

# Quantification of Environmental Benefits

## ExternE method



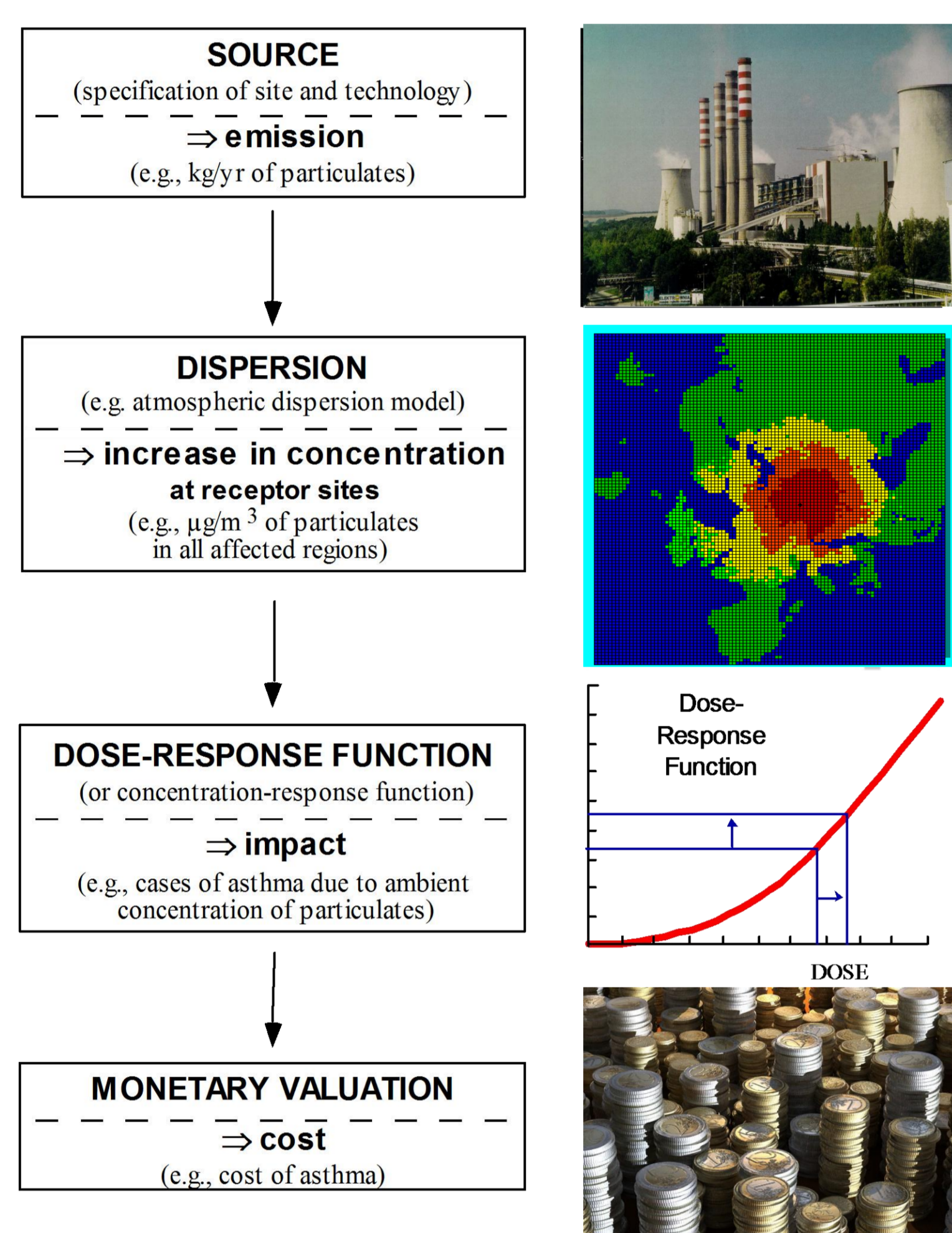
### IDEA

We are not analysing environmental pressures (emission) nor state (concentration) but rather aiming at impacts.

