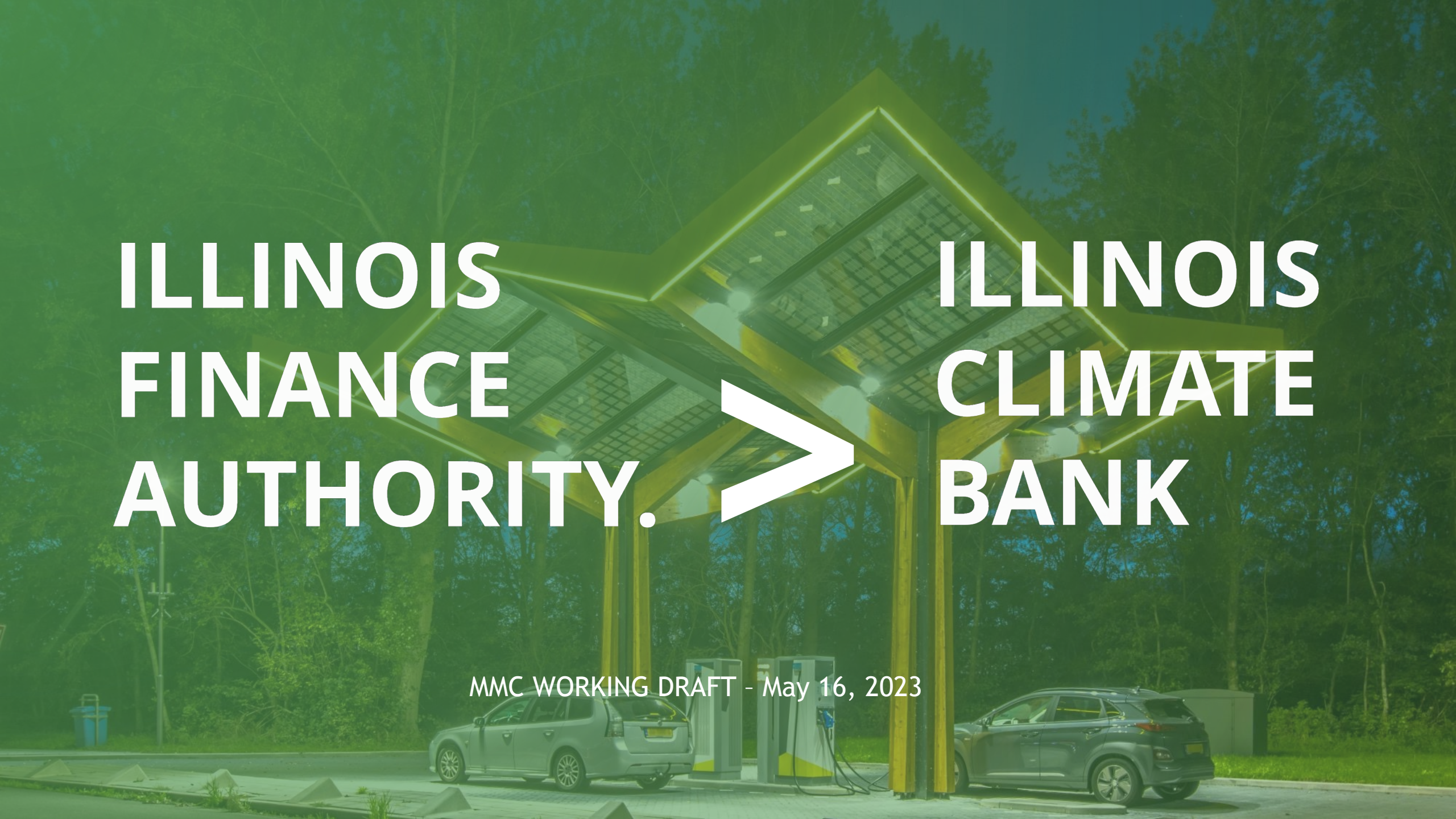


**ILLINOIS  
FINANCE  
AUTHORITY.**



**ILLINOIS  
CLIMATE  
BANK**

MMC WORKING DRAFT - May 16, 2023





## CLIMATE BANK PURPOSE

- (1) **the distribution of the benefits of clean energy in an equitable manner**, including by evaluating benefits to eligible communities and equity investment eligible persons;
- (2) **making clean energy accessible to all**, especially eligible persons, through financing opportunities and grants for minority-owned businesses, as defined in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, and for low-income communities, eligible communities, environmental justice communities, and the businesses that serve these communities; and
- (3) **accelerating the investment of private capital into clean energy projects in a manner reflective of the geographic, racial, ethnic, gender, and income-level diversity of the State.**

– Climate & Equitable Jobs Act, 2021 (20 ILCS 3501/850-15)



## CLIMATE BANK POWERS

ADMINISTER  
PROGRAMS

SUPPORT CLEAN  
ENERGY / WATER

JOINT VENTURES  
& INVESTMENTS

PROVIDE WORKING  
CAPITAL

REFINANCE

