



TO: Ellen H. Daley, Chief Procurement Officer for General Services
FROM: Jennifer Winking, Sole Source Hearing Officer
DATE: June 16, 2026
SUBJECT: May 13, 2026, Sole Source Hearing Officer Determination

On May 13, 2026, a hearing to consider comments regarding the following agency determination to contract on a sole economically feasible source basis was held. The hearing was presided over by hearing officer, Ellen Morris, and was attended by the undersigned hearing officer, Jennifer Winking:

Agency: Illinois Environmental Protection Agency (“EPA”)
Vendor: Evergreen Climate Innovations (“Evergreen”)
Brief Description: Evergreen Climate Innovations, formerly Clean Energy Trust (CET), to provide continued management of the Clean Energy Innovation Fund as required by the U.S. Department of Energy.
Procurement Bulletin Reference: 26-532EPA-ASSOC-B-51996
Value: Not to Exceed \$1,000,000.00

Factual Background:

On April 28, 2026, EPA submitted a Sole Source Justification Form (“SSJF”) seeking approval for a one-year contract with Evergreen to provide continued management of the Clean Energy Innovation Fund as required by the U.S. Department of Energy. SSJF at 1.

EPA in its SSJF states that Evergreen was granted Federal money used to create the Clean Energy Innovation Fund and that Evergreen is the only organization that can provide continued management of the created fund. SSJF at 5.

EPA has had sole source contracts with Evergreen since at least 2017. SSJF at 2. The contract subject to this sole source hearing is estimated to begin July 1, 2026, and end June 30, 2027. SSJF at 1.

CPRA Request (“CPRA”) submitted public comment “to encourage you to consider holding a sole source hearing” regarding this proposed sole economically feasible source contract and is attached as Exhibit 1.

Summary of Hearing:

The hearing was held via Webex on May 13, 2026. The notice of intent to contract on a sole economically feasible source basis as well as the SSJF for this procurement were incorporated into the record. CPRA Request’s written request for hearing containing comments was incorporated into the record.

The following summary incorporates and paraphrases the testimony as follows:

Andrew Shackelford and Amy Roderick commented on behalf of the EPA. Andrew Shackelford commented on behalf of the EPA that Evergreen is the administrator of the Illinois Clean Energy Innovation Fund (“Fund”) and currently provides services free of charge. Mr. Shackelford states that the Fund must be approved by the United States Department of Energy (“DOE”). Mr. Shackelford stated that Evergreen is an approved vendor by DOE. Mr. Shackelford testified that it is not economically feasible to switch vendors as it would be nearly impossible to recapture the principal, interest, and return all investments made by Evergreen.

Amy Roderick testified that the EPA is seeking a contract to maintain oversight of the Fund. Ms. Roderick stated that the Fund was established in 2014 by Illinois Department of Commerce and Economic Opportunity (“DCEO”). Ms. Roderick stated that it is a restricted, revolving funding model. Ms. Roderick stated that DOE provides funding to invest in clean energy by entrepreneurial businesses. Ms. Roderick stated that the money from the Fund has already been divested. Ms. Roderick stated that the contract only allows EPA to maintain administrative oversight which is a requirement of the American Reinvestment and Recovery Act (“ARRA”). Ms. Roderick stated that the EPA must maintain and report on any changes and investment updates to DOE.

Mr. Shackelford testified that this is a sole economically feasible contract because Evergreen has been approved by DOE, Evergreen is providing services free of charge, and that the money has already been dispersed.

Ms. Roderick provided background noting that initially there was \$2.499 million received out of ARRA funding in 2014. Ms. Roderick stated that the money has since been invested in eight (8) different companies. Ms.



Roderick stated that while some of the companies have folded, there are still several in existence and working through their funding. Ms. Roderick stated that EPA must maintain oversight for compliance purposes because this is a DOE program and funds. Ms. Roderick stated that there was a second fund that invested \$1.1 million that has also been divested and invested in eight (8) other entrepreneurial companies that also requires EPA oversight. Ms. Roderick stated that this is more of an administrative exercise than a financial exercise because the funding has already been divested. Ms. Roderick stated that the actual cash on hand value is less than \$85,000. Ms. Roderick stated that DOE gives funds and certain restrictions were placed on the allocation of those funds.