Impact should be comparable with other economic assessment; derive utility equivalent of the impact, i.e. Externality (see Baumol and Oates, 1988)

Benefit (avoided damage) associated with certain process is technology-, site-, and time-specific.

### IMPACT PATHWAY APPROACH



### METHOD

ExternE with Impact Pathway Analysis

Bottom-up approach for complex pathways

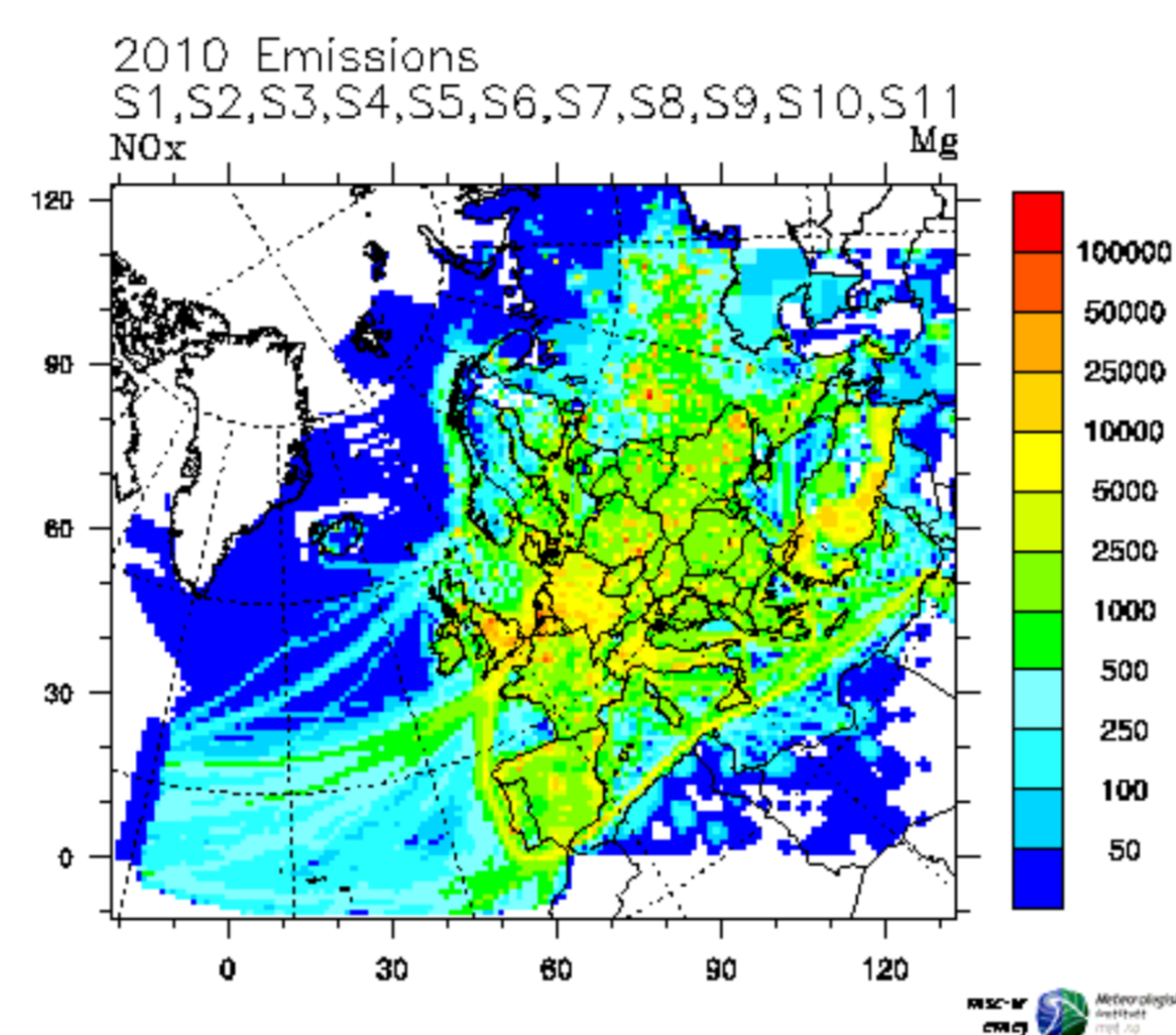
Taking into account preference structure.

