

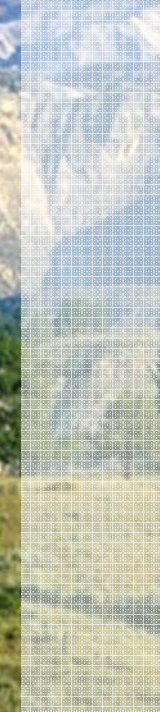
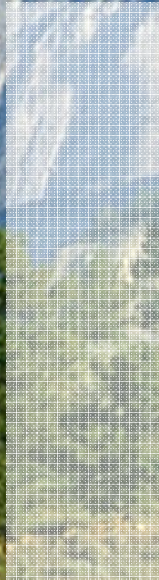
Local Outlook: Yellowstone County

By Paul E. Polzin

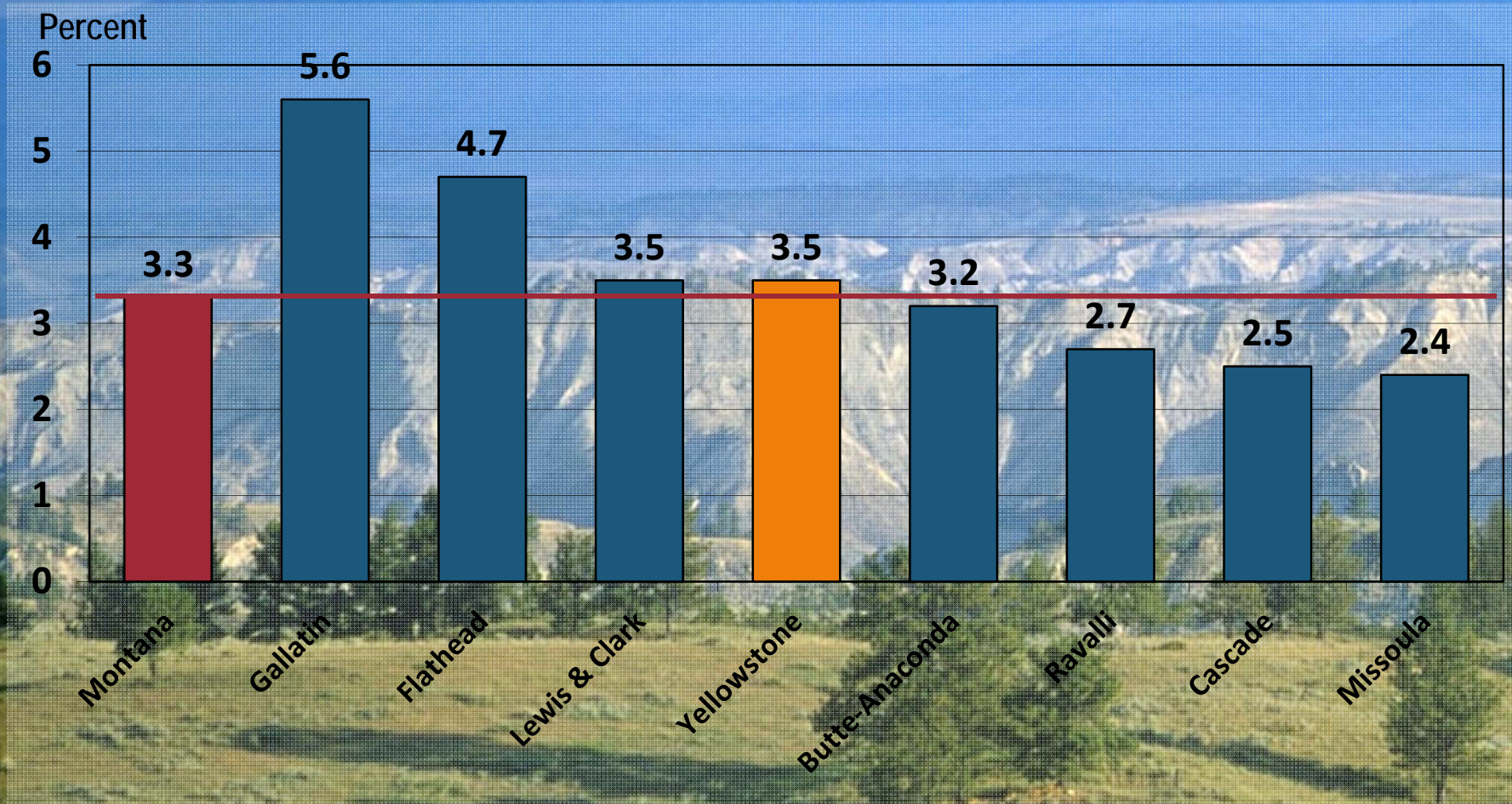
Director Emeritus

Bureau of Business and Economic Research

The University of Montana



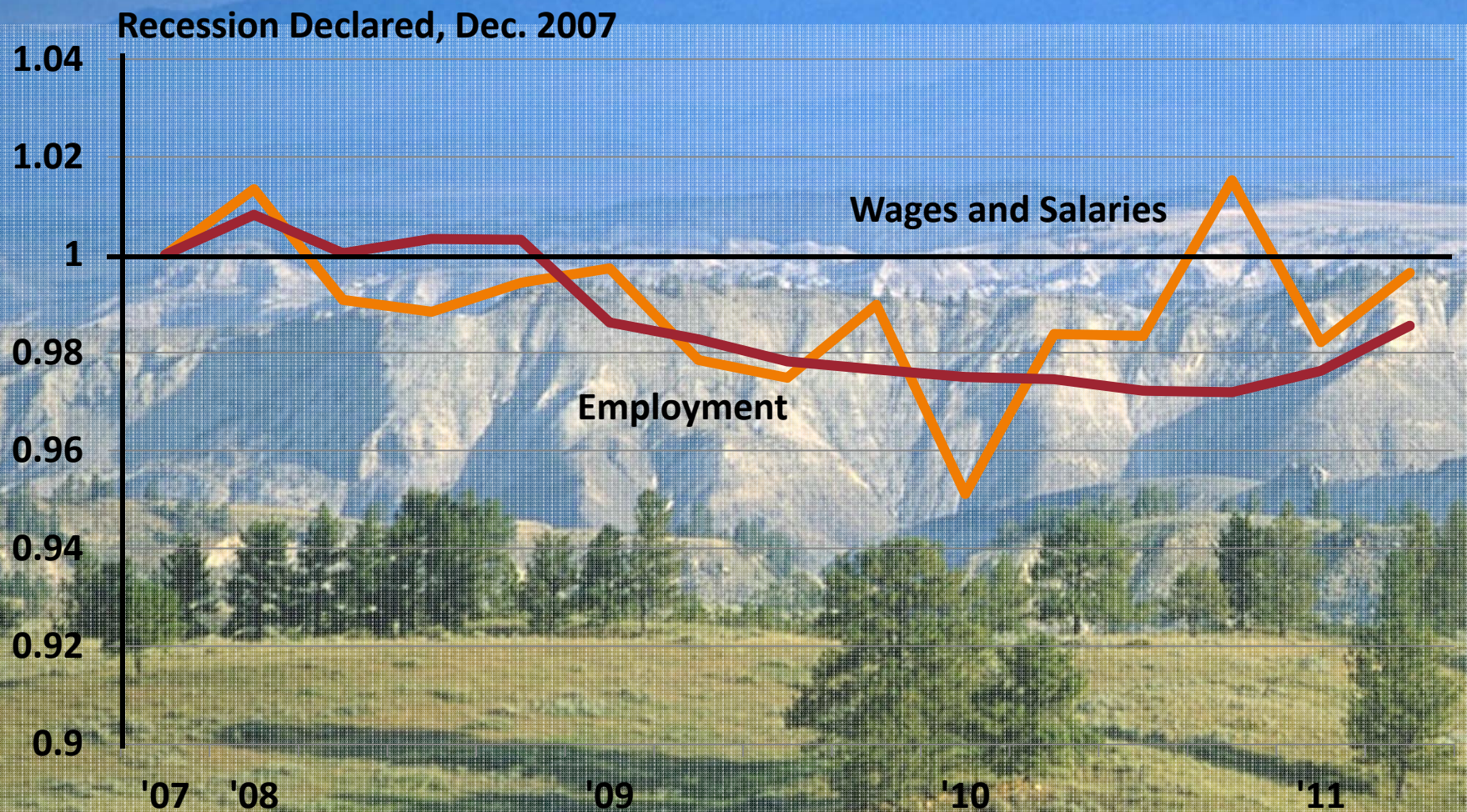
Annual Percent Change in Nonfarm Labor Income (in Constant Dollars), 2001-2007



Recession Scorecard

	Duration (Years)	Severity (% Change)
Lewis & Clark County	What Recession?	
Cascade County		
Yellowstone County	1	-1.5%
Butte - Anaconda	1	-0.8%
Missoula County	3-4	-4.9%
Gallatin County	2	-7.9%
Flathead County	4	-10.2%
Ravalli County	4	-11.4%

Non-Farm Employment and Inflation Adjusted Wages and Salaries, Seasonally Adjusted, Yellowstone County

