

# THE ILLINOIS MANUFACTURER

FOURTH QUARTER 2022



## 2022 MAKERS ON THE MOVE





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ILLINOIS  
MANUFACTURERS'  
ASSOCIATION



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## MISSION STATEMENT

The Illinois Manufacturers' Association is the only statewide association dedicated to boldly moving Illinois' makers forward. The IMA is the oldest and largest state manufacturing trade association in the United States, representing nearly 4,000 companies and facilities.

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# IMA AND MAKERS ON THE MOVE!

MARK DENZLER, PRESIDENT &amp; CEO



Without getting into Einstein's theory of relativity, the old axiom that time speeds up when you get older is true even if I didn't believe my parents when they used to say it. Summer has flown by, and we're already at the start of Fall. It's been an extremely busy summer for the IMA team with some exciting news and great events.

First, I'd like to give a huge shoutout to the IMA team for being recognized as the best state manufacturing association in the United States by our peers in the Coalition of State Manufacturing Associations. It comes on the heels of being named "One of 100 Associations Saving the World" by the American Society of Association Executives. This is the first time that the COSMA leadership award has been presented, and we're honored that our colleagues recognized the work of the IMA team, our Board of Directors, and our member companies. These accolades are wonderful, but we still have a lot of work to do and are moving full steam ahead!

The IMA released our 2022 Manufacturing Matters economic analysis completed independently by experts at the Moore School of Business at the University of South Carolina. While we all know the importance of manufacturing as the bedrock of our economy in Illinois and the United States, too many policymakers, media, and Americans don't fully appreciate what our sector does.

Manufacturing Matters showcases our sector that employs 662,000 people and generates more than \$600 billion annually in economic output - the single largest share of our state's economy. These individuals earn an average wage of more than \$79,000 annually, and more than ninety percent of manufacturing workers receiving employer-sponsored health care. We took this show on the road with stops across the state in Decatur, Gurnee, Peoria, Moline, Champaign, Rockford, Kankakee, and Carbondale so that we could share the story of the amazing and innovative manufacturing sector and its wonderful careers. Most stops included the local community college leadership, economic development officials, and elected officials.



As a follow up to Manufacturing Matters, the IMA and our partners at the Illinois Manufacturing Excellence Center (IMEC) wrapped a 56-foot charter bus and toured the state. This fun, inaugural "Makers on the Move" bus tour kicked off on Manufacturing Day, Friday, October 7 and continued for a week where we logged 2,100 miles and twenty stops over eight days.

Throughout the week, we visited some of Illinois' greatest manufacturers in honor of Manufacturing Month. At each stop we hosted a special event that included local CEOs, plant managers, education and workforce leaders, policymakers, and even students. We are proud to have celebrated Illinois manufacturing throughout the bus tour and our work with IMA members to host their own Manufacturing Day and Manufacturing Month events!

Mayor Lightfoot joined us at Howe Corporation, a 110-year old, woman-owned business in Chicago. We enjoyed tasty treats at BEER NUTS in Bloomington and Eli's Cheesecake. CSL Behring is making life saving drugs while Mac Medical makes blanket warmers for hospitals. Watchfire Signs created the huge overhead lighted display for Fremont Street in Las Vegas while Knapheide makes industry leading truck beds. The College of Lake County has a brand new Advanced Technology Center, and Walmart's distribution center in Sterling ships 6 million cases of products to 170 stores per week. Ingersoll Machine Tools has two Guinness Records while North American Lighting makes Ford Mustang headlights. Interpolymer Tape Group produces consumer goods, and Phoenix makes billions of container lids. It was an amazing tour showcasing manufacturing.

I know that your time and treasure are precious - we appreciate your confidence in the IMA, and we remain committed to standing beside you and Boldly Moving Makers Forward! ♦



Please Join Us in Chicago for the

# IMA ANNUAL LUNCHEON

J.W. Marriott Chicago • 151 West Adams Street  
Reception 11:00am | Luncheon 12:00pm  
Friday, December 2, 2022



## KEYNOTE SPEAKER

**EUGENE D. SEROKA**

Executive Director, Port of Los Angeles

**2022**

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and winners of this year's  
Manufacturing Miles Competition  
will be named during the Luncheon!

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All major sponsors will receive recognition in the meeting program, on the IMA website, and in IMA publications.



Sponsorship commitments must be received by November 16, 2022 to be included in program materials.

To register, email Christine Sisk at [csisk@ima-net.org](mailto:csisk@ima-net.org), or register online at [ima-net.org/annual-luncheon](http://ima-net.org/annual-luncheon)  
Questions? Call Christine at 217-718-4213



# THE IMPACT OF EXTENDED PRODUCER RESPONSIBILITY POLICIES

DONOVAN GRIFFITH, SENIOR DIRECTOR  
OF GOVERNMENT AFFAIRS



When it comes to making products, Illinois manufacturers are second to none. Soon, however, manufacturers in the Prairie State may also find themselves as experts in the disposal of products as well. That is because Illinois policymakers, with the encouragement of environmental groups, local governments, waste and recycling companies, and even some retailers, are pushing regulations that would force manufacturers to take responsibility for the “end-life” of the products they make through a concept known as “extended producer responsibility” or EPR.

EPR, is a policy approach under which producers (i.e., manufacturers) are given a significant responsibility – financial, physical and/or managerial – for the treatment or disposal of post-consumer products. In short, if you make a product, you are then responsible for how that product is disposed of, and most EPR programs ensure the product is eventually recycled. To help with the end goal, producers are often required to pay for the EPR program and run operations that include product collection through collection sites, transportation of the products, and eventually confirmation that the product is properly disposed of and recycled.

Some EPR models simply require manufacturers of certain products to pay into a program that the state then administers to ensure those products are recycled. Other forms of EPR have manufacturers paying into a program that producers are required to run themselves, most egregious, some programs establish third party stewardships that administer an EPR program and then charge manufacturers for the program with little government oversight. Regardless of the method, the responsibility always falls on the manufacturers to complete the life cycle of a product.

While EPR is not a new concept, it has gained steam in certain states and among certain industrial sectors. It is of little surprise that Illinois is one of the states leading the charge. In the last year alone, nearly a dozen bills were filed in the Illinois General Assembly that would force manufacturers of products such as carpet, paint, beverage containers, solar panels, cars seats and more, to take on the responsibility of recycling those products once the consumer was done using them. The biggest EPR push, however, lies ahead, as advocates look to advance an EPR law in Illinois centered on packaging that would impact not only packaging manufacturers, but also any manufacturing company that uses packaging.

The IMA has been at the forefront of EPR discussions and has met with advocates pushing a packaging EPR concept to express concerns with policies being discussed. Pro-EPR groups would like to see a program established that would cover all packaging, including primary packaging, secondary packaging, tertiary packaging, and service/point-of-sale packaging. While most EPR programs focus strictly on packaging producers, ideas are being shared that would expand the program to require brands that use packaging to also have responsibility. Similar programs have been established in other states, such as in the State of Oregon which has carried a price tag of roughly \$400 million, but no program would be as expansive as those being discussed in Illinois.

Advocates for Illinois’ packaging EPR uniquely include retailer representatives who have been pushing various EPR bills that would remove any responsibility of retailers to take part in the program. Traditionally, retailers act as drop off or take back locations in EPR programs because they are already well established and because the stores sell the products that are now being sought for collection. In an effort to not be a drop off location, retailers are pushing for producers to set up their own collection sites at their own costs. Retailers are also asking that any retail packaging be exempt from the law and are pushing for packaging manufacturers to be responsible for any packaging that falls under a retail brand. Some advocates are buying into this idea in hopes of getting some sort of “business buy-in” for the proposal.

The concept of EPR does not have to be as problematic as the previous proposals introduced in Illinois and those that are being discussed for packaging. The IMA, who has long fought off overly burdensome EPR bills in Illinois, believes that an EPR program can exist if there is shared responsibility between the producer, retailer, and consumer. Everyone should have a role in a product’s life cycle including those who profit off selling products and those who get the benefit of using the products. Illinois’ Consumer Electronics Recycling Act provides a great example as an established EPR program for recycling and/or reusing electronic devices that are no longer wanted or used. While electronics manufacturers in the state are required to participate in the program, the manufacturers also get to control costs and how the EPR program is run. Retailers can be drop off locations and consumers can be charged for the program. Illinois’ electronics EPR program has even become a model for the rest of the country.

Without reasonable and shared responsibilities in an EPR program, prices of products will rise at a time when inflation is higher than it’s been in decades. Similarly, without a shared responsibility, buy in from consumers will be low and EPR programs could fail. With an increasing push among advocates and progressive legislators to expand EPR policies in the state, manufacturers need to be aware that like packaging is today, any product could find itself in the forefront of EPR discussions. ♦



# GREEN ECONOMY JOB GROWTH IN THE MANUFACTURING SECTOR

LION ELECTRIC

The job growth in the electric vehicle industry is real and continues to expand as the demand for clean, electric and zero emission trucks and school buses increases throughout the United States. According to a current population survey, there were 15.7 million employees in U.S. manufacturing, representing 10% of total U.S. employment. And even though manufacturing employment declined in the last two years, there has been a resurgence in this sector, specifically due to the green economy. Furthermore, manufacturers' investments of nearly \$2 billion in medium and heavy-duty assembly plants in the U.S. will support approximately 15,000 direct jobs.

Recently, the federal government passed the Infrastructure Investment and Jobs Act, designed to expand the nation's economy by focusing on competition and job growth, to identify programs meant to address climate change and outline details pertaining to the charging infrastructure and vehicle to grid solutions. As the demand for electric vehicles grows, there are more workforce opportunities – from becoming an engineer, to working in a warehouse to handling logistics for a manufacturing facility.

Along with expertise, teams should know their company's mission, vision, and culture, be open to collaborating and embrace an understanding that flexibility and patience are key when new products and technologies are being developed. The electric vehicle industry is generally fast-paced and constantly evolving, meaning those who have engineering and scientific roles need to be prepared for changes or delays.

It is also important that jobs in science, engineering and manufacturing reflect the talents, diversity, and inclusivity that make-up today's global economy. Individuals and teams that are diverse and inclusive and whose workforce includes varying degrees of experience can result in more out of the box thinking and best practices when designing products, implementing manufacturing processes or solving problems.

In the manufacturing sector, there are many opportunities for research and design (R+D) engineering, scientists and sales of medium-to-heavy-duty vehicles and all electric school buses.

According to the U.S. Bureau of Labor Statistics, manufacturing scientists conduct research to improve electric vehicle technology, look for ways to improve battery

life and develop new materials for use in electric vehicles. They also run tests, maintain, and analyze records of their findings and communicate with engineering to determine the steps that are needed to design the final vehicle. Communication skills, understanding market growth and identifying procedures during the manufacturing process are integral for scientists.

