 **DISPUTES:** In the event of a dispute between the Parties concerning the Scope of Work to be performed, interpretation of results, next steps, or any other aspects of the work conducted under this Agreement, personnel from the IFA and the Manager of the Illinois EPA Office of Energy (or other person assigned by Illinois EPA), will attempt to resolve such disputes promptly. If disputes cannot be resolved at this level within ten (10) business days, the problem will be referred to the IFA Executive Director and the Illinois EPA Director within fifteen (15) business days.

5.16 **NO AGENCY OR OTHER RELATIONSHIP**: Nothing contained in this Agreement shall be construed to create, either expressly or by implication, the relationship of agency between IFA and Illinois EPA. Illinois EPA (including its employees, officers, representatives, agents, and contractors) is not authorized to represent or act on behalf of IFA in any matter relating to the subject matter of this Agreement, and IFA (including its members, employees, officers, representatives, agents, and contractors) is not authorized to represent or act on behalf of Illinois EPA in any matter relating to the subject matter of this Agreement. Nothing contained in this Agreement nor any act of the Parties shall be deemed or construed by any of the Parties hereto or by any third parties to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving any of the Parties.

5.17 **NO THIRD-PARTY BENEFICIARIES:** This Agreement shall be binding on the Parties and shall inure to the benefit of the Parties. This Agreement shall not run to the benefit of, or be enforceable by, any person other than a Party.

5.18 **COMPLIANCE WITH APPLICABLE LAWS**: The Parties shall at all times observe and comply with all applicable federal, State, and local laws, regulations and codes which may in any manner affect the performance of this Agreement.

5.19 **GOVERNING LAW AND VENUE**: This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois. Any and all claims and disputes arising out of this Agreement or the Scope of Work against the State of Illinois, Illinois EPA, IFA, or any of their respective officials, officers, members, employees, or authorized representatives must be filed exclusively with and shall be adjudicated in the Illinois Court of Claims and shall be governed by the Court of Claims Act (705 ILCS 505/1 *et seq.).* The Parties shall not enter into binding arbitration to resolve any dispute arising out of this Agreement. Neither Party waives sovereign immunity by entering into this Agreement.

5.20 **ELIGIBILITY TO RECEIVE FUNDS**: IF A represents, warrants, and certifies that IFA, its officials, officers, employees, and authorized representatives, and, to its knowledge based solely on certifications therefrom, any and all of its contractors and subcontractors, borrowers and grantees pursuant to this Agreement:

5.20.1 Are not presently or proposed to be debarred or suspended, declared ineligible, or voluntarily excluded from federal, state, municipal, or other governmental ("public") transactions and/or otherwise prohibited from receiving federal, state and/or other public funds;

5.20.2 Have not within a three year period preceding this Agreement been convicted of or had a civil judgment rendered against them for (i) fraud or commission of a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract under a public transaction, (ii) violation of federal or State antitrust laws, (iii) embezzlement, theft, bribery, bid rigging, forgery, falsification or destruction of records, making false statements or receiving stolen property, or (iv) a felony;

5.20.3 Are not presently indicted for or otherwise criminally or civilly charged by a public entity with commission of any of the offenses enumerated above;

5.20.4 Have not within the preceding three years had a public transaction terminated for cause of default, with such cause solely attributable to actions of IFA;

5.20.5 Shall use CPRG Program funds only for eligible activities and in strict compliance with the requirements of the CPRG Program and applicable federal and State of Illinois laws and regulations;

5.20.6 Is not now, and has not in the past, been subject to any penalties resulting from noncompliance with the Environmental Protection Act (415 ILCS 5); and

5.20.7 Shall document how CPRG Program funds are used in accordance with the terms and conditions of this Agreement.

5.21 **FEDERAL ADMINISTRATIVE CONDITIONS**: IFA agrees to comply, when applicable, with the terms and conditions of the Illinois EPA-U.S. EPA CPRG award agreement, including but not limited to the following Federal Statutes and related regulations:

5.21.1 the National Historic Preservation Act;

5.21.2 the Archaeological and Historic Preservation Act;

5.21.3 the Build America, Buy America Act;

5.21.4 the Endangered Species Act, as specified in 50 CFR Part 402;

5.21.5 the Federal Funding Accountability and Transparency Act;

5.21.6 Section 40207 of the Infrastructure Investment and Jobs Act;

5.21.7 the Farmland Protection Policy Act; and

5.21.8 the Coastal Zone Management Act

5.22 **CONTRACTING AND SUBCONTRACTING**: IFA agrees that all contracts and subcontracts to perform work under this Agreement are entered into subject to the following conditions and limitations:

5.22.1 IFA will comply with the applicable provisions of the Illinois Procurement Code, including any exemptions or exceptions in awarding any contracts under CPRG Program and will comply with all applicable federal and State procurement laws and regulations;

5.22.2 IFA assumes responsibility for the administration and management of the CPRG Program pursuant to the terms of this Agreement. IFA assumes responsibility for the settlement and satisfaction of all contractual and administrative issues arising out of such contracts and subcontracts under the CPRG Program. This responsibility includes, but is not limited to, procurement or selection of contractors, award of contracts, protest of award, claims, disputes and other procurement matters;

5.22.3 IFA agrees that any such contract or subcontract will provide the Illinois EPA, the Illinois Auditor General, the Illinois and US Inspector Generals, the Illinois and US Comptroller, the Illinois Attorney General, and federal government, their respective officials, authorized representatives and agents with access to any books, documents, papers, and records, including computer-generated documents, of any contractor or subcontractor that are related to the CPRG Program and the expenditure of CPRG Program funds for the purpose of making an audit;

5.22.4 IFA agrees to comply with all applicable federal and State laws prohibiting civil rights violations, including but not limited to the Illinois Human Rights Act (775 ILCS 5), Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title IX, 40 CFR Parts 5 and 7, and all civil rights obligations set forth in the attached U.S. EPA Special Terms and Conditions, and will require the same compliance from all contractors and subcontractors of every tier performing CPRG Program work. IFA and its contractors and subcontractors of every tier shall not discriminate against any person because of their race, color, religion, national origin, ancestry, age, sex, marital status, order of protection status, disability, military status, sexual orientation, pregnancy, or unfavorable discharge from military service or other protected status;

5.22.5 IFA shall comply with the Illinois Finance Authority Act (20 ILCS 3501/850-15), the Business Enterprise for Minorities, Women, and Persons with Disabilities Act (30 ILCS 575/1) to the extent applicable, and 2 CFR 200.317 through 200.327 in fulfillment of such contracts and subcontracts for services and supplies under this Agreement

5.22.6 In awarding such contracts and subcontracts, IFA will consider whether such contracts and subcontracts are being awarded to persons and organizations that:

5.22.6.1 Have adequate financial resources, experience, organization, technical qualifications and resources, and facilities for performance of the contract or subcontract, and possess the ability to successfully perform the CPRG Program work subject of the contract or subcontract;

5.22.6.2 Have staffing sufficient to comply with the completion schedule for the CPRG Program work;

5.22.6.3 Have a demonstrated record of compliance with previous grants or contracts with federal, State, or local governments; and

5.22.6.4 Have an established financial management system and audit procedure.

5.22.7 IFA agrees that all procurement transactions under this Agreement will be conducted in a manner that complies with applicable standards imposed under federal and State law relating to this Agreement, including but not limited to:

5.22.7.1 Prohibiting the use of statutorily or administratively imposed State or local geographical preferences in the evaluation of bids or proposals (except where such geographical preferences are designed to achieve compliance with the Justice 40 Initiative and result in increased investment in Equity Investment Eligible communities);

5.22.7.2 the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in part by Loans or Grants from the United States");

5.22.7.3 Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction");

5.22.7.4 Davis Bacon and Related Acts (DBRA) requirements for contractors and subcontractors under EPA grants (https://www.epa.gov/grants/contract-provisions-davis-bacon-and-related-acts, last accessed February 25, 2025) ;

5.22.7.5 Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5);

5.22.7.6 The Bayh-Dole Act (35 USC 200-212) together with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency;

5.22.7.7 The nonprocurement portion of the General Services Administration's List of parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension";

5.22.7.8 The Byrd Anti-Lobbying Amendment (31 U.S.C. 1352);

5.22.7.9 If the Agreement is of an amount in excess of $150,000, contractors must comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387);

5.22.7.10 To the extent that contractors and subcontractors directly interact, transact, or contract with consumers, the Equal Credit Opportunity Act, the Truth in Lending Act, the Consumer Financial Protection Act, and other federal consumer protection laws that apply;

5.22.7.11 Prohibitions set forth in 2 CFR 200.216 against procuring or obtaining equipment, services, or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system, as described in Public Law 115-232, Section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities); and

5.22.7.12 Ensuring neither contractors nor subcontractors are entities or subsidiaries thereof owned, controlled, subject to the direction of, or headquartered in a covered nation under 10 USC 4872(d);

5.22.8 IFA shall maintain written standards of conduct that address the conflicts of interest provisions set forth in 2 CFR 200.318, including but not limited to the selection, award and administration of contracts and organizational conflicts of interest;

5.22.9 Any person, contractor, or other entity that develops or drafts, or assists in the developing or drafting of any specifications, requirements, statement of the work, qualifications, invitations for bids, requests for proposals (RFP), requests for qualifications (RFQ), or other bid or procurement document(s) must be excluded from competing for such procurement(s);

5.22.10 All consulting services for which IFA is requesting reimbursement hereunder must be procured in accordance with 2 CFR 200.317 through 200.327; for purposes of compliance with 2 CFR 200.317-320 and 200.324-326, IFA will comply with applicable provisions of the Illinois Procurement Code (30 ILCS 500/1-1, *et seq*);

5.22.11 Management fees or similar charges in excess of direct costs are not allowable; and

5.22.12 IFA must comply with the Federal Funding Accountability and Transparency Act ("FFATA"), including but not limited to the "Reporting Subawards and Executive Compensation" requirements therein.

5.23 **TITLE AND HEADINGS**: Titles and headings to Sections herein are inserted for reference only and are not intended to be a part of, or affect the meaning or interpretation of, this Agreement.

5.24 **GENERAL PROVISIONS:**

5.24.1 If a Party waives a breach of any provision of this Agreement by the other Party, that waiver shall not operate or be construed as a waiver of any subsequent breach by said Party or prevent the non-breaching Party from enforcing such provision.

5.24.2 The Parties acknowledge that this Agreement was freely negotiated by each of the Parties hereto, each of whom was represented by separate counsel; accordingly, this Agreement shall be construed according to the fair meaning of its terms, and not against any Party.

Agency Name: Illinois Finance Authority	Address: 160 N. LaSalle St., Suite S-1000, Chicago, IL 60601
Signature: [redacted]	Date: 04/18/2025
Printed Name: Chris Meister	
Title: Executive Director	
Legal Signature: [redacted]	Date: 04/18/2025
Printed Name: Matt Stonecipher	
Title: Deputy General Counsel	
Fiscal Signature: [redacted]	Date: 04/18/2025
Fiscal Printed Name: Ximena Granda	
Title: Senior Vice President, Finance & Administration	

Agency Name: Illinois Environmental Protection Agency	Address: 2520 West Iles Avenue, Springfield, IL 62704
Director Signature: [redacted]	Date: 4/18/25
Printed Name: James Jennings	

Legal Signature: [redacted]	Date:
Printed Name: Andrew Armstrong	
Title: Chief Legal Counsel	
Fiscal Signature: [redacted]	Date: 4/21/25
Fiscal Printed Name: Jacob Poeschel	
Title: Chief Financial Officer	

ATTACHMENT A

STANDARD CERTIFICATIONS FOR INTERGOVERNMENTAL AGREEMENTS

IFA acknowledges and agrees that compliance with this Agreement for the term of the Agreement and any renewals is a material requirement and condition of this Agreement. By executing this Agreement, IFA certifies compliance with this Agreement and is under a continuing obligation to remain in compliance and report any non-compliance.

If this Agreement extends over multiple fiscal years including the initial term and all renewals, IFA shall confirm compliance with this Agreement in the manner and format determined by the State by the date specified by the State and in no event later than July 1 of each year that this Agreement remains in effect.

If the Parties determine that any certification in this Agreement is not applicable, it may be stricken without affecting other portions of this Agreement.

1. As part of each certification, IFA acknowledges and agrees that should IFA provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one or more of the following sanctions will apply:

    - the Agreement may be void by operation of law,
    - the State may void the Agreement, and
    - the IFA or its agents may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.

2. IFA certifies it and its employees will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 *et seq.*) and applicable rules in performance under this contract.

3. IFA certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act. (30 ILCS 580)

4. IFA certifies that it is not participating or shall not participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This applies to contracts that exceed $10,000 (30 ILCS 582).

5. IFA certifies it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).

6. IFA certifies it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).

7. IFA warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits contractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over $25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

8. IFA certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this contract will comply with the applicable requirements of the Illinois Technology Accessibility Act Standards.[1] 30 ILCS 587.

[1] https://www.dhs.state.il.us/iitaa

ATTACHMENT B

TAXPAYER IDENTIFICATION NUMBER

I certify that:

The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and

I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and

I am a U.S. person (including a U.S. resident alien).

- If you are an individual, enter your name and SSN as it appears on your Social Security Card.
- If you are a sole proprietor, enter the owner's name on the name line followed by the name of the business and the owner's SSN or EIN.
- If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's name on the name line and the D/B/A on the business name line and enter the owner's SSN or EIN.
- If the LLC is a corporation or partnership, enter the entity's business name and EIN and for corporations, attach IRS acceptance letter (CP261 or CP277).
- For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.

Name: Christopher B. Meister

Business Name: Illinois Finance Authority

Taxpayer Identification Number:

Social Security Number: Click here to enter text.

Or

Employer Identification Numbe [redacted]

Legal Status (check one):

☐ Individual

☐ Sole Proprietor

☐ Partnership

☐ Legal Services Corporation

☐ Tax-exempt

☐ Corporation providing or billing medical and/or health care services

☐ Corporation NOT providing or billing medical and/or health care services

☒ Governmental

☐ Nonresident alien

☐ Estate or trust

☐ Pharmacy (Non-Corp.)

☐ Pharmacy/Funeral Home/Cemetery (Corp.)

☐ Limited Liability Company (select applicable tax classification)

☐ C = corporation

☐ P = partnership

Signature of Authorized Representative: ____________________

Date: April 18, 2025

ATTACHMENT C
EPA APPROVED WORKPLAN AND BUDGET

WORKPLAN

1. OVERALL PROJECT SUMMARY AND APPROACH

Illinois has been hard at work to address the problem of climate change. The centerpiece of that work is the Climate and Equitable Jobs Act (CEJA), signed into law in 2021, which commits the state to 100% carbon-free power by 2045 while also supporting energy efficiency, electric vehicles, and building electrification, and reforming utility planning and regulation. In addition, Governor Pritzker signed an executive order in 2019 committing the state to the principles of the Paris Climate Agreement. Meeting Illinois' commitment to the Paris Climate Agreement would require cutting emissions about 39% from current levels to 139 MMTCO2e. Before that, Illinois has been implementing emissions reduction measures and supporting clean energy, with the Illinois Renewable Portfolio Standard dating to 2007. In March 2024 Illinois published its Priority Climate Action Plan (PCAP or Plan) developed by the Illinois Environmental Protection Agency (IEPA) to specifically address the obstacles and challenges in meeting the state's GHG emission reduction targets, co-pollutant targets and goals, and community benefits goals, by targeting gaps in funding for critical pathways to achieve those goals. Illinois' PCAP proposes a path towards broad emissions reductions in every large-emitting sector of the Illinois economy: transportation, buildings, industry, agriculture, and power. The paths were specifically developed in coordination with stakeholders to address the gaps in existing federal and state programs, catalyzing projects to enable them to leverage other sources of funding, and kick-starting scalable and replicable models. Every measure includes three primary components: (1) community-focused and equitable planning processes, (2) a set of new or expanded initiatives to address GHGs co-pollutant emissions, and (3) workforce training and equitable contractor development investments necessary to achieve the initiatives successfully.

The Plan also draws from, and builds upon the work of, many entities in Illinois that have developed their own climate action plans: the City of Chicago, the Chicago metropolitan region, the Illinois Department of Natural Resources (IDNR), and the University of Illinois in both Chicago and Urbana-Champaign.

Despite our progress, there is still much work to be done to meet the goals of the Paris Agreement and CEJA to avoid the worst impacts of climate change. Rising to this challenge will require resources, and extensive collaboration between states, municipalities, and the federal government. Illinois' PCAP and CPRG Implementation Grant proposal will help coordinate and catalyze climate action in communities, homes, and businesses across Illinois, and unlock critical opportunities for climate action that we could not pursue without the support of US EPA Climate Pollution Reduction Grant (CPRG) resources.

The deliverables and elements in this workplan support EPA's Fiscal Year (FY) 2022-2026 Strategic Plan Goal 1 (Tackle the Climate Crisis); Objective 1.1 (Reduce Emissions that Cause Climate Change).

a. Description of GHG Reduction Measures

Meeting CPRG goals.

Illinois is requesting CPRG Implementation Grant funding to implement five Priority GHG Reduction Measures included in the PCAP: 1) Clean & Efficient Buildings, 2) Clean Transportation & Freight, 3) Clean Industry, 4) Clean Agriculture, and 5) Clean Power.

Illinois' PCAP prioritized sectors which offered the greatest opportunity to achieve emissions reductions that are viable economically and can deliver meaningful benefits to disadvantaged communities. This application focuses on the PCAP measures that provide highest estimated GHG reductions, co-pollutant reductions, and community benefits, and that require new CPRG support to enable Illinois to implement at scale to provide meaningful results. Based on information gathered during the statewide stakeholder engagement process on obstacles, challenges, and gaps in equitable climate progress, IEPA has created a set of initiatives and tasks within the five Priority GHG Reduction Measures that:

Make demonstrable progress on climate;

Prioritize reductions in criteria pollutants, particularly in disadvantaged communities;

Are not funded through other state, utility, or federal initiatives;

Can be implemented quickly and without significant legislative or regulatory change;

Establish replicable models that can support market liftoff; and

Generate additional community benefits.

Through its 2023-24 stakeholder engagement process, the state identified significant gaps, obstacles, and challenges in achieving Illinois climate goals and emission reduction targets. IEPA developed PCAP measures, tasks and initiatives aimed at addressing these key gaps, obstacles, and challenges, including:

Table 1. Stakeholder-Identified Gaps, Obstacles, And Challenges

GHG Measure 1. Accelerating Clean & Efficient Building Adoption
Efforts to make buildings cleaner and more efficient are being hindered by obstacles such as: lack of awareness about programs and incentives to make buildings cleaner and more efficient difficulty navigating those programs where people are aware of them a shortage of qualified contractors customers' difficulty connecting with those contractors, especially in some geographic areas a lack of resources to support uptake of lower-emitting building codes.
GHG Measure 2. Deploying Clean Transportation & Freight
There is an urgent need for cleaner, more sustainable transportation that is responsible for 25% of Illinois' overall GHG emissions. Investment in clean fleets and freight, with a focus on sub-sectors that typically are underserved in federal and state programs. Small and medium-sized freight operators lack capital and time to invest in their part of the logistics chain. Heavy-duty freight disproportionately affects environmental justice (EJ) communities through poor air quality resulting from diesel emissions.
GHG Measure 3. Kick-starting Industry Decarbonization
New approaches are needed to address decarbonization of Illinois industry that is responsible for about 18% of Illinois GHG emission, which has proven difficult to decarbonize: Industrial facilities, particularly small and medium-sized ones, lack support in understanding efficiency and decarbonization options, leading to little change in sector emissions. Electrification of industrial thermal processes is new and uncertain.

