

Credit Risk Metrics

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Management

Risk Management Committee
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Full Portfolio Metrics *as of 10/27/2022*

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	\$2,130,098,520	\$1,076,967,329	\$143,568,606	98%	\$2,153,098,520	\$1,124,206,032	\$144,086,833	97%	0%
Private IG	\$338,415,604	\$21,003,881	\$3,516,320	2%	\$333,415,604	\$22,653,881	\$4,732,277	3%	-26%
Sub Inv-Grade	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%	0%
Private SG	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%	0%
Not Rated	\$0	\$0	\$42	0%	\$0	\$0	\$87	0%	-52%
Total	\$2,468,514,124	\$1,097,971,210	\$147,084,968	100%	\$2,486,514,124	\$1,146,859,913	\$148,819,197	100%	-1%

Unsecured Credit Allowance (UCA):

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

Highlights:

- 3 Market Participants and 1 Corporate family represent >10% of exposure each. All of the entities are investment-grade.

Net Exposure:

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

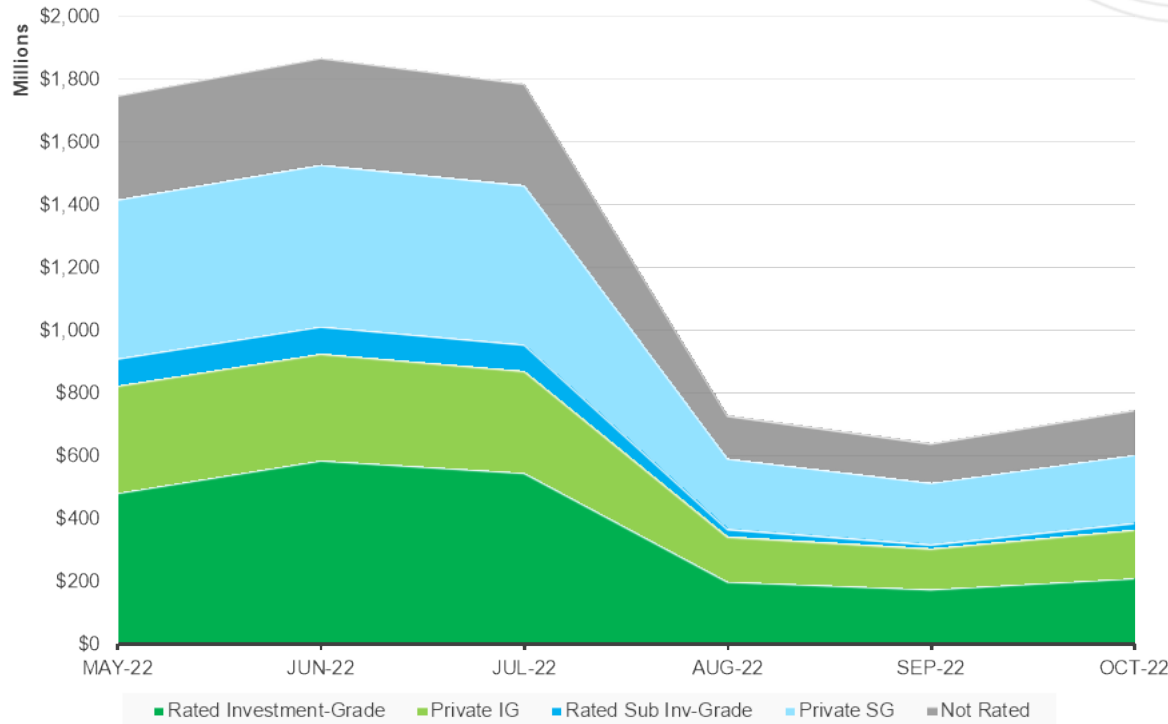
Defaulting Member Company	Amt of Default	Date of Default	Date of Cure	Type of Default
-	-	-	-	-

Source: eCredit member data reports (10-27-2022)



FTR Portfolio Metrics *as of 10/27/2022*

FTR Collateral & Quality through Time



Classification	Current		Last Month		m/m
	FTR Credit Req.	% of Port.	FTR Credit Req.	% of Port.	
Rated Investment-Grade	\$210,798,433	28%	\$175,255,750	27%	20%
Private IG	\$155,073,774	21%	\$130,762,682	20%	19%
Rated Sub Inv-Grade	\$23,275,706	3%	\$14,374,007	2%	62%
Private SG	\$214,989,928	29%	\$194,348,280	30%	11%
Not Rated	\$144,262,561	19%	\$127,209,695	20%	13%
Total	\$748,400,402	100.00%	\$641,950,414	100.00%	17%

