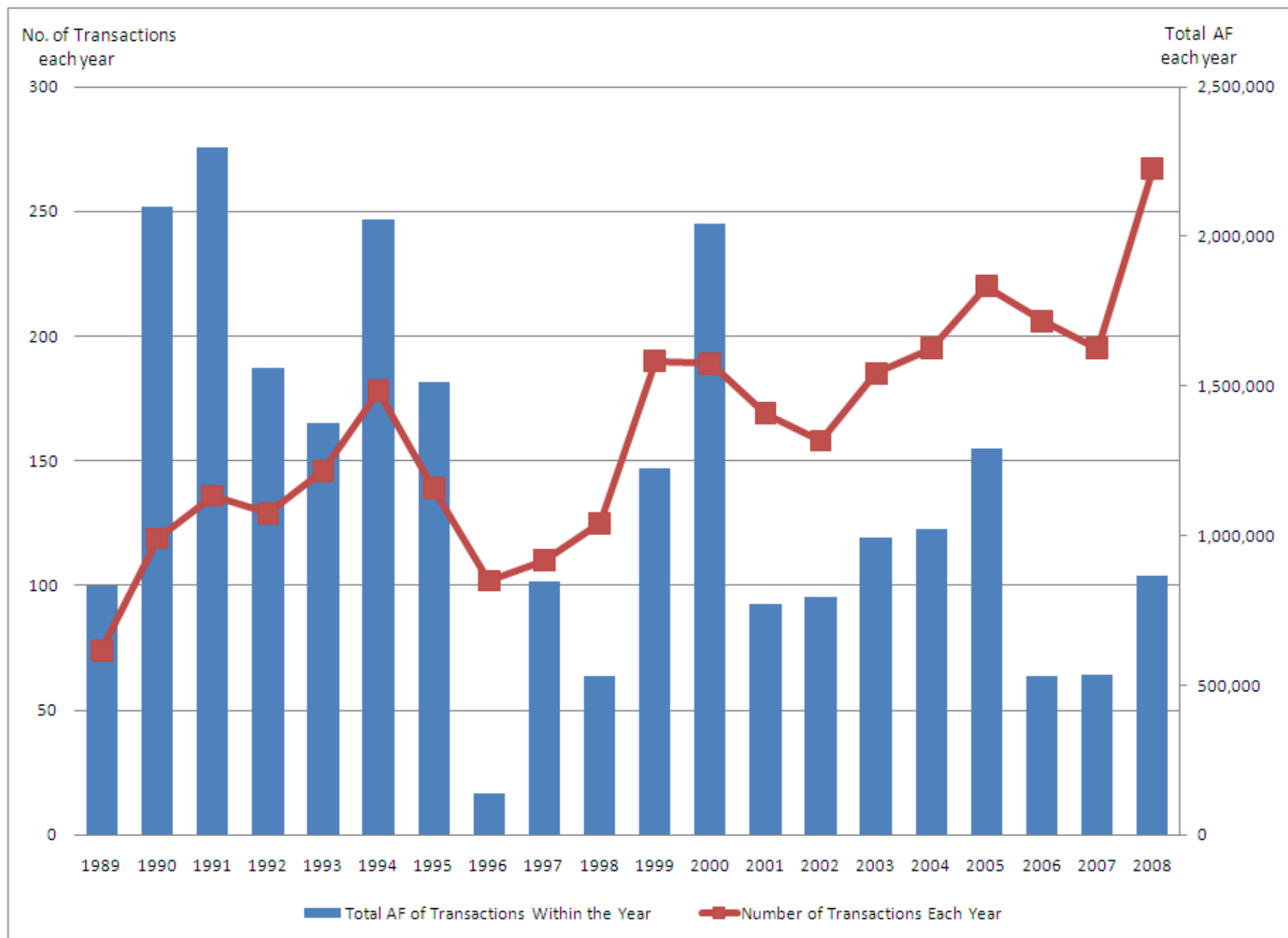


Innovative Water Transfers Workshop: Impacts to Areas of Origin



Agriculture to Urban Water Transfers are Increasing ...





Innovative Water Transfers Workshop: Impacts to Areas of Origin

Focus: Impacts to communities, economies and the environment where water has been transferred to another use.

Purpose: Develop strategies to avoid or mitigate impacts to local economies and food production.



Water Transfers: Why Worry about the Area of Origin?

- “Public” Nature of Water
 - Revenue generation and allied activities
 - Recreation and allied activities
 - Incidental wetlands & aesthetic values
 - Tax revenue base
- Efficiency and Equity of Transfers
- Opportunity Costs and Path Dependence



Example Economic Activity: Irrigated Agriculture

- Direct Activity
 - Crop Sales (Gross Revenues)
- Indirect Effects
 - Fertilizer, Seed, Chemical Sales (but margins only)
 - Transportation
 - Real Estate Services
 - Ag Consultants
- Induced Effects
 - Wages Spent with Local Businesses
- When is generated economic activity high?
 - High value crops sold outside the region.
 - Revenues spent on locally produced inputs.
 - Local support industries use local labor and inputs.

<i>Region</i>	<i>Economic Activity (\$/ac)</i>
Arkansas	\$428
Republican	\$678
Rio Grande	\$1,127
South Platte	\$690



Framing the Impacts

- Snapshots and Adaptation
- Economic Vs Non-Economic
- Local vs. Regional Concerns
- Seniority and Significance
- “Tipping” Points in a Community
- Long Run Time Horizon



Mitigation Principles

- Stakeholder Dialogue and Best Practices
- “Affected” Area and Affected Parties
- Gradual or Non-Permanent Transfers
- In-Kind Investments as an Alternative
- Preferences of the Payers

Western Household Preferences Long Term Needs