Purchasing authorities need time to evaluate lower-carbon materials prior to large-scale procurement. Potential leaks from high global warming gas are prevalent in the states food, agriculture, and other refrigeration industries.
GHG Measure 4. Expanding Climate-Smart Agriculture
12% of Illinois GHG emissions come from agriculture, particularly soil management, and the emission reduction challenges in this sector vastly outstrip available resources. Existing demand to deploy low-till and no-till agriculture and cover crop planting well exceed available public and private funding. There is no market or incentive for the capturing of biomethane for low-carbon end-uses. Co-pollutants from commercial landscaping and small agricultural equipment create harmful health impacts on low-income workers.
GHG Measure 5. Keeping Clean Power Goals on Track
Illinois has extensive programming and policy in place in the power sector. However, there remain obstacles to transition to 100% clean energy, including: Illinois's smaller rural cooperative utilities and municipal utilities lack resources to manage the clean energy transition, including to study, analyze, and enter into new agreements for the long-term supply of renewable energy as a successor to current long-term contracts with fossil-fuel generation. The State needs to undergo comprehensive energy modeling to ensure it has sufficient clean energy resources to proceed with the closure of the worst emitting resources in line with CEJA's power sector decarbonization goals.

Overall Anticipated Timing and Milestones

Proposed tasks and initiatives within the five measures will build on existing Illinois infrastructure to implement and execute quickly. The proposed initiatives will require no statutory change and limited regulatory intervention. The State expects it could launch all these initiatives by 2026, with measurable metrics and GHG emissions reductions able to be reported in the subsequent period.

Overall Assumptions

For all measures, Illinois assumes that funding is awarded by January 1, 2025, federal tax credits and rebate programs under the Inflation Reduction Act are preserved, and the State is successful in securing funding under US EPA's Greenhouse Gas Reduction Fund Solar for All Competition.

Demonstration of Funding Need Approach

The tasks and initiatives within this proposal's five selected measures are designed to fill gaps in existing federal and state programs, launch new pilots and initiatives that can be scaled if successful, and enable projects to access other sources of funding without duplication. A detailed description of how the tasks and measures supplement, rather than supplant, other funding sources is provided for each measure.

Identified Risks and Mitigation

Each of the proposal's five selected measures faces a common risk: delay. To mitigate against funding, hiring, or other delays, all programs will begin in Q1 2026. This will allow a 12-month planning period in which to hire and onboard needed staff, coordinate program rollouts, assess supply chains, find alternative sources of funding, if needed, and develop contingency plans for other risks that develop.

For some measures, delay is the only major identified risk and so is not repeated below. However, additional risks and mitigation efforts are described in the measure descriptions below, as applicable.

Key Tasks and Features

Project Management

To ensure successful implementation of the State of Illinois' CPRG initiatives, and ensure successful cross-agency collaboration, Illinois EPA will establish a Project Management Office focused on coordination of activities across the entire initiative.

Tasks: Illinois will complete the following tasks as part of its Program Management Office:

Establish a Project Management Office: Illinois EPA will establish a Project Management Office to conduct project planning and oversight, intergovernmental coordination, subcontractor management, financial management, data management, risk management, and data collection as needed to ensure success of the overall objectives of the effort.

Coordinate Interagency Working Group. Illinois EPA will establish and facilitate an Interagency Working Group that will meet regularly to coordinate activities under the CPRG grant, track progress, and address obstacles.

Reporting and Compliance. The Project Management Office will coordinate the collection of program and initiative data, agency and subcontractor activity, financial data, and other required elements, and compiled and submit quarterly and annual reports, as required.

Communications. Illinois EPA will launch and update a public website that provides an overview of Illinois CPRG activities, with easy-to-understand descriptions of program activities, navigation to individual programs and opportunities, calendars of events and key dates, and opportunities to engage. Illinois EPA will coordinate communication on funded activities across partner state agencies and contractors.

GHG Measure 1. Accelerating Clean & Efficient Building Adoption (PCAP pp.20-37)

Approach and Major Features: In pursuing this measure, Illinois proposes strategies aimed to:

Fill gaps and leverage existing funds to ensure identified clean building projects get done. Filling gaps in state and federal efficiency and electrification efforts by providing strategic, targeted financial support leveraging existing funding and program infrastructure and enables projects that would have failed but for additional support, particularly projects in low-income households which experience high rates of "walk-aways" from projects that residents want. Initial stakeholder engagement during the development of the PCAP identified key factor of walk-aways as financial (lack of capital), existing infrastructure (roof repair, mold and asbestos, electrical conditions), and complexity (difficulty in putting all the pieces together, overlapping considerations).

Connect more customers with clean building opportunities and ease the process of completing them. Reducing administrative burdens for customers by helping them navigate programs, incentives, and qualified contractors; and increasing awareness about energy efficiency and electrification opportunities and incentives, particularly among vulnerable communities and building classes with high opportunities for decarbonization measures.

Prepare more contractors to do clean buildings work, and ensure customers can find them. Expanding workforce and contractor training and capacity to implement efficiency and electrification measures and supporting customers in connecting with contractors qualified to perform these measures, which today is difficult and impedes uptake of these measures.

Adopt building codes to support efficiency and decarbonization. Supporting implementation of energy-efficient and low-carbon building codes, which can achieve significant, cost-effective emissions and cost savings but may be impeded by the difficulty of initial implementation. While the State of Illinois is working to develop and update a Stretch Code that can be adopted by local jurisdictions, hurdles still remain, including lack of expertise , lack of time and resources, and fear of implementation and enforcement burdens at the local jurisdiction level.

Tasks: Illinois proposes to implement the following initiatives as discussed in the PCAP:

1.1 Establish a Clean Building Gap Closing and Incentive Stacking Catalyst Fund (PCAP at pp.24-26): IEPA and Illinois Climate Bank (ICB) will expand their residential grant program offerings, which currently include funding for energy efficiency, electrification, enabling upgrades, and energy storage rebates, to include additional program categories.

Conduct Gap Analysis. Illinois EPA will facilitate an interagency effort to finalize a gap analysis and key pathways for residential decarbonization, taking into consideration complementary federal, state, and utility incentives and tax credits, and develop a report on options for the Whole-Building Electrification Incentive.

Stakeholder Engagement. Illinois will design, lead, and facilitate stakeholder engagement activities during an initial planning phase to support program development and design. This will include reviewing the Gap analysis with stakeholders, soliciting feedback, and incorporating stakeholder input into the Whole-Building Electrification Incentive Plan.

Whole-Building Electrification Incentive Plan. Develop plan for $12,000/home max Whole-Building Electrification incentive to cover the remaining gaps in decarbonization measures after existing state and federal incentives for low income residents. The plan will reflect obstacles, challenges, and opportunities identified during the Gap Analysis and Stakeholder Engagement process, and outline the implementation approach for delivering the incentive in an efficient and equitable manner.

Enter into Intergovernmental agreement with Illinois Climate Bank. Illinois EPA will enter into an Intergovernmental agreement with Illinois Climate Bank to coordinate funding for Illinois Climate Bank's leadership on the development of bridge loans.

Equitable Financing Bridge Loans plan. Illinois Climate Bank will develop a plan for 5-10yr Low-cost Equitable Financing Bridge Loans for residential/small commercial decarbonization investments, offered at the point of sale of contractor and outreach engagement with households, to cover financial gaps with rebates and other grants. The Bridge Loans would be delivered in coordination with the Whole-Building Electrification Incentive. The loan plan will include loan design and development, lender coordination, origination and servicing structures, underwriting criteria, terms, loan application materials, loan review processes, and other necessary components.

Launch Whole-Building Electrification Incentive and Bridge Loans. Illinois EPA and Illinois Climate Bank will coordinate to jointly launch the complementary grant and loan programs, based on the approach finalized in the Whole-Building Electrification Incentive Plan and the Equitable Financing Bridge Loan plan developed in this task.

Annual Review. Illinois EPA and Illinois Climate Bank will conduct an annual review of the Whole-Building Electrification Incentive and the Equitable Financing Bridge Loans to determine if any updates or changes to program structure, incentive levels, or application/approval processes need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

1.2 Establish a Clean Building Navigator program providing consumer outreach and clean building project support (PCAP at pp.26-28): Illinois Department of Commerce and Economic Opportunity (DCEO) will develop a Navigator program to educate residential customers about efficiency and home electrification; support them in identifying projects, contractors, and incentives; and coordinate clean energy services across currently uncoordinated program and incentive streams. The program would support customers in connecting with various relevant existing state, federal and utility EE, retrofits, electrification and weatherization and distributed energy incentive programs. Illinois DCEO will work with the Illinois Power Agency (IPA), Illinois EPA, and Illinois Climate Bank to coordinate education, outreach, and coordination for energy efficiency, solar energy, and electrification.

Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity. Illinois EPA will enter into an Intergovernmental agreement with Illinois DCEO to coordinate funding for Illinois DCEO's leadership on the launch of the Clean Building Navigator Program.

Clean Building Navigator plan. Illinois DCEO will develop a plan for the launch of a Clean Building Navigator Program, including outlining the coordinated programs and initiatives, the scope of work for Navigators, prioritized geographies and regions, the selection process for grantees or contractors, and annual targets and metrics and reporting mechanisms.

Launch Clean Building Navigator program. Based on the plan developed in this task, Illinois DCEO will launch the Clean Building Navigator Program and conduct statewide outreach and communications.

Annual Review. Illinois DCEO will conduct an annual review of the Clean Building Navigator program to determine if any updates or changes to contractor structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

1.3 Clean Buildings Access Portal (PCAP at pp.28-29): DCEO will work with IEPA, ICB and IPA to develop and launch the portal, connecting the agencies' initiatives.

Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity. Illinois EPA will enter into an Intergovernmental agreement with Illinois DCEO to coordinate funding for Illinois DCEO's leadership on the launch of the Clean Buildings Access Portal.

Clean Buildings Access Portal plan. Illinois DCEO will develop a plan for the launch of a Clean Buildings Access Portal, including outlining the coordinated programs and initiatives, the plan for connecting different program information and application processes, the process for ensuring information and application requirements are up to date, the design of the portal and key requirements, the scope of backend database and programming work and connections to existing agency database and IT infrastructure, the plan for protecting privacy and personally-identifiable information, and the long-term operations and maintenance plan.

Launch Clean Buildings Access Portal. Based on the plan developed in this task, Illinois DCEO will launch the Clean Buildings Access Portal and conduct statewide outreach and communications.

1.4 Clean Buildings Contractor Training (PCAP at pp.29-30): DCEO will expand their Clean Jobs Workforce Network Program and Clean Energy Contractor Incubator Program to focus on specific communities and to include new technology and service areas as described.

Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity. Illinois EPA will enter into an Intergovernmental agreement with Illinois DCEO to coordinate funding for Illinois DCEO's leadership on the expansion of the Clean Jobs Workforce Network Program and Clean Energy Contractor Incubator Program.

Clean Buildings Contractor Training plan. Illinois DCEO will develop a plan for the expansion of the Clean Jobs Workforce Network Plan to support additional skills needs around ground-source and air-source heat pump installation, heat pump water heat installation, roof replacement and repair, mold and asbestos abatement needs identified and remediation, electrical upgrades, energy storage installation, and more. Illinois DCEO will additional include in that plan details around the expansion of the Clean Energy Contractor Incubator program to support new contractor and subcontractor business development in communities not well served by an existing contractor base in ground-source and air-source heat pump installation, heat pump water heat installation, roof replacement and repair, mold and asbestos abatement needs identified and remediation, electrical upgrades, energy storage installation, and more.

Launch expansion of Clean Buildings Contractor Training. Based on the plan developed in this task, Illinois DCEO will launch the Clean Buildings Contractor Training initiative and conduct statewide outreach and communications.

Annual Review. Illinois DCEO will conduct an annual review of the Clean Building Contractor Training to determine if any updates or changes to program structure, skills, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

1.5 Large Building Owner Outreach and Clean Buildings Concierge (PCAP pp.30-32): This initiative will provide technical assistance to mid-sized commercial buildings in areas not served by existing utility programs. DCEO will engage with third-party contractors to lead the effort, in coordination with the utilities administering the statewide energy efficiency programs.

Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity. Illinois EPA will enter into an Intergovernmental agreement with Illinois DCEO to coordinate funding for Illinois DCEO's leadership on the launch of the Large Building Owner Outreach and Clean Buildings Concierge.

Clean Buildings Concierge plan. Illinois DCEO will develop a plan for the launch of a Clean Buildings Concierge, including outlining the coordinated programs and initiatives, the scope of work for contractors, prioritized geographies and regions, the selection process for grantees or contractors, and annual targets and metrics and reporting mechanisms. The plan will include the approach to establish the Concierge contractors as dedicated points of contact for large building operators, the process for building selection if oversubscribed, methods to provide information on the latest decarbonization technologies, and the process to connect buildings to financing options.

Launch Clean Buildings Concierge. Based on the plan developed in this task, Illinois DCEO will launch the Clean Building Concierge and conduct statewide outreach and communications.

Contractor support. Either directly or through the Clean Buildings Concierge program, Illinois DCEO will provide building contractors with tools and resources to better understand the benefits and incentives available to large building owners.

Outreach and stakeholder engagement. Either directly or through the Clean Buildings Concierge program, Illinois DCEO will conduct outreach and stakeholder engagement activities to facilitate communications between large building owners and planning coalitions including state agencies, municipalities, and community organizations to promote comprehensive support and engagement in building decarbonization efforts.

Annual Review. Illinois DCEO will conduct an annual review of the Clean Building Concierge program and efforts under this task to determine if any updates or changes to the structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

1.6 Community Geothermal Planning + Pilots (PCAP pp.33-34): ICB will conduct a competitive grant solicitation for Community Geothermal projects and will develop a loan program offering.

Enter into Intergovernmental agreement with Illinois Climate Bank. Illinois EPA will enter into an Intergovernmental agreement with Illinois Climate Bank to coordinate funding for Illinois Climate Bank's leadership on the launch of the Community Geothermal Planning + Pilots program.

Outreach and Engagement. Illinois Climate Bank will develop background materials on Community Geothermal and Thermal Energy Networks and conduct stakeholder outreach and engagement to identify community-driven opportunities for deployment. Input from the outreach and engagement will inform the development of the Community Geothermal Planning + Pilots grant program and Community Geothermal Loans.

Community Geothermal Planning + Pilots plan. Illinois Climate Bank will develop a plan for the launch of a Community Geothermal Planning + Pilots grant program, including outlining the scope and scale of projects desired, the solicitation process, prioritized geographies and regions, requirements around community engagement and local workforce and contractor development, consumer protections, bill savings requirements, support opportunities for pilot selections, and annual targets and metrics and reporting mechanisms.

Launch Community Geothermal Planning + Pilots grant program. Based on the plan developed in this task, Illinois Climate Bank will launch the Community Geothermal Planning + Pilots grant program and conduct statewide outreach and communications.

Community Geothermal Loans. Illinois Climate Bank will develop a plan for and launch long-term low-cost loans for both community geothermal systems (shared underground loop and pump system, and building connections) as well as residential and commercial equipment at individual premises (heat pumps, air handling units, other HVAC needs, coordinated with federal investment tax credit opportunities, to cover financial and risk gaps in community/shared geothermal systems. As part of this, Illinois Climate Bank will develop and execute a strategy to support community geothermal projects and

partners pursue IRA investment tax credits and low-cost loans under the DOE's Loan Programs Office to leverage funding to expand efforts beyond pilot stage. The loan effort will include loan design and development, lender coordination, origination and servicing structures, underwriting criteria, terms, loan application materials, loan review processes, and other necessary components.
Annual Review. Illinois Climate Bank will conduct an annual review of the Community Geothermal Planning + Pilots grant program to determine if any updates or changes to structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

1.7 Accelerate Stretch Building Code Adoption by Local Governments (PCAP pp.34-35): ICB will make available grants to local governments through an open process, in a manner similar to the upcoming grant program for local governments to adopt SolarAPP+.
Enter into Intergovernmental agreement with Illinois Climate Bank. Illinois EPA will enter into an Intergovernmental agreement with Illinois Climate Bank to coordinate funding for Illinois Climate Bank's leadership on the launch of Stretch Code Adoption Grants.
Stretch Code Adoption grants plan. Illinois Climate Bank will develop a plan for the launch of a Stretch Code Adoption grant program, including outlining the scope and scale of grant funding, the solicitation process, eligible activities, and prioritized geographies and regions. The grant program will support local governments in adopting, implementing, and enforcing the latest state stretch energy codes, zero energy codes, or equivalent codes and standards, improving residential and commercial new construction and retrofits, and transitioning the building stock to more efficient, decarbonized buildings.
Launch Stretch Code Adoption grants. Based on the plan developed in this task, Illinois Climate Bank will launch the Stretch Code Adoption grant program and conduct statewide outreach and communications, leveraging its communication pathways it is building as part of its SolarAPP+ adoption grant program it is establishing under its US EPA Solar for All award.
Coordination Support. Illinois Climate Bank, in coordination with other state agencies, will schedule and launch a series of workshops and events to support coordination among local governments to reduce administrative burdens and share resources. As part of this process, Illinois Climate Bank will publish the results and work by local governments done to adopt Stretch Codes, with links to locally-published materials.
Annual Review. Illinois Climate Bank will conduct an annual review of the Stretch Code Adoption grant program to determine if any updates or changes to structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

Demonstration of Funding Need: This measure fills five gaps in available funding to ensure resident uptake and maximize use of other federal and non-federal funding streams. The proposed programs (1) fill gaps in available financing for comprehensive energy and electrification projects, (2) supply technical assistance, marketing, and tools to help contractors braid funding sources, (3) lay the groundwork for moving entire neighborhoods to geothermal heat, (4) strengthen the contractor workforce needed to sell and install comprehensive retrofits and electrification, and (5) assist municipalities in adopting Illinois' stretch energy code. These programs leverage all other available funds and incentives, including:

Utilities: utility energy efficiency and building electrification programs;
Illinois DCEO: the Clean Jobs Workforce Network Program and Contractor Incubator Program, Illinois Home Weatherization Assistance Program (IHWAP), State Supplemental Low Income Energy Assistance Fund (LIHEAP), Energy Transition Navigator Program, and contractor efficiency and electrification certification programs;
Illinois EPA: Home Efficiency Rebates, Home Electrification and Appliance Rebates, Energy Code Training and Technical Support, Energy Efficiency Trust Fund Grant Program, Energy Efficiency and Conservation Block Grants, and energy efficiency measures for public water infrastructure;
Illinois Climate Bank: the Energy Efficiency Revolving Loan Fund, State Small Business Climate Initiative, Commercial Property Assessed Clean Energy, Various climate finance products, Solar for All Enabling Upgrades Grant Program, Solar for All Energy Storage Grant Program;
and other federal funding sources such as tax credits.

Transformative Impact:
Market Transformation: The proposed Clean Buildings programs will fill gaps among existing and expected incentives, financing, outreach, and technical assistance programs to significantly expand adoption. The proposed contractor training initiative would transform Illinois' market by building a skilled, flexible workforce that can join energy efficiency, solar and geothermal energy, storage, and building electrification in a varied, older building stock. The proposal to support adoption of Illinois' stretch energy code would increase deployment of emission reduction technologies in new buildings, while the Navigator, Access Portal, and Large Building Concierge initiatives would ease adoption and implementation of projects, increasing their deployment.
Replicable and Scalable Models: The community geothermal planning and pilot effort will create a national model for addressing GHG emissions in dense urban environments and cold climates at the neighborhood level.

