

## MEMORANDUM

30 September 2004

TO: Nona Smoke, EPA/OPAR

FROM: Chris Leggett and James Neumann, IEC

CC: James DeMocker, EPA/OPAR and Bryan Hubbell, EPA/OAQPS

SUBJECT: Responding to SAB Council Comments on the May 2003 Draft Analytical Plan for the Section 812 Second Prospective – Visibility Benefits

Under Section 812 of the Clean Air Act Amendments, EPA is requested to periodically conduct and submit to Congress a report on economic benefits and costs of all provisions of the Act and its Amendments. EPA delivered the first of these reports, a retrospective analysis covering provisions of the original Clean Air Act during the period 1970-1990, in 1997, and the second report, a prospective analysis covering provisions of the Amendments during the period 1990-2010, in 1999.

EPA is currently working on the third report to be developed under Section 812. This “Second Prospective” report will estimate benefits and costs for provisions of the Amendments as they are expected to be implemented during the period 1990-2020. An analytical plan for the Second Prospective was completed in May 2003, and comments from the SAB Council reviewing the plan were received by EPA in May 2004.<sup>1</sup>

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<sup>1</sup> The May 2003 Analytical Blueprint for the second prospective study, along with a complete copy of the first prospective Report to Congress, can be found on EPA’s web site at: <http://www.epa.gov/oar/sect812/>. The SAB Council’s comments on the May 2003 Analytical Blueprint can be found at: [http://www.epa.gov/sab/pdf/council\\_adv\\_04004.pdf](http://www.epa.gov/sab/pdf/council_adv_04004.pdf) and [http://www.epa.gov/sab/pdf/council\\_adv\\_04\\_001.pdf](http://www.epa.gov/sab/pdf/council_adv_04_001.pdf).

This memorandum addresses one of the key issues raised in the SAB Council comments, the valuation of visibility improvements. The memorandum includes three sections: an evaluation of the potential usefulness of hedonic property value studies for estimating residential visibility values, a description of our recommendation for valuing residential visibility, and an evaluation of the potential usefulness of the Smith and Osborne (1986) meta-analysis to evaluate visibility benefits for eastern and western parks. We do not evaluate the ongoing EPRI research on recreational visibility valuation in the current memorandum (as was recommended by the Council), as the results of this work are not yet publicly available.

In summary, our conclusions are as follows:

- In order to assess the validity of the results from hedonic property value studies, we recommend that the Agency conduct a focused investigation in Los Angeles designed to determine whether market participants are aware of spatial variation in visibility, take this variation into account when purchasing a home, and consider visibility separately from the health effects of air pollution. Until such an investigation has been undertaken, we do not recommend that the Agency use the results from hedonic property value studies to value residential visibility improvements. If the investigation determines that the visibility benefit estimates from the hedonic property value studies are indeed valid, then we recommend that the Agency apply these values to evaluate residential visibility benefits.
- If confirmatory evidence from this focused investigation cannot be obtained, then we recommend combining the results from several contingent valuation (CV) studies to assess the value of residential visibility. Each of the existing contingent valuation (CV) studies that focus on residential visibility has a variety of design flaws, and all of the studies are somewhat dated with respect to methodology. Nonetheless, the Council recommends that the Agency re-examine existing studies to evaluate their potential for use in estimating residential visibility benefits. After reviewing these studies, it is our opinion that several can provide reasonable estimates of residential visibility benefits.
- We do not recommend that the Agency use the Smith and Osborne (1986) study to evaluate the benefits of recreational visibility improvements due to ambiguity regarding the commodity valued in the Osborne and Smith (1986) WTP function, as well as ambiguity regarding the population that values the commodity.

#### **The Use of Hedonic Property Value Studies to Evaluate Residential Visibility Benefits**

The Council recommends that the Agency evaluate available studies addressing residential visibility and develop an approach for including residential visibility in the primary benefit estimates. In particular, the Council suggests that the Agency consider the possibility of using hedonic property value models for residential visibility estimates.

We have reviewed available hedonic property value studies that focus on residential visibility (i.e., Beron, Murdoch, and Thayer, 2001; Murdoch and Thayer, 1988; and Trijonis et

al., 1985) as well as recent evidence from hedonic property value studies examining the impact of air pollution on property values (i.e., Zabel and Kiel, 2000; Chay and Greenstone, 2000; Chattopadhyay, 1999; Smith and Huang, 1995). Our conclusion from this review is that although hedonic property value studies provide important empirical evidence that clean air appears to be capitalized into housing values in some metropolitan areas, the Agency should not use the results from these studies to develop quantitative estimates of the benefits of visibility improvements without further study. The remainder of this section describes the basis for this conclusion and outlines our recommendations for further study.

Hedonic property value studies rely on a statistical analysis of price differences in the residential housing market in order to make inferences about residents' WTP for a particular amenity, holding other factors constant. A number of conditions must be satisfied in order for a hedonic property value study to provide a defensible estimate of WTP for visibility improvements:

1. There must be spatial variation in visibility within the study area.
2. Individuals must be aware of the variation in visibility.
3. Individuals must care enough about differences in visibility that they take them into account when purchasing a house.
4. Individuals must care about visibility for aesthetic reasons rather than viewing visibility as a proxy for other impacts associated with air pollution, such as health effects.

Condition #1 must be satisfied to statistically evaluate the impact of visibility. The existence or absence of sufficient spatial variation in visibility will be a function of the locations of emissions sources, topography, and atmospheric conditions. If these factors vary sufficiently within a single metropolitan area, then this condition is likely to be satisfied. For example, Trijonis et al. (1984) demonstrate that there is substantial variation in median visual range across the Los Angeles area, and that the spatial pattern of visibility was relatively constant over time.

Conditions #2 and #3 must be satisfied if this spatial variation in visibility is to be reflected in housing prices. As noted by Zabel and Kiel (2000), "Underlying the analysis of the valuation of air quality is the notion that individuals perceive the pollution level in their neighborhood and place a value on this level through the amount they are willing to pay for their house" (p. 192). If researchers obtain a positive coefficient on the visibility measure in a hedonic property value study when conditions #2 and #3 are not satisfied, then the measure must be correlated with a relevant characteristic that was omitted from the analysis. The requirement that individuals be aware of differences in visibility is more difficult to satisfy than it may at first appear. This is much more difficult than, for example, asking whether an individual will notice a difference in visibility when looking at two different photographs of the same scene. First, visibility changes from day to day, so individuals must be capable of processing information about the distribution of visibility in a particular neighborhood and comparing this to visibility distributions in other neighborhoods. Second, the background scenery differs across neighborhoods so that it may be difficult, for example, to compare visibility in a neighborhood

that has a view of distant mountains with visibility in a neighborhood that has a view of the city skyline.

