

DEPARTMENTAL FOCUS: Economic Development Q&A

Economic development in the rural south means more than just opening doors for a new business. Economic development means job creation, job retention, financial growth and better communities. South Mississippi Electric's (SME) Board of Directors sought to provide the more than one million Mississippians served along its power lines with more than just the electricity that powers their lives. The Board sought to provide these members and their communities with opportunities to grow and prosper.

The Electric Power Associations of Mississippi (Statewide) originally housed an economic development group that served the state's distribution cooperatives. In 2014, SME assumed responsibility for the economic development activities and established an in-house team tasked with the challenge of bringing new opportunities to the 55 counties served by the 11 Member cooperatives. Mitch Stringer, economic development manager, talks here about the group and how they work to fulfill SME's mission.

Mitch, economic development is the newest group at South Mississippi Electric. Define economic development for us. "Economic development has several different definitions but the easiest way to think about it is adding jobs and investment in an area in order to increase the local and state tax base."

What purpose does your group serve for SME? How do you help SME achieve its mission?

"The purpose of our group is to assist our Member cooperatives in bringing in new companies to their service territories, and help to retain or expand the existing companies in their service territories. In doing so, we can increase the number and quality of jobs within the community along with the amount of power we produce. Each of those things helps increase the tax base and ultimately increase the quality of life within the community."

How did this economic development group get started at SME? More specifically, what led to the creation of this department? "Previously, Statewide (Electric Power Associations of Mississippi) had an economic development group but our Members wanted to take a more active role in their economic development efforts. As a result, they directed SMEPA to create our new economic development department."

What is your role? What do you do on a daily basis? "My official role is economic development manager. I oversee the potential projects that are looking to locate within the SMEPA territory.

When large companies are looking to expand their operations into new areas they will usually go about it in two ways. A company can conduct the site search themselves or a majority of them will hire site location consultants to assist them with their search. Those companies will work with states and utilities to locate the best available industrial sites for their project. On a daily basis, we are working with the Mississippi Development Authority and its project managers for on-going projects. We are also constantly talking with site location consultants that work projects in the industry sectors that Mississippi is targeting such as automotive, distribution, energy, forestry, and manufacturing. Once we begin the process with a project and locate the compatible sites, we work with Alan Wilson (director wholesale services) and his team to identify the rates and timelines that would correspond with the company's needs. A project can take anywhere from 6-18 months to make a final decision, which involves numerous changes along the way, so we are usually updating our numbers and timelines on a regular basis."

What about Jim Craig's role? What does he do on a daily basis? "Jim Craig is our economic development liaison. He works closely with our members in the Delta. He is also the point person between the Mississippi Development Authority and the local economic development agencies that market the available industrial sites within our Delta territory."

What background do Jim and you have in economic development? "Jim has an extensive background in economic development and we are fortunate to have him at SMEPA. Jim is an attorney by trade, and spent 25 years at the Mississippi Development Authority (MDA). He held management positions at MDA in the Legal, Finance, and Existing Industry Divisions. Prior to coming to SMEPA, he worked at Statewide in their economic development group for five years. I returned home from Washington, D.C., to work for the Madison County Economic Development Authority (MCEDA). As the director of business development for MCEDA, I was responsible for recruitment of new companies to the area along with working with our existing companies on expansion plans within the county. I was able to develop relationships with Nissan North America and their many suppliers within the county. Prior to joining SMEPA, I was a project manager for two and one-half years in the Global Business Division of MDA where I focused largely on automotive projects within Mississippi."

Tell us how the economic development group works with our Member systems? What do you all do for them and the areas they serve? "Jim and I work closely with our Member cooperatives throughout the project location process. We work alongside the local economic development agencies to help market the industrial sites that fall within our Members territories. We help evaluate our Members' sites for future development and identify the type of companies that would benefit by being in the territory. Our Members are at the table with potential companies when they come to town and inform them of the services that they can offer.

