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EVALUATION ETHICS: WHAT IS THE BEST WAY TO ENSURE THIRD PARTY PROGRAM EVALUATIONS ARE OBJECTIVE AND WITHOUT CONFLICT OF INTEREST?

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PANELISTS:

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SUMMARY:

The boom and bust cycle of the funding available for energy efficiency program evaluation has made it important for some firms to diversify their service offerings by offering program design, delivery and evaluation services to electric utilities and energy agencies. This trend has led to the potential for problems in the "efficiency program market" due to real or perceived conflicts of interest that may be faced by firms simultaneously implementing and evaluating efficiency programs; even if the programs and evaluations are in different areas or sectors. In addition, there may be issues associated with the limited dissemination of poor results for some energy efficiency program for fear of losing future clients. This panel discusses some of these public policy issues in a search for a middle ground or set of principles that could guide future work in the evaluation and implementation areas.

Specifically the panel will discuss the following questions:

1. Can firms simultaneously pursue Energy Efficiency Program implementation and Evaluation activities within a given state or county without a conflict of interest? To what extent can this problem be minimized by insisting that implementation activities be confined to different market sectors or programs than any evaluation work accepted by the firm?
2. If one was to decide there was a conflict of interest in question #1, can it be mitigated by setting up boundaries or fire walls between personnel or areas of work within the firm? Or are there other structural solutions to this problem?
3. To what extent should the work of evaluation firms be reviewed by outside parties if the program manager or the evaluation firm has at least the potential to gain financially from a favorable program evaluation? Do energy efficiency program evaluation firms have a built in or long term financial interest in producing positive program evaluation results? Are their contract mechanisms that can be used to be sure the evaluation results produced are truly independent?