



# Credit Risk Metrics

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Risk Management Committee  
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# Full Portfolio Metrics *as of 12/29/2022*

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	\$2,160,648,520	\$1,301,371,827	\$290,063,287	66%	\$2,143,098,520	\$1,044,650,651	\$165,804,238	90%	75%
Private IG	\$338,415,602	\$76,694,419	\$104,623,032	24%	\$338,415,604	\$51,633,642	\$18,687,411	10%	460%
Sub Inv-Grade	\$0	\$0	\$0	0%	\$0	\$0	\$0	0%	0%
Private SG	\$0	\$0	\$9,022,780	2%	\$0	\$0	\$0	0%	0%
Not Rated	\$0	\$0	\$33,697,891	8%	\$0	\$0	\$268,208	0%	12464%
<b>Total</b>	<b>\$2,499,064,122</b>	<b>\$1,378,066,246</b>	<b>\$437,406,990</b>	<b>100%</b>	<b>\$2,481,514,124</b>	<b>\$1,096,284,293</b>	<b>\$184,759,857</b>	<b>100%</b>	<b>137%</b>

### Unsecured Credit Allowance (UCA):

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

### Highlights:

- No individual corporate families represent >10% of exposure

### Net Exposure:

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

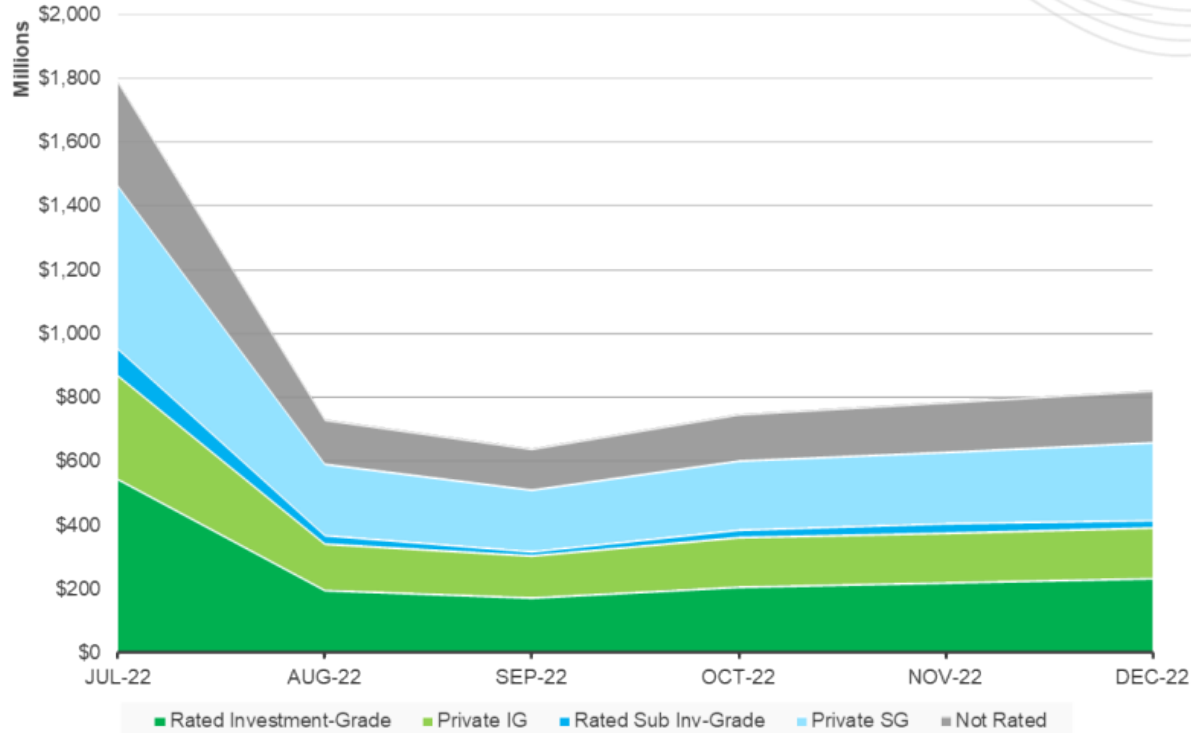
Defaulting Member Company	Amt of Default	Date of Default	Date of Cure	Type of Default
-	-	-	-	-

