



**The Electric Program Investment Charge
Proposed 2012-014 Triennial Investment Plan
Comment Concerning Program Evaluation**

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The budget presented at the September 27, 2012 workshop on the Triennial Investment Plan did not include any explicit funding for evaluation. The Commission should consider revising this budget to include explicit funding for evaluation. A reasonable amount for an evaluation budget might be \$2.5 million/year (about 2% of the total budget). This funding could be used to support an EPIC-program evaluation staff and, when appropriate, the services of outside experts.

The current draft of the Investment Plan only addresses evaluation in the context of assessing program benefits (often referred to as “impact evaluation”). The Commission should consider expanding the scope of its evaluation efforts to address additional aspects of program evaluation. For example, the Commission might evaluate the effectiveness of the procedures it uses to award projects and manage the program (often referred to as “process evaluation”). If a feedback loop between process evaluation and program management can be established, it could make a significant contribution to improving program performance. Evaluation efforts could also be used to assess the performance of existing projects (for example, by conducting critical project reviews) and the performance of EPIC-funded research centers (for example, by supporting reviews by independent experts).

In summary, evaluation can make a significant contribution to the quality of the EPIC program for a relatively modest cost. The Commission should consider an explicit allocation of budget and staff for evaluation early in the planning process because, as EPIC gains momentum, reallocation of resources to evaluation will not be easy.