



Science, Service, Stewardship

Economic Impacts of Critical Habitat Designation

Section 4(b)(2) of the ESA requires NMFS to consider the economic, national security, and other relevant impacts of designating a particular area as critical habitat.

NMFS' determinations regarding the exclusion of particular areas from critical habitat are informed by a cost-effectiveness analysis. While the "benefits of exclusion" (i.e. the costs of designation of critical habitat) are quantified in dollar terms, the "benefits of inclusion" (i.e., the benefits of designation of critical habitat) are described in terms of biological value to the species. Together, these two analyses support NMFS in determining whether the benefits of excluding any particular area outweigh the benefits of designating that area. Such determinations are documented in NMFS' 4(b)(2) report.

Analytic Methods

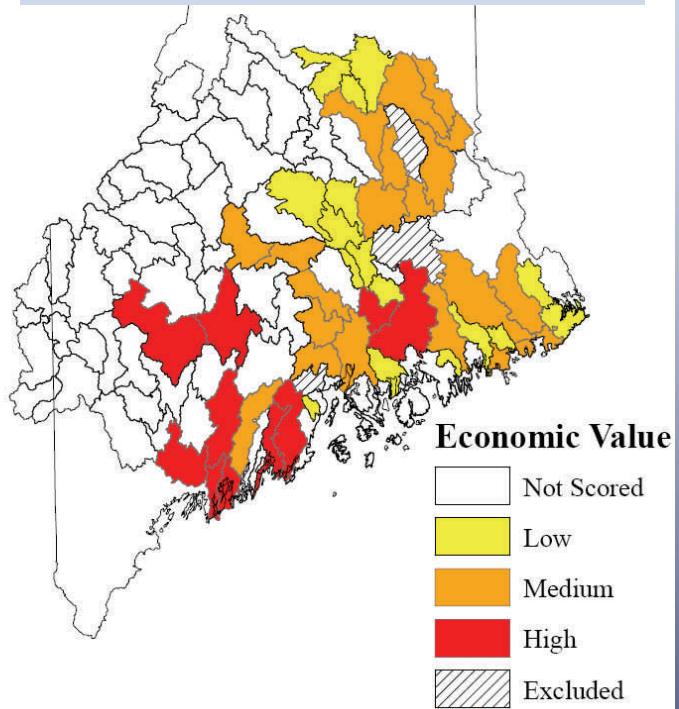
To derive a measure of the economic impacts associated with designating a particular area as critical habitat the economic analysis characterized existing or potential threats to the salmon's habitat; linked threats with particular human activities; identified the modifications to these activities that would avoid or minimize the threats; and to the extent feasible, quantified and monetized the economic impact of the modifications.

The economic analysis considers the potential for the following land use activities to have an adverse impact on the physical and biological features of critical habitat for the Gulf of Maine DPS of Atlantic Salmon: dams; agriculture; changing land use patterns & development; transportation and other in-stream construction projects; silviculture; aquaculture, hatcheries, and fisheries research; and mining.

Economic Impact

The total estimated economic impact to the 45 specific areas proposed for critical habitat designation is \$97,000,000 to \$120,000,000. The activities most impacted by the proposed designation would be hydropower and development. Together these two activities account for approximately 90% of the total estimated economic impact. The remaining 10% is distributed among Agriculture, Transportation, and other In-stream activities. Economic impacts to hydropower are projected over a 50-year time horizon based on FERC re-licensing schedules, whereas, all other impacts are projected over a 20-year time horizon.

Range of Economic Impacts across the GOM DPS



Relative distribution of total economic impacts in Specific Areas proposed for critical habitat designation.

Low estimated economic cost = \$24,000 to \$432,000

Medium estimated economic cost = \$432,001 to \$2,810,000

High estimated economic cost = \$2,810,001 to \$26,300,000

Public Input

NMFS is soliciting comments from the public on all aspects of the proposed critical habitat designation. The federal register notice, supporting documents, and details regarding comment submission for the Proposed Critical Habitat for the Gulf of Maine Distinct Population Segment of Atlantic salmon can be found at http://www.nero.noaa.gov/prot_res/altsalmon/.

Public comments must be received by December 4th, 2008.