

Credit Risk Metrics

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Risk Management Committee
April 26, 2022



Full Portfolio Metrics *as of 03/31/2022*

Classification	Total Unsecured Credit Allowance	Current			Last Month			Exposure %	% ▲ m/m
		UCA with Exposure	Net Exposure	Exposure %	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure		
Investment Grade	\$2,157,566,139	\$1,076,264,505	\$125,607,846	95%	\$2,155,787,691	\$1,048,237,086	\$127,367,065	94%	-1%
Private IG	\$325,277,515	\$20,279,913	\$5,012,181	4%	\$282,471,240	\$54,187,101	\$5,314,649	4%	-6%
Sub Inv-Grade	\$4,459,375	\$0	\$0	0%	\$4,459,375	\$0	\$0	0%	0%
Private SG	\$14,333,365	\$6,147,465	\$500,548	0%	\$21,799,241	\$8,889,450	\$2,680,306	2%	-81%
Not Rated	\$15,976,299	\$5,000,000	\$751,816	1%	\$15,976,299	\$5,000,000	\$705,815	1%	7%
Total	\$2,517,612,693	\$1,107,691,883	\$131,872,391	100%	\$2,480,493,846	\$1,116,313,637	\$136,067,835	100%	-3%

Unsecured Credit Allowance (UCA):

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

Highlights:

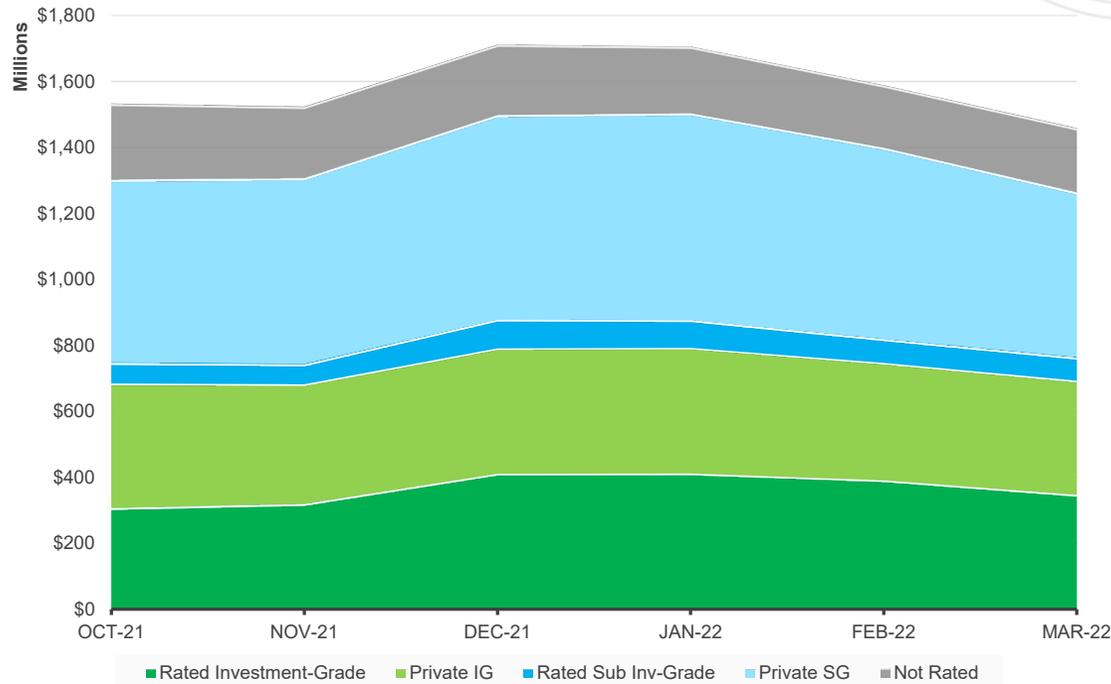
- 2 corporate families each represent >10% of exposure exceeding collateral. Both are rated BBB+ or better.

