



ROVER PIPELINE
An ENERGY TRANSFER Company

ROVER PIPELINE LLC

Rover Pipeline Project

RESOURCE REPORT 5
Socioeconomics

FERC Docket No. CP15-____-000

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TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
5.0 SOCIOECONOMICS	5-1
5.1 EXISTING CONDITIONS	5-2
5.1.1 Population	5-2
5.1.2 Economy and Employment.....	5-2
5.1.3 Housing.....	5-3
5.1.4 Public Services.....	5-3
5.1.4.1 Hospitals.....	5-3
5.1.4.2 Police and Fire.....	5-3
5.1.4.3 Education	5-3
5.2 PROJECT CONSTRUCTION AND OPERATION.....	5-4
5.2.1 Project Workforce.....	5-4
5.2.1.1 Construction.....	5-4
5.2.1.2 Operation	5-5
5.2.2 Population, Employment, and Housing	5-5
5.2.2.1 Construction.....	5-5
5.2.2.2 Operation	5-6
5.2.3 Economy and Tax Revenue	5-6
5.2.3.1 Construction.....	5-6
5.2.3.2 Operation	5-7
5.2.4 Public Services.....	5-7
5.2.4.1 Construction.....	5-7
5.2.4.2 Operation	5-8
5.2.5 Transportation and Traffic	5-8
5.2.5.1 Construction.....	5-8
5.2.5.2 Operation	5-9
5.2.6 Displacement of Residences and Businesses	5-9
5.2.7 Property Values.....	5-10
5.2.8 Homeowner Insurance	5-11
5.2.9 Home Mortgages.....	5-11
5.2.10 Farming and Timber Production.....	5-12
5.3 ENVIRONMENTAL JUSTICE	5-12
5.4 REFERENCES	5-14

LIST OF TABLES

TABLE 5.2-1 Permanent Employees.....	5-6
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LIST OF APPENDICES

APPENDIX 5A TABLES

- TABLE 5A-1 Existing Population and Demographic Conditions
- TABLE 5A-2 Existing Income and Employment Conditions in the Project Area
- TABLE 5A-3 Revenues and Expenditures (dollars)
- TABLE 5A-4 Temporary Housing Units Available in the Project Area
- TABLE 5A-5 Public Service Data for the Project Area
- TABLE 5A-6 School Districts and School Enrollment in Project Area
- TABLE 5A-7 Summary of Estimated Peak Construction and Operational Workforce
- TABLE 5A-8 Estimated Construction Employment
- TABLE 5A-9 Summary of Estimated Project Investment and Taxes
- TABLE 5A-10 Demographic and Economic Conditions by Census Tract



LIST OF ACRONYMS

FERC or Commission	Federal Energy Regulatory Commission
HDD	horizontal directional drill
hp	horsepower
IBEW	International Brotherhood of Electrical Workers
PLCA	Pipeline Contractors Association
Project	Rover Pipeline Project
Rover	Rover Pipeline LLC
RV	recreational vehicle
U.S.	United States
USA	United States of America



RESOURCE REPORT 5 -- SOCIOECONOMICS	
Filing Requirement	Location in Environmental Report
<ul style="list-style-type: none">Describe the socioeconomic impact area. (§ 380.12(g)(1))	Section 5.1
<ul style="list-style-type: none">Evaluate the impact of any substantial immigration of people on governmental facilities and services and plans to reduce the impact on the local infrastructure. (§ 380.12(g)(2))	Section 5.2.4
<ul style="list-style-type: none">Describe on-site manpower requirements and payroll during construction and operation, including the number of construction personnel who currently reside within the impact area, would commute daily to the site from outside the impact area, or would relocate temporarily within the impact area. (§ 380.12(g)(3))	Section 5.2.1
<ul style="list-style-type: none">Determine whether existing housing within the impact area is sufficient to meet the needs of the additional population. (§ 380.12(g)(4))	Section 5.2.2
<ul style="list-style-type: none">Describe the number and types of residences and businesses that would be displaced by the project, procedures to be used to acquire these properties, and types and amounts of relocation assistance payments. (§ 380.12(g)(5))	Section 5.2.6
<ul style="list-style-type: none">Conduct a fiscal impact analysis evaluating incremental local government expenditures in relation to incremental local government revenues that would result from construction of the project. Incremental expenditures include, but are not limited to, school operating costs, road maintenance and repair, public safety, and public utility costs. (§ 380.12(g)(6))	Sections 5.2.3 and 5.2.4