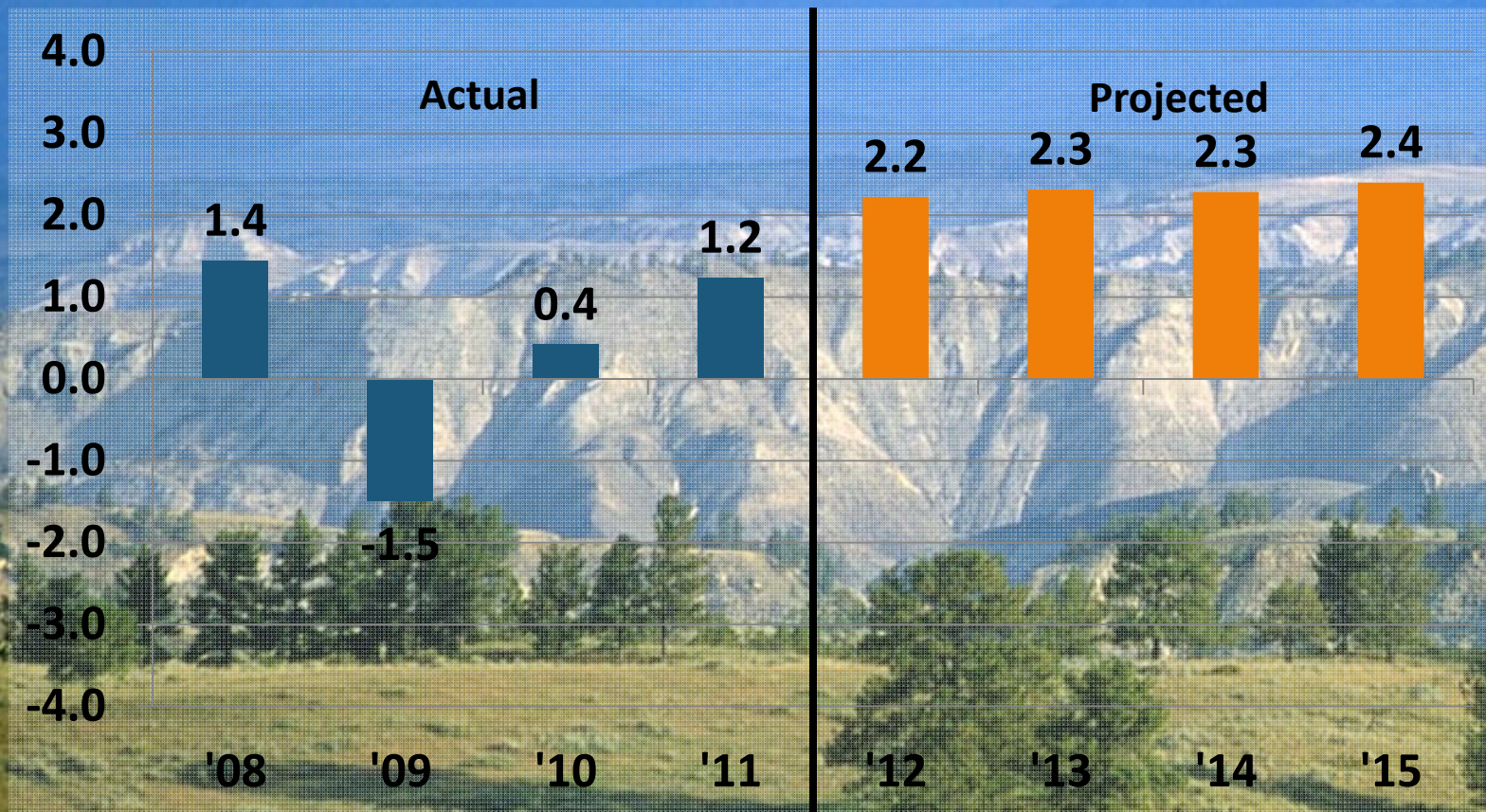


Yellowstone County's Economic Base 2009-2011

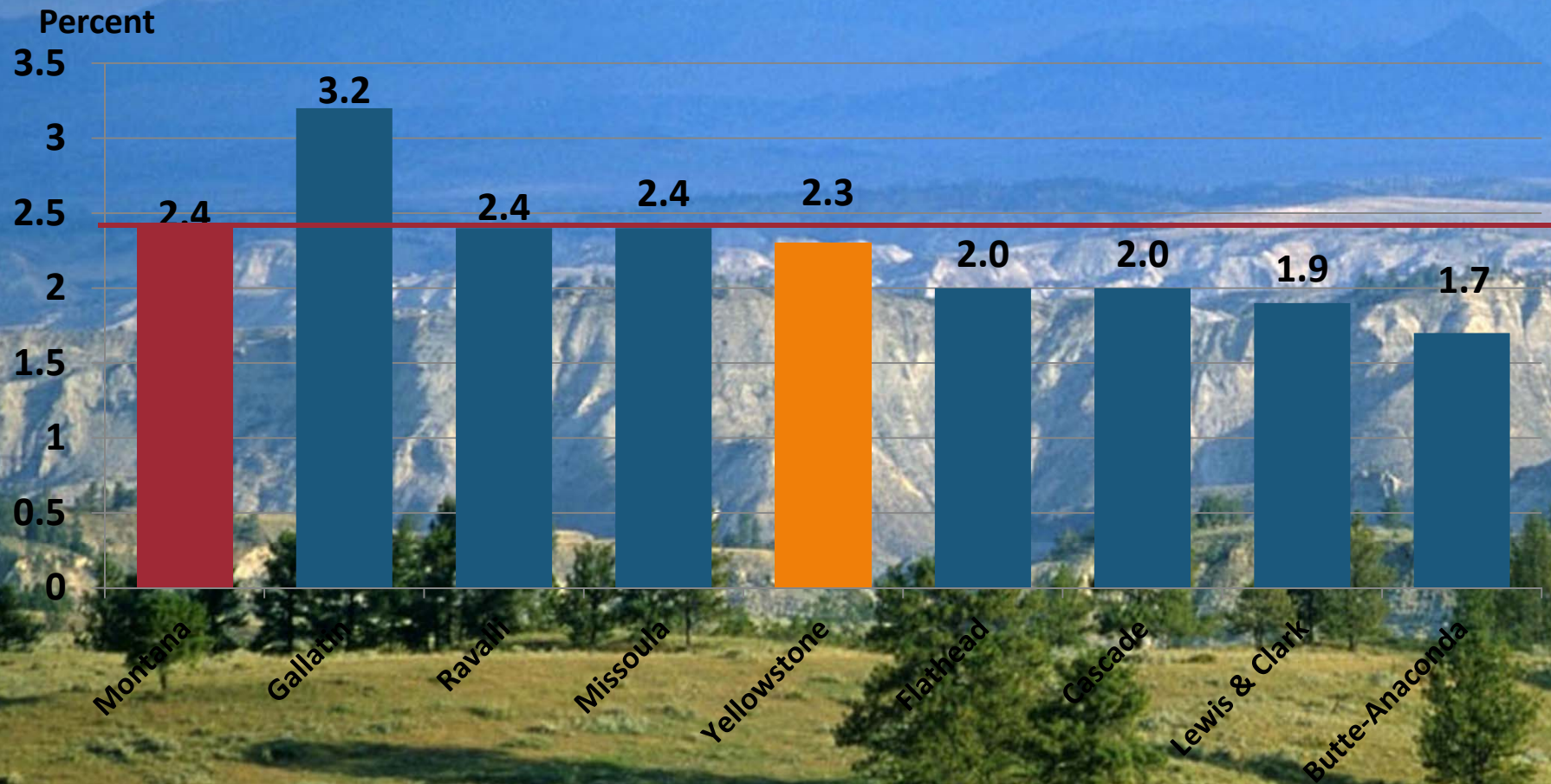
• Other Basic Industries	1%	
• Nonresident Travel	4%	Some Recovery
• Transportation	8%	Energy Growth
• Mining and Support Services	11%	Growth Potential
• MSU-B and State Gov't	7%	Pay Freeze
• Federal Government	13%	Stable at Best
• Health Care	14%	Reform?
• Manufacturing	16%	Stable
• Trade Center	26%	?
Construction		Not Before 2013