Source: eCredit member data reports (12-29-2022)



# FTR Portfolio Metrics *as of 12/29/2022*

## FTR Collateral & Quality through Time



Classification	Current		Last Month		
	FTR Credit Req.	% of Port.	FTR Credit Req.	% of Port.	m/m
Rated Investment-Grade	\$235,038,212	29%	\$221,073,794	28%	1%
Private IG	\$160,243,197	19%	\$155,859,127	20%	0%
Rated Sub Inv-Grade	\$23,349,001	3%	\$30,112,110	4%	-1%
Private SG	\$24,169,987	29%	\$223,837,939	28%	1%
Not Rated	\$162,513,667	20%	\$157,528,242	20%	0%
<b>Total</b>	<b>\$822,842,064</b>	<b>100.00%</b>	<b>\$788,411,212</b>	<b>100.00%</b>	<b>4%</b>

## FTR Portfolio Metrics as of December 29th:

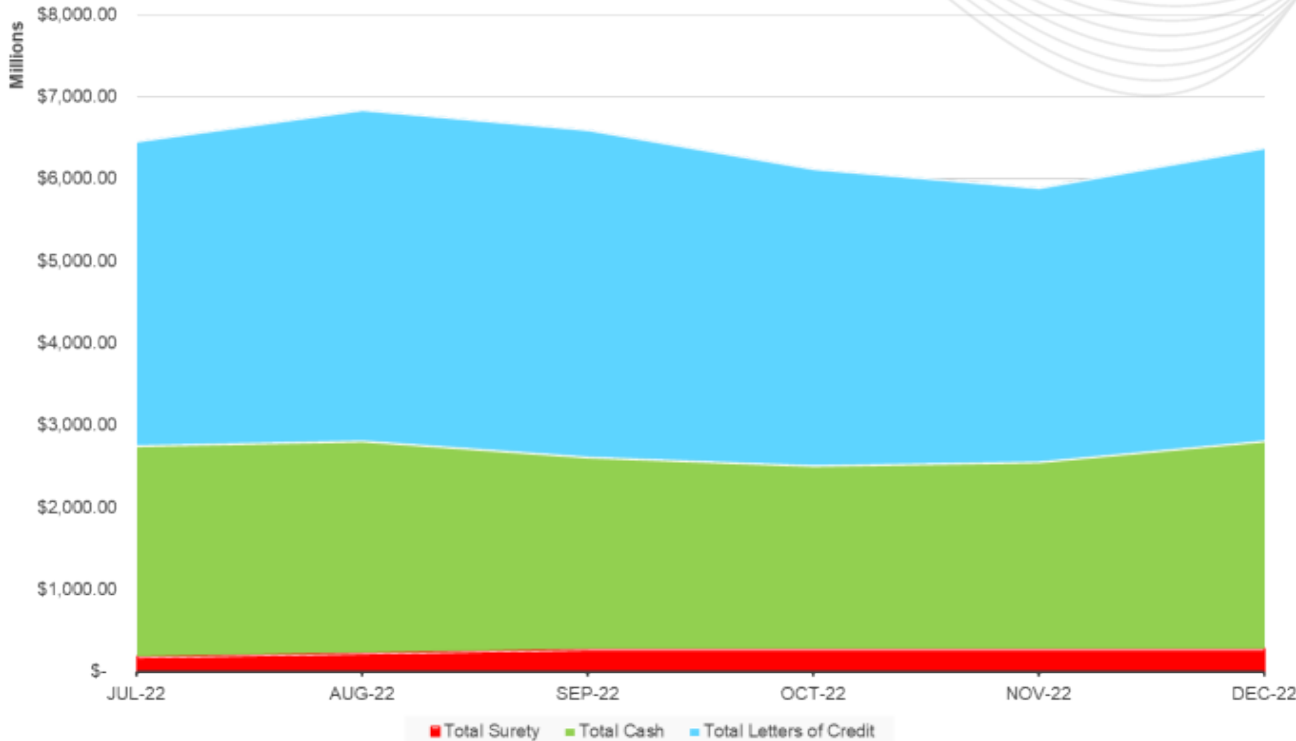
- Requirement drop driven by HSIM adoption
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 48% Investment-grade (no  $\Delta$  m/m)
- 49% concentration in top 10 participants (+2% m/m)
- No market participant represents over 10% of the portfolio

