

## Project Profile:

### Estimating the Economic Effects of the Susitna-Watana Hydroelectric Project

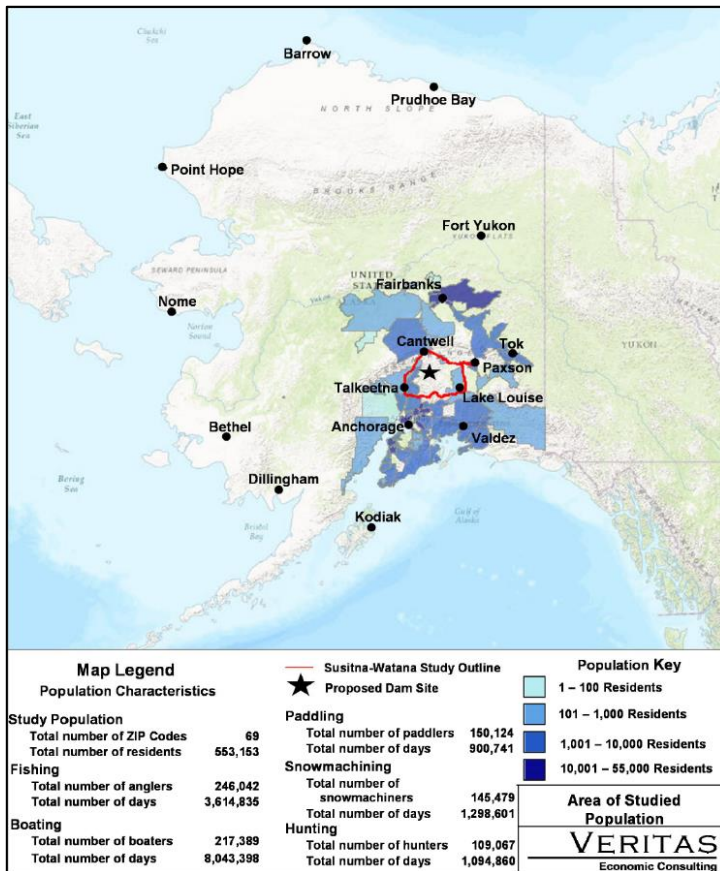
Veritas Economics (Veritas) supported the Alaska Energy Authority's (AEA) efforts to characterize changes in recreation demand and social welfare for the recreator populations that are most likely to be affected by the Susitna-Watana hydroelectric project. Veritas developed and distributed the Alaska Outdoor Recreation Survey and compiled the data to build recreation demand models which have the ability to assess changes in demand for the following four recreation activities that may be affected by the project:

- Fishing
- Recreational boating
- Snow machining
- Hunting.

Veritas' primary role throughout the project was estimating the potential recreation impacts of the hydroelectric project by developing a mathematical representation of outdoor recreation preferences for the population of hunters, anglers, boaters, and snow machiners expected to be affected by the project. The results of Veritas' research were conducted as part of the Socioeconomic and Transportation Resources Study Plan (AEA 2012) for use in the Federal Energy Regulatory Commission's (FERC) Integrated Licensing Process (ILP). Under the ILP, FERC staff, pursuant to the National Environmental Policy Act (NEPA), will prepare an Environmental Impact Statement, which FERC will use to determine whether, and under what conditions, to issue a license.



Photo: Travis Rummel



The results of the survey and demand models Veritas created are illustrated by the figure on the left. The figure depicts the geographic area containing the population of recreators that are most likely to be affected by the hydroelectric project. The red outline on the map shows the relationship between the Susitna-Watana study area and the affected population. This figure also presents the estimated number of recreators for each of the recreation activities included in the analysis and the annual number of fishing, recreational boating, paddling, snow machining, and hunting trips they are estimated to take.