5.0 SOCIOECONOMICS

Rover Pipeline LLC (Rover) is seeking authorization from the Federal Energy Regulatory Commission (FERC) pursuant to Section 7(c) of the Natural Gas Act to construct, own, and operate the proposed Rover Pipeline Project (Project). The Rover Pipeline Project is a new natural gas pipeline system that will consist of approximately 711.2 miles of Supply Laterals and Mainlines, 10 compressor stations, and associated meter stations and other aboveground facilities that will be located in parts of West Virginia, Pennsylvania, Ohio, and Michigan. The Project will include 509.1 miles of proposed right-of-way, extending from the vicinity of New Milton, Doddridge County, West Virginia to the vicinity of Howell, Livingston County, Michigan, and will include approximately 202.1 miles of dual pipelines.

The Project will consist of the following components and facilities:

- **Supply Laterals:**
 - eight supply laterals consisting of approximately 199.7 miles of 24-, 30-, 36-, and 42-inch-diameter pipeline in West Virginia, Pennsylvania, and Ohio,
 - two parallel supply laterals, each consisting of approximately 18.8 miles (for a total of approximately 37.6 miles) of 42-inch-diameter pipeline (Supply Connector Lateral Line A and Line B) in Ohio,
 - approximately 72,645 horsepower (hp) at six new compressor stations to be located in Doddridge and Marshall counties, West Virginia; Washington County, Pennsylvania; and Noble, Monroe, and Harrison counties, Ohio, and
 - two new delivery, 11 new receipt, and two new bidirectional meter stations on the Supply Laterals.

- **Mainlines A and B:**
 - approximately 190.6 miles of 42-inch-diameter pipeline (Mainline A) in Ohio,
 - approximately 183.3 miles of parallel 42-inch-diameter pipeline (Mainline B) in Ohio,
 - approximately 114,945 hp at three new compressor stations to be located in Carroll, Wayne, and Crawford counties, Ohio, and
 - two new delivery meter stations in Defiance County, Ohio.

- **Market Segment:**
 - approximately 100.0 miles of 42-inch diameter pipeline in Ohio and Michigan,
 - approximately 25,830 hp at one new compressor station to be located in Defiance County, Ohio, and
 - two new delivery meter stations in Washtenaw and Livingston counties, Michigan.

Resource Report 5 describes the existing socioeconomic conditions in the Project area and the potential impacts to these conditions from proposed Project-related activities. Section 5.1 summarizes baseline existing socioeconomic conditions in the vicinity of the Project including population, economy and employment, housing, public services, and transportation and traffic. Section 5.2 addresses the socioeconomic impacts of Project construction and operation in the vicinity of the Project area. Section 5.3 addresses environmental justice. Section 5.4 provides a list of references.

5.1 EXISTING CONDITIONS

This section contains a summary of the socioeconomic conditions existing in the Project area. The Project area for the socioeconomic data focuses on counties in which the Project will be located. Sources of information used to identify existing socioeconomic conditions in the Project area include the latest available data from the U.S. Census Bureau and other Census Bureau information, the Bureau of Economic Analysis, and the U.S. Department of Labor, Bureau of Labor Statistics.

5.1.1 Population

Population density, an indication of the extent of development, is generally low along the Project route reflecting the mostly rural/agricultural land use of the areas in which the Project is located. The average population density of the counties along the route is 166.0 persons per square mile, with a low of 27.5 persons per square mile in Doddridge County, West Virginia, and a high of 652.9 persons per square mile in Stark County, Ohio (U.S. Census Bureau, 2012b). With respect to population trends, the change in population from 2010 to 2013 across the 27 counties averaged an almost negligible -0.5%. The greatest loss in population was in Jefferson County, Ohio, which lost 2.5 percent in population during this time, and the greatest gain was in Wood County, Ohio, which gained 3.0 percent in population during this time (see Table 5A-1 in Appendix 5A).

5.1.2 Economy and Employment

Table 5A-2 in Appendix 5A provides information on the economy and employment in the Project area. Per capita income ranges from a low of \$15,491 (Doddridge County, West Virginia) to a high of \$32,853 (Washtenaw County, Michigan) (U.S. Census Bureau, 2012b). The lowest reported unemployment rates were in Hancock and Wayne counties, Ohio (4.8 percent) and the highest unemployment rate was in Monroe County, Ohio (12.2 percent) (U.S. Bureau of Labor Statistics, 2014).

