



Credit Risk Metrics

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Risk Management Committee
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Full Portfolio Metrics *as of 08/25/2022*

Classification	Current				Last Month				
	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	Exposure %	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	Exposure %	m/m
Investment Grade	\$2,145,098,520	\$1,202,779,334	\$158,949,321	97%	\$2,160,098,520	\$1,130,421,564	\$198,831,026	96%	-20%
Private IG	\$332,357,894	\$30,183,229	\$4,471,514	3%	\$335,225,087	\$76,319,309	\$8,572,787	4%	-48%
Sub Inv-Grade	\$0	\$0	\$2,296	0%	\$0	\$0	\$0	0%	0%
Private SG	\$0	\$0	\$0	0%	\$1,055,238	\$0	\$189,550	0%	-100%
Not Rated	\$0	\$0	\$6,314	0%	\$0	\$0	\$0	0%	0%
Total	\$2,477,456,414	\$1,232,962,563	\$163,429,445	100%	\$2,496,378,845	\$1,206,740,873	\$207,593,363	100%	-21%

Unsecured Credit Allowance (UCA):

- Total credit extended by rating class per tariff Q
- Shows where PJM *is comfortable taking risk*

Highlights:

- 1 corporate family represents >10% of exposure exceeding collateral. The family is A rated.

Net Exposure:

- Unsecured Credit Allowance utilization
- Current outstanding invoices + unbilled – available market collateral
- Shows where PJM *is taking risk*

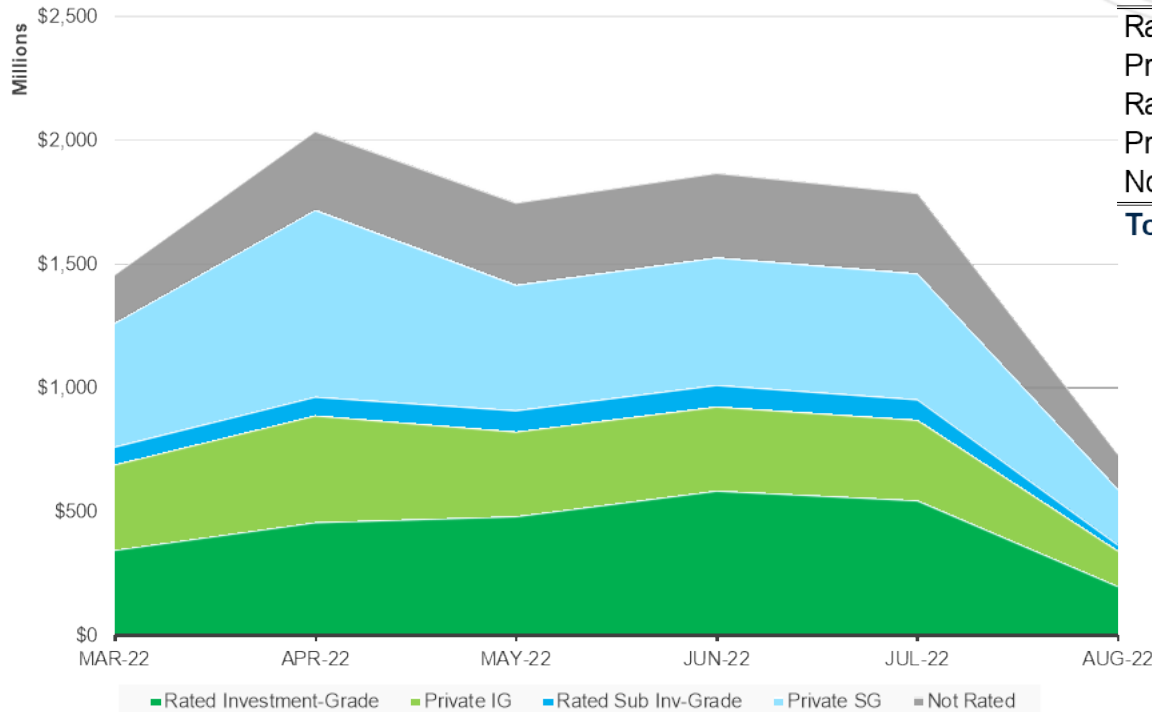
Defaulting Member Company	Amt of Default	Date of Default	Date of Cure	Type of Default
-	-	-	-	-

Source: eCredit member data reports (08-25-2022)



