



# Illinois Finance Authority/Climate Bank

## REQUEST FOR INFORMATION

### Illinois Climate Pollution Reduction Grant: Community Geothermal Planning + Pilots

**RFI#** **CPRG-RFI-01**

**Issued:** **July 23, 2025**

**Responses Due:** **September 22, 2025**

Illinois Finance Authority (IFA), in its capacity as the Illinois Climate Bank (ICB), invites public comment on this Request for Information (RFI) for the Climate Pollution Reduction Grant Community Geothermal Planning + Pilots program.

This RFI is issued solely for information and planning purposes and does not constitute a Request for Proposal.

All costs associated with responding to this RFI are at the responder's expense.

**Proprietary information:** Any information obtained in response to this RFI may be used by the IFA/ICB and the State of Illinois for program planning on a non-attributed basis. All submission materials become State property and will not be returned. The State may publicly post a summary of the comments received.

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## A. RFI Purpose and Background

### RFI Purpose

Illinois Finance Authority (IFA), in its capacity as the Illinois Climate Bank (ICB), is issuing this Request for Information (RFI) to solicit public comment on the development of the Community Geothermal Planning + Pilots Program, a key initiative under Illinois Climate Pollution Reduction Grant (CPRG) award. Through this RFI, IFA/ICB seeks input from entities and stakeholders who can provide insights into effective program design and implementation.

This RFI is issued solely for information and planning purposes and does not constitute a Request for Proposal. IFA/ICB will not accept unsolicited proposals or commit to any contracts, grant agreements, or funding awards based on responses received. Respondents are responsible for any costs incurred in preparing or submitting a response.

To support this effort, IFA/ICB has developed a preliminary program design framework for the Community Geothermal Planning + Pilots Program outlined in Section B. This strawman proposal is included for stakeholder review and feedback. Respondents are invited to comment on the framework as a whole or specific aspects of it, as further described in Section C.

### Background

In July 2024, Illinois was announced as one of the recipients of an award under the [Climate Pollution Reduction Grant](#) (CPRG) program, created by the [Inflation Reduction Act](#). The U.S. Environmental Protection Agency (US EPA) awarded \$430,251,378 to the State of Illinois to implement a variety of programs over the five-year grant period (2024-2029). Community Geothermal Planning + Pilots is one of these programs.

Under the CPRG workplan, IFA/ICB is responsible for developing a detailed Community Geothermal Planning + Pilots Plan to guide the launch and administration of this new program. As outlined in the CPRG award, this plan must address a range of design elements, including:

- The scope and scale of projects to be supported;
- The solicitation process and funding mechanisms;
- Prioritized geographies and regions;
- Requirements for community engagement, local workforce, and contractor development;
- Inclusion of consumer protections and bill savings requirements;
- Support structures for pilot project selection and implementation; and
- Mechanisms for tracking annual targets, metrics, and reporting.

This RFI serves as a key component of the required stakeholder engagement to inform that plan. Input received will help shape a program that reflects community needs, addresses barriers to deployment, and advances equitable access to geothermal technologies across Illinois.

The Community Geothermal Planning + Pilots Program is designed to support the development and deployment of community-scale geothermal and thermal energy network systems, particularly in equity-priority areas. As set forth in the CPRG program goals, this initiative aims to:

- Reduce carbon pollution by 15,099 metric tons of CO<sub>2</sub> equivalent (mt CO<sub>2</sub>e) by 2030,
- Achieve cumulative reductions of 128,562 mt CO<sub>2</sub>e by 2050, and
- Serve 1,100 Illinois households with community geothermal systems by 2030.

The feedback received through this RFI will directly inform how the state prioritizes projects, structures funding, and ensures that these targets are met in a manner that is just, cost-effective, and community-driven.

## B. Preliminary Program Design Proposal for Stakeholder Feedback

To support the development of the Community Geothermal Planning + Pilots Plan under the CPRG, IFA/ICB has developed a preliminary draft design for how the program could be structured. This strawman proposal outlines a two phase funding approach, estimated award amounts, and potential design features aligned with CPRG requirements. The content that follows is intended to prompt stakeholder feedback and input. Comments and suggestions on any aspect of the proposed structure are encouraged and will directly inform the final program design.

### Draft Program Structure and Funding Approach

IFA/ICB anticipates structuring the Community Geothermal Planning + Pilots Program in two phases: Phase 1 Planning Grants and Phase 2 Pilot and Project Deployment Grants. This two-phased approach reflects both the lessons learned from stakeholder engagement to date and the funding and implementation requirements of the CPRG.

