



Credit Risk Metrics

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Risk Management Committee
July 27, 2021



Full Portfolio Metrics

Classification	Current as June 24, 2021			Last Month as May 27, 2021		
	Unsecured Credit Allowance	Net Exposure	% Util	Unsecured Credit Allowance	Net Exposure	% Util
Investment Grade	\$2,195,050,616	\$97,268,122	4%	\$2,190,050,616	\$71,379,388	3%
Private IG	\$245,687,442	\$17,920,313	7%	\$212,880,404	\$12,533,120	6%
Sub Inv-Grade	\$4,459,375	\$2,684,999	60%	\$4,459,375	\$162,664	4%
Private SG	\$20,873,734	\$2,122,336	10%	\$20,997,481	\$314,407	1%
Not Rated	\$16,178,299	\$1,228,289	8%	\$16,178,299	\$1,177,820	7%
Total	\$2,482,249,466	\$121,224,059	5%	\$2,444,566,175	\$85,567,399	4%

Unsecured Credit Allowance:

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

Highlights:

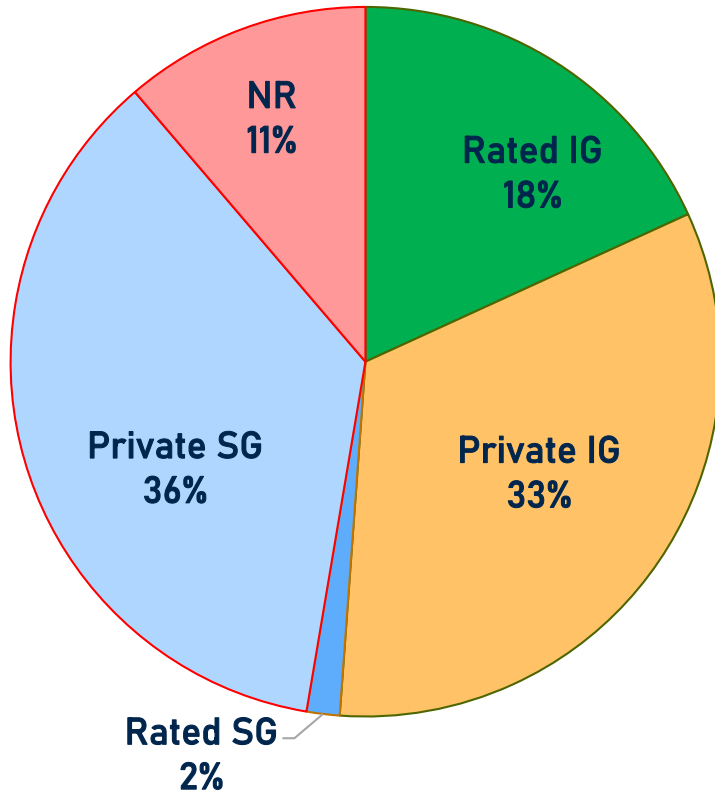
- 1 A- rated corporate family represents >10% of exposure exceeding collateral

Net Exposure:

- Current outstanding invoices + unbilled – available market collateral
- Unsecured Credit Allowance utilization

Defaulting Member	Date of Default	Date of Cure	Type of Default
Company A	6/16/2021	6/16/2021	Margin Call