Key Assumptions: A key assumption is that a variety of utility, state, and federally funded clean energy incentives and financing mechanisms will become or continue to be available, so that this measure helps residents and businesses turn these funding streams into complete projects.

Identified Risks and Mitigation: Please see the discussion of delay risk above.
GHG Measure 2. Deploying Clean Transportation & Freight (PCAP pp.38-56)
Approach and Major Features: In pursuing this measure, Illinois proposes strategies aimed to:
Support adoption of zero-emission light commercial, medium- and heavy-duty electric vehicles, with the goal of reaching 30% of new sales by 2030, 60% by 2035, 65% by 2040, and 80% by 2050. Pursuing this measure will include strategies such as incentives for the purchase of vehicles, programmatic or financial support for charging infrastructure, workforce and operator training and development, outreach and planning efforts, and programs or rates to encourage smart charging, EV-to-grid technologies, or EVs as a distributed energy resource.
Support adoption of passenger electric vehicles, with the goal of reaching 55% of new sales by 2030, 90% by 2040, and 95% by 2050. Pursuing this measure will include strategies such as incentives for the purchase of vehicles, shared mobility programs, programmatic or financial support for charging

infrastructure, and programs or rates to encourage smart charging, EV-to-grid technologies, or EVs as a distributed energy resource.

Tasks: Illinois proposes to implement the following initiatives as discussed in the PCAP:

2.1 Create a Heavy Duty Vehicle Charging Infrastructure Program for Small and Medium Fleet Operators (PCAP at pp.41-42): IEPA will leverage its authority under its existing Charging Infrastructure Grant Program to expand a medium- and heavy-duty vehicle charging infrastructure grant program. ICB is working to establish a low-cost loan program for EV charging infrastructure that can be accessed by fleet and freight operators.

Enter into Intergovernmental agreement with Illinois Climate Bank. Illinois EPA will enter into an Intergovernmental agreement with Illinois Climate Bank to coordinate funding for Illinois Climate Bank's work on the development of fleet charging loans.

Medium- and Heavy-Duty Vehicle Charging Grant plan. Illinois EPA will develop a plan for grants or incentives to facilitate the establishment of on-site or shared EV charging infrastructure, catering specifically to the needs of small and medium fleet operators. The plan will detail coordination with the Clean Freight Concierge Initiative, which provides tailored support and guidance, ensuring that these operators not only gain access to charging solutions but also navigate the transition to electric vehicles with comprehensive support. The plan will reflect obstacles, challenges, and opportunities identified for small and medium fleet operators, and outline the implementation approach for delivering the incentive in an efficient and equitable manner, including developing rebate/incentive amounts, timing of application windows, and a plan to update those amounts based on market demand and market price changes. The incentive levels and grant requirements would reflect Build America, Buy America requirements. The plan will include work by Illinois Climate Bank to address financing gaps through low-cost fleet charging loans

Launch Medium- and Heavy-Duty Vehicle Charging Grant. Based on the plan developed in this task, Illinois EPA will launch the Medium- and Heavy-Duty Vehicle Charging Grant and conduct statewide outreach and communications.

Fleet Charging Loans plan. Illinois Climate Bank will develop a plan for low-cost fleet charging loans for small and medium fleet operators, focused on overcoming risk and capital gaps for shared EV infrastructure and small businesses. The loan plan will include loan design and development, lender coordination, origination and servicing structures, underwriting criteria, terms, loan application materials, loan review processes, and other necessary components.

Launch fleet charging loans. Illinois Climate Bank will launch the loan programs, based on the approach finalized in the Fleet Charging Loans plan developed in this task.

Fleet and Freight Outreach. Illinois EPA and Illinois Climate Bank will coordinate with the Clean Fleet and Freight Concierge initiative on outreach to fleet and freight operators.

Annual Review. Illinois EPA and Illinois Climate Bank will conduct an annual review of the Charging Infrastructure initiative to determine if any updates or changes to program structure, incentive levels, or application/approval processes need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

2.2 Support Deployment of Trackside Power to Reduce Diesel Engine Idling (PCAP at pp. 42-44): IEPA will leverage its authority under its existing Charging Infrastructure Grant Program and Rail Freight Program to issue grants for trackside power in a select number of higher-than-average traffic locomotive hubs.

Trackside Power Grant plan. Illinois EPA will develop a plan for grants for equipment retrofits that do not qualify for tax credits, or where projects are not being completed because costs are well in excess of tax credit value. These grants aim to encourage small to medium-sized freight operators to upgrade or retrofit equipment to improve efficiency and reduce environmental impact. The plan will detail coordination with the Clean Freight Concierge Initiative, which provides tailored support and guidance, ensuring that these operators not only gain access to electrification solutions but also navigate the transition to electric freight with comprehensive support. The plan will identify prioritized higher-than-average traffic locomotive hubs for targeted support, reflect obstacles, challenges, and opportunities identified for freight operators, and outline the implementation approach for delivering the incentive in an efficient and equitable manner, including developing rebate/incentive amounts, timing of application windows, and a plan to update those amounts based on market demand and market price changes. The incentive levels and grant requirements would reflect Build America, Buy America requirements.

Launch Trackside Power grants. Based on the plan developed in this task, Illinois EPA will launch the Trackside Power grants and conduct statewide outreach and communications.

Fleet and Freight Outreach. Illinois EPA will coordinate with the Clean Fleet and Freight Concierge initiative on outreach to fleet and freight operators.

Annual Review. Illinois EPA will conduct an annual review of the Trackside Power grants initiative to determine if any updates or changes to program structure, incentive levels, or application/approval processes need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

2.3 Support Zero-Emissions On-Road and Off-Road Vehicle Deployment for Small and Medium Fleet Operators (PCAP at pp.45-47): IEPA will leverage existing authority under Driving a Cleaner Illinois, the grant program developed to distribute funding for mobile source electrification projects. ICB will work to create a low-cost loan program for medium- and heavy-duty fleet vehicles.

Vehicle purchase rebate plan. Illinois EPA will develop a plan for vehicle purchase rebates for the acquisition of specific types of MHDVs and particular categories of buyers, especially those traditionally ineligible for existing programs (such as the Illinois Electric Vehicle Rebate Program) or cannot take advantage of tax credits. The plan will reflect obstacles, challenges, and opportunities identified for fleet operators, and outline the implementation approach for delivering the incentive in an efficient and equitable manner, including developing rebate/incentive amounts, timing of application windows, and a plan to update those amounts based on market demand and market price changes.

Launch vehicle purchase rebates. Based on the plan developed in this task, Illinois EPA will launch the Vehicle Purchase Rebates through its Driving a Cleaner Illinois authority and conduct statewide outreach and communications.

Enter into Intergovernmental agreement with Illinois Climate Bank. Illinois EPA will enter into an Intergovernmental agreement with Illinois Climate Bank to coordinate funding for Illinois Climate Bank's work on the development of fleet vehicle loans.

Fleet Vehicle Loans plan. Illinois Climate Bank will develop a plan for low-cost fleet vehicle loans for small and medium fleet operators, focused on overcoming risk and capital gaps for on-road and offroad EVs for small businesses. The loan plan will design financial support for fleet operators with a carve-out to benefit small and medium-sized fleet operators. Loans will include provisions for third-party ownership to capitalize on tax incentives, exploring innovative financing arrangements where entities could lease vehicles. The loan plan will include loan design and development, lender coordination, origination and servicing structures, underwriting criteria, terms, loan application materials, loan review processes, and other necessary components.
Launch fleet vehicle loans. Illinois Climate Bank will launch the loan program, based on the approach finalized in the Fleet Vehicle Loans plan developed in this task.
Fleet and Freight Outreach. Illinois EPA will coordinate with the Clean Fleet and Freight Concierge initiative on outreach to fleet and freight operators.
Annual Review. Illinois EPA and Illinois Climate Bank will conduct an annual review of the fleet vehicle grant and loan programs to determine if any updates or changes to program structure, incentive levels, or application/approval processes need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

2.4 Create a Clean Fleet and Freight Concierge (PCAP at pp.47-49): IEPA will conduct a solicitation for a third-party implementer to serve as a clean freight concierge.
Clean Fleet and Freight Concierge plan. Illinois EPA will develop a plan for the launch of a Clean Fleet and Freight Concierge, including outlining the coordinated programs and initiatives, the scope of work for contractors, prioritized geographies and regions, the selection process for grantees or contractors, and annual targets and metrics and reporting mechanisms. The plan will include the approach to establish the Concierge contractors as dedicated points of contact for small and medium fleets, the process for selection if oversubscribed. The plan will include requirements for the concierge to establish networks between freight companies and contractors skilled in low-carbon technologies, and provide contractors with tools and resources to better understand the benefits and incentives available to fleets and freight companies. The plan will also outline the scope of selected contractors to act as the main point of contact for freights and fleets, disseminate information about various programs, incentives, and opportunities for decarbonization, and ensuring that companies are well-informed and able to take full advantage of available resources.
Launch Clean Fleet and Freight Concierge. Based on the plan developed in this task, Illinois EPA will launch the Clean Fleet and Freight Concierge and conduct statewide outreach and communications.
Outreach and stakeholder engagement. Either directly or through the Clean Buildings Concierge program, Illinois DCEO will conduct outreach and stakeholder engagement activities to facilitate communication between freight companies and stakeholders, including communities and partnership organizations, to promote comprehensive support and engagement in decarbonization efforts..
Annual Review. Illinois EPA will conduct an annual review of the Clean Fleet and Freight Concierge program and efforts under this task to determine if any updates or changes to the structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

2.5 Create a Freight Hub Data Collection and Analysis Program Emphasizing Monitoring and Metrics in Local Communities (PCAP at pp.49-50): IEPA will expand its Ambient Air Monitoring Network Plan to include air quality monitoring sites in targeted EJ communities.

Freight Hub Data Collection and Analysis Program plan. Illinois EPA will develop a plan for the launch of a Freight Hub Data Collection and Analysis Program to implement comprehensive air pollution monitoring at key distributed freight hubs that may not be served by the US EPA Clean Ports Program. The plan will include the approach to deploy air pollution monitoring, prioritize EJ communities, potentially fund community trackers, conduct data analysis and report, and conduct community engagement and gather feedback.

Launch Freight Hub Data Collection. Based on the plan developed in this task, Illinois EPA will deploy state-of-the-art air quality monitoring stations at strategic freight hub locations to gather real-time data on emissions and their impact on local air quality.

Data Analysis and Reporting. Illinois EPA will conduct a solicitation and enter into a contract with a vendor to conduct sophisticated data analysis to process and interpret the collected data, aiming to identify trends, measure the effectiveness of emissions reduction initiatives, and inform future policy and program development.

Community Engagement and Feedback. Illinois EPA will conduct outreach and stakeholder engagement activities to establish mechanisms for community feedback and participation in the monitoring process, ensuring transparency and fostering trust among the most highly affected populations. This includes outreach and education around community trackers.

Annual Review. Illinois EPA will conduct an annual review of the Freight Hub Data Collection and Analysis Program to determine if any updates or changes to the structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

2.6 Develop Workforce Training for Fleet and Freight Operators and Heavy-Duty Charging Infrastructure Maintenance (PCAP at pp.50-53): IEPA will work with DCEO to leverage and expand the capacity of Illinois' developing Clean Jobs Workforce Network Program to include workforce training for fleet and freight operations and for heavy-duty charging infrastructure maintenance.

Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity. Illinois EPA will enter into an Intergovernmental agreement with Illinois DCEO to coordinate funding for Illinois DCEO's leadership on the expansion of the Clean Jobs Workforce Network Program and Clean Energy Contractor Incubator Program.

Fleet and Freight Operators and Heavy-Duty Charging Infrastructure Maintenance Workforce Training plan. Illinois DCEO will develop a plan for the expansion of the Clean Jobs Workforce Network Plan to support additional skills needs around fleet operator training, dispatcher training, driver training, and comprehensive fleet training, as well as infrastructure maintenance workforce training focused on vocational training and certification programs tailored for the maintenance of HDV and charging infrastructure.

Launch Fleet and Freight Operators and Heavy-Duty Charging Infrastructure Maintenance Workforce Training initiative. Based on the plan developed in this task, Illinois DCEO will launch the Fleet and

Freight Operators and Heavy-Duty Charging Infrastructure Maintenance Workforce Training initiative and conduct statewide outreach and communications.

Annual Review. Illinois DCEO will conduct an annual review of the Fleet and Freight Operators and Heavy-Duty Charging Infrastructure Maintenance Workforce Training to determine if any updates or changes to program structure, skills, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

2.7 Facilitate Statewide and Interagency Coordination Around Critical Freight Planning and Engagement (PCAP at pp.54-55): IEPA will establish an interagency working group to coordinate and begin to work with community-based organizations to address known barriers.

Launch Strategic Planning Process. Illinois EPA will facilitate a strategic planning process to identify high-priority clean freight projects. This process will include various stakeholders and incorporate engagement to foster input and feedback. This planning process will focus on creating a governance structure for inland ports, a strategic plan for the allocation of state and federal funding, including CPRG funds to maximize GHG reductions, and create a framework to work through challenges that can limit the GHG reductions in other initiatives.

Engagement and Equitable Participation. Illinois EPA will form a coalition comprising state agencies, communities of high impact, community based organizations, environmental justice groups, industry, education, and others that will inform the strategic planning process. Illinois EPA will create a small grant program to compensate CBOs and environmental justice communities for their participation in the planning process, ensuring that these critical voices are represented and included throughout the process. There will also be compensation for certain outreach and engagement efforts that may be created out of this initiative.

Overcoming barriers series. Illinois EPA will facilitate forums to address and strategize on overcoming supply chain barriers, ensuring the success of other clean freight initiatives that depend on infrastructure and supplies. Work collaboratively to find solutions to building codes and streamlining the building code . Collaborate with local communities on land use planning and engage with the appropriate stakeholder around standardization of interconnection to ensure the success of other clean freight initiatives.

Demonstration of Funding Need: The clean freight measure addresses gaps in existing federal and state programs to reduce greenhouse gas emissions in the freight and transportation sector. These initiatives complement existing programs, encouraging recipients to leverage available resources to expedite adoption and create transformative impacts. The state has conducted a comprehensive analysis of current federal and state programs, including those by the IEPA, Illinois Department of Transportation, and other initiatives. Despite opportunities like federal tax incentives, some operators remain ineligible, creating a barrier to adoption.

Transformative Impact

Hard-to-Abate Sector: Illinois' targeted approach to the challenging freight sector involves bringing trackside power to specific locomotive hubs, and reducing GHG emissions in busy freight ports. This transformation seeks to enhance the deployment of heavy-duty chargers, addressing challenges in their availability, particularly in local community sub-sectors overlooked by the New Energy Vehicle Infrastructure program.

Market Transformation: Workforce training initiatives focus on charger maintenance and optimizing driving practices for electrified trucks, transforming job opportunities and capabilities.

Replicable and Scalable Models: The proposed model emphasizes replicability and scalability, underlining the importance of interagency coordination, community, and EJ involvement in freight decarbonization—a traditionally neglected area. Overcoming known barriers like interconnection and supply chain issues faced by all states positions the model as a solution applicable elsewhere. The "Clean Freight Concierge" concept is a replicable model, fostering collaboration for statewide success in freight decarbonization initiatives.

Key Assumptions: Our key assumption is that a variety of existing and pending utility, state, and federal EV charging and EV purchase rebates and financing mechanisms will become or continue to be available and will create a favorable environment to reduce range anxiety, provide positive examples of early adopters and make the transition to EV more affordable and understandable in the areas not covered by this proposal. We also expect the EV charging and vehicle manufacturers to have the vehicles and EV charging components available for purchase within the project's timelines.

Identified Risks and Mitigation: The greatest risk, in addition to delay, discussed above, is the availability of skilled qualified contractors/consultants to bid into the state's project RFPs. The 12 month planning period will allow the state to reissue or update RFPs, if needed, to mitigate against this risk.

GHG Measure 3. Kick-starting Industry Decarbonization (PCAP pp.57-66)

Approach and Major Features: In pursuing this measure, Illinois proposes strategies aimed to:

Improve industrial efficiency, with the goal of 5% by 2030 and 25% by 2050, and support implementation of process improvements. Industrial efficiency is the most cost-effective and readily available measure to reduce emissions from the industrial sector. By building upon existing state and federal programs and leveraging existing relationships with industrial operations, Illinois could accelerate the pace of industrial efficiency improvements.

Electrify low-temperature industrial heat, with the goal of 10% by 2030 and 95% by 2050. Low-temperature industrial heating is one of the greatest opportunities for GHG emissions reductions in the industrial sector. Electric technologies such as industrial heat pumps are technically capable of filling this role in nearly all cases. Federal tax credits, combined with state programs to support uptake by businesses, could bring these technologies into cost parity or cost advantage compared to gas-fired industrial equipment.

Convert medium- and high-temperature industrial heat in targeted sectors to electricity or hydrogen, with the goal of 30% by 2050. Developing markets, programs, know-how, and economies of scale for high-heat industrial processes will be essential for reducing Illinois' emissions to levels needed to meet Paris Climate Agreement commitments. Given its relatively low-cost and low-carbon electricity, the presence of a DOE hydrogen hub, and its industrial base, Illinois is a strong place to pioneer measures to be scaled and replicated elsewhere.

Reduce emissions of hyper-potent fluorinated gases, primarily through substitution of lower-warming-potential alternatives, supported by improved disposal, equipment and maintenance, with the goal of 20% reduction by 2030 and 67% by 2050. There are readily available lower-potency gases that can replace fluorinated gases (or "f-gases") in many use cases, and their incredible potency allows for rapid near-term reductions, a CPRG priority.

Tasks: Illinois proposes to implement the following initiatives as discussed in the PCAP:

3.1 **Clean Industry Concierge** (PCAP at pp.60-61): IEPA will conduct a solicitation for a third-party clean industry concierge to help Illinois industrial facilities navigate, coordinate and access funding opportunities, get support in designing and implementing decarbonization measures, and provide strong guidance on industry best practices in efficient and cost-effective low-carbon technologies and processes.

Contractor and Supply Chain Connections and Education. Establish networks between manufacturers and contractors and suppliers working with lower-carbon materials and products. Provide contractors and suppliers with tools and resources to better understand benefits and incentives available to manufacturers in Illinois, ensuring they can amplify the impact of the concierge services on their manufacturing customers.

Strategic Planning Support. Acting as the main point of contact for manufacturers, the concierge will disseminate information about programs, incentives, and opportunities for decarbonization, ensuring that companies are well-informed and able to take full advantage of available resources.

Workforce Training Liaison. Creating a feedback loop with workforce training programs to identify and address skill gaps, ensuring the workforce is equipped to support the transition to cleaner manufacturing processes and practices.

Clean Industry Planning and Stakeholder Engagement. Facilitating communication between manufacturers and stakeholders, including communities and partnership organizations, to promote comprehensive support and engagement in decarbonization.

3.2 Fluorinated Gas Reduction Program (PCAP at p.63): IEPA will develop an incentive program to support the substitution of F-gases with lower carbon alternatives.

Fluorinated Gas Reduction Program plan. Illinois EPA will develop a plan for the launch of a Fluorinated Gas Reduction Program to support replacement of fluorinated gases with cost-effective low global warming potential technologies, primarily in commercial and industrial refrigeration; and optimization of manufacturing processes and logistics to minimize emissions from leaks, servicing and disposal of equipment that use F- gases. The plan will reflect obstacles, challenges, and opportunities identified for commercial and industrial refrigeration and manufacturing, and outline the implementation approach for delivering the incentive in an efficient and equitable manner, including developing rebate/incentive amounts, timing of application windows, and a plan to update those amounts based on market demand and market price changes.

