

The Economics of Modeled Water Use Reductions in SW Kansas

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Southwest Kansas
Groundwater Management District 3

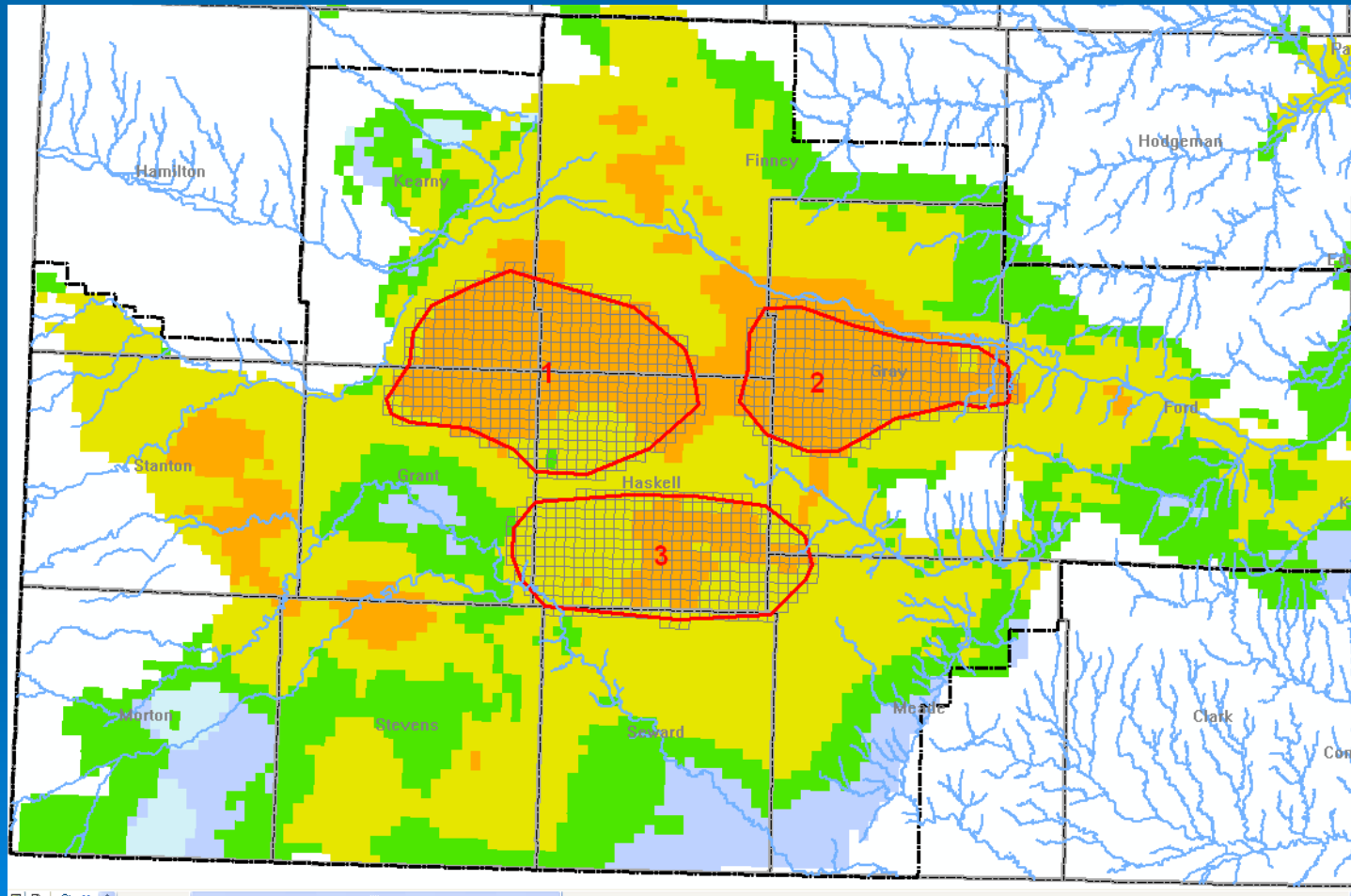


Kansas Water Office



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Model Area: Three High Priority Areas



If The Goal is the Maximization of Producer Profits

- A 20% reduction in groundwater use will provide benefits to both the agricultural producer and rural communities.
- For Subareas 1, 2, and 3 cumulative net profits increase by 6.3%, 2.1% and 2.7%, respectively.
- For Subareas 1, 2, and 3 cumulative Regional Value Added increase by 8.3%, 2.7%, and 1.8%, respectively.
- The variation in Subarea specific results are due to Subarea specific variations in initial hydrological conditions, current and projected irrigated crop mix, and dryland production options

If The Goal is the Maximization of Regional Value Added

- If Subarea 3 were to manage their groundwater based on maximizing value added, cumulative value added would increase from a 1.8% gain to an increase of 18.7%.

Questions