

BEIS Approach to Energy Evaluation

Tajbee Ahmed

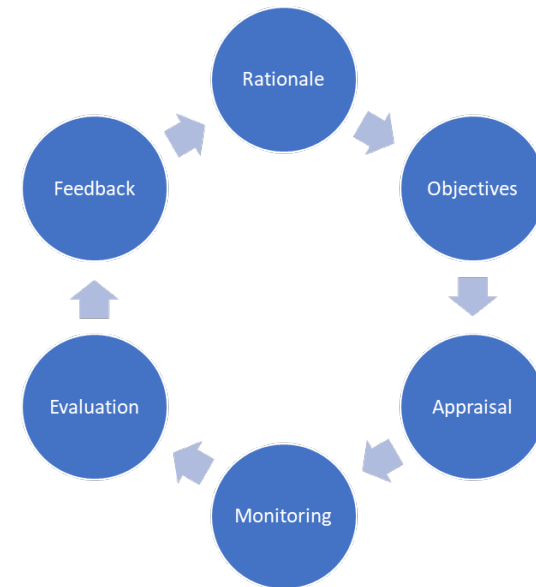
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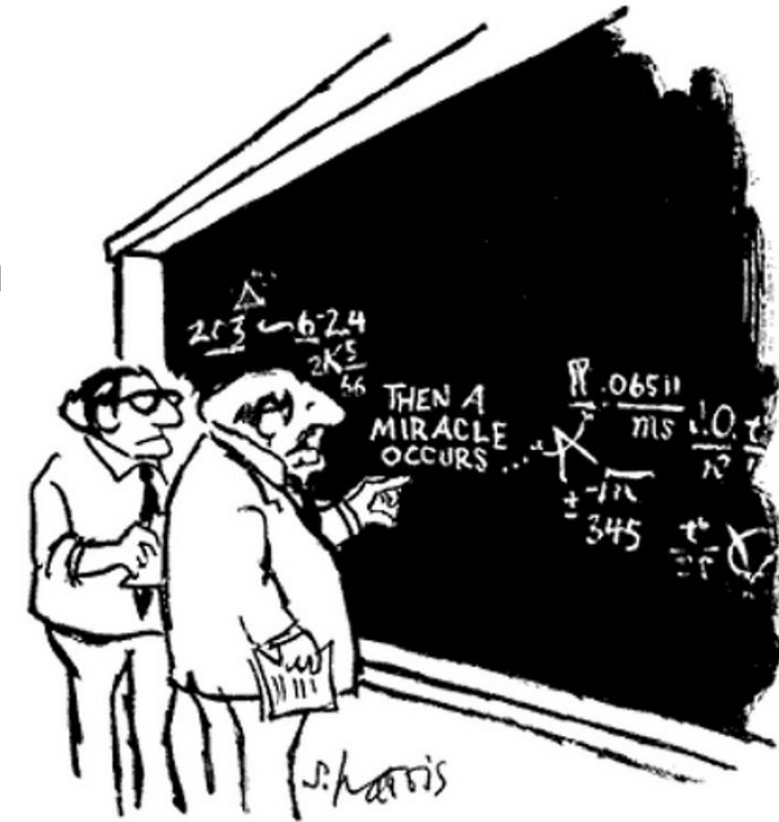
Drivers of evaluation

- **Accountability** - evidence of policy effectiveness and costs to:
 - the Accounting Officer and other stakeholders
 - the National Audit Office / Parliamentary Public Accounts Committee
 - Government Spending Review analysis
- **Learning**
 - Understanding how policies work
 - Improve current and future policies
 - Manage risk and uncertainty



Approach to Evaluation

- **Theory based**: a theory of change with specification of a theory of “how” and “why” an intervention might cause an effect.
- **Realist**: ‘what works in which circumstances and for whom?’, rather than merely ‘does it work? Context matters.
- **Design** of evaluation to test the theory.
- Theory based used where experimental methods are not viable and when we need to know ‘why’ and ‘how’ impact occurs.



“I think you should be more explicit here in step two.”

Examples of BEIS Energy Evaluations

- **Contracts for Difference (CfD) for Renewable Electricity Generation**
 - **Policy:** to support low-carbon electricity generation. Developers of projects are paid a flat rate for the electricity they produce over a 15 year period. Price is determined through auction.
- **Transitional Arrangement for Demand Side Response (DSR)**
 - **Policy:** targeted support for DSR to increase participation in the Capacity Market.
- **Electricity Demand Reduction pilot**
 - **Policy:** organisations received financial support for implementing energy efficiency and delivering electricity savings at peak times.
- **Evaluation Methods:**
 - Developing a realist hypotheses, that is tested against research evidence collected through:
 - interviews and surveys with participants and non-participants and other stakeholders,
 - administrative data
 - other existing data sources.
 - CfD evaluation included modelled counterfactual of continuation of previous policy to determine value for money.

Further info

- **The Magenta Book** www.gov.uk/government/publications/the-magenta-book
HM Treasury guidance on what to consider when designing an evaluation.
- **BetterEvaluation.org**
Information about methods, processes and approaches to improve evaluation practice and theory.
- **Transitional Arrangements for DRS Evaluation** www.gov.uk/government/publications/evaluation-of-the-transitional-arrangements-for-demand-side-response-phase-3
Example of a BEIS commissioned theory-based realist evaluation