Originally developed method to quantify external costs associated with airborne pollutants from power plants in the 90's.

### Step 1: EMISSIONS

The IPA starts with the emission of a pollutant at the location of the source. Two emission scenarios are modelled: a reference scenario background concentration of pollutants (with an optional choice on the EMEP 2010 or EMEP 2020 emission scenario), and a case scenario.

Figure: Gridded emission of NOx in 2010 for all sectors for the reference scenario.



Source: IER taken from <http://ecosenseweb.ier.uni-stuttgart.de>.

### ECOSENSE

EcoSenseWeb is an integrated atmospheric dispersion and exposure assessment model which implements the Impact Pathway Approach developed within ExternE. It was designed for the analysis of single point sources in Europe but it can also be used for analysis of multi emission sources in certain regions.

EcoSense was developed to support the assessment of priority impacts resulting from the exposure to airborne pollutants, namely impacts on human health, crops, building materials and ecosystems.

The current version of EcoSenseWeb, covers the emission of 'classical' pollutants SO<sub>2</sub>, NO<sub>x</sub>, primary particulates, NMVOC, NH<sub>3</sub>, and most important heavy metals. It includes also damage assessment due to emission of greenhouse gases.

EcoSenseWeb has been developed within NEEDS and CASES project by University of Stuttgart, IER.

### Step2: CHEMICAL TRANSPORT MODELS

Air quality is estimated by means of atmospheric dispersion models. Total impacts assessment considers a double counting that is avoided.

**Local range analysis:** The Industrial Source Complex Model, a Gaussian plume model, developed by the US-EPA, is used for transport modelling of primary air pollutants (SO<sub>2</sub>, NO<sub>x</sub>, particulates) on a local scale (100 x 100 km around the site).