The existing literature provides limited empirical evidence that individuals are aware of differences in visibility and take these differences into account when planning to move. In one of the first hedonic property value studies focused on air pollution, Ridker and Henning (1967) report that there is “some evidence from questionnaires that people believe air pollution affects property values and that it sometimes figures in their calculations in planning to move” (p. 246). However, it is not at all clear that this statement would still be true today, after several decades of substantial improvements in air quality. More recent hedonic property value studies (e.g., Trijonis et al., 1984; Chattopadhyay, 1999; Zabel and Kiel, 2000; Beron, Murdoch, and Thayer, 2001) have failed to provide any direct evidence that market participants are aware of spatial differences in air pollution or that their decision to purchase a house is affected by these differences.<sup>5,6</sup> Without such evidence, the possibility of omitted variables bias cannot be ruled out. Kenneth Small (1974) alludes to this possibility in an early comment on the validity of the hedonic property value technique as applied to air pollution: “I have entirely avoided...the important question of whether the empirical difficulties, especially correlation between pollution and unmeasured neighborhood characteristics, are so overwhelming as to render the entire method useless” (p. 107).

Finally, given the structure of the Section 812 benefits analysis and other regulatory analyses, where health effects are evaluated separately from aesthetic effects, condition #4 requires that any observed response to visibility be linked to aesthetic concerns rather than concerns about health. Otherwise, health benefits would be double counted in the benefits analysis. Unfortunately, the visibility valuation literature indicates that individuals have trouble separating visibility from other impacts of air pollution (e.g., McClelland et al., 1991; Chestnut and Rowe, 1990; Carson, Mitchell, and Ruud, 1990). Thus, even if the spatial variation in visibility is reflected in housing, caution is required in interpreting the coefficient on visibility: it is entirely possible to obtain a positive coefficient on visibility simply because market participants believe that poor visibility is an indicator of hazardous air pollutants.

Although several hedonic property value studies conducted in the Los Angeles area have found a statistically significant association between visibility and property values (Beron, Murdoch, and Thayer, 2001; Beron, Murdoch, and Thayer, 1999; Murdoch and Thayer, 1988; and Trijonis et al., 1985), none of these studies provides evidence that conditions #2, #3, and #4

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<sup>5</sup> In a CV study focused on the visibility and health effects of air pollution, Loehman, Boldt, and Chaikin (1984) find that in the San Francisco area, residents’ own estimates of the number of high-visibility days that they experience per year are higher for respondents living in areas that do, in fact, have better visibility. Although this result is encouraging, it does not demonstrate that respondents are aware of visibility levels in areas other than where they currently live.

<sup>6</sup> Brookshire et al. (1979) include several simple questions in their survey of Los Angeles residents that address this issue (e.g., “Has air pollution influenced where you have chosen to live?” and “Would you consider moving to a new location in the Los Angeles area if air quality were like Picture C everywhere?”), but they do not discuss the responses to these questions in their report. Similarly, Loehman, Boldt, and Chaiken (1984) include several choice experiment-type questions focused on housing purchase decisions (the attributes were number of bedrooms, air quality, traffic, commuting time, and cost) in their survey of San Francisco area residents, but they do not analyze the responses to these questions.

were satisfied. Thus, we recommend that the Agency proceed with caution in using residential visibility values from the hedonic property value literature. Unless research provides support for the assumption that market participants are aware of spatial variation in visibility, consider this variation when purchasing a home, and can successfully separate visibility effects from health effects, empirical evidence of the impact of visibility on property values should not be used to make inferences regarding individuals' WTP for visibility.

However, the recent Beron, Murdoch, and Thayer (2001) study does show substantial promise. This study investigates the determinants of sales price for approximately 840,000 residential homes in the Los Angeles area that sold between 1980 and 1995. In addition to a variety of structural and neighborhood characteristics, the researchers include measures of ozone, total suspended particulates, and visibility (mean annual visual range) as independent variables. Visibility was found to have a significant impact on housing values, with a one-mile increase in average visibility adding approximately \$5,000 to the value of a home. Results from a second-stage analysis indicate that household WTP for a three-mile (20 percent) increase in mean visibility ranges from approximately \$1,000 to \$3,000 per year.

Given the strength of the Beron, Murdoch, and Thayer research and OMB's preference for revealed preference studies (OMB, 2003), we recommend that the Agency carry out a focused investigation designed to determine whether the Beron, Murdoch, and Thayer study is likely to satisfy the conditions listed above for hedonic property value studies. This investigation would comprise the following steps:

- Obtain a list of licensed realtors in the Los Angeles area from the National Association of Realtors and conduct phone interviews with a random sample of approximately 10 to 20 realtors from this list. Determine the extent to which the realtors' clients are aware of spatial variation in visibility, the frequency with which clients inquire about visibility levels in specific areas, and the extent to which clients draw a distinction between visibility and health when they discuss air pollution issues.
- Organize and conduct focus groups with recent homebuyers in the Los Angeles area in order to further evaluate the above issues. The focus groups are necessary because individuals may be aware of and care about spatial variation in visibility but not discuss the issue with their realtor when purchasing a home. One set of focus groups (two groups with nine individuals in each group) could be conducted in an area with relatively poor visibility, while the other set of focus groups (two groups with nine individuals in each group) could be conducted in an area with relatively good visibility.

If this investigation indicates that Los Angeles area residents do indeed consider visibility levels when purchasing a home, and if visibility appears to be important for aesthetic (rather than health) reasons, then we would recommend that the Agency consider using the Beron, Murdoch, and Thayer study to evaluate residential visibility benefits. Furthermore, in order to obtain residential visibility values for other metropolitan areas, the Agency may want to consider possibilities for introducing visibility variables in recent hedonic property value studies (e.g.,

Zabel and Kiel, 2000; Chattopadhyay, 1999). This would allow the Agency to obtain primary estimates of visibility benefits for cities other than Los Angeles by taking advantage of high-quality, pre-existing datasets.

### **Recommendation for Using CV Studies to Evaluate Residential Visibility Benefits**

The Council recommends that the Agency revisit available contingent valuation studies that investigate the benefits of improvements in residential visibility. We identified five contingent valuation studies that have investigated individuals' WTP for improved visibility in urban areas<sup>7</sup>:

- Brookshire et al. (1979) conducted an in-person survey of Los Angeles area residents. Respondents were shown three photographs of local vistas representing “poor,” “fair,” and “good” visibility conditions, corresponding to visual ranges of 2, 12, and 28 miles, respectively. The vista used to depict poor visibility differed from the vista used to depict fair and good visibility. Respondents were asked if they would be willing to pay a specific monthly fee in order to achieve improved visibility conditions (e.g., an improvement from “fair” to “good”). The question asked them to focus only on visibility.
- Rae (1983) conducted a survey of Cincinnati residents at a central location (participants were recruited by telephone). The visibility levels were depicted using three different projected slides of the same scene, with visual ranges of 3 miles, 12 miles, and 17 miles. Respondents completed a contingent ranking exercise, where they were asked to rank nine different combinations of visibility (percentage of days per year with each of three visibility levels), fuel costs, thermostat settings, and health effects (number of days per year with eye and lung irritation).
- Loehman, Boldt, and Chaikin (1984)<sup>8</sup> conducted in-person interviews with residents of the San Francisco Bay area. Respondents were shown nine separate photographs depicting three different Bay-area vistas under three different visibility conditions (clear – visual range > 10 miles, moderate – visual range 6-10 miles, and poor – visual range < 5 miles). Respondents were asked for their WTP for a specific change in the number of days per year under each of the three visibility conditions. In an attempt to control for perceived health improvements, each CV question also specified the number of days per year under five different health conditions (good, moderate, unhealthy, very unhealthy, or hazardous) before and after the visibility improvement.

