



Credit Risk Metrics

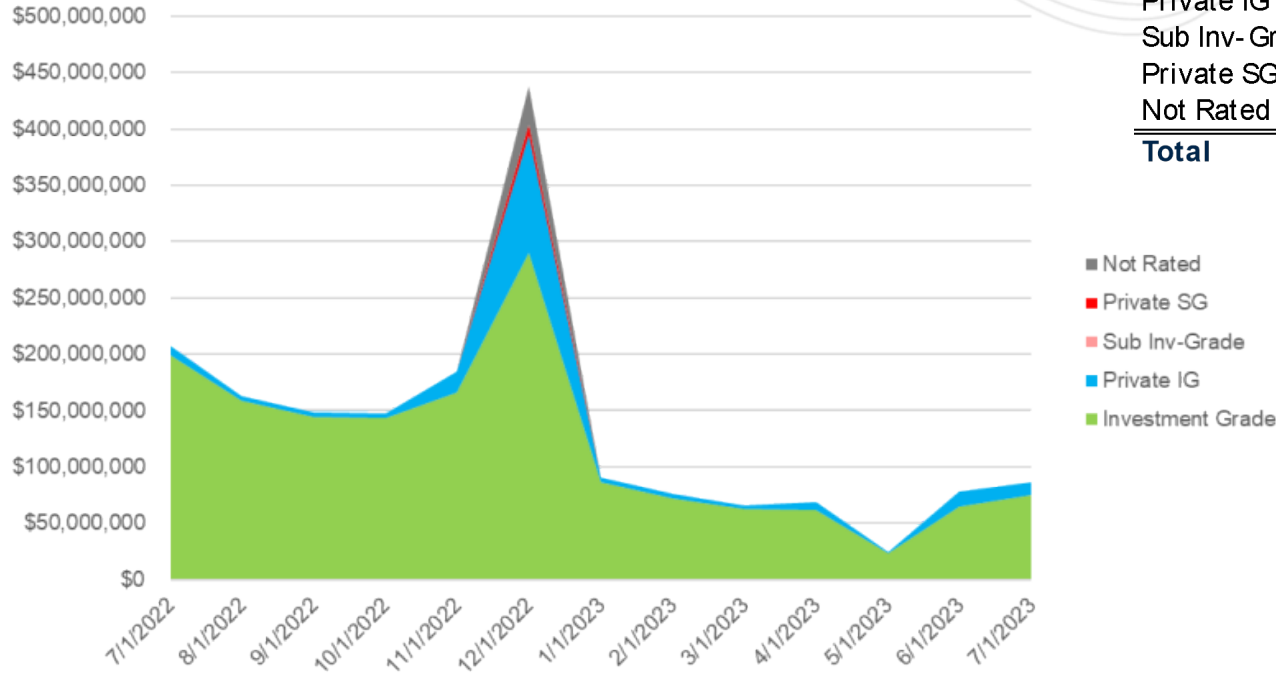
Gwen Kelly, Sr. Director,
Credit Risk & Surveillance

Risk Management Committee
August 22, 2023



Full Portfolio Metrics *as of 7/27/2023*

Full Portfolio Exposure through Time



Classification	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	%
Investment Grade	\$1,974,511,027	\$680,186,319	\$75,468,483	88%
Private IG	\$264,218,766	\$56,469,998	\$10,735,342	12%
Sub Inv-Grade	\$0	\$0	\$0	0%
Private SG	\$0	\$0	\$0	0%
Not Rated	\$0	\$0	\$0	0%
Total	\$2,238,729,793	\$736,656,317	\$86,203,825	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
- Exposure was stable month-on-month

