

3.10 SOCIOECONOMICS

3.10.1 Introduction

This section describes existing socioeconomic resources in the proposed Project area. The resource topics used to describe the existing socioeconomic conditions include the following:

- Population;
- Housing;
- Local economic activity;
- Environmental justice;
- Public services, tax revenues, and property values; and
- Traffic and transportation.

The description of socioeconomic resources is based on information provided in the 2011 Final Environmental Impact Statement (Final EIS) as well as new circumstances or information relevant to environmental concerns that have become available since the publication of the Final EIS, including the proposed reroute in Nebraska. The information that is provided here builds on the information provided in the Final EIS as well as the 2013 Draft Supplemental EIS and, in many instances, replicates that information with relatively minor changes and updates; other information is entirely new or substantially altered.

Specifically, the following information, data, methods, and/or analyses have been substantially updated from the 2011 document:

- Socioeconomic data from the 2010 U.S. Census regarding population, housing units, and minority populations;
- Socioeconomic data from the American Community Survey, the U.S. Bureau of Labor Statistics, and the U.S. Bureau of Economic Analysis (BEA) including household income, low-income populations, employment and unemployment, labor force, and earnings;
- Earnings and employment data by county from the BEA to provide a baseline for the detailed economic impacts assessment in Chapter 4, Environmental Consequences;
- Temporary housing, such as rental units, hotel/motel rooms, and recreational vehicle (RV) sites; and
- Tax revenues and property values from state departments of revenue in the proposed Project area.

Information, data, methods, and/or analyses have not been substantially updated in this section from the 2013 Draft Supplemental EIS; however, in response to public and agency comments, content throughout has been revised where necessary.

These data form the basis for the analysis presented in the affected environment section below. For most of the analysis, the baseline data are for 2010, allowing consistent comparability between demographic, housing, and economic information. In a few cases, more recent data are presented.

For a discussion of oil market issues related to Canadian crude, refer to Section 1.4, Market Analysis, of this Final Supplemental EIS.

In this section as well as in Section 4.10, Socioeconomics, different geographies are used when referring to different socioeconomic resources. These geographies are defined as follows:

Pipeline corridor The counties that the proposed pipeline route would go through. There are 27 of these counties: six in Montana, nine in South Dakota, and 12 in Nebraska.

Project area The pipeline corridor right-of-way plus the area around the two pump stations in Kansas. The proposed Project area would include access roads and ancillary facilities such as pump stations, construction camps, and contractor yards. The pipe yard and rail siding in Bowman County, North Dakota, are included, but are not addressed under every socioeconomic resource because they would be temporary, with minimal economic impacts.

Economic corridor The counties that are likely to experience daily spending by construction workers.¹ In most cases, the counties through which the proposed pipeline route passes are those expected to see this type of spending. However, because of easier road access to goods and services, some counties outside the pipeline corridor would be affected economically by the pipeline on a daily basis. Conversely, some pipeline corridor counties would not experience daily spending.

There are 32 of these counties: six in Montana, seven in South Dakota, and 19 in Nebraska. Section 3.10.2.3, Local Economic Activity, lists the economic corridor counties and explains why certain counties are included or excluded.

Clay and Butler counties in Kansas are not included in the economic corridor because daily spending by construction workers in these counties would be negligible. However, baseline data for these counties are presented because the proposed Project would result in economic impacts.

Bowman County, North Dakota, is not included in the economic corridor because the one ancillary pipe yard and rail siding in this county would be temporary, with minimal economic impacts.

Rest of state Counties outside the economic corridor, but within the same states as the economic corridor counties. These counties may offer construction materials and services, as well as opportunities for occasional spending by construction workers.

¹ Because most construction materials would come from non-pipeline corridor states during construction, spending by construction workers would have by far the greatest impact on earnings and gross state product within the economic corridor.

Socioeconomic analysis area	<p>A 4-mile-wide corridor extending a distance of 2 miles on either side of the proposed Project pipeline centerline and approximately 10 miles down rivers and creeks that would be crossed by the proposed Project pipeline. This area is used to identify communities as well as minority and low-income populations (environmental justice) that could be affected by the proposed Project. The socioeconomic analysis area also includes the two proposed pump stations in Kansas and the pipe yard and rail siding in Bowman County, North Dakota. However, Bowman County is not addressed under each socioeconomic resource because the pipe yard and rail siding would be temporary, with minimal economic impacts.</p> <p>The U.S. Department of State (the Department) established the size of the 4-mile-wide analysis area in the Final EIS as a conservatively large area that could identify minority or low-income populations that would be affected in the event of a crude oil discharge. This Final Supplemental EIS applies the same size analysis area to the proposed Project. In addition, this Final Supplemental EIS extends the 4-mile-wide analysis area approximately 10 miles down rivers and creeks that would be crossed by the proposed Project pipeline to address the potential of a release to water that could impact minority or low-income populations outside the 4-mile-wide analysis area.</p>
Communities	<p>Incorporated places such as cities, towns, or villages wholly or partially within the socioeconomic analysis area.</p>

Summary

The proposed pipeline route would cross 27 counties in three states. These *pipeline corridor* counties would be expected to experience most of the direct socioeconomic impacts of the proposed Project. The pipeline corridor counties are predominantly rural and sparsely populated, with a total population in 2010 of approximately 263,300 (Figure 3.10.1-1).

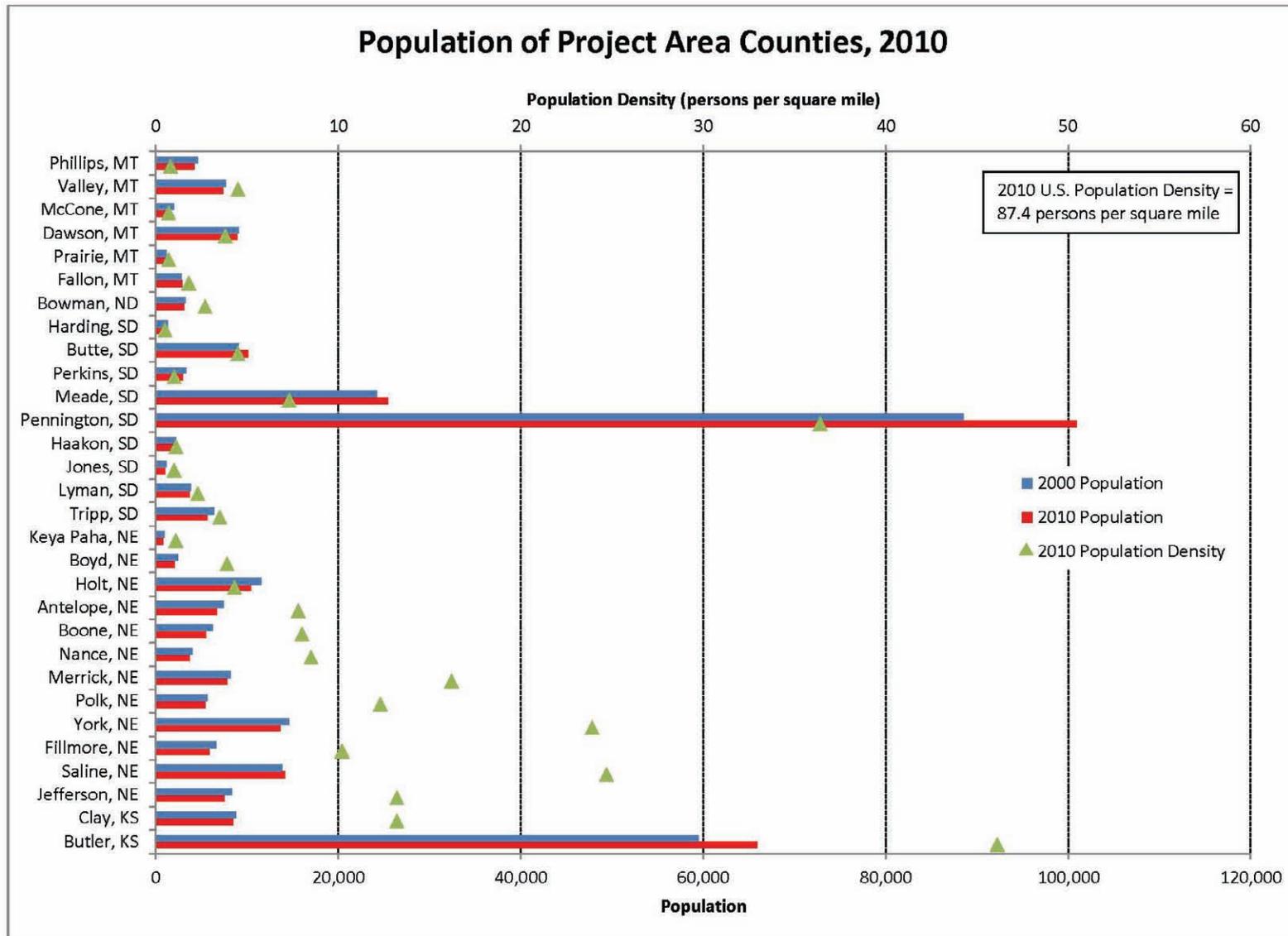
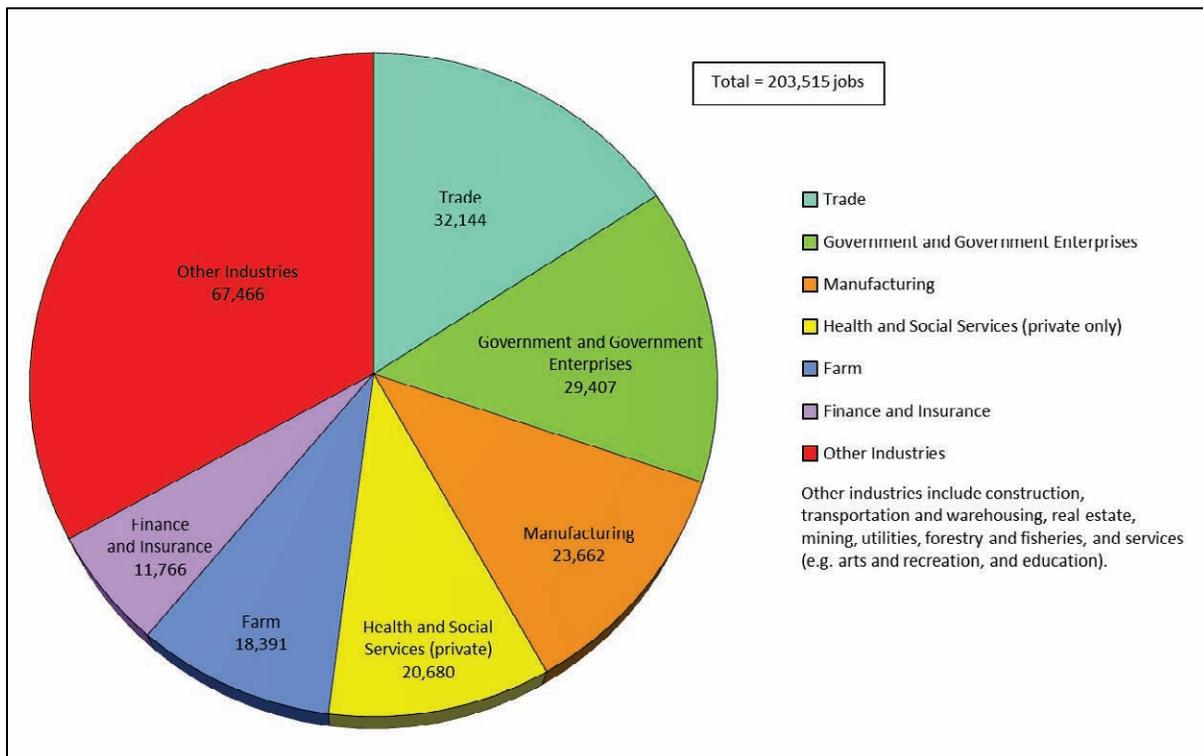


Figure 3.10.1-1 Population of Project Area Counties

The availability of short-term housing varies across the pipeline corridor. As of 2012, there were approximately 2,000 available rental properties, 3,300 hotel/motel rooms, and 2,000 RV sites within reasonable proximity (commuting distance) to the proposed pipeline route. However, construction workers are expected to reside primarily in construction camps built for the proposed Project or in short-term housing close to construction spreads in southern Nebraska, where short-term housing capacity is available.

The economic corridor comprises the counties that are likely to experience daily spending by construction workers. The economic corridor is divided into four parts: Montana, South Dakota, Nebraska North, and Nebraska Central/South. The existing economic activity in the economic corridor within each state makes up a small percentage of the overall economic activity in the state. For 2010, farm earnings in the economic corridor were 13 percent of total earnings in Montana, 14 percent in Nebraska, and 36 percent in South Dakota (Figure 3.10.1-2).



Note: The Economic Corridor contains the counties that are likely to experience daily spending by construction workers.

Figure 3.10.1-2 2010 Employment (Jobs) by Industry in the Economic Corridor

TransCanada Keystone Pipeline, LP (Keystone) estimates that approximately 10 percent of the construction workforce would be hired from the four proposed Project area states. Specialized equipment and some construction materials would likely come from outside Montana, South Dakota, and Nebraska. A total of 16 areas (census tracts or block groups) with minority populations and 5 areas with low-income populations were identified within 2 miles of the proposed pipeline route (Figure 3.10.2-1).

These areas meet criteria established to assess the potential environmental justice effects of the proposed Project. Of these minority populations, two are located on American Indian lands: the Cheyenne River Indian Reservation and the Rosebud Indian Reservation. These areas could, potentially, be disproportionately negatively impacted by the proposed Project.

On average, from one to five law enforcement agencies serve the counties in the proposed Project area (defined as the pipeline corridor plus areas around the two pump stations in Kansas and a pipe yard and rail siding in Bowman County, North Dakota), with larger counties having greater access to these services. At least one acute care facility is located in each county or in a neighboring county along the proposed pipeline route. Property tax revenue would be the public revenue source most affected by the proposed Project. Property tax revenues from 2008 to 2009 ranged from 24 to 30 percent of local government revenue in each of the states containing proposed Project facilities within their boundary. The proposed Project route would intersect a total of 16 railway service tracks and approximately 840 roads, including 3 interstate highways.

