

# THE SCANA LETTER

A Fresh Look at Economic Development  
from SCANA Corporation

*Power for the Way You Work*

Sep 2008 Unemployment

N. Carolina 7.0%

S. Carolina 7.3%

National 6.1%

Third Quarter 2008

Dear Allies:

Although we're in the midst of challenging economic times where each day seems to bring more than its share of bad news, there is good news, too. The Carolinas' talented workforce, quality of life and lost cost, pro-business climate continue to attract industry and impel economic growth.

## Around South Carolina

**South Carolina is among ten states with the lowest cost of labor** according to the 2008 "Cost of Labor Ranking" by *Business Facilities* magazine, an economic trade publication. The ranking is based on: average pay in the private sector, average employer cost for health care, hourly pay in manufacturing, unemployment insurance and workers' compensation premiums and unionization.

**CNBC ranks South Carolina's workforce second in the nation, and ranks South Carolina fourth for access to transportation in all modes** and ninth in the cost of doing business in its "America's Top States for Business" list. The workforce ranking is based on quality and availability of workers as well as workforce training.

**Exports from South Carolina increased over 21 percent in 2007, giving South Carolina the lead in foreign trade status in the Southeast** and ninth place in the U.S., according to a business report also in *Business Facilities* magazine. *Cargo Business News* designated the Port of Charleston a "Star Port" and Wando Welch Terminal a "Star Terminal" in 2008. The *Journal of Commerce* recognized that **the Port of Charleston is "regarded as the most productive East Coast port."**

**Forbes magazine ranks South Carolina third best in 2008 for its pro-business regulatory environment.** *Forbes* considered the state's regulatory and tort climate, incentives, transportation and bond ratings.

**South Carolina is ranked as the fourth most Pro-Business State** in Pollina Corporate Real Estate's 2008 "Top 10 Pro-Business States" study. The study conducted by the corporate real estate consultant is based on **29 pro-business factors** over which state government has control. Per Pollina, "The Top 10 list reflects state leadership that truly understands the importance of producing the best job opportunities." **South Carolina was commended for developing one of the**

best incentive programs in the country and has ranked in the top five in Pollina's annual study for the last four years.

Three South Carolina mid-sized metropolitan areas ranked in *Inc.com* magazine's 2008 list "Best Cities for Doing Business." The Charleston metropolitan area, which includes North Charleston and Summerville, was ranked No. 6; Greenville made the list at 18; and Columbia was No. 19. *Inc.com* bases its study rankings on job growth data.

Four South Carolina cities are named in *RelocateAmerica's* "America's Top 100 Places to Live." Aiken, Charleston, Columbia, Rock Hill and Greenville (in fourth place) are recognized as some of the best places to live in the U.S. by the online relocation information site.

#### North Carolina Perspectives

North Carolina ran the numbers list this year. **Pollina Corporate Real Estate, Inc. named North Carolina as the No. 1 Top Pro-Business State;** *Site Selection* magazine listed the state as having the **top business climate in the nation** six of the last seven years; Development Counsellors International ranked **North Carolina's business climate second best in the nation;** *Chief Executive* magazine, a trade magazine for corporate executives, ranked it as the nation's third best business climate; and **Forbes ranked North Carolina No. 4 on its 2008 The Best States for Business list.**

Seven North Carolina urban areas made the "Top 100 Best Performing Cities" list in the Milken Institute/Greenstreet Real Estate Partners 2008 economic performance index. **Two of them made the top 10 list: Raleigh-Cary at No. 2 and Wilmington at No.6.** The annual study ranks metros by how well they are creating and sustaining jobs and economic growth, using factors such as wage and salary statistics, job growth and high-tech industry concentration.

The Charlotte region ranked No.1 in *Southern Business & Development* magazine's "Top Major Markets in the South 1993-2007" list. The Charlotte region consists of 16 counties in North and South Carolina. The Raleigh, N.C. and Greenville-Spartanburg, S.C. areas also made the top 15 list.

Raleigh, N.C. also ranked first in *Forbes'* "The Best Places for Business and Careers" list and second in *Kiplinger.com's* "2008 Best Cities to Live, Work and Play." *Kiplinger.com* used factors such as income growth and cost of living to pick its top ten.

#### The Southeast and Beyond

The Carolinas are some of the big winners this year in *Inc.com's* comprehensive annual "Best Cities for Doing Business" index, a guide to which places are thriving - even in today's tough economic conditions. Technology, finance, manufacturing and tourism are big factors for the Carolinas in this index, as well as demographics. Young, educated workers, especially from the Northeast, are coming for jobs and an affordable way of life.

