# Calculating Willingness-to-Pay as a Function of Biophysical Water Quality and Water Quality Perceptions 

Carlos G. Silva<br>Utah State University

Follow this and additional works at: https://digitalcommons.usu.edu/etd
Part of the Economics Commons

## Recommended Citation

Silva, Carlos G., "Calculating Willingness-to-Pay as a Function of Biophysical Water Quality and Water Quality Perceptions" (2014). All Graduate Theses and Dissertations. 3325.
https://digitalcommons.usu.edu/etd/3325

This Thesis is brought to you for free and open access by the Graduate Studies at DigitalCommons@USU. It has been accepted for inclusion in All Graduate Theses and Dissertations by an authorized administrator of DigitalCommons@USU. For more information, please contact digitalcommons@usu.edu.

# CALCULATING WILLINGNESS-TO-PAY AS A FUNCTION OF BIOPHYSICAL WATER QUALITY AND WATER QUALITY PERCEPTIONS 

by

Carlos G. Silva

A thesis submitted in the partial fulfillment of the requirements for the degree
of

# MASTER OF SCIENCE 

in

Applied Economics

Approved:

Paul Jakus
Major Professor

Ryan Bosworth
Committee Member

Man-Keun Kim
Committee Member

Nanette Nelson
Committee Member

Mark R. McLellan
Vice President for Research and Dean of the School of Graduate Studies

UTAH STATE UNIVERSITY
Logan, Utah

Copyright © Carlos G. Silva 2014
All Rights Reserved


#### Abstract

Calculating Willingness-to-Pay as a Function of Biophysical Water Quality and Water Quality Perceptions by

Carlos G. Silva, Master of Science Utah State University, 2014

Major Professor: Dr. Paul Jakus

Department: Applied Economics

When estimating economic value associated with changes in water quality, recreation demand models typically depend upon either (i) biophysical measures of water quality as collected by natural scientists or (ii) the perception of water quality by recreationists. Models based upon biophysical metrics (such as oxygen concentration, pollutant concentrations, Secchi depth measurements, etc.) operate on the assumption that people can perceive and respond to these metrics, or respond to factors that are, indeed, correlated with the biophysical measure. Economists have often estimated willingness-to-pay (WTP) measures associated with unit changes in biophysical measures without examining the degree to which the measures are truly correlated with perceptions. Recreation demand models that are based upon respondents' perceptions of water quality necessarily assume that perceptions correlate well with the measures used by scientists to evaluate water quality.


Again, WTP for unit changes in perceptions have been estimated without examining the relationship to the underlying biophysical measures. The relationship between biophysical metrics and perceptions is rarely addressed, yet it has profound implications for water quality management and policy. Consider a federal or state agency wishing to manage the quality of its waters in an economically efficient way. Through mandated water quality monitoring regulations, an agency may have many years of biophysical measurements, but these measures are in no way linked to people's perceptions of water quality and, thus, to WTP.

Using biophysical measures of water quality and recreation use data recently collected in Utah, this study links technical measures of water quality at a water body to survey respondents' perceptions of water quality at the same site. This approach is akin to estimating an ecological production function wherein biophysical measures are "inputs" to water quality perceptions (the output). Truncated Negative Binomial models of water-based recreation are used to estimate welfare effects of changes in water quality as measured through (i) unit changes in biophysical measures, (ii) unit changes in perceptions, and (iii) unit changes in biophysical as they change perceptions through the ecological production function.

# PUBLIC ABSTRACT 

Calculating Willingness-to-Pay as a Function of Biophysical Water Quality and Water Quality Perceptions

Carlos G. Silva

When estimating economic value associated with changes in water quality, recreation demand models typically depend upon either (i) biophysical measures of water quality as collected by natural scientists or (ii) the perception of water quality by recreationists. Models based upon biophysical metrics (such as oxygen concentration, pollutant concentrations, Secchi depth measurements, etc.) operate on the assumption that people can perceive and respond to these metrics, or respond to factors that are, indeed, correlated with the biophysical measure. Economists have often estimated willingness-to-pay (WTP) measures associated with unit changes in biophysical measures without examining the degree to which the measures are truly correlated with perceptions. Using biophysical measures of water quality and recreation use data recently collected in Utah, this study links technical measures of water quality at a water body to survey respondents' perceptions of water quality at the same site. This approach is akin to estimating an ecological production function wherein biophysical measures are "inputs" to water quality perceptions (the output). Truncated Negative Binomial models of water-based recreation are used to estimate welfare effects of changes in water quality as measured through (i) unit changes in biophysical
measures, (ii) unit changes in perceptions, and (iii) unit changes in biophysical as they change perceptions through the ecological production function.

## ACKNOWLEDGMENTS

It gives me great pleasure to express my gratitude to all of those people who have supported me and have made contributions to make this thesis possible. I would like to thank my major professor, Dr. Paul Jakus. this thesis would not have been possible without his continuous support, guidance and encouragement throughout my work. I also want to thank my committee members, Dr. Ryan Bosworth, Dr. Man-Keun Kim, and Nanette Nelson, for their support and valuable suggestions in the entire process. I would like to express my gratitude to the faculty members of the Applied Economics Department for providing me with the guidance in every class in furthering my knowledge in the field. Last, but by no means least, I want thank my family, and all of my department colleagues for their immense level of motivation and support.

## CONTENTS

Page

ABSTRACT ..... iii
PUBLIC ABSTRACT ..... v
ACKNOWLEDGMENTS ..... vii
LIST OF TABLES ..... x
LIST OF FIGURES ..... xi
INTRODUCTION ..... 1
TRAVEL COST MODEL ..... 5
ECOLOGICAL PRODUCTION FUNCTION ..... 11
METHODS ..... 16
Ordinary Least Squares ..... 16
Poisson ..... 17
Negative Binomial ..... 19
Truncated Negative Binomial Model ..... 20
DATA ..... 22
Trophic State Index ..... 23
Relationship between survey and lake trophic status ..... 25
RESULTS ..... 33
Modeling Results ..... 34
Linking Biophysical Measures to Perceptions ..... 36
Using Ordered Probit results to Estimate Willingness to pay ..... 38
Estimating Mean Willingness to Pay ..... 40
LINKED BIOPHYSICAL TO PERCEPTIONS MODEL ..... 44
Improving water clarity by reducing TSI (SD) by $25 \%$ ..... 44
Improving water clarity by reducing TSI (SD) to center value of improved TrophicClassification46

Improving water clarity by changing TSI (SD) by 1.5 meters ............................. 48
CONCLUSION................................................................................................................. 52
REFERENCES .................................................................................................................. 54
APPENDIX....................................................................................................................... 59

## LIST OF TABLES

Table Page
1 Summary Statistics ..... 23
2 Summary Statistics Trophic State Index (by lakes) ..... 24
3 Potential changes in north temperate lake based on algal biomass change along the trophic state gradient. ..... 26
4 Ordinal Coding and Distribution of Survey Question 10 ..... 27
5 Tabulation of Trophic Classification against Clarity ..... 30
6 Tabulation observing 10 lakes most visited ..... 30
$7 \quad$ Ordinal Coding and Distribution of Survey Question 11 ..... 31
8 Summary Statistics based on Primary Activity ..... 32
9 Truncated Negative Binomial Results (Biophysical \& Perceptions Model) ..... 35
10 Linking Biophysical Metrics of Water Quality to Perceptions ..... 38
11 Example of Probabilities for Bear Lake and Utah Lake ..... 39
12 Mean Willingness to Pay for 25\% improvement in Water Clarity, Biophysical Model ..... 41
13 Mean Willingness to Pay for one unit improvement in Water Clarity, Perceptions Model ..... 43
14 Mean WTP using "Linked Biophysical to Perception Model" reduction in TSI (SD) by $25 \%$ ..... 45
15 Mean WTP using "Link Biophysical to Perception Model" change TSI (SD) to center value of improved Trophic Classification ..... 47
16 Mean WTP using "Link Biophysical Measure to Perception" based on change in meters ..... 49
17 Comparison of WTP Distributions of Weighted Models to WTP Distribution of Baseline Perceptions Model ..... 51

## LIST OF FIGURES

Figure Page
1 Travel Cost Demand function ..... 6
2 Decreasing Water Quality ..... 8
3 Neoclassical Production Function ..... 13
4 Ecological Production Function Approach ..... 15
5 Normal Distribution ..... 18
6 Example of a Non-symmetric integer Distribution. ..... 18
7 Question 10 extracted from Utah's Lakes \& Rivers Recreation Survey 2011 ..... 25
8 Question 11 extracted from Utah's Lakes \& Rivers Recreation Survey 2011 ..... 29
$9 \quad$ Question 7 extracted from Utah's Lakes \& Rivers Recreation Survey 2011 ..... 32

## INTRODUCTION

As concern with the health of ecosystems and habitats increases, policy makers must consider how changes in environmental policy decisions and management affect the health of ecosystems (Hanley, Barbier, and Barbier, 2009). The growing level of concern with ecosystem services can be seen in academic fields such as ecology and environmental economics where one may observe a rapidly growing literature in recent years. A key aspect of this literature focuses on simply defining the term "ecosystem services" where, generally, all definitions assess the links between the functions of the ecosystems and services that benefit plant and animal populations, particularly as they relate to humans (Barbier, 2011). Fisher and Turner (2008) stated that "ecosystem services are the aspects of ecosystems utilized (actively or passively) to produce human well-being." Ecosystem functions can be defined as "the capacity of natural processes and components to provide goods and services that satisfy human needs, directly or indirectly" (De Groot, 1992).

While previous research has made significant progress in developing ecological production functions in the areas of pollination of agricultural crops (Kremen et al, 2007) and carbon sequestration (Nelson et al., 2009), the current understanding of ecological production functions for most ecosystem services remains limited (Environmental Protection Agency, 2009). The difficulties in creating a comprehensive framework for integrated assessment and valuation of ecosystem services still remain even after a substantial amount of study (De Groot, Wilson, and Boumans, 2002). Establishing a clear link between ecosystem functions and its benefits has proven challenging, and examining this linkage is a priority research area (Environmental Protection Agency, 2009).

One of the main challenges faced by researchers is the sheer complexity of structures and processes that lead to ecosystem functions. Measuring the value of direct and indirect use of ecosystems is difficult because many ecosystem services are not exchanged in a market (Mendelsohn and Olmstead, 2009). De Groot et al. (2002) state that the first step in simplifying the complex problem is to translate structures and processes into a limited number of ecosystem functions. He advocates dividing ecosystem functions into four main categories: Regulation, Habitat, Production, and Information. Each of these categories is composed of a number of constituent functions. Information functions provide people with services such as the opportunity for cognitive development, the chance to enjoy scenery or outdoor sport activities, or the use of nature for scientific research or as a creative tool. The recreational function, an Information function, can be expressed as the idea that natural ecosystems provide a variety of options for recreational activities such as fishing, swimming and boating. According to De Groot et al. (2002), the demand for natural areas where one can come to rest or recreate will presumably continue to increase, based on population growth, increasing affluence and leisure time.

The goods and services provided by the recreation function differ from those provided by marketed goods. Marketed goods have marginal values that are known by individuals whereas non-market goods and services such as air quality and water quality have values that are often not known by its users. While many recreation sites such as lakes, beaches, rivers and public parks may charge an entrance fee, those fees often do not represent the actual value of the public good but rather a cost associated with staffing and maintaining the site. Economists have devised a number of different methods to calculate the monetary value of non-market goods and services. These methods can be divided into
two main groups; Stated Preference (SP) methods and Revealed Preference (RP) methods. In general, SP methods pose direct questions to people regarding the values they hold, where changes in environmental quality are built into hypothetical scenarios. Popular SP techniques include Contingent Valuation and Choice experiments. In contrast, RP approaches find the analyst observing individuals' consumption of goods that differ in the "amount" of environmental quality that is associated with the goods. Popular RP techniques include Hedonic Price Method, Abatement Cost Analysis and Travel Cost Model (TCM).

In this study we will focus on the Recreation function of ecosystem services, using the Travel Cost Model to calculate the value of changes in the recreation services provided by lakes in Utah. We will combine recreation use data collected via mail survey in 2011 with biophysical measures of water quality collected by the Utah Division of Water Quality. The primary goal is to analyze the relationship between the biophysical measures of water quality at Utah lakes, people's perceptions of water quality at those same lakes, and the impact of water quality on trip behavior. Recreation demand models often assume that individuals respond in the same manner to changes in both types of measurement (for example, water clarity as measured technically by Secchi depth, or as a perceived measure, where clarity is estimated by the recreationist) and that the estimated value of changes in water quality should be the same regardless of the measurement. Many economic studies have been conducted under this assumption even though biophysical measures may not easily understood or accurately perceived by general population.

This study estimates recreation trip demand functions using (1) biophysical measures of water clarity and water color and, (2) perceived measures of water clarity and water
color. We find recreation demand behavior is statistically unrelated to biophysical measures but that demand is responsive perceived water quality. We then establish a statistical link between biophysical and perception measures by estimating an ecological production function, where the "input" is a biophysical measure and the "output" is perceived water quality. Having established this functional linkage, willingness to pay for a number of hypothesized changes in water quality are presented using the "linked" model. This study adds to the literature by creating a path that associates changes in biophysical measures to changes in perceptions, which then affect individuals' recreation behavior.