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<sup>7</sup> We identified two additional studies that focus on residential visibility: Irwin et al. 1990 and Carson, Mitchell, and Ruud (1990). These were pilot studies and consequently are not considered in the discussion below.

<sup>8</sup> Results later published as Loehman, Park, and Boldt (1994).

- Tolley et al. (1986) conducted in-person interviews with residents of Atlanta, Boston, Chicago, Cincinnati, Denver, Miami, Mobile, and Washington D.C. Respondents were shown three separate photographs depicting three different visual ranges (the visual ranges differed across cities).<sup>9</sup> The three different visual ranges were produced by air brushing a single negative. The CV question asked respondents for their WTP for a 10- and 20-mile improvement in average visual range, and for their WTP to avoid a 5-mile decrease in average visual range. The question asks respondents to focus on visibility rather than health.
- McClelland et al. (1991) conducted a mail survey of residents of the Atlanta and Chicago metropolitan areas. Each respondent was shown nine different photographs, representing three scenes (skyline, residential, and park) under three different visual ranges (5, 15, and > 40 miles). The different visual ranges were developed by digitally altering the photographs. Respondents were asked for their WTP for 25 additional days per year with visual range of > 40 miles and 25 fewer days per year with visual range of 5 miles. The CV question indicates that there would be health impacts in addition to the visibility change, and a follow-up question asks respondents to allocate WTP to visibility, health, materials soiling, vegetation impacts, and other impacts.

As there are no universally accepted criteria for evaluating contingent valuation studies, it is difficult to evaluate the potential usefulness of these five studies for policy analysis. All of the studies were led by experienced economists and represent major efforts to value residential visibility. Nonetheless, previous evaluations of residential visibility benefits conducted by the Agency have discarded the four older studies in favor of the McClelland et al. (1991) research. A re-examination of the five studies indicates, however, that every one of the five studies could be criticized along several dimensions, and it is not at all clear that the McClelland et al. work is superior to the others (Exhibit 1).

In light of the Council's recommendation that the agency should "review the available studies, revisiting the older ones and adding the newer ones," we recommend that the Agency use Brookshire et al. (1979), Loehman, Boldt, and Chaikin (1984), and Tolley et al. (1986) to develop values for residential visibility. We do not recommend using the McClelland et al. (1991) study due to concerns expressed by a previous Council. In an October 29, 1999 letter to Carol Browner, the Council states: "The McClelland et al. study was an exploratory study, so the values found in it lack peer reviewed status...the Council believes that it is inappropriate to use their study values." We do not recommend using the Rae (1983) study as this study represents one of the first attempts to apply a choice question approach to valuation; the state-of-the-art has evolved substantially since the study was conducted. In particular, it is not clear that respondents can effectively process information about, and rank, nine different programs defined by varying levels of four characteristics. Furthermore, the Rae study was conducted in Cincinnati, a city that is covered by the Tolley et al. research.

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<sup>9</sup> Tolley et al. (1986) conducted two separate surveys. The main survey was conducted in 1982 in Atlanta, Boston, Cincinnati, Miami, Mobile, and Washington D.C. and included photographs from Chicago. A follow-up survey was conducted in 1984 in Atlanta, Chicago, and Denver and included photographs from the respondent's local city.

| <b>Exhibit 1</b>                                       |   |
|--|---|
| <b>CV Studies that Focus on Residential Visibility</b> |   |
| <b>Study</b>   | <b>Potential Disadvantages for Use in Evaluating Residential Visibility Benefits</b>  |
| Brookshire et al. (1979)                               | <ul style="list-style-type: none"> <li>● Did not hold atmospheric conditions and scenery constant in presenting photographs representing different visibility levels.</li> <li>● Effort to convince respondent to focus only on visibility (rather than health) was somewhat weak. No follow-up questions investigated the extent to which this effort was successful.</li> <li>● No budget reminders or reminders of substitute commodities.</li> </ul>  |
| Rae (1983)   | <ul style="list-style-type: none"> <li>● Study is extremely early version of choice experiment approach to valuation; this methodology has evolved significantly since the study was completed.</li> <li>● No budget reminders or reminders of substitute commodities.</li> <li>● Study results were not published in peer-reviewed journal.</li> </ul>   |
| Loehman, Boldt, and Chaikin (1984)                     | <ul style="list-style-type: none"> <li>● The mechanism that would lead to the air quality improvement was not described to the respondent.</li> <li>● No budget reminders or reminders of substitute commodities.</li> </ul>  |
| Tolley et al. (1986)                                   | <ul style="list-style-type: none"> <li>● The CV question asked about changes in visibility that were somewhat different from the changes presented in the photographs.</li> <li>● In the 1982 survey, the photographs used to depict visibility changes were not from the respondent's city.</li> <li>● The mechanism that would lead to the air quality improvement was not described to the respondent.</li> <li>● Despite a strong effort to convince respondents to focus only on visibility, no follow-up questions investigated the extent to which this effort was successful.</li> <li>● Payment vehicle was not specified in the 1982 survey.</li> <li>● Study results were not published in peer-reviewed journal.</li> </ul>   |
| McClelland et al. (1991)                               | <ul style="list-style-type: none"> <li>● <i>Ex post</i> allocation of WTP assumes that the utility function is additively separable in visibility and health, which may not be true.</li> <li>● The CV question allows for potential health effects (along with visibility effects), but it does not describe these effects to the respondent.</li> <li>● NOAA panel (Arrow et al., 1993) and Mitchell and Carson (1993) recommend in-person surveys rather than mail surveys for contingent valuation research.</li> <li>● Only 31 percent overall response rate (survey response rate X CV question response rate).</li> <li>● No budget reminders or reminders of substitute commodities.</li> <li>● Study results were not published in peer-reviewed journal.</li> <li>● Analysis appears to have been truncated; no final report was produced.</li> </ul> |

The Loehman, Boldt, and Chaikin (1984) and Brookshire et al. (1979) studies were published in peer-reviewed journals (Loehman, Park, and Boldt, 1994; Brookshire et al., 1982). The Tolley et al. (1986) work was not published in a peer-reviewed journal, but it was subject to peer review during the development of the study.

The Tolley et al. (1986) study has been criticized for using photographs of Chicago scenes to describe various levels of visibility to residents of other cities, and for having a CV question focused on visibility improvements that differed somewhat from the visibility changes presented in the accompanying photographs. We do not believe that these are fatal design flaws for the study. Presenting Chicago photographs to residents of other cities is simply an extreme version of a problem that exists in *all* stated preference valuation studies focused on visibility. That is, the photographs that the researcher presents to the respondent cannot perfectly reflect the typical views that the respondent sees and cares about. As a result, the respondent must mentally transfer the visibility conditions in the photos to the views and vistas that he or she cares about and is accustomed to seeing in everyday life. The presentation of views from a different city (rather than, for example, a different neighborhood) may or may not make this mental transfer more challenging. Having a CV question with visibility improvements that differ from the visibility changes in the photographs also may complicate the decision process for the respondent, but the extent of the complication is not clear. Essentially, the researcher is now requiring the respondent to mentally interpolate between photographs displaying identical scenes with different visual ranges, a task that is likely to be much less difficult than determining one's WTP for an unfamiliar commodity such as visibility.

