

NOTICE OF FUNDING OPPORTUNITY (NOFO) # IFA-GRID-02

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

Questions & Answers

1. Where can I find more information?

Further information can be found at the IFA/CB website at <https://illinoisclimatebank.com/financing-programs/municipal-cooperative-utilities/40101d-grid-resilience/>

(Dated: 5.19.2025)

For more information on GATA Grantee Portal, how to register and how to apply through the Portal, please go to <https://gata.illinois.gov/grantee/grantee-portal-faq.html>

(Dated: 5.19.2025)

2. Who should I contact if I have questions about this NOFO?

Contact Claire Brinley, IFA/CB Project Manager

Phone: 312-651-1319

Email: climatebank@il-fa.com

(Dated: 5.19.2025)

3. What Cost Match am I required to provide?

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. Your total project value would be \$1,483,333.

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%). Your total project value would be \$2,150,000.

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

(Dated: 5.19.2025)

4. Can I apply if I am awarded under the IL40101(d) NOFO#1?

Yes, but you need to clearly distinguish these two projects in terms of activities, cost and metrics allocations and tracking. You may not claim any activities or cost match, nor any metrics committed to the first project, to avoid duplication of funding.

(Dated: 5.19.2025)

5. What is SAM.gov and UEI registration process?

SAM.gov is a two-step process. First, you sign up for the UEI and second, you register your entity. When you are registering in the GATA Grantee Portal, you will be asked to enter your UEI. Please enter the UEI that you have received for your entity. Once the registration in SAM.gov is active, the GATA system will update to reflect this that typically happens overnight.

(Dated: 5.19.2025)

6. Can a non-profit that serves small utilities apply for the benefit of those small utilities and provide only the small utility match?

Unless an entity sells electricity, it will not qualify as a small utility as per the US DOE requirements and will have to match 115% of the funding requested. If a small utility applies, it will only have to match 48% for every dollar requested. But since selling electricity is a key part of the requirement to qualify as a small utility under the DOE requirements, any entity that does not sell electricity cannot qualify as a small utility.

Under the DOE funding guidance, a non-profit does not qualify as an "Eligible Entity" (see the list of eligible entities in the NOFO) without a special decision of the DOE Secretary. The only way for a non-profit to be able to receive funding under this opportunity is if the Secretary of Energy grants determination that this entity qualifies as the "Other Relevant Entity" which is processed on a case-by-case basis with the review of the proposed project and entity's role in it. But to receive that determination, IFA will first have to file the request with the Secretary with all the details of a proposed project.

Therefore, any entity that does not fit within the "Eligible Entity" category but can potentially qualify as "Other Relevant Entity" can still file the pre-application as described in the NOFO and if the project is pre-selected by IFA, the next step of the application process will include IFA filing a request for the Secretary of Energy's determination for that specific entity in that specific project.

Thus, such entity shall indicate in their pre-application why it should qualify as the "Other Relevant Entity". After the pre-selection process, IFA will be working with the selected projects to go through the next steps of the process, including getting the US DOE Secretary determination and DOE pre-approval for each selected project.

(Answered: 5.19.2025)

7. **What types of projects are eligible if the “new electricity” projects are not included? If a local unit of government is interested in building resilience for at-risk neighborhoods/housing that may be more affected by a power outage, can battery storage infrastructure be purchased to maintain power of a community center in the area, so residents have somewhere to go if heat/cold were a danger to health? Similarly, could battery storage units be purchased and installed in conjunction with owners of rural grocery stores, to prevent creation of food deserts in less urban areas, during an extended outage?**

Construction of distributed energy resources, including battery storage and microgrids, is an eligible activity as long as they are "for enhancing system adaptive capacity during disruptive events."

And, similarly, construction of a new electric generating facility or large-scale battery-storage facility is not an eligible activity if it is "not used for enhancing system adaptive capacity during disruptive events."

Therefore, this type of activity may be eligible but, in your pre-application, you need to explain how the new electric generating facility or the energy storage facility will be used for enhancing system adaptive capacity during disruptive events, and particularly noting the following funding priorities related to the resilience hubs:

Priority projects noted in the NOFO include:

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.

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.

Community-Driven Initiatives. Comprehensive efforts that address resilience needs of a community, that is driven by local community planning efforts.

Program Objectives section of the NOFO notes that this funding opportunity is designed, among other, to provide a reliable power infrastructure to all communities to have access to affordable, reliable, and clean electricity, focusing on: "Reliability and resiliency improvements in Equity Investment Eligible Communities (EIECs) and federally designated Justice40 Disadvantaged Communities (DACs) that align with potential climate change impacts."

In the Subaward Objectives section of the NOFO, the Resilience and Equity objectives indicate that some of the desired outcomes of this funding include:

- Improved community resilience for those least able to respond to disruptions.
- Increased access and opportunities for residents and businesses in EIECs and DACs.
- Increased diverse contractor/subcontractor participation in professional services, subcontracting, and prime contracting opportunities.

- Aligned demographics of contractors/subcontractors to the demographics of the state.
- Increased awareness and trust in the energy system in frontline communities.
- Support communities and small utilities that lack the capacity to plan for and invest in resiliency.

(Answered: 5.19.2025)

8. What reports will I need to submit and what metrics will I need to track?

The awardees will be required to submit project management reports quarterly throughout the life of the project.

