



Credit Risk Metrics

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Risk Management Committee
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Full Portfolio Metrics *as of 07/28/2022*

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	\$2,160,098,520	\$1,130,421,564	\$198,831,026	96%	\$2,150,480,579	\$1,087,347,740	\$143,131,747	91%	39%
Private IG	\$335,225,087	\$76,319,309	\$8,572,787	4%	\$340,771,306	\$70,177,056	\$14,653,305	9%	-41%
Sub Inv-Grade	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%	0%
Private SG	\$1,055,238	\$0	\$189,550	0%	\$2,192,496	\$0	\$21,120	0%	797%
Not Rated	\$0	\$0	\$0	0%	\$0	\$0	\$168,410	0%	-100%
Total	\$2,496,378,845	\$1,206,740,873	\$207,593,363	100%	\$2,493,444,381	\$1,157,524,796	\$157,974,582	100%	31%

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 investment-grade.

Net Exposure:

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

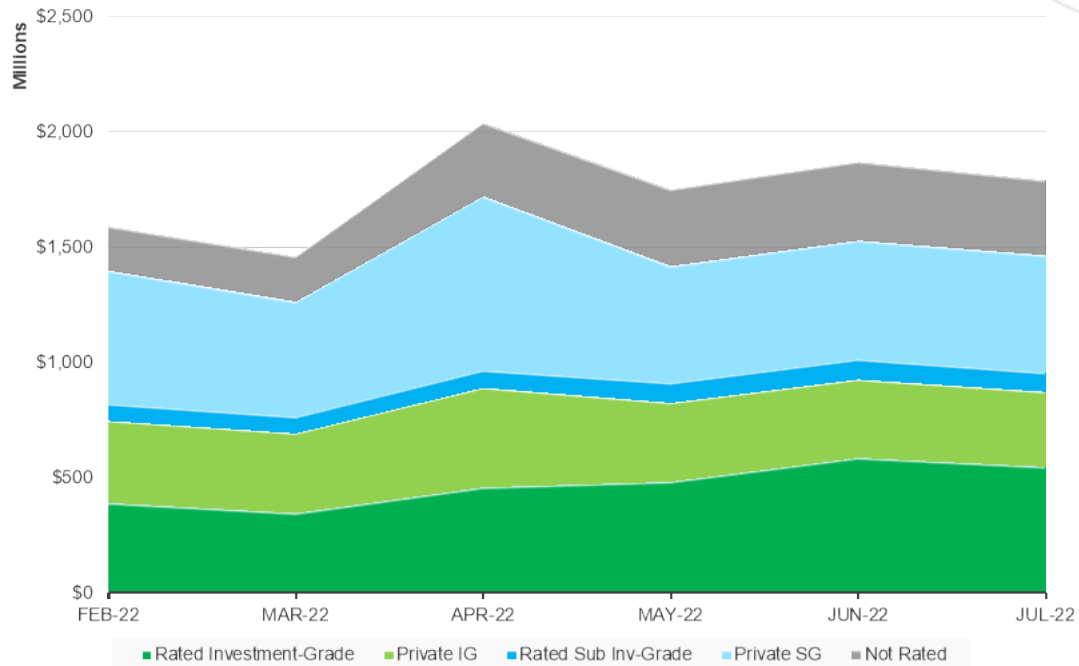
Defaulting Member Company	Amt of Default	Date of Default	Date of Cure	Type of Default
-	-	-	-	-

Source: eCredit member data reports (07-28-2022)



FTR Portfolio Metrics *as of 07/28/2022*

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	\$547,222,366	31%	\$586,597,869	31%	-7%
Private IG	\$325,194,778	18%	\$340,325,237	18%	-4%
Rated Sub Inv-Grade	\$83,920,400	5%	\$87,345,088	5%	-4%
Private SG	\$507,901,280	28%	\$515,249,439	28%	-1%
Not Rated	\$324,423,176	18%	\$340,745,327	18%	-5%
Total	\$1,788,662,000	100.00%	\$1,870,262,960	100.00%	-4%

FTR Portfolio Metrics as of July 28th:

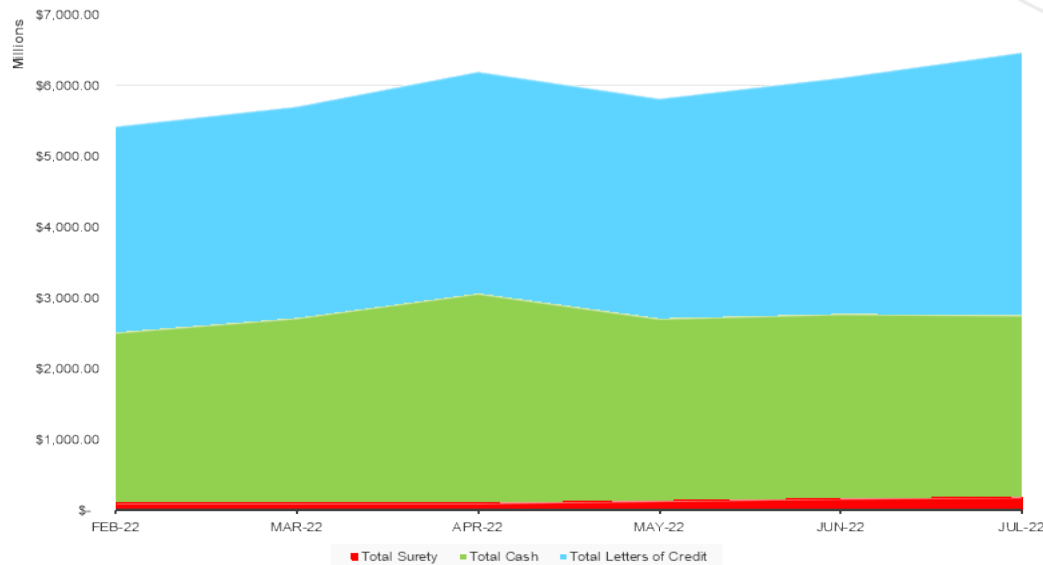
- Requirement spike driven by long-term auctions
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 49% Investment-grade (no Δ m/m)
- 43% concentration in top 10 participants (-1% m/m)
- No market participant represents over 10% of the portfolio

