

**AMENDMENT #1 TO
INTERGOVERNMENTAL AGREEMENT BETWEEN
THE DEPARTMENT OF COMMERCE AND ECONOMIC OPPORTUNITY,
THE ILLINOIS FINANCE AUTHORITY,
THE ILLINOIS ENVIRONMENTAL PROTECTION AGENCY, AND
THE BOARD OF TRUSTEES OF THE UNIVERSITY OF ILLINOIS**

The Illinois Department of Commerce and Economic Opportunity (“DCEO”), the Illinois Finance Authority (“IFA”), the Illinois Environmental Protection Agency (“EPA”), and The Board of Trustees of the University of Illinois (“University”) (collectively, the “Parties”) entered into an Intergovernmental Agreement dated February 6, 2023 in which the University agreed to provide analysis and forecasting assistance to DCEO, IFA and EPA (the “Agreement”). All parties are “public agencies” of the State and this Amendment is made pursuant to the Intergovernmental Cooperation Act (5 ILCS 220/1 et seq.). The Parties hereby agree to this Amendment 1 to the Agreement, which is set forth in its entirety as follows:

1. **Term Extension.** Paragraph 6 of the Agreement is hereby amended by extending the expiration date from June 30, 2023 to June 30, 2024.
2. **Appendix A Revisions.** Appendix A is modified as provided on the attached revised Appendix A.
3. All other terms and conditions of the Agreement will remain in full force and effect.

IN WITNESS WHEREOF, the Parties have hereunto caused this Amendment to be executed by their duly authorized representatives.

<p>Illinois Department of Commerce and Economic Opportunity</p> <p>By: _____</p> <p><i>William A. Richards, Director, DCEO</i></p> <p>Date: <u>6/28/2023</u></p>	<p>The Board of Trustees of the University of Illinois</p> <p>By: _____</p> <p style="font-size: small;">Paul N. Ellinger, Comptroller by Daniel Szajna, Director of System Purchasing and Support Services</p> <p>Date: <u>6/29/2023</u></p>
<p>Illinois Finance Authority</p> <p>By: _____</p> <p><i>Christopher B. Meister, Executive Director - IL Finance Authority</i></p> <p>Date: <u>06/28/2023</u></p>	<p>Illinois Environmental Protection Agency</p> <p>By: _____</p> <p><i>John J. Kim, Director</i></p> <p>Date: <u>6/26/23</u></p>

APPENDIX A SCOPE OF WORK

The purpose of this Agreement is for the Board of Trustees of the University of Illinois, as host of IIN, to assist DCEO, IFA and EPA by providing analysis and forecasting assistance to reach Governor JB Pritzker's goal of one million electric vehicles on the road in Illinois by 2030 (1MEV).

The State of Illinois has taken trailblazing action to accelerate EV manufacturing growth and an economy that runs on 100% clean energy by 2050.

Illinois has built foundational assets so that the electric mobility sector and the EV ecosystem will grow and thrive in Illinois, including the Revitalizing Electric Vehicles in Illinois (REV Illinois) Act, Manufacturing Illinois Chips for Real Opportunity (MICRO) Act, and the Climate and Equitable Jobs Act (CEJA).

TASK 1:

Work with the State of Illinois to develop an aggressive, tactical, multi-faceted, six-month strategy to attract electric vehicle and chips manufacturing companies

TIMELINE: January 2023 – April 2023 (4 months)

BUDGET: Not to exceed \$400,000

RESPONSIBLE PAYOR: DCEO

SUBTASK 1: Data Gathering

- Identify peer states who are Illinois' top competitors in EV and semiconductor sectors
- Provide analysis of Illinois' incentives and programs compared to other states and recommend improvements to increase our competitiveness
- Provide a cluster analysis of announced manufacturing plants in the U.S. in EV and semiconductor sectors
- Provide analysis of site selector requirements for EV and chips manufacturers
- Provide analysis of Illinois' megasites offerings compared to other states and in relation to site selection needs, including best practices for site readiness and identification of additional sites

SUBTASK 2: Building Out A Prospect List

- Identify Illinois' top ten prospects in the EV battery manufacturing space looking to make a U.S. investment and point of contact
- Identify other large manufacturing projects in the site selection stage in EV and semiconductor sectors that are considering locations in the United States and point of contact