## TRAVEL COST MODEL

When individuals decide to use any recreational area, there are associated costs and benefits. The travel cost model is a method used for calculating consumer surplus (CS) values related to environmental services offered by recreation sites. Since it was proposed by Harold Hotelling in 1947 to estimate the recreational value of US national parks, travel cost models have been widely used in environmental economics. In the travel cost model, quantity is measured as the number of trips taken to a site while price is measured by the cost to travel to a specific site. This can help us arrive at the idea that individuals would travel more often to recreational sites that are closer to their home when compared to sites that are further. This can be explained by the knowledge that travel costs associated with closer sites are lower, leading to more trips to such sites. The travel cost model has the same characteristics as a demand function, meaning when price (Travel Cost) increases then quantity (Trips) decreases, ceteris paribus. Just as with a standard demand function, the travel cost demand function is downward sloping.

In order to calculate travel cost, economists estimate out of pocket costs, which are generally driving costs associated with driving to and from the site, and the opportunity cost of travel time, which is typically measured using a fraction of the wage rate which can be capture by individual's income (Parsons, 2003). Economists have not agreed on the precise fraction to use, but the literature has adopted values ranging from one-third of the wage to the full wage (Feather and Shaw, 1999).

This leads to the simple single-site travel cost model:

$$
\begin{equation*}
r=f\left(t c_{r}\right) \tag{1}
\end{equation*}
$$

where $r$ is the number of the trips taken by an individual in a given season to a specific site and $t c_{r}$ is the trip cost of reaching site. Figure 1 illustrates the travel cost demand, where the horizontal axis measures the number of trips taken and the vertical axis measures the travel cost.

The sum of areas A and B is the total willingness to pay for $\mathrm{r}^{1}$ trips. Area $B\left(t c^{1}\right.$. $r^{1}$ ) represents total cost of taking $r^{1}$ trips, whereas area $A$ measures consumer surplus, which is also known as the individual's access value for the site. That is, if the site was to close for a season, the individual would lose the value captured in Area $A$ (Parsons, 2003). While this simple model can provide insight into trip-making behavior, other factors are also relevant to individual's decision in whether or not to visit a recreational site.


Figure 1 Travel cost demand function

For example, factors such as site quality, income, and distance to substitute recreational sites, may affect trip demand, making trip costs alone a less precise way of estimating demand for recreational sites. Adding these new factors to our previous equation (1) leads to the following:

$$
\begin{equation*}
r=f\left(t c_{r}, t c_{s}, I, w q_{r}, z\right) \tag{2}
\end{equation*}
$$

where $t c_{r}$ still represents our travel cost to the site, $t c_{s}$ is a vector of trip costs to substitute recreation sites, $I$ is income, $w q_{r}$ is water quality at site $r$, and $z$ is a vector for all other demographic variables that could influence the number of trips (Parsons, 2003). Equation (2) can be written as a linear function,

$$
\begin{equation*}
r=\beta_{0}+\beta_{1} t c_{r}+\beta_{2} t c_{s}+\beta_{3} I+\beta_{4} w q_{r}+\beta_{5} z+\varepsilon \tag{3}
\end{equation*}
$$

where the $\beta_{\mathrm{i}}$ 's are coefficients to be estimated using econometric methods, and $\varepsilon$ is the error term.

A mathematical approach to measure consumer surplus is given by the integral of the demand curve over price,

$$
\begin{equation*}
\Delta \omega=\int_{t c^{1}}^{t c^{c h o k e}} f\left(t c_{r}, t c_{S}, I, w q, z\right) \tag{4}
\end{equation*}
$$

where, again, $t c^{1}$ is the individual's trip cost and $t c^{\text {choke }}$ is the choke price. This gives a value equivalent to Area A in figure 1. While in theory we will include the travel cost measures related to substitute sites in our study, we only used the travel cost for the site visited by the respondent. One of the problems with including the price of the substitute sites in a single equation model is that travel costs to many sites tend to be highly correlated. If one decides not to include all sites, the question of which sites should be included as a substitute can also be very challenging. While bias estimates may be a concern with regards of omitting the substitute sites, based on Kling (1989) this issue may not arise. She goes on to state that
"if the omitted price is uncorrelated with the included own price, there is no bias to the welfare estimate of either a price or quality change."

As one might expect, changes in site quality can affect the number of trips an individual takes. Envision a scenario where an individual visits a recreational site $r^{1}$ times, when water quality level equals $w q_{r}^{1}$. If all other parameters and variables are constant, what happens when water quality level decreases to $w q_{r}^{2}$ ? The change in $w q_{r}$ would shift the demand curve to the left, and the individual would take $r^{2}$ trips. This effect is shown in figure 2 as a shift from $f\left(t c, w q_{r}^{1}\right)$ to $f\left(t c, w q_{r}^{2}\right)$, with the corresponding decrease in the number of trips from $r^{l}$ to $r^{2}$.


Figure 2 Decreasing water quality

Based on the function $f\left(t c, w q_{r}^{1}\right)$, our original consumer surplus is the triangular area $a-b-t c$. We can see that when water quality decreases to $\left(w q_{r}^{2}\right)$ the individual will be less satisfied with each visit to the site, leading to $r^{2}$ number of trips; this would give the individual a consumer surplus captured by the area $d-c-t c$. The difference between the consumer surplus of these two scenarios will represent the economic loss suffered by the individual as a result of water quality reduction, this loss is captured by the area of $a-b-c-d$ (Parsons, 2003).

While water quality is often represented in TCM by biophysical measures, often because these data may be relatively accessible. Studies have shown that individuals' decisions are not only affected by the overall concentration of nutrients but also by their perceptions. One of the early papers analyzing water quality perceptions was written by Bishop, Aukerman, and Connor (1970). In their study, they created a survey where they analyzed four groups of recreationists (swimmers, boaters, fishermen and sightseers) in order to better understand their preferences, the study used psychological research as a basis for better understanding of preferences. The study showed that clarity, cleanliness and color of water can affect the number of trips taking to a site. Looking into how individuals’ emotions have a cognitive and behavioral aspect, they were able to recognize that changes in water quality does not have the same level of behavioral response through all groups, with swimmers and anglers more sensitive to perceived water quality problems (e.g., clarity, odor, litter, fish kills, etc.) than boaters or sightseers. The study also shows that individuals will notice poor water quality more often than good water quality, meaning that improvements in lakes with lower water quality would have been more easily perceived by visitors when compared to improvements in lakes with higher water quality. Dinius (1981)
used a visual perception test comprised of slides where different levels of litter and dyes were artificially added to water to gauge individual's attitudes towards water bodies with different overall qualities. The litter changed the appearance of the water surface while the dye changed the color. In short, all individuals were presented with five photos, one for each site, where the only change in the water was aesthetic (i.e. litter, discoloration). Using this approach, Dinus found that participants related an increase in litter to a decrease in the actual water quality.

While perception measures are most often qualitative or ordinal variables (e.g., very good, good, bad, very bad); biophysical measures are continuous variables (e.g., nutrient concentration, oxygenation). Without a clear connection between the qualitative variables and the continuous variables, models using such measures could lead to different results. Understanding the connection between the inputs (biophysical) and outputs (perceptions) of an ecosystem function is important for accurate valuation.

## ECOLOGICAL PRODUCTION FUNCTION

In the past decade, the number of ecosystem services studies has been rising exponentially (Fisher et al., 2009, p. 643). Services provided by ecosystems are extensive, including biodiversity, resource quality (e.g., drinking water quality), land cover types, resource quantities (e.g., surface water and groundwater availability) and species populations that generate use value (e.g., harvested species and pollinator species) (EPA, 2009). Governmental entities, such as the Environmental Protection Agency have increased their focus on improving tools to value ecosystem services. One such tool is the Ecological Production Function (EPA, p. 30).

An ecological production function (EPF) is similar to the production function, in that the EPF is used to define the relationship between inputs and outputs. In neoclassical theory of the firm a single input production function can be denoted by,

$$
\begin{equation*}
y=f\left(x_{1}\right) \tag{5}
\end{equation*}
$$

where the function measures the amount of output $y$ that can be produced with $x_{1}$ units of input 1. The same concept can be extended to $n$ inputs, leading to the function:

$$
\begin{equation*}
y=f\left(x_{1}, x_{2}, \ldots x_{n}\right) \tag{6}
\end{equation*}
$$

In this case the function would measure the maximum amount of output $y$ that can be produced with $x_{1}$ units of input $1, x_{2}$ units of input 2 , etc. The same practice can be extended to ecological production functions, where the biophysical inputs of an ecological system would provide individuals with services (output). While an ecological production function does not have a specific functional form, one can better understand the ecological production function through a neoclassical production function (figure 3). For example, presence of phosphorous, nitrogen, and some Chlorophyll in a waterbody can be helpful in
providing a good overall aquatic health. One can connect the presence of such elements to stage one and two of the production function, where the presence of those inputs ( $\mathrm{x}=$ nitrogen, phosphorous or chlorophyll) would provide benefits for the aquatic system (output y). As the levels of such elements increase the benefits associate with each unit increase start to diminish. At a certain point a high concentration of these elements (eutrophication) can modify the ecosystem (e.g. fish type) and/or modify other attributes that people perceive (e.g. water clarity, water color). An undesired level of eutrophication can be seen as stage III in a neoclassical production function. One common effect of eutrophication is algal blooms; Chislock et al. (2013) stated that after the death of algal blooms, the microbial decomposition creates anoxic zones 'dead zones,' which are areas lacking oxygen to support organisms. According to Carpenter (2005) some of the consequences of eutrophication are excessive plant production, blooms of harmful algae and fish kills; this generates economic losses related to wildlife production, increases the cost of water purification for human use and results in the loss of recreational amenities. The reduction in the number of fish and overall wildlife will eventually lead to a lower number of individuals visiting the lakes. While traditional production function and an EPF are similar, the inputs to an EPF are not fully controlled by humans. An EPF captures the relationship between the biophysical inputs of an ecological system and the services that the system provides (EPA 2009; Boyd and Krupnick, 2013). Another important aspect is that the well-defined relationship between inputs and outputs in a production function is often complex and uncertain in an ecological production function. Many researchers have added to the ecological production function literature over the years, Kremen et al. (2007) were able to create a model that linked changes in ecosystem conditions to the level of
pollination of agricultural crops and their yields; they were able to analyze the effect of land use on habitat and foraging behavior pollinators.


Figure 3 Neoclassical production function

Nelson et al. (2009) used a spatially explicit modeling tool to estimate economic values of ecosystem services, biodiversity conservation and commodities in the Willamette Basin of Oregon. The study used Integrated Valuation of Ecosystem Services and Tradeoffs (InVEST) to estimate ecosystem values for three scenarios (Conservation, Plan Trend and Development). The Plan Trend scenario was based on implementation of current policies and recent trends; the Development scenario was based on a loosening of current policies; and the Conservation scenario focused on ecosystem protection and restoration. One of the software's main features is the analysis of how human activities can affect production and value of ecosystem services. The software uses process models to evaluate scenarios and capture the changes in ecosystem services based on an ecological production
function approach. Changes in land characteristics over the different scenarios were "mapped" to changes in water service, soil conservation, carbon sequestration, biodiversity conservation and commodity production value. The study takes into account the tradeoffs between the services provided by the ecosystem and compares each scenario overall gains. The researchers concluded that the Conservation scenario produced the largest gains. The value that individuals place on biophysical production of such ecosystem services is a crucial input in such analysis: the authors assumed that all carbon sequestration provided value to all individuals in the world. The authors state: "...clear links need to be made between the biophysical provision [of ecosystem services] and their ultimate use by people."

Since ecological production functions do not have a defined functional form, it can be challenging to illustrate the relationship between the ecological systems and the ecosystem services being analyzed. Providing a functional form to any economic model can be a puzzling task to a researcher. As Griffin, Montgomery, and Rister (1987) have stated, "The researcher ... is never in a position to know the true functional form..." noting that, "... the practicing economist makes many decisions in the course of constructing an appropriate model."

An EPF is also useful in understanding how the regulator actions can affect ecosystem services important to the public (EPA 2009). As the EPA stated, "The ecological production function is a critical tool [in]... estimating how the ecological response will affect the provision of ecosystem services" (EPA 2009). Boyd and Krupnick (2013) stated that an "...ecological-production base approach to commodity definition has important implications for the quality and interpretation of stated and revealed willingness to pay
(WTP) estimates." An Ecological Production Function can be used to link the biophysical measures of water quality to one or more ecosystem service end points that can be perceived by the general population. After quantifying the relationship between a biophysical measure and an endpoint, one can include the ecosystem service end point as an independent variable in a valuation model and then analyze the value of those changes (Griffiths et al. 2009).


Figure 4 Ecological production function approach

Figure 4 can be helpful in illustrating the models used in this thesis. Arrows one and two (larger arrows) show the conventional models, where the researcher makes a direct connection from changes in biophysical (arrow 1) or perception measures (arrow 2) to the behavioral response. Arrows three and four illustrate the ecological production function approach used in this thesis. In this model, the biophysical measures (e.g. Secchi depth concentration) affect perceptions (arrow 3), and changes in perception would lead to behavioral response (arrow 4), such as the number of trips taken.

