## 3.8 SOCIOECONOMICS

CEQ regulations implementing NEPA state that when economic or social effects and natural or physical environmental effects are interrelated, the EIS will discuss these effects on the human environment (40 CFR 1508.14). The CEQ regulations state that the "human environment shall be interpreted comprehensively to include the natural and physical environment and the relationship of people with that environment." To the extent that the development of a new storage site or expansion of an existing one could affect the natural or physical environment, the socioeconomic analysis evaluates how elements of the human environment such as population, employment, housing, and public services might be affected. The analysis also assesses SPR employment needs and potential sources of those workers.

The organization of section 3.8 is different than most other sections of chapter 3. Section 3.8.1 presents the methodology. Then, instead of discussing the affected environment and potential impacts one site at time, section 3.8.2 summarizes the affected environment for each site. Section 3.8.3 presents a summary of potential construction and operations and maintenance impacts for all potential sites. This organization streamlines the discussion, presenting much of the information in several tables.

### 3.8.1 Methodology

**In-migration** is the movement of people into a given geographic area.

This analysis of potential socioeconomic impacts characterizes the potentially affected areas in terms of economic activity, employment, income, population, housing, public services, and social conditions. Census, state, and local government data were evaluated to describe the baseline socioeconomic characteristics. This analysis of the SPR expansion identifies the potential economic implications such as new employment and wages, and it evaluates the subsequent effects, including **in-migration**, population changes, demand for housing and public services, and effects on local governments and traffic congestion.

The region of influence for this analysis is the potentially affected area, generally consisting of each new or expansion SPR site area plus the likely sources of workers for each site. These are the areas in which the proposed SPR activities could most influence local economic and social conditions. The socioeconomic assessment methodology recognizes that each of the potential new and expansion SPR storage sites and the associated infrastructure, while generally located in or near rural communities, is relatively close (e.g., 20 to 45 miles [32 to 72 kilometers]) to more populated urban areas. The analysis recognizes the well-established historical interaction of the oil and gas industry, including existing SPR components, with the economic conditions and characteristics of the Gulf Coast region. The population adjacent to oil- and gas-related sites evolves and adjusts in accordance with much larger, systemic relationships and trends, not merely in accordance with individual projects or industries.

The level of socioeconomic impact is largely determined by the magnitude and duration of the economic stimulus, which is primarily employment in the case of potential expansion of the SPR program. DOE has evaluated potential employment needs for each of the potential new and expansion sites. This analysis uses the peak workforce size to estimate the maximum potential socioeconomic effects of each storage site and its associated infrastructure. In all cases, the peak workforce needs would occur during construction. The operations workforce at each of the sites would be approximately 75 to 100 people, while peak construction workforces would range from about 230 to 500 people.

To assess potential changes in population resulting from the peak workforce for each site, DOE assumes that up to 40 percent of construction workers would in-migrate from outside the region of influence into the communities within the region of influence (including nearby urban areas). DOE also assumes that

the average family size would be 2 people per in-migrating employee.[1] The other employees are assumed to already reside in the nearby area and commute to the SPR site.[2] SPR program workers have shown a tendency to reside in a number of communities away from the SPR sites and commute fairly long distances to their work locations. For example, workers at the three existing SPR sites that are being considered for expansion within this EIS have the following workforce residency and commuting characteristics as of early 2006:

- Of the 84-employee workforce at Bayou Choctaw, workers lived in 26 different towns, located 5 miles (8 kilometers) to over 50 miles (80 kilometers) from the Bayou Choctaw site.

- Of the 118-employee workforce at Big Hill, workers lived in 28 different towns, located from 5 miles (8 kilometers) to over 50 miles (80 kilometers) from the Big Hill site.

- Of the 123-employee workforce at West Hackberry, workers lived in 17 different towns, located from 5 miles (8 kilometers) to over 50 miles (80 kilometers) from the West Hackberry site.

Residency areas for all three SPR sites include towns of less than 1,000 persons and larger urban areas such as Baton Rouge, LA (for Bayou Choctaw), Beaumont/Port Arthur, TX (for Big Hill), and Lake Charles, LA (for West Hackberry). Based on these data from the existing sites, there is no reason to assume that most in-migrating workers at each new or expanded SPR site would choose to live in the town closest to the site, especially if that town had limited housing opportunities. Furthermore, the data show that many workers are willing to commute more than 50 miles (80 kilometers) to work at existing SPR sites.

The assumptions regarding employee in-migration and average family size provide a reasonable estimate of potential effects from employment and population. Some of the unknown factors affecting the actual number of employees in-migrating and where they will be located include the source and size of the construction contractor chosen for a given project; how local labor market conditions match needed skill categories; and the extent of employee recruiting from the local area. Results and conclusions of this analysis would not substantially change if actual in-migration rates were higher or lower than the assumptions used herein.

A large portion of the region where the new or expanded SPR sites would be located was adversely affected by Hurricanes Katrina and Rita in August and September 2005. The data included in this section reflect conditions before the hurricanes; however, the socioeconomic influence of the hurricanes on each region of influence is briefly described.