Launch Fluorinated Gas Reduction Program. Based on the plan developed in this task, Illinois EPA will launch the Fluorinated Gas Reduction Program and conduct statewide outreach and communications.

Fluorinated Gas Reduction Outreach. Illinois EPA will coordinate with the Clean Industry Concierge on outreach to commercial and industry market participants.

Annual Review. Illinois EPA will conduct an annual review of the Fluorinated Gas Reduction program to determine if any updates or changes to structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

Demonstration of Funding Need: There is a lack of federal or state funds to address any of the programs or initiatives identified in the Clean Industry measure. To address this gap, CPRG funds are needed to facilitate these initiatives. The Clean Industry concierge will enhance the Illinois DCEO Workforce Development Program and ensure resources are leveraged effectively, avoiding duplication.

Transformative Impact

Hard-to-Abate Sector: This initiative addresses challenges within the hard-to-abate industrial sector by targeting small and medium-sized industrial facilities that lack the scale, resources, and time to explore and test low-carbon options and processes. The F-gas reduction program focuses on the industrial food and beverage sector, particularly supermarket refrigeration systems.

Replicable and Scalable Models: The proposed Clean Industry Concierge envisions a replicable approach for multi-program initiatives that connect planning with the workforce and operators, fostering a collaborative environment for statewide success in sustainable industrial practices.

Key Assumptions: A key assumption is that a variety of existing and pending utility, state, and federal rebates and financing mechanisms will become or continue to be available to support industry decarbonization and provide positive examples of early adopters and create complimenting resources to fill the gaps to make industrial decarbonization more affordable and understandable in the areas not covered by this proposal. We also anticipate that enough innovative projects and processes will be available to participate in the project within the anticipated timelines.

Identified Risks and Mitigation: The greatest risk, aside from delay, discussed above, is a lack of interest or readiness from industry to participate within the project timelines. The 12 month planning period will allow the State to adjust outreach to mitigate this risk.

GHG Measure 4. Expanding Climate-Smart Agriculture (PCAP pp.67-77)

Approach and Major Features: In pursuing this measure, Illinois proposes strategies aiming to:

Reduce agricultural process and land-use emissions using no-till and low-till agriculture, cover crops, and other measures, with the goal of 2% reduction by 2030 and 10% by 2050.

Reduce total combined emissions from wastewater, landfills, and livestock, through approaches such as methane capture and utilization, anaerobic digestion, and others, focusing on approaches that are most cost-effective and offer the most added benefits, with the goal of 10% reduction by 2050.

Reduce GHG emissions from lawn equipment and other small engines by accelerating the shift from gas-powered to electric-powered lawn equipment with a focus on heavily used tools in professional landscaping, with the goal of shifting 40% of new sales to all-electric equipment by 2030 and 99% by 2035.

Tasks: Illinois proposes to implement the following initiatives as discussed in the PCAP:

Expanding Deployment and Improving Efficiency of Low-Till, No-Till, and Cover Crop Practices (PCAP at pp.70-72): IEPA will work with IDOA to expand its "Fall Covers for Spring Savings" program to create new tools and resources. This initiative significantly expands the acreage under the current Illinois Cover Crop Program and creates pathways for various lands to participate in no-till practices.

Enter into Intergovernmental agreement with Illinois Department of Agriculture. Illinois EPA will enter into an Intergovernmental agreement with Illinois Department of Agriculture (IDOA) to coordinate funding for IDOA's leadership on the expansion of programs for Low-Till, No-Till, and Cover Crop practices.

Expansion of Fall Covers for Spring Savings. IDOA will expand its Fall Covers for Spring Savings program to additional acreage.

Creation of online portal. The IDOA will create a new online portal for producers to apply for incentives for conservation practices to ensure access modeled off the Fall Covers for Spring Saving program.

Tracking and Measurement. IDOA will utilize the established Partners for Conservation Program and local Soil and Water Conservation Districts in Illinois for tracking and measure of outputs.

Biomethane Emissions Reduction, Capture, and Utilization in High-Value End Uses (PCAP at pp.72-74): IEPA will develop a competitive grant program for community-based projects to coordinate distributed biomethane utilization systems.

Community-based biomethane project grant program plan. Illinois EPA will develop a plan for a grant program for community-based projects that to seed sound biomethane practices such as manure source, collection, handling, and storage; methane capture at waste and waste facilities; processing of food waste into biomethane; and other approaches that reduce emissions at the local level and integrate into regional biomethane supply chains for high-value end uses, such as industrial heat, sustainable aviation fuel, and maritime transport. Considerations will be made to avoid "split incentives" for operators. The plan will reflect obstacles, challenges, and opportunities identified for biomethane source and use market participants, and outline the implementation approach for delivering the grants in an efficient and equitable manner, including developing grant ranges, applicable uses of funds, timing of application windows, requirements around community buy-in and support, and coordination requirements. The grant requirements would reflect Build America, Buy America requirements, as applicable.

Launch Community-based biomethane project grant program. Based on the plan developed in this task, Illinois EPA will launch the Community-based biomethane project grant program and conduct statewide outreach and communications.

Annual Review. Illinois EPA will conduct an annual review of the Community-based biomethane project grant program to determine if any updates or changes to structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

Accelerating Clean Landscaping and Small Engine Equipment (PCAP at pp.75-76): IEPA will develop a rebate program for all-electric landscaping equipment.
Clean Landscaping and Small Engine Equipment rebate plan. Illinois EPA will develop a plan for the purchase of all-electric commercial landscaping equipment, such as blowers, trimmers, and mowers. This initiative aims to make cleaner, quieter, and more efficient equipment accessible to professionals in the field. The plan will reflect obstacles, challenges, and opportunities identified for landscaping operations, and outline the implementation approach for delivering the incentive in an efficient and equitable manner, including developing rebate/incentive amounts, timing of application windows, a plan to update those amounts based on market demand and market price changes, and the creation of a reporting and tracking mechanism. The grant requirements would reflect Build America, Buy America requirements, as applicable.
Launch Clean Landscaping and Small Engine Equipment rebates. Based on the plan developed in this task, Illinois EPA will launch the Clean Landscaping and Small Engine Equipment Rebates and conduct statewide outreach and communications.
Annual Review. Illinois EPA will conduct an annual review of the Clean Landscaping and Small Engine Equipment Rebates program to determine if any updates or changes to structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

Demonstration of Funding Need: The clean agriculture initiative addresses significant gaps in current federal and state programs and rapidly accelerates the deployment of solutions to reduce greenhouse gas emissions in the agriculture sector. Expanding the existing Illinois Department of Agriculture "Fall Covers for Spring Savings" meets demand that far exceeds the program's current capacity by rapidly enrolling new acreage in the program. Absent the CPRG funding this program will not meet the demand. The biomethane initiative complements existing efforts, notably the EPA and DOE Methane Emissions Reduction program, which has provided the IDNR with $17.4 million. This initiative targets agricultural manure production, filling critical gaps by addressing segments not covered by existing funding.

Transformative Impact
Replicable and Scalable Models: The No-till program and cover crop initiative target non-participating lands with significant potential for scale and demand. The cover crop program, proven successful, serves as a replicable model poised to scale up. Statewide 2022 data from the USDA National Agricultural Statistics Service highlights the substantial acreage of conventional and no-till lands (Conventional tilled acres - 5,912,002, No-Till or Conservation Tilled acres - 15,331,358), emphasizing the scope for impact.
Market Transformation: Biomethane efforts focus on creating localized markets and supply chains, testing new models and technologies to cater to high-value end uses that aid in decarbonizing hard-to-abate sectors.

Key Assumptions: A key assumption is that a variety of existing and pending utility, state, and federal rebates and financing mechanisms will become or continue to be available to support agriculture decarbonization and provide positive examples of early adopters and create complimenting resources to fill the gaps to make agricultural decarbonization more affordable and understandable in the areas not covered by this proposal. We also anticipate that enough projects will be available to participate in the project within the anticipated timelines.

Identified Risks and Mitigation: The greatest risk, aside from delay, discussed above, is a lack of interest or readiness from the intended beneficiaries to participate within the project timelines. The 12 month planning period will allow the state to adjust outreach to address this risk, if needed.

GHG Measure 5. Keeping Clean Power Goals on Track (PCAP pp.78-83)

Approach and Major Features: In pursuing this measure, Illinois proposes strategies including, but not limited to:

Support comprehensive energy modeling to enable Illinois to identify pressing needs during its transition to 100% clean energy, considering economic, environmental, and social factors.

Support municipal and co-op utilities transition to renewable energy. The state will work with municipal and co-op utilities in Illinois to help them identify a path to transition the state's power sector to carbon-free by 2045. The state will provide technical and financial support in assessing needs and identifying ways to replace fossil fuel resources with renewable energy.

Tasks: Illinois proposes to implement the following initiatives as discussed in the PCAP:

Statewide Clean Energy Modeling (PCAP at pp.80-81): IEPA will work with IPA to conduct a modeling exercise to identify alternative scenarios under which the state can meet resource adequacy needs while keeping the CEJA decarbonization schedule on track.

Enter into Intergovernmental agreement with Illinois Power Agency. Illinois EPA will enter into an Intergovernmental agreement with Illinois Power Agency (IPA) to coordinate funding for Illinois IPA's leadership on Clean Energy Modeling activities.

Procure modeling consultant and complete study. Illinois EPA or Illinois Power Agency will conduct a solicitation and enter into an agreement for a consultant with the requisite experience to conduct advanced clean energy modeling for the state. The scope of work for the consultant will include determining what if any resources would be needed to maintain reliability while fossil fuel plant closure schedules in CEJA progress. The consultant will support the development of a job agency report with an analysis of whether a reliability or resource adequacy shortfall may exist, the expected extent and duration of that shortfall, and detailed description of options to address that risk, including the expansion of renewable energy, demand response, and energy efficiency programs, the implementation of DER initiatives, and temporary extensions of pollution deadlines.

Stakeholder Review. Illinois EPA and Illinois Power Agency will work together to present initial findings, seek feedback and recommendations, and reflect stakeholder input into final recommendations.

Small Utility Clean Energy Planning Support (PCAP at pp.81-82): ICB will develop a technical assistance resource, and make strategic planning grants, to help eligible municipal and co-op utilities assess needs and identify ways to replace fossil fuels with renewable energy.

Enter into Intergovernmental agreement with Illinois Climate Bank. Illinois EPA will enter into an Intergovernmental agreement with Illinois Climate Bank to coordinate funding for Illinois Climate Bank's leadership on Small Utility Clean Energy Planning Support.

Procure technical assistance consultant. Illinois Climate Bank will conduct a procurement for a consultant to provide technical assistance to municipal and co-op utilities in Illinois in assessing their energy supply needs and identifying potential clean energy supply sources to fill that need and replace fossil fuel generation.

Develop Strategic Planning Grant plan. Illinois Climate Bank will develop a plan for the launch of a Strategic Planning Grant program, including outlining the scope and scale of grant funding, the solicitation process, eligible activities, and prioritized geographies and regions. The grant program will support municipal and co-op utilities in Illinois to help them negotiate and secure power system and generation plans, renewable energy power purchase agreements that comply with CEJA goals of a 100% carbon-free power sector by 2045.

Launch Strategic Planning Grant program. Based on the plan developed in this task, Illinois Climate Bank will launch the Strategic Planning Grant program for municipal and co-op utilities and conduct statewide outreach and communications.

Annual Review. Illinois Climate Bank will conduct an annual review of Strategic Planning Grant program to determine if any updates or changes to structure, scope of work, geographies, or other program elements need to be made to better achieve programmatic goals. Data collected from the annual review will support program reporting requirements.

Demonstration of Funding Need: Illinois requests funding to support comprehensive clean energy modeling efforts that do not have other funding sources. This will close a major gap in Illinois' ability to develop a strategic long-term approach to phasing out fossil generation and maximizing clean energy initiatives and policies. This modeling is not available from the large Illinois utilities or regional transmission operators, who conduct only limited modeling of expected near-term plant retirements, not allowing for any long-term planning. There is no funding currently available to Illinois' smaller utilities to help them move away from long-term supply contracts for fossil generation and enter into new long-term renewables agreements, hampering Illinois' ability to CEJA and Paris Agreement goals. The State is in the process of applying for US DOE Grid Resilience and Innovative Partnerships (GRIP) funding to support small utilities to integrate demand response programs and improve energy data management and sharing, but which does not include the kind of support requested here.

Transformative Impact:

Replicable and Scalable Models. The proposed support for smaller utilities in Illinois to transition from fossil-fuel power procurement contracts to long-term renewable supply agreements will create a replicable model to be used by other states seeking to engage small rural co-ops and municipal electric utilities that lack resources in planning to shift them off their existing fossil fuel plants and contracts and enter into new long-term agreements for clean energy.

Key Assumptions: A key assumption is that a variety of existing and pending utility, state, and federal rebates and financing mechanisms (State of Illinois Renewable Portfolio Standard programs, federal investment and production tax credits, funding under the US EPA's Greenhouse Gas Reduction Fund, and US DOE's Loan Programs Office) will become or continue to be available to support small utility energy transition and make it more affordable and understandable in the areas not covered by this proposal. A key assumption is that enough consultants and small utilities will be available to participate in the competitive solicitations for energy modeling and project solicitations for small utility planning to participate within the anticipated project timelines.

Identified Risks and Mitigation: The greatest risk, besides delay, discussed above, is the availability of qualified consultants to perform comprehensive energy modeling and availability of data needed for the power sector modeling. The 12 month planning period will allow time to adjust RFPs, if needed, and negotiate data sharing agreements to mitigate this risk.

2. IMPACT OF GHG REDUCTION MEASURES

Illinois' estimated annual greenhouse gas emissions today are 228 MMTCO2e, with transportation (60 MMTCO2e) accounting for the largest share, followed by power (52 MMTCO2e). This represents a nearly 20% decline from 2005's emissions of 283.6 MMTCO2e. Power was the largest emitting sector in 2005 with 94 MMTCO2e, and saw the biggest decline of any sector between 2005 and 2021. The second-largest source of emissions in 2005 was transportation (72 MMTCO2e). Governor Pritzker signed an executive order in 2019 committing the state to the Paris Climate Agreement's principles. Meeting that commitment will require cutting emissions about 39% from current levels to 139 MMTCO2e.

a. Magnitude of GHG Reductions from 2025 through 2030

Table 2. GHG Reductions 2025-2030, metric tons CO2e

Initiative	GHG Emission Reduction (mt CO2e)	Appendix C Reference
GHG Measure 1. Accelerating Clean & Efficient Building Adoption		
Task 1.1 Clean Building Catalyst Fund Task 1.2 Clean Building Navigator Consumer Outreach Program Task 1.3 Clean Buildings Access Portal	151,758	Pg. 1-2
Task 1.4 Clean Buildings Contractor Training	3,121,000	Pg. 3
Task 1.5 Large Building Outreach & Clean Buildings Concierge	1,698	Pg. 2
Task 1.6 Community Geothermal Planning + Pilots	15,099	Pg. 3
Task 1.7 Stretch Building Code Adoption	438,355	Pg. 3-4
GHG Measure 2. Deploying Clean Transportation & Freight		
Task 2.1 Heavy Duty Vehicle Charging Task 2.3 Zero-Emissions On-Road and Off-Road Vehicles Task 2.4 Clean Fleet and Freight Concierge Task 2.6 Fleet/Freight Operation & Heavy-Duty Charging Workforce Training Task 2.7 Critical Freight Planning	Heavy Duty: 56,677	Pg. 4-5
	Medium Duty: 7,383	Pg. 5
	HD Chargers: 27,238	Pg. 5
	ORV: 36,807	Pg. 5-6

Task 2.2 Trackside Power Task 2.5 Freight Hub Data Task 2.7 Critical Freight Planning	9,219	Pg. 6
GHG Measure 3. Kick-starting Industry Decarbonization		
Task 3.1 Clean Industry Concierge	251,940	Pg. 6-7
Task 3.2 Fluorinated Gas Reduction Program	1,699,356	Pg. 7
GHG Measure 4. Expanding Climate-Smart Agriculture		
Task 4.1 Low-Till, No-Till, and Cover Crop Practices	896,677	Pg. 7-8
Task 4.2 Biomethane Emissions	1,182,265	Pg. 9
Task 4.3 Clean Landscaping and Small Engine Equipment	169,064	Pg. 8-9
GHG Measure 5. Keeping Clean Power Goals on Track		
Task 5.1 Statewide Clean Energy Modeling	181,188	Pg.9-10
Task 5.2 Small Utility Clean Energy Planning Support	287,803	Pg. 10
TOTAL	8,468,463	

b. Magnitude of GHG Reductions from 2025 through 2050

Table 3. GHG Reductions 2025-2050, metric tons CO2e

2050 Strategy	GHG Emission Reduction (mt CO2e)	Appendix C Reference
GHG Measure 1. Accelerating Clean & Efficient Building Adoption		
Task 1.1 Clean Building Catalyst Fund Task 1.2 Clean Building Navigator Consumer Outreach Program Task 1.3 Clean Buildings Access Portal	1,250,171	Pg. 1-2
Task 1.4 Clean Buildings Contractor Training	26,486,000	Pg. 2-3
Task 1.5 Large Building Outreach & Clean Buildings Concierge	13,015	Pg. 2
Task 1.6 Community Geothermal Planning + Pilots	128,562	Pg. 3
Task 1.7 Stretch Building Code Adoption	3,508,556	Pg. 3-4
GHG Measure 2. Deploying Clean Transportation & Freight		
Task 2.1 Heavy Duty Vehicle Charging Task 2.3 Zero-Emissions On-Road and Off-Road Vehicles Task 2.4 Clean Fleet and Freight Concierge Task 2.6 Fleet/Freight Operation & Heavy-Duty Charging Workforce Training	Heavy Duty: 402,536	Pg. 4-5

Task 2.7 Critical Freight Planning		
Support adoption of passenger electric vehicles, reaching 55% of new sales by 2030, 90% by 2040, and 95% by 2050	Medium Duty: 50,810	Pg. 5
	HD Chargers: 185,474	Pg. 5
	ORV: 274,557	Pg. 5-6
Task 2.2 Trackside Power Task 2.5 Freight Hub Data Task 2.7 Critical Freight Planning	55,311	Pg. 6
GHG Measure 3. Kick-starting Industry Decarbonization		
Task 3.1 Clean Industry Concierge	1,931,549	Pg. 6-7
Task 3.2 Fluorinated Gas Reduction Program	13,028,400	Pg. 7
GHG Measure 4. Expanding Climate-Smart Agriculture		
Task 4.1 Low-Till, No-Till, and Cover Crop Practices	896,677	Pg. 7-8
Task 4.2 Biomethane Emissions	5,911,323	Pg. 9
Task 4.3 Clean Landscaping and Small Engine Equipment	845,320	Pg. 8-9
GHG Measure 5. Keeping Clean Power Goals on Track		
Task 5.1 Statewide Clean Energy Modeling	233,065	Pg.9-10
Task 5.2 Small Utility Clean Energy Planning Support	2,128,205	Pg. 10
TOTAL	**57,406,778**	

c. Cost Effectiveness of GHG Reductions

Table 4. Cost-Effectiveness

	GHG Emission Reduction		$/Ton CO2e	
	2025-2030	**2025-2050**	**2025-2030**	**2025-2050**
GHG Measure 1. Accelerating Clean & Efficient Building Adoption	3,730,198	31,404,616	$46.14	$5.48
GHG Measure 2. Deploying Clean Transportation & Freight	155,598	1,095,257	$741.74	$105.37
GHG Measure 3. Kick-starting Industry Decarbonization	1,951,296	14,959,940	$12.74	$1.66
GHG Measure 4. Expanding Climate-Smart Agriculture	2,180,380	7,585,695	$51.24	$14.73
GHG Measure 5. Keeping Clean Power Goals on Track	468,991	2,361,270	$13.48	$2.68

Total	8,468,463	57,406,778	$50.72	$7.50

d. Documentation of GHG Reduction Assumptions

See Appendix C to this Workplan for detailed documentation of GHG reduction assumptions. Also, see the Compiled GHG Methodology Narrative and spreadsheets filed with this application.

