

# **ELECTRICITY CASE: ECONOMIC COST ESTIMATION FACTORS FOR ECONOMIC ASSESSMENT OF TERRORIST ATTACKS**

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## Abstract

The major economic effects of electric power outages are usually associated with three potential outcomes: the loss of human life and health; business losses; and declines in property value (some of which are encompassed within business losses).

This report sets forth economic factors for quantifying the cost of loss of human life and injuries and business losses (including those to critical infrastructure that supports social and economic activity) as a basis for accounting for the economic outcomes of terrorist attacks. Although they have been developed for estimating effects of attacks on electric power, these factors are broadly applicable to other kinds of attacks involving deaths, injury or business loss. A variety of alternative measures and values are presented to enable users flexibility in how they are applied.

This report is intended to accompany the “Electricity Case: Main Report – Risk, Consequences, and Economic Accounting” (May 31, 2005).

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