While the Gulf Coast region regularly deals with hurricanes, the effects from Hurricanes Katrina and Rita were not typical of the region; they caused devastating adverse socioeconomic effects. For example, economic activity, including employment and wages, was dramatically reduced, at least temporarily, in affected areas. A considerable portion of the existing housing stock was damaged or destroyed by wind and water, most notably in the coastal portions of Mississippi and Louisiana. The ability of local and state governments to provide public services also was reduced, and tax revenues to support these services declined. Many people were temporarily relocated, and the relocation areas such as Baton Rouge, LA incurred substantial socioeconomic effects. It will take many months or years for portions of the region of influences to recover from these effects. While this socioeconomic analysis acknowledges that the

[1] Construction workers may in-migrate into a project area with or without their families. An assumption of two people per household (including the employee) constitutes an average of some employees in-migrating without family members, some in-migrating with their spouse only, and some in-migrating with spouse and children.

[2] This analysis does not distinguish between pre- and post-hurricane residents within each region of influence.

recent hurricanes have altered socioeconomic conditions in the Gulf Coast region, it will take a substantial amount of time to systematically re-characterize baseline conditions. Many questions about the hurricanes' effects on the social and economic environments remain unanswered as the SPR program expansion mandated by EPACT progresses. In addition, further investigation of the effects of the hurricanes would not alter the basic results and conclusions of this analysis because SPR development would constitute a small fraction of economic activity and would cause a small change in population in any affected area.

### 3.8.2 Affected Environments at Storage and Expansion Sites and Associated Infrastructure

This section summarizes baseline socioeconomic conditions in the region of influence for each proposed new site or expansion site. The baseline conditions include the size of local population centers, the distance from the sites and terminals to these areas, and the nature of the local economies. The location of new infrastructure other than storage sites (e.g., terminals and pipelines) is not considered in this analysis because the crews needed to build, operate, and maintain such infrastructure would be relatively small.

Table 3.8.2-1 presents population data for each proposed or expansion site and its MSAs, counties or parishes, and some of the cities. The first column identifies the site, and the second column of the table shows the nearest MSA. The third column of the table shows neighboring parishes or counties, and the fourth column shows cities or towns in the vicinity of each site. The fifth column shows the driving distance of these jurisdictions to the nearest potential SPR site. The last two columns of the table present population estimates for the areas listed in previous columns. The table shows that all eight potential new or expansion storage sites are located near major population centers that could serve as substantial sources of labor under typical worker commuting expectations.

> An MSA is an area containing a recognized population nucleus (such as a city) and adjacent communities (sometimes considered suburbs) that have a high degree of integration with that nucleus. One of the major purposes in defining MSAs is to provide a nationally consistent definition for collecting, tabulating, and publishing Federal statistics for a set of geographic areas.

The Bruinsburg site would be located in Claiborne County, MS, which includes the city of Port Gibson, MS. Also nearby are the City of Vicksburg, MS (40 miles or 64 kilometers) and the Jackson MSA (45 miles or 72 kilometers) (see figure 3.8.2-1). Three major economic sectors dominate the labor market in Claiborne County: agriculture (including timber), education, and power generation. Area farmers grow hay, corn, soybeans, cotton, and wheat, but timber is the largest crop. Alcorn State University is a major economic influence with about 700 employees. The Grand Gulf Nuclear Power Plant employs about 750 workers. As one of six Mississippi River system ports in the State of Mississippi, the Claiborne County Port gives area agriculture and industry efficient access to this viable transportation option. Claiborne County has a civilian labor force of approximately 4,000, while the Jackson MSA has more than 250,000 people in the civilian labor force (Mississippi Department of Employment Security 2006). The county had an average annual unemployment rate of almost 10 percent in 2004 (Mississippi Department of Employment Security 2006). The Bruinsburg site was not substantively affected by Hurricanes Katrina or Rita, but Jackson, MS experienced a substantial indirect effect from the in-migration of hurricane victims.

The Chacahoula storage site would be located in northwest Lafourche Parish, LA and close to Terrebonne Parish, LA (see figure 3.8.2-2). It is about 20 miles (32 kilometers) from the city of Houma, LA. These parishes are part of the Houma MSA. The new pipelines for this site also would be located in this socioeconomic region of influence. Lafourche and Terrebonne Parishes have substantial traditional

