

# Illinois Finance Authority/Climate Bank

## NOTICE OF FUNDING OPPORTUNITY (NOFO)

### NOFO # IFA-GRID-01

## 40101(d) Federal Formula Grant Funding: Preventing Outages and Enhancing the Resilience of the Electric Grid

**Issued:** May 17, 2024

**Pre-Applications Due by:** June 24, 2024 by 5 PM CDT in [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal)

Illinois Finance Authority (IFA), in its capacity as the Illinois Climate Bank (CB), invites project proposals under Illinois' award for the 40101(d) Federal Formula Grant Program: Preventing Outages and Enhancing the Resilience of the Electric Grid (Program). With this NOFO, IFA/CB invites eligible entities interested in applying for funding under this program to file their pre-application proposals through [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal) in compliance with the terms of this NOFO.

**Proprietary information:** Any information obtained in response to this NOFO may be used by the IFA/CB and the State of Illinois for program planning on a non-attribution basis. All submission materials become State property and will not be returned. IFA will accept requests from any interested party to keep the information in its submission confidential and will agree to confidentiality, if reasonable, in accordance with the state and federal laws and regulations. Any material within a response to this NOFO identified as confidential must be clearly marked as such and will be handled in accordance with applicable rules and regulations. Any response marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse. The State may publicly post a summary of the responses received.

**This NOFO will not commit the State of Illinois or IFA/CB to any contracts for any supplies or services or any grant or funding awards.** All costs associated with responding to this NOFO are at the applicant's expense.

**Further information can be found at the IFA/CB website at** <https://www.il-fa.com/programs/grid>

**Contact for inquiries:**

Claire Brinley, IFA/CB Policy Analyst

phone: 312-651-1319

email: [federalfunding@il-fa.com](mailto:federalfunding@il-fa.com)

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## A. Program Objectives

**NOFO Purpose:** Illinois Finance Authority (IFA), in its capacity as the Illinois Climate Bank (CB), invites project proposals under Illinois' award for the 40101(d) Federal Formula Grant Program: Preventing Outages and Enhancing the Resilience of the Electric Grid (Program). With this NOFO, IFA/CB invites eligible entities interested in applying for funding under this program to file their pre-application proposals in compliance with the terms of this NOFO.

IFA/CB reserves the right to revise any part of this NOFO by issuing addendum(s) at any time. Issuance of this NOFO, or subsequent addendum(s), if any, does not constitute a commitment by IFA/CB or the State of Illinois to fund any project. In addition, IFA/CB may cancel this NOFO at any time, without incurring any liability from responders or potential responders.

**Illinois 40101(d) Overall Objectives:** In September 2023, Illinois was announced as one of the recipients of an award in the first award cycle of the [Grid Resilience State and Tribal Formula Grants Program](#) under the [Bipartisan Infrastructure Law](#). The U.S. Department of Energy (US DOE) awarded \$16,063,450 to the State of Illinois for the first two years (FY2022 and 2023) of the five-year program (2023-2028).

The award is designed to strengthen and modernize Illinois' power grid and to provide a reliable power infrastructure to all communities to have access to affordable, reliable, and clean electricity, focusing on the following:

- Reliability and resiliency improvements in Equity Investment Eligible Communities (EIECs)<sup>1</sup> and federally designated Justice40 Disadvantaged Communities (DACs) that align with potential climate change impacts.
- Grid investments that support environmental objectives such as reducing emissions and leveraging nature-based solutions.
- Cost-saving measures that prioritize low- and moderate-income residents to lower their energy burden.
- Supporting equity through building awareness in frontline communities, increasing access and opportunities for residents and businesses in EIECs and DACs, and supporting communities and small utilities in planning and investing in resiliency.

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<sup>1</sup> CEJA's "Equity Investment Eligible Communities," include (i) R3 Areas, where residents have historically been excluded from economic opportunities, including opportunities in the energy sector; and (ii) environmental justice communities, as defined by the Illinois Power Agency Act (20 ILCS 3855), where residents have historically been subject to disproportionate burdens of pollution, including pollution from the energy sector. R3 grants fund programs in Illinois communities that have been harmed by violence, excessive incarceration, and economic disinvestment. The communities that are eligible for R3 funding were identified, in part, by their rates of gun injuries, child poverty, unemployment and incarceration. See [R3.illinois.gov](#).

- Ensuring safe operations and supporting the preparation of the workforce for emerging technology opportunities.

State awards are based on a formula that includes factors such as population size, land area, probability and severity of disruptive events, and a locality's historical expenditures on mitigation efforts.

**Subaward Objectives:** Under the administration of the IFA/CB, Illinois will hold a competitive selection process to identify projects for which the \$16 million in federal funding will be deployed to improve grid resiliency to disruptive events pursuant to Section 40101(d). IFA/CB will select projects that support five core state objectives: **Resilience, Environment, Equity, Affordability, Safety** and **Workforce**. The set of metrics and strategies described below will be used to effectively track whether investments achieve State goals.

