



Executive Summary Manual Changes

Effective Date	1/26/2022
Impacted Manual #(s)/Manual Title(s):	
Manual 28 - Operating Agreement Accounting	
Conforming Order(s):	
ER19-1486: Reserve Price Formation	
Associated Issue Tracking Title:	None
Committee Approval Path - What committee(s) have already seen these changes?	
Market Settlements Subcommittee (informational only)	
MRC 1st read date:	12/21/2022
MRC voting date:	1/25/2022
Impacted Manual sections:	
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	
Reason for change:	
Conforming corrections and clarifications not reflected in the Manual 28 Reserve Price Formation revisions endorsed by the MRC on September 21, 2022.	
Summary of the changes:	

- 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.