

Component of total energy rebound	Origin/Mechanism	
<p><u>Microeconomic rebound</u>: these rebound mechanisms occur at the single device level, within the static economy, based on responses to the reduction in implicit price of an energy service.</p>	<p><u>Jenkins (2011) / Greening (2000) / Thomas & Azevedo (2013)</u></p>	<p>MPC & Large rebound paper (& comparison to Jenkins/Greening)</p>
	<p><u>Direct rebound</u>: describes the direct response to the single energy efficiency improvement. Jenkins et al. 2011 (p.13, 10) split into two sub-classes:</p> <ul style="list-style-type: none"> • <u>Income/output effects</u>: This is the increasing demand for that energy service by producers to expand their output ('an output effect') or consumers (an 'income effect'). • <u>Substitution effects</u>: this captures the substitution of that energy service for the other goods or services (consumers) or inputs to production (producers). <p><u>Indirect rebound</u>: describes the indirect response to the single energy efficiency improvement. Jenkins et al. 2011 (p.13, 10) split into two sub-classes:</p> <ul style="list-style-type: none"> • <u>Re-spending and re-investment effects</u>: If consumers and firms see net cost savings from energy efficiency improvements, this may increase consumer expenditures or investments in production - increasing demand for goods, services, and factors of production, which in turn require energy to produce and support. (this maps to our indirect substitution and income effects) • <u>Embodied energy effects</u>: The energy 'embodied' in the efficiency improvements themselves will offset some portion of the energy savings achieved. (This maps to part of our emplacement effect) 	<p>1. Substitution effect: as per Jenkins 3. Income effect. As per Jenkins 5. Emplacement effect = device upgrade.</p> <p>2. Substitution effect: Part of Jenkins responding/reinvestment effects 4. Income effect: Other part of Jenkins responding/reinvestment effects 6. Emplacement effect = lifecycle effect (embodied, operations and maintenance, and disposal). Jenkins includes embodied effect only.</p>
<p><u>Macroeconomic rebound</u>: These mechanisms originate from the dynamic response of the economy to reach a stable equilibrium (between supply and demand for goods and energy services). They combine various short and long run effects.</p>	<p>Greening et al.(2000) split these into two sub-classes:</p> <ul style="list-style-type: none"> • <u>Economy-wide effects</u>: shorter-term induced changes in prices and quantities of goods/services throughout the economy, to reach a new, stable equilibrium. • <u>Transformational effects</u>: these stem from longer term change to consumers' preferences, social institutions, and rearrangement of the organization of production. <p>Thomas and Azevedo (2013) split into 5 components:</p> <ul style="list-style-type: none"> • a lower market price for energy, • changes in economic structure, • economic-competitiveness • investment and disinvestment, • labor market changes 	<p>7. Macroeconomic rebound effect: a multiplier effect, k. made up of components including:</p> <ul style="list-style-type: none"> • Growth effect • Composition effect • Scale effect • Labour supply effect • Energy market effect • Disinvestment effect <p>Close alignment to Thomas and Azevedo (2013). Greening (2000) splits into short vs longer term, which don't map that well to these 6 effects, as they include short/long term effects.</p>