## Table 3.8.2-1: Population in Jurisdictions near Proposed Storage Sites (persons)

| Proposed Site | Metropolitan Statistical Area | Parish or County | City or Town | Driving Distance to Jurisdiction (miles) | 2000 Population | More Recent Population (year) |
|---|---|---|---|---|---|---|
| Bruinsburg | Jackson, MS MSA | | | 45 miles | 440,801 | 436,503 (2003) |
| | | Claiborne County, MS[a] | | N/A | 11,831 | 11,546 (2004) |
| | | | Port Gibson, MS | 10 miles | 1,840 | 1,748 (2003) |
| | | | Vicksburg, MS | 40 miles | 26,407 | 26,005 (2003) |
| Chacahoula | Houma, LA MSA[a] | | | N/A | 194,477 | 198,680 (2004) |
| | | Lafourche Parish, LA[a] | | N/A | 89,974 | 92,157 (2004) |
| | | Terrebonne Parish, LA | | 19 miles | 104,503 | 106,523 (2004) |
| | | | Houma, LA | 20 miles | 32,393 | 32,025 (2003) |
| | | Lafourche Parish, LA[a] | | N/A | 89,974 | 92,157 (2004) |
| | | | Galliano, LA | 5 miles | 7,356 | NA |
| Richton | Hattiesburg, MS MSA[a] | | Hattiesburg, MS | N/A | 113,054 | 128,631 (2003) |
| | | | | 18 miles | 44,789 | 46,664 (2003) |
| | | Perry County, MS[a] | | N/A | 12,138 | 12,236 (2004) |
| | | | Richton, MS | 3 miles | 1,038 | 1,037 (2003) |
| Stratton Ridge | Houston, TX MSA[a] | Brazoria County, TX[a] | | N/A | 1,953,631 | 2,009,690 (2003) |
| | | | | N/A | 241,767 | 271,130 (2004) |
| | | | Lake Jackson, TX | 3 miles | 26,386 | 26,950 (2003) |
| | | | Clute, TX | 3 miles | 10,424 | 10,704 (2003) |
| Bayou Choctaw | Baton Rouge, LA MSA | | | N/A | 602,894 | 722,646 (2003) |
| | | Iberville Parish, LA[a] | | N/A | 33,320 | 32,497 (2004) |
| | | | Plaquemine, LA | 8 miles | 7,064 | 6,894 (2003) |
| Big Hill | Beaumont-Port Arthur, TX MSA[a] | Jefferson County, TX[a] | | N/A | 384,737 | 382,629 (2003) |
| | | | | N/A | 252,051 | 284.223 (2004) |
| | | | Port Arthur, TX | 20 miles | 57,755 | 57,042 (2003) |
| | | | Beaumont, TX | 27 miles | 113,866 | 112,434 (2003) |
| | | | Winnie, TX | 10 miles | 2,914 | N/A |
| West Hackberry | Lake Charles, LA MSA[a] | | | 20 miles | 183,577 | 194,642 (2004) |
| | | Calcasieu Parish, LA[a] | | 36 miles | 183,577 | 184,961 (2004) |
| | | Cameron Parish, LA[a] | | N/A | 9,991 | 9,681 (2004) |
| | | | Hackberry, LA | 4 miles | 1,699 | N/A |

Note: A parish, county, city, or town in the same row as an MSA is within the MSA boundaries. A city or town in the same row as a county or parish is located within that county or parish.