Ms. Roderick further testified that the Governor's Executive Order caused the funds to be transferred over to the EPA. Ms. Roderick stated that this contract allows EPA to maintain oversight of administrative reporting even though there may not be any administrative activity in the quarter. Ms. Roderick stated that the last transaction occurred in 2021 due to COVID. Ms. Roderick stated that 2021 was the last time Evergreen received administrative dollars. Ms. Roderick stated that the next contract anticipates that Evergreen will not receive any administrative dollars. Ms. Roderick stated that Evergreen must maintain the financial records and any documentation in the event of an audit. Ms. Roderick stated that EPA must get approval from DOE before any financial transactions can occur with Evergreen.

No representative of CPRA appeared at the hearing. No testimony was provided by CPRA.

In response to the written question from CPRA about the IRS 990 form, Ms. Roderick clarified that Evergreen has three active funds. Ms. Roderick stated that one of those funds, the Clean Energy Prize Fund ("CEPF") is a fundraising fund that has no relationship to EPA or DCEO. Ms. Roderick stated that the report from 2024 is reflective of the CEPF, not the Fund that is the subject of this sole source. Ms. Roderick stated that in 2023 and 2024, the activities on the IRS 990 pertain to CEPF, and are not reflective of any transactions that have occurred from EPA to Evergreen.

Applicable Statutes and Rules

Sole-source procurements must be scrutinized because they tend to contravene the core purpose of the Procurement Code, namely, "that the principles of competitive bidding and economical procurement practices shall be applicable to all purchases and contracts by or for any State agency." 30 ILCS 500/1-5. The Code requires heightened transparency for sole source awards because they lack competition and can be abused relatively easily. *See, generally*, 30 ILCS 500/20-25.

The Code states that “contracts may be awarded without use of the specified method of source selection when there is only one economically feasible source for the item.” 30 ILCS 500/20-25(a). Additionally, the Code states that a “contract may be awarded as a sole source contract unless an interested party submits a written request for a public hearing at which the chief procurement officer and purchasing agency present written justification for the procurement method.” *Id.* Additionally, the Code states that “[a] sole source contract where a hearing was requested by an interested party may be awarded after the hearing is conducted with the approval of the chief procurement officer.” *Id.*

The Illinois Administrative Code further outlines the following:

A sole source procurement is permissible when a requirement is available from only a single supplier. A sole economically feasible source is permissible when only one supplier is deemed economically feasible. A requirement for a particular proprietary item does not justify a sole source procurement if there is more than one vendor authorized to provide that item.

44 ILL. ADMIN. CODE 1.2025(b).

Section 1.2025(c) provides that “[p]rior to authorizing the State agency to enter into a contract based on the sole source or sole economically feasible source request, the CPO-GS shall offer a public hearing to be held and make a final determination as required by Section 20-25(a) of the Code.” 44 ILL. ADMIN. CODE 1.2025(c).

Analysis and Recommendation

The issue here is whether any vendor other than Evergreen can provide the necessary services to meet EPA’s need to provide continued management of the Clean Energy Innovation Fund (“Fund”), and whether any other vendor can do so in an economically feasible manner.

The requester, CPRA, did not submit opposition to the request to contract on a sole source basis with Evergreen. Instead, CPRA believed a hearing would provide an opportunity to better understand how resources are allocated.

The EPA states in its SSJF that because of the structure of the Fund, the U.S. Dept. of Energy award process, and investment-dependent nature of administrative expenses, makes competitive bidding in this situation akin to termination of the Fund. SSJF at 5. EPA further states in its SSJF that if Evergreen lost control over the Evergreen created fund, the State would have to recapture the principal, interest, and return on all investments, which would remove money from active investments, before giving the money to a third party



and that these consequences were not contemplated by the U.S. Department of Energy when it granted the funds to Illinois. SSJF at 5.

EPA demonstrated that Evergreen currently provides services free of charge. EPA demonstrated that Evergreen is an approved vendor by DOE as required for administration of the Fund. EPA demonstrated that it is not economically feasible to switch vendors because it would be nearly impossible to recapture the principal, interest, and return all investments made by Evergreen. EPA further demonstrated that Evergreen's Form 990 questioned by CPRA does not contain any allocation of salaries or employee benefits pertaining to the Fund but reflects income from other funds it administers.

Based on the foregoing, I find the justification for this sole economically feasible source to be sufficient, and I recommend the procurement be approved.

/s/ Jennifer Winking

Hearing Officer