## SOURCES OF FUNDS

The Illinois Climate Bank is self-sustaining, and does not receive an appropriation from the State General Revenue Fund.

STATE / FED  
FUNDS

GIFTS / GRANTS/  
LOANS

RAISING PRIVATE  
CAPITAL

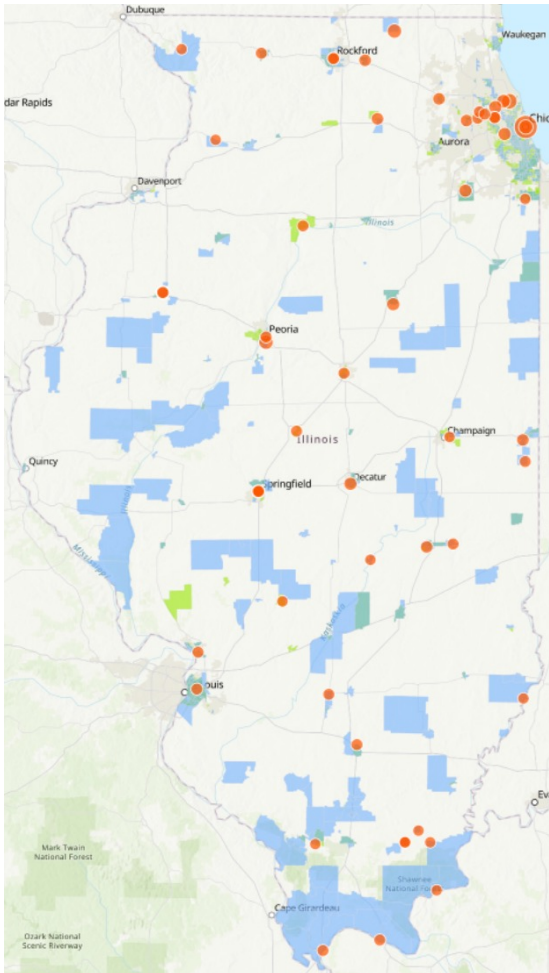
EARNINGS AND  
INTEREST

# IFA/Climate Bank Purposes & Successes



ILLINOIS FINANCE AUTHORITY | ILLINOIS CLIMATE BANK

Combat climate change through finance and reduce cost of debt to taxpayers and residents



- **\$256 million\*** in private capital mobilized and deployed in 2022
  - \$233 million\* for public water quality infrastructure through State Revolving Fund in partnership with IL EPA and \$23 million\* for Commercial Property Assessed Clean Energy Bonds (C-PACE) with no public subsidy
  - **65%\*** of these private capital investments were made in or benefit disadvantaged communities.
- **HB 3340** easier for municipalities to borrow from IFA/CB
- **State Tax-Exemption** on local government conduit bonds
- **Supported** standing up IPOPIF and FPIF
- **OSFM** fire truck and ambulance revolving loans
- **\$22 billion** in outstanding conduit bonds supporting hospitals, universities and other nonprofits

(\*Preliminary and unaudited)

