

Agriculture and Natural Resources Committee 1

Amendment No. 1 to HB0868

**Halford
Signature of Sponsor**

AMEND Senate Bill No. 1325

House Bill No. 868*

by deleting Section 1 in its entirety and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 68, Chapter 201, Part 1, is amended by adding the following language as a new section:

(a) As used in this section:

(1) "Covered electric-generating unit" means an existing fossil-fuel-fired electric-generating unit located within this state that is subject to regulation under EPA emission guidelines;

(2) "Department" means the department of environment and conservation;

(3) "Environmental protection agency" or "EPA" means the United States environmental protection agency;

(4) "Federal emission guidelines" means any final rules, regulations, guidelines, or other requirements that the EPA adopts for regulating carbon dioxide emissions from covered electric-generating units under Section 111(d) of the federal Clean Air Act, compiled in 42 U.S.C. § 7401 et seq.;

(5) "State" means the state of Tennessee; and

(6) "State plan" means any plan to establish and enforce carbon dioxide emission control measures adopted by the department to implement the obligations of the state under the federal emission guidelines.

(b) In developing a state plan, the department shall prepare a report that assesses the effects of the state plan on:

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(1) The electric power sector, including:

(A) The ability of this state to provide affordable electricity through diversified sources of electricity generation;

(B) The type and amount of electric-generating capacity within this state that the electric power sector is likely to retire or replace with other energy sources;

(C) Stranded investment in electric-generating capacity and other infrastructure;

(D) The amount of investment necessary to offset the retirement of electric-generating capacity and maintain generation reserve margins;

(E) Potential risks to reliable sources of electricity, including resource adequacy risks and transmission constraints; and

(F) The amount by which retail electricity prices within this state are predicted to increase;

(2) Electricity consumers within this state, including any disproportionate impacts of electricity and other energy price increases on middle-income and lower-income households;

(3) Employment within this state, both directly and indirectly, including jobs lost within affected sectors of this state's economy;

(4) Economic development in this state, including the effects on manufacturing, commercial, and other sectors of this state's economy;

(5) The competitive position of this state relative to neighboring states and other economic competitors;

(6) State and local governments, including the potential impacts resulting from changes in tax revenues; and

(7) Existing state laws, and any new legislation to be enacted to implement the state plan.

(c) Not later than fifteen (15) days from the development of a state plan, the department shall transmit a copy of the state plan and the accompanying report to the chairs of the government operations committees of the senate and the house of representatives.

(d) After its completion, the department shall present the findings of the report prepared and transmitted pursuant to subsections (b) and (c) at the next regularly scheduled meeting of the joint committee on government operations.