

IROQUOIS GAS TRANSMISSION SYSTEM, L.P.

08/09 EXPANSION PROJECT

**DRAFT
RESOURCE REPORT 5**

SOCIOECONOMICS

PUBLIC

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RESOURCE REPORT 5 – SOCIO-ECONOMICS

FERC ENVIRONMENTAL CHECKLIST

Part 380 – Minimum Filing Requirements for Environmental Reports	Company Compliance or Inapplicability of Requirement
For major aboveground facilities and major pipeline Projects that require an EIS, describe existing socioeconomic conditions within the Project areas. (§ 380.12 (g)(1)).	Section 5.1
For major aboveground facilities, quantify impact on employment, housing, local government services, local tax revenues, transportation, and other relevant factors within the Project area. (§ 380.12 (g)(2 – 6)).	Section 5.2

RESOURCE REPORT 5: SOCIOECONOMICS

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5.0 SOCIOECONOMICS

5.1 PIPELINE FACILITIES

The natural gas pipeline facilities associated with the 08/09 Expansion Project do not involve significant aboveground facilities such as conditioning or liquefied natural gas (LNG) plants. The Project scope for the pipeline facilities is minor in nature and involves three new loop segments of limited length (i.e.: less than six miles). Based on the type and magnitude of potential environmental and residential impacts due to construction and operation of the pipeline loops, as well as the absence of significant or controversial issues identified to date, the requirement for an Environmental Impact Statement is not anticipated. Therefore, in accordance with Federal Energy Regulatory Commission (FERC) guidance provided in 18 Code of Federal regulations (CFR) Part 380.12(g), Resource Report 5 addressing socio-economic conditions and impacts is not required for the pipeline looping portion of the Project. Socioeconomic conditions associated with the phases of the Project that entail new or modified compressor stations (Phase II – Milford Compressor Station and Phase III – Brookfield Compressor Station modifications) are detailed below.

Resource Report 1 (General Project Description) describes estimated workforce requirements in accordance with FERC guidance provided in 18 CFR Part 380.12(c). This information includes average workforce requirements, number of pipeline loop construction spreads, estimated duration of loop construction and number of personnel to be hired to operate the looping portion of the Project.

5.2 ABOVEGROUND FACILITIES

5.2.1 Milford Compressor Station

This section summarizes the socioeconomic conditions of Phase II of the 08/09 Expansion Project in Milford, Connecticut. While the Project involves the construction of a new compressor station in the City of Milford, it is not expected to have a significant adverse impact on socioeconomic conditions adjacent to the project locations. Due to the scale of the Project, construction and operation methodologies and impact minimization and mitigation measures, significant impacts to employment, housing, local government services, local tax revenues, transportation, or other related socioeconomic conditions within the City of Milford is not anticipated.

5.2.1.1 Socioeconomic Impact Area

The Milford Compressor Station site is located in the City of Milford, New Haven County, Connecticut. New Haven County is located in the southwest portion of the State of Connecticut. The U.S. Census Bureau estimates the total population for New Haven County in 2005 as 817,828, which is a slight decrease from the 2000 Census (824,008). The largest city by population in the County is New Haven (108,412). However, Waterbury has a population only slightly smaller (104,539). The majority of the population for the County is located in surrounding areas. Major sources of tax revenue within Milford include residential properties, commercial and industrial businesses and professional services. Please refer to Table 5.2-1 for a summary of socioeconomic conditions within the City of Milford, Connecticut.

The City of Milford encompasses a land area of approximately 22 square miles (US Census Bureau 2006a) and is a traditional New England community that provides many economic opportunities for business creation, expansion and relocation. The population of Milford in 2005 was 53,996 (Connecticut

Economic Resource Center (“CERC”) Town profile 2006) which was a 3.2% increase from 2000 (US Census Bureau 2006a). The population density is 923.6/km² (2,392/mi²). The racial makeup of the City is 91.45% White, 2.83% Black or African American, 0.20% Native American, 3.27% Asian and Pacific Islander, and 2.25% from other races or from two or more races. 4.04% of the population (within the overall 100% previously identified) is considered Hispanic or Latino (any race).