## STATE AND LOCAL GOVERNMENT COLLABORATION

- The ***nonpartisan, nonpolitical Illinois Finance Authority PACE Program*** (“IFA PACE Program”) can accelerate private investment in eligible PACE Projects in any county, city, village, or incorporated town throughout Illinois.
- Under the IFA PACE Program, counties and municipalities can avoid using their own time and resources to issue bonds or notes to fund PACE Projects. IFA has ***statewide authorization to issue bonds and notes*** to fund PACE Projects in any PACE area. IFA utilizes a standardized, statewide open indenture with each capital provider to lower legal and financing costs for eligible record owners of eligible properties. Counties and municipalities establishing the IFA PACE Program benefit by not incurring any related conduit debt compliance or accounting obligations. Moreover, counties and municipalities have no legal obligation to execute and deliver any assessment contract for a PACE Project if they are not satisfied.
- The IFA PACE Program is administered by a newly organized component unit of IFA known as the C-PACE Open Market Initiative, which is a 501(c)(3) organization. Referred to as the PACE Area Administrator, it is the ***independent, neutral program administrator*** of the IFA PACE Program, and provides a fair and competitive, statewide open market.

**ADDITIONAL INFORMATION**-For additional information about PACE Projects and few and lower fees for C-PACE financing, please visit [IFApaced.com](http://IFApaced.com)

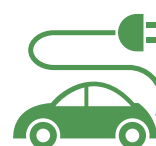


### MARCH

### APRIL

### MAY

### SUMMER



**U.S. DOE  
40101(d) GRID  
RESILIENCE**

**RESILIENT &  
EFFICIENT CODES  
IMPLEMENTATION**

**STATE SMALL  
BUSINESS  
CLIMATE  
INITIATIVE**

**U.S. DOE  
EE REVOLVING  
LOAN FUND**

**U.S. DOE  
GRIP PROGRAM**

**U.S. DOT  
CHARGING &  
FUELING  
INFRASTRUCTURE**

**U.S. EPA  
GREENHOUSE  
GAS REDUCTION  
FUND**

**\$40m**

**\$4m**

**up to \$20m**

**\$15.3m**

**\$138m**

**\$15m**

**\$280m- \$840m**

to improve reliability and resilience, particularly in disadvantaged communities

to develop a building performance hub to support small energy efficiency contractors

to provide financing for the start-up an/or expansion of "green" business ventures/projects

to finance building retrofits and to provide working capital to minority contractors

to accelerate transportation electrification in rural and small-town communities

to support community-based charging benefitting rural and dense urban communities