Often, an engineer is considered the brainchild behind the manufacturing of electric vehicles and a significant player in ensuring all components are efficient and reliable. Electrical, mechanical, industrial, software, and materials engineers are responsible for different tasks – from testing systems to making product prototypes to identifying what materials to use when manufacturing electric vehicles. They work together with the sales and marketing teams to ensure products and services can be introduced in the marketplace.

In addition to engineering and technical positions, there are other employment roles such as sales, warehouse personnel and

support staff at manufacturing facilities. Support roles at these facilities can include various assemblers, machine tool operators, machinists, and industrial production managers, who often have received special certification or training. Furthermore, working in a manufacturing facility, requires following guidelines and procedures to ensure employees and those who visit are safe.

As is the case with IMA Member, Lion Electric, which is boosting EV job growth as they will soon open a 900,000 square-foot manufacturing facility in Joliet, Illinois. Lion selected Will County for its business-friendly opportunities, availability of a skilled workforce, and geographically centralized base of manufacturing and operations, which provide the needed infrastructure to build medium heavy-duty trucks and zero-emission school buses. The company is committed to bringing clean manufacturing jobs to the region at their Joliet facility, including assembly line technician, engineering and purchasing roles to meet manufacturing industry demands. ♦



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# THE FUTURE OF WORKFORCE

SARAH HARTWICK, VICE PRESIDENT OF  
EDUCATION & WORKFORCE POLICY



The future of work has been at the forefront of my mind this year as employers across the nation continue to navigate the worker shortage along with the ever-widening skills gap. The IMA and the IMA Education Foundation have worked to ensure that Illinois policy makers continue to solve these shortages and skills gaps through various task forces and legislative proposals. A key piece of legislation unanimously passed this spring, driven by the IMA and the Education Systems Center of Northern Illinois University (EdSystems), will ensure every school in Illinois offers a robust career and technical education (CTE) that is aligned with the needs of local employers. Even as these seemingly small steps are taken like task forces and legislative initiatives, the bulk of the work lies at the local level within the regional manufacturing community.

Manufacturing Month and the Manufacturing Jobs Campaign are two significant tools that can be used to help the future of manufacturing in Illinois. Manufacturing month activities finally returned to pre-COVID programming with in-person tours, assemblies, and more. The IMA, in partnership with IMEC, embarked on a statewide, weeklong bus tour earlier this month in a wrapped charter bus to celebrate modern manufacturing. These celebrations included stops at IMA member facilities and community colleges to bring the manufacturing community together and expose more individuals to what modern manufacturing looks like today. This work will be continued into the fall and spring with the rollout of the Manufacturing Jobs Campaign. One of the IMA's 2019 proposals to the newly elected Governor Pritzker finally came to fruition this year when the General Assembly included a \$7 million appropriation for the Manufacturing Jobs Campaign in the fiscal year 2023 budget. The campaign will focus on changing the optics of manufacturing from dark, dirty, and dangerous to what it is today: clean, diverse, sustainable, and high-tech.

It is important that we continue to elevate modern manufacturing, particularly after our industry was hit so hard by the pandemic. However, crisis always creates opportunity, and we have seen a lot of new opportunities arise during this worker shortage. Public Act 102-917 sets a strong foundation for CTE programs across Illinois. Every school district in Illinois receives some federal and state dollars for their CTE programming. The Federal Perkins V Act that regulates these programs requires school districts and community colleges to document the meaningful input from local employers through the local advisory committees as district administrators are developing the CTE programming and curriculum. While every community may approach this differently, the bottom line is that employers are given a seat at the table, and we encourage all IMA members to take advantage.

CTE programs vary within each high school and community college which was the impetus behind PA 102-917. EdSystems created and state education agencies approved model programs of study that lead to College and Career Pathway Endorsements (CCPE). These models cover a variety of careers, including manufacturing, and the new law requires schools to start with career exploration framework, through the Postsecondary and Career Exploration (PaCE) framework, beginning in sixth grade. These CCPEs will give employers the confidence of knowing what skills a student has when they graduate from high school with an endorsement. The CCPE is based on a model that can be tailored to the skills and needs of local employers through consultation with the CTE advisory committees mentioned above. PA 102-917 requires every district to use these models and if the district and community is providing career exploration opportunities through a model that better serves the specific community, then there is also an "opt-out" clause where, by school board resolution, a district can continue using its own model so long as it was discussed at a public school board meeting.

There are regions of the state that are doing this work to varying degrees, and a goal of the IMA Education Foundation is to leverage those communities and learn best practices that can be replicated in other parts of the state. This is a key goal of the Scaling Transformative Advanced Manufacturing Programs (STAMP) grant that the IMA has received from the Illinois Department of Commerce and Economic Opportunity. In partnership with EdSystems, the IMA has identified nine regions across the state that have implemented a manufacturing model program of study. The grant provides funds that can be utilized by those regions to continue to build out their manufacturing talent pipeline by offering additional courses, credentialing and certifications, work-based learning opportunities, dual credit opportunities, and more. The IMA and EdSystems will track students throughout this process to see who continues through the model into postsecondary and ultimately job placement. As we learn what works and what doesn't work within the STAMP grant program, we plan to apply for a renewal of the grant to take this programming to other strong manufacturing communities in Illinois to build out their own talent pipeline all centered around manufacturing.



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High schools and community colleges have a significant role to play when it comes to addressing local employer's needs. IMA member, Elgin Community College (ECC), recently approved a \$55 million contract for an advanced manufacturing center on campus. In addition to having the brick and mortar to support the manufacturing program, ECC has worked to ensure that the entire region is connected and talking about how to address the local employer needs supported by federal funding. Through the use of the federal Workforce Innovation and Opportunity Act (WIOA) funding, ECC is working with Kishwaukee College and Waubesa Community College through a partnership with the Kane County Office of Community Reinvestment to coordinate job skills training services. The federal WIOA program is intended to help individuals obtain the skills necessary for employment in the local WIOA region. Each of the three colleges will be coordinating resources and connecting the WIOA-eligible job seekers to credential training for the in-demand career fields, including careers within manufacturing like welding and supply chain management. The funds will also be used to cover costs at each college including books, tuition, and supplies. The key to this successful program is the coordination between the regional community colleges and the inclusion of career counseling that will match job seekers with local employers based on their skill set. The IMA is excited to see this model implemented in the ECC region so that it can be implemented in other regions of the state.

Even as employers are in need of employees immediately, it is important to plan for the future of work and build a talent pipeline within the local manufacturing community that ensures that the students graduating from high school and community college have the necessary skills to be employed by employers in their own backyard. For more information on how to build or strengthen your network within your own community, contact Sarah Hartwick at [shartwick@ima-net.org](mailto:shartwick@ima-net.org). ♦

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# LOCAL EMPHASIS PROGRAM FOR FOOD MANUFACTURERS

CONN MACIEL CAREY

Earlier this year, in April, OSHA launched a Local Emphasis Program (LEP) in Wisconsin focused on food manufacturers. This LEP reflects the agency's ongoing efforts to ramp up targeted enforcement efforts and follows Regional Emphasis Programs (REP) initiated in Region V last year focusing on exposure to noise hazards (June 2021) and transportation tank cleaning operations (August 2021), as well as the National Emphasis Program (NEP) on outdoor and indoor heat-related hazards which started in April 2022. General industry employers in Region 5 still have to contend with the 2018 Powered Industrial Truck (PIT) Local Emphasis Program as well. Meanwhile, we have been told to expect a similar LEP targeting Illinois food manufacturers, with the primary difference being the NAICS Codes on which that LEP will focus. While we have not yet seen the Illinois LEP targeting food processing establishments, we expect both programs will involve an inspection and review of production operations and working conditions; injury and illness records; safety and health programs; and hazardous energy control methods to identify and correct workplace hazards at all applicable inspection sites.

## Why Is OSHA Targeting the Food Manufacturing Industry?

After examining data from the Bureau of Labor Statistics (BLS) for Wisconsin employers with a primary North American Industry Classification (NAICS) code in the 311xxx range, OSHA determined that food manufacturing industry injuries occurred at higher rates than found in other sectors. In OSHA's view, the data demonstrates higher rates of total reportable cases; cases involving days away from work, job restriction or transfers, fractures, amputations, cuts, lacerations, punctures, heat burns, chemical burns, and corrosions. As such, OSHA's stated goal in launching this LEP is to encourage employers to identify, reduce, and eliminate hazards associated with exposure to machine hazards during

production activities and off-shift sanitation, service, and maintenance tasks.

## Which Employers Will Be Targeted?

The Wisconsin-focused LEP applies throughout the State of Wisconsin, including employers within the Appleton, Eau Claire, Madison, and Milwaukee area offices. Establishments in each of the following NAICS codes are subject to inspections pursuant to the LEP:

NAICS	Description
<b>3114xx</b>	<b>Fruit and Vegetable Preserving &amp; Specialty Food Manufacturing</b>
311411	Frozen Fruit, Juice, and Vegetable Manufacturing
311412	Frozen Specialty Food Manufacturing
311421	Fruit and Vegetable Canning
311422	Specialty Canning
311423	Dried and Dehydrated Food Manufacturing
<b>3115xx</b>	<b>Dairy Product Manufacturing</b>
31151x	Dairy Product (except frozen) Manufacturing
311511	Fluid Milk Manufacturing
311512	Creamery Butter Manufacturing
311513	Cheese Manufacturing
311514	Dry, Condensed, and Evaporated Dairy Product Manufacturing
311520	Ice Cream and Frozen Dessert Manufacturing
<b>3116xx</b>	<b>Animal Slaughtering &amp; Processing</b>
311611	Animal (except Poultry) Slaughtering
311612	Meat Processed from Carcasses
311613	Rendering and Meat Byproduct Processing
311615	Poultry Processing

As noted above, we expect the Illinois-focused LEP to utilize a slightly different set of food manufacturers in NAICS Codes more prevalent in that state as opposed to Wisconsin, and we will update this article once that LEP is announced.

## Why Should Employers Be Concerned About Local Emphasis Programs?

Each Wisconsin Area Office will prepare a randomly generated master list of employers to be inspected under the LEP based on the employers' NAICS codes, meaning that establishments will be selected for enforcement-focused inspections even though they may have a sterling safety record. While employers that self-report a serious incident (fatality, amputation, in-patient hospitalization, or loss of an eye) expect OSHA to show up at their door in the days that follow, few employers are prepared for random inspections like these. Additionally, emphasis program inspections are often combined with other inspections to broaden the areas OSHA will inspect while in an establishment. As such, inspections prompted by complaints, referrals or incidents involving other hazards may well be expanded in the areas of emphasis in this LEP. Likewise, if your establishment appears on the randomly generated inspection list created for this program and OSHA determines while preparing for the inspection that the establishment is also on the list for another programmed inspection such as the National Emphasis Program on amputations or OSHA's Site-Specific Targeting Program, the inspection will likely expand into those areas as well.