For a variety of reasons, one would expect that residential visibility would differ from region to region and from city to city, and these differences should be taken into account in evaluating residential visibility benefits. In addition to different baseline levels of visibility, different weather conditions, and different resident characteristics, different locations provide dramatically different vistas. For example, one would expect that residents of Denver, with a dramatic view of the Rocky Mountains that is rarely obstructed by trees, would have a greater interest in protecting visibility than residents of Nashua, New Hampshire, a city without a dramatic skyline or nearby mountains and with numerous trees obstructing vistas in residential areas. Fortunately, the three recommended studies provide primary visibility values for a variety of cities throughout the United States: Atlanta, Boston, Chicago, Cincinnati, Denver, Los Angeles, Miami, Mobile, San Francisco, and Washington D.C.

In order to use the visibility values from the three studies to evaluate the benefits of visibility improvements throughout the U.S., we recommend calibrating a separate WTP function for each city that is similar to the function used in the First Prospective analysis:

$$WTP = b * \frac{\ln VR2}{\ln VR1}$$

where:

- VR2 = mean annual visual range after the improvement,
- VR1 = mean annual visual range before the improvement, and
- b = parameter.

The entire contiguous United States would be divided into ten mutually exclusive regions based on geographic proximity to the ten cities listed above. For each region, the  $b$  parameter from the closest city would be used to evaluate residential visibility benefits. We recommend that the Agency develop an approach to adjusting for differences in income using information from the above studies on the income elasticity of WTP. The Agency currently adjusts for income differences in evaluating recreational visibility benefits. Recreational and residential visibility are very different goods however, and it is entirely possible that the income elasticity of WTP for residential visibility differs from the income elasticity of WTP for recreational visibility. In particular, we note that the cost of travelling to distant national parks is quite high, so that high-income households (who are more likely to be able to afford a visit) may be WTP much more than low-income households to protect visibility in these locations. Residential viewing experiences are comparatively inexpensive, so that income may play a less significant role in determining WTP for residential visibility.

In order to avoid potential overlap with the recreational visibility estimates, we recommend that residential visibility benefits not be estimated for the regions evaluated in the Chestnut and Rowe (1990) study of recreational visibility: California, the Southwest, and the Southeast. In these areas, residents were asked about their WTP for visibility improvement at national parks and wilderness areas in the region that they currently live in. However, due to atmospheric mixing, emissions reductions that impact national parks and wilderness areas are also likely to impact residential areas in the same region. We suspect that many of survey respondents would realize this and, as a result, some portion of their bid on the CV question would likely be associated with a desire to improve residential visibility.

In the previous section, we argued that the visibility variable in a hedonic property value study may reflect more than preferences for visibility if market participants see visibility levels as indicators of health effects. Similarly, CV studies designed to value visibility improvements must successfully separate respondents' preferences for visibility from their preferences for health. The three CV studies that we recommend accomplish this objective in somewhat different ways.<sup>10</sup> Tolley et al. (1986) specify a hypothetical pollution control program that will *only* affect visibility: "Suppose a program could be set up to prevent the decline in visibility, realizing that there would be no health effects." In contrast, Brookshire et al. (1979) specify a more general pollution control program, but they ask respondents to focus only on their preferences for visibility improvements: "I am only interested in how you value being able to see long distances." Finally, Loehman, Boldt, and Chaikin (1986) present summary tables to respondents that describe the expected number of days per year at various health and visibility levels for both the baseline and the improved situations. Respondents are asked to provide WTP for air quality improvements with an increased number of good visibility days but with health levels held constant.

The degree to which the three studies were successful in convincing respondents to focus solely on visibility is unclear, as none of the three studies includes follow-up questions necessary to investigate the issue. Furthermore, no other residential visibility CV studies provide evidence regarding the degree to which health effects are embedded in visibility values. Although the

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<sup>10</sup> See Leggett et al. (2004) for a more detailed discussion of this issue.

McClelland et al. (1991) study has a follow-up question designed to allocate WTP across several categories, the CV question in the McClelland et al. study was focused on air pollution generally rather than visibility. As a result, we do not recommend that the Agency adjust the results from these studies to account for potentially embedded health effects.

### **Use of the Smith and Osborne (1996) Meta-Analysis**

The Council recommends that the Agency consider using the Smith and Osborne (1996) meta-analysis to evaluate visibility benefits for eastern and western parks. The Smith and Osborne (1996) meta-analysis combines information from five different contingent valuation studies (Rowe, d'Arge, and Brookshire, 1980; MacFarland, Malm, and Molenaar, 1983; Schulze et al., 1983; Chestnut and Rowe, 1990; and Balson et al., 1990) to estimate a visibility WTP function. All five studies focus on visibility improvements in national parks. The dependent variable for the analysis is the log of mean WTP, while independent variables include the percentage change in visual range, as well as a variety of indicator variables related to the commodity definition and study design.

We do not recommend that the Agency use the Smith and Osborne study to evaluate the benefits of recreational visibility improvements. Our concern is that the Smith and Osborne WTP function does not clearly define either the commodity to be valued or relevant household characteristics. Thus, although the Smith and Osborne study represents a creative attempt to combine information from five visibility valuation studies for the purpose of evaluating sensitivity to scope, we do not believe the results would be suitable for policy analysis. The remainder of this section elaborates on these points.

The Smith and Osborne (1996) meta-analysis combines values from studies that investigate preferences for different commodities. Although all of the studies investigate WTP for visibility improvements at national parks, each of the studies makes very different assumptions regarding the specific *geographic region* within which this visibility improvement would occur (Exhibit 2). Smith and Osborne include two explanatory variables that allow the commodity definition to depend on the geographic region. One variable allows WTP for visibility to differ for national parks located in the East. A second variable allows WTP to differ if the visibility change occurs over an entire region rather than in a specific park.. Clearly, these two variables do not reflect the diversity of geographic areas addressed in the underlying studies, and the result is a function that captures WTP for visibility improvements in some undefined combination of these areas. The lack of specificity would make it difficult to use the Smith and Osborne WTP function to value visibility changes in specific geographic areas.

