FTR Default Reference Points

Settlement Results through October 14, 2019
FTR Auction Results through September 30, 2019
Reference Points:

Monthly Portfolio Volumes and Known Default Allocation Assessments

Monthly FTR Portfolio Volumes (*megawatt hours)*:

- **2018/2019 Planning Year**: 54 million (73%)
  - $113 million in default charges billed for the 2019/2019 planning year
- **2019/2020 Planning Year**: 18 million (24%)
- **2020/2021 Planning Year**: 2 million (3%)

Default Allocation Assessments Based on Actual Portfolio Net Losses 19/20:

<table>
<thead>
<tr>
<th>Month</th>
<th>Amount</th>
<th>Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 2019</td>
<td>$2.9 million</td>
<td>December 2019</td>
</tr>
<tr>
<td>July 2019</td>
<td>$2.9 million</td>
<td>January 2020</td>
</tr>
<tr>
<td>August 2019</td>
<td>$4.0 million</td>
<td>February 2020</td>
</tr>
<tr>
<td>September 2019</td>
<td>$7.6 million</td>
<td>March 2020</td>
</tr>
<tr>
<td>October 2019</td>
<td></td>
<td>April 2020</td>
</tr>
<tr>
<td>November 2019</td>
<td></td>
<td>May 2020</td>
</tr>
</tbody>
</table>
Reference Points:

**Monthly Auction Prices and Actual Net Losses**

**2019/2020 Planning Year**

- Total - $42.1 million based on July 2019 Auction Prices
- Total - $41.4 million based on August 2019 Auction Prices
- Total - $40.5 million based on September 2019 Auction Prices
- Total = $41.3 million based on October 2019 Auction Prices

**Prices from FTR Auction Conducted in June 2019**
- June: $44.4 million
- July: $44.4 million
- August: $44.4 million
- September: $44.4 million
- October through October 17th: $44.4 million
- November: $44.4 million
- December: $44.4 million
- January: $44.4 million
- February: $44.4 million
- March: $44.4 million
- April: $44.4 million
- May: $44.4 million

**Dollars in Millions**

<table>
<thead>
<tr>
<th>Month</th>
<th>Prices from FTR Long Term Auction Conducted in June 2018</th>
<th>Prices from FTR Long Term Auction Conducted in September 2018</th>
<th>Prices from FTR Auction Conducted in May 2019</th>
<th>Prices from FTR Auction Conducted in June 2019</th>
<th>Prices from FTR Auction Conducted in July 2019</th>
<th>Prices from FTR Auction Conducted in August 2019</th>
<th>Prices from FTR Auction Conducted in September 2019</th>
<th>Actual Net Losses on Positions</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>$3.4 million</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$2.2 million</td>
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<tr>
<td>July</td>
<td>$3.4 million</td>
<td></td>
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<td></td>
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<td></td>
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<td>August</td>
<td>$3.4 million</td>
<td></td>
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<tr>
<td>September</td>
<td>$3.4 million</td>
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<tr>
<td>October</td>
<td>$22.2 million</td>
<td></td>
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<td></td>
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<tr>
<td>November</td>
<td>$22.2 million</td>
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<tr>
<td>December</td>
<td>$22.2 million</td>
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<td>January</td>
<td>$3.4 million</td>
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<td>February</td>
<td>$3.4 million</td>
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<tr>
<td>March</td>
<td>$3.3 million</td>
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<tr>
<td>April</td>
<td>$3.3 million</td>
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<tr>
<td>May</td>
<td>$3.3 million</td>
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<tr>
<td>Overall</td>
<td>$42.1 million</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$2.2 million</td>
</tr>
</tbody>
</table>
Reference Points:
Recent Long-Term Auction Prices

2020/2021 Planning Year

Total = $1.2 million based on June 2018 Long-Term Auction Prices
$1.4 million based on September 2018 Long-Term Auction Prices
$2.2 million based on December 2018 Long-Term Auction Prices
$2.8 million based on June 2019 Long-Term Auction Prices
$3.3 million based on September 2019 Long-Term Auction prices
Cumulative Reference Points

At 9/30/2018
At 12/31/2018
At 3/31/2019
At 6/30/2019
At 7/31/2019
At 8/31/2019
At 9/30/2019

2020/2021 Positions' Most Recent Mark-to-Auction
2019/2020 Positions' Most Recent Mark-to-Auction
2018/2019 Positions' Most Recent Mark-to-Auction
Actual Calculated Default Allocation Assessment as of Applicable Date

Dollars in millions

0 20 40 60 80 100 120 140 160 180 200

At 9/30/2018
At 12/31/2018
At 3/31/2019
At 6/30/2019
At 7/31/2019
At 8/31/2019
At 9/30/2019

2020/2021 Positions' Most Recent Mark-to-Auction
2019/2020 Positions' Most Recent Mark-to-Auction
2018/2019 Positions' Most Recent Mark-to-Auction
Actual Calculated Default Allocation Assessment as of Applicable Date

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www.pjm.com
Reference Points: June 2018 Daily Data

Dollars in thousands

Actual Daily Portfolio Net Profits / (Losses) Billed as June 2018 Default Allocation Assessment
Reference Points:
July 2018 Daily Data

Dollars in thousands

- Actual Daily Portfolio Net Profits / (Losses) being Billed as July 2018 Default Allocation Assessment
Reference Points: August 2018 Daily Data

Dollars in thousands

- Actual Daily Portfolio Net Profits / (Losses)
- Daily Liquidation Cost Billed as August 2018 Default Allocation Assessment
Actual Daily Portfolio Net Profits / (Losses) to be Billed as September 2018 Default Allocation Assessment
Reference Points:
October 2018 Daily Data

Dollars in thousands

- Actual Daily Portfolio Net Profits / (Losses) to be Billed as October 2018 Default Allocation Assessment
Reference Points: November 2018 Daily Data

Actual Daily Portfolio Net Profits / (Losses) to be Billed as November 2018 Default Allocation Assessment
Reference Points: December 2018 Daily Data

Actual Daily Portfolio Net Profits / (Losses) to be Billed as December 2018 Default Allocation Assessment
Actual Daily Portfolio Net Profits / (Losses) to be Billed as February 2019 Default Allocation Assessment
Reference Points:
March 2019 Daily Data

Actual Daily Portfolio Net Profits / (Losses) to be Billed as March 2019 Default Allocation Assessment
Reference Points:
April 2019 Daily Data

Actual Daily Portfolio Net Profits / (Losses) to be Billed as April 2019 Default Allocation Assessment

Dollars in thousands


500
0
(500)
(1,000)
(1,500)
(2,000)
(2,500)
(3,000)
Reference Points: May 2019 Daily Data

Actual Daily Portfolio Net Profits / (Losses) to be Billed as May 2019 Default Allocation Assessment
Actual Daily Portfolio Net Profits / (Losses) to be Billed as June 2019 Default Allocation Assessment
Reference Points:
July 2019 Daily Data

Actual Daily Portfolio Net Profits / (Losses) to be Billed as July 2019 Default Allocation Assessment
Reference Points:
August 2019 Daily Data

Dollars in thousands

Actual Daily Portfolio Net Profits / (Losses) to be Billed as August 2019 Default Allocation Assessment
Reference Points:
September 2019 Daily Data

Actual Daily Portfolio Net Profits / (Losses) to be Billed as September 2019 Default Allocation Assessment
Reference Points:
October 2019 Daily Data

Dollars in thousands

- Estimated Daily Portfolio Net Profits / (Losses) to be Billed as October 2019 Default Allocation Assessment