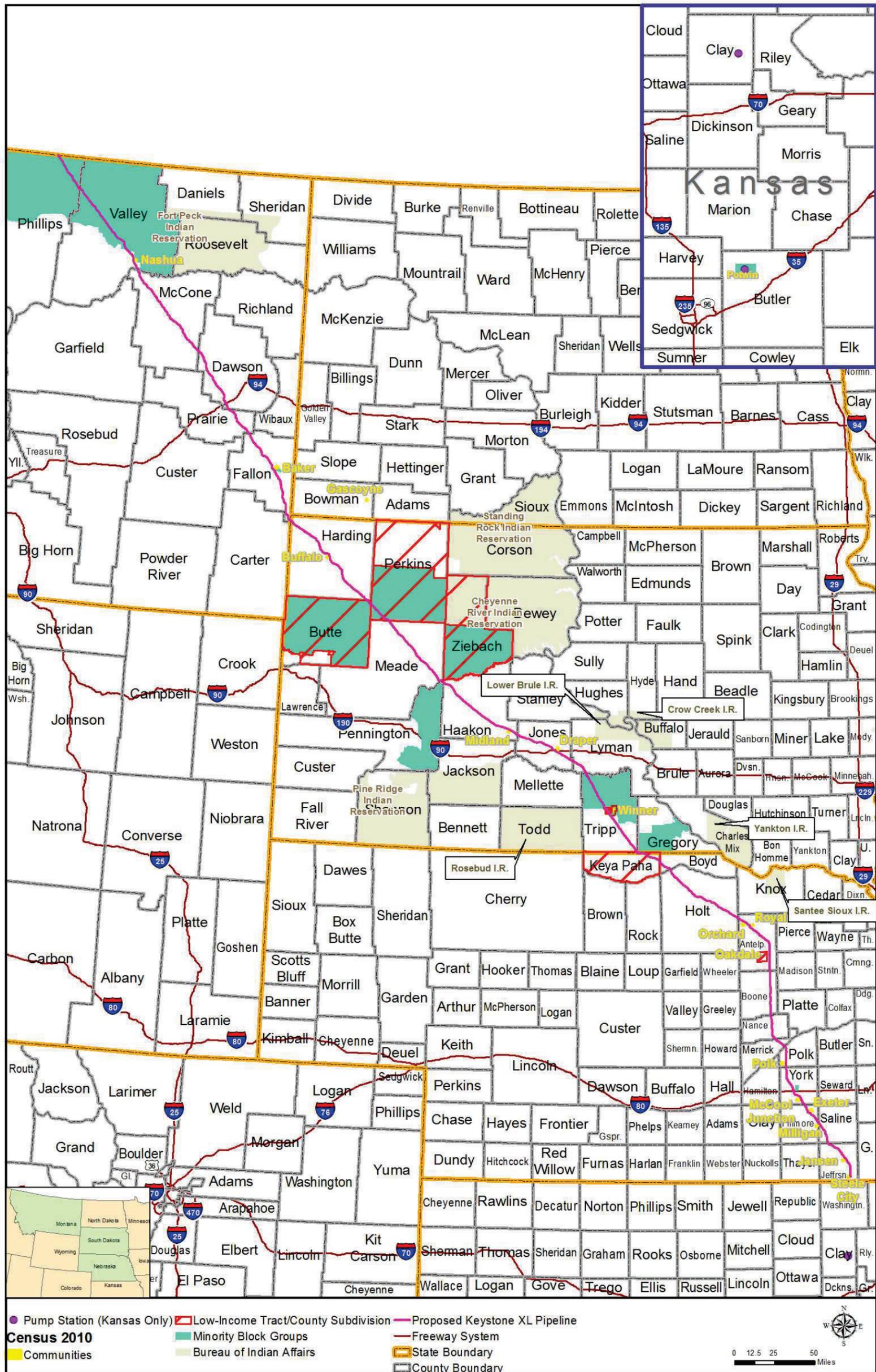
There are three connected actions of the proposed Project: the Bakken Marketlink Project, the Big Bend to Witten 230-kilovolt (kV) Transmission Line Project, and electrical distribution lines and substations. Counties affected by these connected actions include selected pipeline corridor counties plus Carter County, Montana, and Gregory County, South Dakota.

3.10.2 Socioeconomic Setting

From its point of entry into the United States in Phillips County, Montana, the proposed pipeline would cross 27 counties in three states. From north to south, the states are Montana, South Dakota, and Nebraska. One new pump station would be constructed and one expanded in Kansas along the existing Keystone Cushing Extension, and a temporary pipe yard and rail siding would be located in North Dakota. Table 3.10-1 lists the counties in the proposed Project area.

Table 3.10-1 Proposed Project Area States and Counties

Segment/State	Number of Counties	Counties
Montana	6	Phillips, Valley, McCone, Dawson, Prairie, Fallon Harding, Butte, Perkins, Meade, Pennington, Haakon,
South Dakota	9	Jones, Lyman, Tripp Keya Paha, Boyd, Holt, Antelope, Boone, Nance, Merrick,
Nebraska	12	Polk, York, Fillmore, Saline, Jefferson
Bowman Pipe Yard and Rail Siding		
North Dakota	1	Bowman
Cushing Extension Pump Stations		
Kansas	2	Clay, Butler



Source: U.S. Census Bureau, American FactFinder 2012e; U.S. Census Bureau, American FactFinder 2012c, Esri 2013

Figure 3.10.2-1 Minority and Low-Income Populations within the Socioeconomic Analysis Area

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The proposed Project route in Montana and South Dakota is largely unchanged from that presented in the Final EIS. The proposed pipeline route covers approximately 285 miles in Montana, 316 miles in South Dakota, and 274 miles in Nebraska, as depicted in Table 3.10-2. Within each county, local communities² would be expected to incur most of the direct socioeconomic impacts of the proposed Project, both positive and negative. The 17 communities located within 2 miles of the proposed Project area are listed in Table 3.10-3 and shown on Figure 3.10.2-2.

Table 3.10-2 Proposed Pipeline Route Length by County and State

County	State	Route Length (miles)^a
Phillips	Montana	25.2
Valley	Montana	64.9
McCone	Montana	66.6
Dawson	Montana	42.7
Prairie	Montana	20.8
Fallon	Montana	65.2
<i>Montana Subtotal</i>		<i>285</i>
Harding	South Dakota	73.2
Butte	South Dakota	3.4
Perkins	South Dakota	15.3
Meade	South Dakota	52.4
Pennington	South Dakota	1.4
Haakon	South Dakota	58.7
Jones	South Dakota	39.7
Lyman	South Dakota	11.9
Tripp	South Dakota	60.3
<i>South Dakota Subtotal</i>		<i>316</i>
Keya Paha	Nebraska	16.0
Boyd	Nebraska	9.0
Holt	Nebraska	54.7
Antelope	Nebraska	43.0
Boone	Nebraska	28.3
Nance	Nebraska	15.3
Merrick	Nebraska	7.8
Polk	Nebraska	13.6
York	Nebraska	28.4
Fillmore	Nebraska	15.2
Saline	Nebraska	14.7
Jefferson	Nebraska	27.8
<i>Nebraska Subtotal</i>		<i>274</i>
Total Pipeline		875

Source: exp Energy Services Inc. 2012a

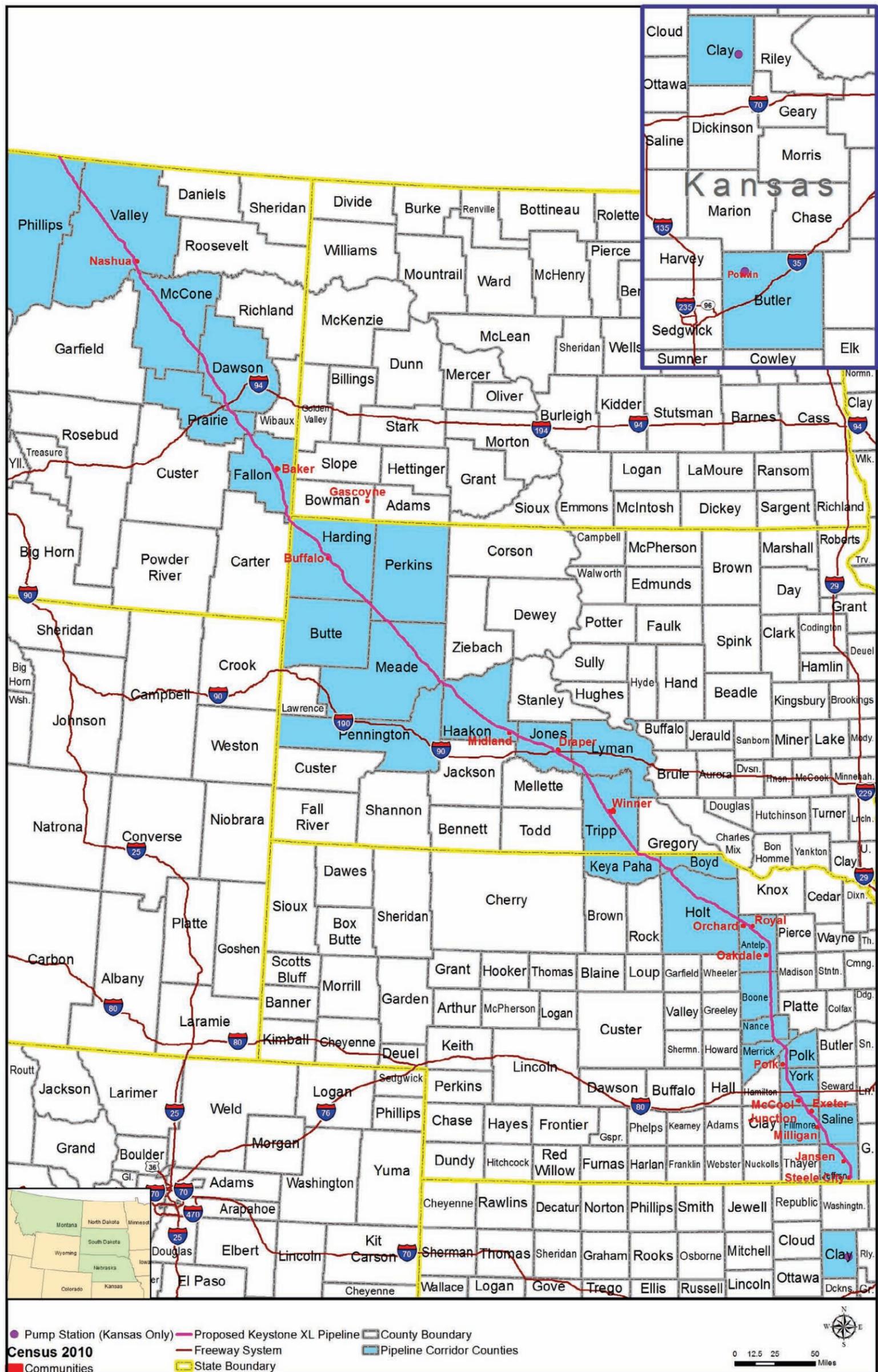
^a Totals may not sum due to rounding.

² Incorporated places such as cities, towns, or villages (see Section 3.10.1, Introduction).

Table 3.10-3 Communities within Two Miles of the Proposed Project Area

Community	Distance from Centerline (miles)	County
Montana		
Nashua Town	0.8	Valley
Baker Village	1.6	Fallon
North Dakota		
Gascoyne City	0.7	Bowman
South Dakota		
Buffalo Town	0.7	Harding
Midland Town	1.0	Haakon
Draper Town	1.3	Jones
Winner City	1.1	Tripp
Nebraska		
Royal Village	1.6	Antelope
Orchard Village	1.6	Antelope
Oakdale Village	1.9	Antelope
Polk Village	1.6	Polk
McCool Junction Village	1.0	York
Milligan Village	2.0	Fillmore
Exeter Village	1.2	Fillmore
Steele City Village	0.9	Jefferson
Jansen Village	1.5	Jefferson
Kansas		
Potwin City	1.9	Butler

Source: U.S. Census Bureau, Geography Division 2010



Source: U.S. Census Bureau, Geography Division 2010, Esri 2013

Figure 3.10.2-2 Communities within 2 Miles of the Proposed Project Area

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3.10.2.1 Population

Tables 3.10-4 and 3.10-5 show population and population density for states and counties in the proposed Project area, as well as for the United States. The U.S. population increased by 10 percent between 2000 and 2010. All five states in the proposed Project area grew in population, but at a rate equal to or less than that of the United States as a whole. The population density (number of persons per square mile) in 2010 in each of the five states was at or less than 40 percent of the density for the United States as a whole, which was approximately 87 persons per square mile.

Table 3.10-4 United States and State Populations and Population Densities, 2000 and 2010

State	2000 Population	2010 Population	Annual Average % Change	2010 Population Density (per square mile)
United States	281,421,906	308,745,538	0.9	87.4
Montana	902,195	989,415	0.9	6.8
North Dakota	642,200	672,591	0.5	9.7
South Dakota	754,844	814,180	0.8	10.7
Nebraska	1,711,263	1,826,341	0.7	23.8
Kansas	2,688,418	2,853,118	0.6	34.9

Sources: 2000 Population (U.S. Census Bureau, American FactFinder 2012h); 2010 Population (U.S. Census Bureau, American FactFinder 2012g)

Table 3.10-5 County Populations and Population Densities, 2000 and 2010

County	2000 Population	2010 Population	Annual Average % Change	2010 Population Density (per square mile)
Pipeline Corridor Counties (MT, SD, NE)				
Montana	902,195	989,415	0.9	6.8
Phillips	4,601	4,253	-0.8	0.8
Valley	7,675	7,369	-0.4	1.5
McCone	1,977	1,734	-1.3	0.7
Dawson	9,059	8,966	-0.1	3.8
Prairie	1,199	1,179	-0.2	0.7
Fallon	2,837	2,890	0.2	1.8
<i>Montana Counties Subtotal</i>	<i>27,348</i>	<i>26,391</i>	<i>-0.4</i>	<i>1.8</i>
South Dakota	754,844	814,180	0.8	10.7
Harding	1,353	1,255	-0.7	0.5
Butte	9,094	10,110	1.1	4.5
Perkins	3,363	2,982	-1.2	1.0
Meade	24,253	25,434	0.5	7.3
Pennington	88,565	100,948	1.3	36.4
Haakon	2,196	1,937	-1.2	1.1
Jones	1,193	1,006	-1.7	1.0
Lyman	3,895	3,755	-0.4	2.3
Tripp	6,430	5,644	-1.3	3.5
<i>South Dakota Counties Subtotal</i>	<i>140,342</i>	<i>153,071</i>	<i>0.9</i>	<i>7.7</i>

County	2000 Population	2010 Population	Annual Average % Change	2010 Population Density (per square mile)
Nebraska	1,711,263	1,826,341	0.7	23.8
Keya Paha	983	824	-1.7	1.1
Boyd	2,438	2,099	-1.5	3.9
Holt	11,551	10,435	-1.0	4.3
Antelope	7,452	6,685	-1.1	7.8
Boone	6,259	5,505	-1.3	8.0
Nance	4,038	3,735	-0.8	8.5
Merrick	8,204	7,845	-0.4	16.2
Polk	5,639	5,406	-0.4	12.3
York	14,598	13,665	-0.7	23.9
Fillmore	6,634	5,890	-1.2	10.2
Saline	13,843	14,200	0.3	24.7
Jefferson	8,333	7,547	-1.0	13.2
<i>Nebraska Counties Subtotal</i>	<i>89,972</i>	<i>83,836</i>	<i>-0.7</i>	<i>9.4</i>
Bowman County Pipe Yard and Rail Siding				
North Dakota	642,200	672,591	0.5	9.7
Bowman	3,242	3,151	-0.3	2.7
<i>North Dakota Subtotal</i>	<i>3,242</i>	<i>3,151</i>	<i>-0.3</i>	<i>2.7</i>
Cushing Extension Pump Stations				
Kansas	2,688,418	2,853,118	0.6	34.9
Clay	8,822	8,535	-0.3	13.2
Butler	59,482	65,880	1.0	46.1
<i>Kansas Counties Subtotal</i>	<i>68,304</i>	<i>74,415</i>	<i>0.9</i>	<i>29.7</i>

Sources: 2000 Population (U.S. Census Bureau, American FactFinder 2012h); 2010 Population (U.S. Census Bureau, American FactFinder 2012g); Population Density (U.S. Census Bureau, American FactFinder 2012j)

The pipeline corridor counties are predominantly rural and sparsely populated. The total population of the 27 pipeline corridor counties in 2010 was approximately 263,300 (Table 3.10-5). The population densities of only three of the 27 counties exceeded the population densities for the respective states as a whole (Pennington County, South Dakota, and York and Saline counties, Nebraska). Pennington County, South Dakota, has the highest density (36.4) of all pipeline corridor counties. However, only 1 mile of the proposed pipeline route crosses Pennington County; Rapid City, the county's main population center, is over 100 miles by road from the pipeline route. Most of the pipeline corridor counties (22 of 27) lost population between 2000 and 2010 (Table 3.10-5). The losses ranged from 1 to 16 percent, with the five northernmost counties of Nebraska experiencing population losses between 10 and 16 percent. In Kansas, Butler County's population increased by 11 percent between 2000 and 2010 (to 65,880). Clay County, which is very rural, lost population over the same time period.

