Comparing the Field-Level Profitability of Irrigated Cropping Activities for Temporary Water Transfers

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Abstract. Temporary water leases are a potential source of revenue for Colorado farms, but also limit the amount of water remaining for irrigated crop production and may affect economic risk. We developed a framework to compare the risk-adjusted profitability of alternate cropping activities that differ by crop, harvest, and irrigation treatments, and could be adopted for temporary water transfers. We illustrate the framework by presenting a field-level case study comparing the performance of thirteen activities on a typical farm field in Eastern Colorado.