The median income for a household in the City is \$61,183, and the median income for a family is \$71,226. The per capita income for the City is \$28,882. 3.7% of the population and 2.4% of families are below the poverty line. Of the total population, 4.2% of those under the age of 18 and 5.4% of those 65 and older are living below the poverty line. The unemployment rate for the City in 2000 was 2.9% (US Census Bureau 2006a). Retail trade comprises the largest number of employees in Milford followed by manufacturing, and educational, health and social services. Private employers employ the greatest number of workers in the City.

The City of Milford supports its own schools and emergency services. Police, fire, and ambulance services are all available within the City. Milford Hospital is a full service medical facility located within the City. Significant transportation infrastructure is available via major highway systems, as vehicle access is obtained by I-95, the Merritt/Wilbur Cross Parkway (Route 15) and Boston Post Road (U.S. 1). MetroNorth and Amtrak railroads are accessed at the station in downtown Milford. Milford has a minimum of 14 hotels/motels within the municipality, and significant sources of temporary housing are located in nearby Bridgeport and New Haven.

TABLE 5.2-1 SUMMARY OF EXISTING SOCIOECONOMIC CONDITIONS IN THE MILFORD COMPRESSOR STATION AREA	
Parameter	Milford, CT
Land Area (mi ²)	22.0
Population (2005)	53,996
Population (2000)	52,305
Per Capita Income (Dollars)(2000)	28,882
Rental Vacancy Rate (%) (2000)	6.2
Civilian Labor Force (2005)	30,737
Unemployment Rate (2005)	4.4
Major Industries	Manufacturing, Retail Trade, Health & Social Services

5.2.1.2 Project Construction and Operation Impacts

While there will be both short- and long-term socioeconomic impacts associated with the construction and operation of the Milford Compressor Station, the Project has been designed in a manner that minimizes adverse impacts. Short-term impacts may include the potential increase in use of public services such as police for traffic control. The increase in the use of public services will be offset by the benefits derived from increased short-term revenue streams. During construction of the Milford Compressor Station, there will be minor, temporary increases in the local population; demand for temporary housing, and use of transportation services. There will also be an increase in expenditures for local goods and services.

Iroquois anticipates using a percentage of local workers for the construction of the compressor station adding additional positive short-term socioeconomic benefits in terms of increased payrolls and employment.

Sufficient services exist within and adjacent to the City of Milford to support the needs of the construction crew and personnel associated with the construction and operation of the proposed facilities. The proposed Milford Station will incorporate its own fire prevention and control features, which will minimize the potential for increasing demands on local emergency and fire personnel and services.

Long-term socioeconomic benefits associated with the continued operation of the Milford Compressor Station include payment of local property taxes; purchases of services, materials, and supplies from local businesses; and periodic temporary employment for various construction, operation and maintenance activities.

5.2.1.3 Construction Schedule and Workforce

The Milford Compressor Station construction is scheduled to occur over a six month period from April 2008 to October 2008. Some mitigation and preparatory steps may take place before actual construction begins. Construction of the compressor station is anticipated to require approximately 25 workers on a regular basis and up to 75 workers including deliveries and other periodic services. Iroquois, through their construction contractors and subcontractors, may hire local construction workers to incorporate into the Project workforce that possess the required skills and experience. The majority of inspectors are anticipated to be non-local due to the specialized knowledge required for the position.

Non-local workers will generally reside in the Project area for the duration of the construction period and, typically, few workers are accompanied by family members. As a result, the socioeconomic impacts resulting from the construction of the Milford Compressor Station (i.e., impact on schools and other locally provided services) are not expected to be significant. Local communities will benefit from the payroll taxes paid by construction workers during the construction period. A percentage of this money will be spent locally and may provide significant short-term revenues to the community. Additional positive impacts will result from payments for construction materials and equipment.