FTR Portfolio Metrics *as of 08/25/2022*

FTR Portfolio Size & Quality through Time



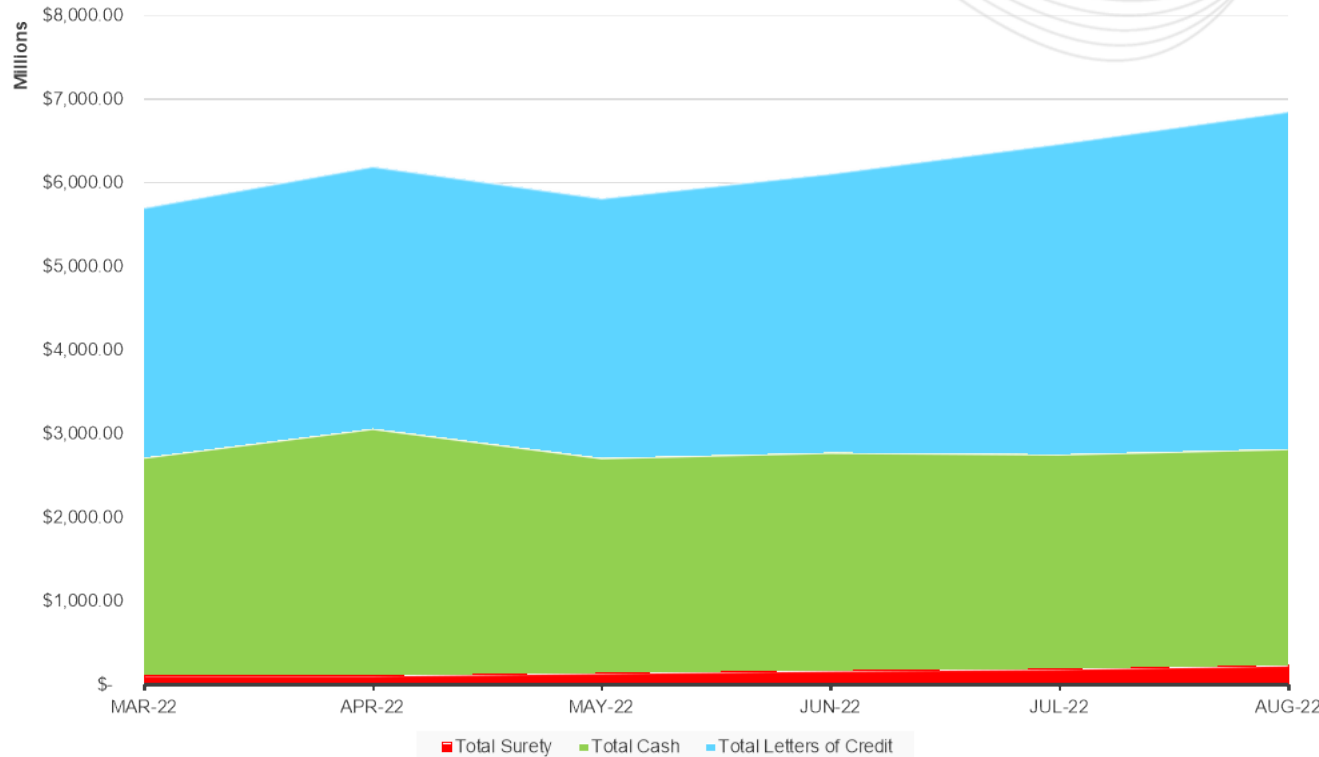
Classification	Current		Last Month		m/m
	FTR Credit Req.	% of Port.	FTR Credit Req.	% of Port.	
Rated Investment- Grade	\$ 199,917,937	27%	\$ 547,222,366	31%	-63%
Private IG	\$ 144,101,711	20%	\$ 325,194,778	18%	-56%
Rated Sub Inv-Grade	\$ 25,965,600	4%	\$ 83,920,400	5%	-69%
Private SG	\$ 222,700,356	30%	\$ 507,901,280	28%	-56%
Not Rated	\$ 138,403,291	19%	\$ 324,423,176	18%	-57%
Total	\$ 731,088,895	100.00%	\$ 1,788,662,000	100.00%	-59%

FTR Portfolio Metrics as of August 25th:

- FTR Credit Requirement drop driven by HSIM adoption
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 47% Investment-grade (-2% m/m)
- 43% concentration in top 10 participants (no Δ m/m)
- No market participant represents over 10% of the portfolio

Source: eCredit member data reports (08-25-2022)

