

SESSION 4D

ATTRIBUTION AND PUBLIC POLICY

Moderator: Ralph Prahl, Prahl & Associates

PAPERS:

Free Ridership and Spillover: A Regulatory Dilemma

William P. Saxonis, New York State Department of Public Service

Maximizing Societal Uptake of Energy Efficiency in the New Millennium:

Time for Net-to-Gross to Get Out of the Way?

Rafael Friedmann, Pacific Gas & Electric Co.

Market-Effects Momentum: Are We Giving Market Effects Their Full Due?

Dr. Harley H. Barnes, Lockheed Martin

SESSION SUMMARY:

This session presents three new contributions to the recent debates regarding the proper role of attribution and net-to-gross analysis in public policy.

Saxonis critically examines recent free riding and spillover results from energy efficiency programs in New York, finding that spillover represents a bigger impact there than in other states. His suggestions for improving the usefulness of free riding and spillover results to regulators and other policy makers include: increasing collaboration between states and other interested parties; and paying more attention to the connections between changes in free rider and spillover levels and changes in markets and economic conditions.

Friedmann calls for major changes in California's policies and protocols regarding the evaluation of attribution-related issues, arguing that the current strong focus on estimating free riding inhibits the development of innovative programs, leads to misallocation of resources, and causes insuperable technical challenges.

Finally, Barnes reviews the policy implications of failing to recognize momentum effects, or end-users who adopt energy-efficiency measures in time periods after the program year in which they were exposed to the program's activities. He concludes that most program planners and evaluators have not been giving market effects their full due.