



Executive Summary Manual Changes

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