Actual and Projected Change in Nonfarm Earnings, Yellowstone County, 2008-2015

Percent



Projected Annual Percent Change in Nonfarm Labor Income (in Constant Dollars) 2011-2015

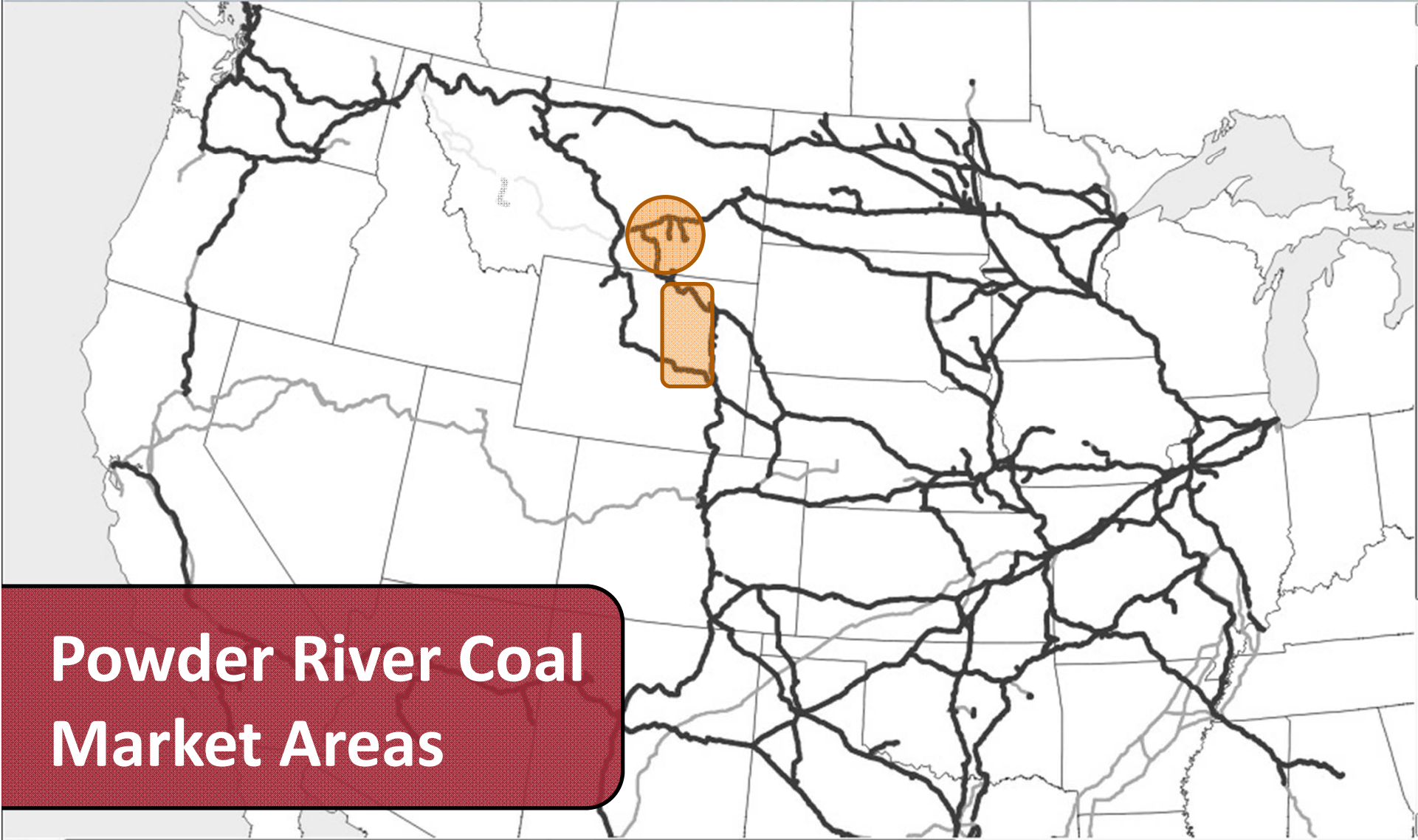


Montana's Energy Transportation Systems