5.2.1.4 Housing Needs and Availability

The majority of the non-local workers are expected to use temporary housing such as hotels, motels, apartments and campgrounds within commuting distance to the site. Temporary housing is typically used because the construction period is relatively short and workers generally do not travel with their families. Iroquois does not anticipate that construction crews will encounter any difficulties locating temporary housing, campgrounds and/or hotel accommodations in the Project vicinity.

5.2.1.5 Transportation

Minor, short-term impacts to the transportation network may result from the construction of the Milford Compressor Station. These impacts will result from the movement of construction equipment and materials to and from the site and daily commuting of workers to and from the site. These impacts are not expected to be significant.

To maintain safe conditions, Iroquois will require its contractors to comply with applicable vehicle weight and width restrictions. The construction of the Milford Compressor Station is not anticipated to require the crossing of public roads by construction equipment on a daily basis. The movement of equipment and materials from contractor yards and storage yards to the sites will result in additional short-term impact on the transportation network. Truck traffic associated with transporting construction equipment to the site may increase the workload of local police due to monitoring of vehicle weight, width restrictions and

traffic details. Also, large vehicles may cause some temporary obstructions in traffic flow. Iroquois will work cooperatively with the local police and fire departments, as well as the Connecticut State Police, to ensure a safe and efficient traffic management plan is implemented during construction of the Project. Project related demands on local police are not expected to be significant.

The transportation network may experience a short-term incremental increase to traffic as a result of the movement of construction workers between their residences and the construction site. Several trips may be made each day to and from the site. This level of traffic will remain fairly constant throughout the construction period and will typically occur during early morning and early evening hours. Impacts to the transportation network from construction workers commuting to and from home or work are not expected to be significant and should have minimal effect on the local traffic.

5.2.1.6 Residential or Business Displacements

No residences or businesses will be displaced as a result of the construction of the Project. The Milford Compressor Station is located on a parcel of land currently under ownership by Iroquois in an industrial area. No known tribal lands, National Forests or other public lands are expected to be affected. The construction of the compressor station is not expected to disproportionately affect minority or low income communities or Native American groups. Iroquois has notified the public, as part of the requirements of the FERC Pre-filing Process has held an open house locally to present the Project to the public and has provided the public an opportunity to comment on the proposed facility.

5.2.1.7 Operation Workforce, Tax Revenues, and Local Expenditures

The economic benefits associated with operation of the Milford Compressor Station include increased revenue to the City of Milford in the form of property taxes. Exhibit N - Revenues, Expenses, and Income, filed by Iroquois as part of the Certificate Application, further describes tax revenues and benefits.

5.2.2 Brookfield Compressor Station Modifications

This section summarizes the socioeconomic conditions of Phase III of the 08/09 Expansion Project in Brookfield, Connecticut. While the Project involves the modification of a compressor station in the Town of Brookfield, Connecticut, it is not expected to have a significant adverse impact on socioeconomic conditions adjacent to the project location. This portion of Resource Report 5 is based largely on the Resource Report 5 previously prepared in the CP02-31-002 (MarketAccess Project) proceeding, which received a Certificate for aboveground facilities significantly larger in scope than the currently proposed Project. Additionally, no concerns were raised relative to socioeconomic issues in that proceeding. Due to the scale of the Project, construction and operation methodologies, and impact minimization and mitigation measures, significant impacts to employment, housing, local government services, local tax revenues, transportation, or other related socioeconomic conditions within the affected municipality are not anticipated.