3. ENVIRONMENTAL RESULTS – OUTPUTS, OUTCOMES, AND PERFORMANCE MEASURES

Through its PCAP process, the State took a strategic approach to identifying gaps in GHG emissions reduction efforts and pathways, and focused its PCAP and this implementation grant proposal on an output and outcomes-based approach to achieving its program goals. For each measure, the State has adopted the following framework: Tasks to address gaps >> Performance Measures & Outputs to track progress >> Outcomes (GHG Reductions) to measure impact.

The State will track performance measures across all tasks (as applicable): Jobs created, new businesses started by equity eligible persons, energy burden reduction, and locational criteria pollution reduction.

Performance measurement will be incorporated into each initiative for each measure, tracked quarterly and annually (as applicable), with a final report identifying overall outcomes. The State expects it could launch all these initiatives by 2026, with measurable metrics and GHG emissions reductions able to be reported for the subsequent period.

Table 5. Performance Measures, Outputs And Outcomes

Measure/Tasks	Performance Measure & Output	GHG Reduction, MTCO2e, 2025-2030	Reporting years
GHG Measure 1. Accelerating Clean & Efficient Building Adoption			
Task 1.1 Clean Building Catalyst Fund Task 1.2 Clean Building Navigator Program Task 1.3 Clean Buildings Access Portal Task 1.4 Clean Buildings Contractor Training Task 1.5 Large Building Outreach & Clean Buildings Concierge	Retrofit 12,649 single- and multi-family residential housing units	151,758	2027 - 2030
	Retrofit 2.36 million sq.ft. commercial space	1,698	2027 - 2030
	Train 52 new equity eligible persons in building decarbonization and support development of 26 new building decarbonization contractors in target communities each year	3,121,000	2027 - 2030
Task 1.6 Community Geothermal Planning + Pilots	Deploy community geothermal to serve 1,100 households	15,099	2027 - 2030
Task 1.7 Stretch Building Code Adoption	90 municipalities adopt the Illinois Stretch Energy Code	438,355	2027 - 2030
GHG Measure 2. Deploying Clean Transportation & Freight			

Task 2.1 Heavy Duty Vehicle Charging Task 2.3 Zero Emission Vehicles Task 2.4 Clean Fleet and Freight Concierge Task 2.6 Fleet/Freight Operation & Heavy-Duty Charging Workforce Training Task 2.7 Critical Freight Planning	Replace 402 heavy duty diesel vehicles with electric vehicles and chargers, via grants and loans.	56,667	2027 - 2030
	Replace 240 medium duty diesel vehicles with electric vehicles and chargers, via grants and loans.	7,383	2027-2030
	761 additional heavy duty vehicle chargers that are not paired with a new vehicle.	27,238	2027-2030
	Replace 1075 off-road diesel vehicles (forklifts) with electric vehicles.	36,807	2027-2030
Task 2.2 Trackside Power Task 2.7 Critical Freight Planning	Deploy 5-7 new trackside power supply systems at high-traffic train stations.	9,219	2027 - 2030
Task 2.5 Freight Hub Data	Deploy 2,000 indoor air quality monitors Install 6 state of the art air quality monitor stations at high traffic freight hubs		2027 - 2030
GHG Measure 3 Kick-starting Industry Decarbonization			
Task 3.1 Clean Industry Concierge	Support retrofit of 10 industrial facilities	251,940	2027 - 2030
Task 3.2 Fluorinated Gas Reduction Program	Replace 390 refrigerant systems	1,699,356	2027 - 2030
GHG Measure 4 Expanding Climate-Smart Agriculture			
Task 4.1 Low-Till, No-Till, and Cover Crop Practices	Add 230,702 acres of cover crops planted to existing programs and convert 324,000 acres to no-till agriculture	896,677	2027 - 2030
Task 4.2 Biomethane Emissions	Fund biomethane projects using approximately 5 million tons of solid waste	1,182,265	2027 - 2030
Task 4.3 Clean Landscaping and Small Engine Equipment	Recycle and replace 45,734 pieces of small commercial landscaping equipment with all electric	169,064	2027 - 2030

GHG Measure 5. Keeping Clean Power Goals on Track			
Task 5.1 Clean Energy Modeling	Statewide clean energy modeling study	181,188	2027 - 2030
Task 5.2 Small Utility Clean Energy Planning Support	2 utilities per year undergo planning	287,803	2027 - 2030

Authorities, Implementation Timeline, and Milestones

Proposed tasks and initiatives within the five measures will build on existing infrastructure within Illinois to implement and execute quickly. Establishment of proposed initiatives will require no statutory change, and limited regulatory intervention. Many Illinois agencies, including IEPA, IDOA, and IDNR have existing authority under the Grant Accountability and Transparency Act and complementary rules to uniformly implement competitive grant and incentive programs utilizing state and federal pass-through funds ("Grantmaking Authority").

Table 6. Implementing Authority and Milestones

Task	Agency	Key Activity / Deliverable	Existing Authority	Key Milestone(s)
GHG Measure 1. Accelerating Clean & Efficient Building Adoption				
Task 1.1 Clean Building Catalyst Fund	IEPA	a) Conduct Gap Analysis	Yes	Launch 2025, H1
	IFA/ICB	b) Stakeholder engagement	Yes	Launch 2025, H1
	IEPA	c) Whole-Building Electrification Incentive Plan	Yes	Complete 2025, H2
	IEPA	d) Enter into Intergovernmental agreement with Illinois Climate Bank.	Yes	Complete 2025, H1
	ICB	e) Equitable Financing Bridge Loans plan.	Yes	Complete 2025, H2
	IEPA and ICB	f) Launch Whole-Building Electrification Incentive and Bridge Loans	Yes	Launch 2026, H1
	IEPA and ICB	g) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 1.2 Clean Building Navigator Consumer Outreach Program	IEPA	a) Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity.	Yes	Complete 2025, H1
	IL DCEO	b) Clean Building Navigator plan.	Yes	Complete 2025, H2

	IL DCEO	c) Launch Clean Building Navigator program	Yes	Launch 2026, H1
	IEPA and IL DCEO	g) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 1.3 Clean Buildings Access Portal	IEPA	a) Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity.	Yes	Complete 2025, H1
	IL DCEO	b) Clean Buildings Access Portal plan.	Yes	Complete 2025, H2
	IL DCEO	c) Launch Clean Buildings Access Portal.	Yes	Launch 2026, H1
Task 1.4 Clean Buildings Contractor Training	IEPA	a) Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity	Yes	Complete 2025, H1
	IL DCEO	b) Clean Buildings Contractor Training plan.	Yes	Complete 2025, H2
	IL DCEO	c) Launch expansion of Clean Buildings Contractor Training.	Yes	Launch 2026, H1
	IEPA and IL DCEO	d) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 1.5 Large Building Outreach & Clean Buildings Concierge	IEPA	a) Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity.	Yes	Complete 2025, H1
	IL DCEO	b) Clean Buildings Concierge plan.	Yes	Complete 2025, H2
	IL DCEO	c) Launch Clean Buildings Concierge.	Yes	Launch 2026, H1
	IL DCEO	d) Contractor support.	Yes	Launch 2026, H1
	IL DCEO	e) Outreach and stakeholder engagement.	Yes	Launch 2026, H1

	IEPA and IL DCEO	f) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 1.6 Community Geothermal Planning + Pilots	IEPA	a) Enter into Intergovernmental agreement with Illinois Climate Bank	Yes	Complete 2025, H1
	ICB	b) Outreach and Engagement	Yes	Launch 2025, H1
	ICB	c) Community Geothermal Planning + Pilots plan.	Yes	Complete 2025, H2
	ICB	d) Launch Community Geothermal Planning + Pilots grant program.	Yes	Launch 2026, H1
	ICB	e) Community Geothermal Loans.	Yes	Launch 2026, H1
	IEPA and ICB	f) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 1.7 Stretch Building Code Adoption	IEPA	a) Enter into Intergovernmental agreement with Illinois Climate Bank.	Yes	Complete 2025, H1
	ICB	b) Stretch Code Adoption grants plan.	Yes	Complete 2025, H2
	ICB	c) Launch Stretch Code Adoption grants	Yes	Launch 2025, H2
	ICB	d) Coordination Support.	Yes	Launch 2026, H1
	IEPA and ICB	f) Annual Review	Yes	Complete 2027, H1 (+ annually)
GHG Measure 2. Deploying Clean Transportation & Freight				
Task 2.1 Heavy Duty Vehicle Charging	IEPA	a) Enter into Intergovernmental agreement with Illinois Climate Bank.	Yes	Complete 2025, H1
	IEPA	b) Medium- and Heavy-Duty Vehicle Charging Grant plan	Yes	Complete 2025, H2
	IEPA	c) Launch Medium- and Heavy-Duty Vehicle Charging Grant.	Yes	Launch 2026, H1
	ICB	d) Fleet Charging Loans plan.	Yes	Complete 2025, H2
	ICB	e) Launch fleet charging loans	Yes	Launch 2026, H1
	IEPA and ICB	f) Fleet and Freight Outreach.	Yes	Launch 2026, H1

	IEPA and ICB	g) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 2.2 Trackside Power	IEPA	a) Trackside Power Grant plan.	Yes	Complete 2025, H2
	IEPA	b) Launch Trackside Power grants	Yes	Launch 2026, H1
	IEPA	c) Fleet and Freight Outreach	Yes	Launch 2026, H1
	IEPA	d) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 2.3 Zero-Emissions On-Road and Off-Road Vehicles	IEPA	a) Vehicle purchase rebate plan	Yes	Complete 2025, H2
	IEPA	b) Launch vehicle purchase rebates.	Yes	Launch 2026, H1
	IEPA	c) Enter into Intergovernmental agreement with Illinois Climate Bank.	Yes	Complete 2025, H1
	ICB	d) Fleet Vehicle Loans plan.	Yes	Complete 2025, H2
	ICB	e) Launch fleet vehicle loans	Yes	Launch 2026, H1
	IEPA	f) Fleet and Freight Outreach.	Yes	Launch 2026, H1
	IEPA and ICB	g) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 2.4 Clean Fleet and Freight Concierge	IEPA	a) Clean Fleet and Freight Concierge plan	Yes	Complete 2025, H2
	IEPA	b) Launch Clean Fleet and Freight Concierge	Yes	Launch 2026, H1
	IEPA	c) Outreach and stakeholder engagement	Yes	Launch 2026, H1
	IEPA	d) Annual Review	Yes	Complete 2027, H1 (+ annually)
	IEPA	a) Freight Hub Data Collection and Analysis Program plan	Yes	Complete 2025, H2

Task 2.5 Freight Hub Data	IEPA	b) Launch Freight Hub Data Collection	Yes	Launch 2026, H1
	IEPA	c) Data Analysis and Reporting	Yes	Launch 2026, H2
	IEPA	d) Community Engagement and Feedback	Yes	Launch 2026, H1
	IEPA	e) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 2.6 Fleet/Freight Operation & Heavy-Duty Charging Workforce Training	IEPA	a) Enter into Intergovernmental agreement with Illinois Department of Commerce and Economic Opportunity.	Yes	Complete 2025, H1
	IL DCEO	b) Fleet and Freight Operators and Heavy-Duty Charging Infrastructure Maintenance Workforce Training plan.	Yes	Complete 2025, H2
	IL DCEO	c) Launch Fleet and Freight Operators and Heavy-Duty Charging Infrastructure Maintenance Workforce Training initiative	Yes	Launch 2026, H1
	IEPA	d) Annual Review	Yes	Complete 2027, H1 (+ annually)
Task 2.7 Critical Freight Planning	IEPA	a) Launch Strategic Planning Process.	Yes	Launch 2025, H2
	IEPA	b) Engagement and Equitable Participation	Yes	Launch 2025, H2
	IEPA	c) Overcoming barriers series	Yes	Launch 2026, H2
GHG Measure 3. Kick-starting Industry Decarbonization				
Task 3.1 Clean Industry Concierge	IEPA	a) Contractor and Supply Chain Connections and Education	Yes	Launch 2026, H1
	IEPA	b) Strategic Planning Support	Yes	Launch 2026, H1
	IEPA	c) Workforce Training Liaison.	Yes	Launch 2026, H1
	IEPA	d) Clean Industry Planning and Stakeholder Engagement.	Yes	Launch 2026, H1

Task 3.2 Fluorinated Gas Reduction Program	IEPA	a) Fluorinated Gas Reduction Program plan.	Yes	Complete 2026, H1
	IEPA	b) Launch Fluorinated Gas Reduction Program.	Yes	Launch 2027, H1
	IEPA	c) Fluorinated Gas Reduction Outreach.	Yes	Launch 2027, H1
	IEPA	d) Annual Review	Yes	Complete 2028, H1 (+ annually)
GHG Measure 4. Expanding Climate-Smart Agriculture				
Task 4.1 Low-Till, No-Till, and Cover Crop Practices	IEPA	a) Enter into Intergovernmental agreement with Illinois Department of Agriculture. Illinois	Yes	Complete 2025, H1
	IDOA	b) Expansion of Fall Covers for Spring Savings.	Yes	Launch 2026, H2
	IDOA	b) Creation of online portal	Yes	Launch 2026, H2
	IDOA	c) Tracking and Measurement	Yes	Launch 2026, H2
Task 4.2 Biomethane Emissions	IEPA	a) Community-based biomethane project grant program plan.	Yes	Complete 2026, H2
	IEPA	b) Launch Community-based biomethane project grant program.	Yes	Launch 2027, H1
	IEPA	c) Annual Review	Yes	Complete 2028, H1 (+ annually)
Task 4.3 Clean Landscaping and Small Engine Equipment	IEPA	a) Clean Landscaping and Small Engine Equipment rebate plan	Yes	Complete 2025, H2
	IEPA	b) Launch Clean Landscaping and Small Engine Equipment rebates.	Yes	Launch 2027, H1
	IEPA	c) Annual Review	Yes	Complete 2028, H1 (+ annually)
GHG Measure 5. Keeping Clean Power Goals on Track				
Task 5.1 Clean Energy Modeling	IEPA	a) Enter into Intergovernmental agreement with Illinois Power Agency	Yes	Complete 2025, H2

	IPA	b) Procure modeling consultant and complete study	Yes	Launch 2025, H2
	IPA	c) Stakeholder Review	Yes	Launch 2026, H1
Task 5.2 Small Utility Clean Energy Planning Support	IEPA	a) Enter into Intergovernmental agreement with Illinois Climate Bank.	Yes	Complete 2025, H1
	ICB	b) Procure technical assistance consultant	Yes	Complete 2025, H2
	ICB	c) Develop Strategic Planning Grant plan.	Yes	Complete 2025, H2
	ICB	d) Launch Strategic Planning Grant program.	Yes	Launch 2026 H1
	IEPA	c) Annual Review	Yes	Complete 2027, H1 (+ annually)

Illinois EPA. Will use its existing Grantmaking Authority to create new and expand existing programs. IEPA operates a number of energy efficiency, EV charging, and other grant programs that will be leveraged.

IFA/Climate Bank. Has broad authority to develop and implement new financial assistance opportunities, including grant and loan programs, to leverage existing funding programs, along with an ability to efficiently obtain necessary board approvals for new initiatives. IFA does not require annual appropriation authority to spend funds. Public Act 103-187, which became effective January 1, 2024, better enables municipalities to borrow directly from ICB.

Illinois DCEO. Has authority under CEJA to operate the Clean Jobs Workforce Network Program and Clean Energy Contractor Incubator Program - a robust network of workforce development programs.

Illinois Power Agency (IPA). Has statutory authority under IPA Act to implement the Solar for All program that provides incentives for low-income distributed generation and community solar projects; this includes the Bright Neighborhoods Pilot community outreach program, which will coordinate with other programs. IPA also has broad authority to procure technical resources needed to further support and expand planning capacity under the existing Long-Term Renewable Resources Procurement Plan process.

Capital Development Board (CDB). Has statutory authority to review and recommend periodic revisions to building energy codes to promote public safety and energy efficiency. Public Act 103-510 created the framework for the adoption of statewide building codes, to be implemented by CDB by July 1, 2025; units of local government retain authority until that date. CDB is also currently developing the Illinois Stretch Energy Code pursuant to a mandate under CEJA.

Illinois DOA. Will leverage its existing "Fall Covers for Spring Savings" program to expand the incentives available for cover crop integration, no-till farming practices, and sustainable agriculture enhancement. IDOA also implements programs under the authority of the Illinois Forestry Development Act.

4. LOW-INCOME AND DISADVANTAGED COMMUNITIES

Low-Income and Disadvantaged Communities (LIDACs) Identification: In 2021, CEJA created a new designation of Equity Investment Eligible Communities that often suffer the most from poor air quality and economic inequality, and may otherwise be left behind in the shift to a clean energy economy. Under CEJA, the state targets consideration and benefits to these newly-defined Equity Eligible Persons and Equity Investment Eligible Communities which are, among other criteria, residents of EJ or Restore. Reinvest. Renew (R3) areas.

Environmental Justice Communities: These communities have been identified through a calculation utilizing the U.S. EPA tool EJ Screen and a demonstrated higher risk of exposure to pollution based on environmental and socioeconomic factors. Importantly, the statute creates a formal self-designation process at the state level for communities that believe the data methodology unjustly excludes them.

Restore. Reinvest. Renew. (R3) Areas: R3 areas are communities that have been harmed by violence, excessive incarceration, and economic disinvestment, as originally defined for eligibility for R3 grants under Illinois' cannabis law.

The two community designations were thoughtfully considered to ensure that the state's energy policy and investments targeted communities experiencing burdens due to pollution, but also those that have faced socioeconomic harm and historic disinvestment. A census tract with either designation qualifies as an Equity Investment Eligible Community under Illinois law, which creates opportunities for residents and businesses to see benefits from solar energy and energy efficiency programs, workforce development and contractor accelerator programs, electric vehicle deployment, and utility infrastructure planning.

Illinois intends for at least 40% of the benefits of this effort to support communities classified as either disadvantaged communities, under federal guidance, or equity investment eligible communities, under the state designation, growing to 60%. These efforts will drive new capital investment in Illinois' Equity Investment Eligible Communities and create wealth-building opportunities for Equity Eligible Contractors.

An initial examination has determined that 1,452 census tracts in Illinois are either classified as an Equity Investment Eligible Community by The State of Illinois or as a Disadvantaged Community by the White House CEQ' Climate and Environmental Justice Screening Tool (CEJST). There are 860 census tracts that overlap, meaning they are both Equity Investment Eligible Communities per Illinois and Disadvantaged Communities per CEJST. There are 201 census tracts that have been designated by CEJST but are not Equity Investment Eligible Communities. There are 391 census tracts that are Equity Investment Eligible Communities and not Disadvantaged Communities per CEJST.