Phase 1 Planning Grants: The first phase of the program would launch in early 2026 and offer competitive planning grants to support early-stage project development. Awards are expected to range from \$100,000 to \$250,000 per grant, depending on project size and scope. Eligible activities may include engineering and system design, community engagement, financial modeling, and permitting support. IFA/ICB anticipates allocating \$1 million of the total \$15 million program budget to this first round, with a goal of supporting an estimated four to six planning projects.

This phase is intended to assist projects in addressing early-stage barriers and building the technical, financial, and community readiness needed to advance toward deployment. However, receiving a planning grant in Phase 1 is not a requirement for participation in Phase 2 and does not guarantee funding in Phase 2. Projects that are already advanced in planning, or otherwise meet the eligibility criteria established in the final program plan, will be able to apply directly for Phase 2 funding. While federal compliance requirements may apply in Phase 1 depending on the activity, Phase 2 will require full adherence to all applicable federal requirements for construction projects.

The program is expected to be open to a broad range of eligible applicants, including public, nonprofit, and private entities, regardless of their ability to monetize tax credits. IFA/ICB welcomes feedback on how eligibility should be structured to best support innovative, community-driven projects while ensuring compliance with applicable federal requirements.

Phase 2 Pilot and Project Deployments: The second phase of the program would fund the construction and deployment of community geothermal projects. Grants will be awarded through a competitive process and are expected to range from \$1,000,000 to \$5,000,000 per project. Projects must be deployment-ready, or almost deployment-ready, and comply with all applicable federal requirements, including the National Environmental Policy Act (NEPA), Davis-Bacon and Related Acts (DBRA) prevailing wage, and Build America, Buy America (BABA), among others.

The primary goal of Phase 2 is to fund projects that contribute meaningfully to the CPRG target of serving 1,100 households with community geothermal systems by 2030, while also meeting environmental, equity, and cost-saving objectives. Final eligibility and evaluation criteria for Phase 2 will be defined in the program plan following this stakeholder engagement process. Additional solicitations may be issued in 2027 and beyond, depending on the availability of funding.

IFA/ICB welcomes stakeholder input on all aspects of this draft program structure, including the proposed phasing, funding amounts, eligibility flexibility between phases, and assumptions about project readiness. Feedback on whether this approach effectively supports the development and deployment of equitable, community-scale geothermal projects is especially encouraged.

## Schedule

IFA/ICB anticipates the following timeline for the Community Geothermal Planning + Pilots Program:

- Summer 2025: Conduct stakeholder outreach and engagement, including the release of this RFI
- Fall/Winter 2025: Develop and release the final Community Geothermal Planning + Pilots Program Plan
- Winter 2025/Spring 2026: Competitive solicitation deadline for Phase 1 Planning Grants
- Fall/Winter 2026: Competitive solicitation for Phase 2 Pilot and Project Deployment Grants
- 2027 and Beyond: Conduct additional funding rounds as resources allow

## Scope and Scale of Community Geothermal Pilot and Project Deployments

Projects funded under this program must incorporate geothermal technologies as a primary energy source. While systems may include other thermal energy sources or be designed as hybrid systems, projects that consist solely of non-geothermal thermal energy networks will not be eligible. This ensures alignment with the intent of the CPRG subprogram and its emissions reduction goals.

Projects must also meet a community-scale threshold. Single-building or isolated campus-scale systems—such as those serving a single public building, university, or hospital—are not eligible. Instead, IFA/ICB is seeking proposals that demonstrate meaningful community impact, such as systems that

serve multiple residential buildings or mixed-use areas. Projects may include multifamily residential developments, mixed-income housing, and commercial corridors, so long as the overall design reflects a community-serving scale and advances the program's goal of serving 1,100 households by 2030.

IFA/ICB welcomes feedback on how best to define "community-scale" in a way that balances technical feasibility, cost-effectiveness, and inclusive access to geothermal benefits.

## Prioritized Geographies and Regions

In alignment with the equity and environmental justice goals of both the Climate Pollution Reduction Grant (CPRG) and the Illinois Climate and Equitable Jobs Act (CEJA), IFA/ICB intends to prioritize funding for projects located in communities that have historically faced disproportionate environmental and economic burdens. Geographic targeting will be a key component of program design to ensure that program benefits are directed to areas most in need of investment and resilience.

Priority will be given to projects located in one or more census tracts designated as [Equity Investment Eligible Communities](#) (EIECs) under CEJA.

IFA/ICB seeks feedback on how geographic prioritization can best reflect equity, climate vulnerability, and community need. Respondents are encouraged to share perspectives on whether additional criteria, tools, or local indicators should be considered alongside the EIEC designation to ensure that funding reaches communities most in need of investment.