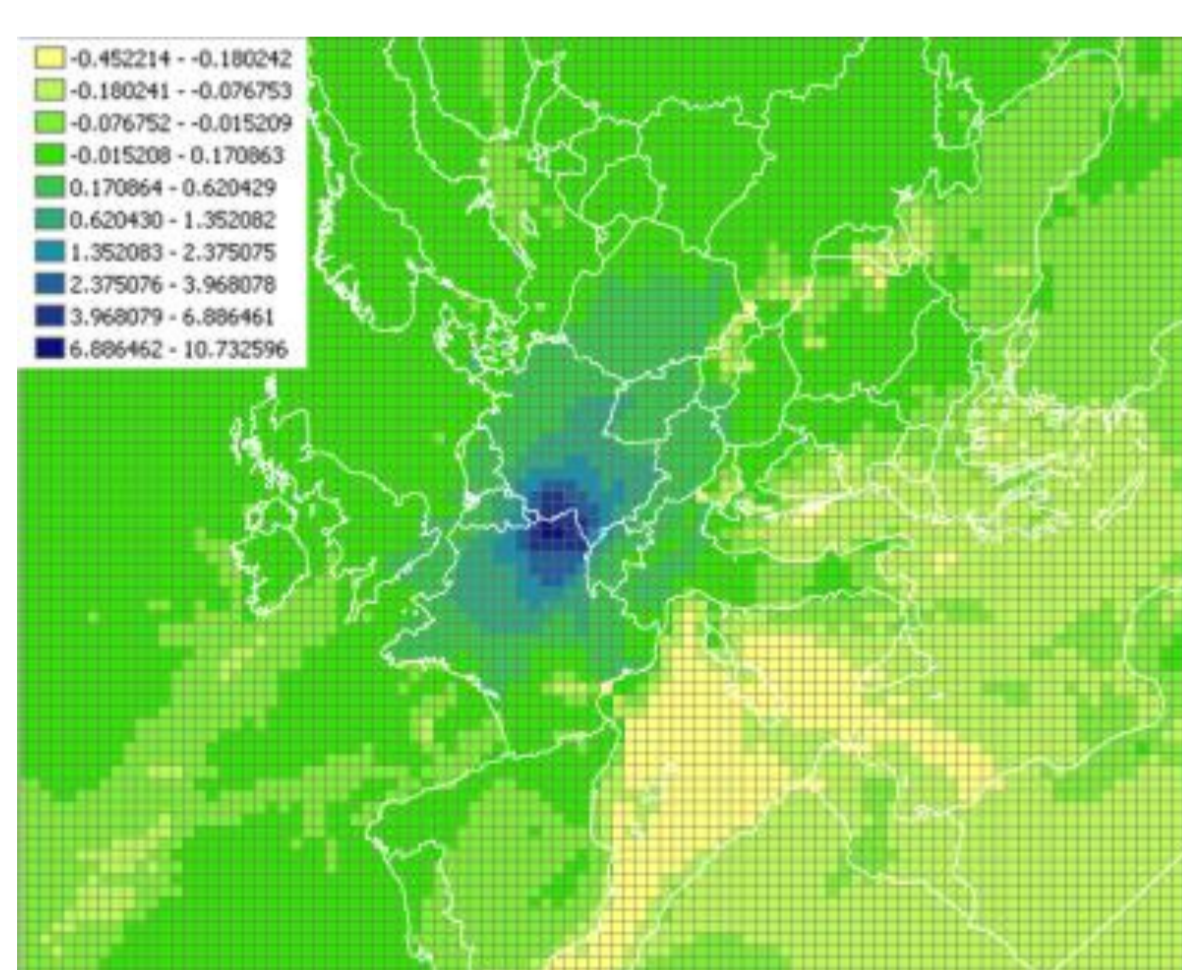
**Regional range analysis** is based on the large EMEP-grid cells and covers the whole of Europe. Impact assessment is done with regional source-receptor matrices, that is a parameterised result of model runs – performed by MET.NO – with the EMEP/MSC-West Eulerian dispersion model. A reduction of each pollutant by 15% for each source of emission within a corresponding 66 sub-region is modelled. The result is a matrix covering the resulting concentration of a primary or secondary air pollutants on the 50 km x 50 km EMEP grid.

**Hemispheric range analysis:** Analysis is based on corresponding EMEP/MSC-West Eulerian dispersion model runs which produced source-receptor relationships at the hemispheric scales for four regions of the Northern Hemisphere. The effect of reductions of six different pollutants (NO<sub>x</sub>, SO<sub>x</sub>, NMVOC, NH<sub>3</sub>, PM<sub>2.5</sub> and PM<sub>10</sub>) is computed.

### Step3: CONCENTRATION OF RELEVANT POLLUTANTS AND CHANGE IN CONCENTRATION

Concentrations for all relevant pollutants are modelled for the reference and case scenario by the in EcoSenseWeb integrated dispersion models.

Figure: Change in concentration of SOMO35 due to emissions of a facility in France (near Lux)