5.2.2.1 Socio-economic Impact Area

The Brookfield Compressor Station site is located in the Town of Brookfield, Fairfield County, Connecticut. Fairfield County is located in the southwestern corner of the State of Connecticut. The U.S. Census Bureau estimates the total population for Fairfield County in 2005 as 884,050, which is a slight increase from the 2000 Census (882,567). The largest city by population in the County is Bridgeport, and the majority of the population for the County is located in surrounding areas. Major sources of tax revenue within Brookfield include residential properties, commercial and industrial business and

professional services. Please refer to Table 5.2-2 for a summary of socioeconomic conditions within the Town of Brookfield, CT.

The Town of Brookfield encompasses an area of approximately 20.4 square miles (US Census Bureau 2006a) and is a traditional New England community that provides many economic opportunities for business creation, expansion and relocation. The population of Brookfield in 2005 was 16,186 (CERC Town profile 2006) which was a 3.3% increase from 2000 (US Census Bureau 2006a). The population density is 793/mi². The racial makeup of the town is 92.98% White, 1.51% Black or African American, 0.14% Native American, 3.31% Asian and Pacific Islander, and 2.06% are from other races or from two or more races. 2.88% of the population (within the overall 100% previously identified) is Hispanic or Latino (any race).

The median income for a household in the town is \$82,706, and the median income for a family is \$91,296. The per capita income for the Town is \$37,063. 2.3% of the population and 1.2% of families are below the poverty line. Of the total population, 2.6% of those under the age of 18 and 2.3% of those 65 and older are living below the poverty line. The unemployment rate for the Town in 2000 was 1.9% (US Census Bureau 2006a). Retail trade comprises the largest number of employees in Brookfield followed by manufacturing, and education, health and social services. Private employers employ the greatest number of workers in the Town.

The Town of Brookfield supports its own schools and emergency services. Police, ambulance services, and a volunteer fire department are all available within the Town. No hospitals are located directly in the Town of Brookfield; however, Danbury Hospital and New Milford Hospital are both located within approximately eight miles of Brookfield. Significant transportation infrastructure is available as Route 7 essentially bisects the Town and Route 84 passes through Danbury to the South. Brookfield has a minimum of three hotels/motels within the municipality, and significant sources of temporary housing are located in adjacent Danbury.

TABLE 5.2-2 SUMMARY OF EXISTING SOCIOECONOMIC CONDITIONS IN THE BROOKFIELD COMPRESSOR STATION AREA	
Parameter	Brookfield, CT
Land Area (mi ²)	20.4
Population (2005)	16,186
Population (2000)	15,664
Per Capita Income (Dollars)(2000)	37,063
Rental Vacancy Rate (%) (2000)	3.6
Civilian Labor Force (2005)	8,838
Unemployment Rate (2005)	3.5
Major Industries	Retail Trade, Manufacturing, and Education, Health & Social Services

5.2.2.2 Project Construction and Operation Impacts

While there will be both short- and long-term socioeconomic impacts associated with the construction and operation of the Brookfield Compressor Station modifications, the project has been designed in a manner that minimizes adverse impacts. Short-term impacts may include the potential increase in use of public services such as police for traffic control. The increase in the use of public services will be offset by the benefits derived from increased short-term revenue streams. During construction of the Brookfield Compressor Station modifications, there could be minor, temporary increases in the local population; demand for temporary housing, and use of transportation services. There may also be an increase in expenditures for local goods and services. Iroquois anticipates using a percentage of local workers for the construction of the compressor station modifications, adding additional positive short-term socioeconomic benefits in terms of increased payrolls and employment. Sufficient services exist within and adjacent to the Town of Brookfield to support the needs of the construction crew and personnel associated with the construction and operation of the proposed facilities.

Long-term socioeconomic benefits associated with the continued operation of the Brookfield Compressor Station include payment of local property taxes; purchases of services, materials, and supplies from local businesses; and periodic temporary employment for various construction, operation and maintenance activities.

The proposed Brookfield Station modifications will incorporate their own fire prevention and control features, which will minimize the potential for increasing demands on local emergency and fire personnel and services.

