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Sustainability is South Carolina’s business

By Otis Rawl

During the third installment of a series of forums centered on the South Carolina Chamber of Commerce’s annual Competitiveness Agenda, the business community’s annual list of legislative priorities, more than 150 business leaders gathered for a day-long discussion on energy and environmental issues. The diversity of companies, locations represented and industries in the room proved once again that energy and environmental issues are something we cannot ignore as we run our businesses.

Whether it’s an overzealous Environmental Protection Agency (EPA) or extended waits and red tape during the permitting process, energy and environmental concerns cost businesses an unbelievable amount of time and money—dollars that could be used for expansion and job creation.

Most recently this summer, the EPA released new carbon emission regulations for power plants. A U.S. Chamber of Commerce analysis found that these new regulations could cost citizens as many as 224,000 U.S. jobs by 2030. These new regulations may also lower disposable household incomes by $586 billion and increase electricity costs by more than $289 billion. The report found that the most damaging effects on jobs and the economy will be felt right here in the South and in the Great Lakes regions. We explore what these regulations mean to Santee Cooper, the state-owned electric utility, in this edition of the magazine.

The Chamber has released the 2014 Legislative Scorecard and Year in Review. The South Carolina Chamber scored many key votes this year, some specific to energy and environmental policy. First, the General Assembly was successful in passing a solar bill that allows for third-party leasing of renewable energy generating facilities, updating the net metering requirements and implementing renewable energy production targets for utilities. This represented another step forward for sustainability initiatives in South Carolina.

I urge you to take a close look at the Scorecard to see how your House and Senate members voted on all of the issues important to your business.

Unfortunately, the Senate stalled two environmental bills important to the business community: one that would have streamlined the permitting process at DHEC and eliminated the DHEC board review during the permitting process, and another that was a needed technical fix to the Pollution Control Act.

Additionally, due to a deceptive marketing campaign by environmentalists and the S.C. Association of Counties, the Business Freedom to Choose Act was killed early in the legislative session. The Business Freedom to Choose Act is based on the fundamental benefits of competition in the marketplace. Currently, there are counties that limit private businesses’ ability to shop for the best price for the disposal of their solid waste. These ordinances are known as “flow controls” and require residents and businesses to send their solid waste to a government-owned facility for processing, treatment or disposal. This creates government-owned monopolies that can charge above-market rates without fear of competition. It also prohibits businesses from controlling their own contracts, including costs and liabilities. Essentially, counties are equipped with the ability to charge more for waste disposal and in turn put companies out of business.

A host of broad-based groups joined the South Carolina Chamber of Commerce to support the Business Freedom to Choose Act, including the National Solid Wastes Management Association, South Carolina Manufacturers Alliance, Carolinas Associated General Contractors, S.C. Retail Association and National Federation of Independent Businesses.

In this edition of South Carolina Business, we take a closer look at the recently passed solar legislation, learn six benefits to “going green,” and get tips on navigating DHEC. I am also pleased to introduce you to John D. Williams, president and CEO of Domtar, who will share the company’s evolution in the digital age. We’ll also highlight 21 ways to maintain environmental health and safety and learn more about the importance of business continuity planning.

The South Carolina Chamber is in the midst of our statewide grassroots tour in conjunction with local chambers of commerce. I invite you to join us for a meeting in your area to discuss the legislative issues impacting your business. As we shift into planning for the 2015 legislative session, no doubt energy and environmental issues will be at the forefront of business concerns.

To view the 2014 Legislative Scorecard and Year in Review, visit scchamber.net.
SC Chamber endorses Nikki Haley

At four press conferences held throughout the state (Greenville, Myrtle Beach, Charleston and Columbia), the South Carolina Chamber of Commerce joined Governor Nikki Haley to announce its endorsement of Haley for Governor in 2014. In her first four years leading the Palmetto State, Governor Haley demonstrated a deep commitment to job creation and economic development, making both her top priorities.

“A product of a small business herself, Governor Nikki Haley understands what it means to run a business—what it means to make payroll, take care of employees, navigate onerous regulations and worry about health insurance costs,” said Pamela Lackey, president of AT&T South Carolina and 2013-14 chair of the South Carolina Chamber of Commerce.

Since January 2011, South Carolina has announced more than 56,000 new jobs and more than $13.2 billion in new investments in 45 of the 46 counties in the state. In fact, Governor Haley announced 7,100 jobs in one day, making it the largest single day of jobs announcements in South Carolina history.

SC’s aerospace industry study showcases economic impact

The aerospace cluster has a $17.4 billion economic impact on South Carolina and supports more than 102,000 workers, according to a study conducted by Joseph Von Nessen, a research economist with the University of South Carolina’s Darla Moore School of Business. The study, titled “Uncovering the Stealth Cluster: The Economic Impact of Civilian and Military Aerospace on South Carolina,” was released August 19 by New Carolina and the university’s Ronald E. McNair Center for Aerospace Innovation and Research during the state’s first ever Aerospace Industry Day held in Columbia. Among the key findings of the study:

- The total economic impact of the aerospace cluster in South Carolina is $17.4 billion and supports 102,721 jobs.
- Since 2010, South Carolina’s aerospace core has had an average annual employment growth rate of 11.4 percent, which is approximately eight times higher than the employment growth rate for the state over the same time period.
- Since 2010, South Carolina’s aerospace core has had an average annual firm growth rate of 19.2 percent, with the majority of growth originating in small firms with five or fewer employees.
- The average compensation for a civilian aerospace employee is $70,748, which is significantly higher than South Carolina’s average employee compensation of $41,206.
- The aerospace cluster generates an average of $532,096,021 in state tax revenue per year.

Governor joins hundreds in honoring DeLoach

During the dedication of the Harris E. and Louise H. DeLoach Center, Governor Nikki Haley joined Coker College President Robert Wyatt and other dignitaries to recognize the contributions of the DeLoach’s and others who made the new $12 million facility at Coker College possible. At 71,000 square feet, the Harris E. and Louise H. DeLoach Center is the largest campus expansion in institutional history.

“I hope this building reflects our deep appreciation for the good work of students, faculty, staff, alumni and the administration of Coker College,” Harris DeLoach said. “More importantly, however, we want it to reflect how passionately we believe in the role that education plays in the success of the people of this community.”

Governor Haley awarded Harris DeLoach the Order of the Palmetto, the state’s highest civilian honor, which was given in recognition of the business leader’s lifetime achievements and contributions to the state. “From your outstanding leadership at Sonoco Products Company, to your extensive involvement in civic affairs, you have demonstrated a remarkable commitment to excellence, and your contributions will have a lasting impact for years to come,” Governor Haley said.

Harris E. DeLoach served as chairman and chief executive officer at Sonoco before he retired in 2013. He is Executive Chairman of Sonoco’s Board of Directors and a Trustee of the Duke Endowment. In addition, he serves on the boards of Duke Energy and Milliken & Company.

NBSC appoints Lou Kennedy to board

NBSC, a division of Synovus Bank, announces the appointment of Lou Kennedy to its South Carolina board of directors. “We are delighted that Lou has joined our board. She is a proven leader in our state and we are honored to have her on our board,” said Chuck Garnett, president and chief executive officer of NBSC. Kennedy is president, chief executive officer and owner of Nephron Pharmaceuticals Corporation. Headquartered in Orlando, Florida, Nephron Pharmaceuticals recently opened a manufacturing facility in West Columbia, South Carolina. NBSC currently serves 26 communities in South Carolina from 42 locations.
21 ways to maintain environmental health and safety

By Jackie Baxley

E nvironmental health and safety (EH&S) compliance can sometimes move to the background as other emergencies come into focus. The most successful programs are those that are proactive instead of reactive. But the reality of today’s regulated business world is that we are all doing more with less. By not having the staff or resources that we once did, proactive programs have turned reactive. EH&S resources may be focused solely on risk and not compliance.

Here are 21 action items to help get you back into the driver’s seat regarding your EH&S program.

1. **VISIT THE EPA’S ENVIRONFACTS WEBPAGE** (epa.gov/enviro/) Within this report, you can identify permits and registrations active for your facility, as well as points of contact to report errors.

2. **CHECK YOUR COMPLIANCE HISTORY** View your environmental compliance on the EPA’s Envirofacts page or your Occupational Health and Safety Administration (OSHA) compliance history on OSHA’s website to identify areas where your facility has stumbled in the past and to ensure you do not find yourself in a repeat violation situation.