Table 5A-3 in Appendix 5A provides reported revenues per county from ad valorem and sales taxes, permits, fees, and other revenue sources, as well as expenditures for administration, fire, police, community services, etc. The primary sources of revenues for counties are property taxes, permissive use sales taxes and revenues from licenses and permits.

5.1.3 Housing

Table 5A-4 in Appendix 5A provides rental and other (non-rental) temporary housing options such as hotels, motels, campgrounds, and recreational vehicle (RV) parks within the Project area. The average rental vacancy rate along the counties crossed by the Project is 6.4 percent, and ranges from a low of 1.1 percent in Carroll County, Ohio to a high of 12.9 percent in Monroe County, Ohio. The average number of vacant housing units along the counties crossed by the Project is 3,700 with a low of 812 in Henry County, Ohio, and a high of 14,827 in Stark County, Ohio (U.S. Census Bureau, 2012a). In addition to vacant housing, there are a total of 25 hotels/motels and 18 campgrounds/RV parks within the five West Virginia counties crossed by the Project, 69 hotels/motels and 39 campgrounds/RV parks in the one county crossed in Pennsylvania, 376 hotels/motels and 419 campgrounds/RV parks within the 18 Ohio counties crossed by the Project, and 153 hotels/motels and 129 campgrounds/RV parks within the three Michigan counties crossed by the Project (HotelMotels.info, 2014 and Yellowbook, 2014).

5.1.4 Public Services

Table 5A-5 in Appendix 5A provides a summary of local community services in the Project area. Local communities typically have adequate infrastructure and community services such as police, fire, and medical to accommodate Project needs. In addition, Table 5A-6 includes a detailed inventory of the school districts and school enrollment in the Project area. This information is described below.

5.1.4.1 Hospitals

The affected counties within West Virginia, Pennsylvania, Ohio and Michigan have a total of 3, 3, 29, and 8 hospitals, respectively, which include 220, 574, 4,290, and 1,804 hospital beds, respectively. Overall, there are 43 hospitals, with a total of 6,888 beds, within or adjacent to the Project area.

5.1.4.2 Police and Fire

There are a total of 203 police departments and 400 fire departments that serve the counties through which the Project is located. The numbers of police departments and fire departments vary depending on the population of the county and its needs. Most of the fire departments have a combination of career employees and volunteers (see Table 5A-5 in Appendix 5A) (United States of America (USA) Cops, 2013 and Fire Department Directory, 2014).

5.1.4.3 Education

Table 5A-6 in Appendix 5A lists the number of public schools within the counties crossed by the Project, and provides detailed information on the school districts and school enrollment. The Project crosses counties that have a total of 772 schools and 200 school districts. Counties along the route on average have 29 schools with an average of 12,278 students.

5.2 PROJECT CONSTRUCTION AND OPERATION

Of the potential socioeconomic effects related to the Project, some are related to Project construction, operation, and maintenance and some are related to the number of non-local construction workers and their potential direct impact on population, the demand for public services, and for temporary housing during construction. Other potential effects include traffic disruptions, and temporary disturbance of agricultural land, homes, and businesses adjacent to these routes. Beneficial effects include increased property tax revenue, increased job opportunities, revenues associated with local construction employment, and new local expenditures.

5.2.1 Project Workforce

Table 5A-8 in Appendix 5A provides a breakdown of the workforce for the Rover Pipeline Project.

5.2.1.1 Construction

The maximum potential peak work force would be 14,225 workers, which would be distributed over 509.1 miles of the Project work area. The biggest portion of the workforce (peak 7,525) will be spread across the approximate 218.5 miles of the Supply Laterals. The total average workforce would be 9,998 workers for the first four quarters of construction, and 1,313 for the two quarters in 2017 where construction would continue along the Market Segment (See Table 5A-7). Table 5A-8 provides a summary of anticipated construction employment by quarter. The projected workforce would translate into approximately \$570 million in wages to workers over the approximately 18-month construction period.

The Project will be constructed using multiple construction spreads, including smaller work crews for the horizontal directional drills (HDD) and compressor stations. Rover anticipates using 15 construction spreads for the pipelines, and a separate work crew to construct each of the ten compressor stations.

