

**Uniform Notice for Funding Opportunity (NOFO)
Summary Information**

	Data Field	
1.	Awarding Agency Name:	Illinois Environmental Protection Agency
2.	Agency Contact:	Agency contact information for the application process: Amy Roderick Amy.Roderick@Illinois.gov 217-785-2892
3.	Announcement Type:	<input checked="" type="checkbox"/> Initial announcement <input type="checkbox"/> Modification of a previous announcement
4.	Type of Assistance Instrument:	Grant
5.	Funding Opportunity Number:	N/A
6.	Funding Opportunity Title:	Wastewater Treatment Plant Energy Efficiency
7.	CSFA Number:	532-30-2080
8.	CSFA Popular Name:	Wastewater Treatment Plant Energy Efficiency
9.	CFDA Number(s):	81.041
10.	Anticipated Number of Awards:	Unknown
11.	Estimated Total Program Funding:	Up to \$750,000
12.	Award Range	\$20,000 - \$500,000
13.	Source of Funding:	<input checked="" type="checkbox"/> Federal or Federal pass-through <input type="checkbox"/> State <input type="checkbox"/> Private / other funding Mark all that apply
14.	Cost Sharing or Matching Requirement:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
15.	Indirect Costs Allowed Restrictions on Indirect Costs	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, provide the citation governing the restriction: Award Agreement for U.S. Dept. of Energy Office of Energy Efficiency & Renewable Energy Award No. DE-EE0007472 and 2 CFR Part 200 as amended by 2 CFR Part 910.
16.	Posted Date:	Monday, January 31, 2022
17.	Application Range:	Monday, January 31, 2022 to Tuesday, March 29, 2022

18.	Technical Assistance Session:	Session Offered: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Session Mandatory: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No See Section G, below. Any questions about this NOFO should be directed to: Amy Roderick at Amy.Roderick@Illinois.gov or 217-785-2892
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**NOFO Supplemental
(Agency-specific Content for the NOFO)**

A. Program Description

Program Background Information and Objectives: This Notice of Funding Opportunity (NOFO) announces the availability of funds from the U.S. Department of Energy (DOE) State Energy Program (SEP), administered by the Illinois Environmental Protection Agency (Illinois EPA or Agency) Office of Energy. The U.S. DOE SEP provides funding and technical assistance to advance state-led energy initiatives and maximize the benefits of decreasing energy waste, per 10 CFR 420. The Illinois EPA Office of Energy is responsible for establishing projects eligible for funding and an application process with determined criteria for this grant program.

Illinois EPA Office of Energy intends to fund the implementation of energy efficiency projects at publicly-owned wastewater treatment plants (WWTP). Eligible energy efficiency measures identified in the projects must have been identified in an energy efficiency assessment. Projects will be scored and selected based on project cost effectiveness as determined by proposed energy savings (kWh) per dollar invested and energy cost impact. Additional points will be added to any application that includes a project serving an Illinois EPA Office of Environmental Justice Area of Concern AND for projects located in municipally-owned electric utilities or electric cooperatives. Energy burden (%) of the WWTP service area will be used to break a tie. Criteria are provided in detail below.

B. Funding Information

This award is funded through the U.S. DOE SEP. The projects to be funded are:

Energy efficiency projects (minimum of \$20,000 and maximum \$500,000) at publicly-owned WWTPs located in the State of Illinois.

The number of awards will depend on the number of applications received and the level of funding requested. The Agency may offer partial awards if available funding remains but is less than the limits set forth in Section C. The performance period is anticipated to begin July 1, 2022 and grantees will be reimbursed for qualifying costs incurred after the execution of the grant agreement through December 29, 2023.

Eligible costs include equipment, labor, service, contractual, administrative, and indirect costs.

