



Department of
**Environment &
Conservation**

TAEBC

Energy Programs and Incentives in Tennessee

August 2021

Who is TDEC?

- **TDEC exists to enhance the quality of life for citizens of Tennessee and to be stewards of our natural environment.**
- TDEC: Tennessee's "Quality of Life" Department
 - Environment: environmental quality and permitting (air, land, water)
 - Conservation: 56 State Parks and 80+ Natural Areas (200k acres)
- TDEC Office of Energy Programs
 - DOE-funded State Energy Office for Tennessee
 - Programs, technical assistance, and outreach for energy

Let's Talk Energy Programs and Incentives

1. Energy in Transportation
2. Energy Efficiency / Renewables
3. Resilience and Mitigation
4. **NEW!** 2021 TN Legislation
5. **NEW!** Bipartisan Infrastructure Package

VW Settlement

- Initial allocation: \$45.8 M
- Goal: reduce NOx emissions
- Grants underway
 - School Buses
 - Transit + Shuttle Buses
 - Class 4-8 Trucks
- Upcoming grants
 - EV Infrastructure

Drive Electric
TENNESSEE

WHY DRIVE ELECTRIC?

LEARN

TAKE ACTION

ABOUT DET

NEWS

EVENTS

AWARENESS

WASHINGTON COUNTY SCHOOL SYSTEM UNVEILS TENNESSEE'S FIRST ELECTRIC SCHOOL BUS



On June 3, 2021, the [Drive Electric Tennessee](#) team witnessed a first for the state. The first all-electric school bus hit the road in Jonesborough, Tennessee. The Washington County School System, along with several local and state partners, celebrated this momentous occasion with a ribbon-cutting ceremony and ride on the electric school bus for all attendees.

Funded 50% of Tennessee's FIRST electric school bus

TN

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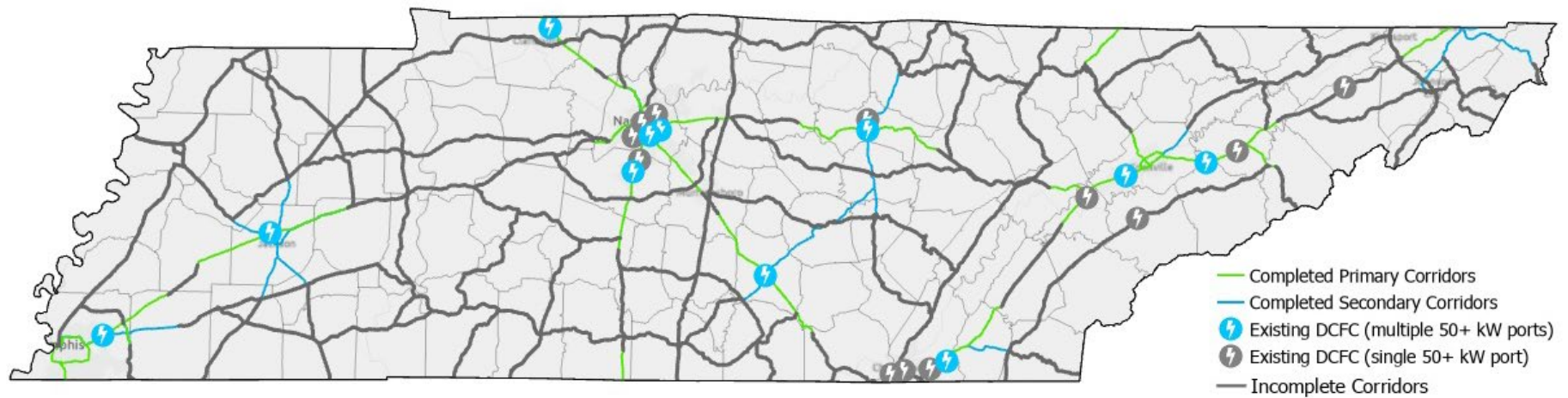
Corridor EV Fast Charge Network

- Fast Charge Corridor Program
 - TDEC and TVA have partnered to develop and fund a statewide, **publicly-available network of DC fast chargers, every 50 miles** throughout the State and Tennessee Valley
 - Goal: remove range anxiety for EV drivers and expand access to all corners of Tennessee
 - Seeking LPCs to build, own, and operate charging locations, funded by VW Settlement dollars (TDEC) and TVA.
 - ~50 new sites in Tennessee
 - 24/7 access, close to highways, amenities
 - Funding: 80% of eligible costs, capped at \$150k / charger

EV Fast Charge Corridor Program

Tennessee Electric Vehicle Charging Corridor Completion Map

Existing DC Fast Charging Infrastructure and Completed & Incomplete Corridor Segments (June 2021)



EV Chargers Coming to TN State Parks

- Partnership with Rivian will bring L2 EV chargers to TN State Parks (Goal: all 56 locations)
- Open to all EVs
- To be funded and installed by Rivian, no cost to taxpayers



Other Energy in Transportation Programs

- DERA – Reducing Diesel Emissions for a Healthier Tennessee
- Federal Transit Administration (FTA):
 - Low-No (Low or No Emission Vehicle Program)
- Federal Highway Administration (FHWA):
 - Congestion Mitigation and Air Quality (CMAQ)
 - Highway Infrastructure Program (HIP)
- EVSE tax credit: 30% tax credit available through 2021



Energy Efficiency / Renewables Programs

- Home Uplift
 - For limited income households, TDEC has contributed to Home Uplift Programs with TVA to fund no-cost energy efficiency upgrades
- Energy Efficient Loan Program (EELP):
 - Managed by Pathway Lending (a CDFI)
 - Financing for renewable and energy efficiency
 - Low-interest revolving loan, seeded by TDEC, TVA, and Pathway.
 - Assists Tennessee for-profit and not-for profits



Energy Efficiency / Renewables Programs

- 179D tax credit
- USDA Rural Energy Assistance Program (REAP)
- Solar investment tax credit

Resilience / Mitigation

- FEMA BRIC
 - Pre-Disaster Mitigation is now **B**uilding **R**esilient **I**nfrastructure and **C**ommunities (BRIC)
 - Energy resilience projects can qualify
 - Applications must be submitted to TEMA

New 2021 TN Legislation

- In 2021 the TN General Assembly passed two new pieces of energy-related legislation permitting the following:
 - **GESPC**: Guaranteed Energy Savings Performance Contracting
 - **C-PACER**: Commercial Property Assessed Clean Energy and Resilience



C-PACER

- **C**ommercial **P**roperty-**A**ssessed **C**lean **E**nergy & **R**esilience
- TN General Assembly passed legislation in 2021 adding a new chapter to Tenn. Code Ann. Title 68
 - 68-205-101 through 68-205-115
 - Enabling legislation for C-PACER which jurisdictions may voluntarily implement
 - Research regarding program design / implementation underway
 - Evaluating a stakeholder process to inform program design

- **G**uaranteed **E**nergy **S**avings **P**erformance **C**ontracting
- Permits state agencies to enter into GESPCs
 - Amends T.C.A. 12-4-118 to establish a permanent program
 - Does not apply to higher education or local governments
 - Allows third party financing
 - Program design / implementation is underway

Bipartisan Infrastructure Package

- Bipartisan Infrastructure Package
 - Establishes a Joint Office of Energy and Transportation
 - EV charging (\$7.5B)
 - Electric buses & ferries (\$7.5B)
 - EECBG: Energy Efficiency and Conservation Block Grant (\$550M)
 - Grid infrastructure (\$73B)
 - Hydrogen (\$8B)



Thank you