## METHODS

## Ordinary Least Squares

The ordinary least squares (OLS) regression model is one of the most widely used models in economic analysis because of its simplicity and applicability. A general model can be illustrated in matrix form

$$
\begin{equation*}
\boldsymbol{Y}=\boldsymbol{X} \boldsymbol{\beta}+\boldsymbol{\varepsilon} \tag{7}
\end{equation*}
$$

where vector $\mathbf{Y}(\mathrm{nx} 1)$ is the dependent variable, $\mathbf{X}(\mathrm{n} \times \mathrm{k})$ is representing the explanatory variables, $\boldsymbol{\beta}(\mathrm{k} \times 1)$ is a vector of parameter to be estimated and $\boldsymbol{\varepsilon}(\mathrm{n} \times 1)$ is a vector of error term. The parameters are calculated as:

$$
\begin{equation*}
\beta=\left(X^{\prime} X\right)^{-1} X^{\prime} Y \tag{8}
\end{equation*}
$$

As an illustration of our application, the model can be rewritten as:

$$
\begin{equation*}
r=\beta_{0}+\beta_{1} t c_{r}+\beta_{2} t c_{s}+\beta_{3} I+\beta_{4} w q_{r}+\beta_{5} z+\varepsilon \tag{9}
\end{equation*}
$$

where $\varepsilon$ is the error term; $\beta_{s}$ are the estimated parameters of the model, and they describe the directions and strengths of the relationship between $r$ (number of trips) and the factors used to determine $r$ in the model (Woolridge, 2012).

The classical assumptions about OLS are:

- The regression is linear in parameters, with an additive error term
- The error term is normally distributed with zero mean and constant variance
- The error term is not correlated with the independent variables
- No perfect multicollinearity between independent variables

The recreational data used in this paper is based on nonnegative integer values. Count data models are well suited for this type of data. While in principle we could analyze these data using OLS regression, the use of a distribution that accounts for integer values can improve on OLS model (Greene, 2011).

## Poisson

The Poisson model is not based on the assumption that the dependent variable is continuous. While OLS has a normal distribution (figure 5), the Poisson is a non-symmetric distribution defined over non-negative integer values (figure 6), and is well suited for modeling counts of observations. Poisson regression is more appealing than OLS for travel cost demand analysis because people can only take a non-negative integer number of trips to the recreational sites. When the number of trips taken by the individual any given season is assumed to be generated by a Poisson process, the probability of observing the number of trips an individual $i$ makes during a season is given by:

$$
\begin{equation*}
\operatorname{Pr}\left(\mathrm{r}_{i}\right)=\frac{e^{\left(-\lambda_{i}\right)} \lambda_{i}^{r_{i}}}{r_{i}!}, \quad r_{i}=0,1,2, \ldots \tag{10}
\end{equation*}
$$

where $\lambda$ is the expected number of trips, and $r$ is the observed number of trips. Similar to equations (3) and (9), $\lambda$ is assumed to be a function of the variables specified in the demand model. Greene (2011) notes the most common formulation for $\lambda_{i}$ is the loglinear model:

$$
\begin{equation*}
\ln \lambda_{i}=\mathbf{x}_{\mathrm{i}}^{\prime} \boldsymbol{\beta} \tag{11}
\end{equation*}
$$



Figure 5 Normal distribution


Figure 6 Example of a non-symmetric integer distribution

Similar to equation (9) we can parameterize equation (11) as follow:

$$
\begin{equation*}
\ln \left(\lambda_{i}\right)=\beta_{0}+\beta_{1} t c_{r}+\beta_{2} t c_{s}+\beta_{3} I+\beta_{4} w q+\beta_{5} z \tag{12}
\end{equation*}
$$

Substituting equation (12) into equation (10) yields the probability of observing an individual taking $r$ trips as a function of travel cost to the site, travel cost to other sites, income, water quality and individual characteristics (Parsons, 2003). The model is estimated using the method of maximum likelihood. Cameron and Trivedi (1998) stated that the interpretation of coefficients in Poisson model is different from the OLS model because of its exponentiation; the equation below demonstrates this phenomena:

$$
\begin{equation*}
\frac{\partial \mathrm{E}\left[r_{i} \mid \mathbf{x}_{i}\right]}{\partial \mathbf{x}_{w q i}}=\exp \left(\beta_{1}+\beta_{2} x_{2 i}+\beta_{k} x_{k i}\right) \times \beta_{4} \tag{13}
\end{equation*}
$$

They go on to state that while a one unit change in the water quality $\left(w q_{r}\right)$ regressor leads to a change in conditional mean by the amount $\beta_{w q}$ in a linear model, a one unit change in the $w q_{r}$ regressor in a Poisson model would lead to a change in the conditional mean by an amount of $\mathrm{E}\left[r_{i} \mid \mathbf{x}_{i}\right] \times \beta_{4}$. The Poisson coefficients can be interpreted as "...for a one unit change in the independent variable, the log of dependent variable is expected to change by the value of the regression coefficient" (Piza, 2012).

## Negative binomial

A key restriction of the simple Poisson model is that the mean ( $\lambda$ ) equals its variance (Greene, 2011). If this assumption does not hold, and the variance is greater than the mean, the model is characterized as "overdispersed". One of the most common models to use when data are overdispersed is the Negative Binomial model. Just as in the Poisson
model, the mean of the negative binomial distribution is $\lambda$ but the variance is $\lambda+\left(\lambda^{2} / \alpha\right)$, where $\alpha$ is the dispersion parameter (Hubbard, n.d.). The probability of observing the number of trips an individual makes during a season is given by:

$$
\begin{equation*}
\operatorname{Pr}\left(r_{i}\right)=\left(\frac{\alpha}{\alpha+\lambda_{i}}\right)^{\alpha} \frac{\Gamma\left(\alpha+r_{i}\right)}{\Gamma\left(r_{i}+1\right) \Gamma(\alpha)}\left(\frac{\lambda_{i}}{\alpha+\lambda_{i}}\right)^{r_{i}} \tag{14}
\end{equation*}
$$

where $\Gamma$ is the gamma function and, as previously stated, $\alpha$ is the dispersion parameter. Hubbard (n.d.) goes on to state that the negative binomial model is a more general model than the Poisson, as the dispersion parameter ( $\alpha$ ) gets large while $\lambda$ is fixed, the negative binomial would converge to a Poisson distribution. We can use the property of the gamma distribution where $\Gamma(\mathrm{n})=(\mathrm{n}-1)$ ! and make a substitution to rewrite equation (14) as:

$$
\begin{equation*}
\operatorname{Pr}\left(r_{i}\right)=\frac{\Gamma\left(\alpha+r_{i}\right)}{\Gamma(\alpha) r_{i}!}(g)^{\alpha}(1-g)^{r}=\frac{\lambda_{i}^{r_{i}}}{r_{i}!} \cdot \frac{\Gamma\left(\alpha+\mathrm{r}_{i}\right)}{\Gamma(\alpha)\left(\alpha+\lambda_{i}\right)^{r_{i}}} \cdot \frac{1}{\left(1+\frac{\lambda_{i}}{\alpha}\right)^{\alpha}} \tag{15}
\end{equation*}
$$

where

$$
\begin{equation*}
g=\frac{\alpha}{\alpha+\lambda_{i}} \tag{16}
\end{equation*}
$$

Reinstating the fact that we are taking the limit as $\alpha \rightarrow \infty$ holding $\lambda$ fixed, we arrive at the Poisson model (equation 10).

## Truncated negative binomial model

We have one final econometric concern: Our data does not include individuals that take zero trips; this model will be truncated at zero. Based on this we will use the truncated negative binomial model in our analysis of biophysical and perception measures. The negative binomial model allows a positive probability of observing an outcome of zero. In
this study we are only concerned with individuals that made trips to the lakes (i.e. integer values equal to or greater than one). To obtain the probability distribution for the truncated negative binomial model, one would need to divide equation (14) by one minus the probability of zero trips, where the probability of zero trips in the negative binomial model will be stated as $F_{N B}(0)$; by doing this we would rescale the old distribution. As stated in Grogger and Carson (1991), "The common statistical structure of truncated estimators follows from the fundamental probability relationship." This relationship is captured in the conditional probability formula. Using that formula, it is possible to calculate the distribution of the truncated probability function by inputting the probability of observing some number of trips in the numerator and the probability of being at or above the truncation limit in the denominator (i.e. one minus the probability of zero trips). Grogger and Carson (1991) illustrated this distribution as:

$$
\begin{equation*}
\operatorname{Pr}\left(Y=r_{i} \mid Y>0\right)=\frac{\Gamma\left(r_{i}+\alpha\right)}{\Gamma\left(r_{i}+1\right) \Gamma(\alpha)}\left(\frac{1}{\alpha} \lambda_{i}\right)^{r_{i}}\left[1+\frac{1}{\alpha} \lambda_{i}\right]^{-\left(r_{i}+\alpha\right)}\left[1-F_{N B}(0)\right]^{-1} \tag{17}
\end{equation*}
$$

## DATA

This study dataset came from the Utah's Lakes \& Rivers Recreation Survey 2011, organized by the Utah Division of Water Quality. The initial dataset had 1,411 observations. Since this study is concerned with only individuals who participated in water recreation activities in Utah lakes, respondents who stated that they had not visited Utah lakes in the last 12 months were deleted from the dataset ( 425 observations deleted). Our perceptions data focused on the lake visited most frequently, so respondents who failed to indicate the lake visited most often were also deleted from the dataset ( 68 observations deleted). Further, individuals with a primary or secondary residence on a lake can affect our calculations because they violate a basic assumption of the travel cost model, which is that trips should not be multipurpose; these observations were also deleted from the dataset ( 65 observations deleted). The initial dataset was then merged with datasets of travel distance from each zip code to each lake and a set of lake characteristics. Key water quality variables were the Trophic State Index (TSI) for Chlorophyll, Phosphorous and Secchi depth; and the differences between the TSI measure of Chlorophyll and Phosphorous, and the difference between Chlorophyll and Secchi depth1. Throughout this paper we will refer to the Trophic State Index for Secchi depth as TSI (SD) and the Trophic State Index for Chlorophyll as TSI(Chla). Six lakes visited by respondents did not have water quality measures, so those observations were also deleted from the dataset ( 117 observations deleted). We then deleted individuals with incomplete information for the questionnaire questions regarding water clarity and water color perceptions.

[^0]We also deleted individuals for whom travel costs could not be estimated because of lack of information (e.g. Income), individuals who were identified to be outliers in our letter value analysis and those individuals that traveled more than 150 miles (one way). This last group was dropped to avoid mixing multipurpose trips and single purpose trips, as well as day trips and overnight trips. The final dataset contain 522 observations. While calculating the travel cost values, the cost of $\$ 0.2231$ per mile of driving was acquired from AAA (2010). A relatively conservative estimate of 50 miles per hour was used in the calculation of the opportunity cost of time equation. The following table shows the general summary statistics for the dataset of this study.

Table 1 Summary statistics

| Variable | Mean | Std. Dev. | Min | Max |
| :--- | :---: | :---: | :---: | :---: |
| Travel cost (U.S. Dollars) | 46.0 | 41.1 | 2.0 | 236.6 |
| Number of trips (Per Season) | 7.9 | 9.5 | 1 | 80 |
| Income (U.S. Dollars) | 80028.7 | 46104.0 | 25000 | 200000 |
| Distance from lake (Miles) | 46.5 | 35.9 | 2.9 | 148.7 |
| N |  |  |  | 522 |

Trophic state index
Carlson's (1977) trophic state index is used as the biophysical measure of water clarity and water color. This index uses three different variables that can independently compute algal biomass: Total phosphorous, Secchi depth, and Chlorophyll. In this thesis we only focus on Secchi depth and Chlorophyll measures.

The TSI for Secchi depth can be calculated as follows:

$$
\begin{equation*}
\mathrm{TSI}(\mathrm{SD})=10\left[6-\frac{\ln \text { Secchi Depth }}{\ln 2}\right] \tag{18}
\end{equation*}
$$

where a Secchi depth of 1 meter would yield a TSI value of 60 . TSI values based on Chlorophyll micrograms per liter ( $\mathrm{ug} / \mathrm{L}$ ) concentration is calculated according to:

$$
\begin{equation*}
\mathrm{TSI}(\text { Chla })=10\left[6-\frac{2.04-0.68 \ln \text { Chlorophyll }}{\ln 2}\right] \tag{19}
\end{equation*}
$$

Here, a concentration of $1 \mathrm{ug} / \mathrm{L}$ would yield an index value of 30.6 . We may simplify the equations as follows:

$$
\begin{gather*}
\mathrm{TSI}(\mathrm{SD})=60-14.41 \ln (\mathrm{SD})  \tag{20}\\
\mathrm{TSI}(\mathrm{CHL})=30.6+9.81 \ln (\mathrm{Chla}) \tag{21}
\end{gather*}
$$

The index ranges from 0 to 100 , where an increase in TSI of 10 units would be equivalent to reducing Secchi depth by half. With respect to Chlorophyll, its concentration would double with every 7 unit increase in chlorophyll.