Coal Reserves and Production

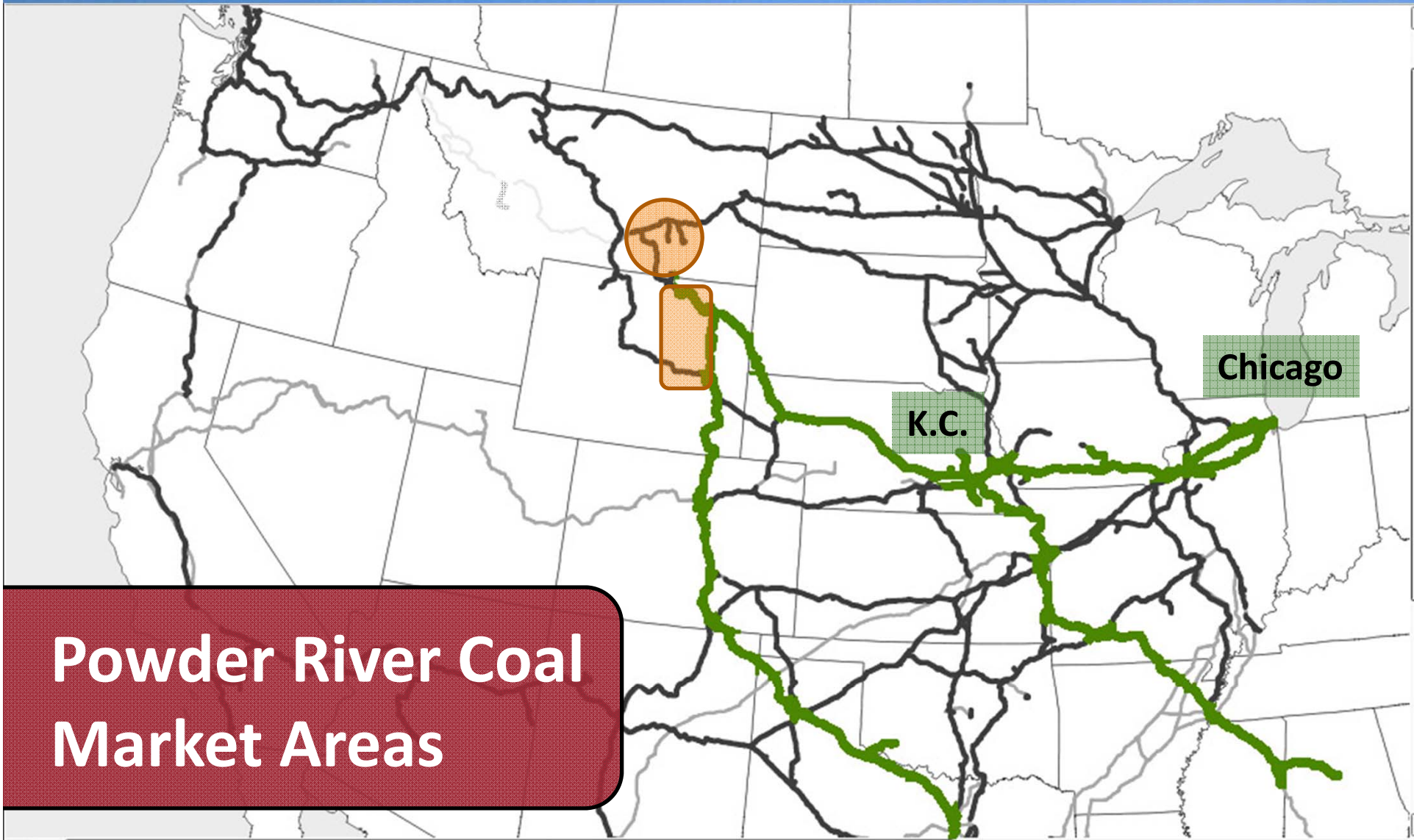
	Reserves (Billions of Tons)	
Montana	119.0	
Wyoming	61.0	



**Powder River Coal
Market Areas**



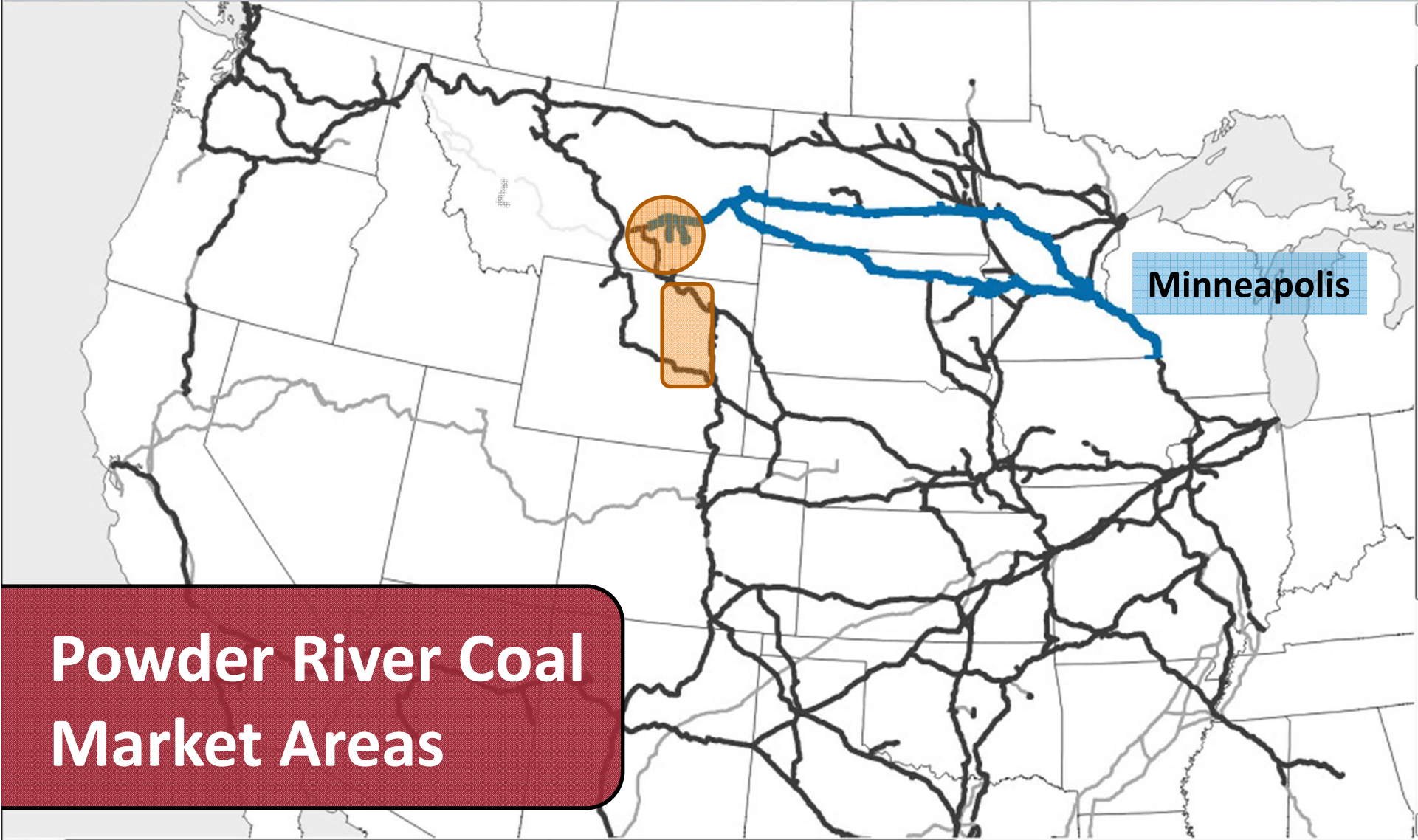
Powder River Coal Market Areas



Chicago

K.C.

