



HIGHLANDERS FOR RESPONSIBLE DEVELOPMENT

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Pipeline Costs to Highland County Projected to Exceed Benefits

A new study of the economic effects of the proposed Atlantic Coast Pipeline (ACP) on Highland County, VA finds that the annual costs to the county's overall economy could be as high as \$7 million, far in excess of the benefits claimed by the pipeline's owners.

Highland County and the Atlantic Coast Pipeline: Summary of Economic Effects is part of a larger study of the ACP's impacts on four Virginia counties: Augusta, Buckingham, Nelson and Highland. The study, was sponsored by community organizations in each of the counties. Highlanders for Responsible Development sponsored the Highland County portion. The study was conducted by Key-Log Economics, a Charlottesville-based consulting firm.

Among the impacts of the ACP studied was on property values. Key-Log explains that the pipeline project "would affect property values in three ways: from loss of use and enjoyment of the property, from safety risks, and from diminished views from one's property." Key-Log also noted that there is already a negative impact on demand for property in the county, based on interviews it conducted with local real estate firms, which in turn is having a negative effect on property values.

The pipeline's adverse impact on travel and tourism would be noticeable. The study notes that Highland also has much to lose if the ACP were to degrade "the pristine beauty and rustic charm which Highland County is known." This is why visitors come to Highland to attend such events as the annual Maple Festival and other attractions. Key-Log believes that:

"If the ACP were to cause a 10% drop in recreation and tourism spending from the 2014 baseline, the ACP could mean \$1.5 million less in travel expenditures each year. Those missing revenues would otherwise support roughly \$312,000 in payroll, \$77,500 in state tax revenue, \$45,600 in local tax revenue, and 17 jobs in each year. In the short run, these changes multiply through the broader economy as recreation and tourism businesses buy less from local suppliers and fewer employees spend their paychecks in the local economy."

The recently announced re-routing of the ACP through the southern portion of Highland County and into Bath County was announced after the Key-Log study was completed. While the re-routing would reduce to some extent the economic impact on Highland, the negative economic impact resulting from the re-routing into northern Bath County would increase the total impact on the immediate region due to the higher property values of affected property and businesses in Bath.

The complete study and the Highland summary are available at www.protecthighland.org.