



NEWS RELEASE

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Illinois EPA Announces \$27 Million Notice of Funding Opportunity for Electric Public Transit Buses

Funding Allocated from Volkswagen Settlement Beneficiary Mitigation Plan

SPRINGFIELD — Illinois Environmental Protection Agency (Illinois EPA) Acting Director James Jennings today announced a \$27 million Notice of Funding Opportunity (NOFO) for the replacement of existing public transit buses with new all-electric transit options. Grant awards will cover 75% of the eligible cost per electric transit bus and any necessary charging infrastructure, with a minimum award amount of \$300,000. Eligible applicants include government and transit agencies that own and operate public transit buses in any of the three priority areas outlined in the Volkswagen Beneficiary Mitigation Plan (BMP) and further described below. This funding opportunity will remain open until funding is depleted with grants awarded on a first-come, first-serve basis.

“It’s no secret that transportation is the leading source of climate pollution—and it’s now time to incorporate a cleaner, healthier alternative,” **said Governor JB Pritzker**. “With this funding, we’re incentivizing local governments and transit agencies to upgrade their existing public transit fleet with new all-electric transit buses. I highly encourage all eligible entities to apply for these grants and join us in leading the future of clean energy and sustainable travel.”

“This opportunity will fund the replacement of up to 40 diesel transit buses with electric transit buses, providing for cleaner public transportation in areas that experience disproportionate impacts from air pollution,” **said Acting Director Jennings**. “We look forward to awarding grants to expand the use of electric buses within government and public transit agencies.”

As outlined in Illinois’ BMP for the Volkswagen diesel emissions settlement, and as specified in the NOFO, Illinois EPA will fund projects in the following priority areas:

- **Priority Area 1:** Cook, DuPage, Kane, Lake, McHenry, and Will counties, Oswego Township in Kendall County, and Aux Sable and Goose Lake townships in Grundy County.
- **Priority Area 2:** Madison, Monroe, and St. Clair Counties.
- **Priority Area 3:** Champaign, DeKalb, LaSalle, McLean, Peoria, Sangamon, and Winnebago Counties.

2024 VW Electric Transit Bus NOFO/2

Government/transit agencies that own and operate public transit buses in one of the three priority areas are eligible to apply. Purchased buses must serve within one of the three priority areas. Existing diesel buses to be replaced (scrapped), must meet the following criteria:

- Currently operating in the transit fleet
- Engine Model Year 2009 and older diesel-powered Class 4 – 8 transit buses; and
- Must be scrapped within 90 days of the new buses being placed into service.

Illinois EPA's BMP focuses the State's VW allocation on electric transportation and infrastructure. The goals of the plan include reducing nitrogen oxide emissions in areas where the affected VW vehicles were registered. The BMP also takes into consideration areas that do not meet federal air quality standards for ozone and bear a disproportionate share of the air pollution burden, including environmental justice areas.

The link to the Notice of Funding Opportunity can be found on the Driving A Cleaner Illinois webpage: <https://epa.illinois.gov/topics/air-quality/driving-a-cleaner-illinois.html>. Applications for the Driving a Cleaner Illinois – Volkswagen All-Electric School Buses NOFO will be accepted until funding is depleted.

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