

# THE CLEAN ECONOMY IN TENNESSEE

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|                                                        |                                                                |                                         |                                              |
|--------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------|----------------------------------------------|
| <b>20K</b><br>Announced Clean<br>Manufacturing<br>Jobs | <b>\$27B</b><br>Announced Clean<br>Manufacturing<br>Investment | <b>11 GW</b><br>Clean Power<br>Capacity | <b>40%</b><br>Power Capacity<br>That's Clean |
|--------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------|----------------------------------------------|

- The state has 11.1 gigawatts (GW) of renewable and nuclear power capacity, representing \$13.2 billion in investment. This is anchored by five GW from nuclear, 4.1 GW from hydroelectric, and 1.8 GW from growing solar power generation.
- Nuclear power is an important industry for Tennessee, supplying 39 percent of the state's electricity in 2025 and accounting for a third of clean energy manufacturing investment.
- Tennessee ranks second in announced clean energy manufacturing investment, with \$27.4 billion and 20,060 announced jobs. This investment is driven by minerals and battery production, along with sizable solar and electric vehicle manufacturing investments.

## Tennessee at a Glance

Tennessee has long been a hub for manufacturing and other industries due to its skilled workforce, [low cost of doing business](#), [strategic geographic position in](#) proximity to other states, and [strong policies](#) such as workforce development programs and tax advantages for businesses.

Investments in renewable and nuclear energy, along with rapid data center expansion, are defining the next chapter in Tennessee's growth. In recent years, Tennessee has become one of the country's most active states for battery and solar manufacturing, and more recently, nuclear fuel. It also has a substantial electric vehicle (EV) footprint. Beyond manufacturing, growing solar generation and the state's nuclear and hydroelectric power base are supporting jobs and industrial activity. As of the end of 2024, the state supported more than [108,580 realized clean energy jobs](#)<sup>1</sup> across manufacturing, power generation, the grid, and energy efficiency—13th among all states—and it continues to grow with new investments in critical minerals. In the first six months of 2026,

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<sup>1</sup> Jobs are defined by the [U.S. Energy & Employment Report](#), which has a year-long lag between collection and reporting.

Data is from the [Clean Economy Tracker](#) unless otherwise noted. Data as of June 2026.  
Questions? Reach out: [info@cleaneconomytracker.org](mailto:info@cleaneconomytracker.org). See the full methodology [here](#).

nearly \$7 billion in new critical minerals investments were announced from companies in Tennessee, including Orano, LIS Technologies, IperionX, and Standard Nuclear.

Development programs like the state's [FastTrack](#) program, provide grants for job training, public infrastructure upgrades, and other relocation and expansion costs. On the workforce side, the [state has invested \\$1 billion](#) to expand its Tennessee Colleges of Applied Technology (TCAT) system and launched [TNWORKS](#) to build customized training programs for employers. Companies have drawn on this infrastructure directly: [TCAT Stanton](#) trains workers for the nearby BlueOval facility. Similarly, [Ultium Cells](#) and [LG Chem](#) draw on TCAT and regional colleges to help train their battery workforces, and the [local colleges](#) and the TCAT system have built a nuclear pipeline for the Oak Ridge plants. NOVONIX has even stood up its own [Institute of Advanced Battery Technology](#) in partnership with [local colleges](#).

Tennessee is ranked in the top [half of states](#) for planned data center capacity, with 1.2 GW of projects in the pipeline. Tennessee's [electricity prices](#) remain lower than the national average, and the state must continue to provide abundant, affordable energy to households and these industrial and data center loads to maintain its competitive edge.