## When Do Inspections Begin?

Enforcement activities began in Wisconsin in late July 2022, three months after the LEP became effective on April 19, 2022.

Illinois employers should have at least three months from the time that LEP becomes effective since notice of the Illinois LEP has not been published yet and it will most likely provide a three-month outreach cushion for employers to prepare.

## What can employers expect to happen in an investigation?

At the start of each inspection, the compliance officer(s) (CSHOs) conducting the



inspection will review the employer's OSHA 300 logs looking for injuries that suggest deficiencies in the employer's machine guarding and/or LOTO programs. The CSHOs will also review and evaluate the employer's LOTO program, including machine specific procedures, training provided to authorized, affected, and other employees, as well as the annual periodic inspections employers much conduct of their energy control procedures. Interestingly, inspections under this LEP will focus in depth on sanitation operations to ensure they comply with the LOTO standard—an area of focus for a number of Area Offices across the country before this LEP was announced; having managed a number of inspections with such area offices, we can share that they were especially interested in second and third shift operations or, as some Area Directors have termed them, the “forgotten shifts” where supervision is perceived as lax and rules are sometimes ignored.

In addition to reviewing the LOTO and machine guarding programs, the CSHOs will be expected to conduct a walk-around of the facility during which they will attempt to observe employee interactions with food production machinery and look for guarding deficiencies, the potential for contact with hot or cold equipment or corrosive chemicals, and any service or maintenance activity. CSHOs will be expected to observe hygiene/disinfection and maintenance activities that occur outside of regular production schedules and will likely conduct follow-up inspections during non-production work shifts to monitor other contractors on the premises. Keep in mind, however, that the OSH Act requires that OSHA conduct its inspections “within reasonable limits and in a reasonable manner” so employers should not hesitate to request changes to the proposed time and manner of such visits, particularly if they have the potential to negatively impact production. If OSHA unreasonably refuses to accommodate such a request, the employer would be well-advised to consult experienced OSHA counsel.

In the meantime, keep a copy of the Conn Maciel Carey LLP's OSHA

Inspection Toolkit handy and take the necessary steps to ensure site leaders are ready for the inspections that will be taking place.

#### What Should You Do Now?

Given the fact that LOTO and machine guarding are consistently among the Top 10 most frequently cited standards every year, food manufacturing employers in Wisconsin (and Illinois) will likely receive one or more citations if (and when) they are selected for inspection under these LEPs. Further raising the stakes, once an employer receives citations of either or both standards, they face the prospect of costly Repeat citations (\$145,000+) if OSHA returns after a self-reported serious incident or employee complaint. Employers that receive a certain combination of Repeat and/or Willful LOTO/machine guarding violations may then be placed in OSHA's Severe Violator Enforcement Program (SVEP) as we explained in this article.

Faced with such potentially serious consequences, food manufacturers in Wisconsin (and Illinois) should consider taking a close look at the state of machine guarding in their facilities and thoroughly evaluating their LOTO programs, paying particular attention to their training, machine specific procedures and periodic inspections. Even the most sophisticated employers can struggle, at times, with these standards and there are a number of mistakes that employers tend to make time and time again as we detailed in this article. While certain employers may be fully capable of conducting effective self-audits, others may want to consider engaging a professional safety consultant with particular expertise in these areas. Employers concerned about what might be revealed in such an audit should work with counsel to conduct the audit under privilege. Whichever approach best suits you, be sure to act now before OSHA knocks on your door.

Contact the author with questions. ♦

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# SCOPE 1, 2, 3 EMISSIONS: WHAT TO ADDRESS FIRST IN YOUR GHG REDUCTION JOURNEY

CONSTELLATION

**M**ore businesses are taking inventory of their greenhouse gas (GHG) emissions sources, either onsite or offsite, to find areas of improvement in order to comply with disclosure rules, such as the recently proposed SEC rule change on GHG disclosure, and to meet environmental, social and governance goals to attract investors.

Some companies are also implementing their own aggressive business-wide sustainability goals to be seen as a leader in sustainability. To ensure they make great strides, many businesses are creating target dates (e.g., 50% or 100% emissions-free by year 2030 or 2040, etc.) to reach their emissions reduction goals.

To start the process, it's important to get acquainted with the various sources of emissions associated with businesses.

Greenhouse gases emit from many sources and are often classified as either Scope 1, 2 or 3 emissions. They are each defined as:

- Scope 1 emissions from onsite generation and fleet fuel consumption
- Scope 2 emissions from fossil fuel consumption for power, such as power plants providing purchased electricity
- Scope 3 emissions from indirect sources, such as company travel and supply chain management

## Starting with Scope 1 Emissions

Scope 1 emissions are one area that businesses tend to focus on as they comprise of sources from a business' owned or controlled assets, and upgrades to these areas are typically easiest to manage. More than 7,000 facilities are required to report these emissions in their business' GHG report on an annual basis, according to the Environmental Protection Agency (EPA).

Since Scope 1 emissions involve direct emissions created at customer sites or in their owned equipment (e.g., natural gas burned in a boiler or gasoline/diesel/fuel oil used in vehicles or equipment), then the following energy solutions may be helpful:

- Energy efficiency projects

According to the American Council for an Energy Efficient Economy, new homes and commercial buildings could cut their GHG emissions by 70% with efficient design and use of cleaner electricity [e.g., through energy-efficient upgrades, smart control technologies, and electrification of

heating and cooling]. In addition, old, inefficient devices can silently eat away at budgets. For businesses looking to implement efficiency measures, Constellation offers energy efficiency options to help customers meet their sustainability goals.

- Incorporating electric vehicles (EVs) into your company's fleet

The value that electric vehicles (EVs) offer, such as their ability to reduce environmental impact, meet sustainability goals and reduce total cost of ownership, will be contributing factors that will ultimately alter the landscape of personal and public transportation over the next 20 to 30 years. There is a growing consensus that the electrification of transportation is an important step in meeting aggressive GHG emissions reduction goals because transportation comprises approximately 30% of total GHG emissions.

- Renewable natural gas (biogas)

Although biogas, like natural gas, produces carbon dioxide (CO<sub>2</sub>), a greenhouse gas, the carbon in biogas comes from plant matter, making biogas production carbon-neutral and not adding to greenhouse gas emissions.<sup>4</sup> Ultimately, fossil fuels replaced by biogas will lower CO<sub>2</sub> emissions. When compared with natural gas, carbon emissions are 40 percent lower in biogas engines.<sup>5</sup> In addition, when used to power vehicles, biogas reduces greenhouse gas emissions by up to 91 percent relative to gasoline.

## Exploring Scope 2 and 3 Emissions

Scope 2 emissions represent indirect emissions from energy purchased from power plants that would power a business' own facilities and equipment. "Although Scope 2 emissions physically occur at the facility where they are generated, they are [also] accounted for in an organization's GHG inventory because they are a result of the organization's energy use," according to the EPA.

To reduce Scope 2 emissions, voluntarily matching electricity supply requirements with a carbon-free power generation source supports the use of emission-free fuels and demonstrates a commitment to the environment.

Many customers looking to take that next step to reach true zero emissions are seeking electricity supply that is sourced one

hundred percent from carbon free power, hour by hour, from the local grid. Currently, most net zero clean energy supplies are achieved by offsetting energy use with renewable energy credits, or RECs, on an annual basis without considering where or when that renewable energy was produced. This transition from annual to hourly matching is growing and Constellation is at the forefront of emerging standards in carbon accounting and hourly energy matching.

Some of the ways to match electricity supply with carbon-free power generation include:

- The purchase of renewable Energy Certificates (RECs)
- The purchase of Emission-Free Energy Certificates (EFECs)
- The use of energy from an offsite renewable source, such as through Constellation Offsite Renewables (CORe)

Finally, Scope 3 emissions relate to upstream and downstream supply chain operations and business travel.

Steps to reduce Scope 3 emissions are often complex and require mindful and strategic action. They involve choosing more sustainable vendors (or encouraging existing ones to engage in more sustainable acts) who assist with the following:

- Purchased goods and services
- Business travel
- Employee commuting
- Waste disposal
- Use of sold products
- Transportation and distribution (up- and downstream)
- Investments
- Leased assets and franchises

Depending on the aggressiveness of your sustainability goals, reducing either scope 1, 2, or 3 emissions, or all of the above, should be a part of your GHG reduction strategy. To help measure the impact on energy usage and carbon emissions, a utility expense management program, such as the Pear.ai platform offered by Constellation, can help you generate energy insights, such as baseline energy usage data and how this data changes over time with your energy efficiency upgrades.

Constellation offers various solutions to help you achieve your goals. Contact us here. ♦

# HOW MANUFACTURERS CAN ACHIEVE ROI-DRIVEN MARKETING

SYNCSHOW

**M**anufacturer sales and marketing teams are often faced with a plethora of challenges when it comes to showcasing results from their efforts. Whether you sell direct or through a dealer network, the list of accountabilities is long, and in today's world, most teams are tasked with doing more with less. At the end of the day, ROI-driven marketing doesn't have to be a mystery and our firm has spent the last 15 years unpacking how to provide our clients with a recipe for success. This methodology is known as The Great Eight Pillars of ROI-Driven Marketing and our goal is to share that knowledge with strapped sales and marketing teams across the world so you can clearly understand the roadmap to ROI success. Here we'll unpack each of these eight pillars and what to consider and expect for benchmarks for success.

The eight pillars above were derived from over 30+ different areas of marketing. Your specific strategy may call for you to pull in other areas of marketing, such as paid advertising, account-based marketing, or the like. The reason we focused on these 8 categories is that we believe they are the foundation of ROI-Driven Marketing. They are also the key areas that most organizations are lacking in.

The ultimate goal of implementing these pillars is to stop wasting money on marketing that doesn't work - because often, organizations have dabbled in some of these pillars but haven't fully invested in the full ecosystem and they feel it either doesn't work for them or don't believe it can be accomplished at all. Each of the pillars below are listed in order of importance and build upon each other.

**1. Marketing Team Structure** — Ensure proper roles and accountabilities are filled for proper ROI-driven marketing. For any company this means you have a strategy lead, a project manager, and specialists in each of the key digital marketing disciplines: SEO, Web Development, Content Marketing, Social Media, etc. Often teams are lean and usually there are one or few people handling these roles - that's ok but make sure accountabilities are outlined. Other options are to hire in-house roles for the most crucial areas and then out-

source the rest to an agency that can act as an extension of your team.