3. **READ YOUR PERMITS** Not only must you operate your facility within the specific provisions outlined in your permit, you must operate in accordance with the information submitted in the permit application. Changes to your facility may require changes to your permit.

4. **READ (AND UPDATE) YOUR PLANS** There are many EH&S programs that require written plans to outline how you will comply with the respective regulatory program. These plans will often include various tasks to perform daily, weekly, monthly and annually to stay on track.

5. **EXERCISE YOUR PLANS** Plans that are of an emergency nature should be drilled with some frequency in either a hands-on or table-top format. The results of that drill should be reviewed with the appropriate facility personnel and the plan revised based on lessons learned.

6. **ORGANIZE YOUR CALENDAR** Assign routine responsibilities to the appropriate persons at the facility and track your progress. There are several tools that can be successfully used, from an Excel-based calendar system to Outlook, or even a specific compliance software package.

7. **CRITIQUE YOUR TRAINING** EH&S training traditionally has been administered through videos or PowerPoint presentations. These mechanisms are not always the most effective. In critiquing a training program, identify what training requires formal training with rosters and documentation versus what training is more awareness driven.

8. **IDENTIFY ALL YOUR “HOLES IN THE GROUND”** By this, we mean identify where all your waste goes. You are always responsible for your waste via a regulatory concept coined “cradle to grave.” As such, it is important to know 1) what waste you generate, 2) where that waste goes and 3) what is done with your waste once it arrives there.

9. **INVENTORY YOUR CHEMICALS** OSHA’s Hazard Communication Program requires a list of hazardous chemicals in the workplace. Note that many other regulations trigger only when you have a threshold amount of specific chemicals.

10. **INVENTORY YOUR EQUIPMENT** Before you can tackle various OSHA programs, you must first know what you have on site. Lock-out Tag-out, machine guarding and arc flash programs will be more successful if you can reference a numbered inventory system.

11. **BUILD A COMMITTEE** Even if you have a dedicated EH&S department or staff, compliance cannot be one person or one department’s responsibility. Everyone on site should understand how their actions, or failure to act, may lead to a non-compliant or potentially dangerous situation. Form a cross-functional committee to act as ambassadors throughout the facility.

12. **MEET YOUR LOCAL EMERGENCY RESPONDERS (BEFORE AN EMERGENCY SITUATION)** Invite your fire department, county emergency management or spill contractor to the site so that those who may need to respond to an emergency are familiar and comfortable at the location.

13. **MEET YOUR LOCAL SEWER AUTHORITY** If you discharge wastewaters to the local sewer authority, involve these community members in your facility compliance program. You can be a good community partner by understanding what concerns they have regarding your operations, thus allowing you to act responsibly regarding your discharges.

14. **GET YOUR FILES IN ORDER** Records and documents must be located easily to prove compliance. Ensure your system is understood by more than just one individual by documenting a filing system or providing a manifest to locate various documents throughout your facility.

15. **IDENTIFY WHAT RULES OR REGULATIONS DO NOT APPLY TO YOU** Many facilities have identified which rules and regulations do apply and thus have systems in place to manage these programs. However, it is equally important to identify what does not apply to your facility and why. As your facility changes, you can look back at your documentation and easily identify changing conditions that now may trigger applicability.

16. **MANAGE FACILITY CHANGES** Ensure you have a system to manage facility changes. A management of change procedure will allow you to address health and safety scenarios in the beginning so that you can design in engineering controls, guards or other protective devices and protocols. Also, many changes may require you to revise or acquire an environmental permit before you begin the project.

17. **REVIEW YOUR CONTRACTS WITH ONSITE CONTRACTORS** Many facilities are relying more on contractors. Not only should you review the contracts specifically regarding EH&S responsibilities, but also review your contractor safety program to ensure both parties are aware of safety programs and expectations.

18. **REASSESS REMEDIATION GOALS** Periodically evaluating the remedial practices employed at your site may reduce your company’s long-term financial liability and expedite the path toward incident closure. In situations where you are not the responsible party but remediation efforts are ongoing at your facility, it is important to have an independent consultant review the associated remediation reports in order to advise you of any potential health impacts to your employees stemming from these activities.

19. **AUDIT YOUR EH&S PROGRAM** Never underestimate another set of eyes. Hire a consultant to review your compliance, develop an audit calendar of alternating internal reviews and external reviews or utilize sister plants within your organization to audit your compliance.

20. **IMPLEMENT PREVENTIVE ACTIONS, NOT JUST CORRECTIVE ACTIONS** Investigate the root cause of a situation and target that cause for preventive actions. If your corrective action program does not include preventive action, you will find yourself in a reactive, as opposed to proactive, workplace.

21. **ROUTINELY REVIEW EH&S WITH UPPER MANAGEMENT** The upper management at your facility may rely on individuals to run the EH&S program, but those individuals have the obligation to notify their management team of potential non-compliant, or life-threatening, situations.

Jackie Baxley is a project manager for HRP Associates, Inc. She is responsible for coordinating multi-media environmental compliance audits and overseeing various permitting and compliance projects.
The intricacies of the global marketplace demand legal services that can scale beyond just the local market. So when considering legal counsel that knows South Carolina law, why not enhance your impact with a firm that is equally knowledgeable in Asia Pacific, Europe, the Middle East, and Latin America? Our lawyers help energy clients respond to global market forces impacting the industry, from intellectual property and environmental to economic and regulatory.

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Three things every company president must know about environmental law

By Ethan R. Ware, Esquire

Pollution cases always seem to make headlines. In fact, there is no such thing as a good polluter. To keep a business out of the headlines, here are three things every company president must know.

No. 1: Environmental laws are comprehensive.

Your manufacturing plant is smothered by a complex web of environmental laws and regulations. It does not matter what your business is. According to the Pollution Control Act, “[it] is unlawful for [any] person, directly or indirectly, to … discharge … organic or inorganic matter [into] the environment except in compliance with a permit. In case you do not know, everything in life is made of either organic or inorganic matter.

You cannot construct or operate a stationary source of “air contaminants” or discharge pollutants to the local-county treatment works without a permit. Authorization is required to treat, store or dispose of wastes. Almost all chemicals imported, manufactured or processed at the plant are subject to registration, recordkeeping and monitoring requirements. Even an accidental spill of a “hazardous substance” may need to be reported to up to five different agencies.

Exceptions to these requirements are few and far between. You will likely need a lawyer to avoid the very complex web of environmental laws and regulations. Indeed, there is no such thing as a good polluter. To keep a business out of the headlines, here are three things every company president must know.

No. 2: Plant operations will be affected.

Environmental Protection Agency (EPA) policies will place substantial restrictions on the way you do business, too. President Obama’s “Plan: Environmental Justice 2014” will give your plant’s residential neighbors “protected class” status under civil rights laws. This is done to compensate for “disproportionately high . . . adverse effects . . . to minority populations” of pollution from businesses. The President plans to correct the “injustice” by monetary payments to those affected by pollution through targeted enforcement actions beginning this year.

Your plant is saddled with comprehensive reporting requirements. The Emergency Planning and Community Right-To-Know Act (EPCRA) statute passed in 1986 established five annual or immediate reports for most modest-sized businesses, and the environmental permits applicable to your plant require additional monitoring and reporting.

No. 3: Liability is real.

The current EPA is setting records on penalties and fines. The amount of EPA’s civil and administrative fines assessed in 2013 for environmental violations increased five times worse than the air outside?

The current EPA is setting records on penalties and fines. The amount of EPA’s civil and administrative fines assessed in 2013 for environmental violations increased five times worse than the air outside?

Step No. 1: Audit. Companies should conduct annual environmental compliance audits to constantly measure and correct non-compliance. Use the attorney-client privilege to manage the audit where there is a risk of liability.

Step No. 2: Voluntary Disclosure. EPA’s “Policy on Self-Policing” passed in 1997 allows companies to voluntarily report non-compliance discovered during environmental audits and reduce or eliminate fines and penalties if the violations are disclosed. Nine criteria must be met to qualify.

Step No. 3: Corrective Action. Regardless of the voluntary disclosure decision, correct any violations to avoid criminal liability as a knowing violation.

Ethan Ware is a shareholder at McNair Law Firm, P.A., in Columbia, South Carolina. Ware represents business and industry in defense of environmental regulatory cases. He has been listed in Best Lawyers in America since 2008 and chaired the South Carolina Bar, Environmental Law Section.

