



# Seeing the Light:

Alternative Energy Fuels Tennessee Growth

TEP Annual Report 2008-2009



TENNESSEE ECONOMIC PARTNERSHIP

# TEP Illuminated

The Tennessee Economic Partnership (TEP) is a 19-year-old public-private nonprofit organization working to bring new business and industry to the Volunteer State. The group travels the country shining the light on Tennessee's statewide strengths to corporate real estate professionals and others who might direct corporate relocations and other business to the state.

Over the past five years, TEP has worked closely with the Tennessee Department of Economic and Community Development to spur \$26.58 billion in new capital investment in the state, which led to the creation of \$111.6 billion in Tennessee products being exported to foreign markets. This growth was across various industries, from manufacturing to biotech to food processing.

But perhaps the most exciting growth sector is that of clean energy.

Switchgrass, wind, biofuel, nuclear, solar and other forms of alternative energy are lighting the way to real, meaningful, sustainable job growth in Tennessee. Thanks to the Governor's Task Force on Energy Policy, the Clean Energy Technology Summit and a focus on marketing to the clean energy sector from organizations like TEP, the state of Tennessee is poised to become to clean energy what the Bay Area is to high-tech.

Turn the page to see how Tennessee is lighting the way for the industry with its recent renewable energy successes.

# Clean Energies Brighten Economic Outlook

Clean energy has quickly become a target industry for Tennessee's economic development efforts. Positioned to be a leader and originator of the next great exports of clean energy products, technology and research, Tennessee is already heavily invested in job creation and economic incentives to major solar companies.

Given the potential growth of the field, it is only natural that we expand on Tennessee's investment and better equip our state to attract more jobs in the sector.

From columnist and author Thomas L. Friedman to President Barack Obama, an increasing number of experts are shining the light on clean energies, not just as the environmentally friendly right thing to do, but as the economically essential path to job creation. These facts and figures illuminate the growth opportunities in clean energy across the globe.

- The London-based research firm New Energy Finance estimates that capital investment by companies in the clean energy sector totaled \$148 billion in 2007.
- According to the United Nations Environment Program, \$155 billion was invested in 2008 in clean energy companies and projects worldwide: \$105 billion of that was spent directly developing 40 GW of power-generating capacity from wind, solar, small-hydro, biomass and geothermal sources.
- Solar continues to be the fastest-growing industry for new investment (\$33.5 billion, 49 percent growth in 2007), with compound annual growth of 70 percent between 2006 and 2008.
- The Oak Ridge National Laboratory predicts that the U.S. will have triple the number of nuclear plants it has today by 2050, at a cost of more than \$900 billion.
- JP Morgan predicts that the United States will surpass Germany as the largest market for solar power in the world by 2011.
- According to a Reuters article, General Electric anticipates the solar industry will reach \$1 billion in revenue by 2011.
- The Washington, D.C.-based American Wind Energy Association reported that a record 8,358 megawatts of new capacity were installed in 2008, a number which increased the country's wind power-generating capacity by 50 percent in just one year. This growth brought \$17 billion of investment into the economy.

# Shedding Light on the State's Clean Energy Growth

Tennessee is a bright spot in alternative energy economic stimulus. In fact, the Tennessee Department of Labor estimates that 40,000 jobs (direct and indirect) could be created in the state, with an investment of \$1.9 billion on clean energy.

TEP is helping shine the spotlight, working with the Tennessee Department of Economic and Community Development, to highlight, promote and build on the key clean energy and green job announcements that the state has realized in the last year. In early 2009, TEP hosted the State booth and a sponsorship at RETECH, one of the premier renewable energy conferences in the world. For RETECH, TEP was involved in the creation of new marketing materials for the State that highlighted Tennessee's numerous accomplishments in the renewable energy industry.

Our organization hosted Tennessee's first Solar Symposium, bringing in leading solar experts and proprietors from Tennessee and around the world to network and educate the State's economic development community.

"Tennessee is one of the states predicted to have significant solar job growth," says Tom Nicholas, Regional Director of the Washington, D.C.-based Solar Electric Power Association and speaker at the Symposium. "Making solar panels is a highly technical task, and companies relocating want to be where technical people are. They want to be where they can hire and train locally."

Tennessee's strength in technical training and research facilities makes it a natural for firms such as Hemlock Semiconductor and Wacker Chemie, both of which are locating plants in Tennessee.

"It is not the only criteria, but it is a plus," Nicholas says, adding that Governor Bredesen's commitment to renewable energy and Tennessee's location as a good place from which they can ship products, are also attractive factors.