[a] Denotes MSA and parish or county where sites are located

1 mile = 1.609 kilomters; N/A = not available

Source: U.S. Census Bureau 2006, State & County QuickFacts

**Figure 3.8.2-1: MSAs for Mississippi Sites**

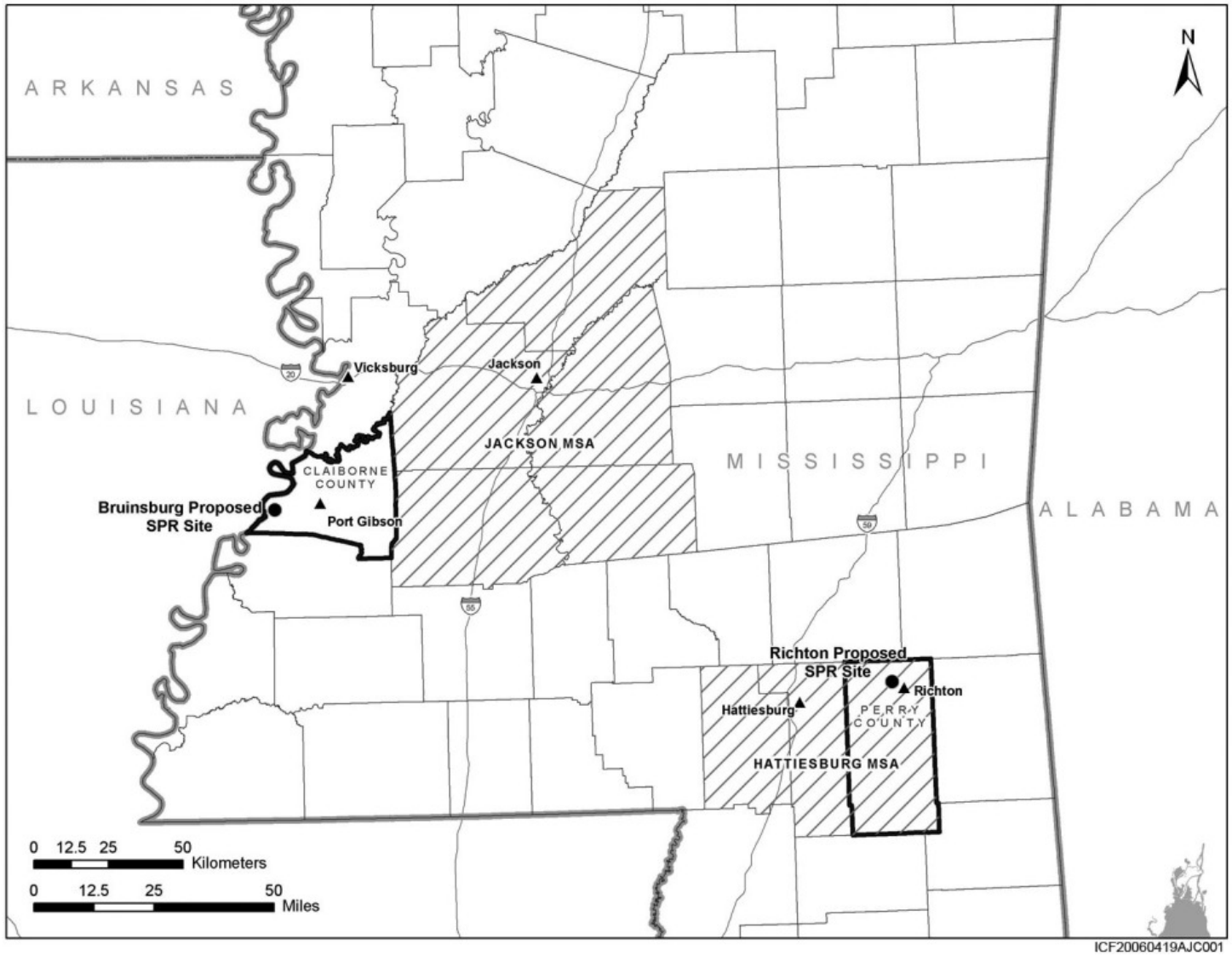
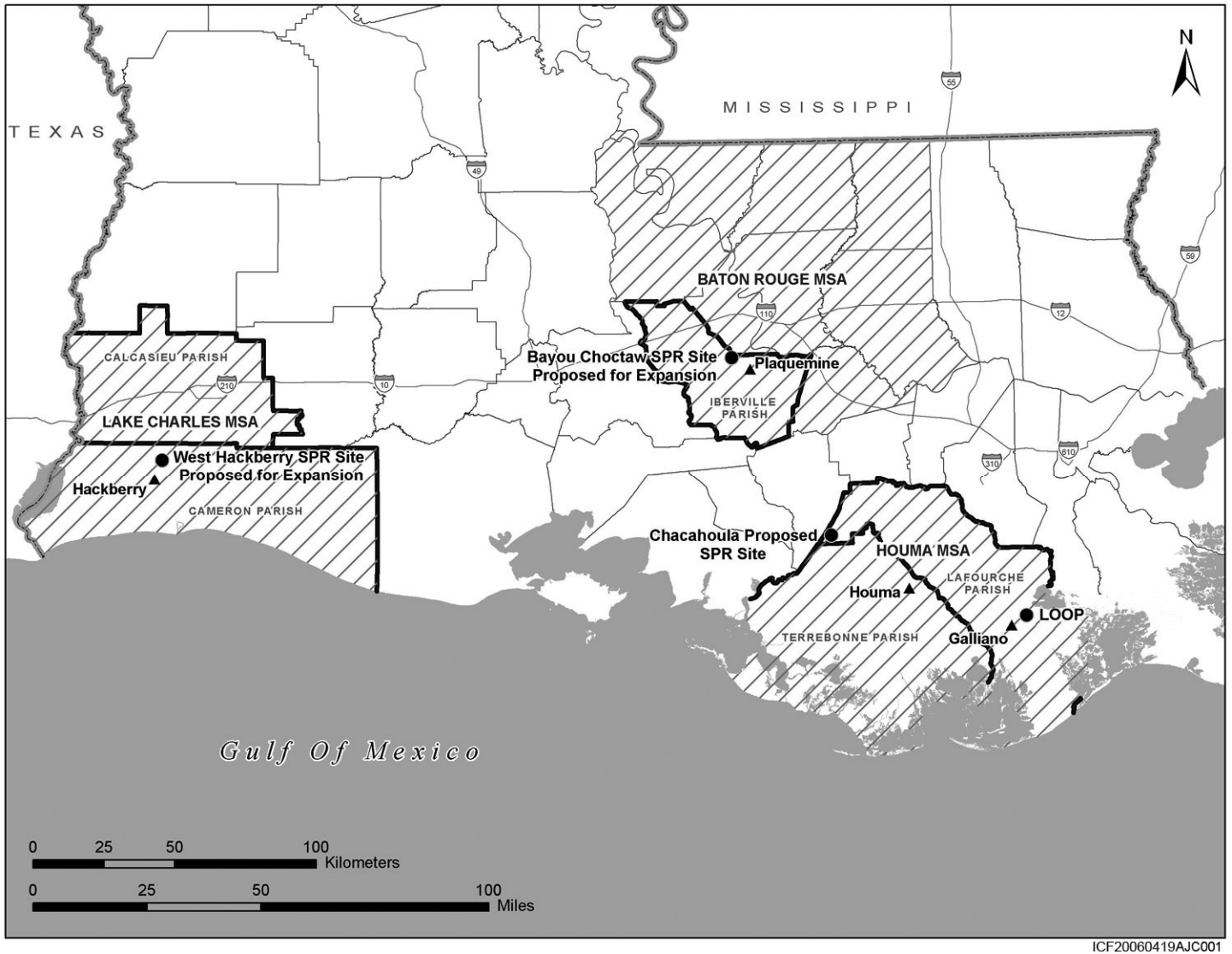