Community Benefits

Mitigating climate impacts holds a range of direct and indirect benefits for low-income and disadvantaged communities, providing transformative benefits across different aspects of life. Direct benefits are evident through increased resilience to climate change, achieved by implementing measures that reduce greenhouse gas (GHG) emissions and enhance climate adaptation. Strategies like heat island mitigation cut GHG emissions by curbing energy demand and alleviating health impacts related to extreme heat. Such initiatives also contribute to improved public health by reducing co-pollutants such as nitrogen oxides, ozone, particulate matter, and hazardous air pollutants, resulting in a decline in new asthma cases, hospital admissions, and emergency department visits.

The impact extends to economic empowerment with the creation of high-quality jobs and new workforce training opportunities within these communities, emphasizing accessibility for individuals facing barriers to employment. Residents will benefit from improved access to services and amenities, decreased energy costs, and enhanced energy resilience. The mitigation efforts also address noise pollution, introduce new green spaces, and beautify communities, fostering a healthier and more pleasant living environment.

Additionally, the initiatives contribute to increased access to transportation alternatives, enhancing mobility options for residents. Housing quality, comfort, and safety are also improved, creating a positive ripple effect on overall community well-being. The comprehensive benefits are not predetermined but are identified through ongoing consultation with residents of low-income and disadvantaged communities, ensuring that the mitigation strategies align with the specific needs and aspirations of these communities. Ultimately, the multifaceted advantages of climate impact mitigation extend beyond environmental concerns, actively shaping more resilient, healthy, and vibrant communities.

Community Engagement

As part of the implementation of the CPRG initiatives, the IEPA, alongside other state partners, will involve stakeholders and community-based organizations in an initial planning phase. This phase, beginninging Q4 2024, will gather crucial input on the design of program elements, ensuring community representation and accessibility. The planning process will prioritize the following program elements:

Meaningful Benefits Plan:

Gather information on real-world costs of gap-filling.

Identify communities most in need and implementation-ready.

Identify community resilience benefits as part of the implementation.

Financial Assistance:

Analyze to establish incentive levels for grant and incentive programs.

Develop simplified application requirements/processes.

Finance Offerings:

Ensure equitable lending processes.

Design financial products that promote long-term ownership and wealth-building in low-income and disadvantaged communities.

Outreach Strategy:
Develop the scope of work for Community-Based Outreach partners.
Continue evaluating opportunities and processes for braiding initiatives with other incentives and initiatives.
Design strategies for cross-entity customer referrals.
Equitable Access and Meaningful Involvement:
Continuously improve access opportunities to decision-making processes impacting low-income and disadvantaged communities.
Workforce Training:
Assess the skills needed for incorporation into pre-apprenticeship pipelines and project requirements.
In addition, community engagement specifically focused on low-income and disadvantaged communities is built into several measure initiatives including the clean buildings access portal, the community geothermal planning + pilots, create a freight hub data collection and analysis program emphasizing monitoring and metrics in local communities, and facilitate statewide and interagency coordination around critical freight planning and engagement. This comprehensive approach aims to ensure that the CPRG initiatives are well-designed, inclusive, and responsive to the needs of the communities they intend to serve.

5. JOB QUALITY

Prevailing Wage Requirements. The prevailing wage requirements in Illinois are stipulated in the Illinois Prevailing Wage Act (PWA). The prevailing wage in Illinois is a minimum compensation level by county set by the Illinois Department of Labor (IDOL) for construction activities related to public works. IDOL oversees the implementation and enforcement of the PWA and has multiple resources. The PWA requires that employees engaged in construction activities related to the project be paid the prevailing wage of that location, as determined by the IDOL annually and updated regularly on its website. IEPA may refer potential violations of the PWA to IDOL for further investigation and enforcement.
Diverse Workforce. This PCAP includes measures directly targeted at addressing the challenges and opportunities for creating a diverse clean energy workforce. This analysis is spread throughout the sectors and measures included in the PCAP, and summarized below.
In the area of **clean buildings**, the PCAP emphasizes preparing more contractors for clean buildings work, and ensuring customers can find them. It targets expanding workforce and contractor training and capacity to take on efficiency and electrification projects and connecting customers with qualified contractors, which today is difficult and impedes project uptake. It proposes to **expand the existing Clean Jobs Workforce Network Program** to support additional skills such as ground-source and air-source heat pump installation, heat pump water heater installation, roof replacement and repair, mold and asbestos identification and remediation, electrical upgrades, energy storage installation, and more. It also proposes to **expand the Clean Energy Contractor Incubator Program** to support new contractor and subcontractor businesses in communities not well served by an existing contractor base experienced in these types of projects.
In the area of **clean freight and fleets**, the PCAP outlines the need for the Workforce Training Program for Fleet and Freight Operators, an integral component of Illinois' strategic effort to transition towards a more sustainable, efficient, and electrified fleet industry. The success and longevity of fleets acquired through the Zero Emissions Vehicle Initiative critically depend on operators' ability to use these vehicles

to their fullest potential. This training program will provide comprehensive instruction to fleet operators, dispatchers, and drivers, focusing on optimizing EV use from operational, logistical, and environmental standpoints. The curriculum aims to enhance the skill set of those at the forefront of fleet operations, ensuring that the investment in zero-emission vehicles yields maximum environmental and economic benefits. By integrating the Workforce Training Program closely with the Zero Emissions Vehicle Initiative, Illinois is establishing a holistic approach that marries vehicle acquisition with operator expertise, setting a standard for a cleaner, more sustainable transportation future. This initiative would include:

Fleet Operator Training on driving strategies to maximize battery life, route optimization, vehicle weight, distance, start-stop frequency, speed, logistics, and topography.

Dispatcher Training. Instruction on planning efficient routes and logistics aligned with battery life and charging station availability, essential to minimize downtime and maximize vehicle utility.

Driver Training. Guidance on strategic charging — when and where to charge to ensure operational efficiency and vehicle readiness.

Comprehensive Fleet Training. Workshops and/or training on managed charging, utilizing software and tools for ensuring charging availability, and exploring potential revenue streams from smart charging practices.

Finally, all this builds on Illinois' existing policy measures and programs to address workforce development in the **power sector,** including: the Clean Jobs Workforce Network Program, Climate Works Pre-apprenticeship Program, Energy Transition Navigator Program, Returning Resident Clean Jobs Program, Solar Training Pipeline Program, Multi-cultural Jobs Program, and Craft Apprenticeship Program. These programs are also cited in the LIDAC section of PCAP, because the State has prioritized knitting workforce development initiatives together with benefits to LIDACs.

Illinois Workforce Development Programs. Illinois has been actively pursuing equitable workforce transition towards a clean energy economy for many years. Both the 2017 Future Energy Jobs Act and CEJA place great emphasis on clean energy workforce development and transition and establish a comprehensive framework of workforce development programs with a wrap-around approach currently funded at close to $106 million annually.

6. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE

a. Past Performance

Illinois administers a number of federal programs, including the State Energy Office, US DOE Methane Emissions Reduction Program, USDA Agriculture Conservation Easement Program, USDA Conservation Stewardship Program, US EPA Diesel Emission Reduction Act (DERA) Program, US FHWA Congestion Mitigation and Air Quality Improvement (CMAQ) Program, and in the future Home Energy Rebates Program, the High-Efficiency Electric Home Rebate Act.

Illinois Environmental Protection Agency (IEPA) is the primary implementing agency for programs and requirements under the Illinois Environmental Protection Act. IEPA has a broad Grantmaking Authority and administers a variety of grant programs with state and federal funds. IEPA operates a growing number of relevant programs, including: energy efficiency assessment programs for municipal water systems and public housing; EV and charging infrastructure grant programs under its "Driving a Cleaner Illinois" program, which includes federal Volkswagen Settlement and additional EV rebate and charging programs authorized by CEJA and Rebuild Illinois capital program. IEPA has successfully completed the following federal awards during the past three years: Capitalization Grants for Clean Water State Revolving Funds; Capitalization Grants for Drinking Water State Revolving Funds; Performance Partnership Grant with US EPA; Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act; and the Nonpoint Source Implementation Grant. IEPA recent experience in implementing assistance agreements include: State Energy Program Formula Grant ($2,166,900, CFDA #81.041, AA#EE0010029, contact: Cortney Busse, DOE), National Air Toxics Trends Station (NATTS) ($84,000, CFDA #66.034, AA#XA00E16907, contact: Grace Iftner, EPA), Homeland Security Biowatch Program: Field Operations and Sample Collection Activities for the State of Illinois (BIOWATCH) ($982,707, CFDA #97.092, AA #06OHBIO00022-18-00, contact: Theresa Gallagher, EPA), National PM2.5 Performance Evaluation Program (PM2.5) ($2,357,548, CFDA #66.034, AA #PM96579608, contact: Lisa Holscher, EPA), and Volkswagen Environmental Mitigation Trust ($108,679,676, WV private funding, contact Michael Bochanski, Jr., VW Trustee Wilmington Trust Co.). Project implementation will rely on the expertise and experience of partner agencies in implementing similar or comparative initiatives:

Illinois Climate Bank (ICB). CEJA designated the Illinois Finance Authority (IFA) as the Illinois Climate Bank. The GHG measures in this proposal will use the lending capacity of ICB. ICB is a lead implementing agency under a number of recent IRA and IIJA awards including: US FHWA Charging and Fueling Infrastructure Program, US DOE Grid Resilience Formula Grants (40401d), and US DOE Energy Efficiency Revolving Loan Fund Program.

Illinois Department of Commerce and Economic Opportunity (DCEO) operates workforce development programs on behalf of the state. In addition, DCEO administers the Weatherization Assistance Program for Illinois.

Illinois Power Agency (IPA) operates Solar for All and Illinois Shines programs that provide incentives for distributed generation and community solar projects. IPA develops procurement plans and manages Illinois electricity and Renewable Energy Credits (REC) procurement, develops Long-Term Renewable Resources Procurement Plans and operates electricity hedging and REC procurement markets.

Illinois Department of Agriculture (IDOA)'s "Fall Covers for Spring Savings" program provides incentives for cover crop integration, no-till farming practices, and sustainable agriculture enhancement. IDOA also implements programs under the authority of the Illinois Forestry Development Act.

b. Reporting Requirements

IEPA has an extensive history in providing timely and accurate final technical reports as well as submitting required monitoring reports to document achievement of outputs and outcomes associated with assistance agreements from USEPA.

ICB has a good track record of timely and accurate reporting on recently awarded IRA and IIJA funding opportunities including US DOE's Grid Resilience Formula Grants (40401d), Energy Efficiency Revolving Loan Fund Program and Regional Clean Hydrogen Hubs Program. ICB is also implementing and timely and diligently reporting on its US FHWA Charging and Fueling Infrastructure Program grant.

DCEO has an extensive history of implementing the federal Weatherization Assistance Program. In FY 2023, DCEO also implemented a number of federal grants and programs, including US Treasury's ARPA

SLFRF, CPF Broadband, Emergency Rental Assistance and SSBCI programs; and the Small Business Administration's Development Centers and State Trade Export Programs; among others.

c. Staff Expertise

The proposed GHG reduction measures will be implemented by the Project Management Team listed below, which combines tremendous expertise and experience in implementing similar initiatives. Resumes for all staff listed below, and for J.C. Kibbey, Climate Advisor and primary contact for this application, have been submitted with this application:

Illinois Environmental Protection Agency (IEPA):

Megha Lakhchaura, State Electric Vehicle Officer, leads Illinois' effort to put one million EVs on the road by 2030, and has vital experience in the clean energy industry.

Darwin J. Burkhart, Manager, Grant & Rebate Programs, Bureau of Air has managed nearly 40 federal grants and resulting projects totaling more than $80 million.

Rory A. Davis, P.E., Manager, Regulatory Development Unit, Bureau of Air, is a licensed engineer with over 18 years experience in all facets of air pollution control regulation.

Illinois Finance Authority/Illinois Climate Bank (ICB):

Executive Director **Chris Meister** has overseen over 390 individual transactions, mainly federally tax-exempt conduit bonds involving privately-owned capital projects and publicly-owned infrastructure, with an estimated value of over $13.7 billion.

Illinois Department of Commerce and Economics Opportunity (DCEO):

Deputy Director **Hilary Scott-Ogunrinde** of the Energy and Utility Division has extensive experience in economic development, including private sector experience in clean energy, construction, and manufacturing.

Federal Policy Manager **Chad Phillips** has significant experience working with federal agencies and entities and in community relations.

Illinois Department of Agriculture (IDA):

Brian Rennecker, Bureau Chief of the Department's Land and Water Resources Division, has decades of experience administering successful agricultural conservation programs.

Elliot Lagacy, Agricultural Land and Water Resource Supervisor, is experienced in working with communities to manage soil and water resource protection programs.

Illinois Power Agency (IPA):

Brian Granahan, Acting Director, and **Anthony Star,** Senior Advisor and Planning and Procurement Bureau Chief, have extensive expertise in overseeing and managing energy modeling and planning. Anthony most recently managed development of the offshore wind, DC transmission line and energy storage Policy Study for Illinois General Assembly involving modeling of economic impacts, grid resilience, and emissions reductions.

7. BUDGET

a. Budget Detail

The budget for Illinois' proposal is summarized below, and additional information is included in Appendix B: Budget Narrative and the budget spreadsheet attached to this application.

Table 7. Budget Summary

Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Total Personnel	$ 2,699,250	$ 2,844,780	$ 2,994,272	$ 3,144,643	$ 3,312,127	$ 14,995,072
Total Fringe Benefits	$ 674,813	$ 711,195	$ 748,568	$ 786,161	$ 828,032	$ 3,748,768
Total Travel	$ 56,062	$ 56,062	$ 56,062	$ 56,062	$ 56,062	$ 280,308
Total Equipment	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 100,000
Total Supplies	$ -	$ -	$ -	$ -	$ -	$ -
Total Contractual	$ 15,710,000	$ 11,615,000	$ 10,300,000	$ 9,325,000	$ 7,600,000	$ 54,550,000
Total Other	$ 61,174,000	$ 70,624,000	$ 77,719,000	$ 77,102,950	$ 64,853,558	$ 351,473,618
Total Direct	$ 80,334,124	$ 85,871,037	$ 91,837,901	$ 90,434,815	$ 76,669,888	$ 425,147,765
Total Indirect	$ 1,193,064	$ 960,190	$ 957,634	$ 981,379	$ 1,011,345	$ 5,103,612
Total	**$ 81,527,188**	**$ 86,831,226**	**$ 92,795,535**	**$ 91,416,195**	**$ 77,681,233**	**$ 430,251,378**

The bulk of Illinois' proposal costs will be for contractual work and direct incentives to building, fleet, and business owners to fill gaps in funding for projects that reduce GHG emissions. Personnel costs are for staff at State agencies to oversee and manage the various tasks, with associated fringe and indirect costs. Travel costs have been kept to the minimum necessary to ensure strong project oversight and community outreach and none of the measures require equipment or supply costs.

b. Expenditure of Awarded Funds

Table 8. Program cost for each measure and task

Initiative	Cost	Budget Appendix Reference
GHG Measure 1. Accelerating Clean & Efficient Building Adoption		
Task 1.1 Clean Building Catalyst Fund	$81,360,282	Pg. 1-2
Task 1.2 Clean Building Navigator Consumer Outreach Program	$ 32,928,815	Pg. 2
Task 1.3 Clean Buildings Access Portal	$ 2,527,560	Pg. 2-3
Task 1.4 Clean Buildings Contractor Training	$ 15,905,120	Pg. 3
Task 1.5 Large Building Outreach & Clean Buildings Concierge	$ 2,672,777	Pg. 3

Task 1.6 Community Geothermal Planning + Pilots	$ 17,600,874	Pg. 3
Task 1.7 Stretch Building Code Adoption	$ 19,123,826	Pg. 3-4
GHG Measure 2. Deploying Clean Transportation & Freight		
Task 2.1 Heavy Duty Vehicle Charging	$ 44,325,099	Pg. 4
Task 2.1 Trackside Power	$ 15,920,747	Pg. 4-5
Task 2.3 Zero-Emissions On-Road and Off-Road Vehicles	$ 32,401,116	Pg. 5
Task 2.4 Clean Fleet and Freight Concierge	$ 4,339,315	Pg. 5-6
Task 2.5 Freight Hub Data	$ 3,129,871	Pg. 6
Task 2.6 Fleet/Freight Operation & Heavy-Duty Charging Workforce Training	$ 4,645,331	Pg. 6-7
Task 2.7 Critical Freight Planning	$ 10,650,949	Pg. 7
GHG Measure 3. Kick-starting Industry Decarbonization		
Task 3.1 Clean Industry Concierge	$ 2,644,955	Pg. 7-8
Task 3.2 Fluorinated Gas Reduction Program	$ 22,220,747	Pg. 8
GHG Measure 4. Expanding Climate-Smart Agriculture		
Task 4.1 Low-Till, No-Till, and Cover Crop Practices	$ 73,386,721	Pg. 8
Task 4.2 Biomethane Emissions	$ 26,242,570	Pg. 8-9
Task 4.3 Clean Landscaping and Small Engine Equipment	$ 12,092,659	Pg. 9
GHG Measure 5. Keeping Clean Power Goals on Track		
Task 5.1 Clean Energy Modeling	$ 3,705,181	Pg. 9-10
Task 5.2 Small Utility Clean Energy Planning Support	$ 2,616,250	Pg. 10

c. Reasonableness of Costs

By 2030: When combined, the portfolio of Illinois initiatives achieves 8,468,463 MT CO2e from 2025-2030, at a total cost of $430,251,378. This represents a cost of $50.72/ton CO2e from the measures in the proposed program. The $50.72/ton CO2e cost is 73% less than the social cost of carbon as calculated by the US EPA. Each measure was found to be reasonable and cost-beneficial even if the cost per ton exceeded the social cost of carbon, as the benefits included non-carbon benefits such as co-pollutant reductions, energy burden reduction, resiliency, and demonstrating replicable and innovative models. Specifically:

GHG Measure 1 Accelerating Clean & Efficient Building Adoption: The portfolio for the buildings measure as a whole achieves a competitive cost per ton of $46.14. Some individual program tasks resulted in a higher per ton cost, largely as a result of the need to achieve additional LIDAC benefits such as energy burden reduction and resiliency, and for the purpose of them being replicable and innovative models that can be demonstrated and shared across jurisdictions.

GHG Measure 2. Deploying Clean Transportation & Freight: While the cost per ton of CO2e for the transportation portfolio is higher, that is a result of the initiatives focusing on reducing co-pollutants in LIDAC communities.

By 2050: When projected out to 2050, the portfolio of Illinois initiatives achieves 57,406,778 MT CO2e from 2025-2050. At the same total cost of $430,251,378, this represents a cost of $7.50/ton CO2e from the measures in the proposed program. The $7.50/ton CO2e cost is 96% less than the social cost of carbon as calculated by the US EPA.

APPENDIX B
BUDGET NARRATIVE

Appendix B: Budget Narrative

This appendix provides a detailed justification for each cost element within the attached Budget Spreadsheets. The Budget Spreadsheets include tabs for each measure and for each task.

- Budget narrative applicable to all tasks and measures

Personnel and Indirect Costs: Personnel costs across all measures and initiatives are derived from standard compensation rates, factoring in a projected 6% annual increase. Staffing for each initiative is optimized, and does not necessarily assign personnel as full-time. The following table details the standard compensation rates and indirect cost calculations for each state agency.