Illinois' investment decisions in selecting projects under this program are guided by the "Climate and Equitable Jobs Act" (CEJA) and the stakeholder input received in the process of developing application for this funding opportunity. CEJA establishes and addresses several Illinois energy policy goals and prioritizes investments for communities that closely align with the disadvantaged communities as set forth in the Federal Justice40 Initiative.

To determine the objectives and metrics, criteria, and methods for this Program, the IFA/CB gathered stakeholder feedback in Winter and Spring 2023 through a stakeholder engagement process that engaged more than 120 different entities, including community-based organizations, local governments, utilities, advocacy organizations, organized labor, consumer advocates, business groups, and minority contractors. The IFA/CB worked with stakeholders to first identify state resiliency, environmental, affordability, equity, safety, and workforce goals from CEJA and other state policies, then establish core objectives and metrics for near-term action. Based on the objectives identified, the IFA/CB worked with stakeholders to develop criteria for project selection to identify projects most likely to meet the objectives. These objectives were further developed in line with the Illinois State Energy Office's State Energy Security Plan (SESP) that addresses potential hazards to each energy sector or system, including physical and cyber threats/vulnerabilities.

IFA/CB will assess the effectiveness of objectives highlighted here, through the Program implementation. Specifically, the State will assess whether the objectives established under this Program have resulted in projects that generate the greatest community benefit in reducing the likelihood and consequences of disruptive events and will assess that such benefit is accurately reflected by collected metrics.

### **1.1. RESILIENCE**

**Objective:** improved reliability and resiliency in EIECs and DACs, and on improving community resilience for those least able to respond to disruptions.

**Intended Outcomes:** Reduced frequency, duration, and impact of outages for Illinois most vulnerable residents, businesses, and critical services:

1. Reduced frequency and duration of outages in EIECs and DACs.
2. Improved community resilience for those least able to respond to disruptions.
3. Aligned resilience planning with future climate risks.

**Metrics:** The IFA/CB will work with grant recipients and participating utilities to track resilience objectives through the following metrics, identifying impacts specifically for EIECs and DACs:

1. System Average Interruption Duration Index (“SAIDI”): during a calendar year for the census tracts impacted by the investment measured against a baseline SAIDI for the census tract, as well as the SAIDI for the utility service area as a whole.
2. System Average Interruption Frequency Index (“SAIFI”) during a calendar year for the census tracts impacted by the investment measured against a baseline SAIFI for the census tract, as well as the SAIFI for the utility service area as a whole.
3. Customers Experiencing Long Interruption Durations (CELID) during a calendar year for the census tracts impacted by the investment measured against a baseline average CELID for the census tract, as well as the CELID for the utility service area as a whole.
4. Customers Experiencing Multiple Interruptions (CEMI) during a calendar year for the census tracts impacted by the investment measured against a baseline average CEMI for the census tract, as well as the CEMI for the utility service area as a whole.

These metrics will be measured using the same measurement methodology as the utility performance metrics adopted by the Illinois Commerce Commission and authorized under CEJA. The IFA/CB will work with the Illinois utilities to obtain resiliency metric data at a census tract level, to identify the impact of the Program on Illinois’ EIECs and DACs. IFA/CB will work with smaller utilities to collect similar information if they lack the ability to collect the data at a census tract level.

## **1.2. ENVIRONMENT**

**Objective:** Ensure grid resilience investments support and do not detract from CEJA’s environmental objectives and allow for the improved integration of distributed energy resources on the grid to provide additional resiliency benefits.

**Intended Outcomes:** Reduced greenhouse gas emissions, pollutants impacting public health, fuel costs, and energy burden in Illinois (particularly in disadvantaged communities):

1. Enhanced environmental quality and public health by reduced emissions of GhG, NOx, SOx, and PM.<sup>2</sup>
2. Increased rate of installation and integration of renewable energy resources.
3. Leveraged nature-based solutions and native tree planting.

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<sup>2</sup> Greenhouse Gas (GhG), Nitric Oxide and Nitrogen Dioxide (NOx), Sulfure Oxide (SOx) and Particulate Matter (PM)

**Metrics:** Benefits will be tracked, to the extent practicable, by census tract to allow for data aggregation by EIECs and DACs in the following categories:

- Metric tons of GHG emissions reduced by project investments.
- Metric tons of NOx, SOx, PM reduced by project investments.
- Megawatts (“MW”) of renewable energy capacity added to the Illinois electric grid as a result of the project.
- Megawatts (“MW”) of energy storage capacity installed on the Illinois electric grid.
- Reduction in peak energy load periods in MW per calendar year for the applicable Regional Transmission Organization service areas due to demand side management actions undertaken from the project.

