



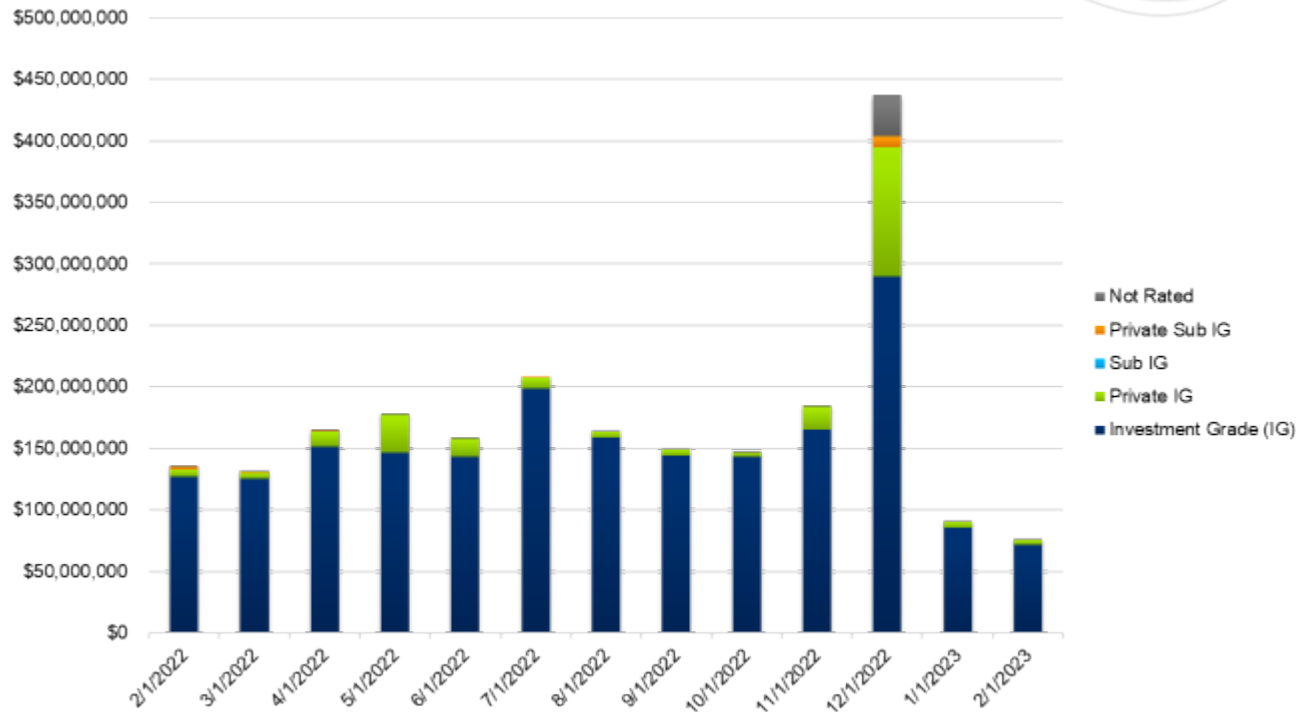
Credit Risk Metrics

Gwen Kelly, Sr. Director,
Credit Risk & Surveillance

Risk Management Committee
March 21, 2023



Full Portfolio Metrics *as of 2/23/2023*



Classification	Total Unsecured Credit Allowance	Current		
		UCA with Exposure	Net Exposure	%
Investment Grade	\$2,160,510,180	\$774,406,417	\$71,626,500	95%
Private IG	\$332,505,965	\$17,805,920	\$4,017,123	5%
Sub Inv-Grade	\$0	\$0	\$0	0%
Private SG	\$0	\$0	\$0	0%
Not Rated	\$0	\$0	\$46,084	0%
Total	\$2,493,016,145	\$792,212,337	\$75,689,707	100%

Highlights:

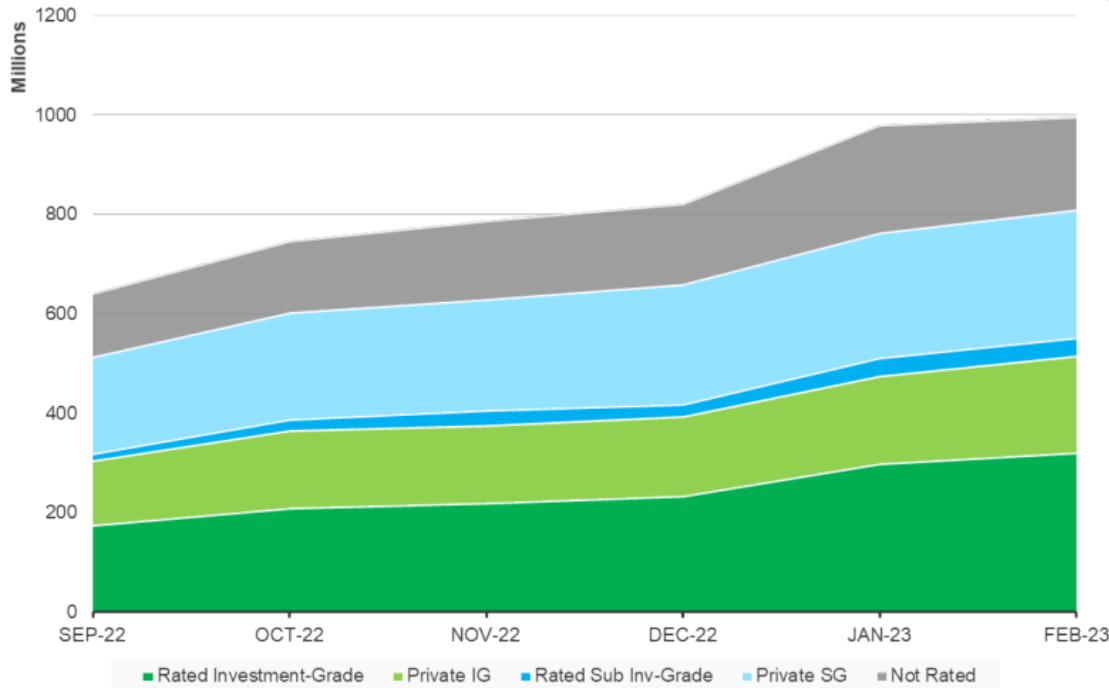
- 3 participants each represent >10% of the exposure individually
- The top 5 participants represent 59% of the outstanding exposure
- They are from different corporate families
- This is driven by the significant drop in unsecured exposure due to higher collateral levels after the winter storm

Source: eCredit member data reports (2-23-2023)



FTR Portfolio Metrics *as of 2/23/2023*

FTR Collateral & Quality through Time



Classification	Current		Month/Month		Year/Year	
	FTR Credit Req.	%	FTR Credit Req.		FTR Credit Req.	
Rated Investment-Grade	\$322,534,244	32%	\$299,144,190	8%	\$391,140,994	-18%
Private IG	\$193,615,846	19%	\$176,831,980	9%	\$355,448,660	-46%
Rated Sub Inv-Grade	\$37,768,160	4%	\$37,487,011	1%	\$73,772,608	-49%
Private SG	\$256,577,330	26%	\$250,450,619	2%	\$578,978,847	-56%
Not Rated	\$186,802,594	19%	\$216,035,475	-14%	\$189,849,137	-2%
Total	\$997,298,174	100%	\$979,949,275	2%	\$1,589,190,246	-37%

FTR Portfolio Metrics as of February 23rd:

