Figure 3: The Critical Importance of Policy Timing (Advanced Purchase Commitment Analysis)

A) Policy Effectiveness vs. Timing

B) Cost-Effectiveness by Timing --- Exponential Decay Fit 100 Cost per Successful Tier 3 Firm (\$M) 18.70 80 18.65 Final Tier 3 Firms 18.60 60 18.55 18.50 18.45 0 10 10 8 8 **Policy Activation Year Policy Activation Year** C) Tier 3 Firm Evolution by Activation Timing **D) Critical Timing Threshold** Activation Year 1 **Activation Year 3** 17.5 18 Activation Year 5 Activation Year 7 15.0 Activation Year 10 **E** 12.5 Final Tier 3 Firms 50% Effectiveness Threshold 7.5 5.0 2.5 10 0.0 2.5 7.5 10.0 12.5 20.0 10 2 8 0.0 5.0 15.0 17.5 **Simulation Year Policy Activation Year**