Sustainability means business in South Carolina

Six benefits to ‘going green’

By Mary Pat Baldauf

The word “environmentalist” once triggered visions of tie-dyed shirts and head scarves. Go to any sustainability meeting these days, though, and you’re just as likely to see a three-piece suit as a pair of Birkenstocks. “Going green” is no longer a fad, but a business strategy embraced by chief executives and financial officers alike. It is no longer a fad, but a proven approach with a variety of benefits for nearly every size organization.

1: Healthier Workplaces

Did you know that indoor air quality (IAQ) is typically two to five times worse than the air outside? Employees working in unhealthy environments were noted to suffer from headaches, asthma and other respiratory conditions. When businesses incorporate green building techniques and use green cleaning supplies, employees are exposed to fewer chemicals and suffer fewer ill effects. This not only leads to a healthier, more satisfied employee; it also reduces absenteeism and increases productivity. In addition, the implementation of green practices leads to increased morale.

2: Increased Employee Morale

Employees are savvier to environmental practices and feel a sense of pride when working for an environmentally conscious business. The Society for Human Resource Management found that environmental policies account for increased employee morale by a factor of 44 percent. Furthermore, employee loyalty has been noted to increase by as much as 16 percent after the implementation of new environmentally friendly policies. The study also found that almost 75 percent of employees say they want their employers to “go green” immediately.

In addition to improving morale, green business practices can also help companies attract better employees. A poll from MonsterTRAK.com, the division of Monster.com that focuses on the emerging workforce, found that 80 percent of young professionals are interested in securing a job that has a positive impact on the environment, and 92 percent would be more inclined to work for a company that is environmentally friendly.

Continued on Page 10
Six benefits to ‘going green’

3: REDUCED COSTS
The perception that it costs an arm and a leg to “go green” keeps plenty of businesses from even trying, let alone successfully implementing, in tough times. Many eco-friendly improvements do require some initial capital, but they can also yield significant cost savings. There are also plenty of simple, zero- to low-cost strategies that any business can do to reduce waste, water and energy consumption. This will in turn reduce operating costs; over time, this can lead to significant savings.

4: CREATION OF REVENUE STREAMS
Did you know that up to 75 percent of business waste can be recycled? Many businesses have been able to create entirely new revenue streams just by recycling. It’s a simple process that quickly creates new revenue by recycling high volumes of items such as plastic, paper, cardboard, batteries, metal waste and more.

5: ENHANCED REPUTATION AND COMPETITIVE ADVANTAGES
Studies have shown that companies with green initiatives, and better still, green products, have witnessed an increase in profits. Companies that have incorporated green changes such as composting and recycling, changing transportation routes to save gas, reducing packaging and stocking shelves with greener products have seen customers respond positively to the changes, with green product sales alone jumping somewhere around 20 percent.

6: IMPROVE THE STATE’S ECONOMY
We all benefit from South Carolina’s strong economy, and businesses can do their part by simply recycling. Recycling alone is a $13 billion industry in South Carolina, and it grew to support 54,121 jobs in 2013, a 44 percent increase over the sector’s employment in 2006. The total economic impact of recycling activities in the state grew almost five percent annually to double its impact over an eight-year period, according to a report recently released by the SC Department of Commerce.

The 2014 report’s key findings reveal that recycling contributes:
- $13 billion in total economic impact, double the $6.5 billion impact in 2006.
- 54,121 jobs, up 44 percent from 37,440 jobs eight years ago.
- $2.7 billion in labor income, up 80 percent from the 2006 report.
- $329 million in state and local taxes.

Mary Pat Baldauf is the sustainability facilitator in the public works department of the City of Columbia.

Collaboration carries the day for solar in South Carolina

BY CLARK S. GILLESPY

On June 2, Governor Nikki Haley signed into law Senate Bill 1189, creating the Distributed Energy Resource Program Act of 2014, and set the stage for the expanded use of solar energy in the state. Outside of South Carolina, very few folks have heard much about the new law. It was a collaborative effort supported by a coalition of organizations that usually make news disagreeing with each other: utilities, electric cooperatives and environmental, consumer and industrial groups.

I’m proud of the role Duke Energy played in creating this collaborative and forward-looking legislation. Its comprehensive nature addresses all aspects of distributed energy and solar generation in a fair and balanced way. In January 2013, Duke Energy was asked to participate in a formal stakeholder engagement process on issues related to solar, including distributed generation rate making, customer choice and resource economics.

We saw that as an educational opportunity—to help others understand how distributed generation and solar interact with the existing electrical infrastructure in South Carolina.

Following the study, the legislative session began, and several legislators asked the group to put their recommendations into legislation. The first draft of the Distributed Energy Resource Program Act emerged from the same coalition of stakeholders who authored the study.

The bill was initially crafted by a group of key South Carolina stakeholders in early 2014. This diverse group included Duke Energy, South Carolina Electric and Gas, the South Carolina Coastal Conservation League, the Southern Environmental Law Center, The Intertech Group (a South Carolina-based solar developer), Central Electric Cooperative, Santee Cooper and the Electric Cooperatives of South Carolina. The state’s consumer advocate, the Office of Regulatory Staff, and some of the state’s large industrial energy users also played critical roles in drafting the legislation.

Now, this law puts South Carolina on a path to increase renewable technology, strengthen our communities, diversify our energy sources and provide more choices for consumers.

Even better, it was done without the gridlock that is commonplace in other states. South Carolina has been accused of being slow to embrace solar. On the contrary, I believe the state has been very methodical and intentional in embracing solar—so much so, South Carolina may now be the model other states will follow.

With unanimous votes in the legislature, it’s clear that collaboration was the right method to advance solar energy. This wasn’t a “Duke Energy bill” or an “environmental bill,” but a true collaborative effort that had stakeholders around the table hashing out various details everyone could agree upon.

There are additional details to work out, and I’m sure there will be disagreements to work through. But there are many states like South Carolina that are still in the early stages of advancing solar energy. If groups as diverse as Duke Energy, the Coastal Conservation League and the Southern Environmental Law Center, among others, can agree on the direction of solar energy in a state, why can’t it happen in other states?

What is the Solar Bill?
- Allows for Third Party Solar Leasing: The law allows solar leasing by non-utilities to help homeowners avoid the high up-front costs of solar panels. The total amount of leasing is limited to a cap of 2 percent of the utility’s historic average peak demand.
- Updates Net Metering Requirements: The law directs the Public Service Commission (PSC) to update net metering rates (charges and credits) by considering the relative costs and benefits of customer solar generation, the electrical grid and non-solar customers.
- Implements Distributed Energy Resource (DER) Plans: The law allows regulated utilities to file a plan with the PSC to invest in or purchase renewable energy generation, with cost recovery, for up to 2 percent of the utility’s historic average retail peak demand.

Clark S. Gillespy is president of Duke Energy’s utility operations in South Carolina, serving about 720,000 electric retail customers in the state. He is responsible for advancing the company’s rate and regulatory initiatives and managing state and local regulatory and governmental relations, economic development and community affairs. Duke Energy is the largest electric power company in the United States.
Blackouts. Only when they occur do we realize just how important reliable power is in our daily lives.

Clemson University’s new $110 million SCE&G Energy Innovation Center is focused on creating new technologies that will improve the reliability, efficiency and cost of energy.

Nick Rigas, Ph.D., executive director for the Clemson University Restoration Institute in Charleston, serves as lead scientist for the center. His facility houses the world’s largest and most-advanced wind-turbine drivetrain testing facility, as well as the eGRID, a Clemson-designed and developed technology on the forefront of much-needed upgrades to the nation’s electrical grid.

“The energy challenges we face require big thinking,” says Rigas. “It’s our job to support that kind of creativity by testing ideas, improving on them and getting them into the market quickly to diversify our country’s energy resources.”

Meeting energy needs – HEAD ON
Failure is not an option. Many strong leaders have used that phrase as they embark on a critical mission or project with an unwavering resolve to succeed. Similarly, business leaders often evoke this same sentiment when prompted with the possibility of a potential business disruption: downtime is not an option. While this resolve to avoid downtime is understandable, the reality is that most businesses experience downtime before knowing how to minimize or avoid it.

To become a truly resilient organization, one that knows its greatest vulnerabilities and plans and prepares accordingly, a clear understanding of downtime is required. Most businesses know they must limit downtime in order to serve their customers and succeed in their missions. However, many businesses do not go far enough in evaluating their vulnerability to downtime, or even the types of downtime that they should consider.