## Community Engagement, Workforce Development, and Contractor Development

IFA/ICB anticipates incorporating specific program requirements related to community engagement, workforce development, and equitable contractor participation. These elements are intended to ensure that the benefits of the program extend beyond energy savings to include meaningful local economic and social impact. The following components are under consideration as part of the final program design:

Community Planning Process: Projects will be required to demonstrate that they were developed through a meaningful community planning process. This may include community meetings, partnership with local organizations, and the inclusion of community members in decision-making.

Prevailing Wage: To promote fair labor standards, IFA/ICB will require all funded projects to comply with federal and state prevailing wage requirements.

Project Labor Agreements (PLA) for Large Projects: For projects with a thermal capacity greater than the equivalent of 1 megawatt, IFA/ICB requires the use of a Project Labor Agreement (PLA). PLAs are

negotiated agreements that help ensure timely project delivery, workplace safety, and stable labor-management relationships on complex infrastructure projects.

Apprenticeship Requirements: To support a strong and inclusive clean energy workforce, projects will be expected to demonstrate the inclusion of apprenticeship opportunities. This may be achieved through formal job training partnerships, hiring of apprentices, or by recommending and facilitating participation in apprenticeship programs.

IFA/ICB invites feedback on how best to design these requirements to ensure they are both impactful and achievable across a range of community contexts. Stakeholders are encouraged to share examples of effective community engagement, workforce inclusion, and equitable contracting practices that could inform program implementation.

## Consumer Protections

To ensure that community members participating in geothermal systems are treated fairly and transparently, IFA/ICB anticipates including consumer protection requirements in the program design. These may include standardized disclosure provisions and contract requirements to help residents understand system ownership, billing structures, performance expectations, and maintenance responsibilities.

IFA/ICB is seeking input on how best to structure these protections, including whether existing models or templates (e.g., from the solar or energy efficiency sectors) could be adapted for geothermal systems. Stakeholders are encouraged to provide recommendations on specific disclosures, contract terms, or implementation strategies that would best serve residential and multifamily customers.

## Bill Savings

One of the core goals of the Community Geothermal Planning + Pilots Program is to reduce energy costs for participating households and communities. Projects funded through this program will be expected to demonstrate that participation will not result in an increase in total energy bills for end users.

IFA/ICB is considering establishing clear requirements or benchmarks for bill savings or cost neutrality, particularly for residential and multifamily participants. Stakeholders are encouraged to provide input on how bill impacts should be measured, what levels of savings are realistic across different project types, and how to ensure that billing structures remain transparent and equitable throughout the project lifecycle. IFA/ICB is also requesting input on how to consider the provision of enhanced comfort and safety for households in bill savings calculations.

## Annual Targets, Metrics, and Reporting Mechanisms

To track progress toward CPRG goals and ensure accountability in program implementation, IFA/ICB anticipates requiring funded projects to report on a set of standardized performance metrics. These metrics will help assess environmental, economic, and community outcomes across both planning and deployment phases.

IFA/ICB is considering the following metrics for inclusion in the final program plan and reporting requirements:

- **Energy savings**, as measured in British Thermal Units (BTUs), avoided;
- **Greenhouse gas reductions**, including total metric tons of CO<sub>2</sub> equivalent and criteria pollutant emissions, avoided in buildings and homes;
- **Total energy cost savings** for participating households or facilities;
- **Installed system capacity**, reflecting the scale of geothermal deployment;
- **Number of participating households**, including both implementing organizations and customers served by the project; and
- **Seasonal changes in peak demand**, as measured in monthly peak hour energy demand (kW) per household as well as coincident peak demand (kW).

IFA/ICB welcomes stakeholder feedback on these proposed metrics, as well as suggestions for additional indicators that would help demonstrate impact, ensure equity, or enable replicability of funded projects.

## C. RFI Response

### General Requirements

Respondents are invited to submit feedback on any or all components of the draft program structure described in Section B of this RFI. Responses may include general comments, specific suggestions, alternative program design recommendations, or clarifications related to implementation feasibility.

Each written response should include the following:

1. **Respondent Information:**
  - a. Name and type of entity (e.g., nonprofit, utility, developer, local government, technical expert, etc.); and
  - b. Primary contact name, title, phone number, email address, and mailing address.
2. **Relevant Experience:**
  - a. A brief description of the respondent's background, areas of expertise, and any prior experience with geothermal systems, community-scale energy programs, or federal/state-funded energy projects.



### 3. Feedback on Preliminary Program Design:

- a. Comments may address any of the program elements described in Section B, including funding structure, project eligibility, geographic prioritization, community engagement, labor standards, consumer protections, bill savings, metrics and reporting, or other relevant aspects; and
- b. Respondents are encouraged to reference specific subsections of the RFI in their feedback and may include supporting documentation or resources as attachments.

