



# Credit Risk Metrics

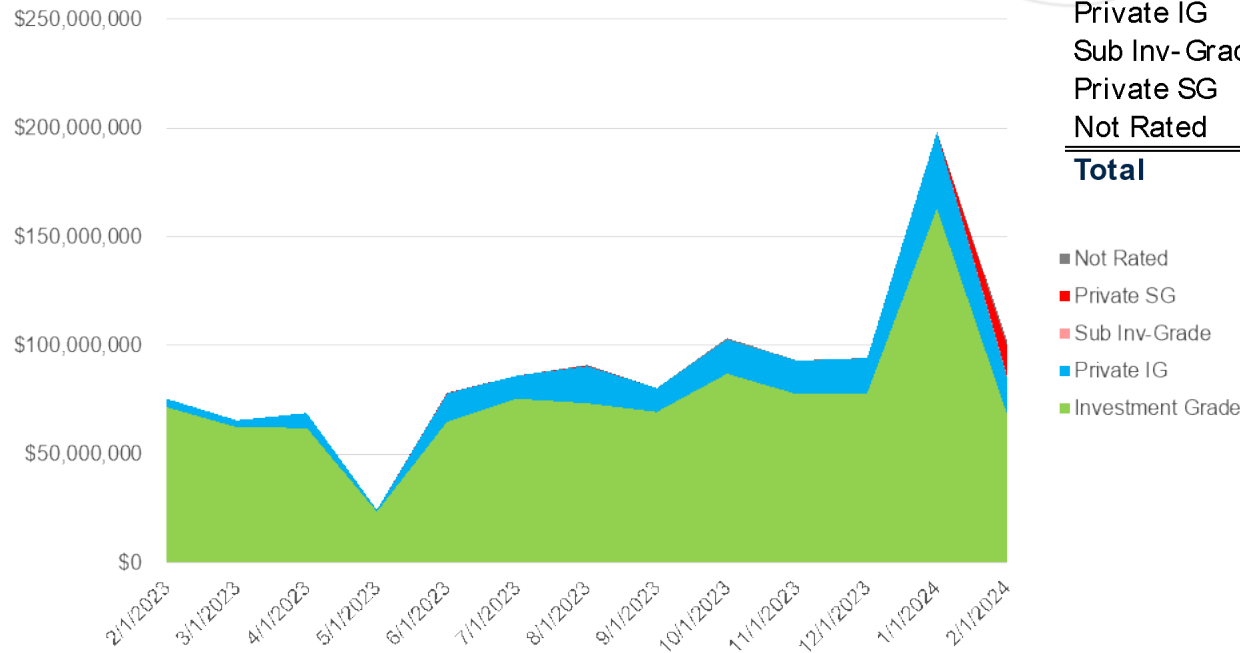
Gwen Kelly, Sr. Director,  
Credit Risk & Surveillance

Risk Management Committee  
March 19th, 2024



# Full Portfolio Metrics *as of 2/29/2024*

Full Portfolio Exposure through Time



Classification	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	%
Investment Grade	\$1,559,162,236	\$593,264,009	\$68,523,229	67%
Private IG	\$218,340,794	\$84,774,306	\$16,883,220	16%
Sub Inv-Grade	\$0	\$0	\$749,250	1%
Private SG	\$0	\$0	\$13,772,595	13%
Not Rated	\$0	\$0	\$2,556,861	2%
<b>Total</b>	<b>\$1,777,503,030</b>	<b>\$678,038,315</b>	<b>\$102,485,155</b>	<b>100%</b>

