UL Problem

Leader: LSE |----|Leaders: [DRP 1] |----- [DRP d] |----- $[DRP \Omega_D]$

Obj.: min cost

Sub. to: Network & DRP constraints

Determine: Incentive to: $\begin{bmatrix} DRP \ 1 \end{bmatrix}$ $\begin{bmatrix} DRP \ d \end{bmatrix}$ $\begin{bmatrix} DRP \ Q_D \end{bmatrix}$

$$ho_{1,t}^{INC}$$

 $\{P_{1,t}^F \quad \{1,...,d,...,\Omega_{\mathbf{D}}\} \quad \rho_{d,t}^{INC}$

LL Problem

Follower: DRP 1

Obj.: min bills and disutility

Sub. to: DRP Constraints

Determine:

• Optimal energy schedule

Follower: DRP $\Omega_{\mathbf{D}}$

Obj.: min bills and disutility

Sub. to: DRP Constraints

Determine:

• Optimal energy schedule