Applicants are required to submit a comprehensive narrative project plan that includes all aspects of the project(s). The plan should identify the following, at minimum:

- 1) A description of the applicant, the project, and the eligible project activities including:
 - a. Applicant name;
 - b. Applicant organization governance/type (e.g. municipality, sanitary district, etc.);
 - c. Applicant address;
 - d. Scope of applicant organization's geographical reach (e.g., municipalities and counties served);
 - e. Physical address of property to benefit from the proposed project;
 - f. Applicant county (and county in which the WWTP facility is located, if different);
 - g. Whether the WWTP facility serves an environmental justice area;
 - h. WWTP facility description (i.e. facility use, physical boundaries, process type, etc.);
 - i. Electricity service provider for the WWTP facility (coop, municipality, Ameren, ComEd, etc.);
 - j. Total project costs/total funding request;
 - k. Type of project(s) (e.g. the part of the building affected, description of current equipment to be replaced, description of proposed replacement equipment, etc.);
 - l. Date of energy efficiency assessment provided with application in response to item B.4, below (must be within last 5 years);
 - m. Narrative justification for the proposed project;
 - n. Estimated total energy savings (kWh) of proposed project;
 - o. Estimated total cost savings of proposed project;
 - p. Estimated energy cost of treating one million gallons of wastewater (\$/MG) at the facility before the project is initiated;
 - q. Estimated energy cost of treating one million gallons of wastewater at the facility after proposed project completion;
 - r. Average electricity rate paid (\$/kWh) for the previous 12 months; and
 - s. Communication plan for sharing project information and benefits with current customers.
- 2) A project implementation timeline with key milestones. The anticipated timeline and milestones should be determined to the best of the applicant's ability and include the following relative to the proposed energy efficiency activities.
 - a. Date for entering into a contract with a vendor for purchasing all necessary equipment to carry out the project;
 - b. Date for ordering equipment;
 - c. Date for receiving equipment;
 - d. Date for entering into a contract with a contractor for installation of equipment;
 - e. Date for beginning project work;
 - f. Project completion date;
 - g. First monthly reimbursement request date; and
 - h. Final monthly reimbursement request date.
- 3) A project budget that itemizes any/all equipment, service, labor, and contractual costs, as well as identifies eligible and ineligible costs separately.
- 4) Projects must have been identified in an energy efficiency assessment completed by a third-party assessor within the last five years. For purposes of this NOFO, "energy efficiency assessment" means a review of wastewater treatment facility, equipment and process conducted by someone other than facility staff that resulted in facility-specific written recommendation(s) with the purpose of improving energy efficiency or reducing energy costs. The assessment must be attached to the application materials and include the following information:

- a. A description of existing, relevant WWTP facility equipment and processes;
- b. Information about energy consumption of existing, relevant WWTP facility equipment and processes;
- c. A description of new equipment and process(es) that would improve energy efficiency or reduce energy costs; and
- d. An estimate of energy and cost savings resulting from the equipment and process change.

Successful applicants will enter into a grant agreement with the Agency and be reimbursed by the Agency no more frequently than once per month for the duration of the agreement. The start date for the performance of the award is as soon as the grant agreement is executed between the grantee and the Illinois EPA. Projects should be planned for completion with all reimbursement requests submitted no later than December 29, 2023.

C. Eligibility Information

The Illinois EPA Office of Energy will accept applications from publicly-owned WWTPs in the State of Illinois. Additional points and prioritization will be given to properties in Illinois EPA Environmental Justice areas of concern (<https://illinois-epa.maps.arcgis.com/apps/webappviewer/index.html?id=f154845da68a4a3f837cd3b880b0233c>) and for projects located in municipally-owned electric utility or electric cooperative service territory.

An entity may not apply for a grant until registered and pre-qualified through the Grant Accountability and Transparency Act (GATA) website, www.grant.illinois.gov, Grantee Links tab. Registration and pre-qualification are required annually. During pre-qualification, verifications are performed including a check of federal Debarred and Suspended and Illinois Stop Payment List status. An automated email notification to the entity alerts them of “qualified” status and informs how to remediate a negative verification (e.g., inactive DUNS, not in good standing with the Secretary of State). A federal Debarred and Suspended status cannot be remediated.