## A Nuclear and Hydroelectric Powerhouse

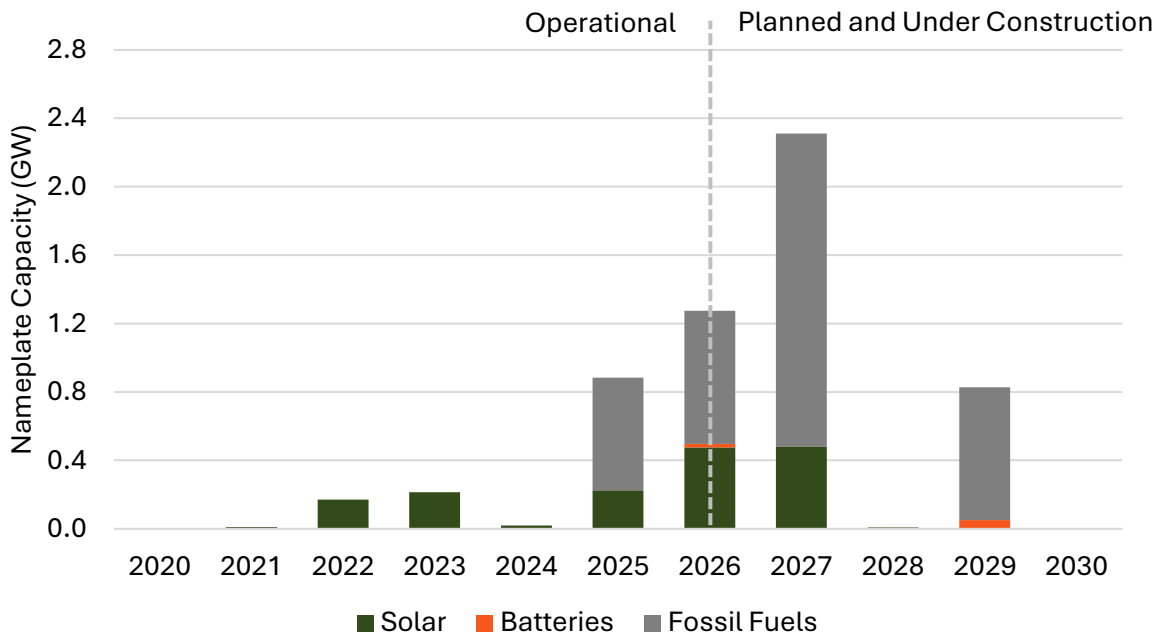
Clean power (renewable and nuclear) supplied [more than 50 percent of electricity](#) in Tennessee in 2025 across all sectors. Nuclear power supplied 39 percent, followed by hydroelectric at 11 percent. Coal and natural gas each provided about a quarter. The Tennessee Valley Authority (TVA), the nation's largest public power provider, owns [more than 90 percent of the state's capacity](#) and has been the [primary driver](#) of renewable and nuclear power in the state since it began deploying hydroelectric power [in the 1930s](#). Nuclear provides nearly five GW of power generation in Tennessee from two stations: the [Sequoyah](#) plant near Soddy-Daisy and the [Watts Bar](#) plant near Spring City. Watts Bar carries particular significance: mothballed in 1985 when projected demand fell, it was revived in 2007 and reached commercial operation in 2016 as the [first new U.S. reactor of the 21st century](#). TVA's latest [integrated resource plan](#) emphasizes nuclear power, natural gas, and coal over the next decade, shifting focus from renewable power resources in the previous plan.

While most of Tennessee's total power capacity consists of fossil fuel power (16.6 GW), renewable and nuclear power deployment is substantial, roughly 11 GW, representing an estimated \$13.2 billion in investment (Figure 1). 10.4 GW is already operational, with the third and fourth congressional districts, home to the Watts Bar and Sequoyah stations, leading. Since 2017, all new clean power capacity added in Tennessee has been solar or batteries, with fossil fuel capacity in the pipeline at more than five times the expected new clean power capacity.

The pipeline of renewable power plants (planned and under construction) totals about 0.6 GW, nearly \$1 billion in estimated investment, supporting an estimated 2,200 construction jobs and 110

long-term operations jobs.<sup>2</sup> The largest project in the pipeline is the 200-megawatt [SR Tullahoma solar farm](#) in Moore County, which is currently under construction and expected online in 2027. It will have the capacity to power an estimated more than 44,000 homes annually.<sup>3</sup>

Figure 1. Power Capacity Additions Over Time



Year represents the year a generator became operational or is expected to.