IFA/CB will work with funding recipients and participating utilities to track emissions reductions and renewable energy integration data for these metrics related to their projects.

### **1.3. EQUITY**

**Objective:** bring the benefits of grid modernization and clean energy, including, deployment of distributed energy resources, to all retail customers, and support efforts to bring at least 40% of those benefits to EIECs and DACs.

**Intended Outcomes:**

1. Increased access and opportunities for residents and businesses in EIECs and DACs.
2. Increased diverse contractor/subcontractor participation in professional services, subcontracting, and prime contracting opportunities.
3. Aligned demographics of contractors/subcontractors to the demographics of the state.
4. Increased awareness and trust in the energy system in frontline communities.
5. Support communities and small utilities that lack the capacity to plan for and invest in resiliency.

The State of Illinois will leverage the new designations of Equity Eligible Persons and Equity Eligible Contractors, as well as create linkages to persons that have participated or are participating in CEJA workforce and contractor programs.

**Metrics:** The IFA/CB will work with grant recipients and participating utilities to gain estimates and impacts on the extent to which the project is achieving its Justice40 goals through the following metrics:

1. Total project dollar value and percentage of grant funds spent to benefit EIECs and DACs.
2. Number, dollar value and percentage of total diversity-certified spending in a calendar year for the project.

3. Number, dollar value and percentage of total spending on Equity Eligible Contractors<sup>3</sup> / Persons<sup>4</sup> in a calendar year for the project.
4. Number of new Equity Eligible Contractors < 1 yr old participating on a project.

#### **1.4. AFFORDABILITY**

**Objective:** Affordability of electric delivery services for all customers, including low-income customers and prioritize cost-savings measures for low- and moderate-income residents to help lower their energy burden.

**Intended Outcomes:** Reduced energy bills and energy burden for EIECs and DACs:

1. Reduced energy burden for low- and moderate-income residents.
2. Ensure low- and moderate-income and disadvantaged communities are not left behind in the clean energy transition.
3. Support communities in making long-term affordable energy decisions.
4. Reduced costs for public entities that pass-through costs to taxpayers & users.

**Metrics:** The IFA/CB will work with grant recipients and participating utilities to gain estimates and impacts on the affordability of the energy system through the following metrics:

1. Reduction in energy burden for participating or impacted customers, measured as a total energy cost as a percentage of income.
2. Reduction in long-term costs to electric utility or impacted customers over the life of the investments.
3. Reduction in public costs to utilities and public agencies for outage response and recovery, based on projections of outage operational and capital investment needs.

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<sup>3</sup> “Equity Eligible Contractor” means a business that is majority-owned by Eligible Persons, or a nonprofit or cooperative that is majority-governed by Eligible Persons or is a natural person that is an Eligible Person offering personal services as an independent contractor.

<sup>4</sup> “Eligible Persons” include: (i) persons who graduate from or are current or former participants in the Illinois Clean Jobs Workforce Network Program, the Illinois Clean Energy Contractor Incubator Program, the Illinois Climate Works Pre-apprenticeship Program, the Illinois Returning Residents Clean Jobs Training Program, or the Illinois Clean Energy Primes Contractor Accelerator Program, and the solar training pipeline and multi-cultural jobs program created by Illinois Public Act 102-0662; (ii) persons who are graduates of or currently enrolled in the foster care system; (iii) persons who were formerly incarcerated; and (iv) persons whose primary residence is in an Equity Investment Eligible Community.

### 1.5. SAFETY AND WORKFORCE

**Objective:** Have a well-trained workforce to ensure safe operation of the energy system; maintain and grow a diverse workforce, diverse supplier procurement base and diverse approved-vendor pools, including increased opportunities for minority-owned, female-owned, veteran-owned, and disability-owned business enterprises; consider health & safety challenges in existing buildings that impact the ability of residents of EIECs and DACs to both withstand the shocks and stresses of climate-related extreme weather events and to make the necessary investments to overcome them.

**Intended Outcomes:**

1. Ensure the safe operation of the energy system.
2. Prepare the workforce for emerging technology opportunities.
3. Address health & safety challenges in existing buildings that impact resilience.

**Metrics:** The IFA/CB will work with grant recipients and participating utilities to track workforce, training, and safety objectives through the following metrics:

1. Jobs created, based on a Full-time equivalent for the period of project performance.
2. Number of graduates of training programs participating in projects.
3. Number of homes and residents, supported through residential resiliency investments.
4. Reduction in # of wires down events, compared to a baseline, for an electric utility in the project area.

## B. Funding Information

This award is utilizing federal funds. Applicants are required to provide a cost match as described below. Sub-awards selected by IFA/CB are subject to preliminary approval of the US DOE before any funding is awarded to the applicant.