## Suggested Areas of Response

To support the development of a responsive and impactful program, IFA/ICB encourages feedback not only on the structure and requirements outlined in this RFI, but also on what constitutes a high-quality, community-scale geothermal project. Respondents are invited to share where they believe the draft design is on the right track, where it may fall short, and what additional features or considerations should be central to a successful competitive program.

Responses may be provided in narrative form and do not need to address every question listed. Respondents are encouraged to share insights based on their expertise, experience, or project pipeline, particularly where it may influence program eligibility, prioritization, or funding structure.

### Program Structure and Funding Approach

- Is this the right approach? Should IFA/ICB prioritize the launch of phase 1 planning grants before making deployment funding available?
- Are the proposed grant amounts appropriate - \$100,000-\$250,000 for planning grants and \$1,000,000-\$5,000,000 for deployment grants? If not, what funding levels would better support project success and why?
- Should deployment grants (Phase 2) be scaled based on the number of households served, system complexity, or other criteria?

### Schedule

- Does the proposed schedule align with project development timelines and community readiness? Are there potential barriers to this timeline?

### Scope and Scale of Projects

- How should IFA/ICB define "community-scale" to ensure alignment with the program's goal of reaching 1,100 households by 2030?
- Should the program establish a minimum number of households served per project—or would another metric (e.g., diversity of end users, % of LMI households) be more appropriate?
- Are there building types (e.g., multifamily housing, public buildings, commercial corridors) that should be prioritized to maximize community benefit?

### Prioritized Geographies and Regions

- Beyond CEJA-defined Equity Investment Eligible Communities (EIECs), are there additional geographic or community indicators IFA/ICB should consider?

### Community Engagement, Workforce Development, and Contractor Development

- What are the most important indicators that a project has community support and reflects community priorities?
- What practices or partnerships have helped ensure meaningful community involvement in similar projects?
- Do the proposed labor and workforce development requirements strike the right balance? Are there other effective models that could be adapted?
- What should count as valid demonstration of apprenticeship or job training opportunities, and how should applicants document this?

### Consumer Protections

- What types of disclosures or contract provisions should be required to ensure transparency and consumer protections, particularly for residential and multifamily participants?
- Are there ownership or billing models (e.g., subscription-based, tariff-on-bill) that lend themselves to greater consumer protection or affordability?

### Bill Savings

- For community geothermal projects, how should total energy cost impacts be assessed—particularly in cases where a gas bill is eliminated but electricity usage increases?
- What standards or methods should be used to ensure that overall household energy costs do not increase as a result of project participation?
- How should IFA/ICB consider the provision of enhanced comfort and safety for households in bill savings calculations as a result of other investments? (e.g. adding air conditioning)

### Annual Targets, Metrics, and Reporting

- Are there additional data points IFA/ICB should consider requiring for tracking and reporting?

### Defining Strong Project Characteristics

- What features should define a high-quality community geothermal project? (e.g., scale, community ownership, cross-sector collaboration, resilience benefits, etc.)
- Are there specific types of entities (e.g., municipal utilities, housing authorities, tribal governments, CBO-developer partnerships) that are especially well-positioned to lead or co-lead these projects?

- What types of technical assistance or predevelopment support are most critical for advancing strong projects in historically disinvested communities?

## D. Submission Information

### Submission Instructions

Responses to this Request for Information must be submitted via email to [climatebank@il-fa.com](mailto:climatebank@il-fa.com). All responses must be received by 5:00 p.m. CT on September 22, 2025.

This RFI is for information and planning purposes only and does not constitute a solicitation for proposals, applications, or funding. Submitting a response does not commit any organization to future participation, nor does it guarantee funding or program selection. Responses will be reviewed to inform program design and will be considered non-binding input.

### Submission Content and Format

Respondents should submit a written response not to exceed fifteen (15) pages in length in either Microsoft Word or a readable PDF format using 11- or 12-point font. Responses should include:

- a. Basic respondent information and relevant experience, as described in General Requirements Section C.1; and
- b. Feedback on any portion of the proposed program framework outlined in Section B.

In addition, respondents may provide:

- a. General comments on the overall program design;
- b. Specific feedback or alternative elements of the draft structure; and
- c. Responses to the Suggested Areas of Responses Section C.2, if relevant.

Respondents are welcome to submit additional supporting documents or materials in a clearly labeled appendix. These materials should directly reference the section(s) of the RFI they support.

IFA/ICB appreciates stakeholder time and effort in reviewing this draft framework and providing comments. Your feedback is critical to shaping a program that meets the climate, equity, and economic goals of the CPRG while ensuring practical and impactful deployment of community geothermal systems across Illinois.