## A Clean Energy Manufacturing Hub

Tennessee is one of the country’s leading clean energy manufacturing states, ranking second in net announced investment (\$27.4 billion) and sixth in net announced manufacturing jobs (19,820), the majority committed since 2021. Investment is concentrated in two sectors—minerals (\$11.2 billion) and batteries (\$8.4 billion)—with sizable footprints for solar (\$3.6 billion) and EVs (\$3.1 billion) as well. The momentum has not been linear: Tennessee has absorbed \$7.1 billion and 5,400 jobs in announced cancellations, most prominently in the EV and battery industries.

<sup>2</sup> Estimated clean power jobs may not correspond to actual past or future jobs at each site but are an approximation. Jobs are estimated using multipliers derived from the National Laboratory of the Rockies [Jobs and Economic Development Impacts](#) models and the [Decarbonization Employment and Energy Systems](#) model.

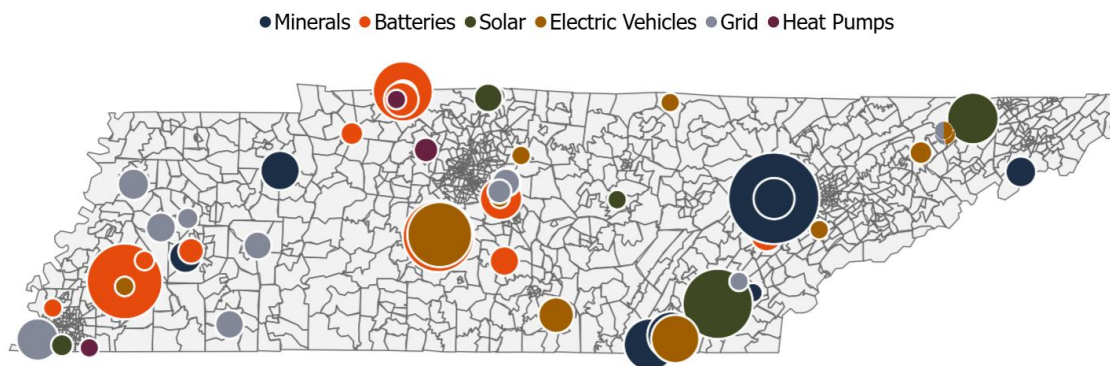
<sup>3</sup> We calculated estimated homes powered using the national average capacity factor for each technology and national average energy use per home. These multipliers are sourced from the National Laboratory of the Rockies [2024 Annual Technology Baseline](#) and the [U.S. Energy Information Administration](#).

## Nuclear Fuel Anchors Tennessee's Recent Investment Surge

Nuclear fuel projects in East Tennessee's third congressional district are the primary driver of the state's recent investment, holding more than half of the state's total clean energy manufacturing investment at \$13.7 billion. One of the largest economic development investments in Tennessee's history is [Orano's \\$5 billion uranium enrichment facility](#) in Oak Ridge, which will help replace the [Russian-enriched uranium the United States currently relies on](#). Around it, companies are building out the successive stages of the nuclear fuel cycle: [LIS Technologies is investing nearly \\$1.4 billion](#) in a commercial laser-enrichment plant, [Oklo](#) is investing \$1.7 billion in a fuel recycling facility, and [X-energy](#) and [Standard Nuclear](#) are investing a combined \$558 million in advanced TRISO fuel.

Most of Tennessee's commercial nuclear fuel cycle investment is recent: roughly three-quarters (\$6.5 billion) of the state's cumulative total was announced in just the first six months of 2026. Building on Oak Ridge's [Manhattan Project legacy](#) and the state's [Nuclear Energy Fund](#), placing Tennessee at the front end of the nation's effort to rebuild a [domestic nuclear fuel supply chain](#)—from enrichment through advanced fabrication to reprocessing. The companies building it say that the fuel will supply a [coming wave of advanced reactors](#). Beyond Oak Ridge, Tennessee's battery, EV, solar, and other critical minerals manufacturing spread across the state (Figure 2).