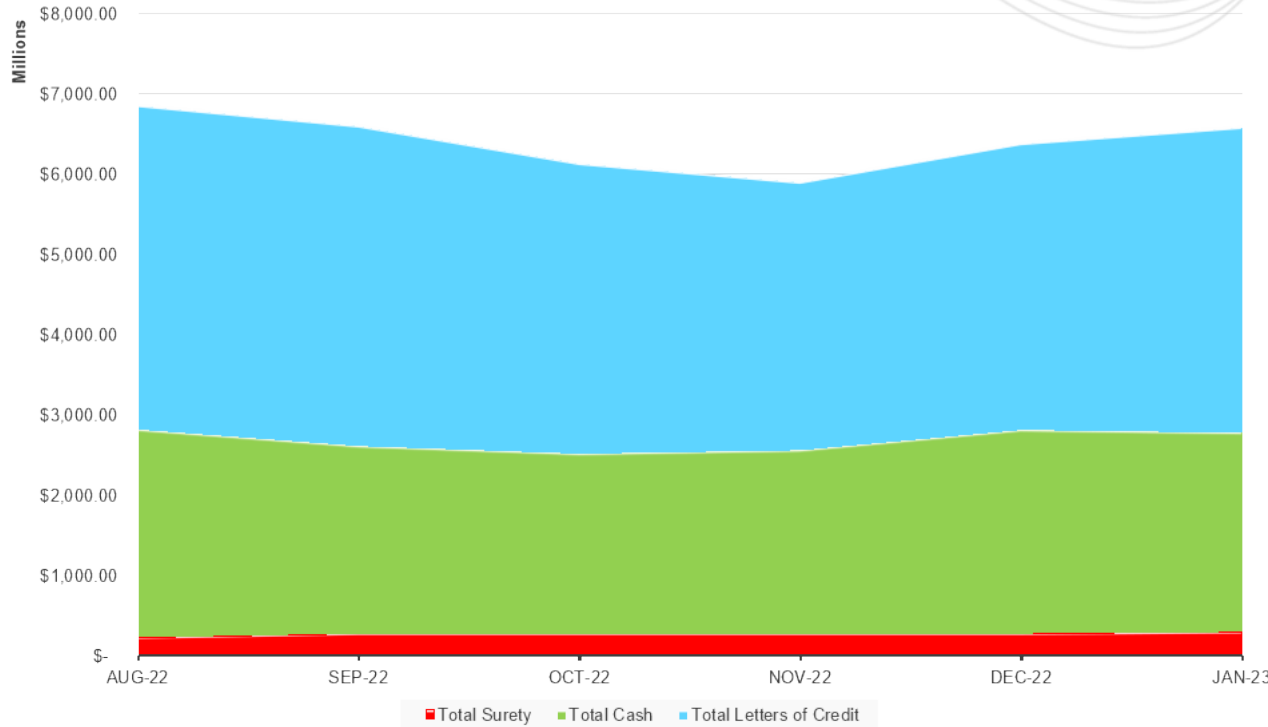
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 51% Investment-grade (+2% m/m)
- 49% concentration in top 10 participants (no Δ m/m)
- No market participant represents over 10% of the portfolio

Source: eCredit member data reports (2-23-2023)