Based upon the schedule to execute the Project, high quality and trained staff and available resources, Rover has committed to utilize union labor in cooperation with the Pipeline Contractors Association (PLCA) to build the Project. The PLCA has an agreement in place with the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, American Federation of Labor and Congress of Industrial Organizations, Laborers' International Union of North America, International Union of Operating Engineers, and the International Brotherhood of Teamsters. Although the International Brotherhood of Electrical Workers is not a part of that agreement, Rover has agreed to utilize the IBEW for electrical work. As part of this arrangement, Rover will rely upon the collective bargaining agreements, with each union under their own respective "National Pipeline Agreement," which are currently valid from July 2014 to June 2017. These agreements specify and define that the portion of local versus regional or non-local resources. As such, Rover anticipates at least 50% of the workforce, approximately 7,113 workers during peak construction, to come from the local union halls.

The socioeconomic impacts associated with construction of the Project will be limited to the approximately 18-month construction period. In general, the Project sites are relatively isolated from population centers, and have adequate highway access to accommodate the peak workforce.

Most socioeconomic impacts are expected to be beneficial as the Project will provide jobs, and a stimulus to the regional economy as a result of local and non-local construction worker spending, as well as through Project-related purchases of construction goods and materials.

5.2.1.2 Operation

Approximately 38 full-time positions will be required to maintain and operate the Project following completion of construction. These full time positions will have a positive impact on the economy as a result of added wages and spending, though this amount will be very small relative to the size of the economy.

5.2.2 Population, Employment, and Housing

5.2.2.1 Construction

The peak construction workforce would consist of approximately 14,225 workers spread over 509.1 miles in 27 counties in four states (see Table 5A-7 in Appendix 5A). Based on previous experience, most of the local workers (approximately 50 percent of the workforce) will be existing residents in the area, or would reside within daily commuting distance of the Project.

The non-local construction personnel will be hired from outside the Project area, and will include supervisory personnel, construction station specialists, inspectors, and repair workers. These individuals will relocate to the Project vicinity for the duration of their work on the Project. If a larger than anticipated percentage of non-local workers is required to meet peak workforce requirements, sufficient workers are available in the labor pools in the surrounding region.

The impact of construction worker in-migration on the local population will be minimal due to the size of the existing population base in the Project area and the linear nature of the project. In addition, based on experience, most non-local workers are not expected to bring their families since the work is only temporary and such workers will need to move along/relocate along the Project as work progresses.

The presence of the non-local workers within the Project area during construction will increase the demand for temporary short-term housing. Temporary housing is available for much of the Project area as listed in Table 5A-4 in Appendix 5A and vacant rental housing units (99,897), motels/hotels (623), and campground/RV parks (605) are sufficient to accommodate the estimated peak non-local workforce. For instance, Henry County has the lowest number of available housing units (812) of any county along the Project route. The peak workforce for Mainlines A and B is anticipated to be approximately 4,800 (see Table 5A-8 in Appendix 5A), which averages to 400 employees per county along that pipeline segment, which should be adequately covered by available housing in Henry County. In addition, Wood County,

which is adjacent to Henry County to the east, has 4,577 vacant housing units, and Defiance County, which is adjacent to the west, has 1,432 units. Major population centers in Wood County (Bowling Green) and Defiance County (Defiance) are 12 miles and 7 miles from the boundaries of Henry County, respectively, and are well within driving distance for any construction employees working in Henry County. Since many workers will room together and peak construction months will be limited, actual housing requirements will be much lower throughout the construction period. Rover is not anticipating the need to supply supplemental housing in any areas.

Due to the relatively small in-migrating work force and the availability of temporary housing in the Project area, no short- or long-term negative impacts to housing resources in the Project area are anticipated.

5.2.2.2 Operation

The operational workforce for the Project will consist of approximately 38 workers, as detailed in Table 5.2-1. Nearly all of these workers will be hired from the local labor pool and no significant impact on population, housing, or employment is expected. These jobs will also have a positive impact on unemployment rates in the Project area.

Location	Permanent Employees
Livingston County, Michigan	1
Defiance Compressor Station	5
Mainline Compressor Station 3	3
Mainline Compressor Station 2	4
Mainline Compressor Station 1	9
Clarington Compressor Station	5
Sherwood Compressor Station	2
Area Office, Canton, OH	9
Total	38

5.2.3 Economy and Tax Revenue

5.2.3.1 Construction

Rover estimates that construction of the Project will be an approximate \$3.7 billion investment. Table 5A-9 details the capital expenditures proportionate to the facilities in each state and the estimated ad valorem taxes that would be paid to the counties. In addition, Rover is committed to purchasing construction materials and equipment from local and regional manufacturers and suppliers. For instance,

to date, Rover has contracted with local manufacturers and distributors in Ohio to purchase approximately \$63 million in actuators, ball valves, compressor units, welded fittings, etc.