### 1. Funding Distribution

The target funding distribution for the first two years of the program is as follows:

	<b>FY1</b>	<b>FY2</b>
Federal Funding	\$8,048,285	\$8,015,165
State Match	\$1,207,243	\$1,202,275
(to be provided by sub-recipients)		
<b>Total Budget</b>	<b>\$9,255,528</b>	<b>\$9,217,440</b>
Minimum Set-Aside for Small Utilities	\$907,042	\$903,309
(Federal Funding)		

Per the requirements of the Program, 11.27% of the Program budget is set aside as the minimum available for small utilities, as defined in this NOFO. This would set a maximum limit of grants to eligible entities that sell more than 4,000,000 megawatt hours of electricity per year at 88.73% of the total



Program budget. Eligible entities that sell not more than 4,000,000 megawatt hours of electricity per year are not limited to 11.27% of the overall budget. Grant funds distributed to eligible entities that do not have sales of electricity would qualify toward the overall required set-aside. The ultimate allocations may differ from the target allocations in the table above, based on the finalized amounts of awarded projects.

Expected amounts of individual State awards: \$150,000 - \$8,000,000 per project.

Anticipated start dates and periods of performance for new State awards: Fall 2024-2028.

Type(s) of assistance instrument that may be awarded if applications are successful: Grant.

## 2. Project Funding Prioritization

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

1. First, IFA/CB will select projects from Small Utilities that invest in EIECs and DACs;
2. Then IFA/CB will select projects from other Small Utilities.
3. Next, IFA/CB will select projects from eligible entities that invest in EIECs and DACs.
4. Finally, IFA/CB will evaluate projects that are not specifically designed to benefit EIECs and DACs.

If the Small Utility portion of funding is exhausted and there are additional qualified projects proposed by Small Utilities, IFA/CB will consider funding projects from such applicants along with the remaining funding allocated to Large Providers. This approach provides the greatest likelihood that the percentage of Illinois funding made available to eligible entities who sell not more than 4,000,000 MWh of electricity per year is not less than the percentage of all customers in the State that are served by those same eligible entities.

Should the initial process fail to result in awards of all funds from the small provider portion, Illinois may conduct one or more subsequent competitive project solicitation cycles with the aim of providing a percentage of funding to Small Providers that is not less than the percentage of all customers in the State that are served by those eligible entities.

## C. Eligibility Information

### 1. Eligible Projects

Per the US DOE minimum requirements, proposed projects must meet the requirements described below.

#### 1.1. *Eligible Entities*

“Eligible Entities” for subawards under this funding, pursuant to BIL Sec. 40101(d), include:

- An electric grid operator,
- An electricity storage operator,
- An electricity generator,
- A transmission owner or operator,
- A distribution provider,
- A fuel supplier, and
- Other relevant entity, as may be determined by the Secretary of Energy.

“Other relevant entity.” The State of Illinois has requested in its application and is working with the Secretary of Energy to approve the following additional eligible recipients:

- Non-profit organizations,
- Units of local government,
- Critical facilities.
- Illinois Municipal Electric Association (IMEA) and
- Association of Illinois Electric Cooperatives (AIEC) as eligible recipients.

“Small Utility” is an entity selling not more than 4,000,000 megawatt hours of electricity per year.

“Large Utility” is an entity selling more than 4,000,000 megawatt hours of electricity per year.

## **1.2. Cost Match**

If the applicant sells more than 4,000,000 megawatt-hours (“MWh”) per year (Large Utility), the applicant will have to commit to match 115% of all federal funds received for the project.

If the applicant sells not more than 4,000,000 MWh (Small Utility), the applicant will commit to match one-third + 15% of all federal funds received for the project.

Grant funds distributed to eligible entities that do not have sales of electricity would qualify toward the overall required cost match of 115% of all federal funds received for the project.

**Example:** if you are requesting \$1 million in federal funding for your project, and

**You are a Small Utility:** you must provide a non-federal cost match of \$150,000 (15%) plus \$333,333 (1/3) for your project, so your total cost match would be \$483,333.

**You are a Large Utility or any other Eligible Entity that is not a Small Utility:** you must provide a non-federal cost match of \$1,150,000 (115%).

Only costs associated with the Eligible Activities indicated in this NOFO can be counted towards the sub-awardee cost match.