**2. Value Proposition, Messaging & Branding** — Tell a story that resonates with your target prospects, enticing them to convert. It's crucial to have a value proposition that clearly states what you do, who you do it for, and the impact it will have on these customers. This has to stand for something meaningful that you can use data to back it up as a proof point.

**3. Marketing Strategy** — Create a successful marketing strategy that cohesively incorporates multi-channel outbound, inbound and customer marketing. Mentioned above, teams often dabble in parts of a marketing strategy but don't bring it full circle. In this instance, the sum is definitely worth more than its parts. Creating a multi-channel strategy is so important when it comes to touching your prospects and customers in repeatable ways, so you're found at the opportune time and in the right places where they're looking for solutions.

**4. Website** — Turn your site into an automated tool that will attract prospects and fill your sales pipeline to the brim with potential customers. Your website should be a conversion tool for sales prospects and if it's not acting as a lead generator - it's simply a brochure. This should be the main hub for your digital marketing activities and all efforts should drive back here.

**5. Goals, KPIs & Industry Benchmarks** — Track and set attainable goals that will have a tangible impact on your bottom line. The first step here is to sit down with your leadership team, sales team, and marketing team in one room and all align on what the company's overall goals are. From there, you can work backwards to create goals and KPIs that impact that overarching goal and work towards it. You might not hit those goals right away - but benchmarking your current state is going to help you understand where you are and where you're going. What's measured is what gets impacted, so choose wisely. Some examples here are: Website Visits, Qualified Leads, Pipeline Revenue, Close Rate, and Average Order Value.

**6. Analytics & Reporting** — Get the correct systems in place and get routine

reports on the progress your organization is making on its marketing objectives. This means cleaning up your Google Analytics and creating automated reports on your marketing and sales activity to see how you're tracking towards your goals. HubSpot has easy templates for marketing and sales dashboards to assist with what you should be tracking and how to do it easily.

**7. Technology Stack** — Use the best marketing tools and software to automate your efforts and free up your employees' time. For ROI-Driven Marketing that means a strong Marketing Automation tool (like HubSpot, SharpSpring or Marketo) and a strong CRM (like HubSpot, Salesforce or Microsoft Dynamics). These tools should talk to each other for best results. Lastly, the best tools are the ones that are used - so sometimes this just means re-onboarding your team onto your existing tools and getting some good training for basic success.

**8. Templates & Guides** — Use predefined templates and guides to increase efficiency and in turn, get faster results. The end goal from all of this is working smarter not harder and templates are going to get you there. This means simple page types on your website, pre-built email nurture campaigns for marketing but also for sales. Having a template that can be replicated and that you know works - whether it's an email layout or a whitepaper layout, is going to help you get to market faster which will lead to results sooner. Do the upfront work to get these templates created now and it will make your later work more valuable.

The first five pillars are critical to get right. There is no use in driving traffic to your website if your value proposition is not meeting the standard. And there is no use in developing a great strategy if you don't have a marketing team to implement it. Don't skimp on the first five pillars. Skimping will result in a tactical, whack-a-mole approach to marketing. Put the pieces in place and results will follow.

For questions regarding exploring a new ROI-driven marketing framework, please contact the author. ♦



# HOW TO ADDRESS AND REMEDY QUIET QUITTING IN THE WORKPLACE

GREENSFELDER, HEMKER &amp; GALE, P.C.



Whether manufacturers realize it or not, the “quiet quitting” phenomenon likely has already permeated into your workplace. But what is this term “quiet quitting,” and why has it recently garnered so much attention? “Quite quitting” describes workers who are now scaling back their work efforts, or “checking out,” and not pushing to go the extra mile without some kind of recognition or compensation. This does not appear to be so much about quitting, as it is about disengagement. The term seems to be gaining momentum now because in the aftermath of the pandemic, there has been a bigger focus on mental health, balancing work/life commitments and not burning out.

For manufacturers, having disengaged, less productive workers is an issue and indicates a dissatisfied, underperforming workforce. In today’s labor market, particularly in manufacturing, it is no secret that talent is scarce, and hiring replacement employees for skilled manufacturing positions is extremely expensive and time consuming. So how can manufacturers protect their business and ensure that their employees are productive and not preparing to plan their exit strategy, or forcing your hand to do so?

Initially, it is critical to the success of your organization that manufacturers recognize the signs of a budding quiet quitter and immediately take steps to prevent and address it. This means that

at all times manufacturers must ensure that their employees are consistently meeting legitimate performance expectations required for their specific job, and consistently – and uniformly – enforcing those performance expectations. Choosing to turn a blind eye and not immediately remedying an employee’s repeated failure to meet expectations, carelessness, or just general laziness in the workplace, can have a serious and adverse effect on your organization, including employee morale, especially if others are asked (or required) to “pick up the slack.” Also, consistently following your established policies will be one of your best defenses to any discrimination claims, should you ultimately choose to terminate the “quiet quitter”

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for failing to meet expectations. Remember, the “inmates don’t run the asylum,” so do not let a general fear that the employee may resign or sue overshadow your ability and the need to enforce your policies and maintain reasonable expectations. Setting expectations serves no purpose if you do not require employees to meet them.

On the flip side, an employee may choose to quietly quit when performance expectations are not clearly delineated. To avoid this, manufacturers should set clearly defined expectations for your employees. Employees need to understand company expectations. Thus, make it an annual task to review and update policies and procedures in the handbook, update all position job descriptions and, if applicable, set forth specific performance expectations with metrics and attainable goals for each position.

Regardless of whether all or part of your workforce is remote, hybrid, or completely in-person, manufacturers should try to take the time, and make the effort, to conduct occasional “wellness” checks with their employees. Taking the time and effort of showing your employees that you care, costs nothing and, therefore, has no impact on the proverbial “bottom-line.” This generally should not be limited to a perfunctory 2-minute conversation that occurs during an annual performance review (if you are even doing these), because these reviews all too often are too impersonal and serve a narrow purpose. Find the time and put forth effort. However, be organized with a concise agenda and ask specific and pointed questions about the employee’s workload, the employee’s career goals, and how the company can contribute to or do more to help the employee’s success at the company. A little can go a long way to steering the disinterested employee back to being a productive member of your workforce.

Finally, incentivize outstanding performance among your employees by recognizing and rewarding employees who put in the extra effort day in and day out on the job, or just for a job well done. Fostering a culture of appreciation in this way can be very effective to keep

employees engaged, while simultaneously maintaining, or in some instances actually increasing productivity. Indeed, a strong culture can unify employees and help keep quiet quitting at bay. Manufacturers, therefore, should focus on re-engaging their workforce. While most employees probably welcome and understandably prefer monetary incentives as a reward for their good deeds, there are other non-monetary incentives that can be equally rewarding. For example, a simple “thank you” from senior leadership, or starting an “employee of the month” recognition program that comes with preferred parking in a designated parking spot in the company park-

ing lot, can go a long way to enhance employee morale. Employees generally appreciate kind gestures, especially from senior leadership.

Manufacturers need to be alert to quiet quitting and deal with it by creating a positive work culture, caring for workers as individuals, and supporting employees. Most workers want more than a position, and it is no longer enough for employers to provide only a paycheck. Employees want a purpose for their work. By implementing the recommendations above, it may be possible for manufacturers to reduce (or even eliminate altogether) the quiet quit quotient in their workplace. ♦

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# Why Constellation?

The IMA has proudly partnered with Constellation for more than two decades beginning with the start of competitive choice in Illinois' electricity market. Over the years, Constellation has saved manufacturers tens of millions of dollars and become a trusted advisor – an inhouse energy expert for our members.

Today, with the explosion of brokers, I'm often asked about the value of Constellation, and I love the question because Constellation is more valuable today than they were two decades ago. Energy markets have matured, laws and regulations have changed, new sustainability goals are in place, and Illinois is facing challenges relating to energy supply from the closure of baseload generation resulting in increased costs and the potential for brownouts and blackouts.

Unfortunately, brokers are simply looking at one thing – price. They do not offer comprehensive solutions that can be unique for manufacturers. Perhaps you are looking for zero-emission energy, demand response, new electrification solutions such as charging stations, or need a program like Pear.ai to manage billing and usage at multiple facilities. Brokers don't offer these services or become an energy manager for your company.

Constellation cannot have a direct conversation with you if you employ a broker unless you ask! As a result, you may not know what is available in today's market and what solutions exist that could result in even more savings for your company and increased efficiency. They can customize creative solutions for your facility's electricity or gas.

Take a minute today and let us connect you with Constellation – it's a no risk call and no cost to check out their solutions. But it may save you a lot of money and time!

# EMPLOYEE ENGAGEMENT IDEAS TO BENEFIT THE ENVIRONMENT & YOUR COMPANY CULTURE

FLAGSOURCE

Employee engagement and retention are top priorities for most HR professionals. Engaged employees are those that feel an emotional connection to their organization, and this connection directly impacts their level of performance output and their decision to stay. When an employee is engaged, they show an increased enthusiasm towards work and an increase in their level of commitment towards the organizations' values and goals. How does increasing employee engagement have an influence on transforming your company culture? Company culture is more than just words written out for a mission statement or a decal on the wall stating your core values; it is the foundation for decisions made by the organization and a sum of all of the employees' behavior. Transforming your company's culture will involve creating an influence that will impact the behaviors of and the decisions made by your employees. According to INC, "A healthy company culture may increase employees' commitment and productivity, while an unhealthy culture may inhibit a company's growth or even contribute to business failure." This makes engaging employees a priority for not only morale but also for the success of the business.

There are many activities that will engage employees to connect with the company's core values, mission and goals while building comradery and a sense of belonging within your organization. While options vary greatly, this article covers environmentally impactful ideas. Starting within your local community, seek out community events that your organization can either offer volunteer days for your employees to participate in or include sponsorship opportunities. Community events should be purposeful to ensure the event aligns with your values such as a 5k or walk-a-thon that will support a cause. Speak with your employees to gauge if the event will have a high participation/show rate. The event can be anything from a picnic to a volunteer event that is open to their family members to join. Another idea is putting together a clean-up day

for a local park or playground. This not only has a personal meaning to the employees contributing to the restoration and maintenance of their own local community park or playground, but it also positively impacts the environment. When planning a clean-up day, ensure the employees are on-board for the day through communication channels and drive participation through senior leadership. It is also important that senior leadership do participate in these events to increase the chances of transforming or building on the company culture.