1. Eligible Applicants.

An applicant eligibility checklist is provided below. **If the answer to any of the following questions is no, the proposed project will not be considered for funding.**

Criteria	Yes	No
Is the project located in Illinois?		
Is it part of a publicly-owned WWTP?		
Has there been an energy efficiency assessment performed by a third-party assessor within the last five years?		
Did the energy efficiency assessment yield written recommendations for energy efficiency projects?		
Has the applicant provided a copy of these written recommendations with its application?		
Will the proposed project improve energy efficiency at the applicant’s WWTP?		
Can the applicant meet the match requirement as outlined in Section C of this NOFO?		
Can the applicant provide up-front costs for the project with the understanding that reimbursement for eligible project costs will occur no more frequently than monthly?		
Can the project(s) be completed by December 29, 2023?		

Can the applicant submit its final request for reimbursement by December 29, 2023?		
Additional GATA Criteria	Yes	No
Can the applicant meet all of the following pre-qualification requirements through the Grant Accountability and Transparent Act (“GATA”) grantee portal, www.grants.illinois.gov , at the time of award?		
Does applicant have a valid DUNS number?		
Does applicant have a current SAM.gov account?		
Can the applicant prove it is not on the Federal Excluded Parties List?		
Is the applicant in good standing with the Illinois Secretary of State?		
Can the applicant prove it is not on the Illinois Stop Payment List?		
Can the applicant prove it is not on the Dept. of Healthcare and Family Services Provider Sanctions List?		
Applicant either: (a) has a current Internal Controls Questionnaire (ICQ); OR (b) is willing to complete an ICQ before Illinois EPA issues a Notice of State Award (NOSA) resulting from this NOFO?		
Does the applicant meet all eligibility requirements outlined in Section C?		

2. Cost Sharing or Matching.

This NOFO is federally funded by the U.S. DOE SEP which includes a cost match obligation of 20% between Illinois EPA and U.S. Dept. of Energy. To meet that requirement, awarded funds will require a cost match obligation of 20% of the award. Match may include money spent (i.e. personnel, indirect, etc.) or in-kind services utilized to complete the approved scope of work within the effective dates of the grant agreement. The applicant may not utilize other federal funds to meet the match requirement. Cash and in-kind contributions used to meet the matching contribution requirement are subject to the limitations on expenditures described in 10 CFR 420.18(a), but are not subject to the 20 percent limitation in 10 CFR 420.18(b).

3. Indirect Cost Rate.

In order to charge indirect costs to a grant, the applicant 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. The State of Illinois will accept the federally negotiated rate. The applicant must provide a copy of the federal NICRA.
- b. **State Negotiated Rate.** The applicant must negotiate an indirect cost rate with the State of Illinois if they do not have a Federally Negotiated Rate or elect to use the *De Minimis* rate.
- c. ***De Minimis* Rate.** An organization that has never received a Federally Negotiated Rate may elect a *de minimis* rate of 10% of modified total direct costs (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.

The indirect cost rate proposal must be submitted to the State of Illinois within 90 days of the Notice of State Award. An applicant has the discretion not to claim payment for indirect costs. Applicants that elect not to claim indirect costs cannot be reimbursed for indirect costs.

4. National Environmental Policy Act.

All applicants must comply with U.S. DOE SEP National Environmental Policy Act (NEPA) requirements. Procedures that the U.S. DOE follows to comply with Section 102(2) of NEPA (42

U.S.C. 4332(2)) and the Council on Environmental Quality regulations for implementing the procedural provisions of NEPA (40 CFR Parts 1500-1508) may be found at 10 CFR Part 1021.

D. Application and Submission Information

1. Address to Request Application Package.

The entire application package is included with this NOFO and may be downloaded at <https://www2.illinois.gov/sites/GATA/Grants/SitePages/CSFA.aspx>. Potential applicants may address any problems with accessing the application package by contacting Amy Roderick at Amy.Roderick@Illinois.gov.

2. Content and Form of Application Submission.

Complete applications must be submitted electronically by March 29, 2022 at 5:00pm to epa.energy@illinois.gov with “[Applicant Name] WWTP EE Application Materials” in the subject line. Applications submitted after 5:00pm on March 29, 2022, will not be considered for funding. All project descriptions, proposals, charts, tables, and cost estimates must be included with the application. Applicants must use the application forms provided along with the GATA Uniform Application and the GATA Uniform Budget. These forms are designed to allow the Illinois EPA and the review committee to obtain sufficient information to properly evaluate each proposed project.