### **1.3. Eligible Activities**

Subawards to eligible entities under this award can be used for activities, technologies, equipment, and hardening measures to reduce the likelihood and consequences of disruptive events, including:

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

### **1.4. Non-Eligible Activities**

A subaward to an eligible entity under this grant Program **may not** be used for:

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

### **1.5. Indirect Cost Rate**

In order to charge indirect costs to a grant, the applicant organization must have an annually negotiated indirect cost rate agreement (NICRA). There are three types of NICRAs:

a) **Federally Negotiated Rate.** Organizations that receive direct federal funding may have an indirect cost rate that was negotiated with the Federal Cognizant Agency. Illinois will accept the federally negotiated rate. The organization must provide a copy of the federally negotiated NICRA.

b) **State Negotiated Rate.** The organization may negotiate an indirect cost rate with the State of Illinois if they do not have a Federally Negotiated Rate. If an organization has not previously established an indirect cost rate, an indirect cost rate proposal must be submitted through State of Illinois centralized

indirect cost rate system no later than three months after receipt of a Notice of State Award (NOSA). If an organization previously established an indirect cost rate, the organization must annually submit a new indirect cost proposal through CARS within six months after the close of the grantee's fiscal year.

c) **De Minimis Rate.** An organization that has never negotiated an indirect cost rate with the Federal Government or the State of Illinois is eligible to elect a de minimis rate of 10% of modified total direct cost (MTDC). Once established, the De Minimis Rate may be used indefinitely. The State of Illinois must verify the calculation of the MTDC annually in order to accept the De Minimis Rate.

All grantees must complete an indirect cost rate negotiation or elect the De Minimis Rate to claim indirect costs. Indirect costs claimed without a negotiated rate or a De Minimis Rate election on record in the State of Illinois centralized indirect cost rate system may be subject to disallowance.

## 2. Priority Projects

Through the stakeholder process and the public hearing, the State considered both (a) the amount of funds available under this program in comparison to typical project costs, (b) what projects would be most cost effective, and (c) which targeted solutions could best meet the objectives and metrics of the program. Ultimately, the State finds projects that include one or more of the following project types to be most advantageous:

- a. **Community Resilience Hubs.** Resilience investments to support ensuring reliable power for community gathering places that can provide life-essential or other support services to communities during extreme weather and grid-related events.
- b. **Critical Facility Microgrids.** Resilience investments to support ensuring reliable power for essential public services that serve large populations that would pose risks to public health & safety if they lost power for extended durations.
- c. **Emergency Equipment Share.** Support for the efforts of small municipal and co-op utilities to prepare for and quickly recover from storms by creating a hub of easy-to-access essential equipment that otherwise has long lead times.
- d. **Community-Driven Initiatives.** Comprehensive efforts that address resilience needs of a community, that is driven by local community planning efforts. This could include seed funding for early-stage planning.
- e. **Replicable Innovative Pilots.** New technology or implementation approaches that address grid resilience needs in new ways that would benefit from the deployment of replicable pilot projects and knowledge-sharing.

## 3. Priority Project Locations

The State of Illinois will prioritize projects that create a substantial benefit to EIECs and DACs within the state. In CEJA, the State of Illinois created a new designation of Equity Investment Eligible Communities (EIECs), defined at the census tract level, and which include the following:

- i. R3 Areas as established where residents have historically been excluded from economic opportunities and by their rates of child poverty, unemployment, gun injuries, and incarceration, among other factors; and
- ii. Environmental Justice communities, as defined by the Illinois Power Agency Act (20 ILCS 3855), where residents have historically been subject to disproportionate burdens of pollution, including pollution from the energy sector).

Further, the State is using the White House Council on Environmental Quality’s Climate and Economic Justice Screening Tool (CEJST) to identify and track DACs.

For the purposes of this Program, the proposed projects must demonstrate a benefit to either a state designated EIEC or a federally designated DAC, using CEJST. Both communities are designated at the census tract level and can be seen in Figure 1 below. While investments need not be located within a census tract(s) to create benefits for the identified census tract(s), projects claiming to benefit EIEC or DAC communities, as identified here, must demonstrate substantial and meaningful benefits to such communities.

Figure 1. Map of EIECs and DACs in Illinois



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## D. Pre-Application Submission Information

### 1. Pre-Application Content

To submit your pre-application, please provide the following:

1. Applicant’s information (filled out in the [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal));
2. Project Narrative (upload in the [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal) a Project Narrative that complies with the requirements of this NOFO described below);
3. Budget Narrative, Metrics and Timelines (upload in the [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal) a completed Excel spreadsheet reference in this NOFO as Attachment A, available through the [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal) and at the IFA <https://www.il-fa.com/programs/grid>).
4. Applicant’s Certifications (filled out in the [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal)).

**A. Applicant’s Information & Qualifications**

Provide in the relevant [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal) fields the following information:

1. Lead applicant’s name, type, and contact person (name, title, phone, email and address).
2. A brief description of the applicant’s background and any relevant experience, including with similar projects and/or working with other federal and state awards.  
**Note:** Indicate if the applicant has been debarred or is a suspended entity.
3. Describe each entity involved in the proposed project and provide name and contact information for each entity’s project lead. Identify each entity within the “eligible entity” category as defined in this NOFO. Indicate if any entity falls into the following categories: small utility, municipal utility, electric cooperative, investor-owned utility, entity located in or serving EIEC or DAC, Eligible Person, Equity Eligible Contractor.  
**Note:** Indicate the number of megawatt hours of electricity sold and number of customers served annually by each Eligible Entity that serves electric customers.  
**Note:** For each Small Utility, please describe why the entity qualifies as such.  
**Note:** For each entity that falls into “Other relevant entity” category, please describe why it is critical for the Secretary of Energy to approve this entity as an eligible recipient.