FTR Portfolio Metrics as of October 27th:

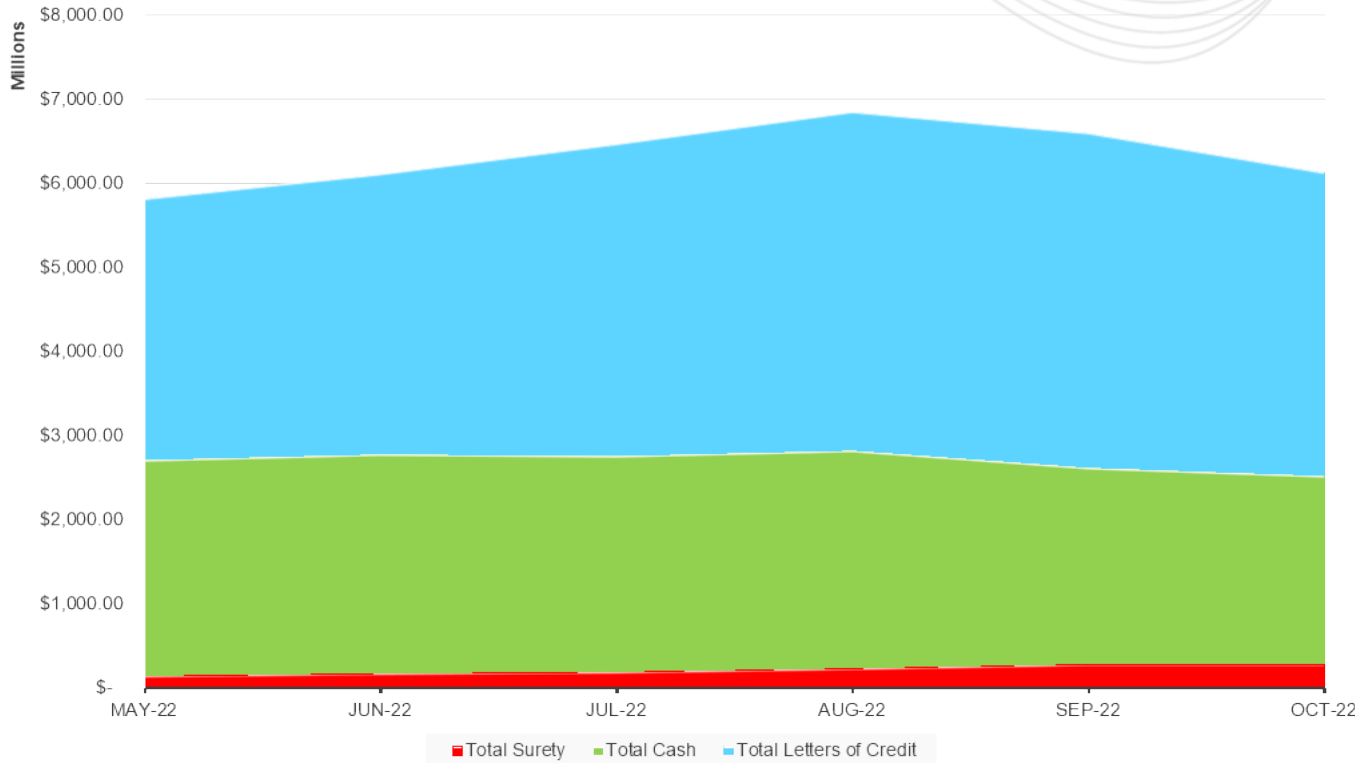
- FTR Credit Requirement decrease is driven by adoption of HSIM
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 49% Investment-grade (+2% m/m)
- 46% concentration in top 10 participants (no Δ m/m)
- No market participant represents over 10% of the portfolio

Source: eCredit member data reports (10-27-2022)