- **Table B.1. Personnel and Indirect Costs by Agency**

	IEPA	IFA/ICB	DCEO	IDOA
Project Manager	$120,000	$120,000	$120,000	$120,000
Project Manager-SME		$145,000		
Project Staff	$75,000	$75,000	$80,000	$75,000
Indirect Costs	37.04% of personnel + fringe for Air Division. 30.62% of personnel + fringe for SEO.	De minimus 10% of direct costs.	De minimus 10% of direct costs.	42.62% of salaries only.

Fringe Benefits: All measures and tasks project fringe benefits to constitute 25% of personnel expenses, encompassing health insurance, retirement plans, paid leave, and various other insurances and benefits.

Equipment: The only measure that requires equipment is the Keeping Clean Power Goals on Track measure, for the anticipated need to buy systems and software for modeling.

Supplies: No measures require supplies.

Travel, Contractual, and Other costs: Discussion of travel, contractual, and other costs are included below only for measures and tasks that require them.

Total amount of funds subawarded to each state agency: While the individual personnel, fringe, contractual, and indirect costs per agency are provided in the attached budget calculations, the following table summarize the total subawards provided per measure for each responsible state agency:

- **Table B.2. Program Subawards for each measure and task**

Initiative	Agency for Subaward	Subaward Amount
GHG Measure 1. Accelerating Clean & Efficient Building Adoption		
Task 1.1 Clean Building Catalyst Fund	Illinois Climate Bank	$465,060.17
Task 1.2 Clean Building Navigator Consumer Outreach Program	IL DCEO	$33,928,814.79
Task 1.3 Clean Buildings Access Portal	IL DCEO	$3,515,060.17
Task 1.4 Clean Buildings Contractor Training	IL DCEO	$15,905,120.34
Task 1.5 Large Building Outreach & Clean Buildings Concierge	IL DCEO	$2,685,276.67
Task 1.6 Community Geothermal Planning + Pilots	Illinois Climate Bank	$17,500,873.54
Task 1.7 Stretch Building Code Adoption	Illinois Climate Bank	$18,951,405.34
GHG Measure 2. Deploying Clean Transportation & Freight		
Task 2.1 Heavy Duty Vehicle Charging	Illinois Climate Bank	$1,265,060.17
Task 2.1 Trackside Power	-	-
Task 2.3 Zero-Emissions On-Road and Off-Road Vehicles	Illinois Climate Bank	$6,832,530.08
Task 2.4 Clean Fleet and Freight Concierge	-	-
Task 2.5 Freight Hub Data	-	-
Task 2.6 Fleet/Freight Operation & Heavy-Duty Charging Workforce Training	IL DCEO	$4,670,331.30
Task 2.7 Critical Freight Planning	-	-
GHG Measure 3. Kick-starting Industry Decarbonization		
Task 3.1 Clean Industry Concierge	-	-
Task 3.2 Fluorinated Gas Reduction Program	-	-
GHG Measure 4. Expanding Climate-Smart Agriculture		
Task 4.1 Low-Till, No-Till, and Cover Crop Practices	IL DOA	$71,686,720.71
Task 4.2 Biomethane Emissions	-	-
Task 4.3 Clean Landscaping and Small Engine Equipment	-	-
GHG Measure 5. Keeping Clean Power Goals on Track		
Task 5.1 Clean Energy Modeling	IPA	$3,517,680.51

Task 5.2 Small Utility Clean Energy Planning Support	Illinois Climate Bank	$2,583,881.00

- GHG Measure 1. Accelerating Clean & Efficient Building Adoption

Task 1.1 Clean Building Gap Closing and Incentive Stacking Catalyst Fund						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$16,285,060	$16,302,344	$16,320,664	$16,347,584	$16,368,169	**$81,623,821**

Approach: This initiative expands residential grant program offerings, which currently include funding for energy efficiency, electrification, enabling upgrades, and energy storage rebates, to include two additional program categories.

Other:

- **Whole-Building Electrification Incentives** of up to $12,000 (average $7,500) to fund gaps remaining after state and federal incentives for 10,312 low income home decarbonization projects.
- **Low-cost Equitable Bridge Loans** for residential and small commercial decarbonization projects, offered at the point of sale of contractor and outreach engagement with households, to cover financial gaps with rebates and other grants.

Task 1.2 Clean Building Navigator Program for Consumer Outreach Project Support						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$6,886,707	$6,909,807	$6,684,293	$6,710,248	$6,737,760	$33,928,815

Approach: This initiative builds the pipeline for electrification projects by engaging community based organizations (CBOs) to educate residents and refer them to incentives and by educating the real estate industry in the value of efficiency, solar, and electrification. The program will build trust in the contractor ecosystem by vetting contractors, ensuring consistent standards for installations and technical assistance, and providing quality assurance and control services. The program will ease customer acquisition by assisting with income qualification.

Other:

- **Statewide Community Input Facilitator Contract**: A $200,000 contract for professional services to facilitate community input sessions in 13 communities to ensure community benefits from clean buildings programs are shared equitably.
- **Contract for Materials, Consistent Standards, and QA/QC:** A $3,000,000 contract over 5 years for professional services to develop materials and assessment, installation, and technical assistance standards for electrification contractors, and ensure contractors are providing a high quality electrification experience for residential and small business customers.
- **Contract for Program Infrastructure and Building Owner Technical Assistance**: A $3,000,000 contract for each of the program's 5 years to demonstrate contractor qualifications, income qualify customers, provide home assessments where not provided by other programs, facilitate coordination between building owners and electrification and solar contractors, and provide other services necessary to facilitate comprehensive whole home electrification retrofits.
- **Participation Stipends**: Up to $15,000 stipends for up to 8 CBOs in each of 13 communities.

- **CBO Grassroots Educators Grants**: $975,000 per year for grants to CBOs in 13 communities for grassroots education on residential and small business electrification. Cost and scope based on similar work by the existing Illinois Solar for All program, to be coordinated with this effort.
- **Travel:** This initiative includes travel and related expenses for about three workshops per year and multiple in person meetings and trainings.

• Task 1.3 Clean Buildings Access Portal						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$1,582,500	$887,450	$342,697	$348,259	$354,154	$3,515,060

Approach: This initiative will develop and launch a shared online portal to help contractors administer multiple agency incentives quickly, easily, and with a minimum of paperwork for the customer.
Other:

- **Contract to Develop Portal**: A $3,050,000 agreement over the 5-year program period to develop and maintain a contractor portal.

• Task 1.4 Clean Buildings Contractor Training						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$3,160,000	$3,169,900	$3,180,394	$3,191,518	$3,203,309	$15,905,120

Approach: This initiative expands the Clean Jobs Workforce Network and Clean Energy Contractor Incubator Programs in specific communities to include electrification and new service areas.
Other:

- **Clean Jobs Workforce Network Program Grants:** $3,900,000 over 5 years for grants to expand the Clean Jobs Workforce Network Program's training programs to include electrification for 2 contractors per year in each of 13 communities. Cost based on comparable previous work.
- **Clean Energy Contractor Incubator Program Grants:** $11,050,000 over 5 years for grants to expand the Clean Energy Contractor Incubator and Primes Accelerator Programs to serve 2 electrification contractors per year in each of 13 communities. Cost based on comparable previous work.

• Task 1.5 Large Building Owner Outreach and Clean Buildings Concierge						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$526,543	$531,493	$536,740	$542,302	$548,198	$2,685,277

Approach: This initiative will provide specialized technical assistance to mid-sized commercial buildings in areas not served by existing utility programs.
Contractual:

- **Contract for Building Concierge Services**: A $440,000 per year agreement to provide planning assistance for building owners, contractor support, and stakeholder engagement.
- **Travel:** Includes travel and related expenses for one workshop per year and several in-person meetings.

• Task 1.6 Community Geothermal Planning and Pilots						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$3,016,449	$5,682,330	$5,499,164	$2,967,008	$335,923	$17,500,874

Approach: ICB will conduct a competitive solicitation for Community Geothermal projects to receive grant funding, and will create and develop a loan program offering.
Travel: Includes travel and related expenses for one workshop per year and multiple in-person meetings.
Other:

- **Contract for Program Development**: A $1,000,000 agreement with a consultant over the 5-year program period for community geothermal program design, RFP development, project selection, and project management.
- **Grant Program:** $15,000,000 over 4 years for competitive grants to community geothermal pilot projects. Grants support community system cost, enabling 1,100 households to decarbonize.

• Task 1.7 Accelerate Stretch Code Adoption by Local Governments						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$3,769,257	$3,779,157	$3,789,651	$3,800,775	$3,812,566	$18,951,405

Approach: ICB will make available grants to local governments through an open process to facilitate the learning and internal education efforts needed to encourage stretch code adoption.
Travel: Includes travel and related expenses for two workshops per year and several in-person meetings.
Other:

- **Community Grants**: $18,000,000 over the 5-year program period in grants to about 18 communities/year to fund staff time to understand the Illinois stretch code, engage their community, and advise decision makers in advance of potential adoption.
- GHG Measure 2. Deploying Clean Transportation & Freight

• Task 2.1 Create a Heavy Duty Vehicle Charging Infrastructure Program for Small and Medium Fleet Operators						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$4,621,655	$10,296,647	$10,323,139	$10,262,362	$8,741,296	$44,245,099

Approach: This initiative establishes a grant and low-cost loan program aimed at facilitating the deployment of charging infrastructure for heavy-duty vehicles, prioritizing the location and economic requirements of small and medium-sized fleet operators.
Travel: Includes travel and related expenses for about three workshops and multiple in-person meetings.
Contractual:

- **EV Charging Grant Contract**: A $1,100,000 agreement with a consultant over 5 years to structure and support the IL EPA in implementing the EV charging grant program. Cost based on comparable previous work.

Other:

- **Shared EV Charging Grants.** Direct grant incentives will support establishing on-site or shared EV charging for small and medium fleets. The State has conducted a gaps analysis, identifying an expected needed average subsidy of $60,000 per charger. The program will allocate $30,000,000 over 5 years resulting in approximately 500 heavy duty chargers being deployed.
- **Loan Program Contract:** An $800,000 contract for professional services over 5 years to support loan program development, including the creation of loan contracts and documents, loan design, and establishing loan origination and servicing structures.
- **Low-Cost Loans.** A low-cost loan program, featuring bridge loans, targeting small to medium fleet operators and installers unable to use federal tax credits. The State's gap analysis identified an expected average loan interest of $14,064.59. This program, with a $10,000,000 fund over 5 years, will speed the addition of 770 heavy-duty chargers in priority communities.

• Task 2.2 Support Deployment of Trackside Power to Reduce Diesel Engine Idling						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$ 83,509	$ 88,519	$ 7,093,830	$ 8,399,460	$ 255,428	$ 15,5920,747

Approach: This initiative launches a competitive grant program to install trackside and traction power systems (such as substations, switching stations, and electrical feeds) at high-traffic train hubs, targeting areas with significant GHG emissions and substantial community impacts.

Contractual:

- **Competitive Grant Program Contract:** A $950,000 contract with a consultant over 3-years to develop the competitive grant RFP, perform technical review of competitive applications, and provide ongoing support to grant recipients. Cost is based on comparable previous work.

Other:

- **Competitive Grants:** This competitive grant program, with two solicitations and a $14.5 million budget, anticipates funding 5-7 projects with application values between $1-$3M. Selection will prioritize GHG reductions, contract value, and community benefits.

• Task 2.3 Support Zero-Emissions On-Road and Off-Road Vehicle Deployment for Small and Medium Fleet Operators						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$6,815,405	$6,577,922	$6,326,790	$6,352,090	$6,328,909	$32,401,116

Approach: This initiative provides rebates for medium and heavy-duty vehicles and forklifts, and low-cost loans for heavy-duty vehicles, targeting small/medium fleet operators unable to use tax credits.

Travel: Includes travel and related expenses for about three workshops and multiple in-person meetings.

Contractual:

- **Vehicle Rebate Contract:** A $1,100,000 agreement with a consultant over the 5-year program period to structure and support the IL EPA in implementing the vehicle rebate programs. Cost is based on comparable previous work.

Other:

- **Medium Duty Vehicle Rebates.** Rebates to quickly replace diesel with medium duty electric vehicles. The State's cost analysis identified an average expected rebate of $50,000. The program will allocate $10,000,000 over 5 years, replacing approximately 200 diesel vehicles with electric.
- **Heavy Duty Vehicle Rebates.** Rebates to quickly replace diesel with heavy duty electric vehicles. The State's cost analysis identified an average expected rebate of $100,000 . The program will allocate $10,000,000 over 5 years, replacing 100 diesel vehicles with electric.
- **Off-Road (Forklift) Vehicle Rebates.** Rebates to quickly deploy electric forklifts. The State's cost analysis identified an expected rebate of $2,790. The program will allocate $2,500,000 over 5 years, replacing 896 combustion forklifts with electric.
- **Low-Cost Loans for Heavy Duty Vehicles.** The low-cost loan program targets small to medium fleet operators that may be unable to use federal tax credits. The State's gap analysis identified an average loan interest amount of $25,532.65. This program, with a $6,000,000 fund over 5 years, aims to replace 175 diesel vehicles with electric.
- **Loan Program Contract**: An $600,000 contract for professional services over the 5-year program period to support loan program development, including the creation of loan contracts and documents, loan design, and establishing loan origination and servicing structures. This contract will leverage already established processes at ICB for loan administration.

• Task 2.4 Create a Clean Fleet and Freight Concierge						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$1,373,130	$780,068	$787,422	$695,217	$703,480	$4,339,315

Approach: This initiative focuses on enhancing coordination and support for freight companies, especially those that don't have the internal resources to access programs and incentives.
Travel: Includes travel and related expenses for about three workshops, two conferences, and multiple in-person meetings.
Contractual:

- **Contractor Tools and Contractor Outreach**: A $650,000 agreement with one or more service providers to create tools to aid contractors, and engage with those contracts in the heavy freight and fleet sector. Cost is based on comparable previous work.
- **Clean Freight Third Party Implementer(s)**: A $3,000,000 contract, split between northern and southern Illinois implementers, will engage with fleet and freight operators on clean freight initiatives. These implementers will also contribute to workforce training and planning efforts.

• Task 2.5 Create a Freight Hub Data Collections and Analysis Program Emphasizing Monitoring and Metrics in Local Communities						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$497,953	$1,956,730	$220,734	$224,978	$229,476	$3,129,871

Approach: This initiative aims to implement comprehensive air pollution monitoring at key distributed freight hubs and in homes located in close proximity to monitor, track, and subsequently enhance local health outcomes and air quality associated with the clean freight transition.

Contractual:

- **CBOs**: $750,000 to contract with several CBOs to engage and educate communities on the indoor air quality monitors. These CBOs will assist with deploying indoor air quality monitors and continued education across a 5-year period.
- **Air Quality Monitoring Station Installation**:$100,000 to install state of the art air quality monitoring stations at various freight hubs over a two year period.
- **GHG Data Monitoring:** $125,000 agreement with a consultant or research institution to develop a publicly available data analysis and monitoring tool. This tool will assess the impact of emissions reductions initiatives utilizing data from the monitoring stations.

Other:

- **Deploy Indoor Air Quality Monitors**: Distribute 2,000 indoor air quality monitors, each costing an average of $150, via CBOs to EJ and disadvantaged communities within a two-year timeframe.
- **Deploy State of the Art Air Quality Monitoring Stations**: Collaborate with the planning initiative and the clean freight concierge to deploy at least 6 state of the art air quality monitoring stations at high traffic freight hubs. The program will allocate $1,500,000 to this initiative.

• Task 2.6 Develop Workforce Training for Fleet and Freight Operators and to Maintain Heavy-Duty Charging Infrastructure						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$1,780,781	$1,332,328	$833,968	$685,706	$37,548	$4,670,331

Approach: This program leverages existing clean jobs workforce programs to 1) develop a specialized workforce for maintaining heavy-duty electric charging infrastructure, enhancing operational reliability and promoting local economic growth and 2) concentrate on training fleet operators, dispatchers, and drivers to optimize EV use from operational, logistical, and environmental perspectives.

Other:

- **Fleet Operator Workforce Training**: A $1,500,000 grant over three years to the workforce training hubs will support training for fleet operators, dispatchers, and drivers on optimized EV use.
- **Heavy Duty Electric Charging Infrastructure Workforce Training:** A four-year, $3,000,000 grant to existing workforce training hubs for vocational training, job creation, and curriculum development to build a specialized workforce for heavy-duty vehicle charging infrastructure maintenance, emphasizing opportunities in disadvantaged and low-income communities.

• Task 2.7 Facilitate Statewide and Interagency Coordination Around Critical Freight Planning and Engagement						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$3,087,628	$2,957,670	$2,028,914	$1,651,434	$925,304	$10,650,949

Approach: This initiative aims to establish a comprehensive planning and engagement framework for critical freight projects across the state and will act as a central architecture that will inform and support the other initiatives within the clean freight area.

Travel: Includes travel and related expenses for about three workshops and multiple in-person meetings.

Contractual:

- **CBO Compensation:** $5,500,000 to compensate CBOs and support disadvantaged and low income communities involved in clean freight planning and projects. This includes compensation for participation, engagement, outreach, and collaborative clean freight project development.
- **Strategic Planning Contract:** A $1,850,000 agreement with a consultant over a four-year period to help the state craft and implement a clean freight strategic plan.
- **Overcoming Barriers Contract**: A three-year, $1,400,000 agreement with a consultant to organize working groups, forums, and workstreams addressing challenges like interconnection, land use, and building codes with various stakeholders.
- GHG Measure 3. Kick-starting Industry Decarbonization

• Task 3.1 Create a Clean Industry Concierge						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$370,365	$427,303	$634,657	$892,452	$350,715	$2,675,490

Approach: The Clean Industry Concierge initiative will help Illinois industrial facilities to navigate, coordinate and access funding opportunities, get support in designing and implementing decarbonization measures, and provide strong guidance on industry best practices in efficient and cost-effective low-carbon technologies and processes with a focus on small- and medium-sized industrial facilities and operators that often fall through the cracks.

Travel: Includes travel and related expenses for about three workshops, and multiple in-person meetings.

Contractual:

- **Clean Industry Third Party Implementer**: A $2,000,000 contract with a consultant to act as the Clean Concierge, will engage with contractors, industrial facilities and industrial operators, supporting them in designing and implementing decarbonization measures. This implementer will also contribute to workforce training and planning efforts.

• Task 3.2 Fluorinated Gas Reduction Program						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$4,733,509	$4,488,519	$4,493,830	$4,249,460	$4,255,428	$22,220,747

Approach: This competitive grant initiative will fund projects that facilitate adoption of lower carbon alternatives and reduce emissions from leaks, servicing and disposal of equipment utilizing fluorinated gases. The program will focus on the food sector and commercial refrigeration.

Contractual:

- **Competitive Grant Contract**: A $2,250,000 agreement with a consultant over a 5 year period to structure and support the IL EPA in creating and implementing the competitive grant program.

Responsibilities include outreach and education, material and resource development, technical grant application development, technical application review, establishing technical grant agreements, and assisting the grantees with the implementation of their projects. Cost is based on comparable previous work.

Other:

- **Competitive Grant Program:** This competitive grant program, allocated $19,500,000 over 5 years, expects to fund up to 390 projects. Cost analysis indicates an expected average project award of $50,000. Priority will be given to projects that demonstrate replicability and scalability, and projects that demonstrate significant reduction in use of fluorinated gases.
- GHG Measure 4. Expanding Climate-Smart Agriculture

• Task 4.1 Expanding Deployment and Improving Efficiency of Low-Till, No-Till, and Cover Crop Practices						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$13,816,880	$14,133,474	$14,408,564	$14,453,660	$14,874,142	$71,686,721

Approach: This initiative significantly expands the acreage under the current Illinois Cover Crop Program and creates pathways for various lands to participate in no-till practices.