Figure 2. Clean Energy Manufacturing Sites in Tennessee

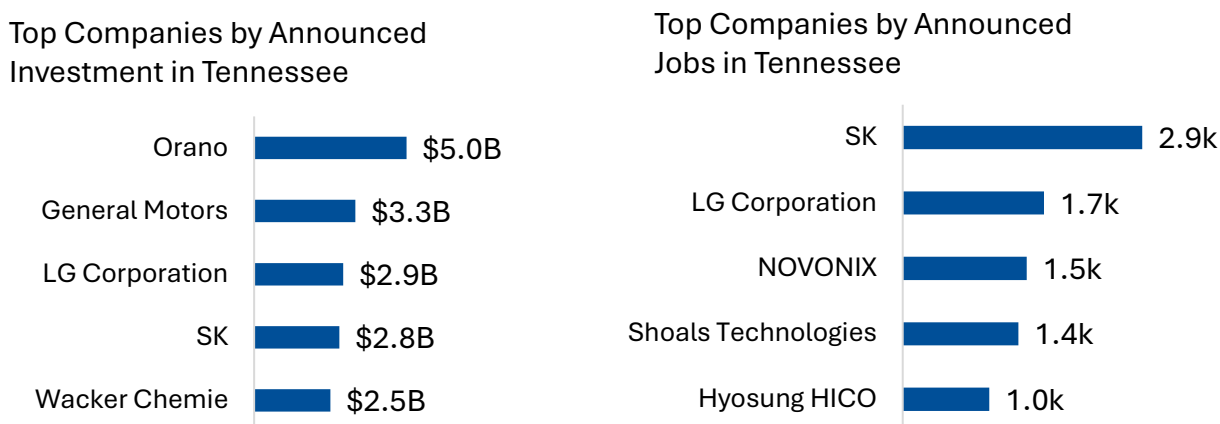


Bubble size is proportional to announced investment. Bubbles split between multiple manufacturing sectors indicate facilities that produce more than one technology product, such as EVs and batteries.

## Batteries, Electric Vehicles, and Solar Materials

While nuclear fuel cycle investment spans many companies, some of the state's largest clean energy manufacturing investors are in the battery, EV, and solar sectors. The five largest companies by investment—Orano, General Motors, LG, SK, and Wacker Chemie—account for roughly 60 percent of all announced investment in the state (Figure 3). SK, LG, NOVONIX, Shoals Technologies, and Hyosung HICO together account for roughly 43 percent of all announced manufacturing jobs.

Figure 3. Leading Clean Energy Manufacturing Companies in Tennessee



This momentum has recently met headwinds: [uncertainty in EV demand](#), [shifting market dynamics](#), and changes or cuts to [key federal tax credits](#) have driven sizeable cancellations across the EVs and batteries. The U.S. Department of Energy has [canceled](#) billions of dollars in funding nationwide, including [restructuring and reducing its \\$9.6 billion loan](#) to the [Ford-SK](#) battery venture, whose footprint spans facilities in West Tennessee, as well as Kentucky and Michigan. In December 2025, Ford decided to build gas-powered trucks instead of EVs at its Tennessee BlueOval City campus, dissolving its battery joint venture. SK now solely [owns and operates](#) the adjacent plant, still a \$2.8 billion investment and nearly 3,000 jobs, with battery production slated to begin in 2028. Nissan, too, [ended production](#) of the all-electric Leaf at its Smyrna plant last year, which it long built there alongside EV batteries, relocating vehicle manufacturing to Japan.

Nevertheless, Tennessee's EV and battery manufacturing bases remain active, with General Motors and LG [Ultium Cells](#) plant and General Motor's [plant in Spring Hill](#) still producing batteries and assembling Cadillac's EV models. The state is also key to building out the upstream battery materials chain. In Clarksville, [LG Chem's cathode materials plant](#) is preparing to begin production. In Chattanooga, NOVONIX started production of its [synthetic graphite](#) at the end of 2025 and will be among the first large-scale battery-grade synthetic graphite producers in North America.

On the solar side, [Wacker Chemie's](#) \$2.5 billion polysilicon plant in Charleston, operating since 2016 and for years the state's [largest single private investment](#), provides the industry with the fundamental foundation for building solar panels. The facility currently employs around 560 people. Tennessee is set to deepen its solar manufacturing position: [Highland Materials](#) is planning a \$1 billion polysilicon plant expected to employ around 400. Downstream, Shoals Technology Group manufactures solar electrical components, and suppliers including [Nextracker's](#) Memphis tracker-tube operation round out the balance-of-system chain.