- **Quarterly metrics:** In their quarterly reports, applicants will report project costs against the approved budget and their “Build Metrics” against the goals proposed in their application in Attachment A. Please see the NOFO#IFA-GRID-02 Attachment A posted on IFA [40101\(d\) website](#) for the selection of Build Metrics to choose from.
- **Annual metrics:** The awarded projects will also be required to report annually their “Impact Metrics” against the milestones set in Attachment A as well as other impact metrics, including trainings, customer outreach, workforce development and demographics. Please see Attachment A for the selection of Build Metrics to choose from. IFA/CB may post these reports on the IFA’s public website. Please note that projects may be required to report annual metrics for 2 calendar years after project conclusion.

(Answered: 5.19.2025)

9. Can you define what is a “Small Utility”?

Under 40101(d) program, Small Utilities are the eligible entities that sell not more than 4,000,000 megawatt hours of electricity per year.

Eligible Entities are specified in the NOFO, and include:

- a) an electric grid operator;
- b) an electricity storage operator;
- c) an electricity generator;
- d) a transmission owner or operator;
- e) a distribution provider;
- f) a fuel supplier; and
- g) any other relevant entity, as determined by the Secretary (IFA will have to apply for DOE Secretary Designation for these entities to be considered “Eligible Entities”).

(Answered: 5.20.2025)

10. Can you please define or give an example of utility pole management?

Please see the US DOE GDO [Utility Pole Maintenance and Upgrades Resilience Investment Guide](#) for guidance.

(Answered: 5.20.2025)

11. Where can I find guidance on different technologies that are fundable under 40101(d) Program?

Please refer to USDOE [GDO Resources and Publications](#) (link also available on the IFA [40101\(d\) website](#)) for guidance on specific 40101(d) technologies:

- [Monitoring and Control Investment Guide](#)
- [Utility Pole Maintenance and Upgrades Resilience Investment Guide](#)
- [Undergrounding Investment Guide](#)
- [Vegetation Management Investment Guide](#)
- [DOE Microgrid Guide](#)
- [Utility Wires Investments](#)
- [Weatherization Technology and Equipment](#)
- [Low Cost Grid Resilience Projects](#)

IFA is collaborating with the Customized Help and Expertise on Energy Resilience for States (CHEERS) initiative, that is providing technical assistance to states in implementing 40101(d) Grid Resilience Formula Grants. CHEERS Initiative has developed two-page resource guides for Illinois on several technologies:

- [Microgrids State Resilience Research Two-Pager](#)
- [Monitoring and Control State Resilience Research Two-Pager](#)
- [Undergrounding State Resilience Research Two-Pager](#)
- [Vegetation Management State Resilience Research Two-Pager](#)

(updated: 6.13.2025)

12. Is it possible to have multiple focuses in one grant? For instance, if we were to implement monitoring and control technologies along with undergrounding of electrical equipment in the same grant.

Yes, you can submit a project that has multiple eligible activities, but they need to all contribute to one overall project goal so that you can track the progress and metrics for all these activities accordingly. For example, if you are implementing monitoring and control technologies along with undergrounding for the common goal of reducing or preventing outages in your service territory and you can set baselines and track progress on these different activities coherently, then it can all be part of the same project. In your proposal, please clearly describe the objectives for each activity, how it contributes to your overall project goals and how you will track the impacts of each of these activities to allow for adequate evaluation of your project.

(Answered: 5.29.2025)

- 13. XXX is a large utility in XX state but only has a handful of customers in Illinois and would be below the energy threshold to qualify as a small utility. Because they are part of a larger utility, would their participation be disqualified since it might not follow the spirit of the “small utility” requirement.**

An investor-owned utility should be able to qualify as a small utility if they are listed in the 2023 EIA data (table 10 Utility Bundled Retail Sales) below 4,000,000 MWh/year in sales for Illinois.

(Answered: 6.13.2025)

- 14. Can you please define "fuel supplier"**

An entity supplying fuel to support electric grid operations and its resilience, including those that supply traditional and alternative fuels.

(Answered: 6.13.2025)

- 15. Does the grant opportunity fund "as a service" model expenses?**

There is no specific restriction against it, but we will have to review this on a case-by-case basis to see if the proposed activity is within the scope of eligible activities and is an allowable, reasonable and allocable cost.

(Answered: 6.13.2025)

- 16. If IFA/DOE deems the pre-application idea project worthy, however the amount of funding request is too high, would we be able to refine the project to meet the available funds?**

Yes. We will score projects based on the project proposal, not the funding amount. We are looking for good ideas and suggestions, and we can discuss the costs with selected pre-applicants when we invite projects to submit full applications.

(Answered: 6.13.2025)

- 17. What are the eligibility requirements for a unit of local government?**

The unit of local government will be qualified as an eligible entity based on its role and services in electric grid operations (e.g. distribution provider, generation owner). For example, if a unit of local government owns a utility that sells electricity, they may qualify as a small utility if their sales are not more than 4,000,000 MWh/year. If a local government does not sell electricity and does not fit into any specific eligible entity category, it may still qualify as “other” eligible entity based on its role in the grid resilience project, with the Secretary of Energy approval. In that case, IFA will need to submit a request for eligibility to the U.S. Department of Energy, which will be evaluated on a case-by-case basis. IFA encourages entities to apply if they believe their

activities meet the requirements set forth in the NOFO, particularly if the project falls within one of the listed priority projects categories.

(Answered: 6.13.2025)