Other:

- **Outreach and Education Contracts**: $2,250,000 for three contracts (Northern, Central, and Southern IL) with trusted partners to conduct outreach and education over the 5-year period.
- **Carbon Credit Facilitation Contract:** A $350,000, 18-month portion of a contract with a consultant to create tools and resources helping farmers capitalize on carbon credits.
- **Expand the Illinois Cover Crop Program.** Address the current program's demand gap by enrolling up to 230,702 additional acres over five years, at $55 per acre.
- **No-Till Program.** Following a gap analysis, the state will offer $35 per acre to include up to an additional 324,000 acres into a no-till program.
- **Travel:** Includes travel and related expenses for about two workshops and multiple in-person meetings.

• Task 4.2 Biomethane Emissions Reduction, Capture, and Utilization in High-Value End Uses						
Year	**1**	**2**	**3**	**4**	**5**	**Total**
Federal Funds	$4,088,655	$3,658,697	$5,884,271	$6,298,129	$6,312,818	$26,242,570

Approach: This competitive grant initiative prioritizes the development of localized, distributed biomethane utilization systems, aiming to significantly reduce local greenhouse gas emissions and develop regional supply chains specifically for its deployment in high-value end uses.

Travel: Includes travel and related expenses for about three workshops and multiple in-person meetings.

Contractual:

- **Outreach and Education Contracts**: $2,250,000 allocated for three contracts (Northern, Central, and Southern IL) with trusted partners to conduct outreach, education, and facilitate supply chains over the 5-year period.
- **Carbon Credit Facilitation Contract**: A $350,000, 18-month portion of a contract with a consultant to create tools and resources helping farmers capitalize on carbon credits.
- **Competitive Grant Contract**: A $1,300,000 agreement with a consultant over the 5-year program period to structure and support the IL EPA in creationing and implementing the biomethane competitive grant program. Cost is based on comparable previous work.

Other:

- **Competitive Grant Program.** This $20,660,000 competitive grant program anticipates funding up to 28 projects over the 5-year period. Selection will prioritize GHG reductions, contract value, community benefits, and innovative supply chain solutions.

- Task 4.3 Accelerating Clean Landscaping and Small Engine Equipment

Year	1	2	3	4	5	Total
Federal Funds	$2,411,984	$2,415,067	$2,418,336	$2,421,800	$2,425,472	$12,092,659

Approach: This rebate program which promotes sustainable professional landscaping through adoption of all-electric equipment fills a gap in tax incentives which are currently only available for very large, commercial scale landscaping equipment.

Contractual:

- **Utility Rebate Contract:**A $1,000,000 contract with utilities to include this equipment in their in-store rebate programs and integrate it into their existing rebate management system.

Other:

- **Clean Landscaping Rebate.** A five-year, $10,000,000 rebate program for small commercial landscapers who recycle and replace gas-powered lawn mowers and tools with electric. The program will incentivize recycling and replacement of more than 45,000 pieces of commercial landscaping equipment.
- GHG Measure 5. Keeping Clean Power Goals on Track

- Task 5.1 Statewide Clean Energy Modeling

Year	1	2	3	4	5	Total
Federal Funds	$2,272,000	$286,850	$302,591	$319,276	$336,963	$3,517,681

Approach: IEPA will work with IPA to conduct a modeling exercise, the outcome of which will be incorporated into the IPA's existing biennial Long-Term Renewable Resources Procurement Plans.

Other:

- **Contract for Clean Energy Modeling**: $2,000,000 for a consultant to conduct a statewide clean energy modeling exercise to develop alternative paths to address resource capacity constraints.
- **Software and Data:** $20,000 per year for the 5-year program period for software licenses and data acquisition costs.

- Task 5.2 Public Utility Clean Energy Planning and Support

Year	1	2	3	4	5	Total
Federal Funds	$596,250	$498,881	$496,250	$496,250	$496,250	$2,583,881

Approach: ICB will develop a technical assistance resource and make strategic planning grants to help municipal and co-op utilities assess needs and identify ways to replace fossil fuels with renewable energy.

Other:

- **Contract for Technical Expertise**: $350,000 over 5 years to develop a technical reference and provide ongoing support to utilities.
- **Grants to Municipal and Co-op Utilities**: Two annual grants of $200,000 each to help municipal and co-op utilities secure power system and generation plans and renewable energy purchase agreements.

ATTACHMENT D

MILESTONES AND DELIVERABLES

The anticipated milestones are itemized below and subject to change during the Term of the Agreement.

IFA must notify Illinois EPA by email at epa.energy@illinois.gov when any events occur that have a significant impact upon program activities and milestones below as soon as the event becomes known.

Task 1.1 Clean Building Catalyst Fund	Key Milestone(s)
IEPA Enter into Intergovernmental agreement with Illinois Climate Bank	Complete 2025, H1
Equitable Financing Bridge Loans plan	Launch 2025, H2
Launch Whole-Building Electrification Incentive and Bridget Loans	Complete 2026, H1
Annual Review	Complete 2027, H1 + annually

Task 1.6 Community Geothermal Planning + Pilots	Key Milestone(s)
IEPA Enter into Intergovernmental agreement with Illinois Climate Bank	Complete 2025, H1
Conduct Stakeholder Outreach Engagement	Launch 2025, H1
Community Geothermal Planning + PILOTs	Complete 2025, H2
Launch Community Geothermal Planning + PILOTs grant program	Launch 2026, H1
Community Geothermal Loans	Launch 2026, H1
Annual Review	Complete 2027, H1 + annually

Task 1.7 Stretch Building Code Adoption	Key Milestone(s)
IEPA Enter into Intergovernmental agreement with Illinois Climate Bank	Complete 2025, H1
Stretch Code Adoption grants plan	Complete 2025, H2
Launch Stretch Code Adoption grants	Launch 2025, H2
Coordination Support	Launch 2026, H1
Annual Review	Complete 2027, H1 + annually

Task 2.1 Heavy Duty Vehicle Charging	Key Milestone(s)
IEPA Enter into Intergovernmental agreement with Illinois Climate Bank	Complete 2025, H1
Fleet Charging Loan Plans	Complete 2025, H2
Launch Fleet Charging Loans	Launch 2026, H1
Fleet and Freight Outreach	Launch 2026, H1
Annual Review	Complete 2027, H1 + annually

Task 2.3 Zero- Emissions On-Road and Off-Road Vehicles	Key Milestone(s)
IEPA Enter into Intergovernmental agreement with Illinois Climate Bank	Complete 2025, H1
Fleet vehicle loans plan	Complete 2025, H2
Launch Fleet vehicle loans	Launch 2026, H1
Annual Review	Complete 2027, H1 + annually

Task 5.2 Small Utility Clean Energy Planning Support	Key Milestone(s)
IEPA Enter into Intergovernmental agreement with Illinois Climate Bank	Complete 2025, H1
Procure Technical Assistance Consultant	Complete 2025, H2
Develop Strategic Planning Grant plan	Complete 2025, H2
Launch Strategic Planning Grant Program	Launch 2026, H1
Annual Review	Complete 2027, H1 + annually

ATTACHMENT E
BUDGET and SCOPE BREAKDOWN

Task 1.1 Clean Building Catalyst	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Total**
Other-Budget Category	$16,285,060	$16,302,344	$16,320,664	$16,347,584	$16,368,169	**$81,623,821**

Approach: This initiative expands residential grant program offerings, which currently include funding for energy efficiency, electrification, enabling upgrades, and energy storage rebates, to include two additional program categories.

Other:

- **Whole-Building Electrification Incentives** of up to $12,000 (average $7,500) to fund gaps remaining after state and federal incentives for 10,312 low income home decarbonization projects.
- **Low-cost Equitable Bridge Loans** for residential and small commercial decarbonization projects, offered at the point of sale of contractor and outreach engagement with households, to cover financial gaps with rebates and other grants.

Task 1.6 Community Geothermal Planning and Pilots	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Total**
Other-Budget Category	$3,016,449	$5,682,330	$5,499,164	$2,967,008	$335,923	$17,500,874

Approach: ICB will conduct a competitive solicitation for Community Geothermal projects to receive grant funding, and will create and develop a loan program offering.

Travel: Includes travel and related expenses for one workshop per year and multiple in-person meetings.

Other:

- **Contract for Program Development**: A $1,000,000 agreement with a consultant over the 5-year program period for community geothermal program design, RFP development, project selection, and project management.
- **Grant Program:** $15,000,000 over 4 years for competitive grants to community geothermal pilot projects. Grants support community system cost, enabling 1,100 households to decarbonize.

Task 1.7 Accelerate Stretch Code Apoption	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Total**
Other-Budget Category	$3,769,257	$3,779,157	$3,789,651	$3,800,775	$3,812,566	$18,951,405

Approach: ICB will make available grants to local governments through an open process to facilitate the learning and internal education efforts needed to encourage stretch code adoption.
Travel: Includes travel and related expenses for two workshops per year and several in-person meetings.
Other:

- **Community Grants**: $18,000,000 over the 5-year program period in grants to about 18 communities/year to fund staff time to understand the Illinois stretch code, engage their community, and advise decision makers in advance of potential adoption.

Task 2.1 Heavy Duty Vehicle Charging	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Total**
Other-Budget Category	$932,500	$2,737,450	$2,742,697	$2,673,259	$2,179,154	$11,265,060

Approach: This initiative establishes a low-cost loan program aimed at facilitating the deployment of charging infrastructure for heavy-duty vehicles, prioritizing the location and economic requirements of small and medium-sized fleet operators.
Other:

- **Loan Program Contract**: An $800,000 contract for professional services over 5 years to support loan program development, including the creation of loan contracts and documents, loan design, and establishing loan origination and servicing structures.
- **Low-Cost Loans.** A low-cost loan program, featuring bridge loans, targeting small to medium fleet operators and installers unable to use federal tax credits. The State's gap analysis identified an expected average loan interest of $14,064.59. This program, with a $10,000,000 fund over 5 years, will speed the addition of 770 heavy-duty chargers in priority communities.

Task 2.3 Zero-Emissions On-Road and Off-Road Vehicles	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Total**

Other-Budget Category	$1,591,520	$1,493,725	$1,246,349	$1,249,129	$1,252,077	$6,832,560

Approach: This initiative provides low-cost loans for heavy-duty vehicles, targeting small/medium fleet operators unable to use tax credits.

Other:

- **Low-Cost Loans for Heavy Duty Vehicles.** The low-cost loan program targets small to medium fleet operators that may be unable to use federal tax credits. The State's gap analysis identified an average loan interest amount of $25,532.65. This program, with a $6,000,000 fund over 5 years, aims to replace 175 diesel vehicles with electric.
- **Loan Program Contract**: An $600,000 contract for professional services over the 5-year program period to support loan program development, including the creation of loan contracts and documents, loan design, and establishing loan origination and servicing structures. This contract will leverage already established processes at ICB for loan administration.

Task 5.2 Public Utility Clean Energy Planning and Support	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Total**
Other-Budget Category	$596,250	$498,881	$496,250	$496,250	$496,250	$2,583,881

Approach: ICB will develop a technical assistance resource and make strategic planning grants to help municipal and co-op utilities assess needs and identify ways to replace fossil fuels with renewable energy.

Other:

- **Contract for Technical Expertise**: $350,000 over 5 years to develop a technical reference and provide ongoing support to utilities.
- **Grants to Municipal and Co-op Utilities**: Two annual grants of $200,000 each to help municipal and co-op utilities secure power system and generation plans and renewable energy purchase agreements.

ATTACHMENT F
REPORTING REQUIREMENTS

C. Performance Reporting and Final Performance Report

1. Performance Reports - Content

The recipient agrees to inform the EPA as soon as it is aware of problems, delays, or adverse conditions that will materially impair the recipient's ability to meet the outputs/outcomes specified in the final, approved assistance agreement Workplan. The recipient agrees to inform the EPA immediately rather than waiting until the next performance report is due.

The recipient agrees to adequately describe the actual environmental outputs and outcomes achieved, not just the expected outputs and outcomes of the proposed measures. The recipient agrees to report out on each performance measures that will be the mechanism to track, measure, and report progress toward achieving the expected outputs and outcomes for each GHG reduction measure. The recipient agrees to track and report separately on the work conducted and GHG emissions reductions for each measure (program, policy, measure, or project) specified in the final, approved assistance agreement Workplan. Recipients also agree to track and report separately on the budgets for each measure.

In accordance with 2 CFR 200.329, the recipient agrees to submit semi-annual, one-year, and final performance progress reports that include brief information on each of the areas specified below. To ensure the EPA can effectively monitor progress towards the achievement of measures, the recipient also agrees to report progress for each measure identified in the final, approved assistance agreement Workplan as soon as work is completed and information is available.

a. **Semi-Annual:** The recipient agrees to submit semi-annual performance reports that include brief information on each of the following areas:

(1) a comparison of actual technical progress and milestones achieved during the reporting period to the outputs/outcomes and performance measures established in the final, approved assistance agreement Workplan, which may include technical changes made to the project, public events conducted, websites published, release of public-facing documents or tools, or other reportable activities described in the Workplan;

(2) a consolidated budget update with separate tracking for each measure (that is, how much was spent on equipment, supplies, contractors, subgrants, etc., during the reporting period and cumulatively) and, when appropriate, additional pertinent information such as analysis and explanation of cost overruns, high-unit costs, cost-share expenditures, program income, infrastructure costs subject to Buy America, Build America (BABA) compliance, or requested budget modifications (for example, when the recipient is requesting to move funding from one budget category to another);

(3) if necessary, a description of the reasons why any implementation timeline milestones or outputs/outcomes were missed for each measure established in the final, approved assistance agreement Workplan, including the recipient's strategy to address challenges faced and/or the recipient's approach to ensure that the approved outputs/outcomes for each measure will be achieved within the period of performance;

(4) documentation of community engagement activities conducted in low-income and disadvantaged communities for each measure, which describes how the activities were publicized, categorizes respondents/attendees (e.g., the number of people from Tribal governments, federal government, state government, local government, nonprofits, for profits, universities, and the public), explains how input from participants was considered in decisions for implementing the measure, and details how meaningful engagement with low-income and disadvantaged communities will be continuously included in the development and implementation of the measure;

(5) as applicable, strategies for mitigating environmental risks;

(6) a description of any climate resiliency planning, siting, design, and operation of the project.

(7) as applicable, updates to individuals, including those from coalition members, who serve as key contacts and/or any changes to the roles and responsibilities of key contacts involved in each measure and the reason(s) for the change(s);

(8) as applicable, updates regarding which organizations have the authority to implement each measure and the reason(s) for the change(s);

(9) as applicable, updates regarding changes to contracts, subgrants, and participant support costs;

(10) as applicable, progress on generating high-quality jobs with a diverse, highly skilled workforce and support of strong labor standards; and

(11) summary of anticipated activities for the next 6-month reporting period.

b. One-year report: As part of the second semi-annual progress report (*i.e.* the more detailed one-year report), the recipient agrees to report the additional data to the EPA. The reporting template will be made available to grant recipients through an electronic data interface to be specified by EPA upon approval of the Information Collection Request. This includes co-pollutant emissions reductions of each pollutant impacted by each measure, the sector impacted, and the county in which the emissions change. In addition, the recipient agrees to report the Climate and Economic Justice Screening Tool (CEJST) Census tract IDs or the EPA's EJScreen Census block group IDs for areas affected by GHG reduction measures, consistent with the EPA's definition of low-income and disadvantaged communities for the CPRG program.

c. **Final Report:** The recipient also agrees to submit a detailed final report and to report certain data associated with the final report to the EPA. The reporting template will be made available to grant recipients through an electronic data interface to be specified by EPA upon approval of the Information Collection Request.

(1) documentation of community engagement activities conducted in low-income and disadvantaged communities for each measure, which describes how the activities were publicized, categorizes respondents/attendees (e.g., the number of people from Tribal governments, federal government, state government, local government, nonprofits, for profits, universities, and the public), explains how input from participants was considered in decisions for implementing the measure, and details how meaningful engagement with low-income and disadvantaged communities will be continuously included in the development and implementation of the measure;

(2) as applicable, strategies for mitigating environmental risks;

(3) a description of any climate resiliency planning, siting, design, and operation of the project.

(4) as applicable, updates to individuals, including those from coalition members, who serve as key contacts and/or any changes to the roles and responsibilities of key contacts involved in each measure and the reason(s) for the change(s);

(5) as applicable, updates regarding which organizations have the authority to implement each measure and the reason(s) for the change(s);

(6) as applicable, updates regarding changes to contracts, subgrants, and participant support costs;

(7) as applicable, progress on generating high-quality jobs with a diverse, highly skilled workforce and support of strong labor standards; and

(8) summary of anticipated activities for the next 6-month reporting period.

d. **One-year report:** As part of the second semi-annual progress report (*i.e.* the more detailed one-year report), the recipient agrees to report the additional data to the EPA. The reporting template will be made available to grant recipients through an electronic data interface to be specified by EPA upon approval of the Information Collection Request. This includes co-pollutant emissions reductions of each pollutant impacted by each measure, the sector impacted, and the county in which the emissions change. In addition, the recipient agrees to report the Climate and Economic Justice Screening Tool (CEJST) Census tract IDs or the EPA's EJScreen Census block group IDs for areas affected by GHG reduction measures, consistent with the EPA's definition of low-income and disadvantaged communities for the CPRG program.

e. Final Report: The recipient also agrees to submit a detailed final report and to report certain data associated with the final report to the EPA. The reporting template will be made available to grant recipients through an electronic data interface to be specified by EPA upon approval of the Information Collection Request.

f. Subaward Performance Reporting

Subawards establish a financial assistance relationship under which the subrecipient's employees and contractors implement programs and projects to accomplish the goals and objectives of the grant. Subrecipients (which includes Coalition members) are subject to the same federal requirements as the pass-through entity. (For more details, see General Terms and Conditions 8. Establishing and Managing Subawards, applicable provisions of 2 CFR Part 200, the EPA's Subaward Policy). The recipient must report on its subaward monitoring activities under 2 CFR 200.332(d). Examples of items that must be reported if the pass-through entity has the information available are:

(1) Summaries of results of reviews of financial and programmatic reports.

(2) Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance.

(3) Environmental results the subrecipient achieved.

(4) Summaries of audit findings and related pass-through entity management decisions.

(5) Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.332(e), 2 CFR 200.208 and the 2 CFR Part 200.339 Remedies for Noncompliance.

2. Performance Reports - Frequency

The recipient agrees to submit **semi-annual** performance reports electronically to the EPA Project Officer within 30 days after the six-month reporting period ends. Semi-annual reports are due according to the following schedule. If a due date falls on a weekend or holiday, the report will be due on the next business day. If a project start date falls within a defined reporting period, the recipient must report for that period by the given due date unless otherwise noted. This semi-annual reporting schedule shall be repeated for the duration of the award agreement.

October 1 – March 31 Reporting Period: report due April 30 April 1 – September 30 Reporting Period: report due October 30

As part of the second semi-annual performance report that is submitted one year after the grant award, the recipient agrees to submit the **one-year** performance report that includes the additional details specified above in section C.1.b.
The recipient must submit the final performance report no later than 120 calendar days after the end date of the period of performance

ATTACHMENT G

SPECIAL TERMS AND CONDITIONS