

Work Group Meeting Report Out

Work Group: Economics and Local Government Meeting #1 **Date:** August 9, 2019

Meeting Topics:

Agenda topics included: background on demand management and drought contingency planning; process and expectations of the work groups; initial issue identification; and public comment.

The group spent the majority of the meeting identifying the key big-picture issues associated with economic impacts of a potential demand management program and discussing the scope of the work group's future discussions.

Key Take Aways:

The group discussed the connection between local governments and demand management economics. Specifically, there may be economic impacts to a local community and local government. The local government may participate in managing these impacts.

The group expressed a desire to consider all economic impacts of a potential demand management: positive and negative impacts.

The group brainstormed economic impacts and impacts to communities identifying both impacts to specific sectors (ie tourism, agriculture, open space, etc) and economic considerations when designing a potential demand management program (ie transaction costs, net benefit opportunities, scale, etc).

Questions/Concerns to Raise:

The group identified some threshold questions and issues to consider going forward, including:

- A better understanding of the timing and timeframe of creating demand management water to assess the economic impacts of a potential demand management program.
- Whether and what kind of parameters should be developed in a program to minimize adverse impacts and maximize beneficial impacts on local communities.
- Various methods and considerations for valuing/pricing water.

Additional technical, informational other needs:

The group discussed opportunities to utilize contractor assistance such as conducting a literature review to examine results from other demand management programs and investigation efforts.

Other:

The group will identify a next meeting date in the September - October timeframe to be held in the Denver Metro area