The most common and impactful types of business downtime include:
- Technology and equipment downtime
- People and productivity downtime
- Communications downtime
- Utilities downtime
- Operational downtime and facilities downtime.

While natural disasters often capture our attention, businesses are more susceptible to downtime from everyday localized events: utility outages, human error, supply chain issues, loss of a key employee and technology or equipment failures.

Business continuity can limit downtime

By Scott Cave, CBCP
Typically, organizations spend most of their time and resources addressing the first item on this list, technology downtime, without considering the other types of downtime and their impacts on product/service delivery and company reputation. Resiliency requires a broad understanding of the impacts of downtime across all components of an organization and its operations.

Business continuity is an established discipline that effectively deals with the complex issue of downtime. By evaluating and mitigating risks, prioritizing business functions and developing response and recovery plans, a business will leverage resiliency as its best tool to combat downtime. In other words, business continuity is often viewed as preventative medicine for downtime.

**CAUSES OF DOWNTIME**

We’ve seen a number of disasters and disrupting events in South Carolina this year. A series of winter storms in January and February brought down utility lines and left the state with approximately $500 million in cleanup costs. Then, earthquakes rattled parts of South Carolina: first a 4.1 magnitude earthquake near Aiken that was felt by many throughout the state, followed by a 3.0 magnitude earthquake near Summerville. Now, we are in the middle of hurricane season while we anxiously watch those tropical systems move across the Atlantic.

While these natural disasters often capture our attention, businesses are more susceptible to downtime from everyday localized events: utility outages, human error, supply chain issues, loss of a key employee and technology or equipment failures. These scenarios are experienced almost daily by businesses and organizations throughout South Carolina, but they are rarely discussed by the media or the business community. The good news is that businesses don’t have to resort to a crystal ball to conceive of all the possible causes of downtime. By focusing on the impacts of downtime, and how to plan for these impacts, business continuity provides a methodology to effectively deal with any conceivable threat that could lead to downtime.

**ELEMENTS OF A PLAN**

To be effective when needed, a business continuity plan should be comprehensive, flexible and actionable. The plan must address all the critical areas of the business that support customer activity and revenue generation. A good plan will also be flexible by providing several options for recovering critical systems or functions depending on the severity and impact of the disrupting event. Above all, the plan must be actionable so key personnel can quickly locate and implement the appropriate plan sections by following simple checklists and procedures to resume or recover operations.

Business continuity plans should generally include the following components:

- An assessment of the threats to the business operations, and the associated risks to be mitigated or addressed;
- An identification of the personnel, equipment, supplies and other resources required to complete the critical business activities or functions;
- A prioritized list of all critical business activities or functions for recovery following a disruption;
- An Emergency Action Plan for fires, tornados, earthquakes, workplace violence, etc. to protect employees during these events;
- A communications plan to communicate important information to employees, customers, vendors and other stakeholders following an event;
- An operations recovery plan to recover or resume operations within an acceptable recovery timeframe;
- A facility recovery plan to relocate operations to an alternate facility and to assess, repair and recover the damaged facility;
- An information technology disaster recovery plan to recover computer systems and data within an acceptable recovery timeframe; and
- A financial recovery plan to document the insurance claims process, discussions with banks and the reserves necessary to fund recovery operations.

**BUSINESS CONTINUITY BENEFITS**

The most obvious benefit of business continuity is to minimize downtime to a tolerable level. As downtime is minimized or avoided, significant financial return is realized. However, a business may realize many other benefits as well. First, a business with more than 10 employees is required by OSHA to have a written Emergency Action Plan (see 29 CFR 1910.38). The business continuity plan generally incorporates this OSHA requirement by providing life safety plans for employees and visitors for threats such as fires, tornados, earthquakes, medical emergencies, workplace violence and others. These plans not only address this federal requirement, but also provide an effective means to protect any businesses’ most important asset: its employees.

Second, we have seen a growing number of banks, insurance companies and large customers requesting business continuity plans from their vendors and/or clients. Before your business faces this question without an adequate response, a proactively developed business continuity plan can answer quickly any questions or concerns from your business partners. Then, these partners will have the confidence and knowledge that your business has adequately planned for downtime to minimize the impact on your business, and, more importantly, on their business.

Third, business continuity can be an important differentiator in the market. As you take the proactive stance to develop a business continuity plan to minimize and limit downtime, your business can set itself apart from the competition. Imagine the reaction from a customer or prospect when you say, “We have developed a business continuity plan and would like to share it with you so you can be sure that our plan will meet your expectations during an emergency or disaster.” The resulting trust and confidence that this type of conversation may instill can be an invaluable part of the customer relationship or sales process.

**BUSINESS CONTINUITY PROGRAM**

Finally, an often-overlooked benefit is the peace of mind that business owners and managers realize when a business continuity program is in place. (A business continuity program is the ongoing maintenance, training, testing and improving of the business continuity plan). Most business owners and leaders have invested significant time, resources and capital to start, grow and expand their businesses. The sad reality is that many businesses without a solid plan will experience significant loss. They may not even survive an extended period of downtime. Business continuity helps to protect the investment, longevity and brand that have been developed over time.

Downtime can be a dirty word to many businesses. While we may never be able to eliminate all downtime to achieve the ultimate goal of “downtime is not an option,” business continuity can reduce the risk of downtime to a tolerable level while delivering significant additional benefits.

Scott Cave is a Certified Business Continuity Professional and principal of Atlantic Business Continuity Services in Summerville. S.C. Cave has spent the last 14 years developing, testing and improving business continuity plans to minimize downtime.
Making Connections Possible

As a global manufacturing leader of fiber optic cable and substation fittings, AFL delivers high performance and reliability to communications networks. AFL has a wide range of custom-designed products that help increase efficiency of networking operation centers, power-generating facilities and substations.

Headquartered in Spartanburg, South Carolina, AFL continues to develop innovative products and services that fuel our growth. More importantly, we are dedicated to making a difference in our community and throughout the world.

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A balanced energy portfolio is an essential plan for meeting South Carolina's future energy needs. Nuclear, natural gas and clean coal, along with conservation and alternative forms of generation (like solar and wind) are working together to make this happen.

**ENERGY MIX**
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- 30% Natural Gas
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- 30% Clean Coal

By reducing emissions and installing renewable and non-emitting facilities, SCE&G will create a balanced energy generation portfolio that will serve our state for decades to come.

**ABUNDANT & AFFORDABLE NATURAL GAS**

Nuclear fuel is still the cheapest option for running SCE&G's power plants, costing about one-third the price of natural gas and coal.

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By 2019, we’ll have nearly tripled our use of non-emitting energy sources. *

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Electricity — around the clock, Nuclear power is one of the most reliable ways to provide large numbers of customers with a continuous supply of electricity.

**CREATING JOBS**

Construction of two nuclear plants will create about 3,000 temporary jobs and 800 full-time jobs when the plants are operational.

SEE ENERGY AT WORK

SCEG.COM
Building a sustainable company and life

The definition of sustainability is meeting the needs of both a growing free trade market and the environment at the same time. If you picture a Venn diagram, sustainability exists in the area overlapping the community, the economy and the environment. The interesting thing about being the president and CEO of Domtar, ‘the sustainable paper company,’ is surviving in an industry that straddles two worlds: old and new. John D. Williams, the new captain at their helm, straddles many worlds, too. Domtar has moved from the slash and burn days of the industrial revolution into the world of forest stewardships of the 21st century.
John D. Williams lives in North Carolina but drives just 20 minutes south to his office in Fort Mill, South Carolina. He’s a Brit who loves American country music, much to the chagrin of his American wife. The American in him reads the Wall Street Journal religiously. The Brit reads The Economist. He purports to be a quick study who also emphasizes that the best advice he could ever give would be to slow down and take time to make decisions. He has a gaggle of seven dogs and six cats that he herds daily. When asked why he lives in the Carolinas, he says, “I think it’s like living in a warm bath. It’s just so comfortable. What’s not to like?”

Williams’ grandfather was a miner in South Wales. His father was a schoolmaster. “I was born 40 miles south of London in a little town called Storrington in West Sussex, which is about 12 miles from the coast. I was actually born at home, which was a rare event in 1954. I was born about 750 yards from a beautiful old golf course.” As a child, Williams was an avid golfer. He had a dog who found golf balls. “I was much better then than I am now, much to my frustration.”

