



Protecting the Common Waters of the Great Lakes Basin
Through Public Trust Solutions

Line 5 Spill Economic Impact Study Fact Sheet

Assumptions

- A major spill of approximately 2,500,000 gallons of crude oil (approximately 59,500 barrels). The scenario would involve damages to approximately 900 miles of shoreline across 15 counties in the Upper and Lower Peninsulas.
- Not a worst-case scenario; rather, a reasonable case informed by expert knowledge. The scenario reflects the real possibility of an anchor strike by marine vessels, a technological failure of automatic response valves, and a delay in human response of up to two hours. A worst-case scenario would involve a prolonged spill of greater magnitude and broader geographic range, reaching into Georgian Bay, Saginaw Bay and other waters.

Total Impacts

- Approximately \$6.3 billion in total damages, restoration, and economic impacts, including;
 - \$697.5 million in costs for natural resource damages and restoration
 - More than \$5.6 billion in total economic impacts, including:
 - \$4.8 billion in economic damages to the tourism economy;
 - \$61 million in economic impacts to commercial fishing;
 - \$233 million in economic damages to municipal water systems; and
 - Over \$485 million in economic damages to coastal property values.

Tourism Impacts

- Biggest single impact, constituting approximately 85% of total economic impacts
- Impacts are percentage losses in visitor spending
- Tier I counties experience a loss of visitor spending and associated total economic impact of 60% in Year 1, 50% in Year 2, 40% in Year 3, 20% in Year 4, and 10% in Year 5.
- Tier II counties experience a loss of visitor spending associated total economic impact of 40% in Year 1, 35% in Year 2, 25% in Year 3, 15% in Year 4, and 10% in Year 5.
- Total 2016 impact of tourism spending in 5 Tier 1 counties \$1.75 billion annually.
- Total 2016 impact of tourism spending in 10 Tier 2 counties \$1.23 billion annually.

Natural Resource Damages and Restoration

- Includes impaired ecosystem services resulting from fresh water, fish, wildlife, beaches, coastal sand dunes, and a variety of aquatic and terrestrial plants.
- Includes costs of remediating natural resources damages caused by the spill.