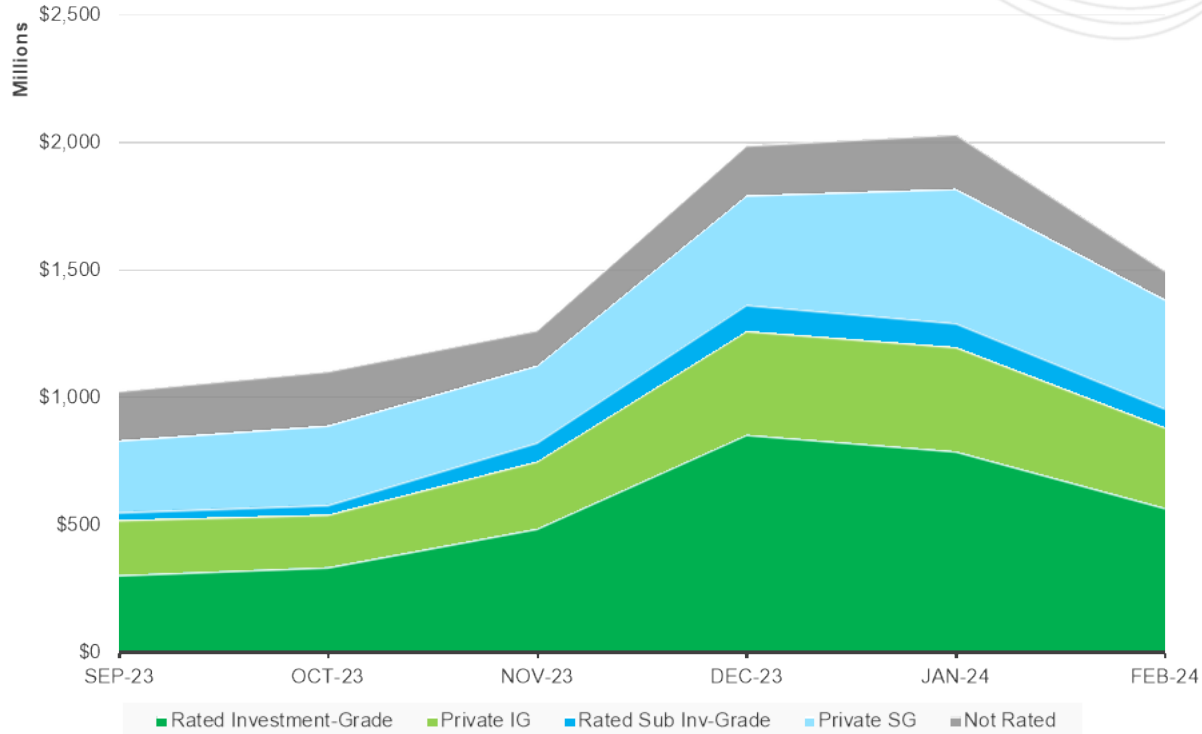
### Highlights:

- Exposure exceeding collateral for Sub IG, Private Sub IG and Not Rated grew due to the timing of the PAI charges to unbilled obligations without the offset of the credits
- 3 participants each represent >10% of the exposure individually
- The top 5 participants represent 52% of the outstanding exposure
- They are from different corporate families

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

Source: eCredit member data reports (2-29-2024)

### FTR Collateral & Quality through Time



#### FTR Credit Req. by Quality

Classification	2/29/2024	1/24/2024	12/28/2023
Rated Investment-Grade	\$569,138,505	\$791,386,220	\$856,254,579
Private IG	\$315,857,550	\$407,548,178	\$406,322,421
Rated Sub Inv-Grade	\$75,326,571	\$95,190,010	\$103,130,367
Private SG	\$426,029,104	\$526,171,507	\$428,622,450
Not Rated	\$111,153,262	\$212,829,346	\$195,103,436
<b>Total</b>	<b>\$1,497,504,992</b>	<b>\$2,033,125,261</b>	<b>\$1,989,433,253</b>
Investment Grade %	59.10%	58.97%	63.46%

#### Highlights:

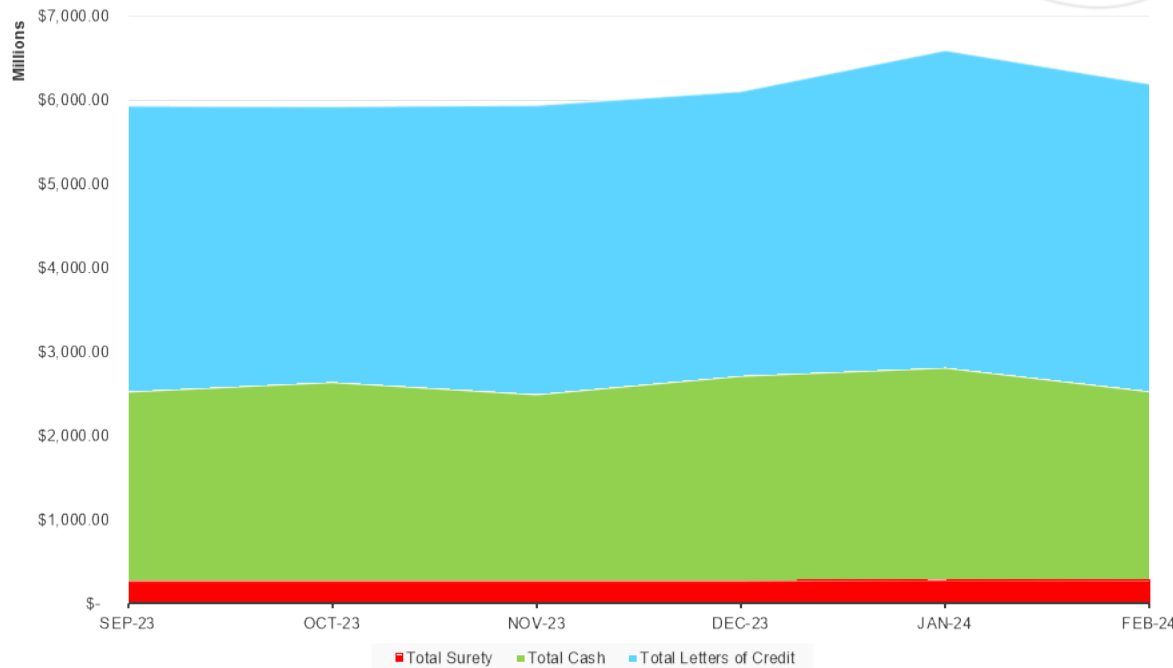
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 59% Investment-grade
- 38% concentration in top 10 participants
- No market participant represents over 10% of the portfolio

