

Economic Research Institute Study Paper

ERI #2004-13

**DETERMINANTS OF RESIDENTIAL WATER CONSERVATION:
THE CASE OF SALT LAKE CITY, UTAH**

by

ERIC A. COLEMAN

**Department of Economics
Utah State University
3530 Old Main Hill
Logan, UT 84322-3530**

July 2004

**DETERMINANTS OF RESIDENTIAL WATER CONSERVATION:
THE CASE OF SALT LAKE CITY, UTAH**

Eric A. Coleman, Research Assistant

**Department of Economics
Utah State University
3530 Old Main Hill
Logan, UT 84322-3530**

The analyses and views reported in this paper are those of the author(s). They are not necessarily endorsed by the Department of Economics or by Utah State University.

Utah State University is committed to the policy that all persons shall have equal access to its programs and employment without regard to race, color, creed, religion, national origin, sex, age, marital status, disability, public assistance status, veteran status, or sexual orientation.

Information on other titles in this series may be obtained from: Department of Economics, Utah State University, 3530 Old Main Hill, Logan, UT 84322-3530.

Copyright © 2004 by Eric A. Coleman. All rights reserved. Readers may make verbatim copies of this document for noncommercial purposes by any means, provided that this copyright notice appears on all such copies.

**DETERMINANTS OF RESIDENTIAL WATER CONSERVATION:
THE CASE OF SALT LAKE CITY, UTAH**

Eric A. Coleman

ABSTRACT

This study evaluates the effectiveness of demand-side water conservation policies in Salt Lake City, Utah for the years 1999 to 2002. We add to the existing residential water demand literature by exploring panel estimation techniques with disaggregated household level data. Alternative policies used to induce water conservation are discussed based on estimates of demand schedule parameters. We find that public conservation campaigns have had negligible impacts on the city's water use. There have been, however, statistically significant reductions in consumption due to price changes despite minimal price increases. Our findings should enable local and state policymakers to better assess the tradeoffs of alternative conservation programs.