**Figure 3.8.2-2: MSAs for Louisiana Sites**



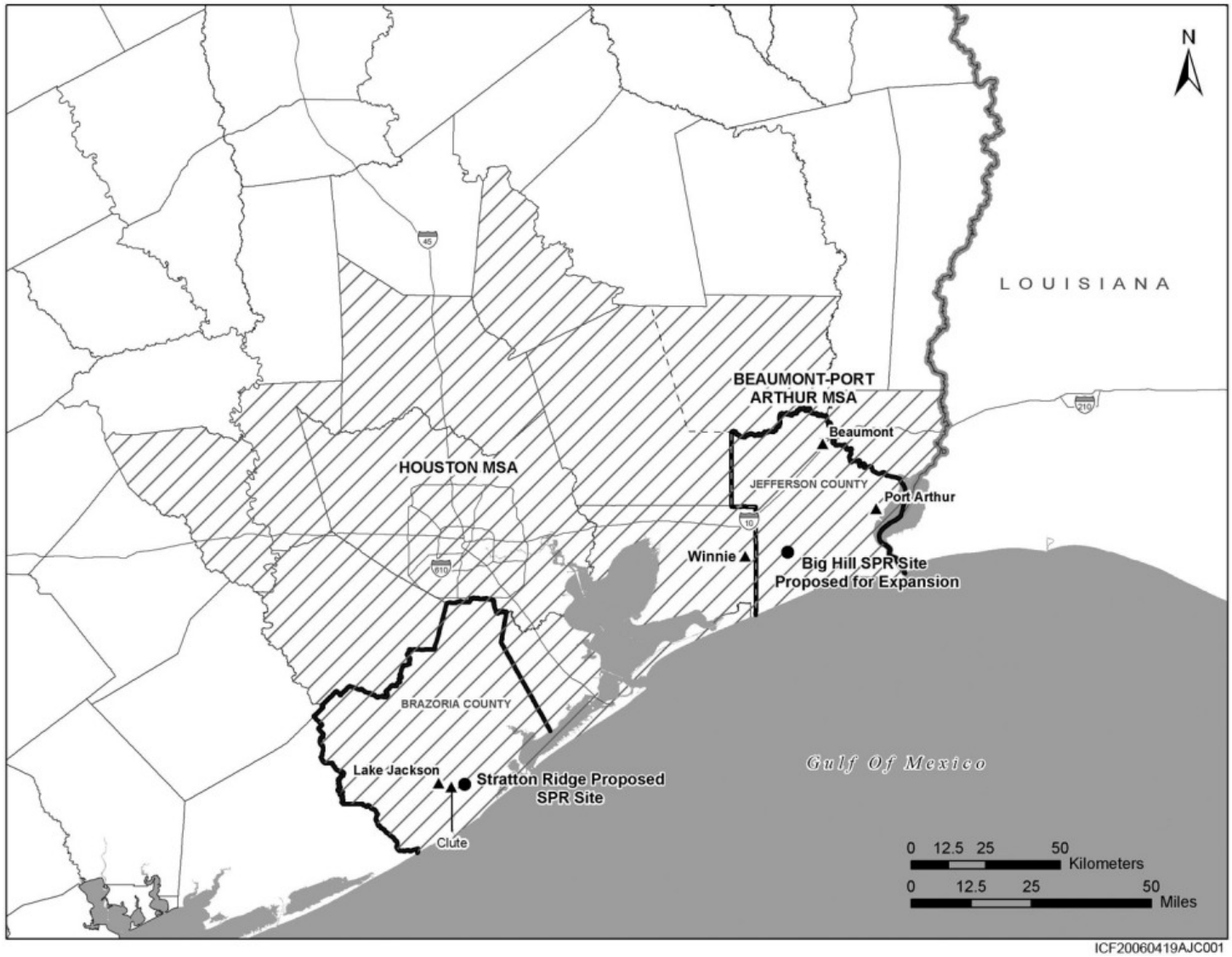
economic ties to the Gulf of Mexico and the oil and gas industry. They have a combined 100,000-person civilian labor force with an average annual unemployment rate of 3.9 percent in 2003 (Louisiana Department of Labor 2006). The Chacahoula area was in the path of Hurricane Katrina, and there was substantial damage to housing and other buildings and infrastructure in Lafourche Parish. Unemployment in the Houma MSA more than doubled from August to September 2005, but by December 2005 it had returned to pre-hurricane conditions. Hurricane recovery efforts are still underway in Lafourche Parish and its surrounding areas.