“I had no idea what I wanted to do when I graduated [from King’s College]. I always had jobs from the age of 11. I’d caddy or do people’s gardens. In fact, when I was at university, I had a job cleaning apartment buildings and mowing the lawns. So I had a dirty, old truck. I was going out with this girl whose father had a magnificent country house. And he just hated my guts. So when I graduated, he said, ‘You can’t take my daughter out if you’ve got this revolting vehicle.’ So I thought, ‘I need a proper job.’ I actually interviewed, and in October 2008, Domtar announced his hiring. “Just as the world was about to end,” adds Williams. With classic British stoicism, he described that period as interesting. “When it gets difficult, it makes it interesting.”

“When you sight a new paper mill, fiber supply is everything,” explains Williams in reference to the plant they have in Bennettsville, S.C., which they call the Marlboro Plant. Domtar is traded on the New York Stock Exchange and has made $5.6 billion in sales. It employs 10,000 people. On the paper side, their paper can be found in Staples and Office Depot. “Our paper business is a declining business for obvious reasons: electronic substitutions.” So Domtar has found other niches. Namely, personal care. Adult diapers, feminine hygiene products and private label (store brand) baby diapers. The fluff pulp inside these items comes from a tree found in the Southeastern U.S. called the loblolly pine. As part of its forward integration, the company just bought the market leader in Spain. You’ll find Domtar products in retail outlets like Walmart, Family Dollar and Whole Foods as well as in large health care institutions like Cardinal Health and McKesson. A third of their pulp is being sold to China so they can make paper and tissue. “They don’t have that many trees. It’s mostly desert. So they want to make paper but they need pulp.” The Marlboro Mill’s site was chosen in part because its fiber supply is within 50 to 100 miles of the plant.

GREEN ENERGY - BUY ALL, SELL ALL

“When you look at our power [needs], we are about 75 percent self-sufficient in power across our network of 15 sites. Why? Because there’s two things in a tree. There’s cellulose and lignin. We want the cellulose. Historically, we would not want the lignin. So we burn the lignin in a recovery boiler. And that generates a lot of power (i.e. steam that drives turbines). That’s green power, because it’s carbon neutral. So a lot of the utilities these days need to make sure they have green power available. So we have the opportunity to sell the power to a number of utilities. It enables this industry in the U.S. to be very competitive because if its power costs. Obviously, power costs are a huge issue for us. The change in what’s happening to power costs in the U.S. over time is going to make the U.S. industry extremely competitive on a global basis.”

When asked what the greatest economic variables were weighing on his production line, Williams jokes, “It’s very simple: wood and

South Carolina Business
The Aiken, Edgefield and Saluda region in South Carolina is home to some of the world’s most productive manufacturing companies as well as a stable, highly qualified workforce with advanced manufacturing skills. The region is also home to leading scientists and researchers who are expanding the limits of hydrogen and renewable energy. Exciting developments in the medical and manufacturing sectors are ongoing in microwave and glass and ceramics technology at the Applied Research Center.

But, we’re not complacent. We’re also investing in a new, state of the art Center for Energy and Advanced Manufacturing at Aiken Technical College.

WE ARE THE TOWN

Domtar’s South Carolina presence in Bennettsville boasts a non-unionized work force, which has “brilliant working practices, teams and multi skill sets.” The Marlboro Mill is one of Williams’ very best facilities. At full capacity, it makes 350,000 tons of paper. When asked what the state’s focus should be for companies like Domtar, he answers, “Education. Education. Education. More and more we need electronic skills. If you can’t find the skills, you can’t do the job. Let’s be honest. People are the only differentiating entity in a business, really. We need good, practical skills. I think the Germans have part of the answer in their really good apprenticeship schemes.”

“One of the things we offer (at Domtar) is fantastic employment opportunities in small towns. Very often, we are the town. We are 70-80 percent of the tax (base) for the town. That’s an attractive thing. But we have to stay globally competitive,” explains Williams.

“Quite frankly, I think this state is doing a brilliant job of that,” concludes Williams. “I see all these jobs coming in here. All credit to you. Why do people love this area? It’s not too big and it’s not too small. It’s kind of Goldilocks.”

Get to Know John D. Williams

Thing you can’t live without… My wife. She’s the one thing I can’t live without. And books. Physical books. Not Kindles. Not Apps.

Favorite Book? My Early Life by Winston Churchill

In your spare time, you can be found… playing lots of golf. Reading. Staggering about trying to organize my dogs. Also, I’m building a garden at my place in Banner Elk.

If you could have a dinner party with anybody, living or deceased, who would it be? It would have to be Winston Churchill, Lord Alan Brooke (Churchill’s chief of staff) and Lyndon Johnson. Who else? You’d have to have Roosevelt, and preferably Stalin, but then you’d need an interpreter. I think that group would be interesting.
Navigating any state agency, especially one of the largest in South Carolina, can be intimidating to even the most seasoned environmental professional. However, if you come prepared, you are more likely to avoid the rip tides and sand bars between you and your destination. At the South Carolina Department of Health and Environmental Control (DHEC), we are here to meet, consult and work with you to ensure your company’s activities comply with the state’s environmental laws and regulations. Communication is crucial, and in that spirit, the following are some tips you may find useful in navigating the DHEC waters.

THE CHART: UNDERSTAND DHEC’S ENVIRONMENTAL ORGANIZATION AND MISSION

DHEC is governed by the Board of Health and Environmental Control. DHEC’s director, Catherine Templeton, reports to the board, is the executive head of the agency and oversees the operations of the five divisions of the department. DHEC’s five divisions include Environmental Quality Control (EQC), Office of Coastal Resource Management (OCRM), Public Health Services, Health Regulation and DHEC Administration. EQC consists of four bureaus: water, air, land and waste, and environmental services. Staff from one or more of these bureaus likely will be involved in any environmental issue before the agency becomes involved.

The agency’s mission guides its interactions and decisions. DHEC’s mission is to promote and protect the health of the public and the environment. The South Carolina General Assembly defines in statute the policy underlying DHEC’s mission. For example, in the Pollution Control Act (PCA), the legislature declared it to be the public policy of South Carolina to maintain reasonable standards of purity of the air and water resources in the state, consistent with the public health, safety and welfare of its citizens, maximum employment and the industrial development of the state. Therefore, while DHEC has the authority to abate, control and prevent pollution under the PCA, it considers this public policy when promulgating regulations and making decisions related to air and water discharges.

FOLLOW THE COURSE: UNDERSTAND THE APPLICABLE LAW

DHEC is a creature of the legislature and the agency’s authority is defined by statute. DHEC generally promulgates regulations to implement its statutory authority. While environmental statutes and regulations can be complicated, a basic understanding of the statutes and regulations that apply to your situation is

We’re glad you’re here, Showa Denko.

Before a recent planned expansion. Before the first graphite electrode was manufactured. Before the plant manager flipped on the lights for the first time. Santee Cooper partnered with Showa Denko Carbon Inc. 30 years ago to bring the international industrial giant to the Charleston area.

By partnering our low-cost, reliable power and development opportunities with our state’s attractive tax base, relocation incentives, and an unparalleled quality of life graced with Southern hospitality, Santee Cooper helps Showa Denko continue to thrive in South Carolina. And continues to power South Carolina toward Brighter Tomorrows, Today.
Select Health of South Carolina is honored to be a 2014 “Best Places to Work in South Carolina” company. A strong commitment to First Choice plan members and our mission have helped us achieve this distinction for the 7th consecutive year:

We help people get care, stay well and build healthy communities.

Building safe playgrounds across South Carolina is an example of how we are fulfilling our mission. With the help of the AmeriHealth Caritas Partnership, we’ve built a playground at Pinehurst Park in Columbia and another one for the Chicora neighborhood in North Charleston.

We are excited to announce that we will build a third playground in Spartanburg on Nov. 21.

Interested businesses and individuals are invited to partner with us. To learn more, please call (843) 746-7565 or visit www.selecthealthofsc.com.

Building Healthy Communities for South Carolina

The Marcus Lattimore Foundation has partnered to support a new First Choice Fit playground for Spartanburg.
MEMBER SPOTLIGHT

South Carolina Business

BY PENNY DELANEY COTHRAH, APR

Meet the new South Carolina State Museum

THE SOUTH CAROLINA STATE MUSEUM has a layer of dust on it. Not the kind that comes from stagnant exhibits forgotten by the throngs of tourists who have passed through this 25-year-old Midlands institution. No, this time, and at long last, it is construction dust. The Windows to the New Worlds renovation project is a $23 million investment that will elevate the state’s flagship museum to a new level of respect and usher it into the 21st century.