Net Exposure:

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

Source: eCredit member data reports (03-31-2022)

FTR Portfolio Size & Quality through Time



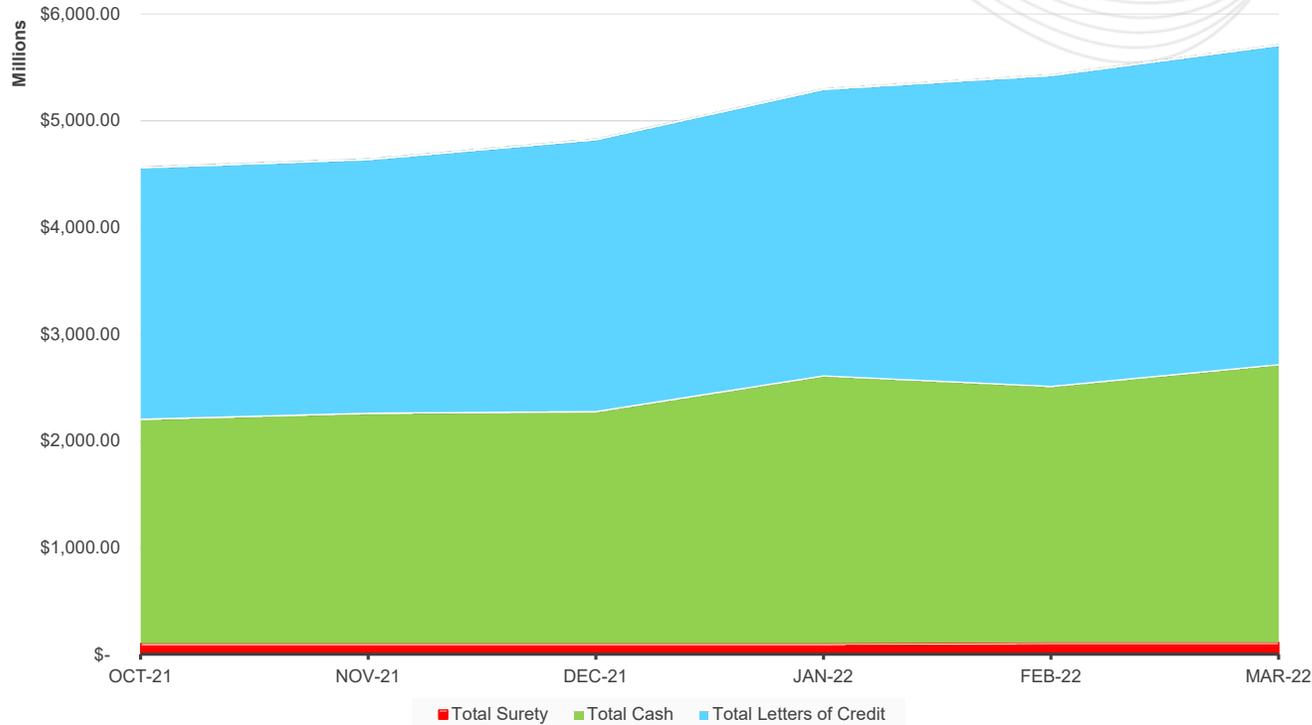
Classification	Current		Last Month		m/m
	FTR Credit Req.	% of Port.	FTR Credit Req.	% of Port.	
Rated Investment-Grade	\$347,056,698	24%	\$391,140,994	25%	-1%
Private IG	\$345,460,487	24%	\$355,448,660	22%	1%
Rated Sub Inv-Grade	\$72,280,004	5%	\$73,772,608	5%	0%
Private SG	\$499,753,742	34%	\$578,978,847	36%	-2%
Not Rated	\$194,149,515	13%	\$189,849,137	12%	1%
Total	\$1,458,700,446	100.00%	\$1,589,190,246	100.00%	-8%

FTR Portfolio Metrics as of March 31st:

- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 48% Investment-grade (+1% m/m)
- 51% concentration in top 10 participants (+4% m/m)
- No market participants or corporate families represent over 10% of the portfolio

Source: eCredit member data reports (03-31-2022)