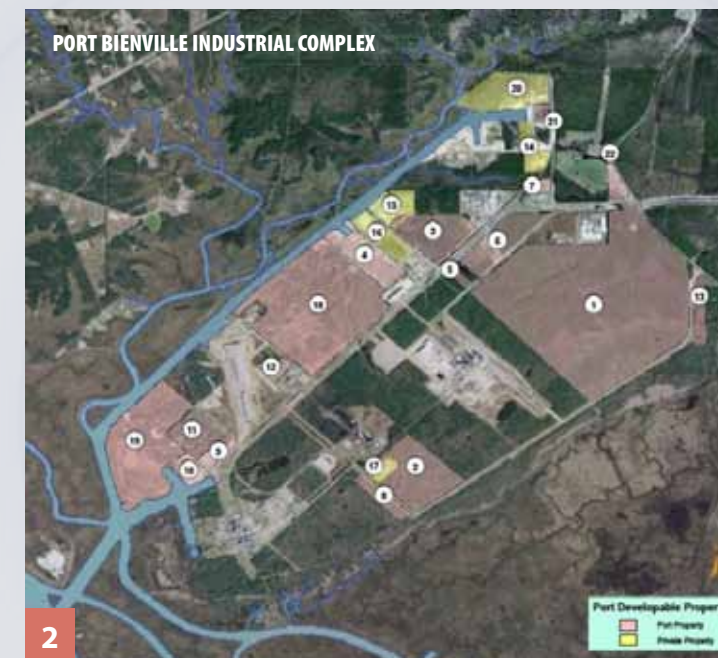
Your group has had quite a few successes since organizing just last year. Tell us about some of those successes. "One of SMEPA's recent successes is having an economic development bill signed by Mississippi Governor Phil Bryant. Thanks to the hard work of Chris Rhodes (director public policy and member relations), Richard Morgan and Paul Purnell (Statewide) at the legislature, we now have the ability to more actively participate in site development. This will be extremely helpful for us in the long run as we continue to improve our sites in the Members' service territories. One recent example of a project success is in Natchez. We worked with officials from Adams County along with Kevin Bonds and his team at Southwest Mississippi EPA (SWEPA) to land Delta Energy on the former International Paper Company site. Delta Energy will be creating 91 jobs and investing \$45 million in their operation that manufactures rubber and chemical compounds. Once the company is fully up and running, the site will require 12MW of power from SWEPA."

What is it that you do to attract businesses to our area? "As I mentioned, our business is highly driven by site location consultants. We make an effort to keep consultants and companies throughout the U.S. informed of the sites and buildings that we have available within our territory. Along with that, we market the strengths of Mississippi such as its low costs of energy, permit speeds, affordable workforce, and the tax incentives available to companies. One tool that we have to attract businesses to our territory is our Economic Development Rate Rider for large-scale industrial power users. On top of that, our department utilizes the REDLG (Rural Economic Development Loan and Grant) program, which can provide zero interest loans to companies."

What are future plans or goals for the economic development group? "Jim and I are both highly optimistic about the future and what we can accomplish for SMEPA and our Members. In the short term, we are looking forward to launching an economic development page on the new SMEPA website. We will be able to display all of our available sites and buildings and have breakdowns of the demographic information that goes along with the communities that we serve. We are also planning to develop targeted marketing pieces for specific industry sectors of our various sites in our Member's territory. In the long term, we want to see a continuous increase of our power output for new and existing companies."



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1 - Ribbon cutting for Delta Energy and the location of the former International Paper Company site in Natchez, Miss., located in the Southwest Mississippi Electric service territory.

2 - Site map of the Port Bienville Industrial Complex located in Hancock County, part of Coast Electric's service territory.

3 - The Area Development Partnership's Eagle One Forrest-Lamar Mega Site located in the Pearl River Valley Electric service territory.

4 - Renderings of potential developments at the Eagle One Forrest-Lamar Mega Site.