The Richton site would be located in Perry County, MS, about 3 miles (4.8 kilometers) from the city of Richton, MS and about 18 miles (29 kilometers) from the City of Hattiesburg, MS (see figure 3.8.2-1). Perry County is in the Hattiesburg MSA. The local economy is driven by wholesale and retail trade, services, manufacturing, and government (including public education). Hattiesburg is the location of the University of Southern Mississippi, with about 12,000 students. The Hattiesburg MSA has a labor force of about 63,000 people and a 5.8 percent unemployment rate as of July 2005 (Mississippi Department of Employment Security 2006). The Richton site and Hattiesburg MSA were in the path of Hurricane Katrina after it made landfall. There was some flooding and wind damage in the area. While the area was disrupted (e.g., there was an approximate 2 percent jump in unemployment from August to September 2005), the effects of the hurricane were largely short-term.

The proposed Stratton Ridge site would be located in Brazoria County, TX, which is part of the Houston MSA (see figure 3.8.2-3). Nearby cities include Lake Jackson, TX (3 miles or 4.8 kilometers), and Clute, TX (3 miles or 4.8 kilometers). The new pipeline corridor would be within the socioeconomic region of influence. Major employment and economic activities in Brazoria County center in the petrochemical, manufacturing, trade, services, construction, and agriculture sectors. The Dow Chemical Company uses salt from Stratton Ridge in its Freeport plant. This salt is the critical raw material for Dow's Chlor-Alkali production, which in turn is critical for other downstream user plants. From Stratton Ridge salt, Dow states that it makes thousands of different products worth over $5 billion annually. Dow also uses the Stratton Ridge area to store raw materials and products. Dow estimates that approximately half of the $120 million a year it pays in State and local taxes for its Texas Operations depends on these assets and operations. Oil- and gas-related activity is established in the area, including the Bryan Mound SPR storage facility near Freeport, TX. The area has access to the Gulf of Mexico and the ICW, providing extensive commerce opportunities. Brazoria County has more than 130,000 people in its labor force and a 7 percent unemployment rate as of 2004 (Texas Workforce Commission 2006). The Stratton Ridge area was not substantially affected by Hurricanes Katrina and Rita.

The Bayou Choctaw site is located in Iberville Parish, LA, about 8 miles (13 kilometers) from the town of Plaquemine, LA and about 12 miles (19 kilometers) from the Baton Rouge, LA metropolitan area (see figure 3.8.2-2). Iberville Parish and the Baton Rouge MSA have strong economic and cultural ties to the Mississippi River and the opportunities it presents. The local economy is led by the trade, services, and government sectors, with emphasis on oil- and gas-related activities, such as pipelines and refining. Iberville Parish has more than 12,000 people in its labor force and a 10.4 percent unemployment rate in 2004. The Baton Rouge MSA has more diverse, broader economic activity with its labor force of more than 309,000 people and an unemployment rate of 6.2 percent as of 2004 (Louisiana Department of Labor 2006). While the Baton Rouge area and the Bayou Choctaw expansion SPR site were in the path of Hurricane Katrina after it hit land, the major socioeconomic effect to this region of influence was that the area served as a major center for evacuee relocation from other hurricane-affected areas. Economic and social characteristics were substantially altered following Hurricane Katrina. Unemployment in the Baton Rouge MSA approximately doubled from August to September 2005, but by December 2005, it had returned to pre-hurricane levels. Hurricane recovery efforts are still underway, and the portion of hurricane evacuees who chose to stay in the Baton Route area or other hurricane relocation sites is unknown.

**Figure 3.8.2-3: MSAs for Texas Sites**



The Big Hill site is located in Jefferson County, TX, about 17 miles (27 kilometers) from Port Arthur, TX in the Beaumont-Port Arthur MSA (see figure 3.8.2-3). The town of Winnie, TX is about 10 miles (16 kilometers) away in Chambers County, TX and Houston is 70 miles (113 kilometers) away. Jefferson County has both rural and urban characteristics, including two relatively large urban areas (Beaumont and Port Arthur) with deepwater port infrastructure and extensive rural land used for agriculture. The County's major economic drivers include water-related transportation and trade along the ICW and from the Gulf of Mexico, shipbuilding, the petrochemical industry, and government. The Beaumont-Port Arthur MSA has about 180,000 people in its labor force and an 8.4 percent unemployment rate as of 2004 (Texas Workforce Commission 2006). The Big Hill area, including the Beaumont-Port Arthur MSA, was substantially affected by Hurricane Rita physically and socioeconomically. The unemployment rate in Jefferson County increased by 50 percent from September to October 2005, but it had returned to pre-hurricane conditions by December 2005. Hurricane recovery efforts are still underway.