Source: eCredit member data reports (2-29-2024)



# Collateral Summary (Total PJM) *as of 2/29/2024*

Collateral Summary through Time



Total Collateral held at PJM: \$6.19Bn

Cash Collateral: \$2.24Bn

Letters of Credit: \$3.66Bn

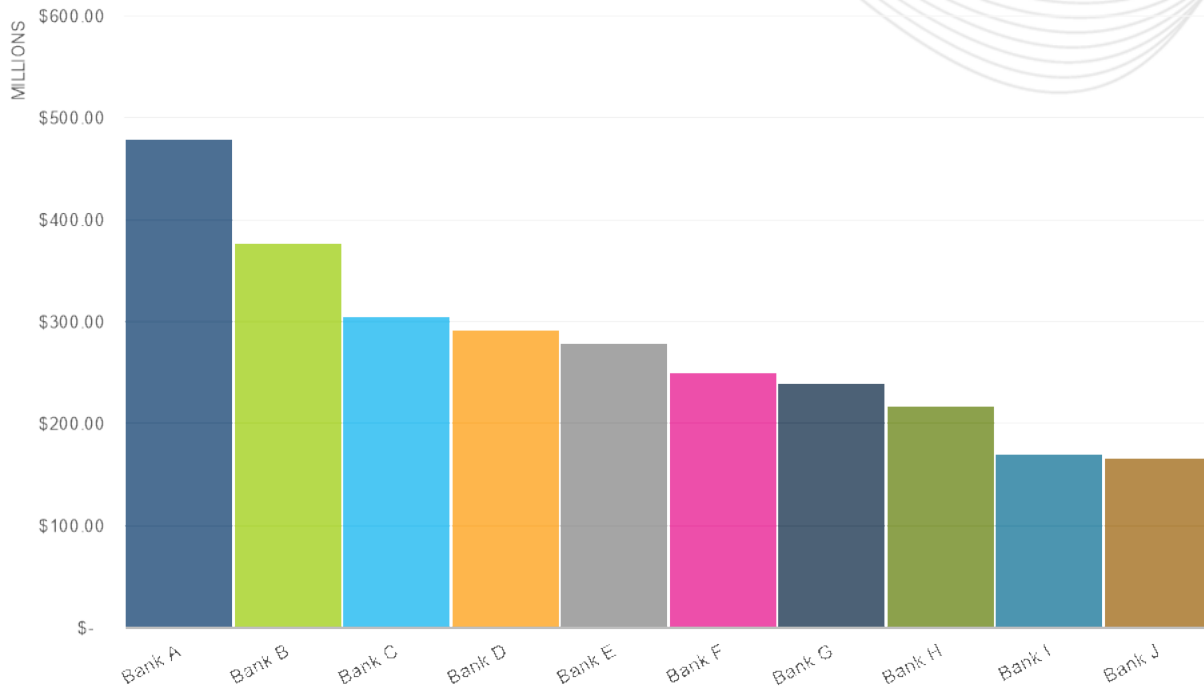
- All issuers rated A or better
- Top 10 banks issued 75% thereof
- 2 Banks issued more than 10% thereof
- PJM has accepted LCs from 39 banks in total

Surety Bonds: \$285MM

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

LC Source: eCredit Bank LC Summary Report (2-29-2024)

Cash Source: PJM Treasury (2-29-2024)



Two European banks represent more than 10% of the \$3.66Bn LC portfolio:

- The banks represent ~\$855MM or 23% of PJM’s LC portfolio
- The 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 (2-29-2024)

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## Credit Risk Metrics



## Member Hotline

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