

Comment on “Fostering nuclear safety through local monitoring: evidence from incident data in the French fleet”

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The paper

Do more inspections decrease or increase violations in the nuclear industry?

- Decrease: deterrence effect -> increase in effort
- Increase: detection effect -> decrease in under-reporting

Main result: no deterrence effect, small but positive detection effect

Method:

- Use automatically reported violations to identify deterrence effect
- Use # of green party candidates as IV for inspection intensity

My comments

1. Position in the literature
2. Empirical strategy

Position in the literature

Literature on inspections is budding, especially with two recent papers by Duflo, Greenstone, Pande and Ryan (DGPR)

- DGPR1: Impact of checking the results of private auditors -> major detection effect, small deterrence effect
- DGPR2: Impact of additional public inspections -> very small, especially because ill-targeted

The results of the paper fit nicely in this story.

Empirical strategy

Main worry: commission budget is large where there are a lot of big, old facilities
=> spurious positive correlation between budget and violations

Advice: be much more detailed on IV

- Run budget regressions at the département level, on total installed capacity and age
- Show graphs of partialled out residuals
- Tell stories of precise départements that have comparable fleet but different budgets (look at minute of the debates in local parliament)
- Why not use % of vote for green party? % of green parliament members?