Table 2 Summary statistics trophic state index (by Lakes)

| Variable | Mean | Std. Dev. | Min | Max |
| :--- | :---: | :---: | :---: | :---: |
| Average TSI(SD) | 48.9 | 10.18 | 32.1 | 79.8 |
| Average TSI(Chla) | 37.6 | 11.0 | 19.8 | 68.0 |
| N |  |  |  | 76 |

The dataset used contained two different measures for each average and maximum TSI. The average TSI measure was created using multiple measurements throughout the year and across many years. For any given lake the average was computed, this average TSI value will be presented in this thesis as TSI (SD) and TSI (Chla). We do not use the maximum value found for any lake. This represents extreme value that in many cases, occurred years before 2011. Please refer to Appendix 1 for the full table where the
summary statistics for TSI (SD) and TSI (Chla) are presented for each lake in the dataset. In using an average over time, we recognize that our TSI contains measurement error thus biasing our TSI variable coefficient toward zero. It is important to note that there while such measurement error exist, there is no variation between TSI (SD) measures within the same lake, the bias from measurement error would make our hypothesis testing results more "conservative."

The table below based on Carlson and Simpson (1996) shows what attributes are expected in a north temperate lake based on different levels of TSI values. The table does not take into account characteristics that tend to vary based on latitude or elevation of the lake.

Relationship between survey and lake trophic status
The survey questions from Utah's Lakes and Rivers Recreation Survey 2011 were created based on lakes' trophic status. Question 10 captured perceived water depth, and was directly linked to the trophic status of the lake.
10. Which of the following best describes the water clarity you usually experienced at this lake this summer?

O You can see 12 or more feet deep into the water
O You can see 6 to 12 feet deep into the water
O You can see 1 to 6 feet deep into the water
O You can see at most 1 foot deep into the water
O Don't know

Figure 7 Question 10 extracted from Utah's Lakes \& Rivers Recreation Survey 2011

Table 3 Potential changes in north temperate lake based on algal biomass change along the trophic state gradient.
$\left.\begin{array}{lccclcc}\hline \text { TSI } & \text { Chla (ug/L) } & \text { SD (m) } & \text { TP (ug/L) } & \text { Trophic Status } & \text { Attributes } & \text { Fisheries \& Recreation } \\ \hline<30 & <0.95 & >8 & <6 & & \text { Oligotrophy } & \begin{array}{c}\text { Clear water, oxygenated } \\ \text { hypolimnion. }\end{array} \\ 30-40 & 0.95-2.6 & 4-8 & 6-12 & & \begin{array}{c}\text { Hypolimnion in shallower lakes } \\ \text { may become anoxic in summer. }\end{array} & \text { Salmonid fisheries in deep lakes only } \\ \hline 40-50 & 2.6-7.3 & 2-4 & 12-24 & \text { Mesotrophy } & \begin{array}{c}\text { Water moderately clear, but } \\ \text { increasing probability of } \\ \text { hypolimnetic anoxia in summer. }\end{array} & \begin{array}{c}\text { Hypolimnetic anoxia results in loss of } \\ \text { salmonids. }\end{array} \\ \hline 50-60 & 7.3-20 & 1-2 & 24-48 & \text { Eutrophy } & \begin{array}{c}\text { Decreased transparency, Anoxic } \\ \text { hypolimnia during the summer, } \\ \text { macrophyte problems may be } \\ \text { evident. }\end{array} & \text { Warm-water fisheries only. Bass may } \\ \text { dominate. }\end{array}\right]$

Based on Carlson and Simpson, 1996

If we convert feet to meters and use equation 18, each choice would correspond to a range of TSI (SD) values. For example, the first choice (12 or more feet) would correspond to a value less than 41.3 in the TSI (SD) scale. The second choice (six to 12 feet) would range from 41.3 to 51.3. The third choice (one to six feet) would range from 51.3 to 77.1 , whereas the fourth choice would imply a TSI (SD) value greater than 77.1. Comparing those values to the ranges given in table 3, we can see that each group is closely connected to a specific Trophic Status (oligotrophic, mesotrophic, eutrophic and hypereutrophic). Based on that, we can recognize that the first choice on question 10 was representing an oligotrophic status, the second choice a mesotrophic status, the third choice represented a eutrophic status and the fourth choice represented hypereutrophic status. In question 10 (figure 7), the first option was coded as 1 , second as 2 and so on; participants that chose the option "Don't Know" were coded as missing value. Table 4 shows the percentage distribution for the option choices.

Table 4 Ordinal coding and distribution of survey question 10

| Question 10 <br> Option Choice | Frequency | Percentage |
| :--- | :---: | :---: |
| 1 (More than 12') | 43 | $8.24 \%$ |
| $2\left(6^{\prime}-12^{\prime}\right)$ | 116 | $22.22 \%$ |
| $3\left(1,-6^{\prime}\right)$ | 262 | $50.19 \%$ |
| 4 (Less than 1') | 101 | $19.35 \%$ |
| Total | 522 | 100.0 |

It is important to note that water clarity has two main components: Materials dissolved in the water and materials suspended in the water (algae and silt); out of those
components algae population is usually the one that varies the most (Shaw, Mechenich, and Klessig, 1993). The presence of color in the water may reduce light penetration, which can affect algae growth. Algae decomposition stages may impart a green, brown or even reddish color to the water. Although the human activities can affect lake water quality, all lakes follow a natural aging process which would lead to a change from oligotrophic to eutrophic. Finally, we need to note that, even though changes in color and clarity are perceived differently by different individuals, overall trophic status does not change widely without external influences.

In order to better understand the data, trophic classifications were cross-tabulated against individuals' perceptions of clarity. The first three columns of table 5 recreate portions of Carlson's trophic status. Some 138 respondents visited lakes classified as oligotrophic; these lakes had an average $\operatorname{TSI}(\mathrm{SD})$ equal to 34.0 (column 4, table 5). The average "perceived clarity" as measured by Question 10 was 2.5 (column 5). Almost 13\% of respondents said clarity was greater than 12 feet; just under $34 \%$ said clarity was between six and 12 feet. About $47 \%$ reported clarity between one and six feet. Finally, $5.8 \%$ of respondents said clarity at oligotrophic lakes was less than one foot. Subsequent rows of table 5 link perceptions to biophysical measures of water quality for lakes classified by the Department of Water Quality as mesotrophic, eutrophic and hypereutrophic. The fact that individuals were interviewed after they have visited the site could lead to confirmation bias related to the overall water quality, perhaps leading respondents to report better clarity than they actually experienced. Based on table 5, such confirmation bias appear to not have a high impact on the overall pattern for the answers in question 10. As one can see there is a pattern that illustrates the fact that individuals appear
to be relatively consistent with their perception of water clarity. One can see the pattern in columns 6 through 9: as clarity in a lake declines (the mean TSI(SD) increases) those visiting the lake are less likely to perceive a "clear" lake and more likely to perceive a lake that is much less clear. Table 6 reports similar information for those choosing to visit the most popular lakes in our sample.

The Pearson's chi square test was used to test whether the rows and columns of the clarity response (table 5) are independent. The test rejected the null hypothesis that the rows and columns are independent, this is important since it can show that individuals' perceptions distribution do change with different trophic classifications.

While the question related to water color (question 11) in the lake visited during the summer did not have a direct link to trophic classifications, color perception may be important to understand individuals' trips to lakes. Figure 8 shows the question:
11. Which of the following shades of green did the water usually have at this lake this summer?

O No green tint
O Slight greenish tint
O Dark greenish tint
O Don't know

Figure 8 Question 11 extracted from Utah's Lakes \& Rivers Recreation Survey 2011

The ordinal coding scheme for question 11 was similar to that of question 10. Just as in the previous question the first option was coded as one, the same process follows for the next choices; participants that chose the option "Don't Know" were coded as missing value. Table 7 shows the percentage distribution for question 11 .

Table 5 Tabulation of trophic classification against clarity

| TSI | Secchi depth (meters) | Trophic Classifications | $\begin{gathered} \text { Mean } \\ \text { TSI(SD) } \end{gathered}$ | Mean Perc. Clarity | Responses to Question 10 (Clarity) |  |  |  | N |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  | $>\mathbf{1 2 ~ f t ~}$ | 6-12 ft | 1-6 ft | $<\mathbf{1 ~ f t}$ |  |
| 0-40 | >8-4 | Oligotrophy | 34.0 | 2.5 | 13.0\% | 33.4\% | 47.8\% | 5.8\% | 138 |
| 40-50 | 4-2 | Mesotrophic | 44.0 | 2.7 | 10.6\% | 24.3\% | 53.0\% | 12.1\% | 198 |
| 50-70 | 2-0.5 | Eutrophic | 57.4 | 3.0 | 3.2\% | 14.3\% | 61.9\% | 20.6\% | 126 |
| $>70$ | $0.5-<0.25$ | Hypereutrophic | 79.6 | 3.7 | 0\% | 6.7\% | 21.7\% | 71.6\% | 60 |

Table 6 Tabulation observing 10 lakes most visited

| Lake | TSI(SD) | Mean Perc. <br> Clarity | Responses to Question 10 (Clarity) |  |  |  |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | $\mathbf{6 - 1 2 f t}$ | $\mathbf{1 - 6} \mathbf{f t}$ | $<\mathbf{1 f t}$ | $\mathbf{N}$ |  |
| Strawberry Reservoir | 32.3 | 2.7 | $4.3 \%$ | $31.8 \%$ | $57.5 \%$ | $6.4 \%$ | 47 |
| Bear Lake | 34.1 | 2.4 | $17.7 \%$ | $32.3 \%$ | $43.5 \%$ | $6.5 \%$ | 62 |
| Flaming Gorge Res. | 36.5 | 2.4 | $19.2 \%$ | $34.6 \%$ | $38.5 \%$ | $7.7 \%$ | 16 |
| East Canyon Reservoir | 42.5 | 2.8 | $0.0 \%$ | $33.3 \%$ | $55.6 \%$ | $11.1 \%$ | 18 |
| Deer Creek Reservoir | 42.8 | 2.6 | $12.9 \%$ | $22.5 \%$ | $51.6 \%$ | $13.0 \%$ | 31 |
| Rockport Reservoir | 43.9 | 3.1 | $8.3 \%$ | $8.3 \%$ | $50.0 \%$ | $33.4 \%$ | 12 |
| Jordanelle Reservoir | 44.8 | 2.9 | $0.0 \%$ | $21.0 \%$ | $68.4 \%$ | $10.6 \%$ | 19 |
| Pineview Reservoir | 50.4 | 3 | $0.0 \%$ | $19.5 \%$ | $61.0 \%$ | $19.5 \%$ | 41 |
| Willard Bay Reservoir | 68.8 | 3.1 | $2.9 \%$ | $8.6 \%$ | $62.9 \%$ | $25.7 \%$ | 35 |
| Utah Lake | 79.8 | 3.6 | $0.0 \%$ | $5.6 \%$ | $24.1 \%$ | $70.3 \%$ | 54 |

Table 7 Ordinal coding and distribution of survey question 11

| Question 11 <br> option choice | Frequency | Percentage |
| :--- | :---: | :---: |
| 1 (No green tint) | 98 | $18.77 \%$ |
| 2 (Slight greenish tint) | 296 | $56.70 \%$ |
| 3 (Dark greenish tint) | 128 | $24.53 \%$ |
| Total | 522 | $100.00 \%$ |

Based on the answers gathered from the survey response it appears that most of the lakes in the survey $(81.23 \%)$ were perceived to have a greenish tint. It is important to note that the results do not indicate that most lakes have a greenish tint but instead it shows that most of the individuals surveyed perceived some level of greenish tint in the waterbody visited most often.

Three dummy variables for primary recreation activities at lakes were created; one for individuals who stated that boating was their primary activity, one for individuals who fish (warm water fishing and cold water fishing were coded the same) and one for individuals who stated that their primary activity was swimming. All other choices were combined and used as our base activity choice. A respondent saying that boating was their primary activity was coded as a one, and zero if not. The activity variables highlight visitor's whose primary activity involves some contact with the water; our omitted category includes lake visitors whose primary activity did not involve contact with the water.

Summary statistics based on individuals' primary activity are reported in table 8 .