Collateral Summary through Time



Total Collateral held at PJM: \$6.85Bn

Cash Collateral: \$2.59Bn

Letters of Credit: \$4.03Bn

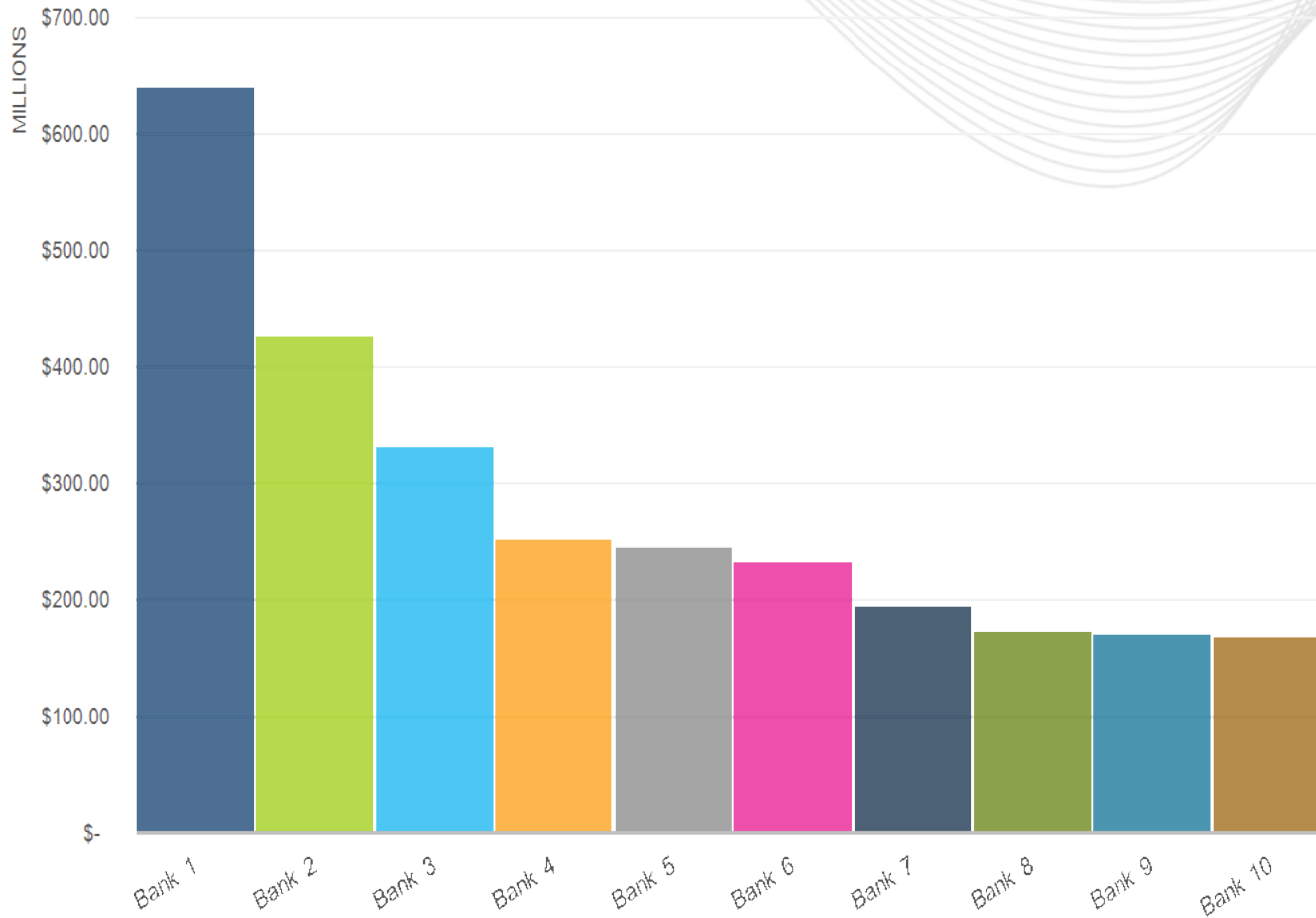
- All issuers rated A or better
- Top 10 banks issued 70% thereof (no Δ m/m)
- 2 Banks issued more than 10% thereof
- PJM has accepted LCs from 38 banks in total

Surety Bonds: \$233MM

- All issuers rated A or better
- Concentrations capped at \$50MM per issuer

LC Source: eCredit Bank LC Summary Report (08-25-2022)

Cash Source: PJM Treasury (08-25-2022)



Two banks represent more than 10% each of the \$4.03Bn LC portfolio:

- Together, the banks represent ~\$1Bn or 26% of PJM's LC portfolio
- Both banks are rated A+ with Stable outlook at S&P and rated Aa3 with Stable outlook at Moody's.

LC Source: eCredit Bank LC Summary Report (08-25-2022)

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Credit Risk Metrics



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