Learning How to Build Back Better through Clean Energy Policy Evaluation

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Workshop on Tracking and Evaluation of RD&D Programs at Department of Energy Resources for the Future
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Build Back Better through the Inflation Reduction Act and the Infrastructure Investment and Jobs Act
Data, Institutionalization, and Evaluation Culture

• Benefits of Clean Energy Program Evaluation
• Institutionalizing Evaluation: Lessons from Regulatory Review
• Producing Data for Evaluation: Lessons from the 2009 Recovery Act
• Planning for Clean Energy Policy Evaluations
Benefits of Clean Energy
Policy Evaluation
Policy Objectives
Demonstrate Policy Efficacy

• Progress towards emission goals

• Distribution of benefits, costs, impacts, etc.

• Policy cost-effectiveness

• Other socially and politically desirable metrics

→ Inform policy updating over time, addressing interests of White House and Congress
Advance Learning Agenda for Climate

- Implement *Foundations for Evidence-Based Policymaking Act of 2018*

- Institutionalize learning agenda for climate

- Inform strategic and budget planning for climate

→ Sharing data and evidence with stakeholders can facilitate durable demand for evaluation
Institutionalizing Evaluation: Lessons from Regulatory Review
Lessons from Regulatory Review

- “Compelling need” standard for regulatory review applies equally to clean energy spending
  - “Modernizing regulatory review”

- Standardize evaluation methods and processes
  - OMB guidance: Circular A-4
  - Agency guidance for economic analysis

- Support iterative policy and retrospective analysis
Producing Data for Evaluation: Lessons from the Academic Literature on the 2009 Recovery Act
Producing Data

• ARRA 2009 clean energy program evaluations rely on program design for empirical strategy
  ▪ Program design stage: evaluation can inform design and data collection

• Data collected/produced by implementing agency
  ▪ Data informing funding decisions
  ▪ Data on recipient actions
  ▪ Minimize need for recipient interpretation
Connecting Data

• Data collected by other agencies
  ▪ Energy Information Administration
  ▪ Census and Annual Survey of Manufactures
  ▪ U.S. Patent and Trademark Office
  ▪ National Center for Health Statistics
  ▪ Bureau of Labor Statistics

  ➔ Provide information about non-recipients and information about outcomes influenced by outputs

• Data collected by private sector
Planning for Clean Energy
Program Evaluations
Guidance for Planning

- Develop guidance and resources for evaluations
- Identify priority outcomes to evaluate
- Identify policies/programs with learning potential
- Develop evaluation plans and data protocols
- Ensure evaluation plan transparency
- Promote performance evaluation culture
Energy Program Performance Scorecard

• Commit to public communication of impacts of energy programs
  ▪ Integrate with climate evidence across government
  ▪ Annual report to Congress

• Produce a set of metrics that reflect key outcomes
  ▪ Energy technology and market outcomes
  ▪ Justice40
  ▪ Place-based economic outcomes

→ Use scorecard in appropriations, energy bill processes
Thank You!

RFF working paper: https://tinyurl.com/AldyBBB

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