# HighLIGHTS from 2008-2009

- Hemlock Semiconductor LLC announced plans to spend \$1.2 billion to build a plant for making polysilicon, a component needed to make solar panels. The facility will create 800 jobs in Clarksville.
- Wacker Chemie AG of Munich Germany announced a \$1 billion polycrystalline silicon plant in Bradley County, Tenn.
- The Volunteer State Solar Initiative consists of two projects: The Tennessee Solar Institute at the University of Tennessee (UT) and Oak Ridge National Laboratory (ORNL), which will focus on industry partnerships to improve the affordability and efficiency of solar products; and the West Tennessee Solar Farm, a five-megawatt 20-acre power generation facility in Haywood County that will be one of the largest installations in the Southeast and serve as a demonstration tool for education and economic development.
- More than 1,400 workers were hired in East Tennessee by Bechtel Corp. to resume construction of what is scheduled be the first new nuclear reactor completed in the U.S. in more than 15 years.
- Metrolight, Inc., an Israeli company with its U.S. headquarters in Franklin, received an Energy Innovator Award from the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE).
- The University of Tennessee Research Foundation and DuPont Danisco Cellulosic Ethanol have built a state-of-the-art biorefinery and research and development facility in Vonore.

## Renewable Energy Companies in the State:

AGC Flat Glass (Kingsport)	Memphis Biofuels (Memphis)
Aerisyn (Chattanooga)	Nu-Energie (Blountville)
Alstom (Chattanooga)	Sharp Manufacturing Co. (Memphis)
DuPont Danisco Cellulosic Ethanol (Loudon)	Shoals Technologies (Gallatin)
Genera Energy (Knoxville)	TVA Wind Farm (Buffalo Mountain)
Hemlock Semiconductor (Clarksville)	Wacker Chemical (Cleveland)

## CoreNet Global Spring Summit Consultant Dinner

San Diego, Calif. (May 4–May 6, 2008)

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CoreNet traditionally has been a prime opportunity for Tennessee to showcase its strengths. The CoreNet Global Spring 2008 Conference was no exception. More than 2,000 site consultant and economic development professionals gathered in the San Diego Marriott Hotel and Convention Center. CB Richard Ellis consultants joined TEP officials at a dinner to discuss what Tennessee could bring to the table for their clients.

## CORFAC Fall Conference

Nashville (September 11–September 14, 2008)

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It is rare that an international organization of corporate real estate brokers and agents come to Tennessee (or any state, for that matter) for their annual meeting. Tennessee seized this opportunity to sell the state to a group of professionals who influence business relocation decisions. As a Platinum conference sponsor, Tennessee members took advantage of premium marketing opportunities and access to the more than 200 individual CORFAC attendees.

## Tennessee Innovation and Capital Formation Conference

Nashville (November 20, 2008)

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There are many different paths to a quality economic development program, and investing time and resources toward entrepreneurship and venture capital in Tennessee is an important such path.

Nashville's flagship Country Music Hall of Fame was the site of the Tennessee Innovation and Capital Formation Conference, which welcomed more than 200 venture capitalists to the state. TEP showed the investors, and university colleagues involved in research development, the ways in which the state is fertile ground for start-up ideas, creativity and government and institutional support. The conference, hosted by the Tennessee Technology Development Corp., allowed venture capitalists to see firsthand the innovation coming out of Tennessee.

## CoreNet Global Fall Summit

Orlando, Fla. (November 9–November 12, 2008)

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At another successful CoreNet event, TEP hosted some of the top corporate real estate consultants attending the three-day conference for a dinner with Tennessee ECD Commissioner Matt Kisber. The consultants literally were shown the light - in the form of a spectacular fireworks show from the rooftop of the Contemporary Hotel at Walt Disney's Magic Kingdom. TEP provided transportation services to and from the airport to the conference hotel, creating another opportunity to network and talk about the attributes of business location in Tennessee.

## NAI Global Conference

Las Vegas (February 10–February 12, 2009)

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The State of Tennessee and TEP hosted a booth at the conference of more than 1,000 NAI representatives from more than 375 offices in 55 countries. It was a surprise that Tennessee was the only state hosting a booth at the corporate real estate conference, giving TEP representatives high-profile exposure and recognition among the influential group of brokers and corporate real estate professionals.

## RETECH 2009: Renewable Energy Technology Conference and Exhibition

Las Vegas (February 25–February 27, 2009)

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Just a few weeks later it was back to Las Vegas to host a booth at the American Council on Renewable Energy's conference. Attended by 5,000 people, RETECH conference was a one-stop educational program for professionals who want to stay current on the dynamic renewable energy sector including CEOs, and manufacturing decision makers. The timing of the Wacker Chemie manufacturing facility announcement gave the state credibility among showgoers and was a highlight to the TEP booth with numerous companies coming by to learn more about Tennessee and its sudden jump to the top for renewable energy manufacturing locations.

## Dallas Consultant Event

Dallas (March 23, 2009)

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What better way to say "Tennessee" than with a singer/songwriter night? TEP and the Tennessee Department of Economic and Community Development hosted the event which included a dinner at Dallas' Crescent Club at the Rosewood Crescent Hotel. Country Music Association award-winning songwriters Rivers Rutherford and Bob Dipiero performed for 25 Dallas-area site location consultants and speakers from the Southern Economic Development Council's Meet the Consultants Conference.