In the last 12 months which ONE activity did YOU spend the most time doing during your lake visits? (Choose only one.)
O Boating (includes motor-boating, house boating, sailing, canoeing, kayaking, jet skiing)
O Fishing - warm water fish species (for example, bass, perch, catfish, crappie, sunfish)
O Fishing - cold water fish species (for example, trout, whitefish, salmon)
O Swimming (includes playing in the water, wading, windsurfing, water-skiing, tubing)
O Near-shore activities (includes walking, biking or running on trails, bird/wildlife/nature viewing, picnicking, camping)
O Hunting - waterfowl
O Hunting/Trapping - other

Figure 9 Question 7 extracted from Utah's Lakes \& Rivers Recreation Survey 2011

Table 8 Summary statistics based on primary activity

| Variable | Swimmer |  |  | Boater |  |  | Angler |  |  | Near Shore Activity |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Mean | Std. Dev. | N | Mean | Std. Dev. | N | Mean | Std. Dev. | N | Mean | Std. Dev. | N |
| TSI(SD) | 51.43 | 16.89 | 54 | 54.82 | 15.85 | 130 | 45.53 | 12.20 | 189 | 46.36 | 13.56 | 149 |
| TSI(Chla) | 36.19 | 12.88 | 54 | 40.99 | 11.70 | 130 | 38.72 | 9.94 | 189 | 36.02 | 12.01 | 149 |
| Water Clarity (Q10) | 2.91 | 0.83 | 54 | 2.95 | 0.82 | 130 | 2.75 | 0.83 | 189 | 2.72 | 0.87 | 149 |
| Water Color (Q11) | 2.02 | 0.63 | 54 | 2.04 | 0.63 | 130 | 2.10 | 0.66 | 189 | 2.02 | 0.68 | 149 |
| Number of Trips (Per Season) | 7.29 | 8.89 | 54 | 9.20 | 11.65 | 130 | 8.21 | 8.82 | 189 | 6.54 | 8.07 | 149 |

## RESULTS

The travel cost demand literature has generally taken two different paths when including water quality measures in the demand function. One includes biophysical measures of water quality in the demand function assuming that these measures can be perceived, or are highly correlated with outcomes that can be directly observed. The second approach eschews biophysical measures and uses direct measures of water quality perceptions. We will estimate both types of models, and then link individuals' perceptions to biophysical measures. The perception measures chosen were water clarity and water color. Our biophysical measures are two measures of the Trophic State Index (TSI). While this index theoretically has no upper bound, in practice it can range from 0 to 100 ; where higher values correspond to higher biomass concentration in a waterbody (Carlson, 1977). Our two TSI measures as previously stated, are calculated from Secchi depth and the concentration of Chlorophyll in water.

Prior to running any regressions we examined our survey responses to understand the relationship between water quality and perceptions. Responses to the water color question (Q11) lead one to believe that very green lakes are preferred. The academic literature finds that individuals enjoy lakes that look more "natural" (Smith, Croker, and Farlane, 1995). The authors state that even though blue water is preferred to yellow water, the latter may be acceptable if it is perceived as "natural." This is very important in understanding individuals' preference for certain water color. In our dataset we only take into account the intensity of greenish tint, with no other measure of individuals' water color preference. Taking that limitation into consideration our WTP estimates focus only on changes in water
clarity. We do not fully understand visitor's water color preferences, so we have no hypothesis concerning the sign of the water color variable in the demand model.

Modeling Results
Preliminary Poisson modeling indicated that the mean number of trips was not equal to the variance of trips. Using the likelihood-ratio test that alpha (from equation 14) equal to 0 , one concludes that alpha is significantly different from zero. This indicates that the simple Poisson should not be used; instead, we adopt the negative binomial regression. Further, the minimum number of trips is one so the appropriate model is the truncated negative binomial.

Table 9 (column 2) provides the estimated parameters for the biophysical model, which attempts to capture how individuals' number of trips can be affected by changes in biophysical measures of water clarity. The perception model (table 9, column 3) shows how the number of trips are affected by perception measures of water quality. With the exception of $\operatorname{Ln}$ (surface area) which is highly significant in the perception model, all other variables included in both models had the same level of significance and sign. As expected, the Travel Cost variable had a negative sign. The data shows that swimmers are not significantly different from individuals whose primary activities did not include contact with the waterbody and that, all else equal both anglers and boaters visit lakes more frequently than swimmers or those who do not contact the water. The $\ln$ (alpha) shows that the use of a negative binomial model is appropriate.

In the biophysical model the TSI (Chla) variable had a positive sign, which shows a correlation between higher numbers of trips to lakes with darker greenish tint water body. The TSI (SD) has a negative sign, meaning that individuals respond negatively to increases
in TSI (SD). However, both TSI measures are not significant within a $10 \%$ confidence level. When comparing the biophysical measures to the perception measures, even though the biophysical variables were not significant within $10 \%$ confidence (table 9, column 2), both measures (biophysical and perception) follow the same direction. The Water Clarity variable, which takes into account the answers from Question 10, has a negative sign. That is, individuals appear to enjoy lakes with higher perceived clarity levels. The Water Color variable had a positive sign, which shows a correlation between higher numbers of trips as lakes have a darker greenish tint.

Table 9 Truncated negative binomial results (biophysical \& perceptions model) dependent variable: number of trips

| Variables | Biophysical Model | Perceptions Model |
| :--- | :---: | :---: |
| Travel Cost | -0.005 | -0.005 |
| TSI(SD) | $(-3.88)^{* * *}$ | $(-4.31)^{* * *}$ |
|  | -0.006 | - |
| TSI(Chla) | $(-1.06)$ | - |
| Water Clarity | 0.009 | - |
|  | $(1.25)$ | - |
| Water Color (Green) | - | -0.187 |
|  | - | $(-2.83)^{* * *}$ |
| Swimmer | - | 0.253 |
|  | - | $(2.93)^{* * *}$ |
| Boater | 0.146 | 0.159 |
|  | $(0.75)$ | $(0.83)$ |
| Angler | 0.377 | 0.370 |
|  | $(2.59)^{* * *}$ | $(2.57)^{* * *}$ |
| Ln(surface area) | 0.258 | 0.235 |
|  | $(1.90)^{*}$ | $(1.78)^{*}$ |
| Intercept | 0.041 | 0.054 |
|  | $(1.77)^{*}$ | $(2.47)^{* *}$ |
| Ln (alpha) | 1.524 | 1.497 |
| $N$ | $(5.60)^{* * *}$ | $(5.37)^{* * *}$ |
| $N$ | 0.301 | 0.251 |
| $p<0.1 ; * * p<0.05 ; * * * p<0.01, \mathrm{z}-\mathrm{value}$ in parentheses | $(1.99)^{* *}$ |  |

Our water quality variables (clarity and color) share the same signs across the two models, yet the biophysical measures are statistically insignificant. This indicates that either (1) biophysical measures of water quality are imperfectly perceived by people or, (2) behavioral responses are governed only by perceptions, or both. This creates an issue for those who manage water quality in that the biophysical metrics used to assess water quality do not match up with peoples' perceptions of water quality. If, however, a functional relationship between perception and biophysical measures of water quality can be established then one may use this relationship to link biophysical measures to behavioral response and, thus, measures of consumer surplus.

## Linking biophysical measures to perceptions

Given the way in which perceptions were measured, we may use the ordered probit model to link perceptions to biophysical measures. The ordered probit model is based on the idea that there is a qualitative order in the responses being analyzed in the survey. As Greene (2011) shows, the model is built around a latent continuous variable, $y^{*}$ which can be calculated from the following linear combination:

$$
\begin{equation*}
y_{i}{ }^{*}=\boldsymbol{x}_{\boldsymbol{i}}{ }^{\prime} \boldsymbol{\beta}+\varepsilon_{i} \tag{22}
\end{equation*}
$$

$y_{i}$ is an observed ordinal variable with an indicator outcome of one, two, three, etc, if,

$$
\begin{equation*}
y_{i}=j \quad \text { if } \varrho_{\boldsymbol{j}-\mathbf{1}}<y_{i}^{*} \leq \varrho_{j} \tag{23}
\end{equation*}
$$

where $\mathrm{j}=1, \ldots, \mathrm{~m}$ and $\varrho$ 's are unknown parameters to be estimated. We apply this general model to water quality perceptions, where the responses to the water clarity question (Q10) from question 10 (Clarity) is the observable ordinal dependent variable. We note that $\mathrm{y}^{*}$ can be interpreted as an individual's own scale of water clarity, which is unobservable. This
individual scale depends on measurable factors $x$ (i.e., the biophysical measures) and other unobservable factors 『 $\varepsilon \rrbracket \ldots$. If $\mathrm{y}^{*}$ crosses a certain unknown threshold, the individual will report first choice, then second choice and so on. Since there are a limited number of choices, the person chooses the option that is closer to his/her own scale.

We can calculate the probability that individual $i$ will select choice $j$ based on the equation below:

$$
\begin{equation*}
p_{i j}=p\left(y_{i}=j\right)=p\left(\varrho_{\boldsymbol{j}-\mathbf{1}}<y_{i}^{*} \leq \varrho_{j}\right)=F\left(\varrho_{j}-\boldsymbol{x}_{\boldsymbol{i}}^{\prime} \boldsymbol{\beta}\right)-F\left(\varrho_{\boldsymbol{j}-\mathbf{1}}-\boldsymbol{x}_{\boldsymbol{i}}^{\prime} \boldsymbol{\beta}\right) \tag{24}
\end{equation*}
$$

where $\varrho$ 's are unknown parameters to be estimated with $\boldsymbol{\beta}$, and F is the standard normal cumulative distribution function. Below we have an example of the probabilities for a question with four categories:

$$
\begin{gather*}
p\left(y_{i}=1 \mid x_{\boldsymbol{i}}\right)=F\left(\varrho_{\boldsymbol{j}}-\boldsymbol{x}_{\boldsymbol{i}}^{\prime} \boldsymbol{\beta}\right)  \tag{25.1}\\
p\left(y_{i}=2 \mid \boldsymbol{x}_{\boldsymbol{i}}\right)=F\left(\varrho_{\boldsymbol{j}}-\boldsymbol{x}_{\boldsymbol{i}}^{\prime} \boldsymbol{\beta}\right)-F\left(\varrho_{\boldsymbol{j}-\mathbf{1}}-\boldsymbol{x}_{\boldsymbol{i}}^{\prime} \boldsymbol{\beta}\right)  \tag{25.2}\\
p\left(y_{i}=3 \mid \boldsymbol{x}_{\boldsymbol{i}}\right)=F\left(\varrho_{\boldsymbol{j}}-\boldsymbol{x}_{\boldsymbol{i}}^{\prime} \boldsymbol{\beta}\right)-F\left(\varrho_{\boldsymbol{j}-\mathbf{1}}-\boldsymbol{x}_{\boldsymbol{i}}^{\prime} \boldsymbol{\beta}\right)  \tag{25.3}\\
p\left(y_{i}=4 \mid \boldsymbol{x}_{\boldsymbol{i}}\right)=1-F\left(\varrho_{\boldsymbol{j}-\mathbf{1}}-\boldsymbol{x}_{\boldsymbol{i}}^{\prime} \boldsymbol{\beta}\right) \tag{25.4}
\end{gather*}
$$

The ordered probit output for Water Clarity as a function of TSI(SD) and Water Color as a function of $\operatorname{TSI}($ Chla ) are given in table 10.

Table 10 Linking biophysical metrics of water quality to perceptions

| Perception Measure | Clarity | Color (Green) |
| :--- | :---: | :---: |
| TSI(SD) | 0.038 | - |
| TSI (Chla) | $(10.26)^{* * *}$ | - |
| $\varrho_{2}$ | - | 0.013 |
|  | - | $(3.02)^{* * *}$ |
| $\varrho_{2}$ | $(1.586$ | -0.396 |
| $\varrho_{3}$ | 1.229 | $(-2.28)^{* *}$ |
|  | $(6.92)^{* * *}$ | 1.197 |
| Chi-square(1) | 2.809 | $(6.67)^{* * *}$ |
|  | $(13.85)^{* * *}$ | - |
| P for equation | 111.99 | - |
| $N$ | 0.000 | 9.14 |
| $N$ |  |  |

${ }^{*} p<0.1 ; * * p<0.05 ; * * * p<0.01, \mathrm{z}-\mathrm{value}$ in parentheses

In both ordered probit models the signs for the biophysical measures were positive and significant. As TSI (SD) increases, the probability of a person choosing higher ranked choices (less clarity) also increases. That is, increases in TSI (SD) lead to lower perceived water clarity. Similarly, an increase in TSI (Chla) leads to a higher perceived greenish tint in the water. Taken together, our ordered probit models do a good job, statistically, linking perceptions to biophysical models.

Using ordered probit results to estimate willingness to pay
Using the results from table 10 we will calculate a probability weighted perceptions measure that is functionally linked to the biophysical measures. The theoretical format for calculating the weighted probability models is the same for the Water Clarity and Water Color functions.

Where the weighted perception can be expressed as:

$$
\begin{equation*}
\text { weighted perception }=\sum_{j=1}^{4} P(j) \cdot \mathrm{j} \tag{26}
\end{equation*}
$$

where $j$ is the option chosen in the questionnaire (i.e. one, two, etc.). The table below (table 11) can be helpful in visually understanding how the weighted probability perception is calculated.

Table 11 Example of Probabilities for Bear Lake and Utah Lake

|  | Bear Lake | Utah <br> Lake |
| :--- | :---: | :---: |
| TSI(SD) | 34.1 | 79.8 |
| $\mathrm{P}(1)$ | $15.94 \%$ | $0.33 \%$ |
| $\mathrm{P}(2)$ | $31.93 \%$ | $3.48 \%$ |
| $\mathrm{P}(3)$ | $45.78 \%$ | $38.52 \%$ |
| $\mathrm{P}(4)$ | $6.35 \%$ | $57.67 \%$ |
| Probability Weighted Clarity |  |  |
| Perception | 2.43 | 3.54 |
| Mean Survey Response | 2.39 | 3.65 |

One can see in table 11 that the mean response and the weighted perception values are very close to each other. Similar results were found for other lakes, so our model appear to be consistent with individuals' perception of water quality. We will use the perceptions model (table 9, column 3) to calculate the number of trips as a function of travel cost, respondent characteristics, with the probability weighted perception value for the lake replacing the raw perception measure. This version of the model allows one to account for the relationship between perception and biophysical measures. We will then estimate WTP based on how changes in biophysical measures can influence the probability weighted perception. Using the standard bootstrapping technique of repeated sampling with
replacement we may then examine any statistical differences between WTP calculated using the weighted perception measure and WTP based on the observed perception.