During construction, it is estimated that approximately \$91 million of the \$570 million anticipated for the construction payroll will be spent locally by both local and non-local workers for the purchase of housing, food, gasoline, entertainment, and luxury items. The dollar amount would depend on the number of construction workers employed at any given time and the duration of the non-local worker's stay in the Project area. It is also likely that some portion of construction materials will be purchased locally. These direct payroll and materials expenditures will have a positive impact on local economies, and will likely stimulate indirect expenditures within the region as inventories are restocked or new workers are hired to meet construction demands.

Estimated sales tax will be paid on all goods and services purchased with payroll monies or for construction materials, which will benefit the state and local economies. State sales tax revenues are expected to total roughly \$15.3 million (see Table 5A-9 in Appendix 5A).

5.2.3.2 Operation

Following construction, Rover estimates that the Project will provide as much as \$146.9 million in ad valorem tax revenue per year to the counties along the Project route over the life of the Project (see Table 5A-9 in Appendix 5A).

Minimal payroll for the operational workforce is estimated at approximately \$3.7 million in 2017, and is expected to increase yearly with inflation. The operational payroll would also vary depending upon the number of employees along the system per year.

5.2.4 Public Services

5.2.4.1 Construction

Construction of components of the Project could result in minor, short-term impacts, or no impacts at all, on the availability of local community facilities and services such as police, fire, and medical. Other construction-related demands on local agencies could include increased enforcement activities associated with issuing permits for vehicle load and width limits, local police assistance during construction at road crossings to facilitate traffic flow, and emergency medical services to treat injuries resulting from construction accidents.

Necessary community services such as medical facilities and police and fire protection are generally in adequate supply in the Project area, and should be able to absorb any increase in demand by the temporary construction workforce with minimal cost to the local governments. Rover is currently consulting with local first responders and emergency personnel along the Project route to assess available resources.

Construction contractors typically keep medical personnel on-site during construction to provide first aid for minor injuries to construction workers. In addition, construction contractors maintain water trucks and fire watch crews for construction activities, especially during burning of cleared debris or welding activities. Private security services are also employed for contractor yards and other places where equipment and materials are stored or for transportation escorts for oversized loads during hauling, etc. These privately obtained services will help to minimize the Project's use of public services.

Because most non-local construction personnel are not expected to relocate their entire families to the construction areas, there should be no impact on local schools. Ultimately, negative impacts to government facilities and services are expected to be negligible. As mentioned above, the primary socioeconomic impacts in the Project area will be increases in employment and local tax revenue, which are anticipated to more than offset any minor adverse impacts to public services.

5.2.4.2 Operation

The addition of approximately 38 full-time workers for the Project will have a negligible effect on public services since these workers will mostly be hired from the local/regional labor pool.

5.2.5 Transportation and Traffic

Construction of the Project will result in minor, short term impacts on the road and railroad transportation network in the Project area, as described in the sections below.

5.2.5.1 Construction

The Project pipelines will cross railroads and public roads that range from maintained gravel municipal roads to state highways and interstate highways. Potential temporary effects associated with roadway crossings include disruption of traffic flows, disturbance of existing underground utilities, such as water and sewer lines, and hindrance of emergency vehicle access. Traffic on major roads and railroads will be unimpeded during installation of the pipe by use of horizontal bore or HDD construction methods. The pipelines will be installed at a depth of at least 5 feet below a road surface and at least 10 feet below the rail of a railroad, and will be designed to withstand anticipated external loadings.

Construction of the Project will result in minor, short term impacts on the transportation system in the Project area. The decision to install the pipeline under public and private roadways, using either conventional open cut or road bore/HDD methods, will be based on site conditions, traffic flow, and road opening permit requirements. Generally, all paved roads will be bored. Table 1A-8 in Volume IIA, Resource Report 1, lists the methods by which all roads and railroads will be crossed by the Project and Section 1.6.1.5 and the *Residential Access and Travel Management Plan* includes additional information about construction of the pipelines across roads, and potential impacts to traffic. Construction work in roadways will be scheduled so as to avoid commuter traffic and schedules for school buses to the greatest extent practicable.