The West Hackberry expansion site is located in Cameron Parish, LA, about 4 miles (6.4 kilometers) from the town of Hackberry, LA, and about 20 miles (32 kilometers) from the Lake Charles, LA, area in Calcasieu Parish, LA (see figure 3.8.2-2). For this analysis, the region of influence is the Lake Charles MSA, which consists of Calcasieu and Cameron Parishes. The major sectors in the Cameron Parish economy include agriculture, oil and gas transmission, retail trade, and government. Recreation and tourism are also important because of the beaches and water bodies in the area. Lake Charles is connected to the Gulf of Mexico by means of a deep-water ship channel, which provides a substantial source of economic activity. The ICW also runs through the Parish. Cameron Parish has about 3,100 people in its labor force and a 6.4 percent unemployment rate as of 2003 (Louisiana Department of Labor). The labor force in Cameron Parish has shown substantial declines in recent years. The Lake Charles MSA and areas in Cameron Parish were substantially affected physically and socioeconomically by Hurricane Rita. Unemployment in the Lake Charles MSA essentially doubled from September to October 2005, but by December 2005 it had returned to pre-hurricane levels. Hurricane recovery efforts are still underway.

### 3.8.3 Impacts

The major project characteristics affecting socioeconomic conditions would be project-related employment, wages, and expenditures. These characteristics would subsequently affect other socioeconomic variables such as population, housing, public services, taxes, and traffic congestion. As discussed below, the number of employees who would in-migrate into each region of influence is projected to be relatively small; therefore, overall adverse socioeconomic impacts are projected to be small. The effects exerted by previous SPR development at specific sites, which are relatively small-scale, long-term projects, have generally had small socioeconomic impacts in comparison to the larger trends of oil and gas activity within the region (DOE 2004g).

While Hurricanes Katrina and Rita have affected and will continue to affect the socioeconomic environment in coastal areas for some time, the regional supply of labor in the larger urban areas near the potential SPR sites would still produce a substantial level of available labor for the projects by the time construction could begin at any of the proposed new or expansion SPR sites. In addition, the positive direct economic effects such as employment and wages associated with SPR sites, as well as secondary effects such as local spending, would be beneficial for the individuals within the SPR workforce, affected communities, and local governments that are attempting to recover from the devastating damage inflicted by the two hurricanes.

#### 3.8.3.1 Construction Impacts

Table 3.8.3-1 summarizes the peak project-related employment needs associated with each new or expansion SPR site. Peak employment would occur during the construction phase, and activities during the peak construction years would include site construction and pipeline construction. In addition to these activities, construction of off-site facilities associated with the new sites would occur prior to and after the peak construction years. Off-site facility construction activity would include RWI systems (an estimated average of 50 construction employees for each alternative) prior to peak construction, and terminal construction (an estimated average of 50 construction employees for each terminal facility associated with the Bruinsburg, Richton, and Stratton Ridge alternatives) after peak construction years have been reached.

**Table 3.8.3-1: Peak Construction Employment by Site**

| Site | Project Component | Peak Construction Employment |
|---|---|---|
| Bruinsburg | Site construction | 368 |
| | Pipeline construction | 86 |
| | Peak construction employment | 474 |
| Chacahoula | Site construction | 363 |
| | Pipeline construction | 82 |
| | Peak construction employment | 445 |
| Richton | Site construction | 363 |
| | Pipeline construction | 136 |
| | Peak construction employment | 499 |
| Stratton Ridge | Site construction | 363 |
| | Pipeline construction | 68 |
| | Peak construction employment | 431 |
| Bayou Choctaw | Site construction | 100 |
| | Pipeline construction | 0 |
| | Peak construction employment | 100 |
| Big Hill | Site construction | 100 |
| | Pipeline construction | 50 |
| | Peak construction employment | 150 |
| West Hackberry | Site construction | 100 |
| | Pipeline construction | 0 |
| | Peak construction employment | 100 |

New construction wages and project spending introduced into the affected counties and MSA economies would serve as a positive economic stimulus. Average wages associated with the SPR project likely would be higher than existing average wages in the area.

Employment opportunities associated with the construction of SPR facilities at any of the sites would be highly desirable and result in beneficial effects for the residents in the vicinity of the proposed new and expansion sites. For SPR employment, construction workers generally would be willing to commute distances requiring travel time longer than the mean travel time of 20 to 27 minutes (U.S. Census Bureau 2006) typical of the jurisdictions associated with the SPR sites. Some highly skilled positions may lead to

employee in-migration; however, the region of influence could provide a substantial portion of the construction workers, and these workers would commute to the SPR site from their existing residences.

Table 3.8.3-2 shows the projected peak population increase resulting from construction activities would be no more than about 400 people for any one site (including work related to pipelines and other infrastructure). This would constitute an increase of a maximum of about 0.3 percent more than existing regional populations including the nearby MSAs. Therefore, for all potential sites, the level of population change resulting from any construction workforce in-migration is expected to be small in the regional context. This small increase in population would not create noticeable charges in traffic congestion, except possibly on rural roads close to sites when work shifts start and end. Depending on a number of factors, individuals within the construction workforce may choose to leave the region of influence after SPR construction ends, thereby potentially reducing the population and the associated demand for housing and public services.

