## **EIA'S External Study Team:**

### Introduction and Evaluation

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## **External Study Team Introduction**

#### Who?

Leader: A. Denny Ellerman

Members: Kathleen B. Cooper

Jay Hakes

Paul L. Joskow

**Philip Sharp** 

#### What?

- Evaluate EIA's activities & performance
- Consider is EIA doing the "right things"
- Identify challenges for next five years

#### When?

- June 2005 May 2006
- Two meetings and report writing

## **How has EIA Performed?**

- Five notable trends over past 30 years
  - Continuing Public Concern about Energy
  - Growing International Dimensions
  - Increasing Importance of Energy Markets
  - The Emergence of the Internet
  - Federal Budget Stringency
- EST's Evaluation of Past 30 years
  - Good job in becoming source of energy information and analysis trusted by all
  - Good response to budget pressures, new developments in IT, and handling marketsensitive data

### **EIA's Analysis & Forecasting Functions**

- EIA stands out among statistical agencies for the prominence of forecasting and the resources used
- Public interest rationale not as obvious as for data collection and dissemination
- Included among EIA functions in DOE Organization Act
  - "adequacy of energy resources (for) the near and longer term future"
  - And not subject to executive branch review
- EST concluded presumption of a public interest remains valid
  - Need for objective analyses and forecasts
  - Function is needed within the executive branch

# **Product and Program Review**

- Programs over which EIA has discretion
  - These core programs well justified
  - Appropriate exercise of discretion in initiating and discontinuing programs as circumstances warranted
- Programs specifically mandated by Congress
  - Three not justified; inappropriate and diversionary; recommend termination or transfer
    - Financial Reporting System
    - Voluntary Reporting of Greenhouse Gas Survey
    - Survey of Alternative Fueled Vehicles
  - Better use of Consumption Surveys; better use of micro-data and access for research community

### **Budget Stringency and Policy Analysis**

- A Developing Resource Problem
  - Demise of policy analysis function in DOE has shifted this activity increasingly onto EIA
  - Increasing demands from Congress for specific analyses and evaluations
  - Real resources have declined steadily from early 1980s
- A problem created in part by EIA's success, but new demands not accompanied by additional resources
- Result has been a diminution of discretionary analysis in EIA and deferral of data quality control