Table 3.10-6 shows the populations of the 17 communities located within 2 miles of the proposed Project area. The total population of these communities was approximately 9,000 in 2010 (approximately 3 percent of the total population of the pipeline corridor counties). Most of the communities are small (population less than 300). The largest communities are Baker Village, Montana (population 1,741), and Winner City, South Dakota (population 2,897). All but two of the 17 communities lost population between 2000 and 2010. Several pipeline corridor counties within each state have no communities within the socioeconomic analysis area. These include Phillips, McCone, Dawson, and Prairie in Montana; Butte, Perkins, Meade, Pennington,

and Lyman in South Dakota; and Keya Paha, Boyd, Holt, Boone, Nance, Merrick, and Saline in Nebraska.

Table 3.10-6 Community Populations, 2000 and 2010

County^a	Community	2000 Population	2010 Population	Annual Average % Change
Proposed Project Area				
Communities		9,060	8,484	-0.6
Montana				
Valley	Nashua Town	325	290	-1.1
Fallon	Baker Village	1,695	1,741	0.3
<i>Montana Subtotal</i>		<i>2,020</i>	<i>2,031</i>	<i><0.1</i>
North Dakota				
Bowman	Gascoyne City	23	16	-30.4
<i>North Dakota Subtotal</i>		<i>23</i>	<i>16</i>	<i>-30.4</i>
South Dakota				
Harding	Buffalo Town	380	330	-1.4
Haakon	Midland Town	179	129	-3.2
Jones	Draper Town	92	82	-1.1
Tripp	Winner City	3,137	2,897	-0.8
<i>South Dakota Subtotal</i>		<i>3,788</i>	<i>3,438</i>	<i>-1.0</i>
Nebraska				
Antelope	Royal Village	75	63	-1.7
Antelope	Orchard Village	391	379	-0.3
Antelope	Oakdale Village	345	322	-0.7
Polk	Polk Village	322	322	0.0
York	McCool Village	385	409	0.6
Fillmore	Exeter Village	712	591	-1.8
Fillmore	Milligan Village	315	285	-1.0
	Steele City			
Jefferson	Village	84	61	-3.1
Jefferson	Jansen Village	143	118	-1.9
<i>Nebraska Subtotal</i>		<i>2,772</i>	<i>2,550</i>	<i>-0.8</i>
Cushing Extension Pump Stations				
Kansas				
Butler	Potwin City	457	449	-0.2
<i>Kansas Subtotal</i>		<i>457</i>	<i>449</i>	<i>-0.2</i>

Sources: 2000 Population (U.S. Census Bureau, American FactFinder 2012h); 2010 Population (U.S. Census Bureau, American FactFinder 2012g)

^a Counties not listed do not have any communities (see definition in Section 3.10.1, Introduction) within 2 miles of the proposed Project area.

3.10.2.2 Housing

Available housing to serve the proposed Project needs is a function of the housing stock, especially rental and other short-term accommodations, recent economic and population growth, and demand for housing from other sources. The housing need would primarily be during construction, as Keystone states it would need very few new workers (approximately 35 full-time) for operating the proposed Project. Table 3.10-7 shows the existing housing resources, including rentals, hotel/motel rooms, and RV sites, as a basis for determining the availability of accommodation for workers. The table shows housing resources for all counties in the proposed Project area (pipeline corridor counties plus the two counties in Kansas). The boundaries of most of the proposed pipeline corridor counties extend at least 25 miles from the pipeline centerline, although some, such as Pennington, South Dakota, extend approximately 100 miles from the pipeline centerline. Bowman County, North Dakota, is not included in this housing analysis because the pipe yard and rail siding would be used for storage purposes only, and therefore do not create a need for housing.

Table 3.10-7 Housing Resources for Counties in the Proposed Project Area

	Total Housing Units 2010	Total Rental Units 2010	Rental Vacancy Rate 2010 (percent) ^a	Available Rental Units ^b	Hotel/ Motel Rooms ^c	RV Sites ^d
Proposed Project Area Total	153,590	41,473	9	3,574	9,813	3,891
Pipeline Corridor Total	123,490	34,318	9	2,946	9,270	3,855
Montana						
Phillips County	2,335	511	7	34	128	40
Valley County	4,879	929	9	80	315	44
McCone County	1,008	169	6	10	0	0
Dawson County	4,233	1,168	7	77	300	94
Prairie County	673	117	3	4	0	9
Fallon County	1,470	368	9	35	78	18
<i>Montana Subtotal</i>	<i>14,598</i>	<i>3,262</i>	<i>7</i>	<i>240</i>	<i>821</i>	<i>205</i>
South Dakota						
Harding County	731	152	6	9	20	0
Butte County	4,621	1,296	12	150	169	93
Perkins County	1,739	362	10	37	30	0
Meade County	11,000	1,931	13	241	406	465
Pennington County	44,949	15,464	7	1,005	5,959	1,895
Haakon County	1,013	229	14	31	20	21
Jones County	589	144	11	16	231	200
Lyman County	1,704	478	9	41	411	166
Tripp County	3,072	780	11	89	178	20
<i>South Dakota Subtotal</i>	<i>69,418</i>	<i>20,836</i>	<i>8</i>	<i>1,619</i>	<i>7,424</i>	<i>2,860</i>
Nebraska						
Keya Paha County	549	114	19	22	0	20
Boyd County	1,390	228	10	22	0	11
Holt County	5,215	1,319	8	107	186	19
Antelope County	3,284	756	9	67	0	253
Boone County	2,649	656	10	68	34	0
Nance County	1,801	396	10	41	16	0
Merrick County	3,698	940	14	128	33	0
Polk County	2,731	572	9	51	0	0

	Total Housing Units 2010	Total Rental Units 2010	Rental Vacancy Rate 2010 (percent)^a	Available Rental Units^b	Hotel/ Motel Rooms^c	RV Sites^d
York County	6,231	1,908	14	261	574	4
Fillmore County	2,913	639	11	69	26	0
Saline County	5,762	1,716	9	151	77	483
Jefferson County	3,918	976	10	100	79	0
<i>Nebraska Subtotal</i>	<i>39,474</i>	<i>10,220</i>	<i>11</i>	<i>1,087</i>	<i>1,025</i>	<i>790</i>
Cushing Extension Pump						
Stations Total	30,100	7,155	9	628	551	36
Kansas						
Clay County	4,042	1,007	12	124	54	36
Butler County	26,058	6,148	8	504	489	0
<i>Kansas Subtotal</i>	<i>30,100</i>	<i>7,155</i>	<i>9</i>	<i>628</i>	<i>543</i>	<i>36</i>

Sources: Housing, Rental Units (U.S. Census Bureau, American FactFinder 2012g); Hotel/Motel Rooms (Smith Travel Research 2012); RV Sites (exp Energy Services Inc. 2012a)

^a The rental vacancy rate is the proportion of the rental inventory that is vacant *for rent*. It is computed by dividing the total number of vacant units *for rent* by the sum of the renter-occupied units, vacant units that are *for rent*, and vacant units that have been rented but not yet occupied; and then multiplying by 100. The number is a snapshot that would vary over time but gives a sense of the approximate vacancy rate. For reference, many real estate professionals consider 10 percent to be a normal vacancy rate.

^b Available Rental Units is calculated by multiplying the vacancy rate by the total rental units.

^c Hotel/Motel Rooms are a custom report by Smith Travel Research (see Sources). This data source provided a consistent methodology for the entire proposed Project area. The numbers of rooms are slightly different (+/-100) than in Nebraska's Keystone XL Pipeline Evaluation (Nebraska Department of Environmental Quality [NDEQ] 2012), which used a methodology that included identifying the number of rooms in specific hotels/motels based on internet research.

^d The RV site count for most of the counties was taken from the Final EIS. Other counties' counts were taken from the Supplemental Environmental Report for the Nebraska Reroute (exp Energy Services Inc. 2012a). Where the counts in the Final EIS differed from the Environmental Report, the higher count numbers were used.

Based on the vacancy rate, rental availability for the pipeline corridor totals approximately 2,950 units, of which 8 percent is in Montana, 56 percent is in South Dakota, and 36 percent is in Nebraska. The county with the largest number of available rental units is Pennington, South Dakota, with approximately 1,000 units (33 percent of the total 3,040 units). As noted above, approximately 1 mile of the proposed pipeline route would pass through the far northeastern corner of the county, and nearly all these rentals would be in Rapid City, which is over 100 miles by road from the proposed pipeline centerline and thus not considered relevant for use by proposed Project construction workers.

The proposed pipeline corridor counties have approximately 9,300 hotel rooms; however, of these, almost 6,000 (64 percent) are in Pennington County, South Dakota, where they serve visitors to the Black Hills, Badlands, Mount Rushmore, and other attractions.

The pipeline corridor counties have approximately 3,900 RV sites, with almost 50 percent in Pennington County, South Dakota. The Montana counties have approximately 200 and the Nebraska counties approximately 800. Clay County, Kansas, has approximately 40.

Subtracting the rental units, hotel/motel rooms, and RV sites in Pennington County, South Dakota, there are approximately 1,900 available rentals, 3,300 hotel/motel rooms, and 2,000 RV sites within reasonable proximity to the proposed pipeline corridor.

3.10.2.3 Local Economic Activity

This section focuses on earnings³ and employment within economic areas that would be influenced by the proposed Project. Profiling these areas in terms of earnings and employment establishes the context for assessing impacts to economic activity at different levels of economic geography. This section focuses on the following:

- Socioeconomic conditions;
- Growth from 2000 to 2010;
- The share that a local area, such as a county or group of counties, represents compared to the larger area containing it; and
- The industry composition of total earnings and employment for each area in 2010.

Growth, expressed as the average annual rate of change for the period, represents local economic vitality and performance. The local area's share of a reference area indicates its importance to the larger economy. Industry composition indicates which activities contribute the most to the local economy as a whole.

Economic activity is discussed in this section in the context of the economic corridor counties, the rest of the states through which the proposed pipeline would pass, and the United States as a whole.

Counties in the Economic Corridor

The counties that define the economic corridor are listed in Table 3.10-8. The economic corridor comprises the counties that are likely to experience daily spending by construction workers (see definitions in Section 3.10.1, Introduction). For purposes of economic analysis, based on proposed construction activity and local economic geography, the economic corridor is divided into four parts: Montana, South Dakota, Nebraska North, and Nebraska Central/South based on Keystone's proposed construction spreads (i.e., lengths of pipeline that would be built under one contract or set of contracts).

³ *Earnings*, also called *earnings by place of work* or *labor income*, is the sum of wage and salary disbursements, supplements to wages and salaries, and proprietors' income. The earnings concept is an attribute of the region where a job or proprietorship is located. It measures the value of the labor input at the place where the output is produced. The total earnings amount for a region is different from the total income amount for a region because income is measured according to where the recipients live. Income is calculated by adjusting earnings for the net effect of inter-regional commuting and for sources of income not related to job holding.

Table 3.10-8 Economic Corridor Counties

State/Construction Spread	County
Montana (Construction Spreads 1, 2, 3, and 4)	Phillips
	Valley
	McCone
	Dawson
	Prairie Fallon
South Dakota (Construction Spreads 5, 6, and 7)	Harding
	Perkins
	Haakon
	Jones
	Lyman
	Tripp Gregory
Nebraska—North (Construction Spreads 8)	Keya Paha
	Boyd
	Holt
Nebraska—Central/South (Construction Spreads 9 and 10)	Antelope
	Pierce
	Madison
	Stanton
	Boone
	Platte
	Nance
	Howard
	Merrick
	Polk
	Hall
	York
	Fillmore
Saline	
Jefferson	
Gage	

Butte, Meade, and Pennington counties in South Dakota are not included in the economic corridor because their economic centers are too distant from where pipeline and worker activity would occur. Gregory County in South Dakota is included in the economic corridor due to its proximity to the pipeline right-of-way (approximately 500 feet). Pierce, Madison, Stanton, Platte, Hall, Howard, and Gage counties in Nebraska are not in the proposed pipeline corridor, but are included in the economic corridor because they contain economic centers such as Norfolk, Columbus, Grand Island, and Beatrice that are within a reasonable commuting distance of the pipeline route. Bowman County, North Dakota, and Clay and Butler counties in Kansas are not included in the economic corridor because daily spending by construction workers in these counties would be negligible. However, baseline data for these counties are presented in several tables because the proposed Project would result in economic impacts.

Socioeconomic Conditions

Employment and income patterns provide insight into local economic conditions, including the strength of the local economy and the well-being of its residents. Table 3.10-9 shows median household income, unemployment rate, and labor force data for each county. For reference, data are included for each of the economic corridor states and for the United States as a whole. Median household income in all four economic corridor states was lower than the median for the United States as a whole. Median household income in 28 of the 34 economic corridor counties was lower than for their respective states, and all but two counties had median household income lower than the United States as a whole. The unemployment rate in each state was equal to or less than the U.S. level for the same time period (8 percent). Economic corridor county unemployment rates were generally equal to or less than their respective state unemployment rates, and all but one county had a lower unemployment rate than the United States as a whole.

Earnings and Employment in the Economic Corridor

From 2000 to 2010, earnings and employment changed in the economic corridor as a whole (i.e., for the corridor counties combined for all three states) at rates that were similar to the rates in the rest of each state. The data and rates that characterize these areas are presented in Table 3.10-10. Total nominal earnings (i.e., measured in dollars not adjusted for inflation) grew at rates ranging from 1 percent per year in Perkins County, South Dakota, to more than 9 percent per year in Fallon County, Montana. This compares to growth in total earnings of 3 percent per year for the United States as a whole from 2000 to 2010.

In contrast to earnings, total employment did not grow everywhere in the economic corridor. Change in total employment ranged from a fall of 1 percent per year on average in Boyd County, Nebraska, to a rise of almost 3 percent per year in Fallon County, Montana. This compares to total employment growth of less than 1 percent per year for the United States as a whole from 2000 to 2010.⁴ Moderate to low price change, or inflation, accounts for the earnings growth depicted on Table 3.10-10, as employment remained relatively flat at all levels of the economy from 2000 to 2010, even as earnings grew.

The economic corridor within each state makes up a small percentage of the overall economic activity in the state. Likewise, the economic corridor combined across Montana, South Dakota, and Nebraska makes up a small percentage of the economic activity in the United States as a whole. These percentage shares only changed a little from 2000 to 2010, as shown on Table 3.10-10. In Montana and South Dakota, the economic corridor counties contained nearly 3 percent of total employment in each state in 2010, down slightly but almost unchanged from 2000 in both states. The Nebraska economic corridor counties as a whole (north plus central/south) contained 14 percent of total employment in the state in 2010, down slightly but almost unchanged from 2000.

⁴ Like earnings, total employment is measured at the place of work as opposed to place of residence. It is the average over the entire year of all full-time and part-time jobs held at places of employment in a county or group of counties, as reported on a monthly basis.