A complete application package consists of:

- a. Uniform Application for State Grant Assistance;
- b. Energy Efficiency Assessment;
- c. Narrative Project Plan(s);
- d. Uniform Budget Template; and
- e. National Environmental Policy Act Compliance Certification.

3. Dun and Bradstreet Universal Numbering System (DUNS) Number and System for Award Management (SAM).

Each applicant is required to: 1). Be registered with the System for Award Management (“SAM”) before submitting an application (www.sam.gov); 2). Provide a valid Dun and Bradstreet Universal Numbering System (“DUNS”) number in its application; and 3). Maintain an active SAM registration with current information at all times during which it has an active State award or an application under consideration with Illinois EPA.

The Illinois EPA may not make a State award to an applicant unless the applicant has complied with all applicable DUNS and SAM requirements, and if an application has not fully complied with these requirements by the application deadline, the Illinois EPA may determine that the applicant is not qualified to receive a State award.

4. Submission Dates and Times.

The applicant must provide all information requested in the application package. The application must be received by **5:00pm Central Time on March 29, 2022**. Applications must be submitted electronically to epa.energy@illinois.gov with the subject line “[Applicant Name] WWTP EE Application Materials”. Applications submitted after 5:00pm on March 29, 2022, will not be considered for funding. The Illinois EPA will use the date and time of the submittal email to determine whether an application has been timely submitted.

All documents that are signed must be signed by a person authorized by their organization to enter into formal contractual agreements.

Following a decision of intent to award, the Illinois EPA is required by GATA to conduct a financial and administrative risk assessment of the applicant. Additional information may be required from all successful applicants. For an applicant to remain eligible for the award, it must provide the requested information within 30 days after notification of intent to award. The Programmatic Risk Assessment Questionnaire evaluates the applicant's ability to successfully carry out the terms of a specific project and assesses four risk categories: 1) quality of management systems and ability to meet the management standards; 2) history of performance; 3) reports and findings from audits performed on prior awards; and 4) the applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on awardees.

5. Intergovernmental Review.

This funding opportunity is subject to Executive Order 12372, "Intergovernmental Review of Federal Programs."

6. Funding Restrictions.

The award will not allow for reimbursement of costs incurred prior to the effective date of the grant agreement or after the project period in the grant agreement ends. Applicants will be prohibited from combining funding from this program with other funding such that they receive in excess of 100% funding for any project.

For purposes of this NOFO, the terms "Allowable Costs" and "Unallowable Costs" have the same meaning as provided in 44 Ill. Admin. Code Part 7000.

Subcontractors are subject to all provisions of grant agreements that result from this NOFO. Applicants retain sole responsibility for all subcontractors.

All expenditures must be allowable, allocable, and reasonable in accordance with the applicable Federal cost principles. Refer to 2 CFR 200 for more information. Under 2 CFR 200 as amended by 2 CFR 910 regulations, the cost principles are contained in Subpart E—Cost Principles within 2 CFR 200. (See SEP Administrative and Legal Requirements Document at <https://www.energy.gov/sites/prod/files/2018/06/f53/sep-alrd-mod1.pdf>)

E. Application Review Information

1. Criteria.

All applications will be reviewed for completeness, technical merit, and adherence to the competitive grant evaluation criteria described in this NOFO. Applications found to be complete will undergo a comprehensive, merit-based review performed in compliance with GATA and 2 CFR 200 Uniform Requirements. The merit-based review is designed to evaluate projects against the following criteria in priority order:

- **Cost Effectiveness.** All applications that meet the administrative and merit-based criteria will be evaluated for cost effectiveness. Applications will be ranked by the project's Cost Effectiveness score generated by calculating energy savings (kWh) per dollar invested. A score calculation based on cost effectiveness for proposed projects has been provided as an example below.

