

The Rebound Effect from Improving Energy Efficiency

Thursday, April 26

| Glasgow Hall East 203

| 1200 - 1300



Dr. Kenneth Gillingham

Dr. Kenneth Gillingham is an Assistant Professor of Economics at the Yale School of Forestry & Environmental Studies. His research focuses on renewable energy technology adoption, energy efficiency, and policies to reduce energy use from transportation.

Just how much might energy use increase due to the rebound effect? And what does this mean for the use and import of oil by the United States?

When energy efficiency is improved, the cost of usage is lowered. Interestingly enough, usage tends to increase, a phenomenon known as the “rebound effect.” For example, when fuel economy of new vehicles is improved, the cost per mile of driving drops and people tend to drive more.

Some of the items Gillingham will address include:

- The importance of distinguishing correlation from causation when discussing the rebound effect
- The three types of rebound effect: direct, indirect, and general equilibrium
- It is likely that in nearly all cases energy efficiency policies save energy, but we should not ignore the rebound effect when making forecasts

