

From the Phoenix Business Journal

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How much is the water in your faucet worth? More than \$1 trillion

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How much is the water that came out of your faucet this morning worth?

The answer is about \$1 trillion dollars, if its from the Colorado River, according to new report released this morning.

The **Greater Phoenix Economic Council** and Central Arizona Project estimate the economic impact of canals that bring 500 billion gallons of Colorado River water into the state each year \$1.1 trillion over a 24-year period.

Economists from **Arizona State University's** W.P. Carey School of Business estimated the economic impact of CAP's 336-mile canal system on the state's economy. They found a \$100 billion annual economic benefit from the river water. The canals provide water supplies to Phoenix and other areas of the state. Without the canals, the Valley would not be able sustain itself or grow. Farms, industrial users — such as semiconductor manufacturers — as well as household users all benefit from the river water.

The ASU report for CAP and GPEC looked at water supplies and Arizona's economy from 1986 to 2010.

Forty-four percent of the city of Phoenix's water supplies come from CAP.

"Central Arizona Project is one of the reasons why the desert flourishes and the economy continues to grow and attract new business to the state," said [Barry Broome](#), president and CEO of the Greater Phoenix Economic Council. "CAP's water deliveries to cities, farms and industry have been crucial to our economic vitality."

The Colorado River, however, continues to suffer from drought conditions. Southern California, Las Vegas and Phoenix all rely on the Colorado River for water supplies for farms, industry and housing.

“Preserving this vital resource is foremost in our minds. The Colorado River is experiencing long-term drought and CAP’s focus is to continue to work diligently with our customers and stakeholders to ensure this resource is available to support the future of our state and Southwest region,” said CAP General Manager [David Modeer](#).

Mike Sunnucks writes about residential and commercial real estate, government, law, sports business and workplace issues.