

UNITED STATES OF AMERICA  
BEFORE THE



*Century* (April 10-12, 2007)<sup>5</sup> and *Carbon Offsets & Renewable Energy Certificates* (January 8, 2008).<sup>6</sup>

The FTC and its staff have filed numerous competition advocacy comments with FERC and participated in FERC technical conferences on market power issues. On December 3, 2009, the FTC submitted a reply comment on Transmission Planning Under Order No. 890 (Docket No. AD98-8-000).<sup>7</sup> Also in December 2009, the FTC submitted a comment in FERC's proceedings on possible elements of a National Action Plan on Demand Response (Docket No. AD09-10-000).<sup>8</sup> Other FTC participation in FERC's competition-related inquiries has included the March 2007 appearance by the Deputy Director for Antitrust in the FTC's Bureau of

to LMP, and (3) a demand response provider buy the power that it resells as demand response from its load-serving entity using its usual rate.<sup>10</sup> Compensating demand response providers at this price will give them incentives to provide demand response only when it is efficient for them to do so.

#### The Consequences of Using Inefficient Prices To Compensate Demand Response Providers