Table 3.10-9 Median Household Income, Unemployment Rates, and Labor Force by County

State Construction Spread	County	Median Household Income			Unemployment Rate		Labor Force
		2000 (nominal dollars) ^a	2010 (nominal dollars) ^a	2010 Higher/ Lower (-) than State (percent)	2010 (percent)	2010 Higher/ Lower (-) than State (percent)	2011
Montana (Construction Spreads 1, 2, 3, and 4)	Phillips	28,702	36,453	-15	5	-3	2,223
	Valley	30,979	42,050	-1	3	-5	3,713
	McCone	29,718	48,167	13	3	-5	1,112
	Dawson	31,393	50,752	19	3	-5	4,343
	Prairie	25,451	34,896	-18	1	-7	564
	Fallon	29,944	52,529	23	3	-5	2,048
	<i>Montana</i>	<i>33,024</i>	<i>42,666</i>	<i>NA^b</i>	<i>8</i>	<i>NA</i>	<i>504,495</i>
South Dakota (Construction Spreads 5, 6, and 7)	Harding	25,000	34,792	-25	2	-1	825
	Perkins	27,750	33,361	-28	<1	-2	1,547
	Haakon	29,894	46,281	<-1	1	-2	1,132
	Jones	30,288	49,464	7	2	-1	704
	Lyman	28,509	36,323	-22	8	5	2,013
	Tripp	28,333	40,221	-13	3	<-1	2,884
	Gregory	22,732	33,940	-27	5	2	2,464
<i>South Dakota</i>	<i>33,282</i>	<i>46,369</i>	<i>NA</i>	<i>3</i>	<i>NA</i>	<i>446,483</i>	
Nebraska—North (Construction Spread 8)	Keya Paha	24,911	32,000	-35	0	-5	401
	Boyd	26,075	34,906	-29	1	-3	1,163
	Holt	30,738	43,452	-12	2	-3	6,401
	Antelope	30,114	37,058	-25	3	-2	3,803
	Pierce	32,239	48,318	-2	2	-3	3,966
	Madison	35,807	44,089	-11	4	-1	19,457
	Stanton	36,676	47,713	-3	6	<1	3,427
	Boone	31,444	40,703	-18	3	-2	3,503
Nebraska— Central/South (Construction Spreads 9 and 10)	Platte	39,359	49,523	0	5	<-1	18,791
	Nance	31,267	41,610	-16	5	<1	2,183
	Howard	33,305	45,453	-8	5	<-1	3,568
	Merrick	34,961	46,116	-7	6	2	4,257
	Polk	37,819	48,444	-2	5	0	3,022
	Hall	36,972	46,138	-6	5	<-1	33,412
	York	37,093	47,689	-3	1	-3	7,169
	Fillmore	35,162	43,167	-13	2	-3	3,225
	Saline	35,914	45,469	-8	5	<1	8,474

State Construction Spread	County	Median Household Income			Unemployment Rate		Labor Force
		2000 (nominal dollars) ^a	2010 (nominal dollars) ^a	2010 Higher/ Lower (-) than State (percent)	2010 (percent)	2010 Higher/ Lower (-) than State (percent)	2011
	Jefferson	32,629	42,665	-14	7	2	4,493
	Gage	34,908	43,311	-12	6	1	12,023
	<i>Nebraska</i>	<i>39,250</i>	<i>49,342</i>	<i>NA</i>	<i>5</i>	<i>NA</i>	<i>1,011,688</i>
	Clay	33,965	56,290	33	1	-3	5,007
Kansas	Butler	45,474	49,424	16	4	0	31,609
	<i>Kansas</i>	<i>40,624</i>	<i>42,490</i>	<i>NA</i>	<i>4</i>	<i>NA</i>	<i>1,505,437</i>
	<i>United States</i>	<i>41,994</i>	<i>51,914</i>	<i>NA</i>	<i>8</i>	<i>NA</i>	<i>153,617,000</i>

Sources: 2000 Median Household Income (U.S. Census Bureau, American FactFinder 2012i); 2010 Median Household Income (U.S. Census Bureau, American FactFinder 2012b, 2012d); Unemployment Rate (U.S. Census Bureau, American FactFinder 2012a); Labor Force (U.S. Bureau of Labor Statistics 2012)

^a Nominal dollars are not adjusted for inflation.

^b NA = not applicable

Table 3.10-10 Earnings and Employment in the Economic Corridor and Kansas^a

Areas (Counties are listed from north to south)	Total Earnings (in thousands of nominal dollars)			Total Employment (in full-time and part-time jobs)		
	2000	2010	Average Annual Rate of Change	2000	2010	Average Annual Rate of Change
Montana Economic Corridor	370,732	620,027	5.3%	16,777	17,445	0.4%
Phillips	50,349	83,689	5.2%	2,745	2,783	0.1%
Valley	112,591	172,397	4.4%	4,635	4,681	0.1%
McCone	24,929	42,095	5.4%	1,272	1,368	0.7%
Dawson	129,430	201,192	4.5%	5,606	5,425	-0.3%
Prairie	11,296	14,660	2.6%	642	733	1.3%
Fallon	42,137	105,994	9.7%	1,877	2,455	2.7%
Rest of Montana	14,431,369	22,770,262	4.7%	538,175	606,203	1.2%
Montana Total	14,802,101	23,390,289	4.7%	554,952	623,648	1.2%
Montana Economic Corridor Share of State Total	2.5%	2.7%		3.0%	2.8%	
South Dakota Economic Corridor	348,467	520,188	4.1%	14,930	14,795	-0.1%
Harding	19,406	36,002	6.4%	900	1,128	2.3%
Perkins	53,448	59,017	1.0%	2,330	2,174	-0.7%
Haakon	53,321	60,378	1.3%	1,601	1,560	-0.3%
Jones	22,408	29,106	2.6%	922	926	0.0%
Lyman	53,607	98,758	6.3%	2,255	2,427	0.7%
Tripp	86,389	139,490	4.9%	4,031	3,694	-0.9%
Gregory	59,888	97,437	5.0%	2,891	2,886	0.0%
Rest of South Dakota	14,436,662	22,448,097	4.5%	500,639	541,672	0.8%
South Dakota Total	14,785,129	22,968,285	4.5%	515,569	556,467	0.8%
South Dakota Economic Corridor Share of State Total	2.4%	2.3%		2.9%	2.7%	
Nebraska Economic Corridor	4,406,801	6,866,935	4.5%	168,285	171,275	0.2%
Nebraska Economic Corridor North	199,400	344,014	5.6%	9,492	9,539	0.0%
Keya Paha	7,098	16,170	8.6%	571	648	1.3%
Boyd	21,830	46,586	7.9%	1,445	1,289	-1.1%
Holt	170,472	281,258	5.1%	7,476	7,602	0.2%
Nebraska Economic Corridor Central/South	4,207,401	6,522,921	4.5%	158,793	161,736	0.2%
Antelope	112,816	220,512	6.9%	4,872	4,962	0.2%
Pierce	77,065	146,718	6.7%	3,749	3,671	-0.2%

Areas (Counties are listed from north to south)	Total Earnings (in thousands of nominal dollars)			Total Employment (in full-time and part-time jobs)		
			Average Annual Rate of Change			Average Annual Rate of Change
	2000	2010		2000	2010	
Madison	724,313	1,036,192	3.6%	27,377	27,546	0.1%
Stanton	83,413	126,806	4.3%	2624	2572	-0.2%
Boone	87,053	155,734	6.0%	3,670	3,773	0.3%
Platte	657,437	1,031,631	4.6%	22,879	24,000	0.5%
Nance	36,922	77,544	7.7%	1,981	2,014	0.2%
Merrick	83,209	137,532	5.2%	3,659	3,676	0.0%
Hall	1,117,905	1,759,714	4.6%	39303	42038	0.7%
Howard	61,403	98,010	4.8%	3112	3173	0.2%
Polk	68,354	136,357	7.1%	2,856	2,923	0.2%
York	306,065	410,769	3.0%	10,560	9,796	-0.7%
Fillmore	111,769	159,891	3.6%	4,141	3,927	-0.5%
Saline	223,419	369,359	5.2%	8,538	8,815	0.3%
Jefferson	115,421	162,084	3.5%	4,810	4,885	0.2%
Gage	340,837	494,068	3.8%	14,662	13,965	-0.5%
Rest of Nebraska	33,473,276	48,660,903	3.8%	1,007,333	1,054,392	0.5%
Nebraska Total	37,880,077	55,527,838	3.9%	1,175,618	1,225,667	0.4%
Nebraska Economic Corridor Share of State Total	11.6%	12.4%		14.3%	14.0%	
Economic Corridor Total	5,126,000	8,007,150	4.6%	199,992	203,515	0.2%
Economic Corridor Share of United States	0.08%	0.09%		0.12%	0.12%	
Kansas Total ^a	57,941,635	81,542,890	3.5%	1,757,875	1,805,242	0.3%
Kansas Share of United States	0.9%	0.9%		1.1%	1.0%	
Rest of United States	6,537,300,374	8,896,238,142	3.1%	163,402,068	171,741,463	0.5%
United States	6,600,633,000	8,986,229,000	3.1%	165,370,800	173,767,400	0.5%
Economic Corridor plus Kansas Share of United States	1.0%	1.0%		1.2%	1.2%	

Source: Tables CA04 and SA04, BEA 2010

^a Kansas is not part of the defined economic corridor, but earnings and employment data for Kansas are presented because the proposed Project would have economic impacts on the state as a whole.

Tables 3.10-11 and 3.10-12 show the contribution of each industry to total earnings and employment within the economic corridor. The tables also compare how earnings and employment are distributed among industries in the economic corridor compared to the industry distribution in the rest of each state. This comparison highlights the importance of just two sectors, farming and government, to the economic activity of the economic corridor in Montana, South Dakota, and Nebraska.

For 2010, farm earnings were 13 percent of total earnings for the economic corridor in Montana, 14 percent for the economic corridor in Nebraska (north and central/south sections), and 36 percent for the economic corridor in South Dakota (Table 3.10-11). For 2010, farm employment was 8 percent of total employment for the economic corridor in Nebraska, 15 percent in Montana, and 19 percent in South Dakota (Table 3.10-12).

For 2010, government earnings (which include all levels of government agencies and enterprises) were 17 percent of total earnings for the economic corridor in Nebraska, 18 percent in South Dakota, and 21 percent in Montana. For 2010, government employment was 14 percent in the economic corridor in Nebraska and 16 percent in the economic corridors of Montana and South Dakota.

Earnings in the transportation industry—which includes interstate pipelines—ranged from a 3 percent share of total earnings in the South Dakota economic corridor to a 10 percent share in the Montana economic corridor. Transportation employment ranged from a 3 percent share of the total in the South Dakota economic corridor to 5 percent in the Montana economic corridor.

Earnings and Employment in the Rest of Montana, South Dakota, and Nebraska

Areas termed the *rest of state* are the counties in Montana, South Dakota, and Nebraska outside of the economic corridor. All metro areas⁵ in each state are located in the *rest of state* counties. The rest of state area would offer construction materials and services available only from larger distribution centers, and would likely capture spillover spending by construction workers. Keystone estimates that approximately 10 percent of the pipeline construction workforce would be recruited from Montana, South Dakota, and Nebraska.

As shown on Table 3.10-13, the metro area shares of earnings and employment in rest of state areas in 2010 were 42 percent and 38 percent, respectively, in Montana, 49 percent and 47 percent, respectively, in South Dakota, and 73 percent and 68 percent, respectively, in Nebraska. The metro area shares in the rest of state areas of Montana, South Dakota, and Nebraska changed little or not at all from 2000 to 2010.

⁵ A metro area, also called a Metropolitan Statistical Area, is defined for use by federal statistical agencies. A metro area contains a core urban area of 50,000 or more population. Each metro area consists of one or more counties and includes the counties containing the core urban area as well as any adjacent counties that have a high degree of social and economic integration with the urban core as measured by commuting to work.

Table 3.10-11 Earnings by Industry in the Economic Corridor

Industry	Total Earnings 2010 (in thousands of nominal dollars)											
	Montana ^a				South Dakota ^a				Nebraska ^a			
	Economic Corridor (EC)		Rest of State (ROS)		Economic Corridor (EC)		Rest of State (ROS)		Economic Corridor (EC)		Rest of State (ROS)	
	Earnings	Share of EC Total	Earnings	Share of ROS Total	Earnings	Share of EC Total	Earnings	Share of ROS Total	Earnings ^b	Share of EC Total	Earnings	Share of ROS Total
Farm	83,324	13%	500,789	2%	185,586	36%	2,222,872	10%	943,803	14%	2,496,413	5%
Forestry, Fisheries, and Support, including Farm Support	3,124	1%	159,450	1%	4,298	1%	117,261	1%	27,484	<1%	186,843	<1%
Mining	47,294	8%	616,708	3%	2,708	1%	52,267	<1%	8,492	<1%	71,616	<1%
Utilities	18,207	3%	336,169	1%	9,003	2%	190,049	1%	7,502	<1%	437,889	1%
Construction	33,649	5%	1,678,350	7%	19,891	4%	1,326,373	6%	324,147	5%	2,888,932	6%
Manufacturing	5,493	1%	1,025,839	5%	13,710	3%	1,976,980	9%	858,253	12%	4,506,533	9%
Trade	63,952	10%	2,821,825	12%	55,253	11%	2,758,352	12%	885,391	13%	5,212,303	11%
Transportation and Warehousing	63,102	10%	849,905	4%	14,555	3%	685,349	3%	256,548	4%	3,625,615	7%
Information	10,621	2%	382,384	2%	5,034	1%	340,736	2%	52,033	1%	1,149,745	2%
Finance and Insurance	24,385	4%	1,044,513	5%	24,295	5%	1,512,746	7%	373,751	5%	3,625,807	7%
Real Estate and Rental	6,104	1%	357,053	2%	3,078	1%	288,587	1%	146,566	2%	412,293	1%
Professional Services and Management of Companies	12,863	2%	1,573,935	7%	11,082	2%	1,216,568	5%	178,370	3%	5,061,442	10%
Administrative and Waste Services (private only)	8,977	1%	687,134	3%	3,491	1%	448,795	2%	254,627	4%	1,340,343	3%
Educational Services (private only)	969	<1%	143,919	1%	1,124	<1%	235,134	1%	64,672	1%	611,163	1%

Total Earnings 2010 (in thousands of nominal dollars)												
Industry	Montana^a				South Dakota^a				Nebraska^a			
	Economic Corridor (EC)		Rest of State (ROS)		Economic Corridor (EC)		Rest of State (ROS)		Economic Corridor (EC)		Rest of State (ROS)	
	Share of EC Earnings		Share of ROS Earnings		Share of EC Earnings		Share of ROS Earnings		Share of EC Earnings^b		Share of ROS Earnings	
	Total	%	Total	%	Total	%	Total	%	Total	%	Total	%
Health and Social Services (private only)	63,029	10%	3,100,262	14%	42,949	8%	3,122,999	14%	641,016	9%	5,384,913	11%
Arts, Entertainment, and Recreation Services	3,240	1%	291,239	1%	2,794	1%	247,027	1%	81,677	1%	215,498	0%
Accommodations and Food Services	12,699	2%	916,526	4%	10,362	2%	679,598	3%	325,337	5%	921,464	2%
Other Services	30,273	5%	971,942	4%	16,690	3%	788,261	4%	255,919	4%	1,693,350	3%
Government and Government Enterprises	128,722	21%	5,312,320	23%	94,285	18%	4,238,143	19%	1,181,348	17%	8,818,741	18%
Total	620,027	100%	22,770,262	100%	520,188	100%	22,448,097	100%	6,866,935	100%	48,660,903	100%

Source: Table CA05N, BEA 2010, with estimates for industries where original data are suppressed to avoid disclosure of confidential information and with percentages calculated from original data and estimates

^a Earnings in the respective state's economic corridor counties that are attributed to the respective industry. The numbers are all estimates except for the industry rows labeled *Farm* and *Government & Government Enterprises*, which are original BEA data. The estimates are necessary because the BEA does not publish an earnings or employment number for an industry if the number does not represent enough establishments to preclude attribution to and disclosure of information about a specific establishment. The unpublished numbers in each column were estimated by pro-rating the sum of the unpublished numbers in the column (calculated as the remainder after subtracting the published numbers from the column total, which is always given). The pro-rating is in proportion to the corresponding array of numbers found in the IMPLAN model for the same area. The IMPLAN model for each area is the same model as is used to estimate earnings and employment impacts (see discussion of IMPLAN in Section 4.10, Socioeconomics).

