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Title - Impact Analysis for Economic Regulatory Agencies.

Regulatory impact assessment suggests several unique issues. Regulatory agencies are complex because they combine quasi-legislative, quasi-administrative, and quasi-judicial roles. Economic regulation defies the calculus of conventional cost-benefit calculus (for all its known flaws), requiring consideration of non-market criteria and counterfactual evidence (such as abuse of market power). A variety of metrics are used selectively to assess regulatory performance and climate. A broad conceptual framework includes capacity, process, output, outcome, and integrity metrics. Measuring regulatory performance raises three persistent and interrelated concerns: validity (because metrics may not be representative or relevant); objectivity (because evaluation is a matter of perspective, as well as politics), and ambiguity (because many commonly used metrics are open to competing interpretations). Metrics regarding decision timeliness and "regulatory lag" are illustrative. The performance of regulators is intrinsically and inevitably tied to the performance of regulated firms, especially in terms of the price and quality of service. The focus on measurement should not deflect attention to regulation's more important but less quantifiable impacts (namely equity, justice, and ultimate well-being). Albeit imperfect, mindful impact analysis can be used to support institutional accountability, credibility, and legitimacy and apply measurable means toward the immeasurable end understood as regulation in the public interest.