NEW ECONOMIC SCHOOL
Masters in Energy Economics

Energy Policy

4th module, Spring 2018

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Course information

Course Website: TBA

Instructor's Office Hours: TBA

Class Time: TBA

Room Number: TBA

TAs: TBA

Course description

The course will familiarize students with the process of energy policy formation. It will present the formats of basic government documents and a toolkit that an energy economist needs to know to analyze existing and to formulate new energy policies.

After completing the course, the students will be able:

- to identify and gather documents relevant to energy policies;
- to understand and explain the logic of existing energy policy documents;
- to present a critical assessment of proposed energy policies; and
- to formulate and promote basic energy policies.

Course requirements, grading, and attendance policies

Prerequisites: General economic training that is equivalent to the bachelor degree in economics. The acquaintance with political economy, public choice, institutional economics, law and economics, and public economics provides the essential background that enables students to be comfortable with the course content. Experience in system engineering is also appropriate. Acquaintance with the framework of national energy statistics (data sources, survey techniques, and the System of National Accounts), and economic energy modeling (input-output tables, forecasting techniques) is relevant, but will not be relied upon in the course directly.

Teaching and assigned projects: classroom lectures and seminar discussions. Each student will be responsible for a virtual government unit position with correspondingly assigned duties working on a specific topic. Some students will assume managerial responsibilities as team

leaders. The final product of each student work will consist of a briefing note on an energy-related topic of his or her choice (approved by the leader and instructor) and a class presentation of an energy policy developed and proposed by a team. Providing peer review of a policies developed by all other groups will constitute a part of the grading process.

Grading policy: Grades will be assigned based on the following criteria:

- General work ethics (class participation; initiative during the brainstorming sessions; possibly, attendance) 10%
- Briefing note (format, completeness, clarity) 25%
- Public policy paper (general evaluation by instructor; intra-team assessment of each member contribution after the presentation) 20%
- Group presentation (360° evaluation by peers and instructor) 25%
- Final exam (questions and essay on the effective use of the tools, understanding of the process, and subject-related knowledge) 20%

Additional grading points can be earned for publicizing the student's products (briefing notes and policy proposals) through external presentations, as well as publications in regular media and in social networks.

- (Bonus) Individual and team effort on publicizing the products 20%
- Total grade = Min {the sum of the above; 100}

Absences without leave will be monitored and may affect the final grade of the students whose teams will underperform when presenting and publicizing their respective policy papers.

Course contents (tentative schedule)

1. Introduction: the course, a survey on team preferences (members/leaders), schedule, and grading
2. Policy research process (how to conduct field research in a scientific manner)
3. Briefing note: format
4. Briefing note: follow up
5. Policy study paper (PSP): format
6. Policy study paper: follow up
7. Tools: policy formation process
8. Tools: adapting system engineering techniques to economic issues
9. Tools: market design
10. Policy analysis: format
11. Current energy policy landscape and energy-related policies that dominate the public discourse today (possible topics: climate change, energy security and diversification of supply, energy subsidies and fair pricing, the importance of energy sector for public finance)
12. PSP class presentations 1
13. PSP class presentations 2
14. Optional (time permitting): Energy policy and public relations, ethical issues in energy policy (political corruption, energy poverty, pollution, energy justice, energy poverty, energy security)

15. Optional (time permitting): Energy policy history (from the Antiquity to the climate change)
16. Final exam

Description of course methodology

The course will replicate the operations of a government analytical unit that carries out a research plan on energy policy issues (specifically, the Energy Strategy of Russia for the period up to 2035). Students will form teams specializing in one of the energy domains (e.g., crude oil extraction, energy demand and efficiency, etc.), within which they choose an energy-related topic, initially, for individual research and analysis (to be submitted in written form as a briefing note) and, then, expand the topic to be included as a component of a policy study paper both in written form and presented orally in class by a team.

Organizationally, each team will have a leader who will be responsible for selecting a policy objective to be explored by the team. The leaders also assure that the process of preparing the paper follows the deadlines and guide the presentation of its final version choosing the format and speakers.

Note that since the government operates as a hierarchical inter-connected system, teams are expected to show a degree of internal coherence (teamwork) when developing the paper as wells as to consult the groups whose work may be affected by proposed policies and to offer the other groups to work jointly on the topics of mutual interest.

The traditional part of the course will consist of 12-14 lectures, during which the instructor introduces instruments that analysts use to conduct economic analysis, explains standard formats used in government documents, and provides general information about the process of policy making. Historical and current examples of the energy policy as well as political environment, within which energy policies are adopted and implemented, and ethical issues that a policy analyst may face can be covered in the course depending on the time and demand.

Sample tasks for course evaluation

[TBD]

Course materials

Required textbooks and materials

Проект энергостратегии РФ на период до 2035 года (редакция от 01.02.2017), downloadable at https://minenergo.gov.ru/node/1920, last download - December 16, 2017

All other learning materials will be provided or referred to in class. They comprise: lecture notes, publicly available documents related to energy policy, academic articles, and energy data.

Additional materials

Knoepfel, Peter, Corinne Larrue, Frédéric Varone, and Michael Hill (2007). *Public Policy Analysis*, the Policy Press, University of Bristol, UK

Blanchard, Benjamin S. and John E. Blyler (2016). *System Engineering Management*, 5th edition, Wiley, Hoboken, New Jersey, USA

Roth, Alvin E. (2015). *Who Gets What – and Why: The New Economics of Matchmaking and Market Design*, Houghton Mifflin Harcourt, New York, USA

Bardach, Eugene (2012). *A Practical Guide for Policy Analysis: The Eightfold Path to More Effective Problem Solving*, 4th edition, CQ Press, Thousand Oaks, CA, USA

Young, Eóin and Lisa Quinn (2002). *Writing Effective Public Policy Papers: A Guide for Policy Advisers in Central and Eastern Europe*, Open Society Institute, Budapest, Hungary

Students are encouraged to search for additional information independently and use it effectively in their work given that references to all sources of information are duly provided.

Academic integrity policy

Cheating, plagiarism, and any other violations of academic ethics at NES are not tolerated.