Furthermore, the degree to which respondents were valuing health improvements in addition to visibility improvements is likely to differ across the five studies, and this issue is not addressed in the Smith and Osborne meta-analysis. For example, the Chestnut and Rowe (1990) CV question encouraged respondents to separate WTP for visibility improvements from WTP for health and ecological improvements. The introduction to their CV question states that “These questions concern only visibility at national parks in the Southwest...other households are being asked about visibility, human health and vegetation protection in urban areas and at national parks in other regions” [emphasis in original]. Despite this explicit focus on visibility in the CV

question, a follow-up survey question indicated that nearly two-thirds of the respondents believed that their payment would provide more than just visibility improvements at national parks. The Schulze et al. (1983) CV question is likely to have induced hypothetical payments that were even less focused on visibility. The introduction to their CV question states that if “the current emission standards for sulfur oxide are not enforced, then average air quality and visibility in the region will become like Column B” [emphasis added]. Given the difficulty involved in designing a CV question that will encourage respondents to focus exclusively on visibility improvements (as opposed to health and ecological improvements), and given the dramatic differences in CV question wording across the five studies, it is very likely that the degree to which these effects confound WTP for visibility differs across the five studies.

| <b>Exhibit 2</b>  |  |
|---|--|
| <b>Geographic Area Of Proposed Visibility Improvement In Studies Used In Smith And Osborne (1996) Meta-Analysis</b> |  |
| <b>Study</b>  | <b>Geographic area where proposed visibility improvement occurs</b>                                |
| Rowe, d’Arge, and Brookshire (1980)   | Four Corners Region of Southwest   |
| MacFarland, Malm, and Molenaar (1983)   | Grand Canyon and Mesa Verde National Parks   |
| Schulze et al. (1983)   | Grand Canyon National Park and the Southwest Parklands Region (two separate CV questions)          |
| Chestnut and Rowe (1990)  | National parks in the Southwest, Southeast, and California (separate CV questions for each region) |
| Balson et al. (1990)  | Grand Canyon National Park   |

Our second concern with using the Smith and Osborne analysis is that the WTP function does not specify the characteristics of households that would be willing to pay for visibility. The WTP estimates taken from the five different studies represent a wide variety of target populations (Exhibit 3). Smith and Osborne include two explanatory variables that address characteristics of these populations. The first is a variable that indicates whether the study involved an on-site survey of national park visitors. The second is a variable that indicates whether the respondents are residents of the state in which the park is located. These two variables do not reflect potentially important characteristics of the underlying populations, such as income.

| <b>Exhibit 3</b>   |  |
|--|--|
| <b>Target Populations For Studies Used In Smith And Osborne (1996) Meta-Analysis</b> |  |
| <b>Study</b>   | <b>Target population</b>   |
| Rowe et al. (1980)   | Residents of Farmington, New Mexico and visitors to Navajo Reservoir |
| MacFarland et al. (1983)   | Visitors to Grand Canyon and Mesa Verde National Parks               |
| Schulze et al. (1983)  | Residents of Albuquerque, Los Angeles, Denver, and Chicago           |
| Chestnut and Rowe (1990)   | Residents of Arizona, Virginia, California, New York, and Missouri   |
| Balson et al. (1990)   | Residents of St. Louis and San Diego Counties                        |

## Appendix B

| MSA Name                               | Nearest Study |                | Citation      | Included in Scenario 2 |
|--|---------------|----------------|---------------|------------------------|
|  | City          | <i>b</i> Value |               |                        |
| Albany, GA                             | Atlanta       | 401.4          | Tolley et al. | No                     |
| Anderson, SC                           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Anniston-Oxford, AL                    | Atlanta       | 401.4          | Tolley et al. | No                     |
| Asheville, NC                          | Atlanta       | 401.4          | Tolley et al. | No                     |
| Athens-Clarke County, GA               | Atlanta       | 401.4          | Tolley et al. | No                     |
| Atlanta-Sandy Springs-Marietta, GA     | Atlanta       | 401.4          | Tolley et al. | No                     |
| Auburn-Opelika, AL                     | Atlanta       | 401.4          | Tolley et al. | No                     |
| Augusta-Richmond County, GA-SC         | Atlanta       | 401.4          | Tolley et al. | No                     |
| Birmingham-Hoover, AL                  | Atlanta       | 401.4          | Tolley et al. | No                     |
| Bowling Green, KY                      | Atlanta       | 401.4          | Tolley et al. | No                     |
| Bristol, VA                            | Atlanta       | 401.4          | Tolley et al. | No                     |
| Brunswick, GA                          | Atlanta       | 401.4          | Tolley et al. | No                     |
| Charleston-North Charleston, SC        | Atlanta       | 401.4          | Tolley et al. | No                     |
| Charlotte-Gastonia-Concord, NC-SC      | Atlanta       | 401.4          | Tolley et al. | No                     |
| Chattanooga, TN-GA                     | Atlanta       | 401.4          | Tolley et al. | No                     |
| Clarksville, TN-KY                     | Atlanta       | 401.4          | Tolley et al. | No                     |
| Cleveland, TN                          | Atlanta       | 401.4          | Tolley et al. | No                     |
| Columbia, SC                           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Columbus, GA-AL                        | Atlanta       | 401.4          | Tolley et al. | No                     |
| Dalton, GA                             | Atlanta       | 401.4          | Tolley et al. | No                     |
| Decatur, AL                            | Atlanta       | 401.4          | Tolley et al. | No                     |
| Deltona-Daytona Beach-Ormond Beach, FL | Atlanta       | 401.4          | Tolley et al. | No                     |
| Elizabethtown, KY                      | Atlanta       | 401.4          | Tolley et al. | No                     |
| Florence, AL                           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Florence, SC                           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Gadsden, AL                            | Atlanta       | 401.4          | Tolley et al. | No                     |
| Gainesville, FL                        | Atlanta       | 401.4          | Tolley et al. | No                     |
| Gainesville, GA                        | Atlanta       | 401.4          | Tolley et al. | No                     |
| Greenville, SC                         | Atlanta       | 401.4          | Tolley et al. | No                     |
| Hickory-Morganton-Lenoir, NC           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Hinesville-Fort Stewart, GA            | Atlanta       | 401.4          | Tolley et al. | No                     |
| Huntington-Ashland, WV-KY-OH           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Huntsville, AL                         | Atlanta       | 401.4          | Tolley et al. | No                     |
| Jackson, TN                            | Atlanta       | 401.4          | Tolley et al. | No                     |
| Jacksonville, FL                       | Atlanta       | 401.4          | Tolley et al. | No                     |
| Johnson City, TN                       | Atlanta       | 401.4          | Tolley et al. | No                     |
| Kingsport-Bristol, TN-VA               | Atlanta       | 401.4          | Tolley et al. | No                     |
| Knoxville, TN                          | Atlanta       | 401.4          | Tolley et al. | No                     |
| Lakeland-Winter Haven, FL              | Atlanta       | 401.4          | Tolley et al. | No                     |
| Lexington-Fayette, KY                  | Atlanta       | 401.4          | Tolley et al. | No                     |