Collateral Summary (Total PJM) *as of 2/23/2023*

Collateral Summary through Time



Total Collateral held at PJM: \$6.63Bn

Cash Collateral: \$2.51Bn

Letters of Credit: \$3.82Bn

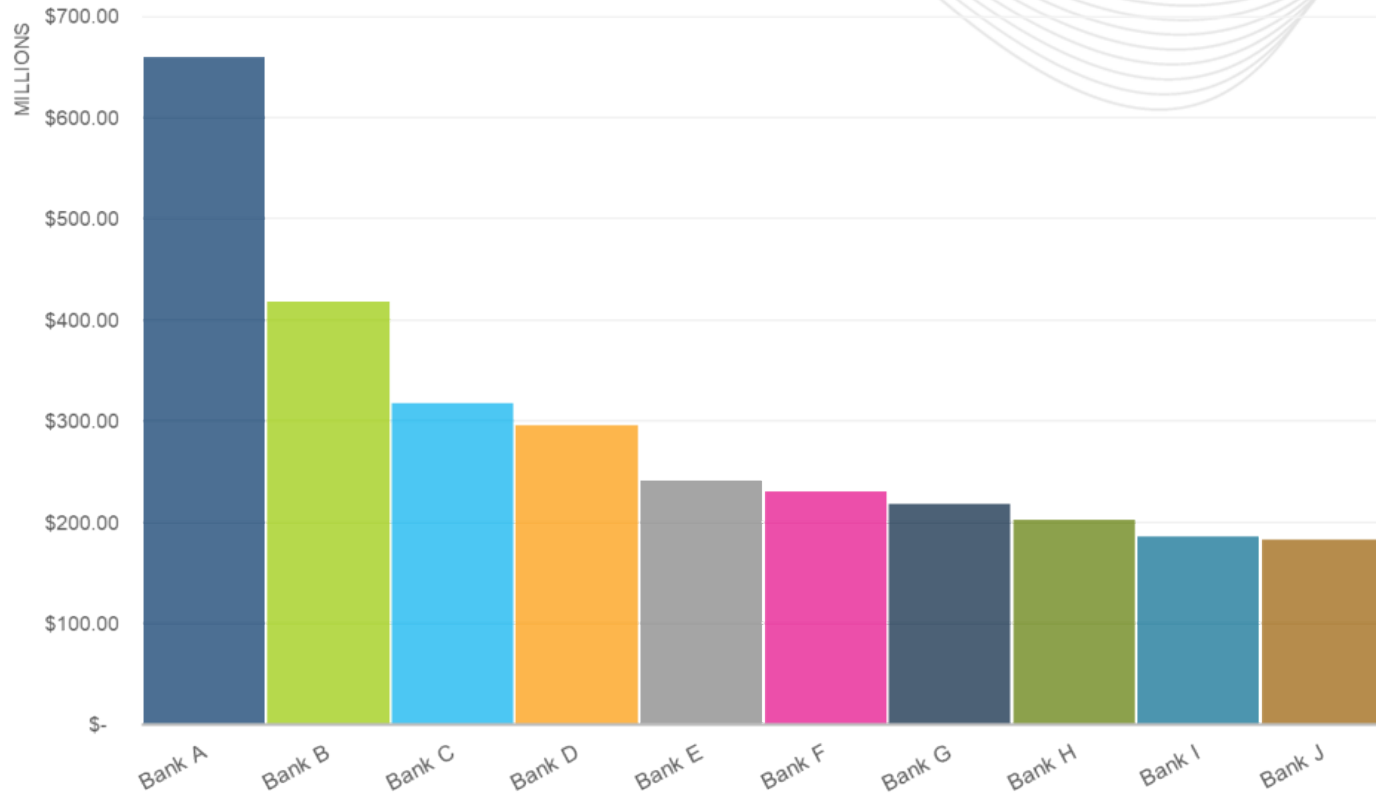
- All issuers rated A or better
- Top 10 banks issued 77% thereof (+1% m/m)
- 2 Banks each issued more than 10% thereof
- PJM has accepted LCs from 41 banks in total

Surety Bonds: \$300MM

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

LC Source: eCredit Bank LC Summary Report (2-23-2023)

Cash Source: PJM Treasury (2-23-2023)



Two foreign banks represent more than 10% each of the \$3.80Bn LC portfolio:

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

LC Source: eCredit Bank LC Summary Report (2-23-2023)

Facilitator:
Jim Gluck, Jim.Gluck@pjm.com

Secretary:
Emmy Messina,
Emmy.Messina@pjm.com

SME/Presenter:
Gwen Kelly, Gwen.Kelly@pjm.com

Credit Risk Metrics



Member Hotline

(610) 666 – 8980

(866) 400 – 8980

custsvc@pjm.com

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