^b This column is the sum of the data for the north and central/south sections of the Nebraska economic corridor.

Table 3.10-12 Employment by Industry in the Economic Corridor

Total Employment 2010 (in full-time and part-time jobs by place of work)												
Industry	Montana^a				South Dakota^a				Nebraska^a			
	Economic Corridor (EC)		Rest of State (ROS)		Economic Corridor (EC)		Rest of State (ROS)		Economic Corridor (EC)		Rest of State (ROS)	
	Share of EC		Share of ROS		Share of EC		Share of ROS		Share of EC		Share of ROS	
	Jobs	Total	Jobs	Total	Jobs	Total	Jobs	Total	Jobs	Total	Jobs	Total
Farm	2,612	15%	26,205	4%	2,795	19%	28,981	5%	12,984	8%	38,583	4%
Forestry, Fisheries, and Support, including Farm Support	132	1%	6,664	1%	136	1%	4,546	1%	748	<1%	8,724	1%
Mining	616	4%	9,751	2%	104	1%	1,879	<1%	231	<1%	2,397	<1%
Utilities	183	1%	2,986	<1%	120	1%	2,060	<1%	208	<1%	1,618	<1%
Construction	954	5%	40,730	7%	767	5%	31,450	6%	8,782	5%	55,609	5%
Manufacturing	180	1%	20,290	3%	366	2%	38,785	7%	23,116	13%	72,029	7%
Trade	2,225	13%	86,569	14%	2,399	16%	81,057	15%	27,520	16%	146,089	14%
Transportation and Warehousing	930	5%	16,721	3%	458	3%	14,545	3%	6,988	4%	53,629	5%
Information	271	2%	8,748	1%	180	1%	7,456	1%	1,415	1%	17,711	2%
Finance and Insurance	785	4%	25,422	4%	834	6%	36,938	7%	10,147	6%	70,145	7%
Real Estate and Rental	497	3%	28,624	5%	400	3%	17,589	3%	4,028	2%	33,273	3%
Professional Services and Management of Companies	488	3%	34,954	6%	389	3%	22,940	4%	4,830	3%	73,989	7%
Administrative and Waste Services (private only)	524	3%	26,537	4%	203	1%	18,739	3%	6,880	4%	50,268	5%
Educational Services (private only)	88	1%	7,835	1%	71	<1%	10,212	2%	1,750	1%	21,066	2%
Health and Social Services (private only)	1,823	10%	66,498	11%	1,460	10%	63,235	12%	17,397	10%	113,418	11%

Total Employment 2010 (in full-time and part-time jobs by place of work)												
Industry	Montana^a				South Dakota^a				Nebraska^a			
	Economic Corridor (EC)		Rest of State (ROS)		Economic Corridor (EC)		Rest of State (ROS)		Economic Corridor (EC)		Rest of State (ROS)	
	Share of EC		Share of ROS		Share of EC		Share of ROS		Share of EC		Share of ROS	
	Jobs	Total	Jobs	Total	Jobs	Total	Jobs	Total	Jobs	Total	Jobs	Total
Arts, Entertainment and Recreation Services	290	2%	18,218	3%	187	1%	11,122	2%	2,215	1%	19,641	2%
Accommodations and Food Services	1,055	6%	48,641	8%	914	6%	39,492	7%	8,824	5%	65,422	6%
Other Services	1,046	6%	36,371	6%	694	5%	27,349	5%	8,870	5%	58,065	6%
Government and Government Enterprises	2,747	16%	94,438	16%	2,318	16%	83,297	15%	24,342	14%	152,716	14%
Total	17,445	100%	606,203	100%	14,795	100%	541,672	100%	171,275	100%	1,054,392	100%

Source: Table CA25N, BEA 2010, with estimates for industries where original data are suppressed to avoid disclosure of confidential information and with percentages calculated from original data and estimates

^a Employment in the respective state's economic corridor counties are attributed to the respective industry. The numbers in this column are all estimates except for the industry rows labeled *Farm* and *Government and Government Enterprises*, which are original BEA data. The estimates are necessary because the BEA does not publish an earnings or employment number for an industry if the number does not represent enough establishments to preclude attribution to and disclosure of information about a specific establishment. The unpublished numbers in each column were estimated by pro-rating the sum of the unpublished numbers in the column (calculated as the remainder after subtracting the published numbers from the column total, which is always given). The pro-rating is in proportion to the corresponding array of numbers found in the IMPLAN model for the same area. The IMPLAN model for each area is the same model as is used to estimate earnings and employment impacts (see discussion of IMPLAN in Section 4.10, Socioeconomics).

^b This column is the sum of the data for the north and central/south sections of the Nebraska economic corridor.

Table 3.10-13 Earnings and Employment in the Rest of Montana, South Dakota, and Nebraska

Areas	Total Earnings (in thousands of nominal dollars)			Total Employment (in full-time and part-time jobs)		
	2000	2010	Average Annual Rate of Change	2000	2010	Average Annual Rate of Change
Rest of Montana	14,431,369	22,770,262	4.7%	538,175	606,203	1.2%
Billings Metro Area	2,767,882	4,378,496	4.7%	93,301	105,517	1.2%
Missoula Metro Area	1,946,321	2,884,889	4.0%	66,444	75,585	1.3%
Great Falls Metro Area	1,413,654	2,235,479	4.7%	48,105	50,598	0.5%
Remainder	8,303,512	13,271,398	4.8%	330,325	374,503	1.3%
Total in Metro Areas	6,127,857	9,498,864	4.5%	207,850	231,700	1.1%
Metro Area Share	42%	42%		39%	38%	
Rest of South Dakota	14,436,662	22,448,097	4.5%	500,639	541,672	0.8%
Sioux Falls Metro Area	4,763,626	7,600,733	4.8%	148,014	172,050	1.5%
Rapid City Metro Area	2,166,732	3,354,865	4.5%	80,148	83,119	0.4%
Remainder	7,506,304	11,492,499	4.4%	272,477	286,503	0.5%
Total in Metro Areas	6,930,358	10,955,598	4.7%	228,162	255,169	1.1%
Metro Area Share	48%	49%		46%	47%	
Rest of Nebraska	33,473,276	48,660,903	3.8%	1,007,333	1,054,392	0.5%
Omaha Metro Area ^a	18,436,923	26,274,886	3.6%	479,955	508,302	0.6%
Lincoln Metro Area	6,518,234	9,010,700	3.3%	193,696	210,453	0.8%
Remainder	8,518,119	13,375,317	4.6%	333,682	335,637	0.1%
Total in Metro Areas	24,955,157	35,285,586	3.5%	673,651	718,755	0.7%
Metro Area Share	75%	73%		67%	68%	

Source: Tables CA04 and SA04, BEA 2010

^a This area includes only the Nebraska part of the Omaha-Council Bluffs metropolitan area.

Earnings and Employment in the United States

Specialized equipment and some construction materials would likely come from outside Montana, South Dakota, and Nebraska. The economy outside the economic corridor states is termed the *rest of United States* and comprises the remaining 47 states. Keystone estimates that 90 percent of the construction workforce would be recruited from the rest of United States area. Workers from the rest of United States area are expected to reside temporarily in communities close to construction spreads or in construction camps installed expressly for the proposed Project wherever accommodations are lacking.

The economic consequence of temporary workforce residency and the use of construction camps is that a large percentage of the household spending that would be supported by the earnings of the proposed Project workforce would be captured at the rest of United States level of the analysis. Statistics for the rest of United States, presented in Table 3.10-10, show that the rest of United States data are very close in magnitude to that of the United States as a whole because the states of Montana, South Dakota, and Nebraska have relatively small economies.

Earnings and Employment in Kansas

The proposed Project would include pump stations in Clay County and Butler County, Kansas. Clay County is a non-metro area, approximately 100 miles by road from the Topeka metro area. Butler County is part of the Wichita metro area. The proximity of Clay and Butler counties to interstate highway corridors and to large metro areas, combined with the economic dominance of the large metro areas within the states, means that the Kansas pump stations are best evaluated in the context of the Kansas economy as a whole. Table 3.10-10 shows growth in earnings and employment from 2000 to 2010 in Kansas. Measured in terms of earnings and employment, Kansas makes up about 1 percent of the total earnings and employment in the United States. The industry composition of Kansas is diverse and not very different from that of the United States as a whole.

3.10.2.4 Environmental Justice

Executive Order 12898, *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations*, directs federal agencies to identify and address, as appropriate, disproportionately high and adverse health or environmental effects of their programs, policies, and activities on minority populations and low-income populations. Environmental justice refers to the “fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies” (U.S. Environmental Protection Agency 2007). The Council on Environmental Quality (CEQ) has provided guidance for addressing environmental justice (CEQ 1997).

This Final Supplemental EIS follows the Final EIS in considering effects, including potential dust and noise generated by construction, disruption to traffic patterns associated with the movement of construction materials and equipment, and potential health impacts, in the unlikely event of a substantial spill from the proposed Project during operation. In the Final EIS, the Department evaluated census block groups within a 4-mile-wide analysis area centered on the pipeline and associated pump stations in an effort to identify potential environmental justice populations. This Final Supplemental EIS updates the evaluation in the Final EIS based on data

from the 2010 census and from the 2006-2010 American Community Survey (ACS). This Final Supplemental EIS adjusts the geographies used in the Final EIS based on changes in data availability and in census geography. This Final Supplemental EIS also extends the 4-mile-wide analysis area approximately 10 miles down rivers and creeks that would be crossed by the proposed Project pipeline. This is further discussed in the Methodology subsection below. The Final EIS included all the data relevant to the environmental justice analysis. This section of the Final Supplemental EIS includes summary data and key findings. Appendix O, Socioeconomics, contains the complete set of data.

Methodology to Identify and Locate Minority and Low-Income Populations

Geographic Unit Criteria

To assess the potential impacts to minority and low-income populations from construction and operation of the proposed Project, the Department considered the types of effects and the spatial distribution of these effects as a function of distance from the proposed Project pipeline centerline to establish a potentially affected area for analysis. The Final EIS noted that a particular concern would be any potential health effects to minority or low-income populations resulting from a crude oil spill from the proposed Project facilities. Based, in part, on the example of the area affected by a discharge near Bemidji, Minnesota, the Department defined a 4-mile-wide affected analysis area for environmental justice (extending 2 miles on either side of the proposed Project centerline) in the Final EIS as a conservatively large area of potential effects that would adequately address the uncertainty inherent in the Bemidji analysis. This Final Supplemental EIS keeps the 4-mile-wide analysis area to be consistent with the Final EIS, but also extends the 4-mile-wide analysis area approximately 10 miles down rivers and creeks that would be crossed by the proposed Project pipeline to address the potential of a release to water that could impact minority or low-income populations outside the 4-mile-wide analysis area.

In this section, populations in the socioeconomic analysis area are analyzed; this includes the 4-mile-wide corridor extending a distance of 2 miles on either side of the proposed pipeline centerline and 10 miles down rivers and creeks that would be crossed by the proposed Project pipeline, as described above, and a 2-mile radius around the two pump stations in Kansas (see definitions in Section 3.10.1, Introduction). The socioeconomic analysis area covers portions of 33 counties in four states; this includes 29 of the 30 proposed Project area counties⁶ (see Table 3.10-1) plus Carter County, Montana; Ziebach and Gregory counties in South Dakota; and Madison County, Nebraska. These four counties are not proposed Project area counties, but are within 2 miles of the proposed pipeline centerline or within 10 miles down rivers and creeks that would be crossed by the proposed Project pipeline.

⁶ The pipe yard in Bowman County, North Dakota, is not analyzed because it is a temporary facility for construction only, with minimal economic impacts.

Census Data and Geography

For minority populations, the analysis uses data from the 2010 U.S. decennial census. For low-income populations, the analysis uses poverty data reported in the U.S. Census Bureau's 2006-2010 ACS.⁷ The U.S. Census Bureau provides data for a variety of geographies ranging from the smallest unit (blocks) up through block groups (groups of blocks) to census tracts (groups of block groups) and county subdivisions to larger geographies such as counties, regions, and states.⁸

The environmental justice analysis focuses on census geographies (i.e., block groups and census tracts) that represent, as closely as possible, the geographic area of interest, in this case the socioeconomic analysis area. For this Final Supplemental EIS, the analysis uses different geographies for the minority population analysis versus the low-income population analysis because census data on minorities are available at the block and block group level, while data on income from the ACS are currently only available for census tracts and larger geographies.⁹ The analysis is inherently conservative because portions of most of the census block groups and census tracts analyzed lie outside the socioeconomic analysis area.

Note that the changes in geography, demographics, and data sources in this Final Supplemental EIS result in changes among the areas that the Final EIS identified as having potential environmental justice populations.

Minority Populations

Minority individuals were characterized as belonging to one or more of the following races: African-American, American Indian, Alaska Native, Asian, Native Hawaiian, Other Pacific Islander, or Other race (CEQ 1997). To remain consistent with Nebraska Department of Environmental Quality (NDEQ), data were collected from the U.S. Census Bureau's American FactFinder for every block group that intersected the socioeconomic analysis area. Specifically, these data were collected from the U.S. Census Bureau's 2010 Census Redistricting Summary File 1 that provides a breakdown of race by geographic area in its Table P1: Race.

⁷ Beginning in 2010, the decennial census no longer includes information about income. The ACS now collects income data on a revolving survey basis.

⁸ A census block group is the smallest geographic area for which the U.S. Census Bureau provides consistent sample data, and generally contains a population between 600 and 3,000 individuals. A census tract (generally 1,200-8,000 people) is a group of block groups used for census purposes, the boundaries of which generally coincide with town and city limits. A county usually consists of multiple census tracts. County subdivisions are smaller geographic areas within a county. In the state of Nebraska, county subdivisions are precincts, townships, or districts (U.S. Census Bureau, Geography Division 2011).

⁹ For Nebraska's Keystone XL Pipeline Evaluation (NDEQ 2012), NDEQ analyzed data on minorities using county subdivision geography, specifically precincts and townships. This census geography is appropriate for the proposed reroute through Nebraska that affects nine largely rural counties in one state, but is less applicable to the more varied socioeconomic analysis area for this Final Supplemental EIS that covers portions of 33 counties in four states.

The summation of the number of individuals belonging to each of the racial groups described above yielded a minority race total. The 2010 total populations for each geographic area were also obtained from the U.S. Census Bureau's Table P1. *Table QT-P3: Race and Hispanic or Latino Origin* is another Census table that provided ethnic minority data for each census tract, while *Table P7: Hispanic or Latino Origin by Race* provided Hispanic and Latino population demographics for each block group. People who identify their origin as Hispanic, Latino, or Spanish may be any race.

Low-Income Populations

Low-income populations were identified using data from the U.S. Census Bureau's ACS. *Table S1701: Poverty Status in the Past 12 Months* provided 5-year estimates (2006-2010) from the ACS for census tracts. The ACS defines an individual as *below poverty level* if that individual's income, or family's total income, is below a pre-defined threshold. The poverty threshold is determined yearly by multiplying the 1982 base-year threshold by a monthly inflation factor based on the current Consumer Price Index (Poverty Methodology, U.S. Census Bureau 2012). Poverty data were analyzed on a census tract basis, as ACS does not currently publish income data for smaller geographies. As with block groups, data were collected for every census tract that intersects the socioeconomic analysis area.

