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| Input-Output (also called multiplier analysis) | IMPLAN        | • Quantifies the total economic effects of a change in the demand for a given product or service.  
• Can be inexpensive. | • Static; multipliers represent only a snapshot of the economy at a given point in time.  
• Generally assumes fixed prices.  
• Typically does not account for substitution effects, supply constraints, and changes in competitiveness or other demographic factors. | • Provides rich sectoral detail (NAICS-based). Could be appropriate if the need is to analyze detailed impacts by sector. | Short-term analysis.   |
| Econometric Models                          | RAND          | • Usually dynamic, can estimate and/or track changes in policy impacts over time.  
• Coefficients are based on historical data and relationships, and statistical methods can be used to assess model credibility. | • Historical patterns may not be best indicator or predictor of future relationships.  
• Some econometric models do not allow foresight. | • Important to understand if model is myopic or has foresight. | Short- and long-term analysis. |
| Computable General Equilibrium (CGE) Models | REMI          | • Account for substitution effects, supply constraints, and price adjustments. | • Not widely available at state level.  
• Most CGE models available at state level are static, although a few are dynamic. | • Important to examine how the energy sector is treated within any specific CGE model. | Long-term analysis.     |
| Hybrid                                      |               | • Most sophisticated, combining aspects of all of the above.  
• Dynamic, can be used to analyze both short- and long-term impacts.  
• Can be used to model regional interactions.  
• Flexibility of looking at 2-, 3-, or 4-digit NAICS sectors. | • Can be expensive, especially if there is a need to analyze impacts on multiple sub-regions (e.g., counties within a state).  
• Can require a fair amount of massaging inputs, especially with energy sector inputs. | • Important to examine how energy sector is treated.  
• May need to update default data to account for most recent energy assumptions | Short- and long-term analysis. |