



## Executive Summary Manual Changes

<b>Effective Date</b>	1/26/2022
<b>Impacted Manual #(s)/Manual Title(s):</b>	
Manual 28 - Operating Agreement Accounting	
<b>Conforming Order(s):</b>	
ER19-1486: Reserve Price Formation	
<b>Associated Issue Tracking Title:</b>	None
<b>Committee Approval Path - What committee(s) have already seen these changes?</b>	
Market Settlements Subcommittee (informational only)	
<b>MRC 1<sup>st</sup> read date:</b>	12/21/2022
<b>MRC voting date:</b>	1/25/2022
<b>Impacted Manual sections:</b>	
Section 5.2: Credit for Operating Reserve Section 6.2.2: Balancing Synchronized Reserve Market Clearing Price Credit Section 6.2.3: Synchronized Reserve Lost Opportunity Cost Credit Section 15.2: Market Revenue Neutrality Offset Section 19.2.2: Balancing Secondary Reserve Market Clearing Price Credit Section 19.2.3: Secondary Reserve Lost Opportunity Cost Credit	
<b>Reason for change:</b>	
Conforming corrections and clarifications not reflected in the Manual 28 Reserve Price Formation revisions endorsed by the MRC on September 21, 2022.	
<b>Summary of the changes:</b>	

- Section 5.2 (Credit for Operating Reserve)
  - Corrected how Market Revenue Neutrality Offset is applied to the Balancing Operating Reserve Credit calculations (plus changed to minus)
- Section 6.2 and Section 19.2 (Synch Reserve Credits and Secondary Reserve Credits)
  - 6.2.2 and 19.2.2: Corrected Capped Real-time Reserve Assignment equation to reflect a result that is positive or zero.
  - 6.2.3 and 19.2.3:
    - Day-ahead Opportunity Cost - Clarified expected energy output or load reduction level is from the dispatch run
    - Real-time Opportunity Cost - Clarified expected energy output or load reduction level is from the pricing run
    - Clarified DA and RT Opportunity Cost calculations for Economic Load Response Participants
  - 19.2.3:
    - Clarified Secondary Reserve DA Opportunity Cost calculation for condensers
    - Clarified Secondary Reserves DA and RT Opportunity Cost is \$0 for off-line resources
- Section 15.2 (Market Revenue Neutrality Offset)
  - Clarified how Balancing Clearing Price Credits are calculated when determining the LOC Credit Due to Reduction for each reserve market.
    - The amount reflects the clearing price credits due to a reduction in a real-time assignment as compared to a day-ahead assignment.