

Project Summary - Development of Techniques that are Acceptable for Measuring Municipal Water Values, Nonuse Values, Ecosystem Benefits, and Broad Public Benefits as Part of Alternative Evaluation In Feasibility Studies

This project was initially funded in 2009 as a scoping effort to try and evaluate available methods for measuring water resource benefits that are theoretically correct and can be realistically applied in feasibility studies. The project was to include a review of the economic theory behind different valuation techniques, review of existing studies, and a summary of potentially useful approaches. It became clear that it would be difficult to agree within a year time frame on an approach or group of approaches that would satisfy Reclamation economists and staff with California Department of Water Resources. Cost based approaches are favored in some cases while more complicated stated or revealed preference approaches may be required for some environmental resources and municipal water supplies. Discussions are ongoing regarding the appropriate methods that should be used to estimate public benefits. The project was not completed and no S&T expenditures were used for this project.