

Statement on Energy Information for the 21st Century*

As surely as the energy markets have changed over the last 20-30 years of the twentieth century, so can we expect them to change in the coming decades. Those inevitable changes present challenges that both private and public sector decision makers will have to face in the not-so-distant future. Preparing the best information on which to make those decisions is a challenge that we must face today. To accomplish this, there are three basic principles that guide us.

- ***We cannot manage what we do not measure.***

Without strong improvement in the quality of information in energy it will be hard, if not impossible, to assess meaningful policy options. The United States spends \$80 million annually for all of the activities of the Energy Information Administration. This is in contrast to an annual energy expenditure of almost \$700 Billion. EIA may be the single largest and most visible, but it is not the only activity in the U.S. devoted to understanding energy. However, even if EIA is one twentieth of all of the public and private sector activities combined, the total that is devoted to energy data and analyses would still be only two tenths of one percent of annual energy expenditures. Given the challenges, this is unreasonably small.[†]

- ***Have the right tool for the job.***

The generation of energy market analysis and models that were developed when prices were rising rapidly are not necessarily the kind of models and analyses that are needed today. Price is still a major component of our understanding of energy markets, but the transformation in the markets themselves creates a new set of issues and uncertainties. Looking myopically at energy issues out of the broader context, without considering the full scope of benefits and costs associated with energy will limit the evaluation of meaningful policy options. There is a need for an improved characterization of both technology and behavior in the understanding of the role of energy in a changing world.

- ***Analysis is for insights***

There is need for transparent and open communication between the analysts and between the decision making and analytic communities. Transparency does not equate to simplicity, but to an environment that facilitates an open exchange of information. There must be transparency of assumptions, both implicit and explicit, in both the formulation of the policy questions and in the analysis of those questions. There is substantial room for improvement in the analysis of policy and in developing scenarios that assist decision makers and stakeholders in crafting appropriate solutions. Analysis should provide insights regarding the robustness of results over a range of conditions and possibilities.

* This statement was initially drafted by an informal working group attending the 2003 ACEEE Summer Study on Energy Efficiency in Industry, Rye Brook, NY for consideration by the larger community interested in energy issues.

[†] The reference to the annual EIA operating budget should not be necessarily seen as an endorsement of EIA data collection and modeling capabilities; rather, it is a point estimate of the budget for a major effort within the United States to collect and review energy-related information and data.

Current Signatories

John A. Laitner	Guido Franco
Ernst Worrell	Lynn Price
Gale Boyd	Jonathan E. Sinton
Christie Galitsky	Maithili Iyer
Brynhildur Davidsdottir	R. Neal Elliott
Joe Roop	Philippe Crabbé
Donald A. Hanson	Tim Lynch
James Quinn	Julie Harrington
Suzanne Watson	Mark Levine
Tracy Narel	Robert H. Williams
David Anderson	Hillary I. Inyang
Ray Puffer	Benjamin F. Hobbs
Grant Duhon	Thomas Creahan
Gunnar Hovstadius	Paul Faeth
Robert Bruce Lung	David E. White
Eihab Fathelrahman	Alison Bailie
Leticia Ozawa-Meida	Faye Duchin
Peggy Podolak	Mark Toussaint
John Mortensen	Mark Jaccard
Crawford Honeycutt	Michael Tillou
Mark A. Schipper	Bruce Biewald
Philipp Degens	Jia Li
Barry Zalph	Ewan Pritchard
Thida Eu-Ahsunthornwattana	James Barrett
Rachel Cleetus	Tom Rooney
Nic Rivers	Miriam Pye
Stephen J. DeCanio	Duncan Austin
Yanjia Wang	C. Ziba Kellum
Dick Norgaard	Higinio Acoltzi Acoltzi
Alex Farrell	Joe Ianucci
Richard Howarth	Richard Scheer
Matthias Ruth	Chris Marnay
Fridtjof Unander	Bruce Hedman
Barry Solomon	Geoffrey Young
Irving Mintzer	Edward L. Vine
Alan H. Sanstad	Dick Munson
Shirley Neff	Ken Darrow
Daniel Kammen	Timothy E. Lipman
Michael Lazarus	Les Shiell
Sean McDonald	Eban Goodstein
Charlie Heaps	Robert B. Shelton
Bill Dougherty	Catherine A. Morris
Chella Rajan	Steven Plotkin
Eugene Coyle	Michael North
George Backus	Guenter Conzelmann
Jerome P. Dion	
Rob Lempert	
Michael Fisher	
Eric Smith	
Marvin Horowitz	
Mark Heil	
Cutler Cleveland	