Energy Transition Community Grant Program - 2026

The Energy Transition Community Grant Program was created by the Climate and Equitable Jobs Act (CEJA) (Public Act 102-0662) in 2021. CEJA states that, "as part of putting Illinois on a path to 100% renewable energy, the State of Illinois should ensure a just transition to that goal, providing support for the transition of Illinois' communities and workers impacted by closures or reduced use of fossil fuel power plants, nuclear power plants, or coal mines."

Grant Program Overview

The Program provides grants to promote economic development to communities that are in an area with a closure or reduced operation of a fossil fuel power plant, coal mine, or nuclear plant.

2026 Grant Program Website (materials at bottom of page):
https://dceo.illinois.gov/aboutdceo/grantopportunities/3071-2992.html

2026 Phase 1 Application Due: January 4, 2027 at 5pm CT*
*applications submitted more than 16 days prior to the due date will be reviewed by program staff for completeness.
2026 Phase 2 Period: Expected to open March 2027 and close June 2027

Eligible Grantees

Eligible grantees include local units of government, incl. counties, municipalities, school districts, and other taxing districts within 30 miles of a closed or closing coal, gas, or nuclear plant or coal mine. The plant/mine must have closed or significantly reduced operation within 6 years before the application or will be closed or significantly reduce operation within 6 years following the application.

To apply, grantees must have a "letter of support" from the city or village that "hosts" the plant/mine. If the plant/mine is in an unincorporated area, the county becomes the "host" and issues the letters of support.

Funding

The grant program is $40 million dollars per year. The funding for each eligible entity is determined by a funding formula based on lost tax revenue and lost jobs. All eligible entities receive at least $50,000. Funding awards are announced at the beginning of Phase 2.

Grant Administrator

Department of Commerce and Economic Opportunity (DCEO)
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Other key details

- The grant program is managed in two phases.
- An applicant must be registered and in good standing in the state "GATA" Grantee Portal to apply.
- Grantees are required to solicit community input and consultation with a diverse set of stakeholders in Phase 2.
- New in 2026 - The NOFO includes language about the "CEJA Ecosystem," a network of clean energy programs across multiple state agencies. Applicants are expected to consider how their projects can be designed to align with and leverage this ecosystem, but projects that don't align are still eligible.
- New in 2026 - The NOFO includes required "program outputs, outcomes, and impact metrics," but projects are not required to meet all these performance standards.

What is the grant for?

Projects must address the economic and social impacts associated with fossil fuel plant or mine retirement or transition. Eligible activities include, but are not limited to:

- Economic development planning, feasibility studies, and strategic research
- Grant writing support and funding resource development
- Efforts to attract new development or investment
- Investment in economic development capacity
- Workforce training, upskilling, and reskilling programs
- Tuition assistance and wraparound services
- Financial assistance to support unemployed, underemployed, or low-income residents
- Investment in clean energy and renewable energy
- Public infrastructure improvements
- Site cleanup and environmental remediation
- Downtown or commercial redevelopment
- Marketing and investments to support tourism, recreation, and business development
- Incentives to attract or retain businesses
- Public health initiatives and investments in community healthcare facilities

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This fact sheet was prepared by Prairie Rivers Network using 2026 grant program details.