Houston

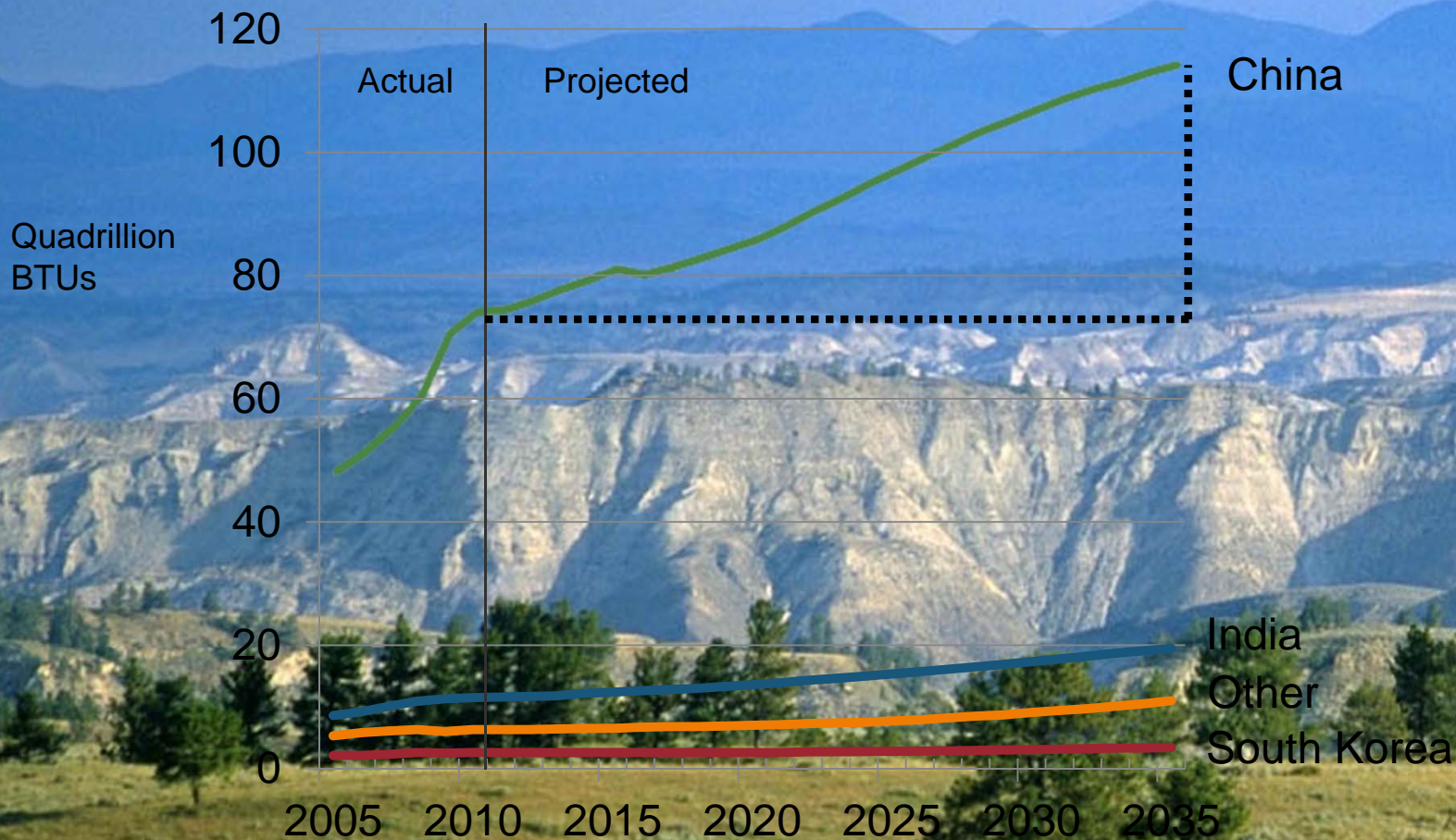


Minneapolis

**Powder River Coal
Market Areas**



Actual and Projected Asian Coal Consumption



Sources: History: U.S. Energy Information Administration, International Energy Statistics database

