



## Executive Summary Manual Changes

<b>Effective Date</b>	10/1/2022. FERC approved PJM's compliance filing in Docket No. EL19-58-012.
<b>Impacted Manual #(s)/Manual Title(s):</b>	
Manual 15: Cost Development Guidelines	
<b>Conforming Order(s):</b>	
EL19-58-000, EL19-58-012 and ER19-1486-000	
<b>Associated Issue Tracking Title:</b>	N/A
<b>Committee Approval Path - What committee(s) have already seen these changes?</b>	
CDS – 7.6.2022 MIC – 7.13.2022 & 8.10.2022	
<b>MRC 1<sup>st</sup> read date:</b>	8/24/2022
<b>MRC voting date:</b>	9/21/2022
<b>Impacted Manual sections:</b>	
Sections 4.7, 5.7, 6.7, 7.7, 8.1 and 11.7.	
<b>Reason for change:</b>	
Conforming Manual 15 Changes for the Reserve Price Formation	
<b>Summary of the changes:</b>	
<ul style="list-style-type: none"> <li>• Removed references to Tier 1 and Tier 2 due to the Tier 1/Tier 2 consolidation</li> <li>• The Variable Operations and Maintenance component was removed from Synchronized Reserve offers</li> <li>• The existing \$7.50/MWh offer margin was reduced to the expected value of the Penalty</li> <li>• Added the expected value of the penalty calculations</li> <li>• Removed Exhibit 10: Steam Unit Synchronized Reserve Example</li> </ul>	