| MSA Name                                 | Nearest Study |                |               | Included in Scenario 2 |
|--|---------------|----------------|---------------|------------------------|
|  | City          | <i>b</i> Value | Citation      |                        |
| Macon, GA                                | Atlanta       | 401.4          | Tolley et al. | No                     |
| Miami-Fort Lauderdale-Miami Beach, FL    | Atlanta       | 401.4          | Tolley et al. | No                     |
| Montgomery, AL                           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Morristown, TN                           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Naples-Marco Island, FL                  | Atlanta       | 401.4          | Tolley et al. | No                     |
| Nashville-Davidson--Murfreeseboro, TN    | Atlanta       | 401.4          | Tolley et al. | No                     |
| Ocala, FL                                | Atlanta       | 401.4          | Tolley et al. | No                     |
| Orlando, FL                              | Atlanta       | 401.4          | Tolley et al. | No                     |
| Palm Bay-Melbourne-Titusville, FL        | Atlanta       | 401.4          | Tolley et al. | No                     |
| Port St. Lucie-Fort Pierce, FL           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Rome, GA                                 | Atlanta       | 401.4          | Tolley et al. | No                     |
| Sarasota-Bradenton-Venice, FL            | Atlanta       | 401.4          | Tolley et al. | No                     |
| Savannah, GA                             | Atlanta       | 401.4          | Tolley et al. | No                     |
| Spartanburg, SC                          | Atlanta       | 401.4          | Tolley et al. | No                     |
| Sumter, SC                               | Atlanta       | 401.4          | Tolley et al. | No                     |
| Tallahassee, FL                          | Atlanta       | 401.4          | Tolley et al. | No                     |
| Tampa-St. Petersburg-Clearwater, FL      | Atlanta       | 401.4          | Tolley et al. | No                     |
| Valdosta, GA                             | Atlanta       | 401.4          | Tolley et al. | No                     |
| Vero Beach, FL                           | Atlanta       | 401.4          | Tolley et al. | No                     |
| Warner Robins, GA                        | Atlanta       | 401.4          | Tolley et al. | No                     |
| Albany-Schenectady-Troy, NY              | Boston        | 490.54         | Tolley et al. | Yes                    |
| Bangor, ME                               | Boston        | 490.54         | Tolley et al. | Yes                    |
| Barnstable Town, MA                      | Boston        | 490.54         | Tolley et al. | Yes                    |
| Boston-Cambridge-Quincy, MA-NH           | Boston        | 490.54         | Tolley et al. | Yes                    |
| Bridgeport-Stamford-Norwalk, CT          | Boston        | 490.54         | Tolley et al. | Yes                    |
| Burlington-South Burlington, VT          | Boston        | 490.54         | Tolley et al. | Yes                    |
| Glens Falls, NY                          | Boston        | 490.54         | Tolley et al. | Yes                    |
| Hartford-West Hartford-East Hartford, CT | Boston        | 490.54         | Tolley et al. | Yes                    |
| Kingston, NY                             | Boston        | 490.54         | Tolley et al. | Yes                    |
| Lewiston-Auburn, ME                      | Boston        | 490.54         | Tolley et al. | Yes                    |
| Manchester-Nashua, NH                    | Boston        | 490.54         | Tolley et al. | Yes                    |
| New Haven-Milford, CT                    | Boston        | 490.54         | Tolley et al. | Yes                    |
| New York-Newark-Edison, NY-NJ-PA         | Boston        | 490.54         | Tolley et al. | Yes                    |
| Norwich-New London, CT                   | Boston        | 490.54         | Tolley et al. | Yes                    |
| Pittsfield, MA                           | Boston        | 490.54         | Tolley et al. | Yes                    |
| Portland-South Portland, ME              | Boston        | 490.54         | Tolley et al. | Yes                    |
| Poughkeepsie-Newburgh-Middletown, NY     | Boston        | 490.54         | Tolley et al. | Yes                    |
| Providence-New Bedford-Fall River, RI-MA | Boston        | 490.54         | Tolley et al. | Yes                    |
| Springfield, MA                          | Boston        | 490.54         | Tolley et al. | Yes                    |
| Utica-Rome, NY                           | Boston        | 490.54         | Tolley et al. | Yes                    |
| Worcester, MA                            | Boston        | 490.54         | Tolley et al. | Yes                    |
| Ames, IA                                 | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Anderson, IN                             | Chicago       | 388.31         | Tolley et al. | Yes                    |

| MSA Name                            | Nearest Study |                |               | Included in Scenario 2 |
|-------------------------------------|---------------|----------------|---------------|------------------------|
|                                     | City          | <i>b</i> Value | Citation      |                        |
| Ann Arbor, MI                       | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Appleton, WI                        | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Battle Creek, MI                    | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Bay City, MI                        | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Bloomington, IN                     | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Bloomington-Normal, IL              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Cedar Rapids, IA                    | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Champaign-Urbana, IL                | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Chicago-Naperville-Joliet, IL-IN-WI | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Cincinnati-Middletown, OH-KY-IN     | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Columbia, MO                        | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Columbus, IN                        | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Columbus, OH                        | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Danville, IL                        | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Davenport-Moline-Rock Island, IA-IL | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Dayton, OH                          | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Decatur, IL                         | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Des Moines, IA                      | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Detroit-Warren-Livonia, MI          | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Dubuque, IA                         | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Duluth, MN-WI                       | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Eau Claire, WI                      | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Elkhart-Goshen, IN                  | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Evansville, IN-KY                   | Chicago       | 388.31         | Tolley et al. | No                     |
| Fargo, ND-MN                        | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Flint, MI                           | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Fond du Lac, WI                     | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Fort Wayne, IN                      | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Grand Forks, ND-MN                  | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Grand Rapids-Wyoming, MI            | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Green Bay, WI                       | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Holland-Grand Haven, MI             | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Indianapolis, IN                    | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Iowa City, IA                       | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Jackson, MI                         | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Janesville, WI                      | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Jefferson City, MO                  | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Joplin, MO                          | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Kalamazoo-Portage, MI               | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Kankakee-Bradley, IL                | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Kansas City, MO-KS                  | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Kokomo, IN                          | Chicago       | 388.31         | Tolley et al. | Yes                    |
| La Crosse, WI-MN                    | Chicago       | 388.31         | Tolley et al. | Yes                    |

| MSA Name                                | Nearest Study |                |               | Included in Scenario 2 |
|---|---------------|----------------|---------------|------------------------|
|   | City          | <i>b</i> Value | Citation      |                        |
| Lafayette, IN                           | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Lansing-East Lansing, MI                | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Lawrence, KS                            | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Lima, OH                                | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Louisville, KY-IN                       | Chicago       | 388.31         | Tolley et al. | No                     |
| Madison, WI                             | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Michigan City-La Porte, IN              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Milwaukee-Waukesha-West Allis, WI       | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Minneapolis-St. Paul-Bloomington, MN-WI | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Monroe, MI                              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Muncie, IN                              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Muskegon-Norton Shores, MI              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Niles-Benton Harbor, MI                 | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Omaha-Council Bluffs, NE-IA             | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Oshkosh-Neenah, WI                      | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Owensboro, KY                           | Chicago       | 388.31         | Tolley et al. | No                     |
| Peoria, IL                              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Racine, WI                              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Rochester, MN                           | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Rockford, IL                            | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Saginaw-Saginaw Township North, MI      | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Sandusky, OH                            | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Sheboygan, WI                           | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Sioux City, IA-NE-SD                    | Chicago       | 388.31         | Tolley et al. | Yes                    |
| South Bend-Mishawaka, IN-MI             | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Springfield, IL                         | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Springfield, MO                         | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Springfield, OH                         | Chicago       | 388.31         | Tolley et al. | Yes                    |
| St. Cloud, MN                           | Chicago       | 388.31         | Tolley et al. | Yes                    |
| St. Joseph, MO-KS                       | Chicago       | 388.31         | Tolley et al. | Yes                    |
| St. Louis, MO-IL                        | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Terre Haute, IN                         | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Toledo, OH                              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Topeka, KS                              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Waterloo-Cedar Falls, IA                | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Wausau, WI                              | Chicago       | 388.31         | Tolley et al. | Yes                    |
| Abilene, TX                             | Denver        | 902.9          | Tolley et al. | Yes                    |
| Albuquerque, NM                         | Denver        | 902.9          | Tolley et al. | No                     |
| Amarillo, TX                            | Denver        | 902.9          | Tolley et al. | Yes                    |
| Billings, MT                            | Denver        | 902.9          | Tolley et al. | Yes                    |
| Bismarck, ND                            | Denver        | 902.9          | Tolley et al. | Yes                    |
| Boulder, CO                             | Denver        | 902.9          | Tolley et al. | No                     |
| Casper, WY                              | Denver        | 902.9          | Tolley et al. | Yes                    |