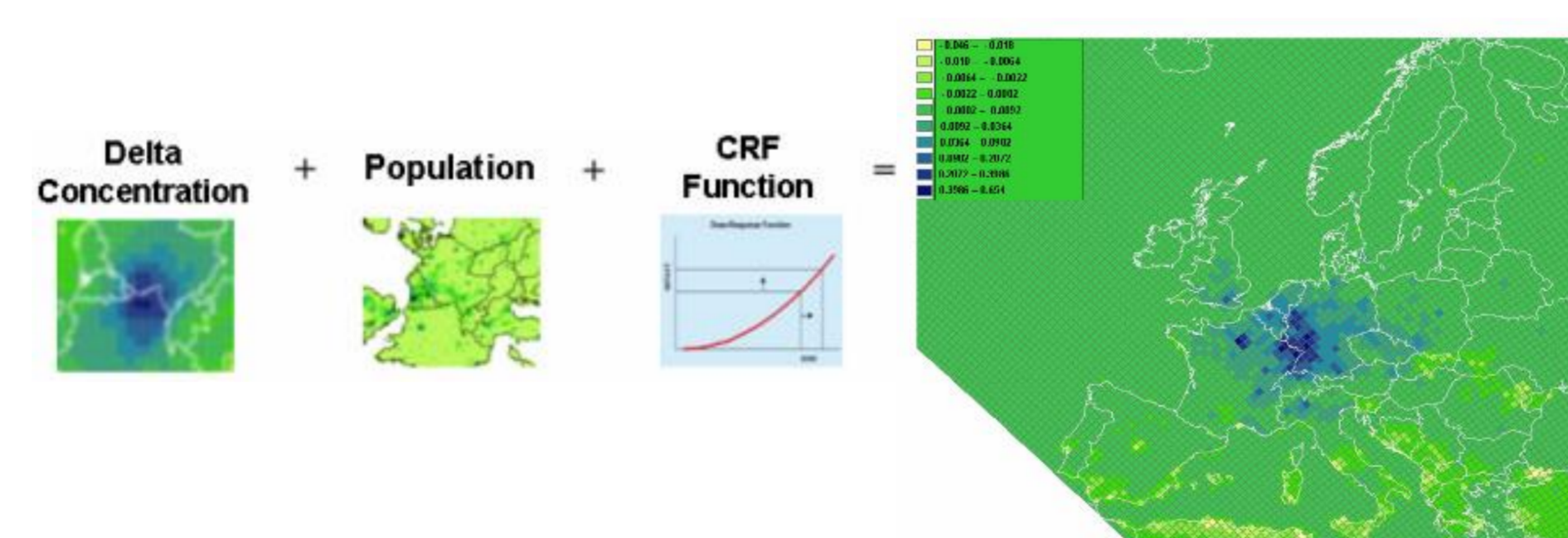


Source: IER taken from <http://ecosenseweb.ier.uni-stuttgart.de>.

### Step4: APPLICATION OF CONCENTRATION RESPONSE FUNCTIONS

Physical impacts are derived by using exposure-response models that combine concentration levels of air pollutants, the concentration-response functions and receptor data to get the impact (Example: years of Life Lost due to emission of the facility in France).

Figure: Expose response model



Source: IER taken from <http://ecosenseweb.ier.uni-stuttgart.de>.

Figure: Impact functions in general population, HEIMTSA/INTARESE Case studies - illustration.

Pollutant	Health effect	Relative Risk	Background Rate of Disease (per year)	Age Group	Population	Impact Function
PM <sub>2.5</sub>	Mortality (all cause)	6% (95% CI: 2%; 11%) change per 10 $\mu\text{g}/\text{m}^3$ PM <sub>2.5</sub>	Impact Function via life tables	Adults 30 years and older	General Population	Impact Function via life tables 90,200 (95% CI: 79,200, 101,300) additional RADs per 10 $\mu\text{g}/\text{m}^3$ increase in PM <sub>2.5</sub> per 100,000 adults aged 18-64 (general population) per year
	Restricted activity days (RADs)	4.75% (95% CI: 4.17%; 5.33%) change per 10 $\mu\text{g}/\text{m}^3$ PM <sub>2.5</sub>	1,900,000 RADs per 100,000 people aged 18-64 per year	18-64 Years	General Population	20,700 (95% CI: 17,600, 23,800) additional work lost days per 10 $\mu\text{g}/\text{m}^3$ increase in PM <sub>2.5</sub> per 100,000 people aged 15-64 in the general population per year
Work loss days (WLDs)	4.6% (95% CI: 3.9%; 5.3%) increase per 10 $\mu\text{g}/\text{m}^3$ PM <sub>2.5</sub>	450,000 WLDs per 100,000 people aged 15-64 per year		15-64 Years	General Population	57,700 (95% CI: 46,800, 68,600) additional MRADs per 10 $\mu\text{g}/\text{m}^3$ increase in PM <sub>2.5</sub> per 100,000 adults aged 18-64 (general population) per year
	Minor Restricted Activity Days (MRADs)	7.4% (95% CI: 6.0%; 8.8%) change per 10 $\mu\text{g}/\text{m}^3$ PM <sub>2.5</sub>	780,000 MRADs per 100,000 people in employment aged 18-64 per year	18-64 Years	General Population	