If you are looking for other environmentally positive engagement ideas, you can also distribute seed packets for your employees to take home and plant. This idea works well for Earth Day, national indoor plant week, national plant a flower day, and a few other national days. Creating fundraising events can be an inclusive engagement opportunity that allows employees who have restrictive time or physical limitations to participate as well. This can include a bake sale, silent auction, or craft swap allowing employees to contribute through donations to the sale or contribute monetarily through purchases made. The cause for the fundraising is the key to the success and true impact of the event. It is also key to make sure you set an end or total goal as this will help to increase the team building output as you strive to reach the goal together. Through plan-

ning events along the lines of, but not limited to those mentioned, the company can engage its employees while making a positive impact on the environment.

Transforming your company culture will occur over time through continuously building on employees' connection with the organization. The employees who participate will, in turn, become one of the most engaged in the workforce. According to Future Match HRC, "Highly engaged employees are 21% more productive than employees with low engagement." It is important to keep the scheduled number of volunteer events relatively low, such as quarterly to encourage a higher participation rate. If the number of events offered is too high, the volunteer force will be likely lower at each event creating the perception that their peers or leaders are not involved to the selected cause. This can have a negative impact on their commitment to the organization. Float some ideas around your company, and then select an event based on the interests of the employees to build on the connection between their personal morals and values of the organizations. With the right mixture of participation, the event planned, and the involvement of the leadership team, transforming the company culture to one that is healthy and fosters a team with like values, behaviors and attitudes can be achieved. ♦



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## HOWE CORPORATION: CELEBRATING FOUR GENERATIONS OF COMMUNITY LEADERSHIP

Howe Corporation is globally known for its innovative design, development, and manufacturing of refrigeration equipment and of course its flake ice. But locally, it's known for its tradition of not only innovation, quality, and service, but for supporting and uplifting those in its community. Howe Corporation is a fourth generation, family and female owned manufacturer located on Chicago's North side. Founded in 1912, with the goal of supporting the then booming meat and dairy industries, Howe has expanded its goals, mission, and outreach far beyond the city of Chicago and even the Midwest. In fact, between 2010 and 2015, Howe opened two International Sales offices in San Jose, Costa Rica and Monterrey, Mexico.

Throughout the company's tenure, Howe has built long standing relationships with their customers, suppliers, and employees. Current President and CEO, Tammy Phillips attributes this to not only Howe's success, but to their longevity as well. "We are lucky to have such strong relationships of 40+ years with companies like Whole Foods and Walmart. Howe equipment can be found in 50 of the top 100 supermarket chains in North America," said Phillips. "Suppliers too—again, with us being in Chicago, we source 95+ percent of our materials from Chicagoland suppliers and in the Midwest, supporting our community."

During Manufacturing Month, the IMA and IMEC toured the state to showcase modern manufacturing. On Monday, October 10th the Makers on the Move bus made a special stop at Howe Corporation to recognize their legacy and leadership over the last 110 years. For the event, the team at Howe created custom

display banners showcasing the logos of their industrial and retail customers. Although the event was centered around celebrating Howe, the company made to point to focus on the support of their customers rather than themselves. It is acts like this that show just how important these relationships are to Howe.



But Howe is not only proud of their relationships. They also take pride in Chicago being their home. Although they do plan to relocate soon, Howe plans to remain in Chicagoland. When asked what makes Illinois such a great state to do business in, Phillips explained, "Being a global company, Chicago, Illinois offers an international hub for logistics with rail, truck, and air, along with world class universities for sourcing our engineering, supply chain, sales, and finance talent. And I would be





Past leadership for Howe Corporation.



The IMA, IMC, Chicago Leaders, and employees gather at Howe Corporation to celebrate 110 years in service and 4 generations of leadership during Makers on the Move bus tour stop.



The Women's Executive Team, current leadership for Howe Corporation.



Group of Howe Corporation employees observe the 110 Year Anniversary Celebration during Makers on the Move bus tour stop.

remised if I didn't acknowledge the people. Midwesterners still epitomize unwavering work ethic. The team at Howe is always all hands-on deck and willing to do what it takes to get things done." It is safe to say that Howe recognizes how irreplaceable their employees and community are.

And it is evident that the employees of Howe feel the same way. For example, employees must feel a sense of community, purpose, and belonging to stay with a company for as long as many of Howe's employees have. "We have employees that have been here for a long time, one for sure since I was born," Phillips said. Diversity, equity, and inclusion have long been a tradition at Howe, specifically in the 70s when Howe sponsored immigrants from Poland and Mexico for their naturalization. "Some of those immigrants and their family members still work here today, including our National Sales Director. She's the daughter of one of the employees that was helped," said Phillips. Phillips plans to carry on this tradition by bringing more women into production.

Phillips and the Women's Executive Team at Howe recognize that in order to do so successfully, changes need to be made. This is one reason for relocation. "With that opportunity (relocation) we are able to design and build a female locker room, so we are able to accommodate bringing women in and allowing them to be comfortable by having their own space. And there's a stat out there that says something like 'up to 40% of poverty can be addressed by helping single mothers' so we just want to keep giving back to the community and make it a win-win for everyone," Phillips said. "It solves workforce needs for manu-

facturing and it lifts those women and children up out of poverty."

Led by women, Howe is working to change everything about traditional manufacturing as we know it. "Many of the female leaders that are currently leading Howe, came up through the ranks over the years. We have a combined experience between us of 130 years in our current leadership team," Phillips explained. Rooted in their understanding of the importance of flexible scheduling, providing women's quarters, work-life balance, and formalizing an apprenticeship program built on case study findings of JARC (Jane Addams Resource Corporation) in partnership with Kellogg Foundation, Howe Corporation will continue to uplift more disadvantaged women in their community. Through these implementations, Howe will be leveling out the playing field for women in an industry that has traditionally been led by men for men. The Women's Executive team at Howe is continuously working to give women in manufacturing challenging, yet rewarding opportunities, comfort, support, mentorship, and an environment in which they can not only exist but thrive.

Howe Corporation celebrates their 110th anniversary this year, and by the time they reach their 113th anniversary in 2025, they are projected to have relocated to Chicago's Northwest Suburbs where they can expand their team and foster an environment that is not only inclusive for women but is built for women too. The IMA is proud to have members like Howe, and to support them in each of their endeavors. Congrats to the entire Howe family and team! ♦



# THE IMPACT OF WEST VIRGINIA V. EPA ON ILLINOIS

HEPLERBROOM

On June 30, 2022, the United States Supreme Court issued an opinion addressing the United States Environmental Protection Agency's ("USEPA") authority to devise emissions caps for power plants based on a generation shifting approach. *West Virginia, et al. v. Env't Prot. Agency, et al.*, 142 S. Ct. 2587 (2022). The Court held that the generation shifting approach exceeded USEPA's authority under Section 111 of the Clean Air Act. While the breadth of the impact of this decision has yet to be seen, the decision will likely have little impact on Illinois' current energy approach under the Climate and Equitable Jobs Act. Still, the *West Virginia v. EPA* decision offers valuable insight into how courts may interpret environmental statutes and regulations moving forward.

## Background

In 2015, USEPA promulgated a final rule governing emissions of carbon dioxide from existing electric utility generating units ("EGUs"). 80 Fed. Reg. 64,662 (Oct. 23, 2015). The set of regulations, known as the Clean Power Plan, established final emission guidelines for states to use when developing plans to reduce greenhouse gas ("GHG") emissions from existing fossil fuel-fired EGUs. *Id.* at 64,662, 64,707. The guidelines in the Clean Power Plan were based on USEPA's determination of the "best system of emission reduction . . . adequately demonstrated" ("BSER"). As to the Clean Power Plan, USEPA determined that the BSER included substituting increased generation from lower-emitting existing natural gas combined cycle units for generation from higher-emitting affected steam generating units or substituting increased generation from new zero-emitting [renewable energy] generating capacity for generation from affected fossil fuel-fired generating units. *Id.* The Clean Power Plan, however, never went into effect. After its promulgation, several parties filed petitions for review and a stay of its implementation was granted. *West Virginia*, 142 S. Ct. at 2604; *West*

*Virginia, et al. v. Env't Prot. Agency, et al.*, 577 U.S. 1126, 136 S. Ct. 1000 (2016).

After a change in administration, USEPA repealed the Clean Power Plan in 2019. 84 Fed. Reg. 32,520 (July 8, 2019). Concluding that the Clean Power Plan exceeded the statutory authority of Section 111(d) of the Clean Air Act, USEPA reasoned that generation shifting at the grid level should not have been considered as part of the BSER. *Id.* at 32,523. In the final rule that repealed the Clean Power Plan, USEPA also finalized a replacement rule: the Affordable Clean Energy Rule ("ACE Rule"). *Id.* at 32,520. Under the ACE Rule, USEPA determined that the BSER for emissions of carbon dioxide from existing coal-fired EGUs was heat rate improvement ("HRI") in the form of a specific set of technologies and operating and maintenance practices. *Id.* at 32,532.

Petitions for review of the repeal of the Clean Power Plan and enactment of the ACE Rule were filed and several states and private parties intervened to defend both actions. *West Virginia*, 142 S. Ct. at 2605. The D.C. Circuit Court held that the Clean Air Act could be read to encompass generation shifting, vacating USEPA's repeal of the Clean Power Plan and remanding to USEPA for further reconsideration. *Am. Lung Ass'n v. Env't Prot. Agency*, 985 F.3d 914 (D.C. Cir.), *rev'd* and *remanded sub nom. West Virginia v. Env't Prot. Agency*, 142 S. Ct. 2587 (2022).

After another change in administration, USEPA moved for, and the D.C. Circuit granted, a partial stay of the issuance of its mandate regarding the Clean Power Plan in order to ensure that the Clean Power Plan would not immediately go into effect. *West Virginia*, 142 S. Ct. at 2606. The states and private parties defending the repeal of the Clean Power Plan filed petitions for certiorari, which were granted by the Supreme Court and consolidated into one case. *Id.*

## Analysis

The Supreme Court explained that, under its precedents, this was a major

questions case. *Id.* at 2610. The major questions doctrine provides that federal administrative agencies cannot promulgate regulations that answer "major questions" without specific authority from Congress. *Id.* The Clean Power Plan represented a major shift from historical regulation of power plants because USEPA had never set emissions limits by suggesting a system that would reduce pollution by shifting emitting activity from "dirtier" to "cleaner" sources. *Id.* USEPA itself had noted that it historically pointed to "more traditional air pollution control measures," including efficiency improvements, fuel-switching, and add-on controls. *Id.* at 2611. USEPA explained, however, that the more traditional air pollution control measures would not result in sufficient emissions reductions to mitigate the effects of climate change. *Id.* at 2611.