The expanded State Museum (which has acquired in part the areas in the historic 1894 Duck Mill that were previously occupied by the SC Budget and Control Board) will be the first of its kind in the United States to have under one roof an on-site and online observatory and classroom, a 55-foot planetarium dome and theater and a 4D multi-sensory theater. The entire museum experience has been completely redesigned with careful attention given to various audiences, whether it’s in the lobby, gift shop, new lunch room or the group/student entrance area inside the big glass box.

Opened to the public on August 16, 2014, the new additions will attract between 210,000 and 260,000 visitors of all ages according to Willie Calloway, executive director of the State Museum. The expansion is half funded by state government and half funded by local governments (14 percent) along with donations by foundations (5 percent), corporations (8 percent) and private citizens (14 percent), along with an investment by NASA (9 percent).

WHAT’S NEW AT THE STATE MUSEUM?

One of the first changes you’ll note when you approach the front entrance is the front entrance. As you pass under a new outdoor viewing terrace connected to the new observatory, you’ll walk right through the legs of a 50-foot tripod that stabilizes the Museum’s newest prized acquisition, a 1926 Alvan Clark world-class vintage telescope. This functioning 12 3/8-inch refracting telescope is considered to be the “Stradivarius” of refracting lens telescopes. Best of all, this new astronomical resource will be accessible to every student in South Carolina, either by visiting the observatory in person or by pointing their Internet browser to a sophisticated digital control system that allows the student to access the instrument, provide coordinates and then receive images from the rings of Saturn to the Orion nebula. Distance learning (light years away) has never been so close.

Adjacent to the new observatory will be the antique telescope collection. Robert B. Ariail, a local amateur astronomer and collector, donated his priceless collection of telescopes to the State Museum. The oldest one dates back to 1730. Another curiosity in the collection is the oldest surviving American-made observatory instrument which was delivered in 1849 to Erskine College.

Inside the new glistening glass box newly affixed to the east side of the old mill building is the digital dome planetarium and theater. It looks so much like the famed Hayden Planetarium in New York that one almost expects physicist Neil deGrasse Tyson, of Cosmos fame, to come walking around the corner in a hard hat. NASA memorabilia, all of which is tied to South Carolina’s unique aerospace history, will adorn its front entrance. Thanks to the museum’s partnership with NASA and using closed-circuit television, students and visitors will get to enjoy, in real time, events like a chat with an American astronaut aboard the International Space Station. Best of all, the planetarium will be open for extended hours for nighttime learning and fun.

If the 145-seat dome theater isn’t immersive enough for
you with its glittering night sky and psychedelic Pink Floyd laser shows, you should try the museum’s new 4D theater, which combines a 3D film with real-life sensations like smell, wind, rain and vibrations. The only permanent 4D theater in the state will complement STEM programming while firing up imaginations and provide visiting families with seasonal favorites like The Polar Express in 4D.

**WHAT’S THE BUSINESS IMPACT?**

While enhancements to things like access to bathrooms, food and beverage, lockers and baby changing stations all sound like creature comforts, they’re actually a nod to the business side and operational impact of the project. The typical length of stay per guest will increase with these added comforts, which will ripple into the museum’s economic impact on the city and the state through additional jobs and increased spending. It will result in increased “outer market” visitors and increased accommodation and hospitality tax revenues. “We anticipate we’ll now have a 500-mile radius pull,” explains Calloway. “That will extend our reach to Atlanta and beyond.”

In addition to ticket sales, the museum is poised to advance its facility rental revenue stream with its architecturally open floor plans, new state-of-the-art meeting spaces, a mezzanine and a grand central staircase, positioned for the sweeping entrance of any of the 19 Southern brides who have already selected the new space for their upcoming nuptials. Then there’s the Cotton Mill Exchange, one of Columbia's favorite shopping destinations, which has been expanded to 4,000 square feet of retail space and is themed to embody the essence of an old mill trading post.

The main lobby is a little different, in that it has been designed as a welcoming 13,250-square-foot free space for visitors to Columbia. The State Museum has reached into its archives and plucked out iconic artifacts to represent the museum’s four disciplines: art, cultural history, natural history, and science and technology. Just inside the main entrance, you may stop by an exhibit operated by the Columbia Visitors Bureau, South Carolina Educational Television or the South Carolina Parks, Recreation and Tourism Department (SCPRT). SCPRT’s exhibit is a breathtakingly lifelike hands-on stroll through South Carolina’s favorite destinations like the Caesars Head overlook or the top of the famous Hunting Island lighthouse. This “Come Out and Play” interactive display of South Carolina’s mountains, rivers, beaches and parks is enough to make any South Carolinian swell with pride at our state’s natural resources.

Penny Delaney Cothran, APR is the multimedia manager at the South Carolina Chamber of Commerce and editor of South Carolina Business.

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The statewide economic impact of the new additions is $19 million.
A nationwide program, GEAR UP connects businesses and schools to improve academic achievement, parental involvement, graduation rates and post-secondary/college/career readiness. The federal GEAR UP initiative was authorized in 1998 as an amendment to the Higher Education Act of 1965 and signed by President Bill Clinton. In his remarks, President Clinton said, “In today’s global economy, what you earn depends on what you learn. This bill will make it easier for millions of Americans to get the higher education they need to succeed in the global economy.”

Nationally, GEAR UP provides six-year grants to states and partnerships to provide services at high-poverty middle and high schools. The South Carolina Chamber of Commerce uses its grant to focus on the I-95 corridor. Here, we use our resources and business partnerships to serve 7th graders, and then follow them through high school graduation and into their first year of college. SC GEAR UP focuses on 22 high schools in 15 school districts and serves 4,000 students.

SC GEAR UP provides tutoring/mentoring, incentive programs for students (for improved grades, attendance, good citizenship), career awareness opportunities, parental and community involvement initiatives and supplemental school resources (like school supplies, book drives, etc.).

**Why Involve the Business Community?**

Workforce development has long been a top issue among employers, and increasing the high school graduation rates is one of the first steps in cultivating a skilled workforce, whether for entry level, middle skilled or high skilled careers. Education and economic development go hand in hand. In South Carolina, two key components exist: inclusion of GEAR UP personnel within the South Carolina Chamber of Commerce and building a strategic system for generating and recording “in-kind” support from the business community. To date, in-kind contributions from businesses have topped $15 million during this grant cycle!

In South Carolina, business and education...
SC GEAR UP students from Dillon High School attend a business etiquette seminar at Florence-Darlington Technical College.

are working together more than ever before. The Palmetto State’s future success will depend on continuing strong relationships between businesses and educational institutions. SC GEAR UP is part of that equation.

MAJOR ACCOMPLISHMENTS 2005-2011

SC GEAR UP is considered a model program across the nation. During the 2005-2011 grant cycle, South Carolina on-time high school graduation rates rose for the third consecutive year, including for students living in high poverty areas. In addition, 87.5 percent of SC GEAR UP students passed the math and ELA portions of their high school assessments. The number of students with a 3.0 GPA increased in 10th grade by 38 percent. And more than 40 GEAR UP students were exposed to South Carolina Business Week, a six-day camp that teaches students about life in the business world and includes the opportunity to earn college scholarships.

Student and parent engagement also rose, with more than 90 percent of students saying they were educated on college preparatory requirements and more than 80 percent of parents saying someone spoke with them about the requirements for their children.

In short, GEAR UP works!

Julie Scott is associate vice president of communications for the South Carolina Chamber of Commerce.
CO₂ RULE PUNISHES EARLY WORK BY SOUTH CAROLINA

BY MOLLIE GORE

On June 2, the U.S. Environmental Protection Agency (EPA) released a proposed CO₂ emissions rule that threatens South Carolina’s continued ability to recruit and retain industry to sustain our economy, our families and our quality of life.

Years ago, Santee Cooper and other South Carolina utilities began proactively planning and working to reduce CO₂ emissions. For its part, Santee Cooper wanted a measured approach that balances environmental stewardship, reliability and costs. The state-owned utility already has reduced its CO₂ emissions 23 percent since 2005, through a series of initiatives that let it still deliver electricity that is reliable and affordable.