Evaluation Criteria

To assess potential environmental justice concerns related to the proposed Project in accordance with CEQ guidance, the Department performed two separate analyses:

- A *50 percent criterion* population analysis to determine those small area geographies (census block groups or census tracts) in the socioeconomic analysis area where minority and/or low-income individuals were equal to or exceeded 50 percent of the population of the geography (census block group or census tract); and
- A *meaningfully greater criterion* population analysis in which minority and/or low-income population percentages within individual geographies (census block groups or census tracts) were compared to statewide reference populations. A meaningfully greater population was defined as a minority and/or low-income population within a geography that was equal to or greater than 120 percent (1.2 times) of the statewide reference population. This criterion level is consistent with the Final EIS and was selected based on comments from the U.S. Environmental Protection Agency. In addition, this method is commonly used by other federal agencies to identify meaningfully greater populations in their National Environmental Policy Act analyses.

The Department considers comparisons to the statewide percentage much more appropriate than comparisons to nationwide percentages for determining potential environmental justice concerns for linear energy projects. Comparisons to nationwide percentages are more appropriate for assessing impacts associated with facility siting where alternatives to the proposed facility are widely dispersed over a relatively large geographic area.

Minority Populations

The minority populations assessment considered 71 census block groups encompassed by or intersecting with the socioeconomic analysis area across four states. The percentage of each block group's population represented by each minority classification (each racial group, aggregate race minority population, and Hispanic/Latino ethnic origin) was calculated, and the results were compared to the criteria above. This section presents the summary results of the assessment. Appendix O, Socioeconomics, contains data for all 71 areas as well as reference data for the 33 counties in the socioeconomic analysis area.

50 Percent Criterion

Of the 71 block groups, a total of two had individual racial group minority populations and aggregate minority populations that met the 50 percent criterion. These were American Indian/Alaskan Native populations in Valley County, Montana, and in Ziebach County, South Dakota. The Valley County population is part of the Fort Peck Indian Reservation and the Ziebach County population is part of the Cheyenne River Indian Reservation (Figure 3.10.1-3). No block groups with minority populations exceeding 50 percent of the total population were identified in Nebraska or Kansas.

Meaningfully Greater Criterion

Of the 71 block groups, a total of 16 met the meaningfully greater criterion for one or more racial groups (see Appendix O, Socioeconomics). Table 3.10-14 presents the data for these areas and shows the relevant exceedance criteria for the states.

Block groups meeting the criteria are shown in bold on the table and are shown on Figure 3.10.1-3. For reference, the figure also shows the locations of communities per Table 3.10-3. For example, in Montana, statewide, the African-American population in 2010 was 0.4 percent. One hundred and twenty percent of this is 0.5 percent (as indicated on the table in the row labeled Montana Exceedance Criteria). The African-American population in Valley County Block Group 1, Census Tract 9406 exceeds this number and meets the meaningfully greater criterion. Of the 16 block groups meeting the criteria, five showed exceedances for their aggregate minority populations. These five were one area in each of Valley County, Montana, Ziebach County, South Dakota, and York County, Nebraska; and two in Tripp County, South Dakota.

The analysis identified meaningfully greater minority populations in five individual census block groups in Montana. In South Dakota, 16 meaningfully greater minority populations were identified in nine individual census block groups. One meaningfully greater American Indian/Alaskan Native population was identified in Ziebach County on the Cheyenne River Indian Reservation, and four were identified in Tripp County within Winner and New Witten, northeast of the Rosebud Indian Reservation. One block group in York County, Nebraska, showed exceedances for the *Other* category (i.e., not White, African American, American Indian/Alaskan Native, or Asian/Pacific Islander).

Table 3.10-14 Block Groups with Meaningfully Greater Minority Populations

	Total Population		African American		American Indian/Alaskan Native		Asian/Pacific Islander		Other		Two or More Races		Aggregate (Total) of Racial Minorities		Hispanic or Latino ^a	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Montana																
Phillips County																
Block Group 4, Census Tract 602	1,139		0	0.0%	88	7.7%	3	0.3%	11	1.0%	36	3.2%	138	12.1%	25	2.2%
Valley County																
Block Group 1, Census Tract 1001	659		0	0.0%	3	0.5%	1	0.2%	6	0.9%	7	1.1%	17	2.6%	8	1.2%
Block Group 1, Census Tract 9406	808		7	0.9%	30	3.7%	9	1.1%	2	0.2%	15	1.9%	63	7.8%	11	1.4%
Block Group 2, Census Tract 9406	1,003		2	0.2%	499	49.8%	15	1.5%	2	0.2%	18	1.8%	536	53.4%	10	1.0%
Fallon County																
Block Group 3, Census Tract 1	873		0	0.0%	4	0.5%	11	1.3%	3	0.3%	10	1.1%	28	3.2%	11	1.3%
<i>Montana Exceedance Criteria</i>	<i>NA</i>		<i>0.5%</i>		<i>7.6%</i>		<i>0.8%</i>		<i>0.7%</i>		<i>3.0%</i>		<i>12.7%</i>		<i>4.0%</i>	
South Dakota																
Butte County																
Block Group 1, Census Tract 9676	1,177		8	0.7%	22	1.9%	5	0.4%	5	0.4%	37	3.1%	77	6.5%	36	3.1%
Perkins County																
Block Group 2, Census Tract 9683	981		0	0.0%	7	0.7%	1	0.1%	13	1.3%	14	1.4%	35	3.6%	10	1.0%
Ziebach County																
Block Group 1, Census Tract 9416	1,805		5	0.3%	1,529	84.7%	2	0.1%	1	0.1%	62	3.4%	1,599	88.6%	64	3.5%
Pennington County																
Block Group 1, Census Tract 116	1,123		9	0.8%	62	5.5%	4	0.4%	1	0.1%	44	3.9%	120	10.7%	12	1.1%
Tripp County																
Block Group 2, Census Tract 9716	1,226		0	0.0%	140	11.4%	4	0.3%	5	0.4%	29	2.4%	178	14.5%	11	0.9%

	Total Population		African American		American Indian/Alaskan Native		Asian/Pacific Islander		Other		Two or More Races		Aggregate (Total) of Racial Minorities		Hispanic or Latino ^a	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Block Group 1, Census Tract 9717	1,411		0	0.0%	323	22.9%	2	0.1%	4	0.3%	37	2.6%	366	25.9%	28	2.0%
Block Group 2, Census Tract 9717	1,074		3	0.3%	189	17.6%	5	0.5%	3	0.3%	43	4.0%	243	22.6%	27	2.5%
Block Group 3, Census Tract 9717	898		3	0.3%	103	11.5%	1	0.1%	1	0.1%	20	2.2%	128	14.3%	8	0.9%
Gregory County																
Block Group 2, Census Tract 9712	1,379		1	0.1%	61	4.4%	0	0.0%	2	0.1%	37	2.7%	101	7.3%	7	0.5%
<i>South Dakota Exceedance Criteria</i>	<i>NA</i>		<i>1.5%</i>		<i>10.6%</i>		<i>1.2%</i>		<i>1.1%</i>		<i>2.5%</i>		<i>16.9%</i>		<i>3.2%</i>	
Nebraska																
York County																
Block Group 2, Census Tract 9698	1840		78	4.2%	18	1.0%	4	0.2%	96	5.2%	26	1.4%	222	12.1%	147	8.0%
<i>Nebraska Exceedance Criteria</i>	<i>NA</i>		<i>5.4%</i>		<i>1.2%</i>		<i>2.2%</i>		<i>5.2%</i>		<i>2.6%</i>		<i>16.7%</i>		<i>11.0%</i>	
Kansas																
Butler County																
Block Group 2, Census Tract 206	691		1	0.1%	11	1.6%	4	0.6%	10	1.4%	21	3.0%	47	6.8%	25	3.6%
<i>Kansas Exceedance Criteria</i>	<i>NA</i>		<i>7.1%</i>		<i>1.2%</i>		<i>2.9%</i>		<i>4.6%</i>		<i>3.6%</i>		<i>19.4%</i>		<i>13.6%</i>	

Sources: Total population and minority populations for each racial group (U.S. Census Bureau, American FactFinder 2012e), Hispanic and Latino populations (U.S. Census Bureau, American FactFinder 2012f)

Notes: Minority geographical areas identified in the table may not be the same as those identified in the Final EIS. The Final EIS used 2000 census data, while this analysis used 2010 census data. In some cases, discrepancies are due to changes in demographics between 2000 and 2010. For instance, the Final EIS identified block group 1-2 in Fallon County, Montana, as minority in 2000, but 2010 data show that the minority population in this block group has declined. Other differences could be attributed to the geographic reconfiguration of block groups between 2000 and 2010 by the U.S. Census Bureau. For example, a block group in Meade County, South Dakota, that met the minority population criterion in 2000 does not meet the criterion based on 2010 data because the block group configuration changed to incorporate areas with a different racial breakdown.

^a Hispanic and Latino populations are not included in the aggregate minority count.

Low-Income Populations

The low-income populations assessment considered 44 census tracts encompassed by or intersecting with the socioeconomic analysis area across four states. As with minority populations, low-income populations were evaluated using the absolute 50 percent and the relative 120 percent or greater criteria for potentially affected census tracts within the counties. The number of low-income persons in each census tract was divided by the total population for that area to obtain a percentage of low-income individuals. If a census tract's percentage was more than 120 percent of the corresponding state percentage, then the area was identified as containing a low-income population. State exceedance criteria are listed in the data table for reference. This section presents the summary results of the assessment (see Table 3.10-15). Appendix O, Socioeconomics, contains data for all 44 areas, as well as reference data for the 33 counties in the socioeconomic analysis area.

Table 3.10-15 Census Tracts with Meaningfully Greater Low-Income Populations

Census Tract	Population for Whom Poverty Status is Determined	Aggregate (Total) of Low-Income Populations	Percent
Census Tract 9676, Butte Co., SD	2,932	573	19.5%
Census Tract 9683, Perkins Co., SD	2,904	543	18.7%
Census Tract 9416, Ziebach Co., SD	2,742	1,260	46.0%
Census Tract 9717, Tripp Co., SD	3,309	567	17.1%
		<i>South Dakota Exceedance Criteria</i>	<i>16.5%</i>
Census Tract 9754, Keya Paha Co., NE	740	168	22.7%
		<i>Nebraska Exceedance Criteria</i>	<i>14.2%</i>

Source: U.S. Census Bureau, American FactFinder 2012c

Notes: Low-income geographic areas identified in the table may not be the same as those identified in the Final EIS. The Final EIS used data from the U.S. 2000 census (1999 data), while this Final Supplemental EIS analysis used 2006-2010 ACS data. In some cases, discrepancies are due to changes in demographics between 1999 and 2010. Additional discrepancies could be attributed to the reconfiguration of block groups and census tracts over time. For instance, Valley County, Montana, had a small low-income block group surrounded by non-low-income block groups in 2000. The Final EIS identified it as having a low-income population, but after 2000 this block group was merged into the surrounding groups and the resulting census tract does not meet the low-income criterion. Additionally, the Final EIS analyzed low-income data on a block group level, while this Final Supplemental EIS uses census tracts since block group-level data are not currently available. In some cases, the Final EIS identified a block group as having a meaningfully greater low-income population, but its corresponding census tract does not have one.

50 Percent Criterion

None of the geographic areas in the socioeconomic analysis area had low-income populations that exceeded the 50 percent criterion.

Meaningfully Greater Criterion

Of the 44 census tracts, a total of five met the 120 percent criterion for low-income individuals (see Appendix O, Socioeconomics). Table 3.10-15 shows the data for these five areas, and they are shown spatially on Figure 3.10.1-3. Four of the areas with meaningfully greater low-income populations are in census tracts in South Dakota: one in each of Butte, Perkins, Ziebach, and Tripp counties. Nebraska has one census tract with a low-income population exceeding the

meaningfully greater criterion in Keya Paha County.¹⁰ No meaningfully greater low-income populations were identified in Montana or Kansas.

3.10.2.5 Public Services, Tax Revenues, and Property Values

Public Services

A range of providers deliver public services to the proposed Project area. Police and fire protection and medical facilities are the services most pertinent to the proposed Project.¹¹ Table 3.10-16 shows selected information for these public services. Generally, the extent of public service resources in a region is a function of its size, population, and number of established communities. Accordingly, public service infrastructure is typically not as developed in remote rural areas as in urban areas. There are multiple law enforcement service providers in the proposed Project area, including state patrols, county sheriff departments, local police departments, and special law enforcement agencies such as college police. In many cases, mutual aid or cooperative agreements allow one agency to provide support to other agencies in emergencies. On average, from one to five law enforcement agencies serve the counties in the proposed Project area; larger counties like Butler County, Kansas, and Pennington County, South Dakota, have more. A network of fire departments and districts provides fire protection and suppression services to the proposed Project area. Many of these organizations are staffed by volunteers, particularly in rural areas. In larger urban areas, fire protection staff typically are housed in fire stations. At the county level, the number of fire departments is approximately the same as the number of law enforcement agencies.

Table 3.10-16 Existing Public Services and Facilities in the Proposed Project Area

State/County ^a	Police/Sheriff Departments ^b	Fire Departments ^b	Nearest Medical Facilities ^c
Montana			
Phillips	1	2	Phillips County Hospital (Malta) Frances Mahon Deaconess Hospital (Glasgow)
Valley	4	3	
McCone	2	1	McCone County Health Center (Circle)
Dawson	2	4	Glendive Medical Center (Glendive)
Prairie	2	1	Prairie Community Health Center (Terry)
Fallon	2	2	Fallon Medical Complex (Baker)
South Dakota			
Harding	2	3	
Butte	2	3	
Perkins	3	2	
Meade	4	6	Sturgis Regional Hospital (Sturgis)
Pennington	5	14	Rapid City Regional Hospital (Rapid City)

¹⁰ For Nebraska’s Keystone XL Pipeline Evaluation (NDEQ 2012), NDEQ analyzed data on minorities using county subdivision geography, specifically precincts and townships. Using this geography and the evaluation criteria specific to its analysis, NDEQ identified a low-income population in Oakdale Township, Antelope County. This township is shown on Figure 3.10.1-3. NDEQ also identified a low-income population in Mills Precinct, Keya Paha County, but this precinct is contained entirely within Census Tract 9754 as identified on Table 3.10-15 and as shown on Figure 3.10.1-3.

¹¹ Education facilities are not addressed in this section because most construction workers are not expected to relocate with school-aged children; therefore, impacts on schools would be negligible.

State/County ^a	Police/Sheriff Departments ^b	Fire Departments ^b	Nearest Medical Facilities ^c
Haakon	2	3	Hans P. Peterson Memorial Hospital (Philip)
Jones	2	1	
Lyman	1	3	
Tripp	2	1	Winner Regional Healthcare Center (Winner)
Nebraska			
Keya Paha	1	2	Rock County Hospital (Bassett)
Boyd	2	3	Niobrara Valley Hospital (Lynch)
Holt	5	2	Avera St. Anthony's Hospital (O'Neil)
Antelope	1	1	Antelope Memorial Hospital (Neligh)
Boone	4	3	Boone County Health Center (Albion)
Nance	1	2	Boone County Health Center (Albion)
Merrick	4	3	Litzenberg Memorial County Hospital (Central City)
Polk	1	2	Annie Jeffrey Memorial County Health Center (Osceola)
York	2	3	York General Hospital (York)
Fillmore	3	6	Fillmore County Hospital (Geneva)
Saline	4	5	Crete Area Medical Center (Crete); Warren Memorial Hospital (Friend)
Jefferson	3	5	Jefferson Community Health Center (Fairbury); Thayer County Health Services (Hebron)
Cushing Extension Pump Stations			
Kansas			
Clay ^d	4	3	Clay County Medical Center (Clay Center); *Mercy Regional Health Center (Manhattan)
Butler ^d	8	12	*Newton Medical Center (Newton); *Susan B. Allen Memorial Hospital (El Dorado); *Via Christi Riverside Medical Center (Wichita); *Wesley Medical Center (Wichita)
Pipe Yard and Rail Siding			
North Dakota			
Bowman	1	3	Southwest Medical Clinic (Bowman)

^a States and counties are listed geographically from north to south.