To minimize traffic delays at open-cut road crossings, Rover will establish detours before cutting these roads. Appropriate traffic management and signage will be set up and necessary safety measures will be developed in compliance with applicable permits for work in public roadways. Arrangements will be made with local officials to have traffic safety personnel on hand during periods of construction. Provisions will be made for detours or otherwise to permit traffic flow.

In addition to the traffic impacts caused by the open-cut road crossings, the movement of construction equipment and materials, and the daily commuting of workers to and from the construction work areas, may increase traffic volumes in localized areas throughout the Project area. Project-related construction traffic will typically occur during the early morning hours and evening hours when construction workers commute to the construction work areas.

Construction workers will be deployed in various locations along the pipeline such that no single area will experience significant traffic impacts. Pipeline construction is typically scheduled to take advantage of daylight hours, usually starting in the early morning and ending in the evening (six days a week). Therefore, construction activities will begin before peak commuting hours in the morning and end after peak evening commuting hours. Because construction will move sequentially along the pipeline route, traffic flow impacts that do arise will be temporary on any given section of roadway. Accordingly, Rover does not anticipate significant traffic impacts during construction.

To maintain safe conditions, Rover will require its construction contractors to ensure enforcement of local weight restrictions and limitations by its vehicles. Specifically, Rover will require its contractors to obtain road and highway permits and bonding required for the use of public roads to transport construction equipment and materials, especially for any overweight or oversized equipment. Damage to public and private roadways due to construction will be repaired by Rover's contractors.

5.2.5.2 Operation

Rover will employ an operational workforce of approximately 38 workers. No significant impacts on major roadways are anticipated as a result of movement of these additional workers to and from the Project site offices and compressor stations.

5.2.6 Displacement of Residences and Businesses

Construction of the Project will not require the displacement of residences or businesses. Where residences are located in close proximity to the edge of the construction right-of-way, Rover will reduce construction workspace areas as practicable to minimize inconvenience to property owners. If construction requires the removal of private property features, such as gates or fences, the landowner or tenant will be notified prior to the action. Following completion of major construction, the property will be restored. Property restoration will be in accordance with any agreements between Rover and the landowner. Rover will develop site-specific residential construction plans for any residence within 50 feet of the construction work areas (see Resource Report 8).

In agricultural lands, Rover will work with the affected landowners to identify drain tiles and other water features within the construction work areas prior to construction. Any drain tiles or water features damaged during construction will be repaired to landowner specifications or to pre-construction condition. See Resource Report 7 for a discussion of construction and restoration methods in agricultural lands.

5.2.7 Property Values

Property owners directly affected by the Project will be compensated for use of their land during construction and for operation of the pipeline or acquisition of the land for the aboveground facilities. Many landowners are concerned about loss of property value following installation of an underground pipeline. Several studies have been completed regarding the impact of natural gas pipelines on private property values.

A recent study by Gnarus Advisors LLC (Gnarus, 2012) examined whether proximity to pipelines, with a focus on natural gas pipelines, has an effect on residential property values. The study contains a literature review specific to pipelines and property values, with a focus on actual sales data. The authors conclude that there is “no credible evidence based on actual sales data that proximity to pipelines reduces property values.” Further, they found that “hypothetical surveys of actual or potential market participants should not be used as a substitute for the systematic analysis of market data, as they may overstate the effects, if any, of proximity to disamenities, including pipelines, on property values.”

A 2011 study (Diskin, 2011) composed to analyze the impact of natural gas pipelines on property values in the southwestern quarter of the U.S. analyzed the values of roughly 1,000 properties in several communities and across three counties. These properties covered a broad spectrum, including those encumbered by the easement and adjacent to the easement, as well as properties that were neither encumbered nor adjacent to the easement. “Based on the results of the matched-pairs analysis, we could not identify a systematic relationship between proximity to the pipeline and sale price or value. Prior studies we prepared or encountered came to the same conclusion and corroborate our findings.”

A 2008 study (Fruits, 2008) was commissioned to analyze the impact of a pipeline that went into service in 2004, crossing forested as well as rural land in the Pacific Northwest. After identifying properties within one mile of the pipeline and analyzing over 10,000 property transactions, the study concluded that the pipeline had no impact on property values and made the following statement: “The SMPE pipeline has no statistically significant impact. This study performs three different statistical tests to evaluate how proximity to the pipeline affects residential sales prices. Each of the statistical tests indicates no relationship between proximity to the pipeline and properties’ sale prices. In other words, the pipeline has no impact on property values.”