Source: IOM-TNO-JRC (2011)

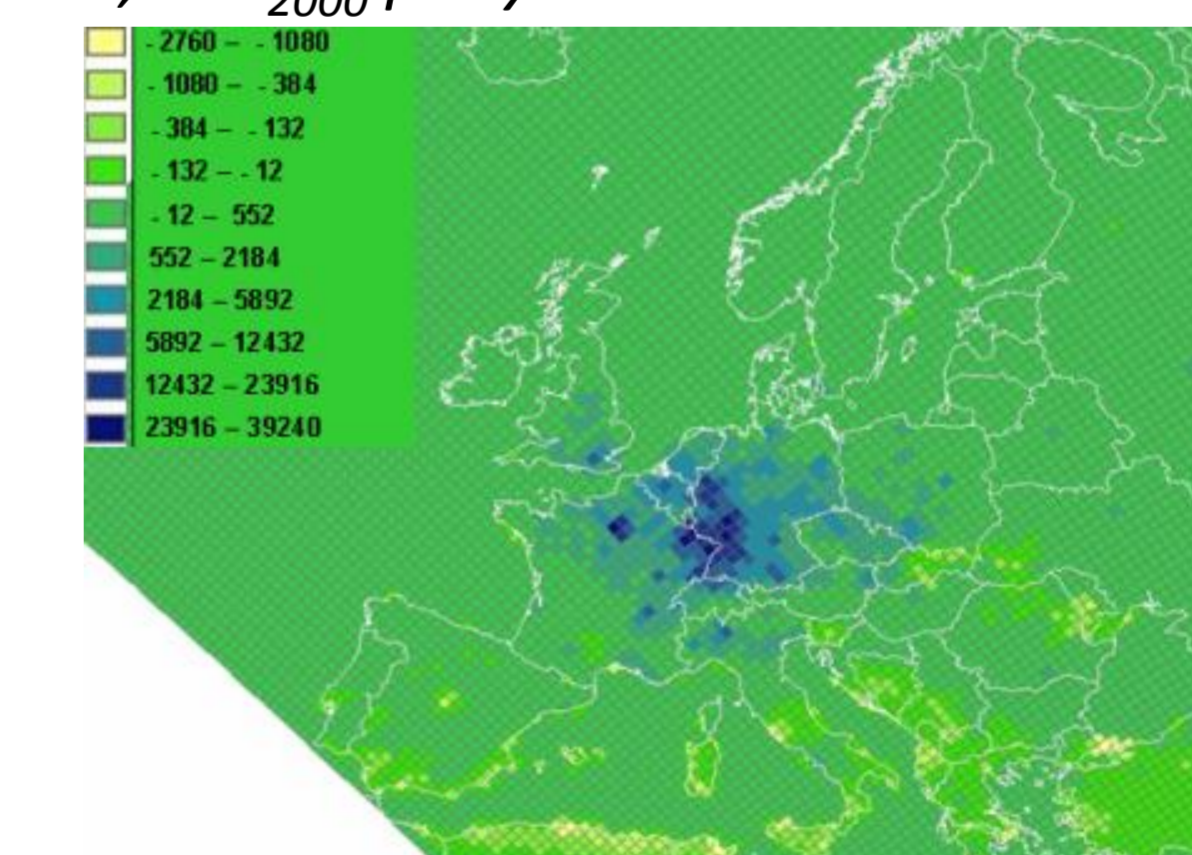
### Step5: MONETARY VALUATION

The physical impacts are evaluated in monetary terms.