**B. Project Narrative**

Upload through the [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal) a pre-application Project Narrative, in Microsoft Word or a readable PDF format, of up to 5 pages, in 11- or 12-point font. The Project Narrative must describe the proposed project in sufficient details, providing the following information:

1. **Project executive summary.**
  - a. Describe your project objectives, activities, and outcomes, indicating how your project fits within the objectives and prioritization described in this NOFO.
  - b. Indicate if the same project is also submitted under the IIA Section 40101(c), FOA 2740 (GRIP) and describe the differences between your 40101(d) and 40101(c) applications.
  - c. Indicate if the proposed work to be done is an Eligible Activity:

Eligible Activity proposed under the project (check all that apply)	
<input type="checkbox"/> Weatherization technologies and equipment	<input type="checkbox"/> Vegetation and fuel-load management

<input type="checkbox"/> Fire-resistant technologies and fire prevention systems	<input type="checkbox"/> The use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including microgrids and battery-storage subcomponents
<input type="checkbox"/> Monitoring and control technologies	<input type="checkbox"/> Adaptive protection technologies
<input type="checkbox"/> The undergrounding of electrical equipment	<input type="checkbox"/> Advanced modeling technologies
<input type="checkbox"/> Utility pole management	<input type="checkbox"/> Hardening of power lines, facilities, substations, of other systems
<input type="checkbox"/> The relocation of power lines or the reconductoring of power lines with low-sag, advanced conductors	<input type="checkbox"/> The replacement of old overhead conductors and underground cables

**2. Project Location:** Indicate the location of the project, including whether it is in the EIEC or DAC communities and how your project fits withing the project prioritization described in this NOFO.

**3. Anticipated Community Benefits and Equity.** Describe anticipated Community Benefit(s) that will be provided by the project and how. Indicate which communities will benefit from the project and provide an overview of any anticipated quantifiable results, including anticipated reductions in duration and frequency of outages and number of customers benefiting from these reductions, and their census tract. Provide an overview of whether and how the project can reach historically underserved populations, racial minorities, and women, that create the connectivity and conditions for growth where they may not exist, such as in rural and underserved communities.<sup>5</sup> Applicants are encouraged to share maps, spreadsheets, or other detailed data to support their narrative.

**Note:** Indicate if the proposed project includes a component for the training, recruitment, retention, and reskilling of skilled and properly credentialed workers and provide details.

**4. Funding Objectives:** Describe how the proposed project meets any or all of the Program Objectives outlined in this NOFO, and the applicant’s ability to demonstrate compliance with the highlighted metrics as well as demonstrate benefits to the EIEC and DAC communities.

**5. Project timeline:** Please provide an overview timeline of the project in the Project Narrative. In addition, populate the tab labeled “Part III – Timeline” in Attachment A Excel spreadsheet.

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<sup>5</sup> ALRD, Amendment 7, pages 24-25.



6. **Project costs breakdown:** Please provide an overview of your budget in the Project Narrative, including the total funding requested and proposed cost match. In addition, fill out the tab labeled “Part I – Cost” in accompanying Attachment A Excel spreadsheet in. All expenditures must be allowable, allocatable, and reasonable in accordance with the applicable federal cost principles.<sup>6</sup>
7. **Performance measurement:** Please provide an overview of your project performance measurements. In addition, fill out the metrics checklist in the tab labeled “Part II – Metrics” in the Attachment A Excel spreadsheet, identifying which metrics the respondent believes apply to the project.
8. **Workforce and Labor Standards:** Describe proposed strategy to ensure strong labor standards and protections in our project implementation and how the project will drive creation of good-paying and safe jobs.

### C. Certifications of Funding Requirements Compliance.

In responding to this NOFO, applicants must acknowledge compliance with the requirements related to this US DOE subaward by certifying in the [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal) compliance with the following:

- (1) **Workforce and Labor Standards.** Certify that the project will use strong labor standards and protections and drive creation of good-paying and safe jobs.<sup>7</sup>
- (2) **Davis-Bacon Act compliance.** Certify that the project will comply with the requirements of the “Davis-Bacon Act” and will pay all of the laborers and mechanics performing construction, alteration, or repair work in excess of \$2,000 on projects funded directly by or assisted in whole or in part by and through funding under the award, wages at rates not less than those prevailing on projects of a character similar in the locality as determined by subchapter IV of Chapter 1 of Title 40, United State Code commonly referred to as the “Davis-Bacon Act.”<sup>8</sup>
- (3) **Cybersecurity.** Certify that the primary purpose of the proposed project is not cybersecurity but that the implementation of the proposed project will adhere to any applicable cybersecurity requirements, and where possible, best practices in deploying technologies under the subaward.<sup>9</sup>

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<sup>6</sup> Refer to the following applicable federal cost principles for more information: Federal Acquisition Regulation (FAR) Part 31 for For-Profit entities; and 2 CFR Part 200 Subpart E - Cost Principles for all other non-federal entities. DE-FOA/ALRD-0002736 at 20.