Source: eCredit member data reports (07-28-2022)



Collateral Summary (Total PJM) *as of 07/28/2022*

Collateral Summary through Time



Total Collateral held at PJM: \$6.47Bn

Cash Collateral: \$2.56Bn

Letters of Credit: \$3.71Bn

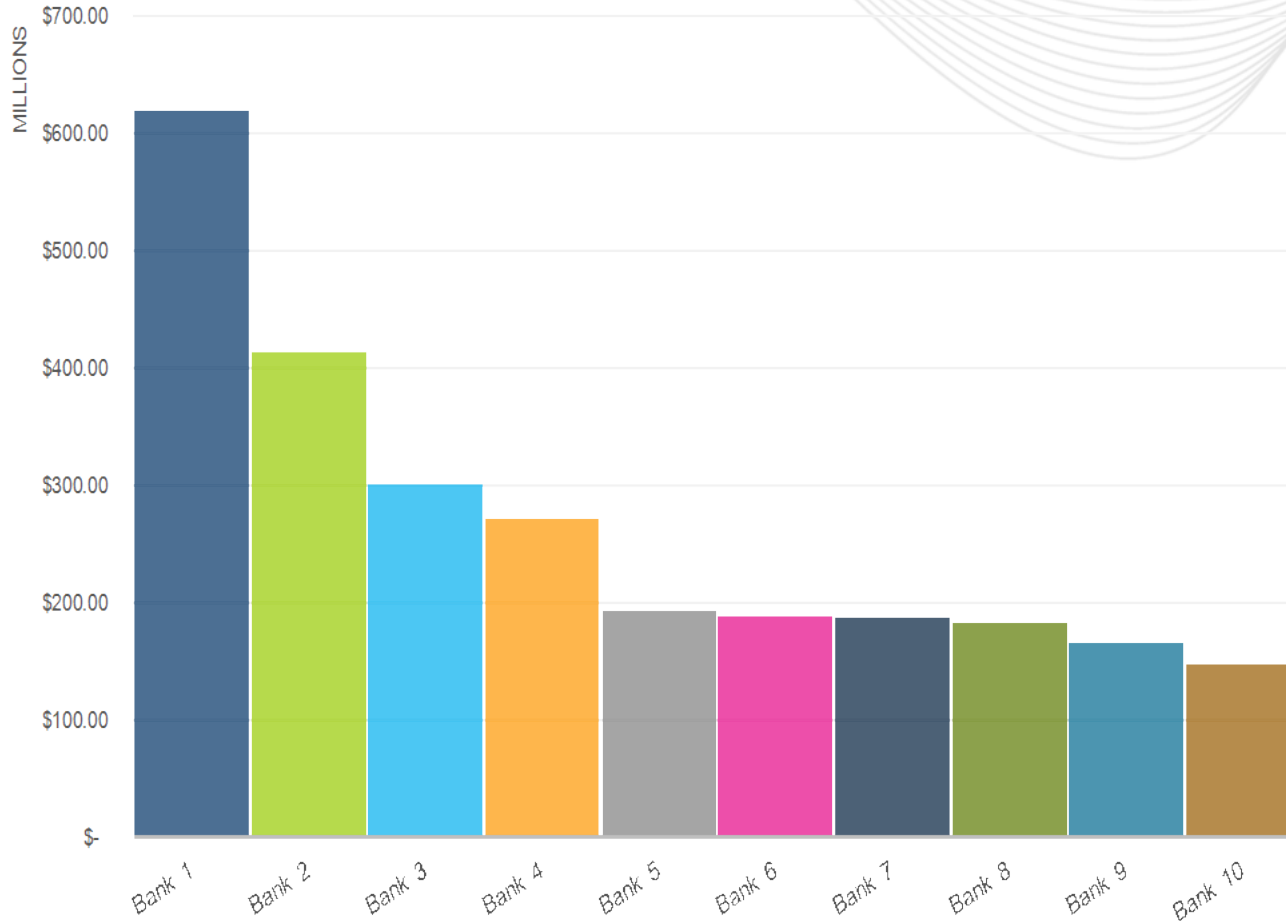
- All issuers rated A or better
- Top 10 banks issued 71% thereof (no Δ m/m)
- 2 Banks issued more than 10% thereof
- PJM has accepted LCs from 38 banks in total

Surety Bonds: \$193MM

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

LC Source: eCredit Bank LC Summary Report (07-28-2022)

Cash Source: PJM Treasury (07-28-2022)



Two banks represent more than 10% each of the \$3.71Bn LC portfolio:

- Together, the banks represent ~\$1Bn or 28% of PJM’s LC portfolio
- Both banks are rated A+ with Stable outlook at S&P and rated Aa2/Aa3 with Stable outlook at Moody’s.

LC Source: eCredit Bank LC Summary Report (07-28-2022)

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