| MSA Name                  | Nearest Study |                |                   | Included in Scenario 2 |
|---------------------------|---------------|----------------|-------------------|------------------------|
|                           | City          | <i>b</i> Value | Citation          |                        |
| Cheyenne, WY              | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Colorado Springs, CO      | Denver        | 902.9          | Tolley et al.     | No                     |
| Denver-Aurora, CO         | Denver        | 902.9          | Tolley et al.     | No                     |
| El Paso, TX               | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Farmington, NM            | Denver        | 902.9          | Tolley et al.     | No                     |
| Fort Collins-Loveland, CO | Denver        | 902.9          | Tolley et al.     | No                     |
| Grand Junction, CO        | Denver        | 902.9          | Tolley et al.     | No                     |
| Great Falls, MT           | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Greeley, CO               | Denver        | 902.9          | Tolley et al.     | No                     |
| Idaho Falls, ID           | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Las Cruces, NM            | Denver        | 902.9          | Tolley et al.     | No                     |
| Lawton, OK                | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Lincoln, NE               | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Logan, UT-ID              | Denver        | 902.9          | Tolley et al.     | No                     |
| Lubbock, TX               | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Midland, TX               | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Missoula, MT              | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Odessa, TX                | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Ogden-Clearfield, UT      | Denver        | 902.9          | Tolley et al.     | No                     |
| Oklahoma City, OK         | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Pocatello, ID             | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Provo-Orem, UT            | Denver        | 902.9          | Tolley et al.     | No                     |
| Pueblo, CO                | Denver        | 902.9          | Tolley et al.     | No                     |
| Rapid City, SD            | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Salt Lake City, UT        | Denver        | 902.9          | Tolley et al.     | No                     |
| San Angelo, TX            | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Santa Fe, NM              | Denver        | 902.9          | Tolley et al.     | No                     |
| Sioux Falls, SD           | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Tulsa, OK                 | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Wichita Falls, TX         | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Wichita, KS               | Denver        | 902.9          | Tolley et al.     | Yes                    |
| Bakersfield, CA           | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Bellingham, WA            | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Bend, OR                  | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Boise City-Nampa, ID      | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Bremerton-Silverdale, WA  | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Carson City, NV           | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Chico, CA                 | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Coeur d'Alene, ID         | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Corvallis, OR             | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| El Centro, CA             | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Eugene-Springfield, OR    | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Flagstaff, AZ             | Los Angeles   | 117.69         | Brookshire et al. | No                     |

| MSA Name                                | Nearest Study |                |                   | Included in Scenario 2 |
|---|---------------|----------------|-------------------|------------------------|
|   | City          | <i>b</i> Value | Citation          |                        |
| Fresno, CA                              | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Hanford-Corcoran, CA                    | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Kennewick-Richland-Pasco, WA            | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Las Vegas-Paradise, NV                  | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Lewiston, ID-WA                         | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Longview-Kelso, WA                      | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Los Angeles-Long Beach-Santa Ana, CA    | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Madera, CA                              | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Medford, OR                             | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Merced, CA                              | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Modesto, CA                             | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Mount Vernon-Anacortes, WA              | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Olympia, WA                             | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Oxnard-Thousand Oaks-Ventura, CA        | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Phoenix-Mesa-Scottsdale, AZ             | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Portland-Vancouver-Beaverton, OR-WA     | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Prescott, AZ                            | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Redding, CA                             | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Reno-Sparks, NV                         | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Riverside-San Bernardino-Ontario, CA    | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Sacramento--Arden-Arcade--Roseville, CA | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Salem, OR                               | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Salinas, CA                             | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| San Diego-Carlsbad-San Marcos, CA       | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| San Luis Obispo-Paso Robles, CA         | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Santa Barbara-Santa Maria-Goleta, CA    | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Seattle-Tacoma-Bellevue, WA             | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Spokane, WA                             | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| St. George, UT                          | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Stockton, CA                            | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Tucson, AZ                              | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Visalia-Porterville, CA                 | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Wenatchee, WA                           | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Yakima, WA                              | Los Angeles   | 117.69         | Brookshire et al. | Yes                    |
| Yuba City-Marysville, CA                | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Yuma, AZ                                | Los Angeles   | 117.69         | Brookshire et al. | No                     |
| Alexandria, LA                          | Mobile        | 385.75         | Tolley et al.     | Yes                    |
| Austin-Round Rock, TX                   | Mobile        | 385.75         | Tolley et al.     | Yes                    |
| Baton Rouge, LA                         | Mobile        | 385.75         | Tolley et al.     | Yes                    |
| Beaumont-Port Arthur, TX                | Mobile        | 385.75         | Tolley et al.     | Yes                    |
| Brownsville-Harlingen, TX               | Mobile        | 385.75         | Tolley et al.     | Yes                    |
| Cape Coral-Fort Myers, FL               | Mobile        | 385.75         | Tolley et al.     | No                     |
| College Station-Bryan, TX               | Mobile        | 385.75         | Tolley et al.     | Yes                    |