Another study, conducted by the Interstate Natural Gas Association of America Foundation in 2001 (INGAA, 2001), had similar findings. This study analyzed data from several distinctly different geographical areas, including a suburban area traversed by one natural gas pipeline, a suburban area traversed by multiple natural gas and products pipelines, a rural area traversed by one natural gas pipeline

and a commercial area traversed by one natural gas pipeline and one products pipeline. After reviewing data, the study concluded that impact on property sale prices along pipelines is insignificant and stated that even the diameter of the pipeline and the product carried do not significantly affect the sales prices. The study also stated that pipelines have little or no impact on the demand for properties along the area of study and that the existence of pipelines did not impede development of surrounding properties.

Currently available information does not support any firm conclusion with respect to the effects of natural gas pipelines on property values, although the studies discussed above concluded that proximity to pipelines did not, in and of itself, impact property values. The impact a pipeline may have on the value of a tract of land depends on many factors, including size, the values of adjacent properties, the presence of adjacent rights-of-way, the current value of the land, and the extent of development and other aspects of current land use. The new permanent easement can impact property values if it reduces the available lot size/use of land. However, Rover has designed the route to minimize such impacts by locating the pipeline adjacent to property lines (to the extent practicable), existing utility corridors, and/or nonutility corridors where possible.

5.2.8 Homeowner Insurance

Many landowners were concerned about the potential for negative impacts on homeowner's insurance, such as increased premiums, reductions in coverage, or termination of policies. There is little or no peer-reviewed literature on this topic, so Rover contacted local agents from State Farm and Liberty Mutual Insurance companies, and a representative from the Ohio Department of Insurance. All responded that they had never heard of a pipeline on a property having any effect on whether a homeowner would have difficulty in getting homeowner's insurance, or even a policy getting rated because of its existence. They did note that an oil or gas well on the property could cause issues with insurance in certain cases, and that subsidence from underground mining is generally not covered and a separate policy is needed for that.

Rover also contacted one of the top insurance agents for Shelter Insurance in Lafayette, Louisiana that carries policies for properties with pipelines, which are very common throughout the service area in south Louisiana. He confirmed that in his experience the presence of a pipeline on a property has never resulted in an insurance application being denied for any of his clients. A local insurance agent for Meyer Baderhop Insurance Agency in Hamler, Ohio also confirmed that there have been no problems for landowners to obtain insurance for properties with a pipeline. He also noted that the existing 1950s era pipelines in Henry County have never presented a problem to obtaining insurance for those properties.

This research on natural gas pipelines and their effect on homeowners insurance provides no documentation to support claims by landowners that the presence of the pipeline would have any effect, either positive or negative, on homeowner's insurance policies.

5.2.9 Home Mortgages

Similar to home insurance, there is no peer-reviewed literature on the effect of a pipeline on home mortgages. To address this concern, Rover contacted mortgage officers at Consumers National Bank,

Farm Credit Services of Mid-America, and Dover-Phila Federal Credit Union. Both Farm Credit and the Credit Union, who offer standard homeowner mortgages, said that they are not aware of pipelines ever being an issue when obtaining a mortgage as whatever devaluation that might arise has already been worked out in the purchase price. Consumers National Bank, which offers federally-insured mortgages, noted that Fannie Mae underwriting guidelines state that it is possible to deny or rate a mortgage if the pipeline is determined to have an adverse effect on the marketability of the property. An example of an adverse effect may include proximity of a pipeline to a residence or situations where the pipeline would substantially limit use of the property if, for example, the pipeline is on a very small piece of property with a residence. However, he was unaware of a mortgage ever being denied because of the presence of a pipeline on the property. Review of the underwriting guidelines on the Fannie Mae website did not identify any requirements that pertained directly to pipelines, although there were other categories that could create reasons for a mortgage denial, including utilities, zoning, land use, and obstructions.