Collateral Summary through Time



Cash Collateral

- Total held by PJM: \$2.61Bn

Letters of Credit

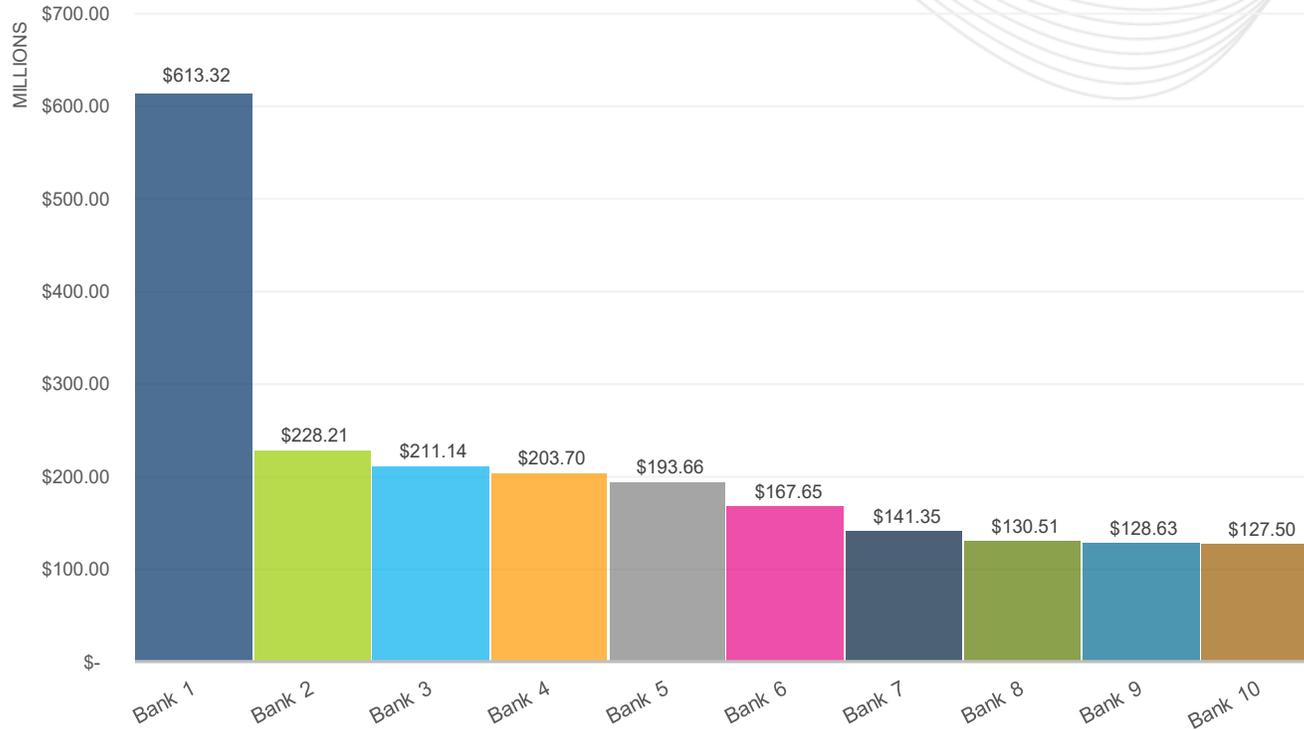
- Total held by PJM: \$2.99Bn
- All issuers rated A or better
- Top 10 banks issued 71% thereof (+2% m/m)
- 1 Bank issued more than 10% thereof
- PJM has accepted LCs from 36 banks in total

Surety Bonds

- Total held by PJM: \$112MM (no change m/m)
- All issuers rated A or better
- Concentrations capped at \$50MM per issuer

LC Source: eCredit Bank LC Summary Report (03-31-2022)

Cash Source: PJM Treasury (03-31-2022)



Bank 1:

US arm of a large foreign bank. It provides capital markets, trade finance, money management and investment banking services.

- Just over \$600MM (20%) of all of PJM's LC holdings resides with one bank.
- The bank is rated A+ with Stable outlook at S&P and rated Aa3 with Stable outlook at Moody's.

LC Source: eCredit Bank LC Summary Report (03-31-2022)
Cash Source: PJM Treasury (03-31-2022)

March News:

- A municipal coop initiated new ratings at S&P over the month. They are investment-grade.
- An industrial company saw an upgrade during the month and remains investment-grade.
- A large trading group was upgraded during the month and remains investment-grade.

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