Estimating mean willingness to pay
In this section we will show the results from five different methods of calculating the mean willingness to pay (WTP) for an improvement in water quality for the ten most visited lakes in the dataset. The first two estimates will be based on the models estimated from the truncated negative binomial model (table 9). The next three estimates will be based on the link between biophysical and perception measures. Based on Haab and McConnell (2002), the seasonal welfare measure for the truncated negative binomial model is given by:

$$
\begin{equation*}
W T P=\frac{\text { Trip } 1}{-\beta_{\text {travel cost }}} \tag{27}
\end{equation*}
$$

where the number of trips (Trip 1) can be estimated from table 9 , and the denominator is the coefficient of Travel Cost (table 9). To measure the change in welfare associated with a change in water quality, one calculates:

$$
\begin{equation*}
W T P=\frac{\operatorname{Trip} 2-\operatorname{Trip} 1}{-\beta_{\text {travel cost }}} \tag{28}
\end{equation*}
$$

where just as in the previous equation, where Trip 1 is the baseline number of trips, Trip 2 is the number of trips after water quality improvement, and the denominator is the coefficient of Travel Cost (table 9).

Using the coefficients from the truncated negative binomial model based on the biophysical measures (table 9, column 2) we can estimate the number of trips at baseline conditions (Trip 1) where the TSI (SD) values are stated as Baseline TSI (SD) on table 12. A second estimate of the number of trips (Trip 2) under a $25 \%$ improvement in water quality is
then calculated, the mean TSI (SD) for such improvement is stated on table 12 as Improved $T S I(S D)$. After, the willingness to pay associated with the change in water quality for each individual is calculated, we then compute the mean WTP per lake.

Table 12 Mean willingness to pay for $25 \%$ improvement in water clarity, biophysical model

| Lake | Visitors | Baseline TSI(SD) | Improved TSI(SD) | MWTP after reducing TSI(SD) by $\mathbf{2 5 \%}$ |
| :---: | :---: | :---: | :---: | :---: |
| Strawberry Reservoir | 47 | 32.3 | 24.23 | $\begin{gathered} \$ 60.91 \\ (-\$ 102.67-\$ 224.50) \end{gathered}$ |
| Bear Lake | 62 | 34.1 | 25.58 | $\begin{gathered} \$ 51.11 \\ (-\$ 81.92-\$ 184.14) \end{gathered}$ |
| Flaming Gorge Reservoir | 16 | 36.5 | 27.38 | $\begin{gathered} \$ 50.62 \\ (-\$ 92.46-\$ 193.70) \end{gathered}$ |
| East Canyon Reservoir | 18 | 42.5 | 31.88 | $\begin{gathered} \$ 73.83 \\ (-\$ 128.12-\$ 275.77) \end{gathered}$ |
| Deer Creek Reservoir | 31 | 42.8 | 32.1 | $\begin{gathered} \$ 91.97 \\ (-\$ 148.36-\$ 332.30) \end{gathered}$ |
| Rockport Reservoir | 12 | 43.9 | 32.93 | $\begin{gathered} \$ 90.07 \\ (-\$ 161.07-\$ 341.21) \end{gathered}$ |
| Jordanelle Reservoir | 19 | 44.8 | 33.6 | $\begin{gathered} \$ 94.65 \\ (-\$ 168.08-\$ 357.38) \end{gathered}$ |
| Pineview Reservoir | 41 | 50.4 | 37.8 | $\begin{gathered} \$ 101.83 \\ (-\$ 150.02-\$ 353.67) \end{gathered}$ |
| Willard Bay Reservoir | 35 | 68.8 | 51.6 | $\begin{gathered} \$ 142.32 \\ (-\$ 189.59-\$ 474.23) \end{gathered}$ |
| Utah Lake | 54 | 79.8 | 59.85 | $\begin{gathered} \$ 193.45 \\ (-\$ 287.46-\$ 674.35) \end{gathered}$ |

95\% confidence bounds stated in parentheses

The $95 \%$ confidence interval for WTP is based on 1000 bootstrapped samples from the data. Given the statistical insignificance of the biophysical metrics in the baseline model, the fact that the $95 \%$ confidence interval overlap zero is not surprising.

When calculating the WTP for perceptions, the same strategy used in table 12 was again used in table 13. This time we used the coefficients from table 9 , column 3, where we estimated the number of trips at baseline conditions (Trip 1), but instead of using the TSI
(SD) values we use the stated perception of water clarity. A second estimate of the number of trips (Trip 2) under perceived improved water quality is then calculated. In order to calculate Trip 2 , we shifted perception values of clarity by one unit (i.e. if perception of clarity equal to 4 change to 3 , from 3 to 2 , from 2 to 1 ; and if perception of clarity is equal to 1 , no changes were made). The mean value for improved clarity is stated in table 13 as Improved Clarity. Just as in the previous table the change in welfare associated with a change in water quality is calculated, its value is stated in the fifth column. Table 12 and 13 show that MWTP measures differ for water clarity improvements. The WTP point estimates are roughly 3-4 times larger for the perceptions model than the biophysical model.

It is important to note that a $25 \%$ reduction in TSI (SD) is not the same as shifting perception of Water Clarity by 1 unit, because without a linking model we cannot correlate how TSI (SD) relates to a shifting in perceived water clarity. Based on a reasonable thought process, it is possible to consider that in a four value increments a shifting by one unit would be close to a change of $25 \%$ when compared to a scale that ranges from 0 to 100 . Our highest observed TSI (SD) value is 79.8 , meaning that an improvement of $25 \%$ would change its trophic classification. If the highest TSI (SD) was above 80, then an improvement of $25 \%$ would not lead to a change in trophic classification. Based on the lack of certainty of how changes in TSI (SD) shifts 1 unit of clarity, this study uses three different approaches in the linked models. Looking back at tables 12 and 13, it is difficult to choose which one is the better estimate of WTP.

Table 13 Mean willingness to pay for one unit improvement in water clarity, perceptions model

| Lake | Visitors | Baseline <br> Clarity | Improved <br> Clarity | MWTP after shifting <br> perception of Clarity by <br> 1 unit |
| :--- | :---: | :---: | :---: | :---: |
| Bear Lake | 62 | 2.39 | 1.56 | $\$ 170.34$ <br> $(-\$ 81.57-\$ 422.25)$ <br> $\$ 148.71$ |
| Flaming Gorge Reservoir | 16 | 2.44 | 1.63 | $(-\$ 97.91-\$ 395.32)$ <br> \$230.13 |
| Deer Creek Reservoir | 31 | 2.64 | 1.77 | $(-\$ 66.93-\$ 527.19)$ <br> $\$ 252.19$ |
| Strawberry Reservoir | 47 | 2.65 | 1.7 | $-\$ 130.76-\$ 635.14)$ <br> $\$ 231.75$ |
| East Canyon Reservoir | 18 | 2.78 | 1.78 | $(-\$ 78.38-\$ 541.93)$ <br> $\$ 286.14$ |
| Jordanelle Reservoir | 19 | 2.89 | 1.89 | $(-\$ 98.46-\$ 670.74)$ <br> $\$ 252.80$ |
| Pineview Reservoir | 41 | 3.00 | 2.00 | $(-\$ 66.10-\$ 571.70)$ |
| Rockport Reservoir | 12 | 3.08 | 2.17 | $\$ 28.48$ <br> $(-\$ 57.23-\$ 514.19)$ <br> $\$ 283.03$ |
| Willard Bay Reservoir | 35 | 3.11 | 2.14 | $(-\$ 75.66-\$ 641.72)$ |
| U292.54 |  |  |  |  |

95\% confidence bounds stated in parentheses

## LINKED BIOPHYSICAL TO PERCEPTIONS MODEL

In calculating WTP, we now used the weighted perception probability values created from the ordered probit models (table 10) as a substitute for the "raw" Water Clarity and Water Color perception values in the truncated negative binomial model of perceptions (table 9 , column 3). Equation 26 shows how the weighted perception is calculated, where the $\mathrm{P}(\mathrm{j})$ change as TSI (SD) changes (equation 24). Any change in TSI (SD) will change the weighted perception probability values; these new values were used to calculate the number of trips at the baseline and improved TSI (SD) values. The standard welfare measure for a Poisson model then applies (equation 28).

Improving water clarity by reducing TSI (SD) by $25 \%$
When our highest $\operatorname{TSI}(\mathrm{SD})$ value (79.8) at Utah Lake is reduced by $25 \%$, its new TSI(SD) value would be 59.85 . Thus we would expect that the mean perception (Water Clarity) value to move from 3.54 to 3.11 (table 14, last row). Similarly, our lowest TSI(SD) value is 32.2 at Strawberry Reservoir; a $25 \%$ improvement reduces this to 24.23 . Using our linking model, the probability weighted water quality perception moves from 2.37 to 2.14 (table 14, row 2). Calculations are shown for other lakes in table 14.

Table 14 Mean WTP using "Linked biophysical to perception model" reduction in TSI (SD) by $25 \%$

| Lake | Visitors | Baseline TSI(SD) | Improved TSI(SD) | Baseline Weighted Perceptions | Improved Weighted Perceptions | MWTP after reducing TSI(SD) by 25\% |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Strawberry Reservoir | 47 | 32.3 | 24.23 | 2.37 | 2.14 | $\begin{gathered} \$ 55.96 \\ (-\$ 23.61-\$ 135.53) \end{gathered}$ |
| Bear Lake | 62 | 34.1 | 25.58 | 2.42 | 2.17 | $\begin{gathered} \$ 52.27 \\ (-\$ 22.31-\$ 126.86) \end{gathered}$ |
| Flaming Gorge Res. | 16 | 36.5 | 27.38 | 2.49 | 2.23 | $\begin{gathered} \$ 46.88 \\ (-\$ 28.12-\$ 121.88) \end{gathered}$ |
| East Canyon Res. | 18 | 42.5 | 31.88 | 2.66 | 2.36 | $\begin{gathered} \$ 64.17 \\ (-\$ 16.66-\$ 145.02) \end{gathered}$ |
| Deer Creek Res. | 31 | 42.8 | 32.1 | 2.67 | 2.37 | $\begin{gathered} \$ 76.32 \\ (-\$ 19.77-\$ 172.41) \end{gathered}$ |
| Rockport Reservoir | 12 | 43.9 | 32.93 | 2.70 | 2.39 | $\begin{gathered} \$ 75.51 \\ (-\$ 20.80-\$ 171.83) \end{gathered}$ |
| Jordanelle Reservoir | 19 | 44.8 | 33.6 | 2.72 | 2.41 | $\begin{gathered} \$ 81.55 \\ (-\$ 21.35-\$ 184.44) \end{gathered}$ |
| Pineview Reservoir | 41 | 50.4 | 37.8 | 2.87 | 2.53 | $\begin{gathered} \$ 83.90 \\ (-\$ 18.13-\$ 185.94) \end{gathered}$ |
| Willard Bay Res. | 35 | 68.8 | 51.6 | 3.31 | 2.91 | $\begin{gathered} \$ 105.13 \\ (-\$ 16.94-\$ 227.20) \end{gathered}$ |
| Utah Lake | 54 | 79.8 | 59.85 | 3.54 | 3.11 | $\begin{gathered} \$ 117.55 \\ (-\$ 17.19-\$ 252.28) \end{gathered}$ |

95\% confidence bounds stated in parentheses

Comparing table 14 (columns five and six) to table 13 (columns one and two) we can see that a change of $25 \%$ in $\operatorname{TSI}(\mathrm{SD})$ does not correspond to the same level of changes when observing the Improved Clarity to Improved Weighted Perception. While the initial values for clarity and weighted perceptions are relatively close, a $25 \%$ change in TSI (SD) does not correspond to a one-unit change in perception when "passed through" the linking model. While the MWTP values of table 14 appear to have the same ratio difference between table 12 and 13 , the MWTP values in table 14 are much closer to the values from the biophysical model (table 12). As the MWTP values start to increase, the difference between values of both tables also rises. The confidence interval on table 14 is relatively smaller than that of table 12.

Improving water clarity by reducing TSI (SD) to center value of improved trophic classification

Table 3 shows that the range of TSI values between each trophic classification is not the same so it may be reasonable to believe that reducing TSI (SD) to the middle of the next "better" trophic status would be a reasonable policy goal. For example, if TSI (SD) for a lake is 78 (hypereutrophic), it would change to 60 (eutrophic). Lakes with TSI (SD) values lower than 40 (oligotrophic) would not change. If the TSI (SD) were equal to a value ranging from 40 to 50 , the new value would be changed to the mean of our lakes in the oligotrophic trophic classification since the middle level of the oligotrophic trophic classification (20) and is below any values found in the dataset for TSI (SD).

