

Effective Date	11/4/15
Impacted Manual #(s)/Manual Title(s):	
M11: Energy & Ancillary Services Market Operations	
Conforming Order(s):	
N/A	
Associated Issue Tracking Title:	Regulation Performance Impacts
Committee Approval Path - What committee(s) have already seen these changes?	
Operating Committee Market Implementation Committee	
MRC 1st read date:	10/1/2015
MRC voting date:	10/22/2015
Impacted Manual sections:	
<ul style="list-style-type: none"> - 3.1 – Revisions for clarity and to clean up formatting - 3.2.4 – Minor revision for clarity - 3.2.7 – Revised the Benefits Factor Curve to a more steeper slope intersecting x-axis at 40 (from 62) - 3.2.7 – Updated business rules to recognize hours of the day with need for more sustaining regulation (RegA) and where RegD with benefits factor less than 1 will not be considered in the regulation clearing because its reduced benefits - 3.2.7 – Added frequency of benefits factor calculation - 3.2.7 – Added benefits factor calculation steps - 3.2.9 – Removed a bullet about operating bandwidth around the RTO regulation requirement. A new requirement had been defined during the Performance Based Regulation implementation in section 4.4.3 of Manual 12 – Balancing Operations 	
Reason for change:	
These changes support a proposal developed by the OC. The proposal addresses fix to two major issues around dynamic regulation resources performance in operation especially during the period of a need for sustaining regulation	
Summary of the changes:	

Regulation Performance Impacts Proposal:

- Implement a change to the benefits factor curve to reduce the amount of RegD that can be cleared. This will help to align RegD procurement with operation practice.
- Implement a tie-breaker for benefits factor calculation using resource historic performance score for RegD with initial adjusted total offer cost of \$0 due to self-schedule or \$0 regulation offer with no potential for lost opportunity cost. This will help to reduce or eliminate over-procurement of RegD