Source: eCredit member data reports (12-29-2022)



# Collateral Summary (Total PJM) *as of 12/29/2022*

Collateral Summary through Time



Total Collateral held at PJM: \$6.38Bn

Cash Collateral: \$2.53Bn

Letters of Credit: \$3.56Bn

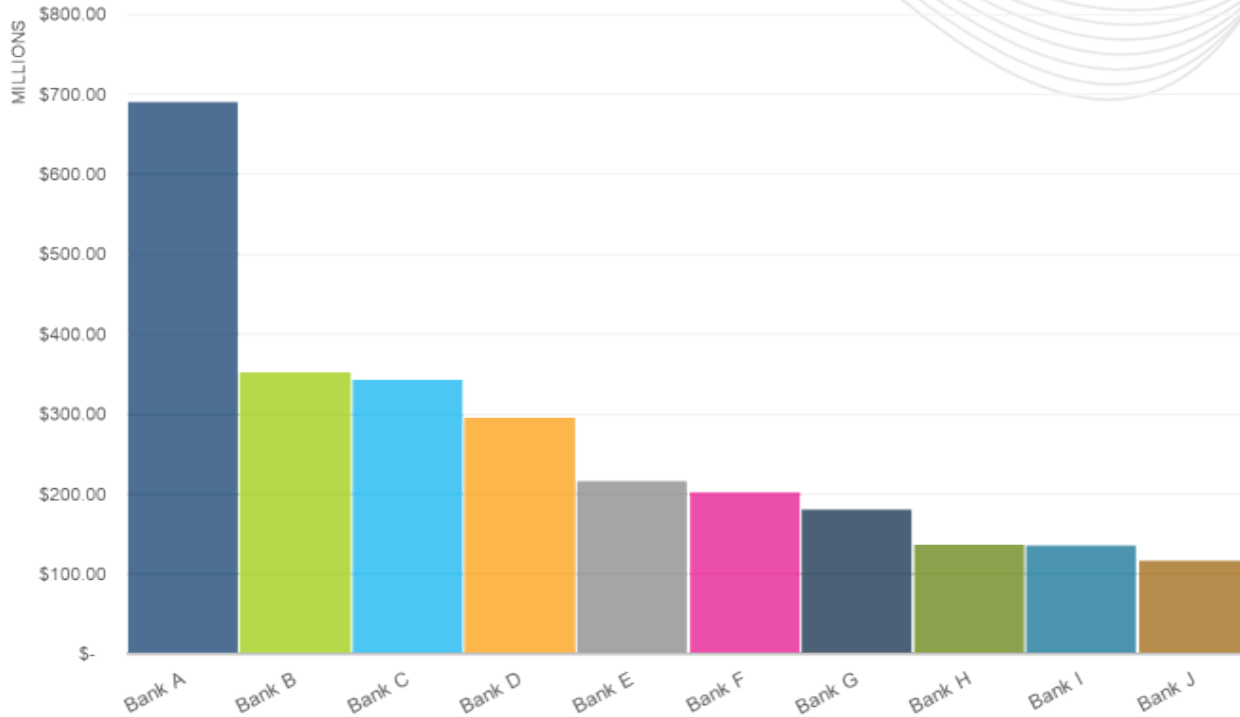
- All issuers rated A or better
- Top 10 banks issued 75% thereof (+1% m/m)
- 2 Banks each issued more than 10% thereof
- PJM has accepted LCs from 39 banks in total

Surety Bonds: \$283MM

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

LC Source: eCredit Bank LC Summary Report (12-29-2022)

Cash Source: PJM Treasury (12-29-2022)



Two European banks represent more than 10% each of the \$3.34Bn LC portfolio:

- Together, the banks represent ~\$1Bn or 29% 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 (12-29-2022)

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## Credit Risk Metrics



## Member Hotline

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