- Provide recommendations to prioritize Illinois' overall efforts in EV and semiconductor sectors with industry value chains on basis of economic impact and right to win
- Provide analysis of, and recommend best practices for, our site selection approach and pitch
- Review other states' business development structures and identify best practices improvements to make Illinois more aggressive and holistic in its approach, including tax credit programs, management structures, etc.
- Recommend strategies for Illinois to matchmake between OEM and supply chain companies and R&D opportunities

SUBTASK 3: Marketing Assets & Outreach

- Identify Illinois' competitive advantage for electric vehicle and chip manufacturers
- Review marketing materials and campaigns to provide recommendations to improve Illinois' story
- Design related pitch deck, one-sheet templates and conference assets
- Identify priority EV industry convenings, conferences and networking opportunities for maximum ROI
- Support development and design an industry networking event that highlights Illinois' strengths and ecosystem
- Recommend how Illinois' goalposts of diversity and sustainability can be more effectively leveraged as part of Illinois' story of differentiation

TASK 2: *Assist Illinois to apply for competitive federal opportunities from the Inflation Reduction Act, CHIPS Act, Infrastructure Investment and Jobs Act and other emerging federal funding related to Governor Pritzker's goal to achieve one million electric vehicles on the road by 2030*

TIMELINE: July 1, 2023 – June 30, 2024

BUDGET: Not to exceed \$1,260,000

RESPONSIBLE PAYOR: IFA and DCEO

SUBTASK 1: Assist designated State entities in developing an effective application to USEPA for the Inflation Reduction Act (IRA) Sec. 134 Greenhouse Gas Reduction Fund (GGRF)

SUBTASK 2: Identify Other Federal Opportunities

- Identify and prioritize all relevant, current and future federal funding opportunities to better leverage Illinois' assets in growing the EV and semiconductor sectors
- Recommend how Illinois can best utilize the USDOE Loan Program Office (LPO) to advance goals.

SUBTASK 3: Develop Application Coalition

- Identify appropriate individuals with a cross-section of industry knowledge and prior related experiences including industry, local/regional governments, educational institutions, and additional anchor organizations
- Convene a working group of these individuals to assist in Illinois' application development strategy
- Develop strategy to project manage application development, as well as to monitor progress and impact

SUBTASK 4: Market Stacked Opportunities

- Identify and track federal credits, rebates, and incentives
- Assess how they stack with Illinois programs from an industry perspective
- Develop Illinois briefs and marketing materials for each federal credit or rebate related to the EV industry for distribution to staff and to state EV website

TASK 3:

Review Illinois' retention and expansion strategy in the supply chain for the EV and semiconductor sectors

TIMELINE: February 2023 – May 2023 (4 months)

BUDGET: Not to exceed \$250,000

RESPONSIBLE PAYOR: DCEO

*SUBTASK 1: Existing EV Original Equipment Manufacturers (OEM)
Support and Deliverables:*

- Identify what OEMs in EV and semiconductor sectors require to build out their ecosystems and make recommendations for how Illinois can better assist them

*SUBTASK 2: Existing ICE Companies that Will Ultimately Need to Pivot to EV
Support and Deliverables:*

- Provide further analysis of Illinois Manufacturing Excellence Center (IMEC) data for companies at greatest risk in the transition to a clean economy
- Develop a retention and expansion strategy for current automotive supply chain companies and the ways in which to assist a transition to new manufacturing sectors
- Convene stakeholders including EDOs and organizations like IMEC, IMA and P33 to map out outreach and services

TASK 4: *Review existing workforce efforts across Illinois state agencies and recommend best practices to successfully develop public-private workforce ecosystems to ensure Day 1 ready*

talent and upskilling/reskilling solutions at-scale, while concurrently building a more diverse and inclusive talent pipeline

TIMELINE: July 1, 2023 – June 30, 2024

BUDGET: Not to exceed \$150,000

RESPONSIBLE PAYOR: DCEO

SUBTASK 1: Workforce programs in relation to EV/Semiconductors

Support and Deliverables:

- Analyze current Illinois state agency workforce development programs in relation to EV and semiconductor sectors, including LWIAs, CEJA Hubs, Apprenticeship Programs, IDOT Apprenticeships, etc.
- Identify any gaps from the industry's perspective
- Make recommendations regarding how state programs can best serve the industry and potential applicants

SUBTASK 2: Analyze engineering and technology pool

Support and Deliverables:

- Assess Illinois universities' engineering and technology programs and determine whether their programs provide the necessary engineering degrees for industries in EV and semiconductor sectors

SUBTASK 3: Workforce Marketing Assets & Outreach

Support and Deliverables:

- Review Illinois' collateral material for workforce training in the advanced manufacturing sectors
- Provide recommendations for messaging and targeting
- Develop a series of drop-in marketing ads that can be used interchangeably for digital or print by any approved workforce partner

TASK 5: *Develop an "EV Roadmap" which outlines a comprehensive strategy for accelerating the deployment of EVs to achieve the goal of one million passenger EVs in Illinois by 2030. In addition, the EV Roadmap should also recommend a strategy and timeline to adopt a zero emission pathway for medium- and heavy-duty vehicles in Illinois. The EV Roadmap should focus on several key areas, including the transitioning of public and private fleets and medium and heavy-duty vehicles to EVs; making the consumer charging experience more consistent; and exploring opportunities for pilot programs with local innovators in the EV field. The Roadmap must provide detailed recommendations and strategies with implementation timelines. Recommendation should be incremental to current work.*

TIMELINE: January 2023 – April 2023 (4 months)

BUDGET: Not to exceed \$250,000

RESPONSIBLE PAYOR: IFA

SUBTASK 1: Recommend action areas to support Zero-Emission Vehicle Adoption in Illinois Support and Deliverables:

- Propose interim goals and major milestones for 1 million EVs in Illinois by 2030
- Propose pragmatic goal for medium-heavy duty electric vehicles
- Identify EV market trends and provide insights around adoption curves
- Provide insights around manufacturing capacity and impact on state goals
- Identify Illinois specific barriers to EV adoption and strategies to overcome the barriers
- Recommend strategies, lead actors, key stakeholders, and an implementation timeline

SUBTASK 2: Quantify charging needs for the state of Illinois to support state goals of 1 million EVs on the road by 2030

Support and Deliverables:

- Create granular maps by zip code or census tract
- Locate areas that lack EV charging infrastructure
- Identify strategies to expand EV charging infrastructure
- Propose major milestones for infrastructure deployment to support state goals

SUBTASK 3: Fleet electrification

Support and Deliverables:

- Recommend a path to achieve EV adoption within ride-share segment
- Enable transition of public and private fleets and medium and heavy-duty vehicles to EVs
 - recommend strategies, lead actors, key stakeholders, and an implementation timeline
 - recommend appropriate incentives for selected segments
 - recommend strategies on how to align markets to bring total cost of ownership to parity
 - provide insights on manufacturing and capacity

TASK 6: *Provide analysis and recommendations regarding energy storage opportunities and challenges*

TIMELINE: July 1, 2023 – June 30, 2024

BUDGET: Not to exceed \$25,000

RESPONSIBLE PAYOR: DCEO

SUBTASK 1: Develop the state's business case on energy storage

Support and Deliverables:

- Provide an analysis on the current state of technology
- Confer with utility partners
- Interview others either on the supply or demand side
- Develop an assessment and recommendations for State action

PROJECT PLANS

University, including through public agency members of the IIN, shall complete a project proposal for each identified task that will include an outline of the scope of work, an individual who will serve as a point of contact for the project, the specific deliverables, timeline, and budget. Project proposals must be approved by each Task's Responsible Payor prior to the commencement of work on any project. When an identified service need is outside the realm of the University's expertise, University will locate a third-party provider with which University will subcontract to provide the needed services.

REPORTING REQUIREMENTS

In addition, a monthly activity and expenditure report must be submitted to the DCEO liaison beginning with the month that this Agreement is executed. The report must list the scope of work activities, above, along with the current month and cumulative expenditures associated with each activity.

MANAGEMENT FEES

The University will apply a fifteen (15) percent management fee to cover indirect costs associated with supporting DCEO and fulfilling the terms of this agreement.

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