The Court found that the precedent "counsels skepticism" toward USEPA's position that Section 111 provides it authority to set carbon emissions limitations based on a generation shifting approach. *Id.* at 2614. In order to overcome the skepticism, under the major questions doctrine, clear congressional authorization to regulate in that manner must exist. *Id.* The Court was not persuaded by USEPA's position that it has authority to regulate in that manner pursuant to its authority under the Clean Air Act to establish emissions limitations at a level reflecting the application of BSER. *Id.* at 2614-15.

## Holding and Impacts

The Court held that it is not plausible that Congress gave USEPA the authority to adopt on its own a generation shifting scheme that would force a nationwide transition away from coal to generate electricity. *Id.* at 2616. "A decision of such magnitude and consequence rests with Congress itself, or an agency acting pursuant to a clear delegation from that representative body." *Id.* The Clean Power Plan exceeded the authority given to USEPA under Section 111(d) of the Clean Air Act. The Court reversed the

judgment of the D.C. Circuit and remanded the cases. *Id.*

Moving forward, USEPA will likely be more cautious in proposing regulations under Section 111(d) and will likely include more detailed analyses and support for the derivation of authority for proposed rules. In the past, when statutes were ambiguous, courts have relied heavily on deference to the administrative agency, which has the technical expertise on the subject matter. In *West Virginia v. EPA*, however, the Court ruled that USEPA did not have authority to promulgate a specific set of rules where Congress did not expressly give it authority to do so, relying heavily on the major questions doctrine. Until Congress enacts authority for a generation shifting approach or something similar, USEPA will need to regulate GHGs from EGUs using traditional methods. Additionally, the major questions doctrine will likely have an increase in usage going forward in federal cases involving administrative agency actions.

### Illinois

In Illinois, the Climate and Equitable Jobs Act (CEJA) was signed into law and became effective on September 15, 2021. CEJA is a comprehensive energy statute, which aims to eliminate carbon emissions from electricity generation, or “decarbonize”, by 2050. The shift away from carbon-based generation under CEJA is aggressive, which targets a transition to 40% of electricity being generated by renewable energy by 2030, 50% renewable energy by 2040, and 100% clean energy by 2050.

Pursuant to CEJA, private coal-fired and oil-fired EGUs must reach zero carbon emissions by January 1, 2030. Private natural gas-fired units must reach zero emissions by 2045, with CEJA prioritizing reductions by units with higher rates of emissions and those in and near environmental justice communities. In order to meet these requirements, most coal, oil, and natural gas-fired facilities that generate electricity will need to implement new technology and likely implement a

gradual shutdown of generation units. The gradual phase out of coal-fired power plants and natural gas plants is subject to adjustments by several state agencies to try to ensure energy grid reliability.

CEJA governs power generation from private and municipal coal, oil, and natural gas-fired EGUs and sets a roadmap for shifting power generation away from these EGUs towards clean energy sources. While the overall approach is different from the Clean Power Plan, CEJA is, on a basic level, a generation shifting approach. However, the difference with CEJA is that the Illinois approach was promulgated via statute by Illinois General Assembly, not by an administrative agency rulemaking, which would require legislative authority for its actions. Importantly, the *West Virginia v. EPA* decision did not limit the authority of individual states to adopt clean energy initiatives. Other states may follow

Illinois’ approach of legislating specific emission reductions.

It is unlikely Congress will pass legislation in the near future increasing USEPA’s regulatory authority in direct response to the Supreme Court’s decision. Less than two months following the *West Virginia v. EPA* decision, however, Congress passed new legislation that takes a different approach. On August 16, 2022, the Inflation Reduction Act was signed into law. As opposed to legislating specific emission reductions, the legislation encourages the shift to clean energy through funding and tax credits for renewable energy, energy efficiency, clean vehicles, and clean fuels. Manufacturers, particularly those involved in the energy sector, should keep an eye out for emerging federal programs or regulations that may apply in conjunction with CEJA following the passage of the Inflation Reduction Act. ♦



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# ILLINOIS MUST DEVELOP NEW TALENT TO PROTECT THE STATE'S ENERGY PRODUCERS FROM CYBERATTACKS

DEVRY UNIVERSITY



Hacking, cyberattacks, ransomware - every day seems to bring a new headline about an online ambush that disrupts the operations of a government agency, a hospital, a university, or some other critical part of the American landscape.

These attacks can be devastating. A little over a year ago, cybercriminals broke into the computer systems of the Colonial Pipeline, the nation's largest fuel network. Hackers stole 100 gigabytes of data, infected multiple company computer systems with ransomware and left many gas stations up and down the East Coast without fuel for several days.

Among the targets ripe for a cyberattack: the nation's energy grid. Both energy production and transmission — IT and control systems — are vulnerable. A chronic cybersecurity talent shortage coupled with a geopolitical climate made unstable by war and weather could endanger vital energy infrastructure and result in power disruptions even more chaotic than the attack on the Colonial Pipeline.

Cybersecurity is a crucial concern in Illinois. Not only is Illinois one of the nation's top energy producers, it's dealing, like most states, with a severe shortage of cybersecurity talent. Until multiple stakeholders across Illinois in education, government, business, and energy work together to build new pathways to cybersecurity jobs, the state's energy production and transmission remains at risk.

For someone who wants to cause havoc in an energy grid, Illinois could be a tempting target. Illinois produces more electricity from nuclear power than any other state. It sits on the second-largest recoverable coal reserves in the nation. It ranks third in the U.S. in ethanol production, fourth in both biodiesel fuel production and crude oil refining capacity and fifth in capacity to make electricity from wind. In-state renewable energy production has nearly tripled in the past decade. Overall, Illinois is the nation's fifth-largest electrical producer and an important exporter of electricity to surrounding states.

To send power throughout Illinois, there are more than 14,000 miles of high and low-voltage electrical transmission lines. More than 20,000 miles of pipelines carry crude oil and petroleum products. That's an enormous network of power production and power distribution to keep safe from bad weather, bad equipment, and bad actors.

Infrastructure and cybersecurity that protect both legacy and renewable energy sources in Illinois and elsewhere are of paramount importance to national security, the economy, and the day-to-day lives of all Americans.

Around the globe, the energy sector is bracing for future cyberattacks, but it's unclear how prepared it is. One recent survey of nearly 1,000 energy professionals worldwide found that 85% expect cyberattacks will hit their industry within the next two years, damaging equipment and infrastructure or harming the environment. Nearly 60% said they expect deaths to result. In that same survey, nearly half of respondents said their

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company control systems aren't as secure as their information technology systems. Less than a third said cybersecurity was a top priority at their companies.

Worldwide, the energy sector has been hit with seven significant cyberattacks in the first half of 2022 — twice as many as a year earlier — and 39 major incidents in the past five years. Hackers are going after oil terminals, pipelines, electrical networks, and other key energy and commodities assets. The top target is the United States, where a third of all major incidents have occurred. Cyberattacks can happen anytime and anywhere, and the Illinois energy sector must be ready.

There's a major hole in the energy sector's defenses: Frontline troops — cybersecurity experts — are in high demand and short supply. There's a cybersecurity talent shortage of nearly 400,000 workers in the United States — and more than 25,000 in Illinois, which is in dire need of cybersecurity analysts and consultants, software developers and vulnerability testers, among other roles. This shortage is a worldwide phenomenon because every company is a tech company these days. All companies are competing for the same cyber talent to help them keep their data and their systems secure.

### *There is a way forward.*

State and regional energy providers, regulatory agencies, and educational systems — public and private universities, community colleges, and high schools — must work together closely and proactively. They must form new partnerships to ensure that Illinois' energy sector has the cybersecurity workforce it requires. Putting more resources toward two-year and four-year degree programs will help create the next generation of cybersecurity experts.

However, some cybersecurity jobs don't require a degree but do require additional training. It's critical to map and understand the skills that are in the highest demand, then help workers access non-degree pathways to acquire those skills. Colleges and universities across Illinois can partner with the energy sector to create short-term education and training programs. Certificate and

micro-credential programs can quickly train workers for entry-level cybersecurity jobs. This approach will help alleviate the immediate need for workers. Over the long term, these new hires can be upskilled to advance into more senior roles.

Illinois energy companies, meanwhile, must commit to training people on the job through work-and-learn models such as apprenticeships. To further relieve the talent crunch, the state's education providers and energy sector must broaden their search for cybersecurity workers. They should recruit in underrepresented communities by looking for job-specific skills and life experiences instead of the traditional employment markers of degrees earned and jobs worked.

There are potential technical solutions

as well that also will require collaboration and coordination. The University of Illinois at Chicago is leading a project involving several partners, including the Illinois Institute of Technology in Chicago, to develop a next-gen solid-state power substation that will include cybersecurity defenses. This project recently received a \$2 million grant from the U.S. Department of Energy as part of a larger federal program to develop innovative cybersecurity technology to protect the nation's energy systems.

But Illinois can't wait for the federal government to act or for colleges and universities elsewhere to produce the cybersecurity talent the state needs. The hackers aren't waiting around — and neither should Illinois' energy sector. ♦

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# HOW ILLINOIS' PIPELINE NETWORK FUELS DAILY LIFE

KINDER MORGAN

Energy is arguably the most vital industry; we rely on it every single day. When we flip a light switch, turn on our gas stove, or run to the gas station to fill up our vehicles, we expect various energy sources to be ready to meet our demands at any given moment. However, many people don't know where all this energy comes from.

Illinois' 12.7 million residents support the fifth-largest economy (by nominal GDP) in the nation and fueling that economy takes a massive amount of energy. In 2021, Illinois was the fifth-largest energy consuming state in the nation. However, Illinois is not able to provide all of its own energy needs. While Illinois is the second-largest coal-producing state in the nation, we have almost no oil or gas resources in the state. Yet, Illinoisans still enjoy natural gas prices below national averages, and we are the fourth-largest oil refining state in the nation. How is this possible?

## The answer is pipelines.

Much like how Illinois is an air, rail, and highway transportation hub for the U.S., we also are an energy distribution hub. Illinois sits at the intersection of eight crude oil pipelines, eight refined product pipelines and a multitude of natural gas interstate pipelines. As a result of this excellent connectivity, Illinois enjoys generally lower-than-average energy prices, particularly for natural gas. Chicago is also the location of the "Chicago Citygate" gas trading hub. In recent years, Illinois' average residential natural gas price has trended approximately 15% below the U.S. national average.

Compared to other methods of transportation, pipelines are statistically the safest and most efficient way to deliver the massive amounts of energy we use every day. The vast majority of pipelines are located underground, and landowners may still use the land ("right-of-way") above the pipeline for most purposes.