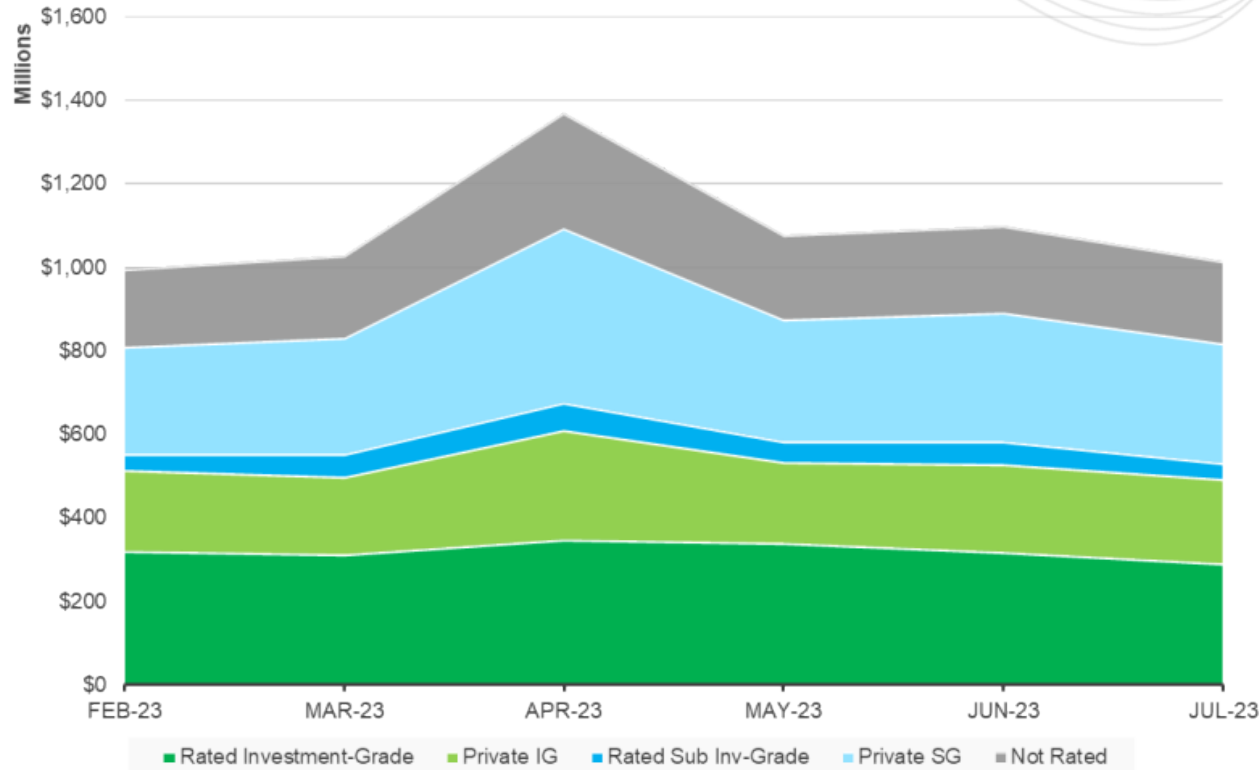
Defaulting Member Company	Amt of Default	Date of Default	Date of Cure	Type of Default
-	-	-	-	-

Source: eCredit member data reports (7-27-2023)



FTR Portfolio Metrics *as of 7/27/2023*

FTR Collateral & Quality through Time



FTR Credit Req. by Quality

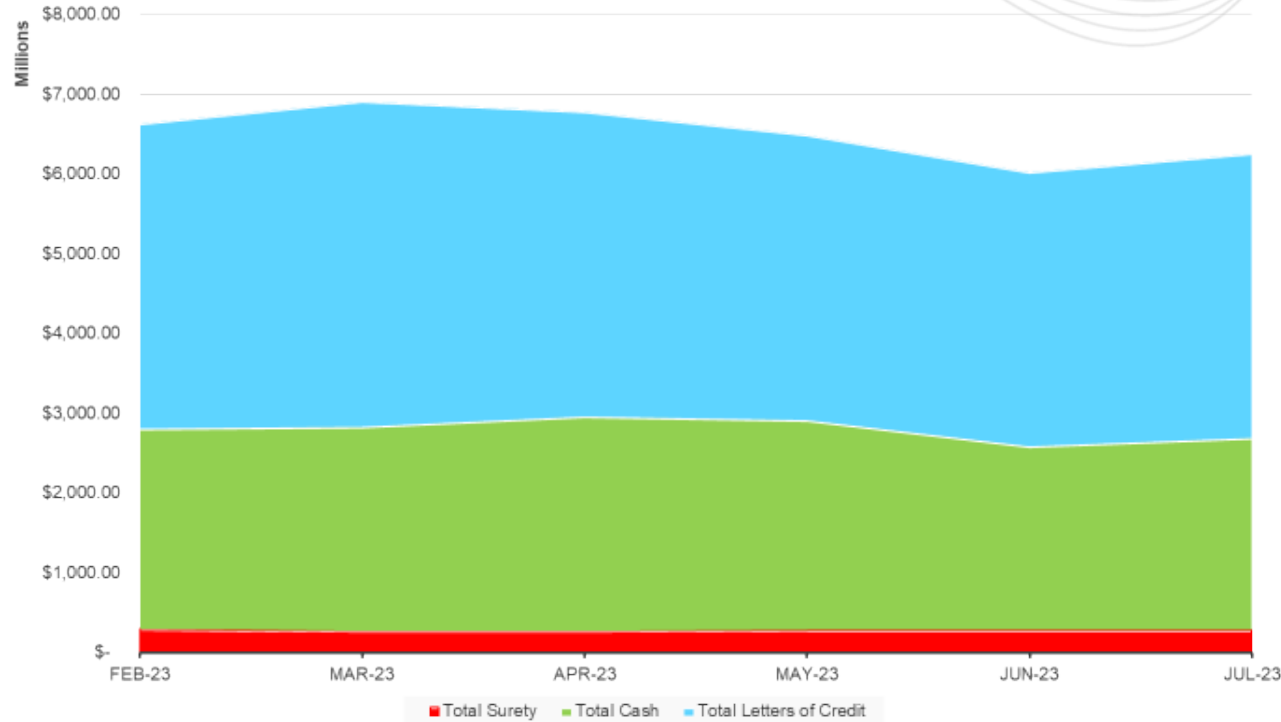
Classification	7/27/2023	6/29/2023	5/26/2023
Rated Investment-Grade	\$293,067,085	\$318,783,607	\$340,692,859
Private IG	\$201,326,732	\$211,345,578	\$194,107,219
Rated Sub Inv-Grade	\$38,723,817	\$53,461,246	\$48,787,880
Private SG	\$286,729,982	\$309,824,049	\$292,997,983
Not Rated	\$196,179,278	\$205,266,089	\$200,181,748
Total	\$1,016,026,894	\$1,098,680,569	\$1,076,767,689