<sup>7</sup> ALRD, Amendment 7, pages 9, 22-24.

<sup>8</sup> ALRD, Amendment 7, pages 37-39.

<sup>9</sup> ALRD, Amendment 7, pages 11, 34.



- (4) No Foreign Work and Materials.** Certify that no individuals participating in the project are participating in a Foreign Government-Sponsored Talent Recruitment Program of a Foreign Country of Risk<sup>10</sup> as defined in the ALRD and that all work performed for the project will be performed in the United States and no foreign travel will be involved.<sup>11</sup> Certify that all iron, steel, and manufactured products used in the infrastructure work are produced in the United States and all construction materials used in the infrastructure work are manufactured in the United States.<sup>12</sup> Indicate if a waiver can be requested as specified in Appendix B and C of the ALRD.<sup>13</sup>
- (5) Telecommunications and Surveillance.** Certify that the requested funding will not be used to procure or obtain 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 defined in the ALRD.<sup>14</sup>
- (6) Other Ineligible Activities.** Certify that the requested funding will not be used to encourage or support political activities such as the collection and dissemination of information related to potential, planned, or pending legislation or directly or indirectly support or oppose union organizing.<sup>15</sup>
- (7) National Environmental Policy Act (NEPA) Compliance.** Certify that the project will comply with all applicable NEPA requirements (a successful applicant will be required to file an Environmental Questionnaire identifying locations of the project works and describing the activities anticipated at those locations and any potential environmental impacts).

## 2. Contact to Request Application Package and Accommodations.

Further information can be found at the IFA/CB website at <https://www.il-fa.com/programs/grid>

Contact for inquiries:

Claire Brinley, IFA/CB Policy Analyst  
Phone: 312-651-1319  
Email: [federal\\_funding@il-fa.com](mailto:federal_funding@il-fa.com)

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<sup>10</sup> ALRD, Amendement 7, pages 29-30.

<sup>11</sup> ALRD, Amendement 7, pages 35-36.

<sup>12</sup> ALRD, Amendement 7, pages 36-37, 61-64.

<sup>13</sup> ALRD, Amendement 7, pages 36, 60-64.

<sup>14</sup> ALRD, Amendment 7, page 47.

<sup>15</sup> ALRD, Amendment 7, page 46.

If any assistance is needed in accessing application materials or submitting pre-application due to limited Internet access or other limitations, the potential applicant should contact Claire Brinley at 312-651-1319.

### 3. Submission Approach

This NOFO is a competitive process that is being used to solicit projects pre-applications from interested entities to meet the funding objectives of this program. However, this process has been designed to reduce the burden on entities seeking to apply for funding, ensure alignment on funding objectives with respondents, identify needs for technical assistance, and create a collaborative process for project design. The competitive process will be divided into stages:

1. **Pre-application.** The pre-application process provides applicants with an accessible, easy-to-navigate method for outlining their proposed project to IFA for selection. The pre-application process will provide the opportunity for entities with limited bandwidth to describe their project, demonstrate the ability of their project to meet program objectives, and receive rapid feedback on their project. IFA will evaluate projects submitted under the pre-application process on their likelihood and ability to meet program objectives.
2. **Funding Candidate.** Based on a review of a pre-application, a project may be identified as a candidate for funding and would enter into negotiations with IFA for further project development. During that stage the selected applicant will be invited to submit a full application through the [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal) and submit additional required forms and materials. At that stage the applicants will also be required to register with the SAM.gov as noted in this NOFO.

**NOTE:** Successful applicants eventually selected for funding under this Program will be subject to the applicable requirements of Administrative and Legal Requirements Document (ALRD) for DE-FOA-0002736 (DE-FOA/ALRD-0002736), available [here](#), unless otherwise noted. When applying for subawards under this Program, applicants must provide information required in the ALRD as applicable to the recipients of the funding.

3. **Competitive, rolling application windows.** After the initial pre-application deadline, the IFA reserves the option to open a competitive, rolling application window for further projects submission. IFA anticipates that if it opens a competitive rolling application process, based on the availability of program funds, applications will be accepted on a quarterly basis and evaluated competitively as a batch, based on the ability of a project to meet program objectives.

### 4. Unique Entity Identifier (UEI), SAM.gov & GATA registration

To submit a pre-application, the applicant must register and pre-qualify through the Grant Accountability and Transparency Act (GATA) Grantee Portal, [www.grants.illinois.gov/portal](http://www.grants.illinois.gov/portal). Registration and pre-qualification are required annually.