Table 15 Mean WTP using "link biophysical to perception model" change TSI (SD) to center value of improved trophic classification

| Lake | Visitors | Baseline TSI(SD) | Improved TSI(SD) | Baseline Weighted Perceptions | Improved <br> Weighted <br> Perceptions | MWTP after changing Trophic Classification for TSI(SD) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Strawberry Reservoir | 47 | 32.3 | 32.3 | 2.37 | 2.37 | \$ - |
| Bear Lake | 62 | 34.1 | 34.1 | 2.42 | 2.42 | \$ - |
| Flaming Gorge Reservoir | 16 | 36.5 | 36.5 | 2.49 | 2.49 | \$ - |
| East Canyon Reservoir | 18 | 42.5 | 35 | 2.66 | 2.45 | $\begin{gathered} \$ 44.66 \\ (-\$ 11.29-\$ 100.61) \end{gathered}$ |
| Deer Creek Reservoir | 31 | 42.8 | 35 | 2.67 | 2.45 | $\begin{gathered} \$ 55.07 \\ (-\$ 13.91-\$ 124.06) \end{gathered}$ |
| Rockport Reservoir | 12 | 43.9 | 35 | 2.7 | 2.45 | $\begin{gathered} \$ 60.64 \\ (-\$ 16.42-\$ 137.71) \end{gathered}$ |
| Jordanelle Reservoir | 19 | 44.8 | 35 | 2.72 | 2.45 | $\begin{gathered} \$ 70.97 \\ (-\$ 18.36-\$ 160.30) \end{gathered}$ |
| Pineview Reservoir | 41 | 50.4 | 45 | 2.87 | 2.73 | $\begin{gathered} \$ 34.43 \\ (-\$ 6.91-\$ 75.77) \end{gathered}$ |
| Willard Bay Reservoir | 35 | 68.8 | 45 | 3.31 | 2.73 | $\begin{gathered} \$ 152.34 \\ (-\$ 26.51-\$ 331.20) \end{gathered}$ |
| Utah Lake | 54 | 79.8 | 60 | 3.54 | 3.11 | $\begin{gathered} \$ 116.55 \\ (\$-17.01-250.10) \\ \hline \end{gathered}$ |

[^1]In the previous table we can see that even though we modified the way that changes in TSI (SD) occur, it appears that the improved weighted perceptions (table 15, column 6) is not really close to the improved clarity perception values (table 13, column 4). The first 3 rows of table 15 do not present MWTP since there were no change in their TSI(SD) since those lakes are classified as oligotrophic. Compared to table 12 , the values provided on the previous table have a narrower confidence interval, though one should note that the MWTP changes are not uniform since moving to the center value of a better trophic classification can represent different value changes for each lake. For example, Pineview Reservoir had an improvement in $\operatorname{TSI}(\mathrm{SD})$ of 5.4 units, while Willard Bay Reservoir had a change of 23.8 units. One may observe that the "larger" change for Willard Bay Reservoir generated a much larger increase in welfare than Pineview Reservoir, even though both reservoirs were moving from "eutrophic" status to "mesotrophic" status. The MWTP for improving Willard Bay Reservoir is over four times as large as the MWTP to improve the quality of Pineview Reservoir.

Improving water clarity by changing TSI (SD) by 1.5 meters
If we observe table 3, we can see that the range of values between each trophic classification is not the same, but on average each of those classifications are roughly 1.5 meters ( 4.92 feet) apart in measured Secchi depth. We now estimate MWTP for 1.5 meters improvement in clarity.

Table 16 Mean WTP using "link biophysical measure to perception" based on change in meters

| Lake | Visitors | Baseline TSI(SD) | Improved TSI(SD) | Baseline Weighted Perceptions | Improved Weighted Perceptions | MWTP after improving water clarity by 1.5 meters |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Strawberry Reservoir | 47 | 32.3 | 29.42 | 2.37 | 2.29 | $\begin{gathered} \$ 19.74 \\ (-\$ 8.12-\$ 47.60) \end{gathered}$ |
| Bear Lake | 62 | 34.1 | 30.87 | 2.42 | 2.33 | $\begin{gathered} \$ 19.46 \\ (-\$ 8.10-\$ 47.01) \end{gathered}$ |
| Flaming Gorge Reservoir | 16 | 36.5 | 32.75 | 2.49 | 2.39 | $\begin{gathered} \$ 18.80 \\ (-\$ 11.06-\$ 48.67) \end{gathered}$ |
| East Canyon Reservoir | 18 | 42.5 | 37.17 | 2.66 | 2.51 | $\begin{gathered} \$ 31.37 \\ (-\$ 7.78-\$ 70.52) \end{gathered}$ |
| Deer Creek Reservoir | 31 | 42.8 | 37.4 | 2.67 | 2.52 | $\begin{gathered} \$ 37.72 \\ (-\$ 9.33-\$ 84.78) \end{gathered}$ |
| Rockport Reservoir | 12 | 43.9 | 38.13 | 2.7 | 2.54 | $\begin{gathered} \$ 38.69 \\ (-\$ 10.21-\$ 87.60) \end{gathered}$ |
| Jordanelle Reservoir | 19 | 44.8 | 38.73 | 2.72 | 2.56 | $\begin{gathered} \$ 43.10 \\ (-\$ 10.80-\$ 96.98) \end{gathered}$ |
| Pineview Reservoir | 41 | 50.4 | 42.15 | 2.87 | 2.65 | $\begin{gathered} \$ 53.54 \\ (-\$ 11.07-\$ 118.15) \end{gathered}$ |
| Willard Bay Reservoir | 35 | 68.8 | 49.69 | 3.31 | 2.86 | $\begin{gathered} \$ 118.32 \\ (-\$ 19.49-\$ 256.13) \end{gathered}$ |
| Utah Lake | 54 | 79.8 | 51.9 | 3.54 | 2.91 | $\begin{gathered} \$ 175.48 \\ (-\$ 28.24-\$ 379.20) \end{gathered}$ |

$95 \%$ confidence bounds stated in parentheses

Just as in table 14 and 15, table 16 confidence interval is narrower than that of table 12. It appears that table 16 MWTP values appears to get approach the values in table 12 as MWTP increases. Just as in table 14, MWTP values rises as one goes down the rows in table, this can be attributed to the fact that constant level changes give the impression of higher improvements in "dirtier" lakes when compared to cleaner lakes After using the last approach where Secchi depth was changed by 1.5 meters, a visual examination appears to show that none of the three models fully captures how a change in biophysical measure would correspond to unit change in the perception model. In order to fully understand whether any of those models are close to explaining such changes we will use the convolution method. Using the perception model and each of the three linked models, we estimated new WTP distributions using standard bootstrapping techniques of repeated sampling with replacement. Based on Poe, Giraud, and Loomis (2005), we use the convolution method by calculating various sampling schemes of the difference $X_{i}-Y_{z j}$, where X is the WTP distribution of the perception model and Y is the WTP distribution for the linked model, where the indicator z would designate which of the three models would be used (change by $25 \%$; change to the middle of trophic classification; change in meters). The significance of the differences is computed by the number of negative values as a proportion of all paired differences. The null hypothesis is that the difference between the distributions is equal to 0 . The model related to change in TSI (SD) by $25 \%$ was the only model where the null hypothesis was not rejected at the $5 \%$ confidence level, its value was 0.080 . The models related to change in trophic classification and change in meters and had the respective 0.041 and a 0.047 level of significance. The table below exemplifies the results of the test.

Table 17 Comparison of WTP distributions of weighted models to WTP distribution of baseline perceptions model

| Linked Model | Test Statistic | Different WTP Distribution |
| :--- | :---: | :---: |
| Reduce TSI(SD) by 25\% | 0.08 | No |
| Reduce TSI(SD) to center of <br> trophic classification | 0.04 | Yes |
| Reduce TSI(SD) based on 1.5 <br> meters improvement in Sight <br> depth | 0.05 | Yes |

Since the linked model where the TSI (SD) is reduced by $25 \%$ can also be directly compared to the distribution of our baseline biophysical model we also compared such distribution. Its value was 0.43 , meaning that we could not rejected the null hypothesis that the distributions are different from each other.

## CONCLUSION

In this study we have attempted to understand changes in trip behavior by exploring the relationship between the biophysical measures of water quality and people's perception of water quality. Water quality in travel cost models have generally been estimated in one of two ways: Using biophysical measures or using perceived water quality. The first approach requires the analyst to assume that biophysical measures can be perceived by the respondent, and the second presumes that a measure of perceived water quality can be 'translated' back to some metric that is useful to the natural scientists. What is missing is the link between biophysical and perceived measures of water quality, and how changes in biophysical measures relate to a person's perception of water quality. Further, the two approaches for including water quality in a travel cost model could lead to different models and thus, different welfare estimates associated with changes in water quality.

Using the knowledge that water clarity is related to TSI (Secchi depth), and that TSI (Chlorophyll) accounts for the greenish tint in the water, simple models that link perceptions and biophysical measures were estimated. We used the "linkage" models three different ways: (i) postulating a fixed percentage change in the biophysical measures, (ii) postulating fixed change of 1.5 meters in Secchi depth measure (improved water clarity) at all lakes, (iii) postulating an improvement to the next best level of quality, where the improvement was to the mid-point of the next best trophic classification. After calculating all three different ways of changing biophysical measures, we used the convolution method to understand the difference between the distribution of WTP estimated with the original perceptions model and the three estimates that account for the link between biophysical and perception measures. The model using the percentage levels [approach (i)] was the only model where
the null hypothesis that the difference between WTP distributions was equal to zero was not rejected. The same approach (i) was also compared with the original biophysical model WTP distribution the null hypothesis again was not rejected.

Future studies should focus on a closer examination of the model linking biophysical and perception measures. Increasing the sample size would be beneficial to understanding overall perception levels. Some lakes in the data only had a unique visitor or a couple visitors. While this is not enough to remove such individuals from our sample, increasing the sample size would help to create a more representative model of perceptions across a broader variety of lakes. Further, the different preferences and activities of people, as revealed by different primary activities, may affect perceptions of water quality. Our linkage models did not investigate this possibility. The implication is that if a certain lake is being used primarily for warm water fishing and the anglers are interested in a certain variety of fish, the water quality level desired may be different than when compared to swimmers or boaters.

Even though the results did not show a perfect link when using the convolutions model, this paper shows that such a link should be analyzed. The use of a large dataset would be beneficial to better understand such a link and in identifying the prospective differences between lakes and groups visiting the lakes. Different levels of water quality may be preferred by different groups. Finally this paper raises the question of whether regulators should focus on maintaining the water quality level desired based on primary activity of lake or improving all lakes to the same water quality level.

## REFERENCES

AAA Association Communication. 2010. Your Driving Costs. 2010 Edition ed. Printed in the USA. Retrieved July 12, 2014 from http://exchange.aaa.com/wpcontent/uploads/2012/04/DrivingCosts2010.pdf

Barbier, B. Edward. 2011. Pricing Nature. Annual Review of Resource Economics, 3(1): 337-353.

Bishop, D. W., R. Aukerman, and J. T. O. Connor. 1970. University of Illinois Water Resources Center. WRC Research Report No. 33. Water Quality Criteria for Selected Recreation Uses.

Boyd, J., and A. Krupnick. 2013. Using Ecological Production Theory to Define and Select Environmental Commodities for Nonmarket Valuation. Agricultural and Resource Economics Review 42(1): 1-32.

Cameron, A. C., and P. Trivedi. 1998. Regression Analysis of Count Data. New York: Cambridge University Press.

Carlson, R. E. 1977. A Trophic State Index for Lakes. Limnology and Oceanography 22:361-369.

Carlson, R. E., and J. Simpson. 1996. A Coordinator's Guide to Volunteer Lake Monitoring Methods. North American Lake Management Society 96.

Carpenter, S. R., 2005. Eutrophication of Aquatic Ecosystems: Bistability and Soil Phosphorus. Proceedings of the National Academy of Sciences of the United States of America 102(29): 10002-10005.

Chislock, M. F., E. Doster, R.A. Zitomer, and A.E. Wilson. 2013. Eutrophication: Causes, Consequences, and Controls in Aquatic Ecosystems. Nature Education Knowledge 4(4):10.

De Groot, R. S. 1992. Functions of Nature: Evaluation of Nature in Environmental Planning, Management and Decision Making. The Netherlands: Wolters Noordhoff BV.

De Groot, R. S., M. A. Wilson, and R.M. Boumans. 2002. A Typology for the Classification, Description and Valuation of Ecosystem Functions, Goods and Services. Ecological Economics 41(3): 393-408.

Dinius, S. H. 1981. Public Perceptions in Water Quality. JAWRA Journal of the American Water Resources Association 17(1): 116-121.

Environmental Protection Agency. 2009. Valuing the Protection of Ecological Systems and Services: A report of the EPA Science Advisory Board. Washington, D.C.

Feather, P., and W. D. Shaw. 1999. Estimating the Cost of Leisure Time for Recreation Demand Models. Journal of Environmental Economics and Management 38:49 65.

Fisher, B., and K. R. Turner. 2008. Ecosystem Services: Classification for Valuation. Biological Conservation 141(5): 1167-1169.