Collateral Summary (Total PJM) *as of 10/27/2022*

Collateral Summary through Time



Total Collateral held at PJM: \$6.13Bn

Cash Collateral: \$2.23Bn

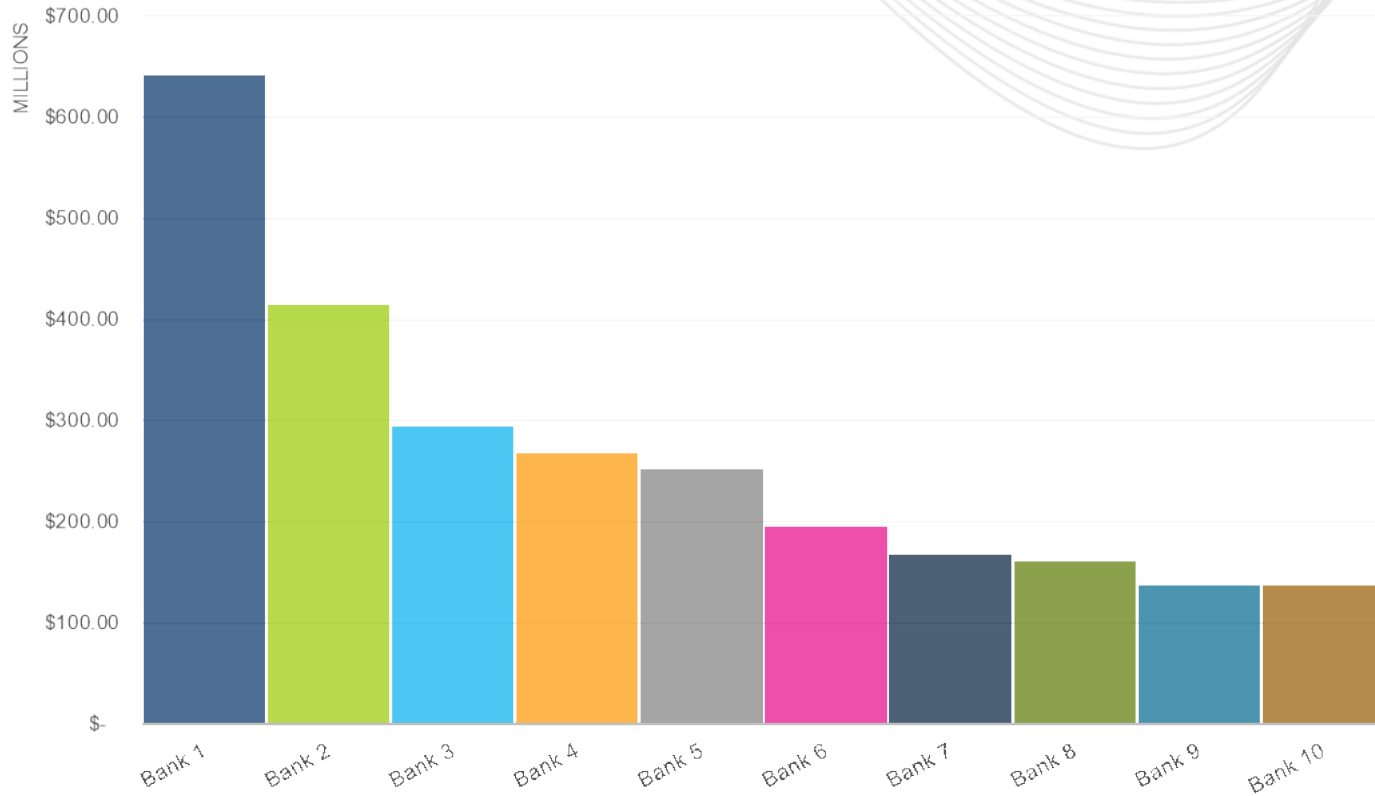
Letters of Credit: \$3.61Bn

- All issuers rated A or better
- Top 10 banks issued 70% thereof (no Δ m/m)
- 2 Banks issued more than 10% thereof
- PJM has accepted LCs from 39 banks in total

Surety Bonds: \$283MM

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

LC Source: eCredit Bank LC Summary Report (10-27-2022)
Cash Source: PJM Treasury (10-27-2022)



Two European banks represent more than 10% each of the \$3.61Bn LC portfolio:

- Together, the banks represent ~\$1Bn or 27% of PJM's LC portfolio
- Both 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 (10-27-2022)

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Credit Risk Metrics



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