Santee Cooper grew its renewable energy portfolio, for example, building off its successful first-in-the-state Green Power station in 2001 to include more landfill gas, solar, biomass and a little wind energy. Santee Cooper opened a large natural gas generating station in 2002 and added modern, highly efficient coal units with the latest environmental control technology in 2007 and 2008. In 2009, Santee Cooper announced a new energy efficiency campaign for customers. At the end of 2012, it closed four older coal units. And Santee Cooper is in the middle of building two new nuclear power units with South Carolina Electric and Gas, a roughly $10 billion project that will bring 2,200 megawatts of reliable, emissions-free electricity to the state’s grid.

“By planning for and launching these CO₂-reducing initiatives strategically, we were able to achieve significant emissions reductions with relatively low sticker shock for customers,” said Pamela Williams, senior vice president of corporate services for Santee Cooper.

In its proposed rule, the EPA sets out to reduce the CO₂ emissions rate of electric utilities 30 percent by 2030. However, EPA assigned South Carolina a target of 51 percent reduction in CO₂ emissions rate, the third-largest reduction of any state in the country.

“The rule is lengthy, complex and requires making assumptions about the state of the economy in 2030, but one thing is certain: if it stands as proposed, every South Carolinian will see his or her power bill increase,” Williams said. “Furthermore, electricity is often one of the largest expenses for industry, and the extreme efforts required to meet the proposed EPA target will certainly drive up costs to power those plants.”

EPA has proposed building blocks to help states achieve lower emissions, things like increasing nuclear generation, natural gas, renewables and energy efficiency. These are some of the same initiatives that Santee Cooper has already successfully used and so additional emissions cuts will be even tougher.

Most critical, in terms of costs, is the way this proposal treats new nuclear already under construction, such as the SCE&G-Santee Cooper projects.

“South Carolina electric consumers are already paying into the project,” Williams said. “By considering these under-construction units as if they are already built, and in doing so setting the state’s goal more restrictively, the EPA is punishing South Carolina for being proactive in its CO₂ reductions and investing early in this project.”

If the rule stands, consumers in South Carolina will have to pay again for high cost CO₂ reductions from renewables and other measures that are not cost effective for the state.

Apart from the nuclear concern, EPA advocates more use of natural gas, renewables and energy efficiency. South Carolina, especially the eastern half, has no infrastructure to add natural gas generation, since the nearest pipeline runs along our western border. “Santee Cooper is already running our gas units as much as possible. In fact, our two largest units ranked No. 1 and No. 4 on EPA’s list of the nation’s natural gas units for how much they ran in 2013,” Williams said.

Regarding renewable energy, there are differences between South Carolina and other states in the amount and type of renewables available for electricity production. We do not have the resources to meet a renewable requirement of 10 percent by 2030 as EPA has suggested.

An estimated 36 percent of all of South Carolina’s retail sales are to industrial customers, which already prioritize efficiency in all aspects of their operations. It is not reasonable to assume that large increases in energy efficiency are available to this customer class.

The draft CO₂ rule comes in the midst of a tremendous series of new industry announcements bringing thousands of new jobs and capital investment to South Carolina, a welcome rebound after a tough recession and post-recession period. Santee Cooper is concerned about the impact this rule will have, if it stands, on our state’s ability to attract and retain industry and jobs.

“South Carolina’s utilities are working to educate EPA about South Carolina’s particular situation with regard to opportunities for CO₂ reduction,” Williams said. “The initiatives we have already proactively undertaken, if properly credited, will reduce CO₂ emissions by far more than the 30 percent target EPA has set for the nation. When other utilities are counted in the state, we are still far ahead of your national average. To ask us to do more simply because we got a head start is unfair to the people of South Carolina, who bear the ultimate burden for these measures.”

Mollie Gore is manager of corporate communications for Santee Cooper, South Carolina’s largest electricity generator.
The South Carolina Chamber of Commerce’s Roundtable Meeting was held at Michelin North America in Greenville on Wednesday, July 16th. Seventy-two executives attended and participated in the issues discussions. Senator Billy O’Dell gave an overview of legislative issues and took questions from the group. Ron Patton, chief engineer at the S.C. Dept. of Transportation spoke on current infrastructure projects and funding and also took questions from the group. Other discussions led by Chamber staff included education, workforce development and healthcare.
Are entrepreneurs born or made? In July, the students of the South Carolina Chamber of Commerce’s 2014 class of South Carolina Business Week learned how they can one day run a successful business. In one week, these high school students learned about leadership, public speaking, making tough business decisions and the importance of education, career readiness and personal finance. Close to 200 students engaged in real-time business simulations in 14 company teams. Plus, they visited South Carolina companies like BMW Manufacturing. Each Business Week company is led by a South Carolina business leader for the entire week!
The South Carolina Chamber of Commerce invited environmental and energy industry leaders to come together on August 21 at the Embassy Suites in Columbia for the third forum in the Chamber’s Competitiveness Agenda Series. The Environmental & Energy Forum, presented by McNair Law Firm, P.A., featured key players from the energy sector as well as environmental specialists from a cross section of industries. The day highlighted a variety of environmental and energy issues along with business experts who will share their knowledge, innovations, successes and lessons learned in the global economy today.

The Competitiveness Agenda Series (CAS) is compiled of four informational forums covering the key aspects of the Chamber’s Competitiveness Agenda, including infrastructure, health care, environmental/energy and education. The final CAS forum, focusing on education, is set for October 14 at the Columbia Metropolitan Convention Center.

S.C. Attorney General Alan Wilson gave the keynote address over lunch highlighting what companies should and should not expect from the state’s chief prosecutor.

Attendees gathered from a wide variety of employers including governmental agencies, law offices, energy utilities and manufacturing companies.

FORUM TAKEAWAY: Environmental issues affect multiple industries both positively and negatively

Environmental Consulting & Technology, Inc.
ERM
Waste Management of South Carolina

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scchamber.net/events.aspx
The Clemson University International Center for Automotive Research (CU-ICAR) demonstrated its capabilities with its automotive engineering students’ latest concept vehicle, called Deep Orange 4. It is a BMW Manufacturing Co-sponsored vehicle and is based on the BMW X3 for the niche market of performance-oriented SUV customers who want both best-in-class utility and space and an aggressive sporty design. A cost-efficient manufacturing plan was developed which details how a theoretical low-volume model could be assembled without negatively impacting existing BMW production processes.

Students in Clemson’s graduate automotive engineering program are required to create and manufacture a new vehicle prototype. The students designed a trunk compartment with the open-bed configuration of a pickup truck.

Alliance Consulting Engineers, Inc. was ranked by the Engineering News-Record (ENR), a McGraw-Hill Companies publication with a focus on the engineering design sector, as one of the top ten design firms in South Carolina and one of the top 75 design firms in the southeastern United States.

Financial advisors A.T. LOCKE added Veronica Edwards as a financial analyst to the firm’s Upstate team.

BlueCross® BlueShield® of South Carolina and BlueChoice® HealthPlan have achieved a rating with Nason Medical Center/Ambulatory Urgent Care Centers that allows the Low Country-based urgent care centers to remain in the same BlueCross and BlueChoice® networks and accessible to those members at in-network rates.

BlueChoice® HealthPlan of South Carolina now offers a new product combining incentives for employees who use Patient-Centered Medical Homes (PCMH) and wellness tools. Called Engagement Plus, the plan was introduced for groups combining incentives for employees who use Patient-Centered Medical Homes (PCMH) and wellness tools. Called Engagement Plus, the plan was introduced for groups.

Professor emeritus and BB&T Scholar of Economics Bobby McCormick was named Clemson’s interim dean of the College of Business and Behavioral Science. He succeeds Charles Watt, who took on a new assignment as founding director of the Watt Family Innovation Center, currently under construction.

Clemson University was awarded $11 million to expand a bioengineering center that helps mentor junior faculty members as they research how lab-grown tissue can treat some of the world’s most debilitating diseases, ranging from heart disease to spinal cord injuries. The money comes from a National Institutes of Health (NIH) program that supports the Centers of Biomedical Research Excellence (COBRE) nationwide. The Clemson center is the South Carolina Bioengineering Center of Regeneration and Formation of Tissues (SC BiogRAFT).

Clemson University, a McGraw-Hill publication with a focus on the engineering design sector, ranked as one of the top 75 design firms in the southeastern United States.

Clemson University’s South Carolina Electric and Gas (SCE&G) Energy Innovation Center at the Restoration Institute in North Charleston has been awarded LEED Gold certification by the U.S. Green Building Council.