Source: eCredit member data reports



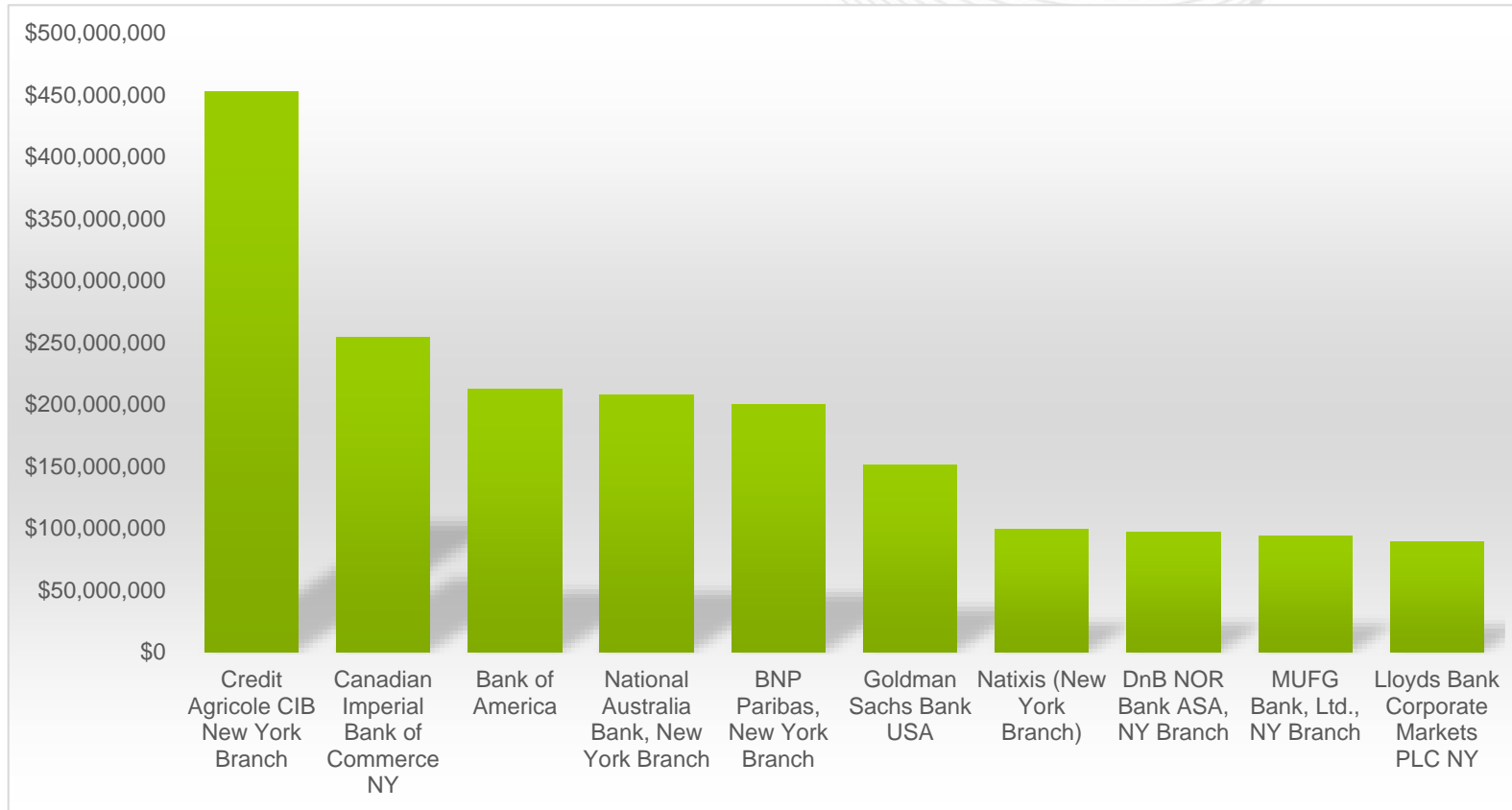
Classification	Current		Last Month		\$ ▲ m/m
	FTR Credit Req.	% of Port.	FTR Credit Req.	% of Port.	
Rated Investment-Grade	\$246,216,304	18%	\$237,589,057	18%	4%
Private IG	\$446,834,090	33%	\$464,099,417	35%	-4%
Rated Sub Inv-Grade	\$20,351,549	2%	\$19,325,906	1%	5%
Private SG	\$488,871,811	36%	\$457,050,855	35%	7%
Not Rated	\$152,480,365	11%	\$138,272,878	11%	10%
Total	\$1,354,754,119	100.00%	\$1,316,338,113	100.00%	3%

FTR Portfolio Metrics as of June 30

- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 52% of the portfolio is concentrated in the top 10 market participants
- No market participants or corporate families represent over 10% of the portfolio

Source: eCredit member data reports

Top 10 LC Concentrations (Total PJM) *as of 6/30/2021*



- Every issuer holds a rating greater than A-
- 75% of PJM's LC's are with the top 10 banks
- 2 Banks represent more than 10% of the portfolio
- 35 banks have issued Letters of Credit to PJM
- Total LCs held by PJM: \$2.45Bn
- Total Cash held by PJM: \$1.72Bn

LC Source: eCredit Bank LC Summary Report
Cash Source: PJM Treasury

This Month:

The ISO/RTO Council formally filed comments (AD21-6-000)

- advocating for certain cross-ISO credit risk information sharing
- advocating for the harmonization of KYC requirements

Notable from Last Month:

TX Governor sign 3 energy bills into law:

- Generation weatherization requirements & emergency planning
- ERCOT refinancing package
- Ban on wholesale pass-through retail electric plans

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