**Table 3.8.3-2: Peak In-Migration Population[a] by Site (Number of People)**

| Site | Peak Construction Employment | Peak Construction In-Migration |
|---|---|---|
| Bruinsburg | 474 | 379 |
| Chacahoula | 445 | 356 |
| Richton | 499 | 399 |
| Stratton Ridge | 431 | 345 |
| Bayou Choctaw | 100 | 80 |
| Big Hill | 150 | 120 |
| West Hackberry | 100 | 80 |

Notes:

[a] In-migration population estimates assume 40 percent employee in-migration plus one additional family member per in-migrating employee. In-migration population would occur in unknown locations throughout study area including rural areas and MSAs, based on factors such as willingness to commute, housing cost and availability, and family lifestyle preferences.

Some regions of influence, especially in Louisiana, are still in an intensive hurricane recovery process. The construction of new or replacement housing, other buildings, and community infrastructure is underway and will continue for several years. The market for skilled construction workers may be competitive in those areas due to hurricane-related recovery efforts. There may be localized labor market abnormalities for some time as construction projects evolve. The locations and magnitude of such abnormalities cannot be predicted at this time. While SPR facility and pipeline construction would add to the construction labor demand in these areas, labor markets will adjust to this demand over a period of time.[3] Furthermore, the effect of SPR construction activities would be very small relative to the overall hurricane recovery effort.

Overall, construction and development of any proposed new SPR site or expansion site and the associated pipelines and other facilities would provide positive economic benefits to an affected region with little change in population. With little population change and support from existing population centers in the area, construction of SPR facilities would have small direct effects on the demand for housing and public

[3] A basic premise of economic analysis is that the supply of and demand for labor will tend to adjust toward equilibrium. Workers will tend to re-locate to areas where jobs are available, with construction workers especially showing a willingness to be mobile in their employment pursuits. The timeframe for labor market adjustment is variable depending on many case-specific conditions.

infrastructure and services. Overall, the magnitude of adverse socioeconomic impacts from construction activities would be small, and each area that was selected as an SPR site would gain the positive economic benefits of additional employment, income, and local and regional spending.

As appropriate, DOE and its contractors would establish and adhere to local hiring policies and would solicit employees accordingly. A local hiring policy encourages and supports the hiring of the local (existing residents) workforce to reduce the need for employee in-migration and maximizes opportunities for existing residents of the region of influence. Where necessary, DOE and its contractors would support employee in-migration to areas that have adequate public services and housing. These practices would further reduce any negative socioeconomic effects of developing new SPR sites or expanding existing sites.

#### 3.8.3.2 Operations and Maintenance Impacts

Socioeconomic impacts from operations and maintenance would mirror impacts from construction at each site, with the effects smaller in magnitude but longer in duration. Employment opportunities associated with the operations and maintenance of SPR facilities at any of the sites would be highly desirable and provide a substantial economic opportunity for the residents in the regions of influence. Economic benefits from SPR employment, income, and spending would accrue to the workforce, businesses, communities, and local governments.

The SPR program would provide its operations and maintenance workforce with relatively high-paying jobs in all of the regions of influence. With an operating workforce of 75 to 100 employees at each new site and an incremental increase of 25 employees at an expanded site, the operations workforce and associated in-migration into the SPR regions of influence would have negligible subsequent effects on housing demand, public infrastructure and services, and traffic congestion. The ability of affected jurisdictions to provide infrastructure and services would not be affected dramatically by the SPR program, although the economic stimulus from employment and wages would lead to increased tax revenues. Overall, the adverse socioeconomic impacts from operations and maintenance at any proposed SPR site would be small, and any area selected as an SPR site would gain the positive economic benefits of long-term employment, income, and local and regional spending.

SPR operations at Stratton Ridge would reduce the positive economic effects from Dow's operations in the area. If the salt at the Stratton Ridge dome were to be precluded from future use by Dow operations because of the proposed SPR storage facility, the salt resource would be irretrievably lost (see also section 5.3 in Chapter 5 Irreplaceable and Irretrievable Resources), employment and income could be reduced in the region of influence, and tax revenues accruing to local and State government from Dow's operations could be reduced.

### 3.8.4 No-Action Alternative

The no-action alternative would limit the impacts from SPR construction and operation to those that have already occurred or that will occur at the existing SPR storage sites at Bayou Choctaw, Big Hill, Bryan Mound, and West Hackberry. The existing environments for the proposed new SPR storage site alternatives would remain unchanged. The Bruinsburg storage site would likely remain in agricultural use because of the lack of development pressure. The Chacahoula storage site could remain undeveloped. However, existing oil and gas activities occur near the Chacahoula storage site and the proposed site could be developed by a commercial entity for oil and gas purposes. The Richton site would likely remain in use as a pine plantation because of the lack of development pressure. Dow, British Petroleum, Conoco, and Occidental energy companies have storage facilities on the Stratton Ridge dome and it is possible that the Stratton Ridge storage site could be developed for cavern storage by a

commercial entity. For the sites of terminals that are in developed petroleum storage areas it is possible that a commercial entity could develop them for storage.

As a result of the no-action alternative the positive short term and more modest long term economic benefits with an estimated increase of about 75 to 100 workers would not occur.