Selected pre-applications invited to submit a full application must, in addition, register with the federal SAM.gov portal and must have a Unique Entity Identifier (UEI) assigned in SAM.gov.

Applicants included in the SAM.gov Exclusion List and on the Illinois Stop Payment List will not be eligible for an award. The Grantee Portal alerts the entity of “qualified” status or informs how to remediate a negative verification (e.g., missing UEI Unique Entity Identifier assigned in SAM.gov, not in good standing with the Secretary of State). Inclusion on the SAM.gov Exclusion List cannot be remediated.

## E. Application Review Information

### 1. Review and Selection Criteria

**Minimum Requirements:** To be eligible for funding, the proposed project at a minimum must comply with the US DOE minimum requirements and must:

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

**Note: Eligible Entity/Cost Match uncertainty:** If an applicant does not qualify as an “Eligible Entity” but can fit into the “Other relevant entity” category, a US DOE pre-approval will be required before such project can be selected for an award. But the project assessment may continue to the next steps while that determination is pending. Project assessment may also continue to the next steps for the projects that offer insufficient match, to evaluate if the project otherwise qualifies for funding. If it does, the applicant may be invited to cure the match deficiency and submit an updated budget with the compliant cost match.

### 2. Additional Illinois Prioritization

IFA/CB will additionally evaluate projects for selection based on, at a minimum:

- **Alignment with the Program Objectives & Metrics:** The extent to which projects are designed to accomplish the objectives identified in this Program Narrative, whether as an individual project or as part of the State’s portfolio.
- **Expected impact on EIECs/DACs:** The estimated reduction in the likelihood and consequences of disruptive events on Illinois’ electric grid as a result of the project on an annual basis and over the life of the project, particularly as it affects DACs, Equity Investment Eligible Communities, and/or Eligible Populations;
- **Expected Environmental/Public Health Benefits:** The estimated environmental quality and public health benefits gained through the project, especially for DACs, Equity Investment Eligible Communities, and/or Eligible Populations;
- **Contractor and Workforce Commitments:** The degree to which the project integrates new workforce training participants, diverse contractors and/or subcontractors.

**Project Community Benefits assessment:** A successful project must score at least 30 points out of maximum 50, with 10 maximum points in each of the five Program Objectives categories:

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

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

## F. Award Administration Information

### 1. Schedule

IFA/CB reserves the right to deviate from this Schedule at any time and without notice.

#### Activity/Event

Public Notice of Request for Projects:	May 17, 2024
Deadline for Receipt of Pre-Applications:	June 24, 2024
Anticipated initial project selections:	July 2024
Optional Rolling Application Window Opening:	August/September 2024

### 2. Anticipated Announcement and Award Notices

Applicants will be notified of the pre-selection decision within 30 days after the deadline for pre-application submission.

Before IFA/CB can issue an award, each project pre-selected by the IFA/CB must receive preliminary approval of the US DOE program officer. Once the successful applicants receive notice of pre-selection, the applicants may be required to submit additional information and forms necessary for the IFA/CB to submit the project for the US DOE approval.

IFA/CB anticipates sending the Notice of State Award (NOSA) to successful applicants within 30 days of the pre-approvals of the applicant’s project by the US DOE.

**NOTE:** Neither the initial notice of pre-selection, nor the Notice of State Award (NOSA) are authorization to begin performance of the project or incur costs.

### 3. Reporting

The awarded projects will be required to report their project metrics annually. IFA will post these reports on the IFA's public website. In addition, the applicant will be required to submit project management reports quarterly throughout the life of the project.

## G. State Awarding Agency Contact(s)

Further information can be found at the IFA/CB website at <https://www.il-fa.com/programs/grid>

**Contact for inquiries and assistance:**

Claire Brinley, IFA/CB Policy Analyst

phone: 312-651-1319

email: [federalfunding@il-fa.com](mailto:federalfunding@il-fa.com)

## H. Other Information

**No Funding Commitment.** The State is not obligated to make any award as a result of this NOFO. Any award under this program is subject to preliminary approval of the US DOE. This NOFO will **not** commit the State of Illinois or IFA/CB to any contracts for any supplies or services or any grant of funding awards. All costs associated with responding to this NOFO are at the applicant's expense.

**Confidential and Proprietary Information:** Any information obtained in response to this NOFO may be used by the IFA/CB and the State of Illinois for program planning on a non-attribution basis. All submission materials become State property and will not be returned. The State will accept requests from any interested party to keep the information in its submission confidential and will agree to confidentiality, if reasonable, in accordance with state and federal laws and regulations. Any material within a response to this NOFO identified as confidential must be clearly marked and will be handled in accordance with applicable rules and regulations. Any response marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse. The State may publicly post a summary of the responses received.