

**South Dakota Public Utilities Commission
TransCanada Keystone Pipeline, LP
Docket HP07-001
Response to Staff's First Data Request**

**June 18, 2007
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Data Request:

Please provide a forecast of the impact of the project on income, occupational distribution and integration and cohesion of the communities per 20:10:22:23 (4).

Response:

During construction of the project, there is likely to be a positive impact on income. As indicated in Keystone's application (6.1.1.3), it is estimated that approximately 10 to 15 percent of the total construction workforce in the state could be hired locally. As further indicated in Keystone's application (6.1.1.3), due to the unionized and specialized nature of pipeline construction jobs, it is likely that most local hiring would be for office workers, general laborers, or truck drivers. Salaries for those jobs would range from approximately \$10 to \$20 per hour for regular pay, with overtime paid at 1.5 times. A precise forecast of the impact of the project on income is not feasible at this time, until a more precise understanding of the level of local hiring is determined. Similarly, it is premature to estimate occupational distribution, beyond the information provided above. Given the limited level and short-term nature of local hiring during construction, Keystone does not believe construction of the project will have an impact on cohesion of the local communities.

As noted in Keystone's application (6.1.1.2), a small number of permanent employees may be hired to monitor the pump stations and to perform other routine surveillance and corridor maintenance duties. In view of the small number of potential permanent jobs, Keystone does not believe the project will have a significant long-term impact on income, occupational distribution, or cohesion of the local communities.