Illinois also has 28 underground natural gas storage fields, located in salt caverns or depleted aquifers deep underground, capable of storing over 1 trillion cubic feet of natural gas. This gas pro-

vides backup supply to meet spikes in demand and keep prices steady. Nearly 8 in 10 Illinois households use natural gas for heating, so having an adequate backup supply is a necessity for a state that can experience dangerously cold winter weather.

The vast majority of Illinois' natural gas enters the state through Iowa and Missouri after travelling hundreds of miles from oil and gas fields in Texas, New Mexico, Louisiana, Oklahoma, and Kansas. One such pipeline is Kinder Morgan's Natural Gas Pipeline of America ("NGPL") system. Kinder Morgan operates over 2,800 miles of the NGPL system in Illinois and is the largest transporter of natural gas to the Chicago-area market. Kinder Morgan is what many refer to as a "midstream" energy

company that operates pipelines that move gas from one place to another, but typically do not own the gas in the pipe and don't deliver it to the end-consumer. For example, Kinder Morgan is a major supplier of natural gas to Nicor, Peoples Gas and Ameren -- regulated utilities who ultimately deliver gas to residential, commercial, and industrial customers. All four companies understand the enormous impact of manufacturing on the Illinois economy. And all four also play a critical role in supplying Illinois manufacturers with the reliable energy necessary to not only keep the doors open but also keep pace with growing demands.

This elaborate network of infrastructure is in place so that when we turn on a gas stove or turn on our gas furnaces, we have access to the energy we rely on. ♦

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# C-PACE: GO GREEN, SAVE “GREEN!”

INLAND

**E**nergy-efficiency is on the minds of many commercial real estate owners as it provides a way to lower energy costs, increase property values, reduce operating expenses, and enhance the comfort of their tenants. However, there are two main obstacles that can prevent owners from making energy improvements to their properties: a lack of capital and the inability to find financing sources. To overcome these barriers, commercial property owners in many states have been utilizing Commercial Property Assessed Clean Energy (C-PACE) financing, which provides the needed funding for energy efficiency, water conservation, and renewable energy projects, or components thereof, in qualifying retrofit or new construction project.

## What is C-PACE financing?

C-PACE is a voluntary energy conservation program that provides up to 100 percent, fixed-rate, long-term financing for these qualifying projects, as just delineated. While Commercial PACE (C-PACE) is a national initiative, programs can be established locally and tailored to meet specific regional needs. State legislation must be passed to authorize municipalities to create local PACE programs. Today, 39 states, including Washington, DC, have Commercial PACE-enabling legislation with Commercial PACE programs active in 27 of those states. Illinois passed C-PACE legislation on August 11, 2017, and 14 counties are currently enrolled in a C-PACE Program. PACE provides typi-

cally lower-cost, long-term financing for energy efficiency projects such as HVAC improvements, roof repairs, updated insulation, and LED lighting. On the renewable side, solar, geothermal and also heat pump systems qualify, as well as low flow plumbing equipment, landscape irrigation rain sensors and other qualifying water conservation measures. This financing is available for a variety of commercial real estate properties including retail, multifamily (5 units or greater), industrial, manufacturing, office, hospitality, healthcare and life sciences, self-storage, affordable housing, senior housing, and student housing to name the most common.

## How does PACE work?

Financing is arranged through registered capital providers via local program administrator(s) or a municipality who reviews applications to confirm they meet the program guidelines. The property owners repay the long-term improvement financing through an assessment included on real estate tax bills. The PACE financing is secured by an assessment lien on the property which remains until the financing is repaid. If the commercial real estate property is sold before the PACE assessment is fully paid, the lien stays with the property and remains the responsibility of the new owner to be repaid through an assessment listed on the new owner's real estate tax bills, as the savings from the energy-efficiency project continue to benefit the new owner, and the resulting utility savings help offset the payments.

## What is the value of PACE From a property owner's perspective?

There are many benefits of utilizing PACE financing: PACE offers up to 100 percent, fixed-rate, long-term financing for projects, therefore the owner does not have to worry about upfront capital, incurring no out-of-pocket expense, and can reallocate funds that were previously reserved for energy projects. The energy savings from PACE projects can also increase a property's value and cash flow. In addition, it provides access to energy efficient technology that may not have been otherwise available to the property owner. Since the debt is repaid on the tax bill, it becomes fully transferable, running with the land, becoming non-recourse to the original property owner. Depending on the ownership structure, the loan may be tax-deductible and can enjoy off-balance sheet treatment.

Municipalities can also see benefits from C-PACE in terms of economic development, business retention, job creation, increased property values, lowered emissions to the atmosphere, meeting ESG goals within their communities all along with the fact that programs can be set up so that there are zero net costs to the issuer or government body.

The introduction of C-PACE in Illinois should spur more energy-efficient projects within the commercial real estate market, improve property values, and create jobs in the clean and renewable energy industries. For further information on C-PACE financing and whether it may meet your needs, please contact the author. ♦



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# THE BENEFITS OF OUTSOURCED RECRUITMENT

BRIGHT SKY INC

**L**ike many businesses, your company is likely always looking for ways to optimize performance while decreasing costs. Have you found productivity is held back by time consuming human resource processes that are so complex, your business can never get out from under them? With staffing shortages, are you even able to find applicants available and willing to interview for open positions?

Finding the right talent and realizing their full potential is key in achieving your business goals. But internal resources are tight, and many employers are finding it very difficult to locate qualified people for any type of position these days.

One of the most effective and efficient ways to find the best talent out there is to outsource recruitment to a staffing service agency. An expert staffing firm can quickly get up to speed on the inner-workings of your company to match needs, culture, and environment with the right employees. Staffing firms can offer accountability and seamless integration by ensuring candidates are thoroughly screened and trained to perform their duties. The shift to outsourcing recruitment management to an outside partner optimizes staff potential and frees up internal leadership to focus on what's vital — the core business.

The benefits of outsourcing staffing recruitment include better employee utilization, cost reduction and increased workforce efficiency. The staffing agency already has established resources to recruit the most qualified candidates and can fill the most general or specialized positions out there. These firms actively recruit people that adhere to a strong code of ethics. And they should always be proactively recruiting to ensure that an adequate number of quality candidates are available at all times for your business.

Whether your staffing requirements are small or large, simple, or complex, staffing service agencies can find the workforce that have the precise skills and talents your business requires. Their deep experience allows them to quickly pivot to meet a range of staffing needs as

priorities change and your business grows. They will work closely with you to gain a clear understanding of business requirements and work environment for all types of positions like:

- Administration staff
- Construction workers
- Delivery helpers
- Factory workers
- Forklift drivers
- General workers
- Mail sorters
- Truck fuelers
- Warehouse workers

Keep in mind that the best staffing agencies are experienced in adapting to company objectives and partnering on all aspects of your business' workforce. They are available to both find qualified talent for specific jobs and taking over entire recruitment process from beginning to end. A reputable agency should

offer a single point of contact, cost-effective solutions, complete reporting, and services tailored to your needs.

Custom service programs can be developed to include workforce customization that support timely talent delivery and managed risk. Employees shouldn't simply be sent over to you. Instead, on-site managers should be present to oversee all aspects of your temporary workforce to reduce the burden on internal resources, so they remain focused on the core business operations.

Ultimately, outsourcing staffing services to a knowledgeable staffing firm fosters a supportive environment that emphasizes worker job satisfaction and where they feel adequately supported. In turn, happy employees will perform their job duties with exceptional service and accuracy. And they will be more likely to fully commit to your team and business goals. ♦



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# NEW PLAN PROPOSED TO ELECTRIFY NORTHERN ILLINOIS COMMUNITIES

COMED

ComEd, the Midwest's largest utility company and service provider for over 9 million people in northern Illinois, roughly 70 percent of the state's population, is out with a new plan to support the transition to electric vehicles (EVs) along with household and commercial electric technologies.

To counteract climate change, expand air quality benefits for communities, and make EVs generally more accessible, ComEd has proposed a three-year, \$300 million plan to support electrification of our cars, homes and communities in northern Illinois. Pending approval by the Illinois Commerce Commission next spring, this plan would deliver a mix of customer rebates, incentives for commercial and business customers, new rate design options, and community education programs to lower the reliance on fossil fuel powered machines, and increase adoption of electric vehicles and equipment.

## A plan to reduce barriers to EVs, electrification

To help the state reach its clean energy goals, ComEd proposes a comprehensive plan with nearly half of all funding dedicated to commercial rebates, as well as other business-focused resources:

- New optional rate classes for commercial and industrial customer classes that would lower upfront 'make-ready' costs for charger installation and provide an alternative to demand-based rates;
- \$6 million per year in rebates for other electrification technologies and supporting infrastructure, including industrial technologies, building heating and cooling, and forklifts;
- \$9 million per year in funding for consumer education, including fleet electrification assessments and other fleet-specific tools;
- \$5 million per year for technical assessments and pilots to study new customer and grid technologies, tools, and opportunities

Whether on the manufacturing side or not, companies looking to make a transition to fleet electrification stand to benefit greatly from this new plan. In addition to dedicating the lion share of funding for commercial customers - ComEd is the first utility to propose a comprehensive new delivery rate plan that would allow companies and other large companies to opt in - securing both assistance with upfront make ready costs and an alternative to demand-based rates.

The new opt-in rate classes were developed after receiving extensive stakeholder feedback in developing the plan. They are proposed as a way to remove barriers and streamline the process for commercial customers seeking to install new EV charging infrastructure at their facilities. Customers in these classes would still need to purchase charging stations but would be able to enter into a rate that would allow them to pay for the costs of the installation over a number of decades and would have ComEd perform the construction and maintenance of electrical equipment up to the charger, enabling customers to pay back on these infrastructure upgrades over time through their rates. In addition, members of these classes would have access to an optional volumetric rate alternative to the traditional demand-based structure.

## The time to electrify is now!

Illinois is poised to be a national leader on powering and producing new electric technologies - from the cars built at Rivian and Lion Electric - to EV charging suppliers and manufacturers who will also be called upon to sustain the demand for new clean emissions vehicles. New goals laid out by state and federal leaders are creating new momentum for EV adoption. These goals, in combination with the historic climate action taken by the federal Inflation Reduction Act, will push EV demand to new levels in Illinois, propelling new levels of investment and economic opportunity.

The focus on electrifying transportation comes at a time when action to curb carbon emissions must be taken quickly, and while transportation is not the exclusive focus of ComEd's plan, it is an area where experts believe progress can be realized most immediately. Climate and health experts agree that transportation is now the leading cause of carbon pollution in the U.S.