to seed Illinois Climate Bank and Illinois Jobs & Justice Fund Activities

**SUBMITTED**

**SUBMITTED**

**FUNDING  
PENDING**

**SUBMITTED**

**DUE MAY 17**

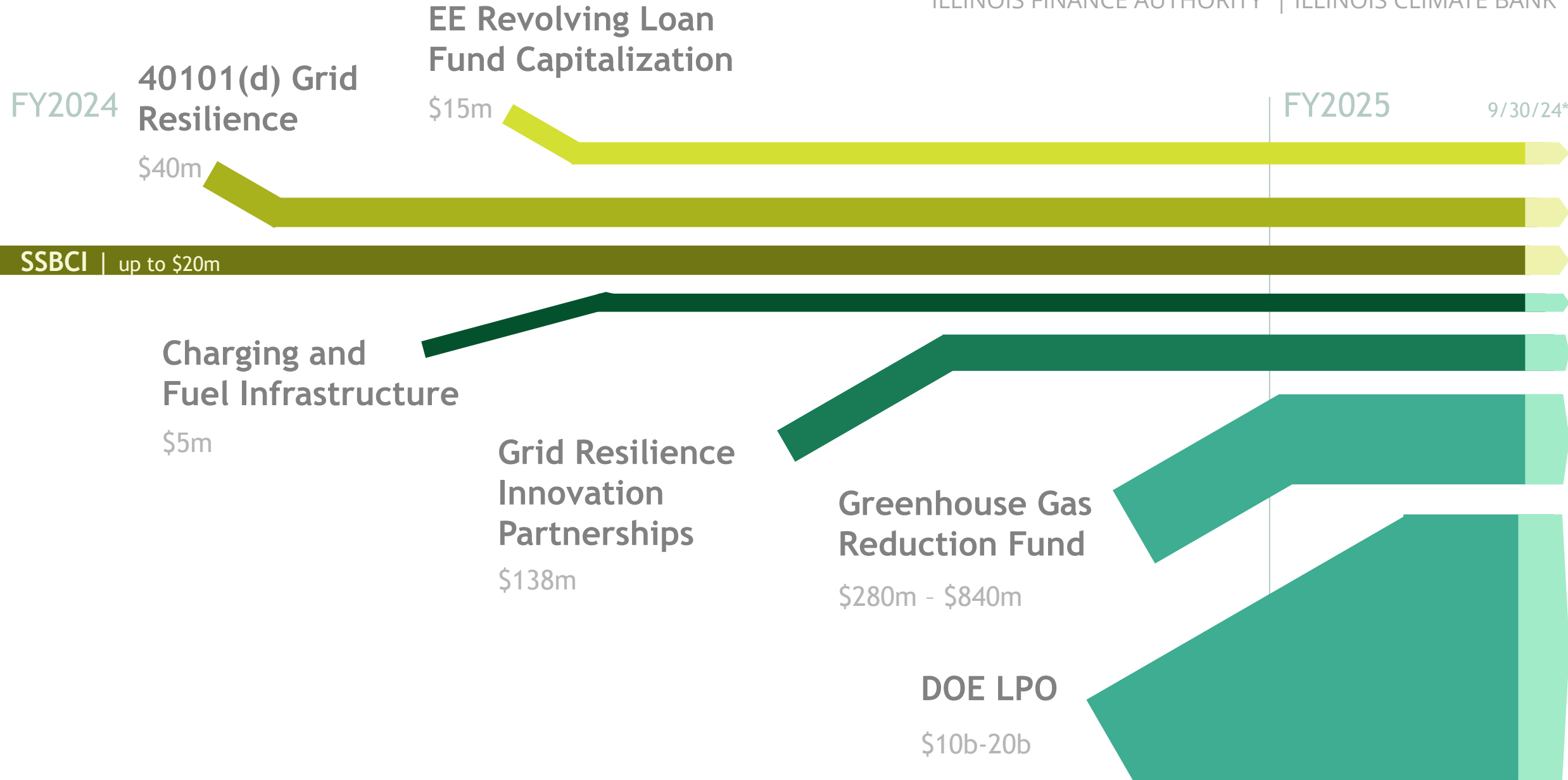
**DUE JUNE 13**

**JUN-SEP '23**

# New Federal Funding

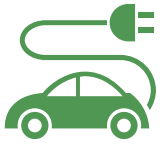


ILLINOIS FINANCE AUTHORITY | ILLINOIS CLIMATE BANK



9/30/24\*

## PROJECT FOCUS



U.S. DOT  
CHARGING &  
FUELING  
INFRASTRUCTURE

\$15m

to support  
community-based  
charging benefitting  
rural and dense  
urban communities

DUE JUNE 13

### Community-Focused EV Infrastructure Deployment

The State of Illinois will submit an application to the U.S. Department of Transportation to lead a statewide initiative to support community-based electric vehicle charging infrastructure, with a focus on rural, low- and moderate-income, and dense urban communities, with a focus on supporting community efforts to deploy charging stations.

Shared Mobility & EV Hubs

EJ Community depot charging Hubs

Curbside EV Charging (street lights)

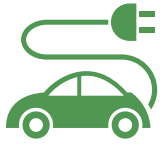
Medium/Heavy-Duty Fleets

School Buses

**URGENT REQUEST:** Please work with MMC to submit locations in advance. The new June 13 application deadline is fast approaching.



