

Socioeconomic Recommendations

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Road Map

- AMWG direction February 2010
- TWG consideration in March and ad hoc formation to review the report
- TWG Motion July 26, 2010



TWG Approach

- TWG reviewed the final socioeconomic report and attempted to make a recommendation given the side-boards provided by AMWG, no budget implementation in 2011/12
- TWG review is not completed, but we wanted to be responsive to the AMWG request and provide initial review and recommendations for 2011 and 12 if AMWG wanted to incorporate SE into the work plan
- Some TWG members have concerns about parts of the report and would like to have further opportunity to report to AMWG on the report overall
- TWG was caught between those members wanting to implement this in the budget and provide funds and those wanting to focus on activities and not funds (AMWG direction)

TWG Phased Approach/Motion

- A. In FY 2011/12 implement most expedient actions; Base Case and Change Case analysis for electrical power and Recreation Expenditure analysis
- B. In FY 2011/12 begin work on educating the program on market and non-market economics. Then develop a non-market study plan for the program.
- C. In FY 2012, or as soon as the study plan is completed and satisfactory to the AMP, begin non-market recreation portion of the recommendations.



Base Case and Change Case Power Analyses

- Implement the report recommendations for base and change case studies for hydroelectric operations in FY 2011 and 2012
- Evaluation of the GTMax model by GCMRC (in budget)
- Base case study design administered by GCMRC in coordination with WAPA and other experts as needed
- Will include spill-over into the WECC
- Report and analyses provided by WAPA, no cost to AMP beyond administration

Recreation Expenditure Analysis (Market)

- The analysis would be focused on the regional economic effects of GCD experiments and other DOI actions
- Impact on regional economy as a result of changes in expenditures resulting from these actions
- Groups: Glen Canyon day use rafters and anglers, commercial and whitewater rafters from Lees Ferry down, and Hualapai whitewater enterprises
- This would potentially replace GCMRC project 9.R4.11-12

Economics 101 - Training

- Organize training course(s) in 2010 and 2011
- Begin scoping out non-market analyses

Other Studies Pending TWG Review

- a) **Implement non-market recreation surveys of Glen Canyon anglers and day-use rafters**
- b) **Identify tribes and consider specific surveys of preferences and attitudes**
- c) **Conduct power flow studies that show the financial and economic consequences of Glen Canyon management alternatives on WAPA, WAPA customers, and the Upper Basin Fund**
- d) **Conduct focus groups and piloting of non-use value survey (initiate OMB clearance)**

Summary

- TWG recommends implementing base and change case power analyses, recreation expenditure analysis, and economics 101 with scoping for non-market to begin in 2011 and 2012
- Direction needed from AMWG on 2011/12 implementation and direction
- TWG would like to continue the review of the report
- Generally TWG supports market economics analyses, non-market is going to be more challenging, thus the phased approach by TWG, then non-use

GCRMC/TWG Actions

REC 9.R4.11-12: Recreation Values and Visitor Experience, \$25,000. Some opposition at TWG, but motion did not pass to alter this project.

HYD 10.R2.11-12: Evaluate GTMax model ~30k, ~20k

WAPA changes to budget to implement the TWG motion

Possible Motion

The AMWG supports implementation of socioeconomic studies to further our understanding of the costs of adaptive management decisions within the GCDAMP; this includes market, non-market, and non-use studies. Thus, the AMWG directs TWG to further develop an economics implementation plan to be provided to AMWG at its next meeting for possible implementation starting in FY 2012. That implementation plan will include the following components:

- a. Information needs associated with each program element and the prioritization of those needs,
- b. Scope and costs associated with each project and potential funding sources,
- c. A description of how the information would be useful to the program, and
- d. A more thorough review of the economics panel report.