Vancouver

Seattle

Portland

Signal Peak

Arch Coal

Future Powder River
Coal Market Area

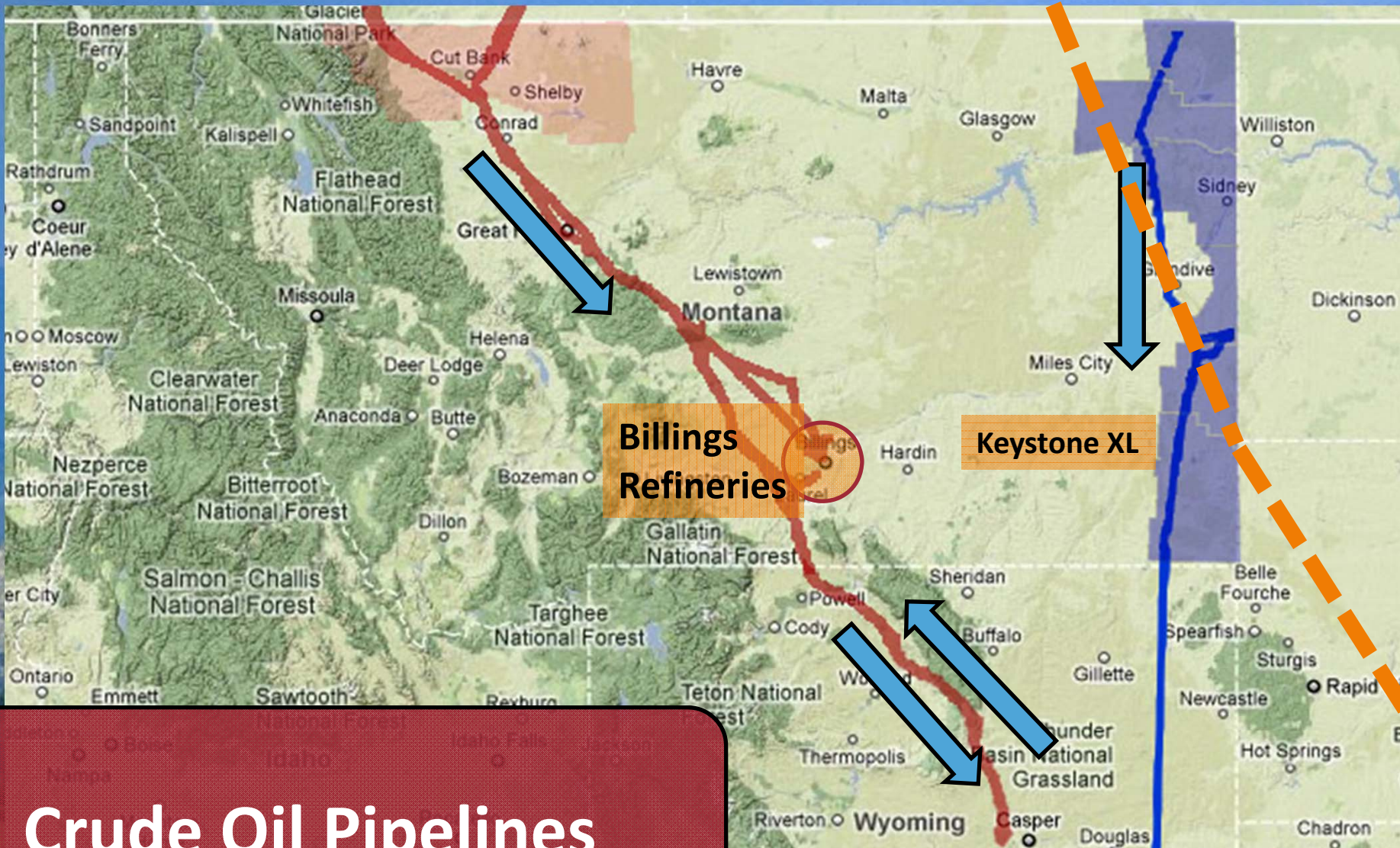


Montana Crude Oil, 2010

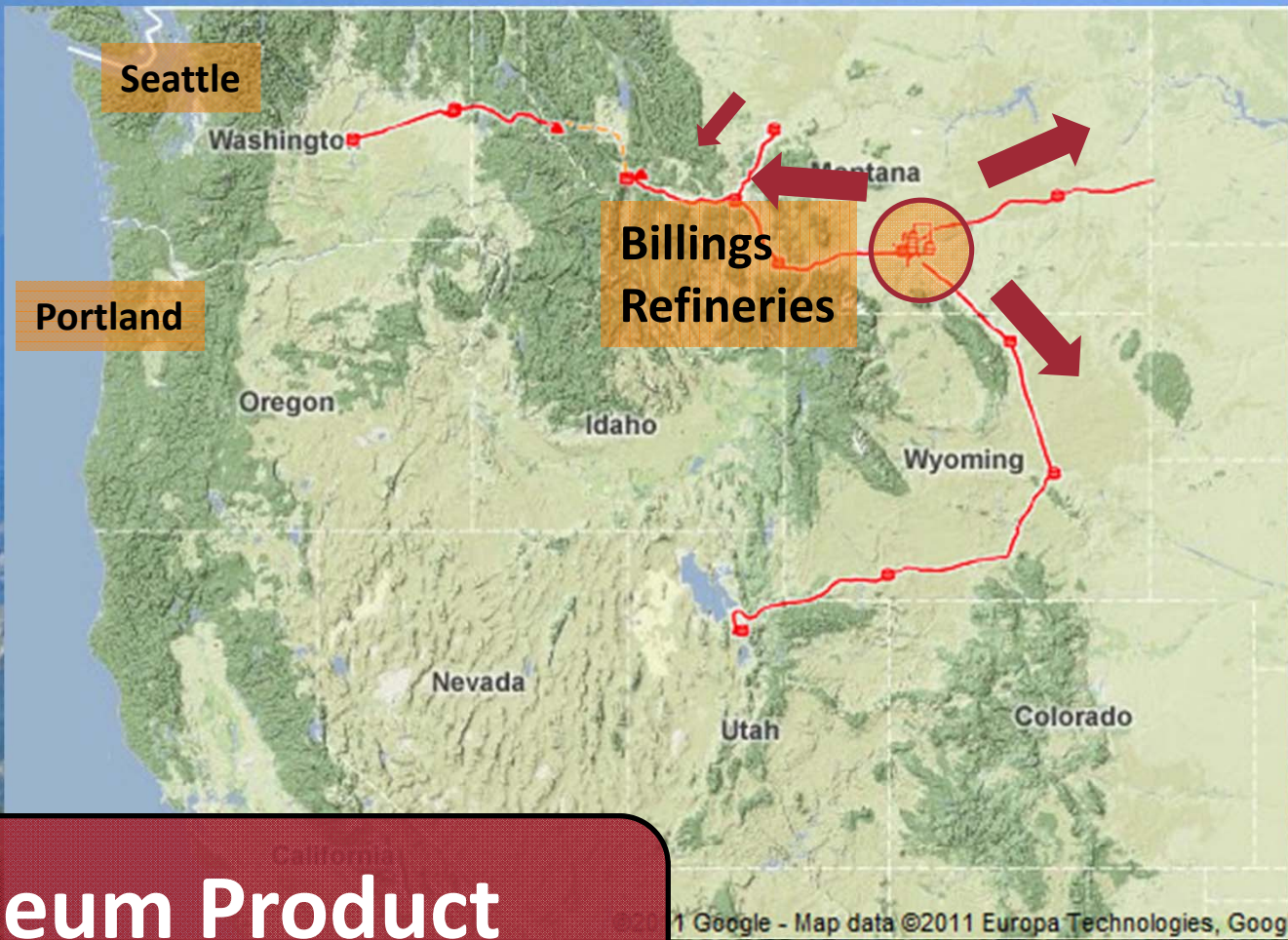
	Barrels

Source: Montana Oil and Gas Conservation Division.

Edmonton



Crude Oil Pipelines



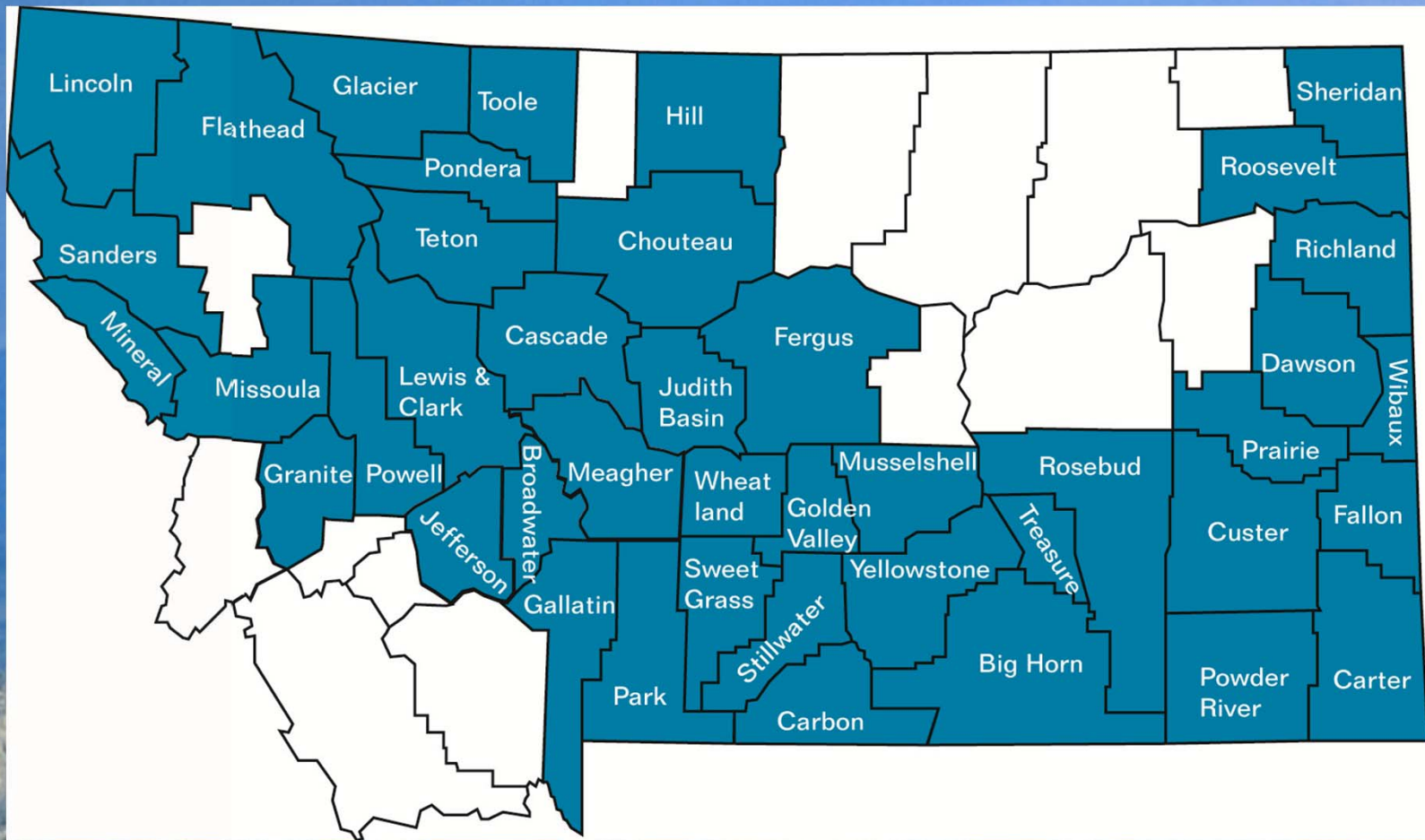
Petroleum Product Pipeline



**Colstrip 500 KV
Transmission Line**

Transmission Line Property Taxes to Counties

County	Estimated Taxes
Rosebud	\$492,000
Treasure	\$952,000
Big Horn	\$241,000
Yellowstone	\$1,467,000
Golden Valley	\$372,000
Stillwater	\$373,000
Wheatland	\$615,000
Meagher	\$865,000
Broadwater	\$563,000
Jefferson	\$401,000
Powell	\$322,000
Granite	\$401,000
Missoula	\$568,000
Mineral	\$784,000
TOTAL	\$8,417,000



Montana's Energy Transportation Systems

A landscape photograph showing a range of mountains under a clear blue sky. The foreground consists of a grassy field with several green trees. The middle ground features a series of rugged, light-colored rock formations or plateaus. The background shows a long, low mountain range stretching across the horizon. The word "Questions?" is written in a large, white, sans-serif font in the center of the image.

Questions?