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Report spotlights importance of DOE to Tennessee economy and region

Economic impact report finds the Department of Energy creates billions in economic benefit and high-quality jobs for the state of Tennessee

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KNOXVILLE, Tenn. – The U.S. Department of Energy’s (DOE) Oak Ridge Reservation is an economic engine for the state of Tennessee, according to a report released today by the East Tennessee Economic Council (ETEC). The report studied the effects of DOE’s investment in Tennessee in fiscal year 2017.

This report details the scope and scale of DOE’s impact on Tennessee’s economy. It examined job creation, state GDP growth, private-sector procurements, payroll and pension disbursement, state and local tax contributions, and community development conferred on the state by DOE, as well as the ripple effects of this spending.

Key findings from the report include:

- **DOE’s economic impact on the state of Tennessee equals \$5.6 billion.**
Tennessee’s gross domestic product increased by approximately \$3.4 billion as a result of overall spending by DOE and its contractors. Additionally, \$2.2 billion in total personal income was generated by DOE-related activities in the state.
- **More than 34,000 full-time jobs are supported by DOE activities, with a workforce that spans 50 of Tennessee’s 95 counties.**
12,618 jobs were directly created by DOE and its contractors in Tennessee. An additional 21,878 jobs were generated by the indirect effects of DOE investment. For every one job created by DOE and its contractors, an additional 1.7 jobs were created across the state.
- **The private sector supports DOE’s missions in Oak Ridge.**
Of the approximately \$1.1 billion in non-payroll spending from DOE and its contractors, more than \$943 million went to Tennessee businesses for the procurement of raw materials, services, and supplies.
- **Over \$32 million in state and local taxes were generated by DOE-related spending.**
A portion of these tax dollars enable the City of Oak Ridge to provide critical infrastructure to support DOE missions and also funds education and schools.

“This report confirms that the Department of Energy’s Oak Ridge Reservation is critical to the state’s economic success,” ETEC president Jim Campbell said. “The men and women who work in Oak Ridge deploy science and engineering innovation to make Tennesseans’ quality of life better, our planet healthier and our nation safer.”

Beyond the billions in economic gain, the report confirmed substantial community and educational benefits from DOE’s presence in Tennessee. DOE and its contractors gave over \$2.4 million in charitable donations in 2017. They contributed more than \$627,000 to education initiatives in East Tennessee. DOE facilities in Oak Ridge attracted over 50,000 visitors, a number poised to grow from heritage tourism due to the recently announced Manhattan Project National Historical Park and History Museum to commemorate Oak Ridge’s role in ending World War II.

Oak Ridge is integral to our national security and nuclear nonproliferation efforts. It is home to leading scientists and researchers and nearly 2,300 patents and licenses, 127 of which were secured in 2017. State-of-the-art facilities enable these experts to conduct transformative science and technological research to tackle global dilemmas. These assets cement Tennessee’s stature in scientific leadership. Leading firms and experts in energy, nuclear technology, advanced manufacturing, computing and artificial intelligence are drawn to the region to partner with expertise found in Oak Ridge.

Research on DOE’s economic impact in the state of Tennessee in FY2017 was conducted in part by a Booz Allen Hamilton economist and initiated by the East Tennessee Economic Council.

To read the full report visit, <https://eteconline.org/initiatives/doe-eis-fy17>

About the East Tennessee Economic Council

ETEC is an independent, regional, non-profit membership organization dedicated to supporting the federal government’s missions in Oak Ridge as well as encouraging new opportunities to fully utilize the highly-skilled talent, cutting-edge technologies and unique facilities that make up the federal reservation. ETEC works in strong partnership with federal contractors, Department of Energy and National Nuclear Security Administration representatives, state officials, small businesses, and other local economic development organizations to seek new ways to use federal investments in science and security to create prosperity, promote regional development, and explore opportunities for growth. For more information, visit www.eteconline.org.

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