

Theme 3

Economic Value of Weather Forecasts

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Value

- Value exists when
 - obtaining something makes at least one person better off
 - being without something makes at least one person worse off
- Economics has measures of “better and worse off”

Major Points of Theme 3

- Clarify HI weather forecast dimensions to assist valuation studies.
- Develop models of user decision making in both hypothetical and real-world environments.
- Encourage the gathering of data relevant to, and in a form usable by, economic researchers.
- Clarify the nature of the information contained in HI weather forecasts, which may be user dependent.
- Coordinate the development of research studies to use field-experiment (real) data, survey data, and experimental/hypothetical data.
- Apply existing stated and revealed preference methods to weather forecast data, from all sources (field experiments, surveys and economic experiments).

Some Research Projects

- Short term projects:
 - developing economic models using existing data
 - estimating forecast dimension values using existing data and econometric methods
- Long term projects:
 - developing forecast user decision models
 - improving the collection of more relevant and useful economic data
 - integrating economic studies with field experiment projects