



226 Anne Dallas Dudley Blvd., Suite 508 Nashville, Tennessee 37243-0760 Phone: (615) 741-3012 Fax: (615) 532-2443 www.tn.gov/tacir

MEMORANDUM

TO: Commission Members

FROM: Cliff Lippard Lif

DATE: 27 September 2023

SUBJECT: Public Chapter 1043, Acts of 2022 (Utility-Scale Solar Energy Development)—Final Report for Approval

The attached Commission report is submitted for your approval. It was prepared in response to Public Chapter 1043, Acts of 2022, which directs the Commission to study issues stemming from the development of utility-scale solar facilities in Tennessee, as well as concerns related to consumer protection in the residential solar market. The Commission is required to report its findings and recommendations no later than September 30, 2023.

Staff added information to the report that was requested by members at the last meeting. In response to a question from Representative Hazlewood about projections for loss of farmland to all development, staff added data from the American Farmland Trust's *Farms Under Threat* report. To address Commissioner Bryson's question about how many acres are required to make a utility-scale project economically viable, staff added that according to Tennessee Solar Energy Industries Association staff, many variables such as the interconnection cost, required studies, zoning, and whether the panels are roof or ground mounted or fixed or tracking affect the size of a facility and its economic viability. Commission staff added an explanation of TVA's PILOTs to respond to a question from Mayor Anderson and information about lithium battery disposal and potential use of eminent domain to respond to questions from Councilman Carlisle. Additionally, since the draft report was presented at the last meeting, staff revised language based on input received from three nonprofit organizations and a solar developer.

The report's recommendations remain unchanged from the draft report:

- The Commission recommends that the Tennessee Department of Environment and Conservation (TDEC) Office of Energy Programs continue to expand and maintain its existing website with additional guidance and resources on utility-scale solar for local governments, landowners, developers, and the public, like Kentucky. Representatives of that office say they are willing to do so.
- The Commission recommends that the TDEC Office of Energy Programs continue to expand and maintain its webpage that provides guidance and resources on residential solar for the public. Representatives of that office say they are willing to do so.
- Recognizing that care would need to be taken to avoid undermining the intent of the General Assembly's past efforts at tort reform, the Commission recommends that the state consider raising the penalty for violations of the Consumer Protection Act if the good or service involved has a value greater than a monetary threshold set by the state.