ILLINOIS CLIMATE BANK

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Illinois Finance Authority announces six transformative investments in rural Illinois

$12 million in grants will benefit 38,000 residents by reducing power outages, improving restoration times, and lowering electricity bills

Chicago, IL – Today, the Illinois Finance Authority (IFA), in its role as the Illinois Climate Bank, announced transformative investments in six projects across Illinois to reduce the frequency of power outages, speed up restoration times, and lower customers' bills. The second round of IFA's Grid Resilience Grants program will distribute $12,071,465 to directly benefit more than 38,000 Illinois residents served by rural electric cooperatives and municipal electric utilities across 18 counties.

Including awardee match funds, a total of $25,593,921 will be invested to upgrade grid infrastructure, rebuild and replace aging power lines, implement technologies to restore power more quickly, and remove overgrown vegetation around high-priority electrical lines.

These grants come from the second round of the IFA's Grid Resilience Grants program, funded by the U.S. Department of Energy under Section 40101(d) of the Bipartisan Infrastructure Law. The IFA was allocated $24,549,822 by the U.S. Department of Energy for the first three years of the program. Awardees from the IFA's second round of competitive applications include:

- **Adams Electric Cooperative** - $4,593,197
- **City of Batavia** - $1,171,399
- **City of Peru** - $681,888
- **Egyptian Electric Cooperative** - $1,744,281
- **Jo-Carroll Energy Cooperative** - $1,132,500
- **Tri-County Electric Cooperative** - $2,748,200

Local utilities and municipalities play a crucial role in the effective deployment of funds. Awarded projects are tailored to the needs of the communities they serve, increasing the impact of the investment. More information about individual projects can be found on the IFA website.

Applications for the third round of funding, released in early 2026, are currently being reviewed. Successful round three projects will be announced later this year.

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About the Illinois Finance Authority:

The IFA is a nationally-recognized conduit issuer in the tax-exempt financing market and the commercial property assessed clean energy financing market. Pursuant to the Climate and Equitable Jobs Act of 2021, IFA is designated as the Climate Bank of the State. Learn more at il-fa.com and illinoisclimatebank.com.

About the U.S. Department of Energy.

The mission of the Energy Department is to ensure America's security and prosperity by addressing its energy, environmental, and nuclear challenges through transformative science and technology solutions. Learn more at energy.gov.

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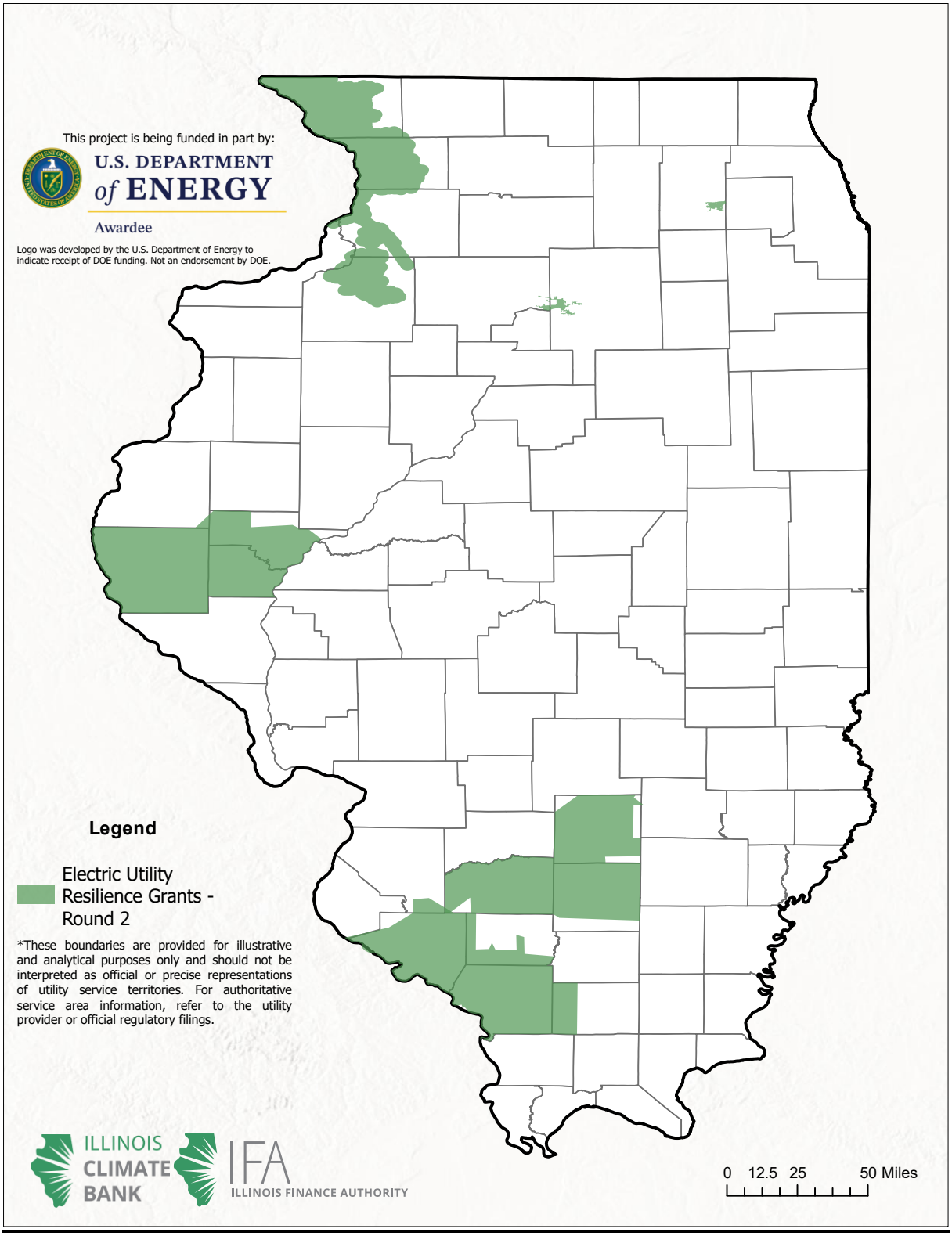
GRID Round 2 Supported Service Areas