^b Includes special law enforcement units for universities. Includes volunteer, district, city, and town fire departments.

^c All facilities listed are critical access facilities within approximately 50 miles of the proposed Project route; those marked with an asterisk (*) are non-federal, short-term, acute care facilities (American Hospital Directory 2012).

^d Construction in these counties would be related to pump stations only.

Table 3.10-16 also shows the nearest medical facilities to the proposed Project—specifically, all critical access facilities that are located within approximately 50 miles of the proposed pipeline route. Non-federal, short-term, acute care facilities nearest the route are distinguished in the table based upon their likelihood of serving proposed Project-related medical needs. In every county along the proposed pipeline route, there is at least one acute care facility within the county or nearby in a neighboring county. These facilities would provide emergency medical care and, in some cases, would serve as the base for local emergency medical response and transport services for accidents that might occur during the construction or operation of the proposed Project. There

are multiple Local Emergency Planning Committees along the proposed pipeline route that were established under the Emergency Planning and Community Right-to-Know Act of 1986. These committees exist in cities and counties in the proposed Project area where the handling of hazardous or toxic materials in existing facilities or the transport of these materials through the committee areas of responsibility are known to occur based on reporting requirements included within Emergency Planning and Community Right-to-Know Act and the Superfund Amendments and Reauthorization Act of 1986.

Tax Revenues, and Property Values

This section focuses on property taxes at the county level for *situs* counties (i.e., counties containing proposed Project facilities within their legal boundary). The following list details the purpose of this section:

- Present summary statistics that depict the relative contribution of property tax revenue to state and local government general revenue in each state;
- Describe the 2010 tax base and amount of property tax revenue generated; and
- Estimate the effective rate of property taxation in 2010.

Property taxes are the focus of a state and local government revenue analysis because property taxes would be the public revenue source most affected by the proposed Project. Describing the importance of the property tax to local government general revenue and profiling the current size of local tax bases establishes a context for assessing the impacts of the proposed Project. The effective rate of property taxation is presented as an index of the rate at which proposed Project property would generate property tax revenue once the proposed Project was in place and added to a county's tax roll. The *situs* counties profiled here are listed in Table 3.10-1, except that Bowman County, North Dakota, is not included because any property taxes for the pipe yard and rail siding would be temporary, with minimal economic impacts.

Overview of the Property Tax for State and Local Government in Proposed Project Area States: Montana, South Dakota, Nebraska, and Kansas

On average, local property tax is the source of 27 percent of general revenue for local government, measured as a national average during the years 2008 and 2009. Property tax ranked second to intergovernmental revenue, which is the transfer of state revenue and of federal revenue channeled through the states. Table 3.10-17 depicts this relationship for *situs* states, with the United States as a whole included in the table for comparison. The table uses statistics summarized from the U.S. Census Bureau's annual survey of government finances.

Table 3.10-17 Overview of General Revenue Resources for State and Local Government in the Proposed Project Area, 2008-2009

Area	Level of Government	General Revenue (in thousands of nominal dollars)						
		Total	Inter-governmental	Property Tax	Sales and Gross Receipts Tax	Other Taxes	Charges and Miscellaneous General Revenue	Revenue from Utilities or Liquor Stores ^a
United States	State	1,518,578,222	495,623,675	12,964,188	344,567,991	357,964,040	284,610,425	22,847,903
	% of Total	100%	33%	1%	23%	24%	19%	2%
	Local	1,536,444,074	531,514,788	411,049,982	88,988,024	55,821,768	320,657,452	128,412,060
	% of Total	100%	35%	27%	6%	4%	21%	8%
Montana	State	5,779,048	2,097,188	235,150	529,392	1,642,858	1,207,205	67,255
	% of Total	100%	36%	4%	9%	28%	21%	1%
	Local	3,482,388	1,438,412	1,040,073	4,893	35,480	845,776	117,754
	% of Total	100%	41%	30%	<1%	1%	24%	3%
South Dakota	State	3,745,652	1,542,361	NA	1,083,611	250,224	869,456	NA ^b
	% of Total	100%	41%	NA	29%	7%	23%	NA
	Local	2,953,741	854,374	891,916	298,609	30,448	583,044	295,350
	% of Total	100%	20%	24%	4%	3%	18%	31%
Nebraska	State	8,403,141	2,770,131	1,964	2,015,283	1,983,692	1,632,071	NA
	% of Total	100%	33%	<1%	24%	24%	19%	NA
	Local	10,863,085	2,216,708	2,590,932	411,725	348,406	1,935,504	3,359,810
	% of Total	100%	20%	24%	4%	3%	18%	31%
Kansas	State	13,575,933	3,815,931	80,137	3,044,904	3,569,589	3,065,372	NA
	% of Total	100%	28%	1%	22%	26%	23%	NA
	Local	13,362,947	4,285,846	3,736,049	940,404	99,991	3,068,666	1,231,991
	% of Total	100%	32%	28%	7%	1%	23%	9%

Source: U.S. Census Bureau 2009; Annual Surveys of State and Local Government Finances; Summary totals and percentages calculated from the original data

^a Montana and South Dakota have state government liquor store operations.

^b NA = not applicable

The local government revenues in Table 3.10-17 fund current operations and capital outlays for public education (mainly elementary and high schools), local administration of social services, income maintenance programs (including some but little of direct payments to individuals), transportation (mainly local roads but also local airports), community services (such as police, fire, and emergency services; natural resources; parks and recreation; housing; wastewater; and solid waste), and local government administration.

In the *situs* states, as in the United States as a whole, the property tax is second to intergovernmental revenue as a source of general revenue. The property tax is 30 percent of local government general revenue in Montana as a whole, 28 percent in Kansas, and 24 percent in Nebraska and South Dakota. Local governments in the *situs* states, as in the United States overall, rely heavily on direct charges for services and miscellaneous revenues, which typically are fees, fines, and interest income. This category of revenue makes up 18 percent to 24 percent of general revenue for local government in the *situs* states, and 21 percent for local government in the United States overall.

In the aggregate, sales and other taxes are a small share of local government revenue in the *situs* states and the United States as a whole. However, municipalities as a subcategory of local government generally rely heavily on sales and other taxes except in Montana, which does not have a general sales tax. The share of revenue that municipalities derive from sales taxes and other taxes is not depicted in Table 3.10-17 because the table combines all types of local government, most of which do not levy their own sales taxes.

Property Tax in Counties within the Proposed Project Area

Table 3.10-18 describes the 2010 tax base for the *situs* counties (i.e., counties that would contain property of the proposed Project), the amount of property tax revenue generated by the tax base, and the effective tax rate,¹² which is implied by dividing tax revenue by the tax base. The term *property* refers to all types of property, including real and personal.

¹² The term *effective tax rate* is used as the ratio of property tax receipts to actual value as reported for a particular county in the period selected to represent existing conditions in the affected environment. The rates calculated here are used in Chapter 4, Environmental Consequences, to estimate revenue the property of the proposed Project may yield to a county, assuming little change in the legal and economic factors used to determine official values and set tax levies.

Table 3.10-18 Property Tax in Proposed Project Area Counties, 2010

County	Total Property Value (in nominal dollars)	Total Property Tax Revenue (in nominal dollars)	Effective Property Tax Rate
Montana			
Phillips	401,090,831	8,062,381	2.0%
Valley	551,323,709	14,706,595	2.7%
McCone	246,556,992	3,892,575	1.6%
Dawson	467,623,239	13,204,292	2.8%
Prairie	106,386,478	2,613,113	2.5%
Fallon	436,070,972	7,123,109	1.6%
<i>Montana Subtotal</i>	<i>2,209,052,221</i>	<i>49,602,065</i>	<i>2.2%</i>
South Dakota			
Harding	215,566,625	2,731,191	1.3%
Butte	595,452,581	9,498,634	1.6%
Perkins	318,254,493	4,468,261	1.4%
Meade	1,662,772,219	28,166,408	1.7%
Pennington	7,649,711,805	133,409,959	1.7%
Haakon	336,585,980	3,049,053	0.9%
Jones	229,359,183	1,982,019	0.9%
Lyman	409,288,275	4,240,216	1.0%
Tripp	583,522,735	7,413,209	1.3%
<i>South Dakota Subtotal</i>	<i>12,000,513,896</i>	<i>194,958,950</i>	<i>1.6%</i>
Nebraska			
Keya Paha	245,812,674	3,170,822	1.3%
Boyd	260,126,338	4,281,178	1.6%
Holt	1,631,618,747	25,510,470	1.6%
Antelope	1,162,155,447	17,676,402	1.5%
Boone	1,037,271,278	16,562,417	1.6%
Nance	511,150,656	9,021,512	1.8%
Merrick	920,338,590	16,488,968	1.8%
Polk	862,382,052	14,458,146	1.7%
York	1,763,598,787	27,568,396	1.6%
Fillmore	1,068,882,294	16,955,782	1.6%
Saline	1,235,103,379	23,050,519	1.9%
Jefferson	983,483,004	16,698,237	1.7%
<i>Nebraska Subtotal</i>	<i>11,681,923,246</i>	<i>191,442,849</i>	<i>1.6%</i>
Kansas			
Butler	3,906,384,545	88,195,610	2.3%
Clay	436,830,884	10,846,974	2.5%
<i>Kansas Subtotal</i>	<i>4,343,215,429</i>	<i>99,042,584</i>	<i>2.3%</i>
Proposed Project Area			
Total	30,234,704,792	535,046,448	1.8%

Sources: Montana Department of Revenue 2010; South Dakota Department of Revenue 2010a, 2010b; Nebraska Department of Revenue 2010; State of Kansas 2010

Note: Totals and effective tax rates calculated from the original data.

The tax base used here is the *actual* or *market* value of property on the tax roll as determined by the respective state and county appraisal system. This is a common starting point for local property taxation, though each state proceeds somewhat differently from that point forward to arrive at the amount of property tax due.

The tax base of *situs* counties ranges widely from a little more than \$100 million in actual value in Prairie County, Montana, to nearly \$4 billion in Butler County, Kansas. The effective tax rate among *situs* counties is in the range of 1.6 percent to 2.8 percent in Montana, 0.9 percent to 1.7 percent in South Dakota, 1.3 percent to 1.9 percent in Nebraska, and 2.3 percent and 2.5 percent in the two counties in Kansas.

The largest share of local property tax revenue is typically raised for school funding. However, property taxes for local public schools in all of the *situs* states and counties, as in the United States generally, are part of integrated systems of intergovernmental transfers that equalize per pupil spending and spread the tax burden statewide.

3.10.2.6 Traffic and Transportation

Highways, Major Roads, and Rural Roads

The proposed Project would meet or intersect many local, state, federal, and interstate roads and highways along its length. This section uses geographic information systems data to provide information about these roads and highways.¹³ The roads and highways have been classified into four categories based upon the U.S. Census Feature Class Codes:

- Category I: Local, Neighborhood, Rural or City Roads;
- Category II: Secondary State and County Highways;
- Category III: Primary U.S. and State Highways; and
- Category IV: Primary Limited Access or Interstate.

Table 3.10-19 lists the Category II, III, and IV roads crossed by the proposed pipeline route, including pump stations (Category I roads are too numerous to list individually). Table 3.10-20 summarizes the number of roads crossed by state and by category. Divided highways (i.e., a freeway with a landscaped median) are counted as two separate road crossings. The proposed Project would cross a total of 840 roads, including Interstate Highways I-94, I-90, and I-80. The largest number of crossings would be in Nebraska (323), followed by Montana (297) and South Dakota (220). The two Kansas pump stations would be adjacent to the alignment of the Steele City to Cushing segment of the existing Keystone pipeline, and thus would not cross any public roads. In addition to the pipeline, the proposed Project includes ancillary facilities such as contractor yards, pipe yards, rail sidings, and construction camps. Table 3.10-21 summarizes the roads adjacent to these facilities.

¹³ Geographic Information Systems data used are accurate to plus or minus (+/-) 167 feet (Esri 2008). Consequently, while the data are not intended for survey positional accuracy, they nonetheless provide adequate information to describe the number and type of roads and highways crossed by the proposed Project.

Table 3.10-19 Intersections of Proposed Project with Roads, by State

State	Road Category	Road Name	Road Intersections	
Montana	Category I		281	
		Marsh Rd	1	
	Category II	Old US Hwy 10	1	
		River Rd	1	
		Rock Creek Rd	1	
		State Route (SR) 117	1	
		SR 24	1	
		SR 243	1	
		SR 7	1	
		Weldon Rd	1	
		SR 13	1	
		SR 200	1	
	Category III	SR 200 South	1	
		US Route (US) 12	1	
		US 2	1	
	Category IV	Interstate 94 (I 94)	2	
	Subtotal Montana			297
	South Dakota	Category I		201
			Bad River Rd	1
Category II		County Road (CR) 35	1	
		CR 867	1	
		CR S6 Jones	1	
		CR S9 Jones	1	
		SR 16	1	
		SR 20	1	
		SR 34	1	
		SR 53	1	
		SR 73	1	
		SR 79	1	
Category III		US 14	1	
		US 18	1	
		US 183	2	
		US 212	1	
Category IV		US 85	1	
		I 90	2	
Subtotal South Dakota			220	
Nebraska	Category I		298	
		SR 4	1	
	Category II	SR 8	1	
		SR 11	1	
		SR 12	1	
		SR 14	1	
		SR 15	1	
		SR 22	1	
		SR 32	1	
		SR 39	1	
		SR 41	1	
		SR 56	1	
		SR 66	1	
		SR 74	1	
SR 91	1			

State	Road Category	Road Name	Road Intersections
		SR 92	1
		US 6	1
		US 20	1
		US 30	1
	Category III	US 34	1
		US 81	1
		US 136	1
		US 275	1
		US 281	1
	Category IV	I 80	2
Subtotal Nebraska			323
Total Intersections With Proposed Project			840

Sources: exp Energy Services Inc. 2012a, 2012b; ESRI 2008

Table 3.10-20 Intersections of Proposed Project with Roads, by State

State	Number of Roads Crossed				Total
	Category I	Category II	Category III	Category IV	
Montana	281	9	5	2	297
South Dakota	201	11	6	2	220
Nebraska	298	14	9	2	323
Total	780	34	20	6	840

Sources: exp Energy Services Inc. 2012a, 2012b; Esri 2008

Table 3.10-21 Major Roads Adjacent to Ancillary Facilities

State	County	Facility	Adjacent Roads	Road Category	
Montana	Phillips	Pipe Yard 1	SR 243	II	
	Valley	Pipe Yard 2	Britch Road	I	
	Valley	Pipe Yard 3	Old Smokey Road	I	
	Valley	Contractor Yard 1	US 2	III	
	Valley	Contractor Yard 2	SR 117	II	
	Valley	Construction Camp 1	SR 117	II	
	McCone	Pipe Yard 4	Shade Creek Road	I	
	McCone	Pipe Yard 5	McKean Road	I	
	McCone	Contractor Yard 3	SR 200	III	
	McCone	Construction Camp 1a	SR 200	III	
	Dawson	Pipe Yard 6	SR 467	II	
	Dawson	Pipe Yard 7	Unknown Local Road	I	
	Dawson	Contractor Yard 4	I-94	IV	
	Fallon	Pipe Yard 8	Unknown Local Road	I	
	Fallon	Pipe Yard 9	Unknown Local Road	I	
	Fallon	Contractor Yard 5	US 12	III	
	Fallon	Construction Camp 2	US 12	III	
	North Dakota	Bowman	Pipe Yard	US 12	III

State	County	Facility	Adjacent Roads	Road Category
South Dakota	Harding	Pipe Yard 10	CR 867	II
	Harding	Pipe Yard 11	SR 20	II
	Harding	Contractor Yard 6	SR 20	II
	Harding	Construction Camp 2a	SR 20	II
	Butte	Pipe Yard 12	SR 79	II
	Meade	Pipe Yard 13	US 212	III
	Meade	Pipe Yard 14	Marcus Road	I
	Meade	Contractor Yard 7	US 212	III
	Meade	Contractor Yard 7a	SR 34	II
	Meade	Construction Camp 3	SR 73	II
	Haakon	Pipe Yard 15	SR 34	II
	Haakon	Pipe Yard 16	221 st Street	I
	Haakon	Contractor Yard 8	SR 73	II
	Jones	Pipe Yard 17	Unnamed Local Road	I
	Jones	Pipe Yard 18	Unnamed County Road	I
	Jones	Contractor Yard 9	US 83	III
	Tripp	Pipe Yard 19	US 183	III
	Tripp	Pipe Yard 20	US 183	III
	Tripp	Contractor Yard 10	US 183	III
	Tripp	Contractor Yard 10a	SR 49	II
Tripp	Construction Camp 4	US 183	III	
Nebraska ^a	TBD ^b	TBD	TBD	TBD

Sources: exp Energy Services Inc. 2012a, 2012b; Esri 2008

^a Locations of ancillary facilities in Nebraska have not yet been determined.