25 window replacement + labor = \$26,090 total cost (\$25,578 requested + \$512 cost match)
Energy savings from project = 7,000 kWh per window or 175,000 kWh for total project

Project score = $175,000 \text{ kWh} / \$25,578 = 6.8$

- **Energy Cost Impact.** An overarching objective of this NOFO is to reduce the total amount of energy used for wastewater treatment in the State of Illinois. The following Energy Cost Impact criteria will result in additional points added to the Cost Effectiveness score:
 - a) **Savings.** The total energy cost impact for the proposed projects will be ranked by the percentage of improvement for the project's anticipated energy cost savings to treat one million gallons of wastewater (\$/MG). A score will be assigned based on the percentage of savings from the project. Projects that save applicants the greatest amount of energy per year will receive the highest score (most likely to receive an award). Projects that save applicants the least will receive the lowest score.

The objective of this criterion is to award funding to projects that result in the greatest savings to wastewater treatment facilities in the State of Illinois. A score based on the percentage of improvement for the proposed project has been provided as an example below.

\$96/MG Current cost to treat one million gallons - \$63/MG anticipated cost to treat one million gallons of Water (\$/MG) - \$96/MG Current cost to treat one million gallons = \$33/MG decrease in cost after project completion

Savings Percentage from project = $\$33/\text{MG decrease in anticipated cost after project completion} / \$96/\text{MG pre-project cost to treat one million gallons} = 0.3438$

Total percentage improvement = $0.34375 \times 100 = 34.38\%$

Project score for Energy Cost Impact = 3.4 Points

- b) **Energy Rate.** Energy rate information will be taken from each application. Projects with the highest electricity rate (kWh/\$) over the previous 12 months will be ranked highest (most likely to receive an award). Projects with the lowest electricity rate will be ranked lowest. The objective of this criterion is to reduce the energy cost for those projects that pay the highest energy rates for wastewater treatment.

Once the projects are ranked, the top 50% of projects with the highest electricity rate (kWh/\$) for wastewater treatment will receive one additional point added to their Energy Cost Impact score.

- **Additional Components.:** An additional 5 points will be added to the project score for projects located in areas of environmental justice concern as determined by the [Illinois EPA EJ Start mapping tool](#).

An Additional 5 points will be added to the project score for projects served by a municipally-owned electric utility or electric cooperative.

Application scores will be calculated as follows:

- 1) The project's Cost Effectiveness score will be calculated using information collected from the application. The total Energy Cost Impact scores and any points for Additional Components will be added to the Cost Effectiveness score for a total project score.
- 2) Applicants will be ranked highest to lowest based on the total project score.
- 3) Projects with the highest scores will be considered for an award.

If tie-breakers are needed, the following factor will be used to determine funding award:

- Highest energy burden (%) for the location of the property as defined by the U.S. Department of Energy LEAD Tool (<https://www.energy.gov/eere/slsc/maps/lead-tool>). Energy burden is defined as the average annual housing energy costs divided by the average annual household income for a given geographic area.

2. Review and Selection Process.

Additional review and selection processes include:

- If the Agency determines that an applicant incorrectly calculated or indicated the project cost and/or total funding request based on the applicable cost estimate or eligible costs, and the Agency can correct the error, the application will still be accepted and reviewed. If the applicant is awarded the grant, the Agency will contact the applicant and request a decision from the applicant as to whether it will accept the award based on the Agency's determination of the project cost and/or total funding requested. If the applicant does not accept the Agency's determination, the application will be rejected.
- Any remaining eligible project applicants/applications not funded may be eligible to re-apply in future funding depending on the eligibility criteria of the subsequent funding.
- If the amount of available grant funding is not sufficient to fund the application in its entirety, the review committee may evaluate the application to determine if a discrete portion or phase of the Project meeting the objectives of this NOFO can be funded. If the review committee determines that it cannot fund the application in full or part, the next highest-ranked application may be reviewed for a discrete portion or phase to be funded to meet the objectives of the NOFO.
- Illinois EPA staff will be responsible for evaluating applications.
- A merit-based evaluation appeal process is available to applicants who submit a complete application. Evaluation scores may not be protested. Only the evaluation process is subject to appeal. An appeal must be submitted in writing to the following address:

Illinois Environmental Protection Agency
Attn: EE Trust Fund Evaluation Process Appeal, Office of Energy,
1021 N. Grand Avenue East, PO Box 19276,
Springfield, Illinois, 62794-9276.