| MSA Name                               | Nearest Study |                |                | Included in Scenario 2 |
|--|---------------|----------------|----------------|------------------------|
|  | City          | <i>b</i> Value | Citation       |                        |
| Corpus Christi, TX                     | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Dallas-Fort Worth-Arlington, TX        | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Dothan, AL                             | Mobile        | 385.75         | Tolley et al.  | No                     |
| Fayetteville-Springdale-Rogers, AR-MO  | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Fort Smith, AR-OK                      | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Fort Walton Beach-Crestview-Destin, FL | Mobile        | 385.75         | Tolley et al.  | No                     |
| Gulfport-Biloxi, MS                    | Mobile        | 385.75         | Tolley et al.  | No                     |
| Hattiesburg, MS                        | Mobile        | 385.75         | Tolley et al.  | No                     |
| Hot Springs, AR                        | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Houma-Bayou Cane-Thibodaux, LA         | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Houston-Baytown-Sugar Land, TX         | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Jackson, MS                            | Mobile        | 385.75         | Tolley et al.  | No                     |
| Jonesboro, AR                          | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Killeen-Temple-Fort Hood, TX           | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Lafayette, LA                          | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Lake Charles, LA                       | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Laredo, TX                             | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Little Rock-North Little Rock, AR      | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Longview, TX                           | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| McAllen-Edinburg-Pharr, TX             | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Memphis, TN-MS-AR                      | Mobile        | 385.75         | Tolley et al.  | No                     |
| Mobile, AL                             | Mobile        | 385.75         | Tolley et al.  | No                     |
| Monroe, LA                             | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| New Orleans-Metairie-Kenner, LA        | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Panama City-Lynn Haven, FL             | Mobile        | 385.75         | Tolley et al.  | No                     |
| Pascagoula, MS                         | Mobile        | 385.75         | Tolley et al.  | No                     |
| Pensacola-Ferry Pass-Brent, FL         | Mobile        | 385.75         | Tolley et al.  | No                     |
| Pine Bluff, AR                         | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Punta Gorda, FL                        | Mobile        | 385.75         | Tolley et al.  | No                     |
| San Antonio, TX                        | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Sherman-Denison, TX                    | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Shreveport-Bossier City, LA            | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Texarkana, TX-Texarkana, AR            | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Tuscaloosa, AL                         | Mobile        | 385.75         | Tolley et al.  | No                     |
| Tyler, TX                              | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Victoria, TX                           | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Waco, TX                               | Mobile        | 385.75         | Tolley et al.  | Yes                    |
| Napa, CA                               | San Francisco | 1225.49        | Loehman et al. | No                     |
| San Francisco-Oakland-Fremont, CA      | San Francisco | 1225.49        | Loehman et al. | No                     |
| San Jose-Sunnyvale-Santa Clara, CA     | San Francisco | 1225.49        | Loehman et al. | No                     |
| Santa Cruz-Watsonville, CA             | San Francisco | 1225.49        | Loehman et al. | No                     |
| Santa Rosa-Petaluma, CA                | San Francisco | 1225.49        | Loehman et al. | No                     |
| Vallejo-Fairfield, CA                  | San Francisco | 1225.49        | Loehman et al. | No                     |

| MSA Name                                    | Nearest Study |         |               | Included in Scenario 2 |
|---|---------------|---------|---------------|------------------------|
|   | City          | b Value | Citation      |                        |
| Akron, OH                                   | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Allentown-Bethlehem-Easton, PA-NJ           | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Altoona, PA                                 | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Atlantic City, NJ                           | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Baltimore-Towson, MD                        | Washington DC | 756.86  | Tolley et al. | No                     |
| Binghamton, NY                              | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Blacksburg-Christiansburg-Radford, VA       | Washington DC | 756.86  | Tolley et al. | No                     |
| Buffalo-Cheektowaga-Tonawanda, NY           | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Burlington, NC                              | Washington DC | 756.86  | Tolley et al. | No                     |
| Canton-Massillon, OH                        | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Charleston, WV                              | Washington DC | 756.86  | Tolley et al. | No                     |
| Charlottesville, VA                         | Washington DC | 756.86  | Tolley et al. | No                     |
| Cleveland-Elyria-Mentor, OH                 | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Cumberland, MD-WV                           | Washington DC | 756.86  | Tolley et al. | No                     |
| Danville, VA                                | Washington DC | 756.86  | Tolley et al. | No                     |
| Dover, DE                                   | Washington DC | 756.86  | Tolley et al. | No                     |
| Durham, NC                                  | Washington DC | 756.86  | Tolley et al. | No                     |
| Elmira, NY                                  | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Erie, PA                                    | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Fayetteville, NC                            | Washington DC | 756.86  | Tolley et al. | No                     |
| Goldsboro, NC                               | Washington DC | 756.86  | Tolley et al. | No                     |
| Greensboro-High Point, NC                   | Washington DC | 756.86  | Tolley et al. | No                     |
| Greenville, NC                              | Washington DC | 756.86  | Tolley et al. | No                     |
| Hagerstown-Martinsburg, MD-WV               | Washington DC | 756.86  | Tolley et al. | No                     |
| Harrisburg-Carlisle, PA                     | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Harrisonburg, VA                            | Washington DC | 756.86  | Tolley et al. | No                     |
| Ithaca, NY                                  | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Jacksonville, NC                            | Washington DC | 756.86  | Tolley et al. | No                     |
| Johnstown, PA                               | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Lancaster, PA                               | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Lebanon, PA                                 | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Lynchburg, VA                               | Washington DC | 756.86  | Tolley et al. | No                     |
| Mansfield, OH                               | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Morgantown, WV                              | Washington DC | 756.86  | Tolley et al. | No                     |
| Myrtle Beach-Conway-North Myrtle Beach, SC  | Washington DC | 756.86  | Tolley et al. | No                     |
| Ocean City, NJ                              | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Parkersburg-Marietta, WV-OH                 | Washington DC | 756.86  | Tolley et al. | No                     |
| Philadelphia-Camden-Wilmington, PA-NJ-DE-MD | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Pittsburgh, PA                              | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Raleigh-Cary, NC                            | Washington DC | 756.86  | Tolley et al. | No                     |
| Reading, PA                                 | Washington DC | 756.86  | Tolley et al. | Yes                    |
| Richmond, VA                                | Washington DC | 756.86  | Tolley et al. | No                     |
| Roanoke, VA                                 | Washington DC | 756.86  | Tolley et al. | No                     |

| MSA Name                                     | Nearest Study |                |               | Included in Scenario 2 |
|--|---------------|----------------|---------------|------------------------|
|  | City          | <i>b</i> Value | Citation      |                        |
| Rochester, NY                                | Washington DC | 756.86         | Tolley et al. | Yes                    |
| Rocky Mount, NC                              | Washington DC | 756.86         | Tolley et al. | No                     |
| Salisbury, MD                                | Washington DC | 756.86         | Tolley et al. | No                     |
| Scranton--Wilkes-Barre, PA                   | Washington DC | 756.86         | Tolley et al. | Yes                    |
| State College, PA                            | Washington DC | 756.86         | Tolley et al. | Yes                    |
| Syracuse, NY                                 | Washington DC | 756.86         | Tolley et al. | Yes                    |
| Trenton-Ewing, NJ                            | Washington DC | 756.86         | Tolley et al. | Yes                    |
| Vineland-Millville-Bridgeton, NJ             | Washington DC | 756.86         | Tolley et al. | Yes                    |
| Virginia Beach-Norfolk-Newport News, VA-NC   | Washington DC | 756.86         | Tolley et al. | No                     |
| Washington-Arlington-Alexandria, DC-VA-MD-WV | Washington DC | 756.86         | Tolley et al. | No                     |
| Weirton-Steubenville, WV-OH                  | Washington DC | 756.86         | Tolley et al. | No                     |
| Wheeling, WV-OH                              | Washington DC | 756.86         | Tolley et al. | No                     |
| Williamsport, PA                             | Washington DC | 756.86         | Tolley et al. | Yes                    |
| Wilmington, NC                               | Washington DC | 756.86         | Tolley et al. | No                     |
| Winchester, VA-WV                            | Washington DC | 756.86         | Tolley et al. | No                     |
| Winston-Salem, NC                            | Washington DC | 756.86         | Tolley et al. | No                     |
| York-Hanover, PA                             | Washington DC | 756.86         | Tolley et al. | No                     |
| Youngstown-Warren-Boardman, OH-PA            | Washington DC | 756.86         | Tolley et al. | Yes                    |