Project Summaries

Adams Electric Cooperative / AMI and Load Control Project

Grant Amount: $4,593,197

Project Description: The project will deliver a comprehensive upgrade to Adams Electric Cooperative's distribution system to improve reliability, increase operational visibility, and support long-term grid resilience. Key components include the installation of approximately 12,000 advanced meters; the upgrade or replacement of 4,500 existing load control devices; installation of 1,500 additional load control devices; and replacement of 19 aging oil circuit reclosers with modern, SCADA-capable vacuum fault interrupters. These assets will be integrated into an enhanced communication and automation network to support real-time monitoring and system-wide operational control.

Project Benefits: The initiative will strengthen grid resilience, improve outage response, and reduce environmental risks associated with aging, oil-filled equipment. Approximately 7,500 members will benefit from improved service reliability and access to energy-saving technologies. The project will also enhance reliability for critical community services, including rural schools and water treatment facilities, advancing public health, safety, and community well-being across the Cooperative's service area.

Project Location(s): Adams, Brown, Fulton, Hancock, McDonough, Pike, and Schuyler County

City of Batavia / Woodland Hills Electric System Upgrade Project

Grant Amount: $1,171,399

Project Description: The City of Batavia will convert approximately 5.5 circuit miles of aging, overhead medium-voltage distribution lines to underground infrastructure. The project includes installation of two miles of three-phase and 3.5 miles of single-phase underground distribution lines, along with new pad-mounted transformers, underground junction cabinets, and fault indicators.

Project Benefits: The project will reduce outage frequency and improve long-term grid reliability by modernizing and undergrounding vulnerable infrastructure. These improvements will directly benefit approximately 2,500 electric customers, including 40 businesses. The project will also improve service to critical facilities including a fire station, an affordable housing complex, and a senior living residence. Anticipated operational improvements include a projected 50 percent reduction in outage frequency, a 45-minute reduction in average outage duration, and fewer long-duration service interruptions, particularly for customers who have historically experienced recurring outages.

Project Location(s): Kane County

City of Peru / Peru Phase 1 Resiliency Project

Grant Amount: $681,888

Project Description: The Peru Phase 1 Resiliency Project will strengthen priority overhead and underground distribution lines along roads that serve a vital role in the City's electrical planning. Improvements include reconductoring 1.5 miles of overhead double-circuit lines and installing nearly a half mile of new three-phase 35kV underground infrastructure connecting essential grid segments. The project will replace 36 distribution poles, install resilient wiring, utilize upgraded wood poles, and deploy technology to enable real-time pole condition monitoring and improved preventative maintenance.