- Appeals must be received within 14 calendar days after the date that the grant award notice has been published by the Illinois EPA to grants.illinois.gov. The written appeal should include at a minimum the following: the name and address of the appealing party, identification of the grant, and a statement of reasons for the appeal. The Agency will acknowledge receipt of an appeal within 14 calendar days from the date the appeal was received. When an appeal is received, the execution of all grant agreements that the Illinois

EPA intends to make under this NOFO shall be stayed until the appeal is resolved, unless the Illinois EPA determines the needs of the State require moving forward with execution of the grant agreements. The State need determination and rationale shall be documented in writing. The Agency will respond within 50 days or supply a written explanation to the appealing party as to why additional time is required. The appealing party must supply any additional information requested by the Illinois EPA within the time period set in the request. The Illinois EPA will resolve the appeal by means of written determination, which shall include, but not be limited to, review of the appeal determination, and rationale for the determination.

- Neither the State of Illinois nor Illinois EPA is obligated to make any award as a result of this NOFO. Grant applicants are not authorized to proceed with projects until the Director has signed the Grant Agreement.

3. Anticipated Announcement and State Award Dates, if applicable.

Anticipated Date	Illinois EPA Action or Award Deadline
January 31, 2021	Release NOFO
March 29, 2022	Close the Application Period
June 1, 2022	Send a Notice of State Award to selected applicants for signature
August 1, 2022	Provide fully-executed grant agreement to grant recipients
December 29, 2023	Projects must be completed by Grantee
December 29, 2023	Grantee must submit Final Reimbursement Request to Illinois EPA

F. Award Administration Information

1. State Award Notices.

After the Illinois EPA has selected the projects that will be granted funds, successful applicants will receive a Notice of State Award (NOSA). The NOSA will specify the funding terms and specific conditions resulting from pre-award risk assessments. The NOSA will be distributed through the Grantee Portal, and it must be accepted through the Grantee Portal. The NOSA must be accepted before a Grant Agreement can be sent to the applicant.

After all prerequisites to the Grant Agreement have been completed, the Grant Agreement between the Illinois EPA and the applicant will be sent for the applicant to sign and return. Once the Grant Agreement is fully executed by the Illinois EPA, a copy will be returned to the applicant.

Only after the Grant Agreement has been signed by the Director of the Illinois EPA can expenses be incurred for grant reimbursement. Any expenses incurred outside of the grant period (before or after) are not eligible either as match or for reimbursement related to the grant.

2. Administrative and National Policy Requirements.

2 CFR 200 is the Federal Code provision that grants resulting from this NOFO will be administered under.

The Grant Funds Recovery Act (30 ILCS 705) also governs all grants resulting from this NOFO.

3. Reporting.

All grantees will be required to submit quarterly reports to the Illinois EPA describing the progress of the projects and costs incurred during the preceding 3-month reporting period. Quarterly reports will be due on October 15, January 15, April 15, and July 15 over the duration of the grant project period. Grantees must report the status of the project, specific tasks completed during the reporting period, tasks that remain to be completed, specific costs incurred and paid by the grantee during the reporting period, and projected date of project completion. A template of the quarterly report will be supplied to all grantees. Quarterly reports will be consistent with the Grant Funds Recovery Act (30 ILCS 705).

G. State Awarding Agency Contact(s)

Any questions about this NOFO should be directed to: Amy Roderick at Amy.Roderick@Illinois.gov or 217-785-2892.

H. Other Information, if applicable

Neither the State of Illinois nor Illinois EPA is obligated to make any award as a result of this NOFO. Grant applicants who hope to apply grant funds to energy efficiency projects may not proceed with the proposed project until a properly executed Grant Agreement is in place.

Mandatory Forms -- Required for All Agencies

1. Uniform State Grant Application
2. Project Narrative
3. Budget using the Uniform Budget Template
4. Budget Narrative