## PROJECT FOCUS



**U.S. DOE  
GRIP PROGRAM**

**\$138m**

to accelerate transportation electrification in rural and small-town communities

**DUE MAY 17**






### **RURAL AND SMALL-TOWN ELECTRIFICATION AND DEMAND RESPONSE**

The State of Illinois will submit an application to the U.S. Department of Energy to lead a large-scale initiative to support electrification and demand management initiatives across the state's smaller utilities in order to help mitigate resource adequacy challenges in the future and support integration of renewable energy.

STATE OF ILLINOIS  
| GRID RESILIENCE INNOVATION PARTNERSHIPS PROGRAM

### **ACCELERATING GRID-INTERACTIVE ELECTRIFICATION IN SMALL UTILITIES**

#### Assessment & Coordination

-  Assessing electrification impacts
-  Charging infrastructure standards
-  On-Peak and Off-Peak
-  Optimized Charging Ops Center
-  Deploying EV Software

#### Overcoming Financial Barriers

-  Optimized Charging Rebate
-  Beneficial Electrification Finance

#### Piloting Advanced Grid Technology

-  EV Charging Microgrid Pilots
-  Vehicle-to-Grid Pilots

#### Supporting a Quality Workforce

-  Integrating Clean Energy Workforce Hubs



## U.S. DOE 40101(d) GRID RESILIENCE

\$40m

over 4 years to improve reliability and resilience, particularly in disadvantaged communities.

## PROJECT FOCUS

- \$16 million in first year.
- Small utilities: 48% match.



### COMMUNITY RESILIENCE HUBS

Community gathering places that can provide life-essential or other support services to communities during extreme weather and grid-related events.



### CRITICAL FACILITY MICROGRIDS

Essential public services that serve large populations that would pose risks to public health & safety if they lost power for extended durations.



### EMERGENCY EQUIPMENT SHARE

Support 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.



### 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.



### REPLICABLE INNOVATIVE PILOTS

New technology or implementation approaches that address grid resilience needs in new ways that would benefit for the deployment of replicable pilot projects and knowledge-sharing.

# What would be helpful

## USDOT CFI

**URGENT REQUEST:** Please work with MMC to submit locations in advance, including:

- Charging in dense areas/downtowns
- Curbside/Streetlight charging
- Shared Mobility Hubs
- Medium-/Heavy-Duty Fleet Depots

## DOE 40101(d)

We are working with our municipal utility and coop partners on planning for grid resilience projects from a community perspective.

- Community Resilience Hubs
- Critical Facility Microgrids
- Emergency Equipment Share (Transformers, etc.)
- Community-Driven Initiatives
- Replicable Innovative Pilots


## DOE GRIP

We are working with our small utility partners on projects involving:

- Fleet Vehicles
- Public Charging
- Remote charging areas
- Grid infrastructure upgrades
- Needs for EV infrastructure finance

# INITIAL & NEAR-TERM STRATEGIES

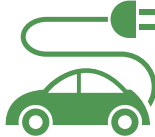
## GRANT PROGRAMS




- Community Resilience Hubs
- Critical Facility Microgrids
- Small Utility Emergency Equipment Share
- Community-Driven Initiatives

- Replicable Innovative Pilots (e.g. School Bus V2G)
- Rural & Small Town EV Charging
- EV Charging Microgrid Pilots along remote roads/highways
- Community EV Charging

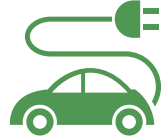





## SUPPORTING BIPOC BUSINESSES



- Working Capital
- Corporate Debt / Investment
- Joint Ventures
- Surety Bonds / Collateral
- Project Finance

## PROJECT FINANCING

- Public fleet electrification finance 
- Transit fleet electrification finance
- Low-Cost solar finance for non-profits/public buildings 
- Standardized Solar Finance Product for Disadv. Comm.
- Revolving Loan Fund for energy efficiency 
- Low-cost finance for building electrification
- Commercial PACE (Property Assessed Clean Energy)
- Bridge Loans for new IRA Direct Pay provisions 
- Long-Term loans for school solar, energy efficiency