

# State Energy Policy Council

Attached is the State Energy Policy Council's recent report titled "Energy Security Planning: Ensuring Natural Gas Capacity to Meet Tennessee's Economic Development Needs" concerning certain supply constraints in relation to the state's utility infrastructure. These constraints have the potential to hamper economic growth in the future. Based on concerns identified in the report, Council recommends a comprehensive natural gas needs assessment to educate and inform leaders and ensure both energy and economic security for the state.

The report presents six key findings:

1. There are binding natural gas supply constraints in east Tennessee and rural parts of the state.
2. The natural gas pipeline system appears to be safe, but safety reporting could be improved.
3. High natural gas prices in some parts of the state may discourage economic growth.
4. There are concerns regarding the large number of small natural gas utilities and their ability to serve their communities.
5. Natural gas refueling capacity in the state is limited, hampering the growth of a diversified fleet of large trucks that support industry and agriculture.
6. State and local economic development officials need to be able to respond to industry concerns regarding natural gas availability and its ability to support growth.

The attached report was prepared by Dr. Matthew N. Murray, Senior Fellow at the University of Tennessee's Howard H. Baker Jr. Center for Public Policy, who provides research support to the SEPC, the state's central energy policy planning body established by the General Assembly through Public Chapter 458 in 2017. The Council feels that it is in the best interest of the state to consider the recommendations provided in the attached report with an open mind and an eye towards the future. We would greatly appreciate the opportunity to speak with you to discuss the findings of the report, provide the Council's view, and to hear your suggestions as we move forward. Together, we have the unique opportunity to change Tennessee's role in the energy economy of the future and do so in a manner that promotes the most beneficial outcomes to the state and all Tennesseans that we serve daily.

Please contact me if you would like to set up either an individual or Committee meeting. We look forward to hearing from you.



Joe Hoagland, Ph.D.  
Chair, State Energy Policy Council