Georgia, North Carolina and Florida repeatedly hit the top ten in *BizMiner's* "2008 Economic Development Rankings" for startups, new branches and employment in industry sectors such as aerospace,

agribusiness, alternative energy, auto OEMS and suppliers, biosciences, high tech, industrial manufacturing and many more. Bizminer performs research, market trend and financial analysis.

**Although automotive production is in a slide nationally, the South's auto industry is gaining traction.** In *Global Corporate Expansion (CGX)* magazine, Sujit M. CanagaRetna, senior fiscal analyst for the Council of State Governments' Southern office, attributes the auto industry's continued "upward trajectory" to the depreciated U.S. dollar, which has boosted exports and foreign direct investment. **In the South, foreign automakers like Nissan (Miss.) and BMW (S.C.) are moving along with significant expansion plans for their plants, along with a number of foreign auto parts makers.** CanagaRetna states, "the industry's drive to move South continues, unabated and with renewed vigor."

**Half of the "Top 10 States for Automotive Manufacturing Growth" are in the South,** according to *Business Facilities* magazine 2008 rankings report. The Southern states in the top ten are South Carolina, Alabama, Mississippi, Kentucky and Texas.

### Energy News

**PSNC Energy ranks first in the South and third nationally for residential customer satisfaction, according to J.D. Power and Associates'** in its 2008 Gas Utility Residential Customer Satisfaction survey. PSNC's sister company, **South Carolina Electric & Gas, was ranked fourth in the South Region.** PSNC Energy President Rusty Harris said, "We couldn't have reached the top if it weren't for the hard work and effort all of our employees ... their efforts to go above and beyond to meet our customer's needs has made the difference." J.D. Power, a global marketing information service company, noted that overall **customer satisfaction has "improved considerably in 2008, due to efforts by utility companies to promote conservation strategies that help reduce customer bills and positively impact the environment."**

**Nuclear power is gaining significant support in America** according to a new nationwide public opinion survey conducted by Bisconti Research Inc. for the Nuclear Energy Institute. **Public confidence in nuclear safety has increased nearly 20 percentage points in the past year.** In the recent survey, 69 percent agree the U.S. should definitely build new nuclear power. **A recent Harris poll confirms the positive trend.**

**The forecast for economic development opportunities in the energy sector is hot, sunny and breezy** as clean energy demands generate nuclear, solar and wind farm projects. **The Solar Electric Power Association predicts electric utilities will become the largest and most important customers for the solar industry** due to the recent Emergency Economic Stabilization Act. The Act extends clean energy tax credits eight years and includes a first-time provision allowing utilities to share in the solar tax credits.

**The new Act will also stimulate wind farm projects.** According to the *PickensPlan.com* Web site, wind farm projects will create thousands of new construction and maintenance jobs, and additional thousands of highly skilled turbine and blade manufacturing jobs that will pay on a scale comparable to aerospace jobs.

## Sound Bites & Factoids

**Steve Brown, Jr., vice president of project development for John Madden Co., a 40-year-old real estate development company, on how going green is no longer the "wave of the future" in commercial properties, but is being required by companies now.**

*"Companies have come to us and said it's a mandate from their board of directors that all new leases must be in LEED-certified space when available, or they have to get board permission to go in a different direction ... LEED is not a buzzword - it is important to everyone we're talking to."*

### **Did you know?**

- LEED stands for The Leadership in Energy and Environmental Design Green Building Rating System.
- The LEED system was developed by the U.S. Green Building Council (USGBC), and establishes a common standard of measurement for defining environmentally sustainable "green" buildings.
- Some cities are adopting zoning codes requiring new projects to earn LEED certification or equivalent approval.
- LEED buildings cost an average of 2 percent more to construct, but perform 25 to 30 percent better in energy use (New Buildings Institute).
- A growing number of public and private entities are offering financial incentives for green projects in the form of grants, tax credits and expedited permit reviews.
- From 2003 to 2007, the number of cities with green building programs grew by 418%, from 22 to 92 (AIA).
- The green building products market is projected to be worth \$30 to \$40 billion annually by 2010 (Green Building Alliance).

Best to you,



Sharon K. Dovell, Editor



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SCANA, headquartered in Columbia, South Carolina, is an energy-based holding company that works in partnership with the S.C. Department of Commerce, regional alliances, local communities and site selection consultants to assist with relocations and expansions in the Carolinas. We provide natural gas to more than 1.2 million customers in South Carolina, North Carolina and Georgia and electricity to approximately 646,000 customers in South Carolina. Please visit us on the Web at [www.scana.com](http://www.scana.com) or call us at 803-217-9005.

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