^b TBD = to be determined

Railroads

The proposed Project would cross several railway service tracks. Table 3.10-22 lists the railroad names and owners. As shown, there would be 16 total intersections, including five in Montana, two in South Dakota, and nine in Nebraska. The two Kansas pump stations would be adjacent to the alignment of the Steele City to Cushing segment of the existing Keystone pipeline, and thus would not cross any railroads. The pipe yard in North Dakota would include a rail siding that connects to the BNSF Railway Company's (BNSF) Glendive (Montana) to Aberdeen (South Dakota) line near Gascoyne, North Dakota.

Table 3.10-22 Intersection of Proposed Project with Railroads, by State

State	Railroad Name	Number of Rail Intersections
Montana	BNSF	5
	Dakota, Minnesota, & Eastern Railroad	1
South Dakota	South Dakota State Railroad	1
	BNSF	4
	Union Pacific Railroad Company (UP)	4
Nebraska	Other	1
Total		16

Sources: exp Energy Services Inc. 2012a, 2012b; Esri 2008

BNSF has main, branch, and spur tracks in the states that the proposed pipeline would traverse (BNSF 2012). The proposed Project route would cross the BNSF main tracks near Glasgow, Marsh, and Baker in the Montana Operating Division, and near York and Exeter in the Nebraska

Operating Division. Union Pacific Railroad Company (UP) has main, branch, and spur tracks throughout Nebraska (UP 2012). In Nebraska, the proposed route would cross UP main tracks near Steele City, Jansen, and Central City.

3.10.3 Connected Actions¹⁴

There are three connected actions of the proposed Project: the Bakken Marketlink Project, the Big Bend to Witten 230-kV Transmission Line Project, and electrical distribution lines and substations.

3.10.3.1 Bakken Marketlink Project

Construction and operation of the Bakken Marketlink Project would consist of a 16-inch pipeline approximately 5 miles in length; additional piping; booster pumps; meter manifolds; and two 250,000-barrel tanks that would be used to store crude from connecting third-party pipelines and terminals. The Bakken Marketlink Project facilities would be located within private land currently used as pastureland and hayfields.

The Bakken Marketlink Project would affect Fallon County, Montana, which is a proposed pipeline corridor county. There are no additional counties within 2 miles of the Bakken Marketlink Project that the connected action could potentially affect.

Population and Housing

Tables 3.10-5 and 3.10-7 list population and housing data for Fallon County, Montana.

Local Economic Activity

Socioeconomic Conditions

Income, unemployment, and labor force data for Fallon County, Montana, is shown in Table 3.10-9.

Earnings and Employment

Earnings and employment data for Fallon County, Montana, are presented in Table 3.10-10.

Environmental Justice

As discussed in Section 3.10.2.4, Environmental Justice, there are no minority or low-income populations that fall within the socioeconomic analysis area in Fallon County, Montana.

¹⁴ Connected actions are those that 1) automatically trigger other actions which may require environmental impact statements, 2) cannot or will not proceed unless other actions are taken previously or simultaneously, 3) are interdependent parts of a larger action and depend on the larger action for their justification.

Public Services, Tax Revenues, and Property Values

Public Services

Table 3.10-16 lists public services data for Fallon County, Montana.

Tax Revenues and Property Values

The baseline property tax data for Fallon County, Montana, is described in Section 3.10.2.5, Public Services, Tax Revenues, and Property Values.

Traffic and Transportation

The proposed Bakken Marketlink Project pipeline segment near Baker, Montana, would cross five Category I roads. It would also cross the BNSF tracks in one location.

3.10.3.2 Big Bend to Witten 230-kV Transmission Line

The Big Bend to Witten 230-kV Transmission Project is located in Lyman and Tripp counties in south-central South Dakota. The project would consist of replacing the existing Big Bend-Fort Thompson No. 2 230-kV Transmission Line Turning Structure on the south side of the Big Bend Dam on Lake Sharpe; constructing a new double-circuit 230-kV transmission line for approximately 1 mile southwest of the dam; and constructing a new Lower Brule Substation south of the dam. The existing Witten Substation would be expanded immediately to the northeast to accommodate the new 230-kV connection.

Population and Housing

Tables 3.10-5 and 3.10-7 list population data for Lyman and Tripp counties, as well as for the State of South Dakota.

Local Economic Activity

Income, unemployment, and labor force data for Tripp and Lyman counties in South Dakota are shown in Table 3.10-9.

Environmental Justice

The data and methodology for determination of environmental justice areas are in Section 3.10.2.4, Environmental Justice. Several minority populations and a low-income population were identified in the northern part of Tripp County. While no environmental justice populations were identified in Lyman County within the socioeconomic analysis area, a portion of the Big Bend to Witten 230-kV Transmission Line would be located within the Lower Brule Indian Reservation. The route would also pass near several American Indian Tribal Subdivisions¹⁵, specifically, the Rosebud and Lower Brule Indian Reservations. Thus, there is the potential that this connected action could affect a variety of environmental justice populations, especially American Indians.

¹⁵ American Indian Tribal Subdivisions are divisions of federally recognized American Indian reservations and off-reservation trust land areas.

Public Services, Tax Revenues, and Property Values

Table 3.10-16 lists public services data for Lyman and Tripp counties. Tables 3.10-17 and 3.10-19 give an overview of the revenue resources and property taxes in all project area counties, including Lyman and Tripp.

Traffic and Transportation

Table 3.10-23 lists the roads that would be crossed by the Big Bend to Witten 230-kV Transmission Line. This route would cross the Dakota Southern Railway Company tracks at one location.

Table 3.10-23 Roads that would be Crossed by the Big Bend to Witten 230-kV Transmission Line

County	Road Category	Road Name	Number of Road Intersections
Tripp	Category I	Various	31
	Category II	SR 49	6
		US 183	1
	Category III	US 18	1
Subtotal Tripp County			39
Lyman	Category I	Various	24
	Category II	SR 47	1
		SR 248	1
	Category III	NA	0
	Category IV	I 90	2
Subtotal Lyman County			28
Total Intersections			67

Source: Basin Electric Power Cooperative 2011 (Appendix J, Basin Electric Big Bend to Witten 230-kV Transmission Project Routing Report), Esri 2008

3.10.3.3 Electrical Distribution Lines and Substations

Multiple private power companies or cooperatives would construct distribution lines to deliver power to 20 pump stations located along the length of the pipeline in the United States. These distribution lines would range in length from approximately 0.1 mile to 60 miles and are estimated to extend approximately 400 miles, combined.¹⁶ The distribution lines would range in capacity from 69 kV to 240 kV, but the majority would have a capacity of 115 kV. The lines would be strung on a single-pole and/or on H-frame wood poles.

Table 3.10-24 lists the *situs* states and counties that the electrical distribution lines and substations would affect. The table also notes counties within 2 miles of the connected actions, to identify potential environmental justice communities that the electrical distribution lines and substations could potentially affect. All of the counties containing or within 2 miles of the electrical distribution lines and substations are also proposed pipeline corridor counties with the exception of Garfield County, Montana and Gregory County, South Dakota.

¹⁶ Nebraska electrical line locations have not yet been determined.

Table 3.10-24 Electrical Distribution Lines and Substations States and Counties

State	Connected Actions Situs Counties	Additional Counties within 2 miles of Connected Actions ^a
Montana	Phillips; Valley; McCone; Prairie; Fallon	Dawson; Garfield
South Dakota	Harding; Perkins; Meade; Haakon; Jones; Tripp; Gregory	NA ^c
Nebraska ^b —North	Holt	Keya Paha
Nebraska ^b —Central/South	Antelope; Nance; Fillmore; Jefferson	Merrick; York
Kansas	Clay, Butler	

^a Counties were included if they were within a 4-mile-wide area centered on the connected action centerline.

^b Nebraska electrical line locations have not yet been determined. The counties were estimated with lines based on the location of the proposed pump stations.

^c NA = not applicable

Population and Housing

Tables 3.10-5 and 3.10-7 list population and housing data for the states and counties that are also proposed pipeline corridor states/counties. Table 3.10-25 provides data for Carter County, Montana, and Gregory County, South Dakota. Carter County experienced a 1.6 percent annual decrease in population between 2000 and 2010, while the state of Montana’s population decreased by 0.9 percent. Carter County has just over 800 total housing units, equivalent to approximately 5.5 percent of the Montana pipeline corridor total. The population in Gregory County decreased by about one percent annually between 2000 and 2010, compared to the state of South Dakota, which experienced a population increase of just under one percent. Gregory County has a higher population density than all but three of the pipeline corridor counties in South Dakota.

Table 3.10-25 Population and Housing for Non-Pipeline Corridor Counties

	Population			2010 Density (persons per square mile)	Housing Total Units, 2010
	2000	2010	Annual Avg % Change		
Carter, Montana	1,360	1,160	-1.6	0.3	810
Gregory, South Dakota	4,792	4,271	-1.1	4.2	2,503

Sources: Population (U.S. Census Bureau, American FactFinder 2012h); 2010 Population (U.S. Census Bureau, American FactFinder 2012g); Population Density (U.S. Census Bureau, American FactFinder 2012j); Housing (U.S. Census Bureau, American FactFinder 2012g)

Local Economic Activity

Income, unemployment, and labor force data for connected action counties that are economic corridor counties, including Gregory County, South Dakota, are shown in Table 3.10-9. Data for Carter County, Montana, are shown in Table 3.10-26. Carter County’s unemployment rate in 2010 was 5 percent lower than the rate for Montana (see Table 3.10-9). However, despite the low unemployment rate, the county had a median household income 16 percent lower than the state’s rate.

Table 3.10-26 Median Household Income, Unemployment Rate, and Labor Force for Connected Action Counties

State	Median Household Income		Unemployment Rate		Labor Force
	2010 (nominal dollars) ^a	2010 Higher / Lower (-) than State (percent)	2010 (percent)	2010 Higher / Lower (-) than State (percent)	2011
Carter, Montana	35,703	-16	<1	-5	723

Sources: 2000 Median Household Income (U.S. Census Bureau, American FactFinder 2012i); 2010 Median Household Income (U.S. Census Bureau, American FactFinder 2012d); Unemployment Rate (U.S. Census Bureau, American FactFinder 2012a); Labor Force (U.S. Bureau of Labor Statistics 2012).

^a Nominal dollars are not adjusted for inflation.

Environmental Justice

Environmental justice for pipeline corridor counties is discussed in Section 3.10.2.4, Environmental Justice. Carter County, Montana, was also included in the environmental justice analysis because it is within the socioeconomic analysis area. In summary, the following counties with electrical distribution lines or substations contain at least one environmental justice population: Phillips, Valley, and Fallon counties in Montana; Perkins, Tripp, and Gregory counties in South Dakota; and Butler County, Kansas.

Public Services, Tax Revenues, and Property Values

Table 3.10-16 lists public services data for proposed Project area counties. Table 3.10-27 provides data for Carter County, Montana, and Gregory County, South Dakota.

Table 3.10-27 Existing Public Services and Facilities for Non- Pipeline Corridor Counties

State/County	Police/Sheriff Departments ^a	Fire Departments ^a	Nearest Medical Facilities ^b
Carter, Montana	1	1	Missouri River Medical Center (Fort Benton); *Great Falls Clinic Medical Center (Great Falls)
Gregory, South Dakota	4	4	Avera Gregory Healthcare Center (Gregory); Community Memorial Hospital (Burke)

^a Includes special law enforcement units for universities; Includes volunteer, district, city, and town fire

^b All facilities listed are critical access facilities within approximately 50 miles of the proposed Project; those marked with an asterisk (*) are non-federal, short-term, acute care facilities (American Hospital Directory 2012).

Tables 3.10-18 and 3.10-19 give an overview of the revenue resources and property taxes in the proposed Project area counties with electrical distribution lines and substations. In addition, property tax data are provided for Gregory County in Table 3.10-28 below. Data for Carter County are not provided as it is not a connected action *situs* county and would not receive tax revenues.

Table 3.10-28 Property Tax in Non-Pipeline Corridor Counties, 2010

County	Total Property Value (in nominal dollars)	Total Property Tax Revenue (in nominal dollars)	Effective Property Tax Rate
Gregory, South Dakota	415,399,835	5,549,265	1.3%

Source: South Dakota Department of Revenue 2010a, 2010b

Note: Totals and effective tax rates calculated from the original data.

Traffic and Transportation

Table 3.10-29 lists the roads that would be crossed by electrical distribution lines. In addition, the distribution lines would cross the BNSF tracks at three locations in Montana as well as the Dakota, Minnesota, & Eastern Railroad at one location in South Dakota.

Table 3.10-29 Roads that would be Crossed by Electrical Distribution Lines

State	Road Category	Road Name	Number of Road Intersections	
Montana	Category I	Marsh Rd	1	
		CR 340	2	
		SR 24	1	
		Yellowstone Rd	1	
		SR 117	1	
	Category II	SR 200	1	
		Category III	US 2	4
	Category IV	NA	0	
	Subtotal Montana			149
	South Dakota	Category I	Bad River Rd	1
CR 35			1	
CR 733			1	
CR 797			1	
CR 867			1	
SR 20			6	
SR 44			1	
Category II		SR 79	1	
Category III		US 18	1	
Category IV		NA	0	
Subtotal South Dakota			122	
Nebraska		Category I		TBD ^a
		Category II		TBD
	Category III		TBD	
	Category IV		TBD	
Subtotal Nebraska			TBD	
Total Intersections With Proposed Project			TBD	

Source: exp Energy Services Inc. 2012b, Esri 2008

^a TBD = to be determined

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