

Component of Energy Rebound	Origin/Mechanism
<p>Microeconomic rebound: these rebound mechanisms occur within the static economy, based on responses to the reduction in implicit price of an energy service.</p> <p>Direct rebound: describes the direct response to the energy efficiency improvement.</p>	<p>Jenkins et al. [13] split into two sub-classes:</p> <ul style="list-style-type: none"> Income/output effects: This is the increasing demand for that energy service by producers to expand their output (“an output effect”) or consumers (an “income effect”). Substitution effects: this captures the substitution of that energy service for the other goods or services (consumers) or inputs to production (producers).
<p>Indirect rebound: this captures the indirect effects of direct energy rebound.</p>	<p>Jenkins et al. [13] split into two sub-classes:</p> <ul style="list-style-type: none"> Embodied energy effects: The energy “embodied” in the efficiency improvements themselves will offset some portion of the energy savings achieved. Re-spending and re-investment effects: 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.
<p>Macroeconomic rebound</p>	<p>Greening et al. [12] split these into two sub-classes:</p> <ul style="list-style-type: none"> Economy-wide effects: shorter-term induced changes in prices and quantities of goods/services throughout the economy, to reach a new, stable equilibrium. Transformational effects: these stem from longer term change to consumers’ preferences, social institutions, and rearrangement of the organization of production. <p>These mechanisms originate from the dynamic response of the economy to reach a stable equilibrium (between supply and demand for goods and energy services).</p>