5.2.2.3 Construction Schedule and Workforce

The Brookfield Compressor Station modifications are scheduled to occur over a six month period from April 2009 to October 2009. Some mitigation and preparatory steps may take place before actual construction begins. Construction of the compressor station modifications is anticipated to require approximately 25 workers on a regular basis and up to 75 workers including deliveries and other periodic services. Iroquois, through its construction contractors and subcontractors, may hire local construction workers to incorporate into the Project workforce that possess the required skills and experience. The majority of inspectors are anticipated to be non-local due to the specialized knowledge required for the position.

Non-local workers will generally reside in the Project area for the duration of the construction period and, typically, few workers are accompanied by family members. As a result, the socioeconomic impacts resulting from the construction of the Brookfield Compressor Station modifications (i.e., impact on schools and other locally provided services) are not expected to be significant. Local communities will benefit from the payroll taxes paid by construction workers during the construction period. A percentage of this money will be spent locally and may provide significant short-term revenues to the community. Additional positive impacts will result from payments for construction materials and equipment.

5.2.2.4 Housing Needs and Availability

The majority of the non-local workers are expected to use temporary housing such as hotels, motels, apartments, and campgrounds within commuting distance to the site. Temporary housing is typically used because the construction period is relatively short and workers generally do not travel with their families. Iroquois does not anticipate that construction crews will encounter any difficulties locating temporary housing, campgrounds and/or hotel accommodations in the Project vicinity.

5.2.2.5 Transportation

Minor, short-term impacts to the transportation network may result from the construction of the Brookfield Compressor Station modifications. These impacts will result from the movement of construction equipment and materials to and from the site and daily commuting of workers to and from the site. These impacts are not expected to be significant.

To maintain safe conditions, Iroquois will require its contractors to comply with applicable vehicle weight and width restrictions. The modifications to the Brookfield Compressor Station are not anticipated to require the daily crossing of public roads by construction equipment. The movement of equipment and materials from contractor yards and storage yards to the site will result in additional short-term impact on the transportation network. Truck traffic associated with transporting construction equipment to the site may increase the workload of local police due to monitoring of vehicle weight, width restrictions and traffic details. Also, large vehicles may cause some temporary obstructions in traffic flow. Iroquois will work cooperatively with the local police and fire departments, as well as the Connecticut State Police, to ensure a safe and efficient traffic management plan is implemented during construction of the Project. Project related demands on local police are not expected to be significant.

The transportation network may experience a short-term incremental increase to traffic as a result of the movement of construction workers between their residences and the construction site. Several trips may be made each day to and from the site. This level of traffic will remain fairly constant throughout the construction period and will typically occur during early morning and early evening hours. Impacts to the transportation network from construction workers commuting to and from home or work are not expected to be significant and should have minimal effect on the local traffic.

5.2.2.6 Residential or Business Displacements

No residences or businesses will be displaced as a result of the construction of the Project. The Brookfield Compressor Station modifications are located on a parcel of land currently under ownership by Iroquois. No known tribal lands, National Forests or other public lands are expected to be affected. The construction of the compressor station is not expected to disproportionately affect minority or low income communities or Native American groups. Iroquois has notified the public, as part of the requirements of the FERC Pre-filing Process and has held an open house locally to present the Project to the public and provided the public an opportunity to comment on the proposed facility.

5.2.2.7 Operation Workforce, Tax Revenues, and Local Expenditures

The economic benefits associated with operation of the Brookfield Compressor Station modifications include increased revenue to the Town of Brookfield in the form of property taxes. Exhibit N - Revenues, Expenses, and Income filed by Iroquois as part of the Certificate Application further describes tax revenues and benefits.

5.3 REFERENCES

- US Census Bureau. 2006a. United States Census 2000: Brookfield, Fairfield County, Connecticut. Website: http://factfinder.census.gov/home/saff/main.html?_lang=en. [Information on website revised June 20, 2006].
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