For some of the impacts (crops, materials, cost of illness), market prices are used to evaluate the damages. However, non-market goods are valued by using non-market valuation techniques.

In some cases where uncertainty is still large or data are not available, avoidance costs are used, e.g. for valuation of ecosystem damage resulting from acidification. Valuation of climate change impacts considers as social costs of carbon as marginal abatement costs.

Figure: Damages due to changes in the ozone concentration caused by a facility in France, in €<sub>2000</sub> per year.



Source: IER taken from <http://ecosenseweb.ier.uni-stuttgart.de>.

Figure: Summary of Unit Values for Health endpoints in HEIMTSA.

Health End Point	Low	Central	High	Unit	Reference
Cardio mortality	400	1,200	1,570	EUR	Chen et al. (2005); Ombresani et al. (2007)
Respiratory mortality	800	900	1,110	EUR	Passerini et al. (1997); Baccini et al. (2002)
Cardio hospital admissions	4,474	16,300	480,200	EUR	Thomsen and Jacobsen (2005); Strömberg et al. (2006)
Increased mortality risk (indirect)	1,100,000	2,475,000	11,300,000	EUR	Strömberg et al. (2004)
Chronic bronchitis	43,000	60,000	100,000	EUR	Strömberg and Cropper (1992)
Stroke (CVD)	70,000	100,000	200,000	EUR	Strömberg et al. (2011)
Increased mortality risk - Value of Life Years Saved	60,000	89,710	200,000	EUR	Alberici et al. (2006)
Life expectancy reduction - Value of Life Years Saved	1,100,000	1,600,000	5,000,000	EUR	Alberici et al. (2006)
Respiratory hospital admissions	2,900	2,900	2,910	EUR	Strömberg (2001); Strömberg et al. (2004)
Cardio hospital admissions	2,900	2,900	6,574	EUR	Strömberg (2001); Strömberg et al. (2004)
Work loss days (WLDs)	441	441	441	EUR	Strömberg (2001); Strömberg et al. (2004)
Respiratory activity days (RADs)	194	194	194	EUR	Strömberg (2001); Strömberg et al. (2004)
Minor restricted activity days (MRADs)	27	27	27	EUR	Strömberg (2001); Strömberg et al. (2004)
Lower respiratory symptoms	67	67	67	EUR	Strömberg (2001); Strömberg et al. (2004)
ACS emergency visits	67	67	67	EUR	Strömberg (2001); Strömberg et al. (2004)
Chronic days	67	67	67	EUR	Strömberg (2001); Strömberg et al. (2004)
Respiratory visit (respirator use)	67	67	67	EUR	Strömberg et al. (2011)
Long cancer	70,000	70,000	4,200,000	EUR	Wendling et al. (2001); Semp-Bosses et al. (2003); Semp-Bosses and Preis (2009); Gaudin (1999)
Liver cancer	2,000,000	4,000,000	7,000,000	EUR	Alberici (1999)
Health-developmental disabilities	4,000	10,000	30,000	EUR	Strömberg et al. (2005)
Brain cancer	11,000	14,000	27,000	EUR	Alberici (1999)
Cholesterolemia	3,000	3,000	6,000	EUR	Thomsen and Jacobsen (2005); Strömberg and Vond (2002)
Heart dysfunction	20,000	30,000	41,000	EUR	Battistoni et al. (2001); Semp-Bosses et al. (2006)
Acidemia	700	700	700	EUR	Chen et al. (2007)

Source: Hunt, Navrud, Mäca, Ščanýš (2011)