Clemson University professor Windsor Westbrook Sherrill was named associate vice president for health research at Clemson and chief science officer at Greenville Health System (GHS). Clemson and GHS announced last summer the establishment of a health-care research and education powerhouse that makes Clemson the primary research collaborator for the GHS Clinical University and a key partner in health research and education initiatives.

Clemson University president Jim Clements was named a member of the board of directors of the National Association of Medical Colleges, the national association representing the nation’s medical schools and teaching hospitals.

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**Nexsen Pruet attorneys** Ron Cardwell, Jennie Cluverius, David Gossett, John Hardaway, Amy Allen Hinson and William W. "Billy" Wilkins have been named to Greenville Business Magazine’s “Legal Elite” list for 2014. Cardwell is recognized in the environmental category, Cluverius in labor and employment, Gossett in banking and finance, Hardaway and Hinson in intellectual property and Wilkins in government affairs.

Former Nexsen Pruet member (partner) Rick Reames was appointed as director of the South Carolina Department of Revenue. Governor Nikki Haley made the announcement on June 23, 2014.

Nexsen Pruet attorney Brad Waring was reappointed by SC Supreme Court Justice Jean Toal to serve an
additional four-year term on the South Carolina Judicial Council.

Nexsen Pruet remained on The National Law Journal’s list of the 350 largest law firms in America. This year, only two South Carolina-based firms made the list. The firm holds steady as the 224th largest firm in the country, unchanged from 2013.

For the seventh time, Palmetto Health was recognized as one of the “Most Wired” organizations by Hospitals & Health Networks magazine. Palmetto Health is the only Midlands health care provider to meet the magazine’s strict criteria and one of only six “Most Wired” organizations in South Carolina.

Amy Coward, APR, Fellow PRSA, has been selected as a 2014 Fellow by the Public Relations Society of America (PRSA) Board of Directors. She is among 15 public relations professionals nationwide who will be inducted into the esteemed College of Fellows this year. Coward is the vice president of public relations at Palmetto Health Foundation.

Salvation Army welcomed its new director of public relations and volunteer services/disaster services coordinator, Jennifer Lambert. She previously served the Salvation Army from 2004-2010 and was most recently the traffic manager for a local web design and development company.

Schnabel Engineering, Inc. was ranked 19th on the “Best Civil Engineering Firms to Work For” list by Zweig White. The criteria used to make the selection included culture, benefits, compensation, performance/recognition, recruiting and employee retention, and professional development, as well as an employee satisfaction survey.

Smith Moore Leatherwood partner Steve Farrar was selected as a Fellow of the Litigation Counsel of America (LCA), which recognizes the country’s top trial attorneys. The LCA is a trial lawyer honorary society composed of less than one-half of one percent of American lawyers.

Sowell Gray Stepp & Laffitte, LLC attorney Nicolas (Nick) L. Haigler was selected as chair of the 2014-2015 Leadership Columbia Advisory Board.

Spirit Communications hired Candice McCuicen as account executive in Columbia. The firm promoted Daniel Eskew to regional sales manager for the Midlands.

Penny Delaney Cothran, APR, multimedia manager at the South Carolina Chamber of Commerce and editor, South Carolina Business magazine, was named a finalist in the 2014 Influential Women in Business in the volunteer category.

The State Board for Technical and Comprehensive Education announced that Ralph A. “Nick” Odom, Jr. was re-elected board chair.

SunTrust Bank has named Mark Lattanzio region president of its new Charleston region which covers the Lowcountry of South Carolina and serves all of eastern South Carolina.

A replica of Cocky, the beloved mascot of University of South Carolina, took flight July 31 atop a 18-foot beam bearing the signatures of hundreds of alumni. It was placed at the peak of the new My Carolina Alumni Center being constructed in Columbia’s Vista. The raising of the 500-pound beam was part of a Topping Off ceremony to signify the completion of the structural or “steel” phase of the center.

Jim Konduros, a 1954 University of South Carolina School of Law alumnus, made a $1.1 million gift to the University of South Carolina’s School of Law to provide students with scholarships, fellowships and leadership development.

Womble Carlyle attorney Mike Cashman was selected to serve a two-year term on the South Carolina Bar’s Judicial Qualifications Committee. The committee screens candidates for judicial vacancies or for reappointment to the administrative law judge division, the family court, the circuit court, the court of appeals and the Supreme Court of South Carolina.

Womble Carlyle attorneys Sandy Miller and Lindsay Smith were named to Greenville Business Magazine’s 2014 Legal Elite of the Upstate. Miller was recognized in the healthcare category, while Smith was recognized in real estate law.

Womble Carlyle attorney Shunta Grant was named to Lawyers of Color’s 2014 Hot List, which salutes minority attorneys excelling in the legal profession.

Chambers USA recognized 13 Womble Carlyle attorneys from three South Carolina offices in the 2014 Chambers USA report. The Corporate/M&A attorneys were Allen Grubmune and Betty Temple. The labor and employment attorney was David McCormack. The litigation general commercial attorneys were Will Cleveland, David Cox, Allen Gibson, Henry Smythe and Charles Summerall. The real estate attorneys were Morris Ellison, Larry Estridge, Foster Gaillard, Lindsay Smith and Susan Smythe.

Greenville Business Magazine recognized 17 Wycliffe attorneys as being among the area’s “Legal Elite.” For the third year in a row, Wycliffe placed more attorneys on the list than any other firm in the Upstate. Among those recognized were Eric Amstutz and Melinda Davis Lux in corporate law, mergers & acquisitions; Mark Bakker in labor & employment law; Rita Bolt Barker and Greg English in environmental law; Andy Coburn and Eric Graben in bank & finance law; Natalie Dunham in estates & trusts; Cary Hall in tax law; Mauire Lawrence and Jim Warren in real estate law; Wallace Lightsey in intellectual property law; Terrell Mills in healthcare and intellectual property law; Troy A. Tessler in personal injury law; Bill Wilson in foreclosure and construction law; Marshall Winn in bankruptcy & creditors’ rights and international law; and Amos Workman in family law.

Please send Member News and publicity photos to penny.cothran@scchamber.net.
Name: Dirk Brown

Hometown: Ottawa, Canada

Education/College: Ph.D. in Material Science/Engineering from Cornell University; MBA from San Jose State University

Occupation: CEO of Pandoodle Corporation

How has your industry changed?
Pandoodle is in the digital media space. There’s been a visual explosion online recently. When you look at how consumers interact with online content, they spend most of their time now looking at images and video. Articles with pictures have a 94-95 percent better chance of being read than articles without pictures. What we see is a strong shift toward native advertising, which is content that we’re actually interested in viewing.

What’s your passion?
Besides my family, it’s building companies. I’m a serial entrepreneur. Most of my career was in the Silicon Valley. I’ve been the CEO of two start-ups prior to this one. I just like building something from scratch and seeing it be successful.

What are you known for?
Having a good balance between being a visionary and being a pragmatist.

What’s the best advice anyone’s ever given you?
It was from a very well-known venture capitalist named Irwin Federman at US Venture Partners. I was having a conversation with him once and I said, “You know, I’ve got all the strategy laid out. I just need to execute.” He just looked at me straight in the eye and said, “It’s always about execution. Just laser focus and get it done.”

Are there advantages to being in South Carolina?
We actually moved Pandoodle from Silicon Valley to South Carolina. What surprised me was the quality of the talent. When we hire people here, they’re really dedicated to helping us build our company. And the level of support from the SC ecosystem has been remarkable to us. We’ve received financial investments from folks in South Carolina. We’ve received support from the universities. The amount of attention we get as a tech company in South Carolina is much more than we’d receive anywhere else that I’ve been.

I am S.C. Business because… [South Carolina] allows us to build a world-class organization without compromise. It’s the lifestyle.
Keeping South Carolina Strong.

Here at Alcoa-Mt. Holly, we take a global approach to business. That’s only natural.

We’re part of a global corporation, with operations and interests on every continent. We rely locally on the robust Port of Charleston, and traverse the rails and highways of the state to serve our customers’ needs. Our plant has delivered marked increases in production in the past six years, responding to growing demand for aluminum.

Our 600+ local employees work hard, both inside the plant and throughout our communities. Employees contribute more than 6,000 hours of community service each year. Through Alcoa Foundation funds and other grants, we contribute hundreds of thousands of dollars every year to local causes.

In the end, it’s all about one thing: At Alcoa, we believe strong communities make strong companies. And, we’d like to think it’s also true in reverse.