Based on the above, there are no definitive reasons or documented cases where a mortgage was denied for a normally-installed pipeline

5.2.10 Farming and Timber Production

Following construction, all cropland used for the temporary construction right-of-way and additional temporary workspace would revert to prior use and agriculture will be permitted within the permanent right-of-way, in accordance with applicable easement agreements. Landowners will be compensated for lost production and crop damages resulting from construction of the pipelines. Rover will conduct post-construction monitoring to evaluate the revegetation within affected agricultural areas. Restoration would be considered successful in agricultural areas if crop yields within the restored construction areas are similar to adjacent undisturbed portions of the same field. Where timber is grown, Rover will work with the landowner to minimize impacts and will compensate landowners for loss of timber and property/crop damages. Rover has hired qualified appraisers to assist in assessing property values and establish fair market value for compensation.

Specialized construction techniques will be followed to minimize impacts to agricultural lands (see Section 1.6.1.9 in Resource Report 1 and Resource Report 7). In addition, Rover has retained a consultant with expertise in agriculture and drainage tile systems, and intends to meet with each individual landowner to develop site-specific plans for the mitigation and restoration of agricultural lands. These site-specific mitigation plans will identify the locations of drain tile systems with respect to the pipelines, and address repair and replacement of damaged tiles, restoration of preconstruction hydrology, and post-construction monitoring.

5.3 ENVIRONMENTAL JUSTICE

The purpose of Executive Order 12898, Federal Actions to Address Environmental Justice in Minority and Low-Income Populations (1994) is to avoid the disproportionate placement of any adverse environmental, economic, social, or health impacts from federal actions and policies on minority and low-income communities. The order required that impacts on minority or low-income populations be taken

into account when preparing environmental and socioeconomic analysis of projects or programs that are proposed, funded, or licensed by federal agencies.

Construction and operation of the Project will be in compliance with appropriate federal and state regulations, and will not generate levels of emissions of either nuisance or human health hazards offsite. No impacts (in terms of air pollution, water quality, or noise) are expected to affect the health or welfare of the population living in the Project area. Therefore, the Project will not disproportionately affect any population (minority, low-income, or otherwise).

The Project will be constructed and operated in a manner consistent with environmental justice considerations, and will have positive socioeconomic effects on minority and economically disadvantaged populations, as well as the general population in the socioeconomic impact area because it will generate new temporary and permanent jobs and economic activity, and provide continuing tax payments during operation.

The Project facilities will be designed, constructed, operated and maintained in accordance with or to exceed the U.S. Department of Transportation's Minimum Federal Safety Standards in 49 Code of Federal Regulations Part 192 as described in Resource Report 1 and Resource Report 11. These regulations, which are intended to protect the public and to prevent natural gas facility accidents and failures, apply to all areas along the proposed pipeline routes regardless of the presence or absence of minority or low-income populations. As discussed in Resource Report 11, none of the safety-related potential impacts associated with the Project is considered significant, and the safety-related impacts are not considered to result in a disproportionately high and adverse effect on minority or low income populations.

In the 27 counties crossed by the Project, the percent of the population with incomes below the poverty line ranges from a low of 6.3 percent in Livingston County, Michigan to a high of 21.3 percent in Doddridge County, West Virginia, with an average percentage of population below the poverty line for all the counties crossed of 15.0 percent (see Table 5A-2 in Appendix 5A). In comparison, the average percentage of people living below the poverty line in the states of West Virginia, Pennsylvania, Ohio, and Michigan, is 17.6, 13.1, 15.4, and 16.3, respectively. The information shows that of the 27 counties crossed by the Project, 21 counties are wealthier than their state average (i.e. have fewer people than the state average living below the poverty level) and 6 counties are poorer than the average for their state (i.e. have more people than the state average of people living below the poverty level). As the Project crosses both wealthier and poorer counties, there is no disproportionate impact on environmental justice communities defined by poverty levels.

With respect to census tract data, the average percentage of minorities within all the census tracts crossed by the Rover pipelines is 5.1 percent (see Table 5A-10 in Appendix 5A). Of the 107 census tracts crossed, only one census tract in Richland County, Ohio has a minority population (65%) indicative of an environmental justice area as defined in Executive Order 12898 (i.e., more than 50 percent of the total population); therefore, the Project does not disproportionately affect minority populations. In addition, the census tract data for poverty rates shows an average percentage of people living below the poverty

line of 11.7 percent across the census tracts crossed (see Table 5A-10 in Appendix 5A), which is below three of the four state average poverty rates (as listed in the preceding paragraph). Furthermore, the average poverty rate in Washington County, Pennsylvania, is 10.7 percent (see Table 5A-2 in Appendix 5A), which is lower than the state average for Pennsylvania (13.1 percent).

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