



# Performance Assessment Interval Settlements

Lisa Morelli  
Director, Market Settlements

Risk Management Committee  
April 24, 2024



# Total Non-Performance Charges and Collections

Over **\$1.25 billion in non-performance charges** were assessed for the Winter Storm Elliott performance assessment event.

**95.2%** of these charges were **collected** and paid out as bonus performance credits.

	Amount	Rate
Total Charges Invoiced*	\$ 1,251,728,164.32	
Total Charges Collected	\$ 1,191,872,288.82	95.2%
Non-Collection^	\$ 59,855,875.50	4.8%

*\* Includes all additional adjustments based on the Settlement Agreement and interest from deferred payments*

*^ Because some non-performance charges remain uncollected, this means the total monthly bonus performance credits paid for the event will be less than the Total Potential Bonus Performance Credits displayed on the MSRS Non-Performance Assessment Billing Month Summary report. The latter were the potential credits to be received only if charges were 100% collected.*



# March Adjustments to Bonus Credits

An additional \$12.4 million in bonus credits will be distributed in the March 2024 invoice.

<b>Total Billing for September, October &amp; November 2023</b>		
	<b>Principal</b>	<b>Interest</b>
Total Non-Performance Charges Collected (Final bonus pool)	\$ 95,094,475.50	\$ 1,284,328.52
Total Bonus Credits Invoiced in February (inclusive of initial holdback)	\$ 82,873,354.03	\$ 1,137,375.24
<b>Adjustment to Bonus Credits</b> (additional credits to be paid in March invoice and applied to November 2023)	<b>\$ 12,221,121.47</b>	<b>\$ 146,953.28</b>

100% of the holdback for deferred Lee County payments will be returned in March. Lee County's PAI payment obligations are now paid in full.

<b>Company</b>	<b>Bankruptcy Proceeding Status</b>	<b>PAI Disbursement Status</b>
Elgin Energy Center, LLC	Complete	All available funds have been returned to the bonus pool
Rocky Road Power, LLC	Complete	All available funds have been returned to bonus pool
Heritage Power Marketing, LLC	Complete	See next slide
EFS Parlin Holdings, LLC	Ongoing	Very small amount of pre-petition credits are being held for later disbursement to the bonus pool

Heritage cured its pre-petition obligations with a payment of ~\$22.6 million consisting of cash and retained bonus payments. These funds covered both PAI and non-PAI pre-petition obligations.

- ~\$21.9 million has been applied to satisfy PAI obligations.
  - This reduced the non-payment amounts recorded for the March – Aug 2023 invoices and reduced the initial holdback for the February 2024 invoice.
  - No additional bonus adjustments are expected in March 2024 or forward in association with this \$21.9 million payment.
- ~\$.7 million was allocated for non-PAI pre-petition billing.
  - ~\$.3 million of this is being held to cover exposure to potential prior period adjustments that would otherwise be uncollectable and socialized to the membership.
    - If not needed to cover other obligations, this \$.3 million will be returned to the bonus pool in January 2025.

- Billing of all non-performance charges is now complete.
- Billing of bonus performance credits is 99.9% complete.
  - Additional bonus credits may be returned to the bonus pool in the future.
    - Return of any unused funds from the Heritage payment  
Will not be known until January 2025
    - Return of any funds recovered from EFS Parlin bankruptcy  
Resolution timeline is currently unknown

Facilitator:  
Thomas Zadlo,  
[thomas.zadlo@pjm.com](mailto:thomas.zadlo@pjm.com)

Secretary:  
Julia Spatafore,  
[julia.spatafore@pjm.com](mailto:julia.spatafore@pjm.com)

SME:  
Lisa Morelli, [lisa.morelli@pjm.com](mailto:lisa.morelli@pjm.com)

## **Performance Assessment Interval Settlements**



### **Member Hotline**

(610) 666 – 8980

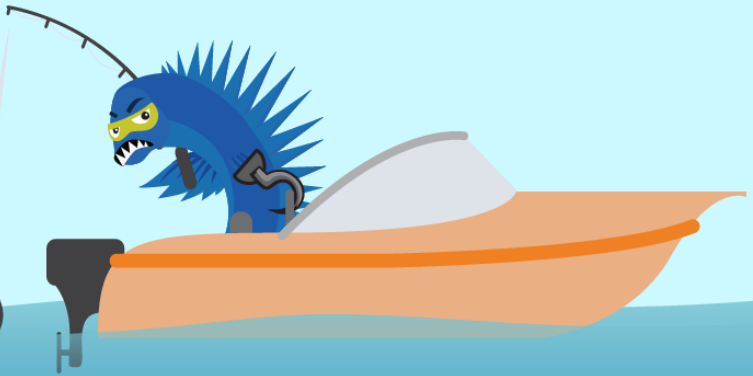
(866) 400 – 8980

[custsvc@pjm.com](mailto:custsvc@pjm.com)



**PROTECT THE  
POWER GRID**

**THINK BEFORE  
YOU CLICK!**



**BE ALERT TO  
MALICIOUS PHISHING  
EMAILS**



**Report suspicious email activity to PJM.  
Call (610) 666-2244 or email [it\\_ops\\_ctr\\_shift@pjm.com](mailto:it_ops_ctr_shift@pjm.com)**