Highlights:

- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 49% Investment-grade
- 39% concentration in top 10 participants
- No market participant represents over 10% of the portfolio

Source: eCredit member data reports (7-27-2023)

Collateral Summary through Time



Total Collateral held at PJM: \$6.26Bn

Cash Collateral: \$2.41Bn

Letters of Credit: \$3.57Bn

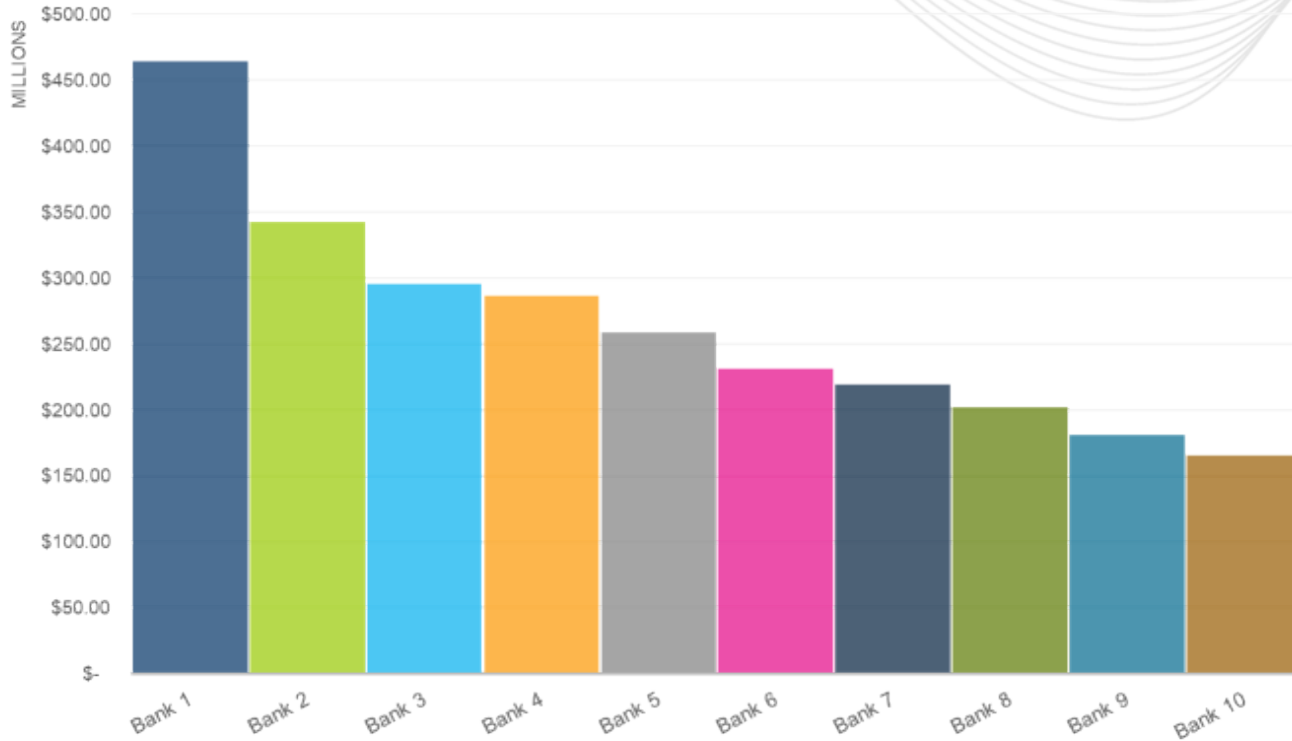
- All issuers rated A or better
- Top 10 banks issued 75% thereof
- 2 Banks each issued more than 10% thereof
- PJM has accepted LCs from 38 banks in total

Surety Bonds: \$280MM

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

LC Source: eCredit Bank LC Summary Report (7-27-2023)

Cash Source: PJM Treasury (7-27-2023)



Two European banks represent more than 10% each of the \$3.57Bn LC portfolio:

- Together, the banks represent ~\$810MM or 23% 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 (7-27-2023)

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Credit Risk Metrics



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