TEP Board of Directors

## Bio Conference and Atlanta Key Market Visit

Atlanta (May 18–May 21, 2009)

Atlanta is a hotbed for consultants, international business leaders, strategic conferencing and business prospecting. TEP brought those opportunities together during the three-day annual BIO International Convention. TEP, in coordination with the Tennessee Department of Economic and Community Development, the Tennessee Biotechnology Association and the Tennessee Technology Development Council, sponsored a Jack Daniels reception on the trade show floor to meet face-to-face with those interested in Tennessee. More than 20,000 life science professionals gathered for the convention.



While in Atlanta, TEP members met with more than 12 area site consulting firms to network and sell Tennessee. These meetings were held primarily in the consultants' offices giving us an opportunity to better understand their day to day operations, what they are seeing as important trends in the industry and how best to communicate future opportunities.

## Solar Power International and Los Angeles Key Market Visit

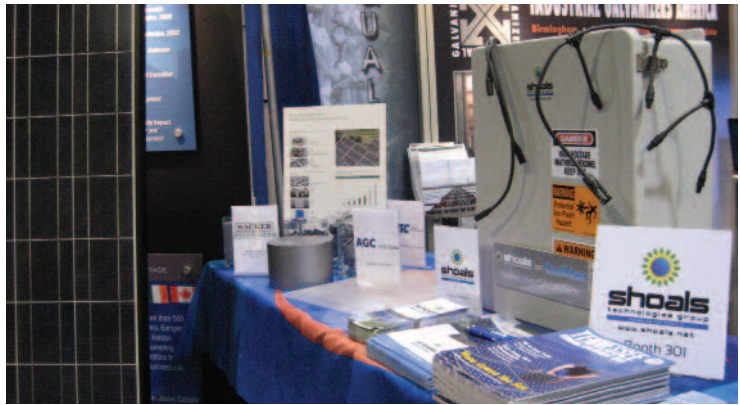
Anaheim/Los Angeles (October 26–29 2009)

Heeding the Governor's call for a focus on the clean energy sector, the Tennessee Economic Partnership exhibited the State ECD booth at Solar Power International, the industry's largest and premier gathering of solar industry executives. The event had more than 17,000 participants and 900 exhibitors at the Anaheim Convention Center. TEP accomplished three major goals at the convention including marketing the state as a key



market for the solar manufacturing jobs, learning about key players and issues in the industry and connecting potential business and investment opportunities.

While in the Los Angeles area, TEP took the opportunity to visit with 7 area site consultant firms and key solar industry consultants in meetings set up by the Department of ECD. These meeting consisted of such a-list firms including Cushman & Wakefield, Deloitte and CB Richard Ellis.



## Solar Symposium

Nashville (November 11, 2009)

TEP hosted the first ever Solar Symposium bringing together more than 200 professionals in the economic development and solar industries for a single-day to exchange ideas, educate and learn more about what Tennessee can do to further capitalize on its position as a leading state for solar manufacturing facilities. Conference attendees heard from executives at some of the leading solar companies already located (or soon-to-be located) in Tennessee including Wacker Chemie AG, Hemlock Semiconductor L.L.C., Sharp and AGC Flatglass.



Governor Bredesen delivered the keynote address about the opportunities that exist for Tennessee, and conference attendees also heard from those leading the research and development charge including Dr. Kelly Tiller with Genera Energy and Chad Duty with ORNL.

## Mission

Through strategically planned networking events, the Tennessee Economic Partnership (TEP) generates leads and builds relationships with key prospects and consultants. Through partnerships with the State of Tennessee, Tennessee Valley Authority and the state's economic development community, TEP works to increase private capital investment and create higher personal and family incomes for all Tennesseans.

# 2009 Officers/ Board Members

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Oak Ridge Economic Partnership

**Jim Rowland, West Tennessee**

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Forcum Lannom Contractors, LLC

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Rutherford County Chamber of Commerce

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Tennessee Valley Authority

Bridgestone/Firestone  
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Chattanooga Area Chamber of Commerce  
Clarksville/Montgomery County Economic Development  
Cleveland/Bradley County Chamber of Commerce  
Cookeville/Putman County Chamber of Commerce  
Dyersburg/Dyer County Chamber of Commerce  
East Tennessee Economic Development Agency  
Eastman Chemical Company  
Fayetteville-Lincoln Co. Industrial Development Board  
Forcum Lannom Contractors  
City of Gallatin  
H+M Company, Inc.  
Jackson Area Chamber of Commerce  
Knoxville Chamber  
Maury Alliance  
Memphis Regional Chamber of Commerce  
Middle Tennessee Industrial Development Association  
Nashville Area Chamber of Commerce  
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West Tennessee Industrial Association  
Joint Economic & Community Development Board of Wilson County



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