Pivoting to cleaner vehicles that don't emit harmful greenhouse gases will help save customers at the pump, and will improve air quality, as well as health equity, as the most historically disadvantaged communities are dually the ones most affected by harmful emissions from fossil fuel powered cars and trucks. Illinois could see upwards of \$3.2 billion in cumulative societal savings from the transition to EVs, according to the American Lung Association, not to mention individual savings on health care and avoided fuel costs for individual residents. But what's most impressive is that adoption of these new clean powered cars, trucks and school and transit buses would help all members from the community breathe a cleaner future due to improved air quality - regardless of whether they drive an EV or not.

Pending approval, the new ComEd BE plan would be implemented in 2023. For more information on the plan, please visit: [Clean Energy Future | ComEd - An Exelon Company](https://www.comed.com/clean-energy-future). For more information and benefits related to making the transition to EVs, email [EVBusiness@comed.com](mailto:EVBusiness@comed.com) or visit [EV Toolkit](https://www.comed.com/ev-toolkit). ♦





# MEMBER NEWS

## Navigator CO2 Helps Pave the Path Forward to Net Zero



Heartland Greenway is a forward-thinking, scalable infrastructure system that will materially reduce participants' carbon intensity and further the goal of carbon neutrality conceived by carbon management company, Navigator CO2. Once fully expanded, the project will have the ability to capture and store 15 million metric tons of CO2 every year—the equivalent of eliminating emissions from over 3.2 million vehicles annually. The system will be built with highly skilled, local labor to ensure it is constructed safely and to last.

The footprint of Navigator's project in Illinois contains roughly 250 miles of pipeline, permitted for the transportation of carbon dioxide (CO2) only. This system will capture the carbon emissions from over 30 ethanol and fertilizer facilities and transport it to Central Illinois for its unique geological properties for permanent storage over a mile underground.

Navigator CO2 and its partner facilities, including Big River Resources in Galva, recognize the time is now to take bold action to preserve our planet for future generations. We look forward to providing a path to net-zero carbon emissions by providing CCUS services for the more than 30 industrial processors across the agriculture and food production value chains along our system's footprint.

Participating facilities will be able to take full advantage of the benefits and incentives of CCUS, such as the federal 45Q tax credit, premiums by selling these end products into higher value markets, and the ability to participate in voluntary carbon offset markets. Ethanol facilities connected to the Heartland Greenway will see a 20 to 40 cent increase in value per gallon of ethanol and annual revenue gains of up to \$20 million to \$40 million per plant.

The Heartland Greenway's CCUS technology presents a promising pathway to decarbonization as well as providing an economic boost to rural communities across Illinois and the Midwest. Navigator CO2 continues to work towards its vision of a comprehensive carbon ecosystem in which businesses, communities, and the planet thrive.

## JWCC Hosts Groundbreaking Ceremony – Workforce Development Center Expansion



John Wood Community College hosted a groundbreaking ceremony for the Workforce Development Expansion (WDC) Project located at 4220 Kochs Lane, Quincy on Wednesday, September 7, at 10:30 a.m. Construction started in September, with project completion expected in the fall 2023. The expansion will add 14,170-square-feet to JWCC's current WDC facility including a new Truck Driver Training addition, development of the east side with a new physical building entrance, expanded space for HVAC, and business and industry training. A remodel of the current interior of the building will include expanded space for welding, industrial maintenance and manufacturing, robotics and automation, and flexible use-space for new programs such as a virtual reality lab. A new vehicle road entrance off 42nd Street will be added, leading to a larger parking area.

## Carus Announces \$20 Million Investment in LaSalle



PERU, IL (August 19, 2022) – State and local leaders visited Carus LLC to witness the announcement of a major expansion in its LaSalle manufacturing facility. With a total investment of \$20 million, the plant will be modernized, and additional production capacity will be added. The construction work for the expansion at the LaSalle manufacturing site has already begun and is expected to be operational by the end of the year.

Allen Gibbs, Carus LLC Vice President of Operations, says the project is driven by a commitment to quality, sustainability, and customer service. "We are upgrading and expanding our facility and continue to modernize operations with a focus on reducing waste and maximizing sustainability." State Senator Sue Rezin said, "This investment not only contributes significant dollars to the city of LaSalle and surrounding region, it has a multiplying effect because it gives others confidence to invest in our region and state."

## Ace Metal Crafts Company Named One of Chicago's Best and Brightest Companies to Work for in 2022



BENSENVILLE, Ill. JULY 14, 2022 – Ace Metal Crafts Company, a leader in stainless steel machining and fabricating, has been selected as one of The Best and Brightest Companies to Work For® in 2022. Winning companies were assessed and reviewed on several key measures, and scored on: Compensation, Benefits and Employee Solutions; Creative, Wellness and Wellbeing Solutions; Employee Enrichment, Engagement and Retention; Employee Education and Development; Recruitment and Selection; Employee Achievement and Recognition; Communication and Shared Vision; Diversity, Equity and Inclusion; Work-Life Blend; Community Initiatives and Corporate Responsibility; and Leadership, Strategy and Company Performance.

Jennifer Kluge, President and CEO of NABR and The Best and Brightest Program states, "These 2022 winning organizations have stood out during unpredictable times and have proven they are an employer of choice. They continue to keep the needs of their employees first and provide perks that include development, wellbeing, work-life balance, rewards and recognition. In addition, these winning companies offer a fantastic work culture and workplace environment that attracts and retains superior employees".

Ace Metal Crafts Company is thrilled to be recognized as one of Chicago's Best and Brightest, and continues to reinvest in people, technology, and processes. While working together in shared ACE values, Ace Metal Crafts Company respects the richness of diversity which cultivates a culture built on curiosity, trust, and understanding.

## Danville Metal Stamping Celebrates 75th Anniversary



Danville Metal Stamping hosted a delayed celebration for their 75th year of operation Saturday, October 1, 2022, with BBQ, music, and fun in the company of their amazing employees, retirees, and their families. Their 75th year of operation was actually last year,

but due to COVID the team was unable to come together and celebrate at the time. The event was a huge success, with more than 700 Danville Metal Stamping employees, retirees, and their families in attendance.

### Illinois American Water Acquires City of Villa Grove Water and Wastewater Systems



Villa Grove, Ill. – (Sept. 22, 2022) – Illinois American Water, a subsidiary of American Water, announced today, the acquisition of the City of Villa Grove water and wastewater systems for \$11 million. The newly acquired systems add approximately 1,489 water and 1,069 wastewater customers to the Company's eastern Illinois service area.

"Our team is excited to serve our new customers in Villa Grove and expand our footprint in Douglas County," said, Justin Ladner, president of Illinois American Water. "Since 2020 we have had the privilege of partnering with over 11 communities across Illinois through acquisitions, sharing our expertise and making critical investments in aging systems."

According to City of Villa Grove Mayor Cassandra Eversole-Gunter the sale of the water and wastewater systems to Illinois American Water, "will provide the residents of Villa Grove with industry experts focused on upgrading the water and wastewater systems." She continued, "The city will benefit from capital investments we would not have been able to make without significant rate increases. With Illinois American Water as a long-term partner, we are able to invest in our future while keeping rates stable."

Illinois American Water is planning to invest approximately \$21 million in the first seven years of ownership to upgrade the City of Villa Grove water and wastewater systems. Work will include replacing water meters, water mains, fire hydrants and wastewater main. Improvements to lift stations, including replacing pumps, will improve system reliability. Safety and security systems will also be upgraded. Illinois American Water also plans to design and construct a new wastewater treatment plant to support system reliability and community growth.

### Chicago's New Connected Learning Center Provides Connectivity, Devices and Digital Learning Resources



AT&T

Amidst the blue and white ribbons, new computers and many west side neighbors, it was the smiles on students' and seniors' faces that stood out most during the celebration of the new AT&T Connected Learning Center in Chicago.

As part of our \$2 billion commitment to help bridge the digital divide, AT&T just launched the company's latest center inside Marillac St. Vincent Family Services.

AT&T Connected Learning Centers are housed within local organizations across the U.S., such as Marillac, which support underserved populations, including some of our nation's most vulnerable students and families. This new center provides free access to:

- High-speed AT&T Fiber internet & Wi-Fi
- Dell Computers
- Education tools such as The Achievery, a new digital learning platform created by AT&T, and digital literacy workshops created with the Public Library Association
- Volunteer and mentoring support from AT&T employees

Overland-Tandberg, a leading Black-owned global technology and IT services company, led the onsite configuration of the computers at Marillac. AT&T also contributed \$50,000 in support of the center's programming.

### Gilster-Mary Lee launches first Create A Crunch contest for local high schools



October is National Manufacturing Month, when manufacturers across the country showcase the importance of manufacturing through a series of events. Manufacturing jobs are an extremely important part of the economy and impact everyone, every day in numerous ways.

After the success of various celebrity cereals it has manufactured recently, Gilster-Mary Lee is proud to launch its first Create A Crunch contest to reach out to new creators and makers – local high school students near

its facilities in Illinois and Missouri. The cereals have featured everyone from Quarterback Patrick Mahomes to Pop Icon and Artist Bob Ross, and the list continues to grow.

Participating students will answer two important questions related to manufacturing. What manufactured product has had the most positive impact on your life and why? What can manufacturers do to get more students interested in careers in manufacturing? The winning student will work Gilster-Mary Lee to create a custom breakfast cereal featuring their high school. The student will pick the type of cereal, create the packaging, and learn about all that goes in to manufacturing food products today. 2500 boxes of the unique cereal will be produced and given to their school. The contest will run through October 31st, 2022.

75 Years Young



As bopi celebrates its 75th anniversary this year, the company isn't touting its age. Sure, there's something to be said for being a well-established firm and bopi is proud of its heritage, but the years don't show on this dynamic central Illinois manufacturer.

Over the past 25 years, bopi has been an organization in motion. By expanding its physical plant, investing in both traditional and digital print technology, offering mail services and staffing with skilled graphic arts professionals, bopi has thrived by remaining passionate about print's place in today's mix of communication media.

Bopi celebrated the anniversary with a reception and plant tours on Oct. 13 at its production facility in Bloomington. Installing the first of its kind in the U.S. high speed, 8-color KBA UV perfecting press vaulted bopi to the top of the class in quality and throughput. Sandwiched around that advance were acquisitions of long-time Bloomington-based Illinois Graphics (2010) and JK Creative Printers of Quincy (2018). Sales representatives and an operations staff man a branch in Quincy, enabling expansion of bopi's sales reach well beyond its central Illinois roots to the west and south in Illinois, eastern and central Missouri and southeastern Iowa. A web press operation was established in 2021 to fill a market niche for production of documents on lightweight paper stock. ♦

*The Illinois Manufacturer is underwritten by Constellation*



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