Project Benefits: The project will support reliable service for Peru's approximately 10,000 customers. The improvements will reduce outage duration and frequency, mitigate impacts from severe weather events, and help lower energy burden for customers. The initiative will also support skilled jobs and provide workforce training to ensure personnel are equipped to operate and maintain upgraded grid assets. Prioritizing system improvements in historically underserved communities will advance equitable access to reliable electric service and support long-term community resilience.

Project Location(s): LaSalle County

Egyptian Electric Cooperative Association / Grassy and Hastings Substation Grid Enhancement Project

Grant Amount: $1,744,281

Project Description: This project includes construction of a new 10/14 MVA distribution substation operating at 12,470 volts within an 11-square-mile area in Marion, Illinois; comprehensive inspection and replacement of poles in the grassy substation area; and implementation of strategic vegetation management across the same service territory.

Project Benefits: These investments will significantly enhance system reliability and reduce outage frequency and duration. The new substation will reduce vulnerability to severe weather and equipment failure by increasing capacity to support current and future load growth, improving sectionalization, and enhance redundancy through additional back feed capabilities. Pole inspections and replacements will address weakened infrastructure and reduce emergency repairs following storm events. A proactive vegetation management strategy will reduce outage risks, help prevent wildfire hazards, and lower long-term maintenance needs. Collectively, these actions will advance grid resilience and improve continuity of service for members across the region.

Project Location(s): Jackson, Johnson, Union, and Williamson County

Jo-Carroll Energy Cooperative / Rural Grid Modernization Initiative

Grant Amount: $1,132,500

Project Description: Jo-Carroll Energy Cooperative will undertake a rural grid modernization initiative comprising four shovel-ready projects designed to upgrade more than nine miles of aging overhead and underground three-phase distribution lines across northwest Illinois. The effort focuses on converting legacy radial infrastructure into modern, looped, higher-capacity circuits that provide improved operational flexibility and reliability.

Project Benefits: The improvements will deliver substantial reliability and safety benefits to rural communities that face increased vulnerability due to aging equipment, low population density, and limited service redundancy. Upgrades will reduce outage frequency and duration, strengthen voltage support, and enhance grid flexibility by increasing conductor capacity and improving substation connectivity. Relocating lines to accessible corridors will enhance worker safety and reduce restoration times during emergency events. By addressing infrastructure that, in some areas, exceeds 80 years in age, the project will improve service quality today while laying a foundation for future grid modernization technologies.

Project Location(s): Carroll and Jo Daviess County

Tri-County Electric Cooperative / Strengthening Tri-County's Resiliency for Next-Gen Grid (STRONG)

Grant Amount: $2,748,200

Project Description: Tri-County Electric Cooperative (TCEC) will deploy advanced metering infrastructure (AMI) to improve grid reliability, support enhanced operational awareness, and expand demand-side flexibility. The project will serve approximately 13,500 members across rural Southern Illinois. The upgraded AMI system will support faster fault isolation and restoration and bolster reliability for critical community facilities including hospitals, emergency shelters, water treatment plants, and schools.

Project Benefits: The project will enable quicker outage detection and response, enhance energy efficiency, reduce operational costs, and improve public safety by supporting earlier identification of electrical faults and infrastructure issues. TCEC's service area spans 3,420 miles with an average of four members per mile, creating unique challenges for maintenance and storm recovery. Many communities served by TCEC experience more frequent or longer-duration outages due to geographic isolation and vegetation density. All 13,500 members will benefit from improved reliability and enhanced system resilience.

Project Location(s): Jefferson, Marion, and Washington County

Projects Budget Summary

Applicant	*Federal Funding*	*Grantee Cost Share*	*Combined Investment*
Adams Electric Cooperative	$4,593,197	$4,696,642	$9,289,839
City of Batavia	$1,171,399	$2,459,086	$3,630,485
City of Peru	$681,888	$456,679	$1,138,567
Egyptian Electric Cooperative Association	$1,744,281	$1,972,911	$3,717,192
Jo-Carroll Energy Cooperative	$1,132,500	$1,144,500	$2,277,000
Tri-County Electric Cooperative	$2,748,200	$2,792,638	$5,540,838
Total Round 2 Funding	***$12,071,465***	***$13,522,456***	***$25,593,921***

For more information about the IL 40101(d): Grid Resilience Grant Program and future funding opportunities, visit the IFA 40101(d) Grid Resilience webpage.