



# State of Tennessee

## PUBLIC CHAPTER NO. 154

HOUSE BILL NO. 946

By Representatives Boyd, Todd, Lynn, Moody, Vital, Zachary, Terry, Grills, Howell,  
Williams, White, Ragan, Littleton, McCalmon

Substituted for: Senate Bill No. 1389

By Senators Southerland, Bowling, Rose, Jackson, Walley, White

AN ACT to amend Tennessee Code Annotated, Title 4; Title 5; Title 6; Title 7; Title 13;  
Title 64; Title 65; Title 67 and Title 68, relative to energy.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 7, Chapter 51, is amended by adding the  
following as a new part:

### **7-51-2401. Part definitions.**

As used in this part:

(1) "Clean energy" means energy that is derived from a source known to  
produce significantly lower carbon emissions than traditional fossil fuels;

(2) "Political subdivision" means this state or a municipality, public  
corporation, body politic, authority, district, metropolitan government, county,  
agency, department, or board of one (1) or more of the entities listed;

(3) "Public utility" means:

(A) An entity subject to the jurisdiction of the water and  
wastewater financing board, or a successor board, in accordance with §§  
68-221-1008 and 68-221-1009;

(B) An entity subject to the jurisdiction of the utility management  
review board, or a successor board, in accordance with § 7-82-702; or

(C) A county-owned or municipal-owned utility that provides  
electric, broadband, natural gas, or propane services to the public; and

(4) "Renewable energy" means energy that is derived from a source that  
is naturally replenishing or that is virtually inexhaustible on a human timescale.

### **7-51-2402. Applicability.**

This part does not apply to energy requirements for a certified green energy  
production facility, as defined in § 67-4-2004.

### **7-51-2403. Permissible sources of clean energy.**

(a) A political subdivision that through ordinance, resolution, or other regulation  
imposes requirements or expectations related to the source of clean energy used by a  
public utility shall include the following as permissible sources:

(1) Solar energy;

(2) Photovoltaic cells and panels;

(3) Hydropower;

- (4) Wind power;
- (5) Hydrogen fuel;
- (6) Nuclear power;
- (7) Natural gas;
- (8) Fuel cells;
- (9) Energy from waste-to-energy facilities;
- (10) Energy storage systems or technologies;
- (11) Geothermal energy;
- (12) Dedicated crops grown for energy production;
- (13) Industrial byproduct technologies that use fuel or energy that is a byproduct of an industrial process;
- (14) Waste heat recovery from capturing and reusing the waste heat in an industrial process for heating or generating mechanical or electric work;
- (15) Combined heat and power systems;
- (16) Pumped storage hydropower; and
- (17) Compressed air energy storage.

(b) A public utility required by a political subdivision to implement or comply with requirements or expectations related to the source of clean energy used by the public utility meets the requirement if the public utility uses one (1) or more of the sources listed in subdivisions (a)(1)-(17).

**7-51-2404. Permissible sources of renewable energy.**

(a) A political subdivision that through ordinance, resolution, or other regulation imposes requirements or expectations related to the source of renewable energy used by a public utility shall include the following as permissible sources:

- (1) Solar energy;
- (2) Photovoltaic cells and panels;
- (3) Hydropower;
- (4) Wind power;
- (5) Hydrogen fuel;
- (6) Geothermal energy;
- (7) Biomass, including agricultural crops, wastes, or residues, wood or wood waste, animal waste or other animal byproducts, algae, or solid waste; and
- (8) Renewable natural gas, as defined in § 65-5-114.

(b) A public utility required by a political subdivision to implement or comply with requirements or expectations related to the source of renewable energy used by the public utility meets the requirement if the public utility uses one (1) or more of the sources listed in subdivisions (a)(1)-(8).

**7-51-2405. Violations.**

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An ordinance, resolution, or other regulation in violation of this section is against public policy and void.

SECTION 2. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

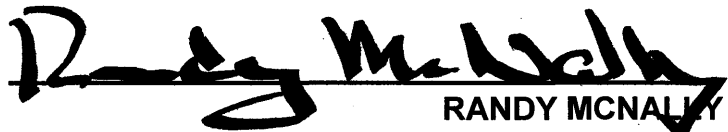
SECTION 3. This act takes effect July 1, 2023, the public welfare requiring it.

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PASSED: March 23, 2023



CAMERON SEXTON, SPEAKER  
HOUSE OF REPRESENTATIVES



RANDY MCNALLY  
SPEAKER OF THE SENATE

APPROVED this 12<sup>th</sup> day of April 2023



BILL LEE, GOVERNOR