Fisher, B., K. R. Turner, and P. Morling. 2009 Defining and Classifying Ecosystem Services for Decision Making. Ecological Economics 68:643-653

Greene, W. H. 2011. Econometric Analysis. Upper Saddle River: Prentice Hall.
Griffin, R.C., J. M. Montgomery, and M. E. Rister. 1987. Selecting Functional Form in Production Function Analysis. Western Journal of Agricultural Economics 12(2):216-227.

Griffiths, C., H. Klemick, M. Massey, C. Moore, S. Newbold, D. Simpson, P. Walsh, and W. Wheeler. 2012. US Environmental Protection Agency valuation of surface water quality improvements. Review of Environmental Economics and Policy 6(1): 130146.

Grogger, J. T., and R. T. Carson. 1991. Models for truncated counts. Journal of Applied Econometrics 6(3): 225-238.

Haab, T. and K.E. McConnell. 2002. Valuing Environmental and Natural Resources: The Econometrics of Non-Market Valuation. Northampton, MA: Edward Elgar.

Hanley, N., E. B. Barbier, and E. Barbier. 2009. Pricing Nature: Cost-benefit Analysis and Environmental Policy. Northampton, MA: Edward Elgar Publishing.

Hotelling, H. 1947. Letter of June 18, 1947, to Newton B. Drury. Included in the report The Economics of Public Recreation: An Economic Study of the Monetary Evaluation of Recreation in the National Parks, 1949. Mimeographed. Washington, D.C.: Land and Recreational Planning Division, National Park Service.

Hubbard, A. n.d. Modeling Counts, The Poisson and Negative Binomial Regression. Retrieved F e bruary 02 , 2014 from http://ehs.sph.berkeley.edu/hubbard/longdata/webfiles/march2005.pdf

Kling, C. L. 1989. A Note on the Welfare Effects of Omitting Substitute Prices and Qualities from Travel Cost Models. Land Economics 65(3): 290-296.

Kremen, C., N. M. Williams, M. A. Aizen, B. Gemmill-Herren, G. LeBuhn, R. Minckley, L. Packer, S.G. Potts, T. Roulston, I. Steffan-Dewenter, D. P. Vazquez, R. Winfree, L. Adams , E. E. Crone, S. S. Greenleaf, T. H. Keitt, A. M. Klein, J. Regetz, and T. H. Ricketts. 2007. Pollination and Other Ecosystem Services Produced by Mobile

Organisms: A Conceptual Framework for the Effects of Land-use Change. Ecology Letters 10:299-314

Mendelsohn, R., and S. Olmstead. 2009. The Economic Valuation of Environmental Amenities and Disamenities Methods and Applications. Annual Review of Environmental and Resources 34:325-347.

Nelson, E., G. Mendoza, J. Regetz, S. Polasky, H. Tallis, D. R. Cameron, K. M.Chan, G. C. Daily, J. Goldstein, P. M. Kareiva, E. Lonsdorf, R. Naidoo, T. H. Ricketts, and M. R. Shaw. 2009. Modeling Multiple Ecosystem Services, Biodiversity Conservation, Commodity Production, and Tradeoffs at Landscape Scales. Frontiers in Ecology and the Environment 7(1), 4-11.

Parsons, G. R. 2003. "Travel Cost Models." Chapter 9 in Champ, P.A., K.J. Boyle, and T.C Brown eds. A Primer on Nonmarket Valuation. Norwell, MA: Kluwer Academic Publishers.

Piza, L. Eric. 2012. Using Poisson and Negative Binomial Regression Models to Measure the Influence of Risk on Crime Incident Counts Retrieved March 04, 2014 from http://www.rutgerscps.org/docs/CountRegressionModels.pdf

Poe, G. L., K. L. Giraud, and J. B. Loomis. 2005. Computational methods for measuring the difference of empirical distributions. American Journal of Agricultural Economics, 87(2): 353-365.

Shaw, B. H., C. Mechenich, and L. L. Klessig. 1993. Understanding lake data. University of Wisconsin--Extension, Cooperative Extension.

Smith, D. G., G. F. Croker, and K. McFarlane. 1995. Human Perception of Water Appearance: 1. Clarity and Colour for Bathing and Aesthetics. New Zealand Journal of Marine and Freshwater Research 29(1): 29-43.

Wooldridge, J. M. 2012. Introductory Econometrics: A Modern Approach, $5^{\text {th }}$ edition. Mason: South-Western Cengage Learning.

## APPENDIX

Appendix 1

| Lake Name | TSI(SD) | TSI(Chla) | Mean Clarity | Mean Shades of Green | Number of Visitors |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Fish Lake | 32.11 | 23.62 | 2.75 | 2.00 | 4 |
| Strawberry Reservoir | 32.31 | 34.34 | 2.66 | 2.38 | 47 |
| Bear Lake | 34.10 | 23.60 | 2.39 | 1.68 | 62 |
| Marsh Lake | 36.44 | 32.25 | 1.00 | 2.00 | 1 |
| Flaming Gorge Reservoir | 36.49 | 34.47 | 2.44 | 1.81 | 16 |
| Duck Fork Reservoir | 37.40 | 23.80 | 1.00 | 1.00 | 1 |
| Tony Grove Reservoir | 37.68 | 31.85 | 2.00 | 1.50 | 2 |
| Huntington Reservoir | 38.46 | 27.45 | 2.00 | 2.00 | 1 |
| Lyman Lake | 38.78 | 28.54 | 2.33 | 1.33 | 3 |
| Tropic Reservoir | 39.34 | 21.57 | 2.00 | 2.00 | 1 |
| Porcupine Reservoir | 40.15 | 32.92 | 2.60 | 1.60 | 5 |
| Silver Lake Flat | 40.69 | 27.14 | 2.75 | 2.25 | 4 |
| Starvation Reservoir | 41.02 | 35.11 | 2.75 | 1.75 | 4 |
| Mantua Reservoir | 41.51 | 40.80 | 2.78 | 2.44 | 9 |
| Navajo Lake | 41.53 | 24.74 | 2.14 | 2.14 | 7 |
| Tibble Fork Reservoir | 42.08 | 20.06 | 3.11 | 2.33 | 9 |
| Mirror Lake | 42.11 | 32.04 | 2.00 | 1.80 | 5 |
| Whitney Reservoir | 42.50 | 31.92 | 3.00 | 1.50 | 2 |
| East Canyon Reservoir | 42.51 | 34.90 | 2.78 | 2.11 | 18 |
| Joes Valley Reservoir | 42.61 | 23.32 | 1.00 | 3.00 | 1 |
| Deer Creek Reservoir | 42.84 | 43.69 | 2.65 | 2.06 | 31 |
| Quail Creek Reservoir | 43.06 | 21.61 | 2.56 | 2.11 | 9 |
| Causey Reservoir | 43.51 | 26.24 | 3.00 | 3.00 | 3 |
| Scout Lake | 43.64 | 27.26 | 1.00 | 2.00 | 1 |
| Moon Lake | 43.70 | 42.61 | 3.00 | 2.00 | 1 |
| Big Sand Wash |  |  |  |  |  |
| Reservoir | 43.71 | 27.20 | 3.00 | 2.00 | 1 |
| Rockport Reservoir | 43.91 | 39.49 | 3.08 | 2.17 | 12 |
| Currant Creek Reservoir | 44.01 | 27.90 | 2.67 | 2.67 | 3 |
| Jordanelle Reservoir | 44.82 | 38.09 | 2.89 | 2.26 | 19 |
| Washington Lake | 45.25 | 29.07 | 2.75 | 2.00 | 4 |
| Smith and Morehouse |  |  |  |  |  |
| Reservoir | 45.49 | 29.44 | 2.25 | 1.75 | 4 |
| Sand Hollow | 45.58 | 25.59 | 1.50 | 1.50 | 4 |
| Woodruff Creek Reservoir | 45.79 | 39.67 | 4.00 | 2.00 | 1 |


| Trial Lake | 46.04 | 29.95 | 1.67 | 1.67 | 3 |
| :--- | :--- | :--- | :--- | :--- | :--- |
| Panguitch Lake | 46.11 | 49.72 | 2.50 | 2.00 | 4 |
| Kens Lake | 46.69 | 30.57 | 2.50 | 2.00 | 2 |
| Puffer Lake | 46.75 | 40.08 | 3.00 | 2.00 | 1 |
| Wall Lake | 47.15 | 27.16 | 3.00 | 2.00 | 1 |
| Huntington Lake North | 47.31 | 19.77 | 4.00 | 1.00 | 1 |
| LaBaron Reservoir | 47.74 | 39.77 | 3.00 | 3.00 | 1 |
| Scofield Reservoir | 47.77 | 68.01 | 2.17 | 2.00 | 6 |
| Echo Reservoir | 47.98 | 41.01 | 3.00 | 1.89 | 9 |
| Mill Hollow Reservoir | 48.19 | 45.95 | 3.00 | 2.00 | 1 |
| Bridger Lake | 48.21 | 46.56 | 3.50 | 2.00 | 2 |
| Butterfly Lake | 48.25 | 37.24 | 2.00 | 2.00 | 1 |
| Blanding City Reservoir | 48.96 | 27.19 | 2.00 | 2.00 | 2 |
| Yankee Meadow |  |  |  |  |  |
| Reservoir | 49.23 | 48.84 | 1.50 | 1.50 | 2 |
| Settlement Canyon |  |  |  |  |  |
| Reservoir | 49.81 | 38.54 | 3.00 | 1.50 | 4 |
| Spirit Lake | 49.90 | 40.59 | 3.00 | 2.00 | 1 |
| Pelican Lake | 50.25 | 40.84 | 2.00 | 2.50 | 2 |
| Lower Gooseberry |  |  |  |  |  |
| Reservoir | 50.39 | 38.29 | 3.00 | 2.00 | 1 |
| Pineview Reservoir | 50.40 | 40.89 | 3.00 | 2.00 | 41 |
| Birch Creek Reservoir | 50.76 | 44.59 | 3.00 | 2.00 | 1 |
| Red Fleet Reservoir | 50.91 | 35.43 | 2.00 | 2.00 | 2 |
| Hyrum Reservoir | 51.58 | 39.94 | 3.10 | 2.10 | 10 |
| Gunlock Reservoir | 52.47 | 38.53 | 3.00 | 1.75 | 4 |
| Piute Reservoir | 52.49 | 40.34 | 2.50 | 2.00 | 2 |
| East Park Reservoir | 52.92 | 32.92 | 3.00 | 2.00 | 1 |
| Upper Enterprise |  |  |  |  | 1 |
| Reservoir | 53.74 | 51.12 | 2.00 | 1.50 | 2 |
| Palisades Lake | 53.99 | 32.79 | 2.80 | 2.40 | 5 |
| Matt Warner Reservoir | 54.64 | 58.96 | 3.00 | 2.00 | 1 |
| Newcastle Reservoir | 54.69 | 55.84 | 3.00 | 3.00 | 1 |
| Payson Lake | 55.01 | 44.48 | 3.00 | 2.00 | 4 |
| Grantsville Reservoir | 55.54 | 37.31 | 4.00 | 3.00 | 1 |
| Baker dam reservoir | 56.51 | 57.54 | 3.00 | 2.00 | 1 |
| Kents Lake | 59.28 | 50.94 | 2.00 | 2.00 | 1 |
| Salem Pond | 60.28 | 61.94 | 3.00 | 3.00 | 1 |
| Gunnison Reservoir | 61.07 | 32.93 | 3.00 | 3.00 | 1 |
| Newton Reservoir | 62.64 | 52.18 | 3.33 | 2.00 | 3 |
| Yuba | 63.54 | 45.19 | 3.67 | 2.00 | 3 |
| Otter Creek Reservoir | 65.52 | 47.59 | 3.00 | 2.33 | 2.17 |
| Willard Bay Reservoir | 68.78 | 42.12 | 3.11 |  | 35 |
|  |  |  |  | 1 |  |


| Mona Reservoir | 76.78 | 50.70 | 2.00 | 2.00 | 1 |
| :--- | :---: | :---: | :---: | :---: | :---: |
| Gunnison Bend | 78.43 | 26.51 | 4.00 | 2.00 | 3 |
| Reservoir | 78.74 | 60.15 | 4.00 | 1.50 | 2 |
| Cutler Reservoir | 79.81 | 60.82 | 3.65 | 2.24 | 54 |
| Utah Lake | 32.11 | 23.62 | 2.75 | 2.00 | 4 |
| Fish Lake | 32.31 | 34.34 | 2.66 | 2.38 | 47 |
| Strawberry Reservoir | 34.10 | 23.60 | 2.39 | 1.68 | 62 |
| Bear Lake | 36.44 | 32.25 | 1.00 | 2.00 | 1 |
| Marsh Lake | 36.49 | 34.47 | 2.44 | 1.81 | 16 |
| Flaming Gorge Reservoir | 37.40 | 23.80 | 1.00 | 1.00 | 1 |
| Duck Fork Reservoir |  |  |  |  |  |


[^0]:    ${ }^{1}$ Other characteristics included: elevation (m), surface area (Ha), number of boat ramps, number of campgrounds, fish stock and indicator variables for Blue Ribbon Fishery and State Parks.

[^1]:    $95 \%$ confidence bounds stated in parentheses

