



Credit Risk Metrics

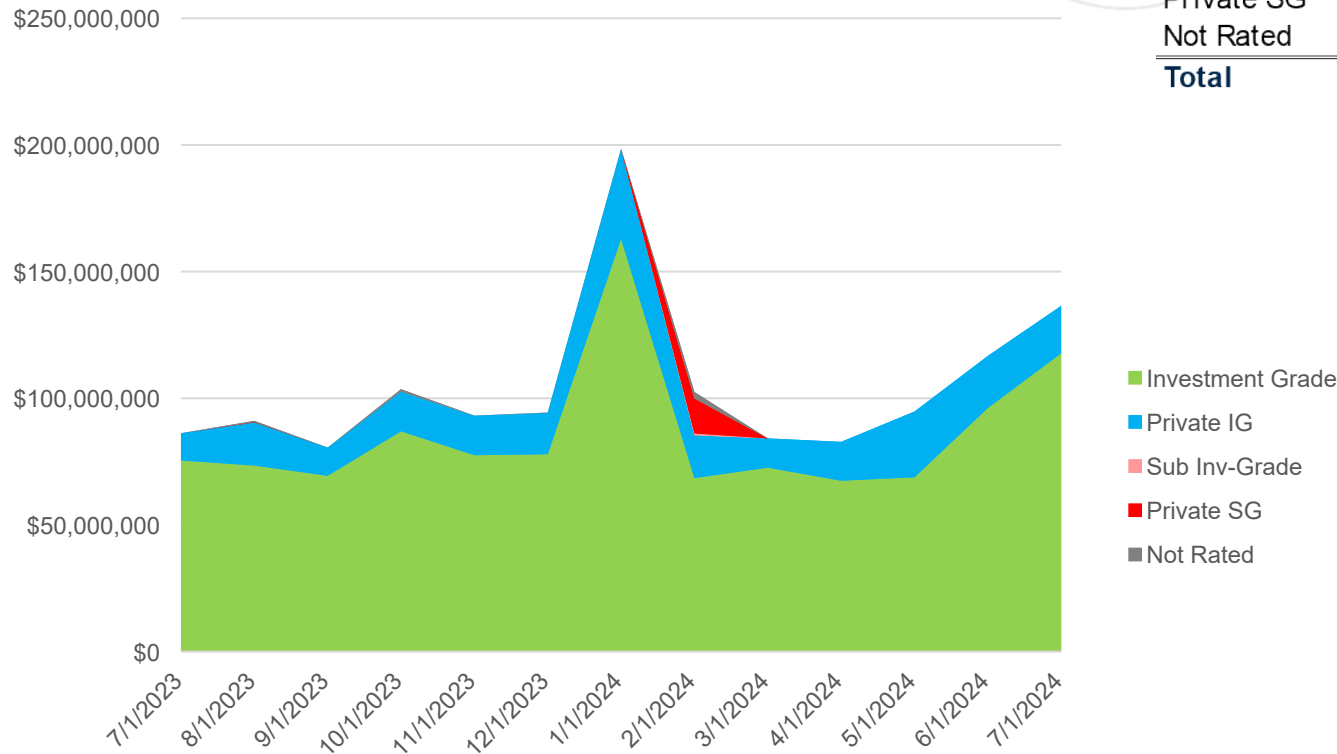
Gwen Kelly
Sr. Director, Credit Risk & Collateral Management

Risk Management Committee
August 20, 2024



Full Portfolio Metrics *as of 7/25/2024*

Full Portfolio Exposure through Time



Classification	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	%
Investment Grade	\$1,479,136,313	\$710,158,040	\$117,780,282	86%
Private IG	\$225,901,931	\$72,625,703	\$18,717,956	14%
Sub Inv-Grade	\$0	\$0	\$0	0%
Private SG	\$0	\$0	\$0	0%
Not Rated	\$0	\$0	\$0	0%
Total	\$1,705,038,244	\$782,783,743	\$136,498,238	100%

Highlights:

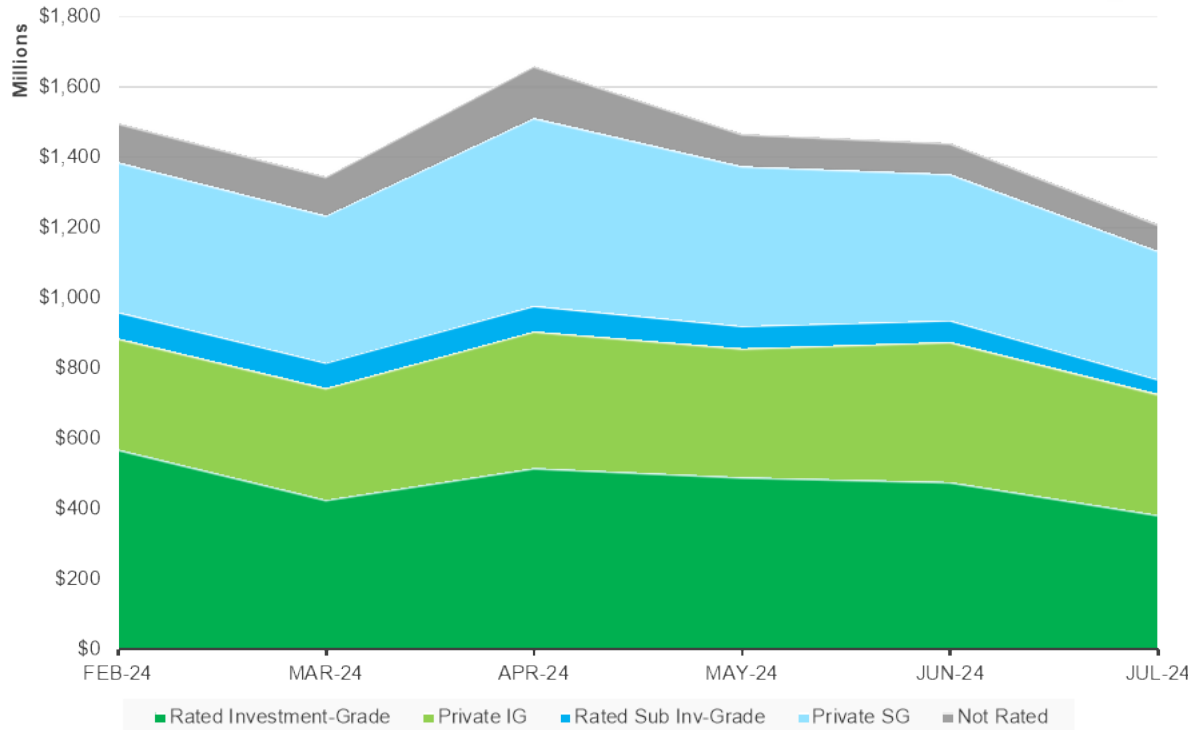
- 2 participants each represent >10% of the exposure individually
- The top 10 participants represent 77% of the outstanding exposure
- They are from different corporate families
- Net exposure is up 17% month-over-month due to summer weather

Source: eCredit member data reports (7-25-2024)



FTR Portfolio Metrics *as of 7/25/2024*

FTR Collateral & Quality through Time



FTR Credit Req. by Quality

Classification	7/25/2024	6/27/2024	5/30/2024
Rated Investment- Grade	\$382,919,896	\$476,247,598	\$490,272,036
Private IG	\$343,783,753	\$398,698,848	\$366,558,792
Rated Sub Inv- Grade	\$40,986,987	\$61,277,044	\$63,784,515
Private SG	\$366,016,966	\$415,976,814	\$454,185,813
Not Rated	\$75,838,342	\$88,954,347	\$92,107,223
Total	\$1,209,545,944	\$1,441,154,651	\$1,466,908,379
Investment Grade %	60.08%	60.71%	58.41%

Highlights:

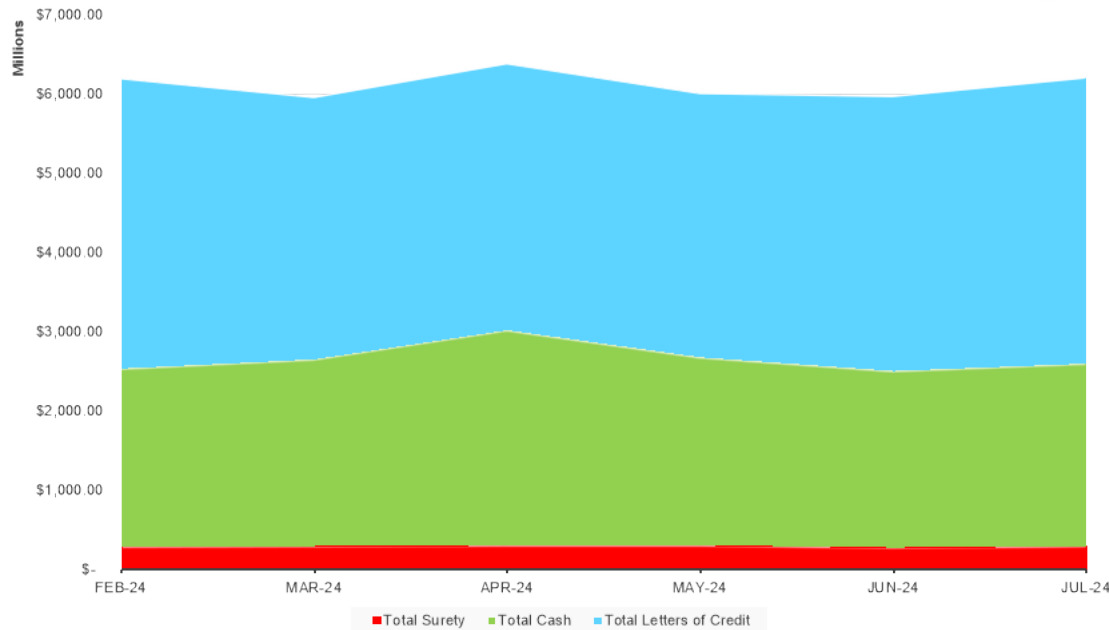
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 60% Investment-grade
- 38% concentration in top 10 participants
- 0 market participants represent over 10% of the portfolio

Source: eCredit member data reports (7-25-2024)



Collateral Summary (Total PJM) *as of 7/25/2024*

Collateral Summary through Time



Total Collateral held at PJM: \$6.20Bn

Cash Collateral: \$2.30Bn

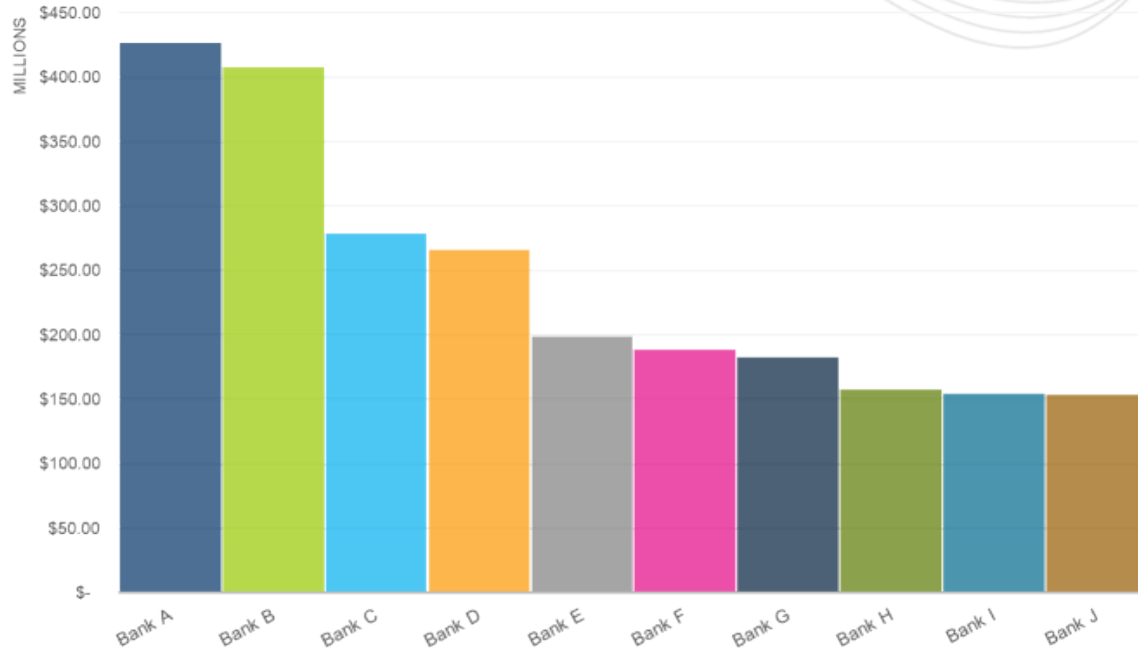
Letters of Credit: \$3.61Bn

- All issuers rated A or better
- Top 10 banks issued 70% thereof
- 2 Banks issued more than 10% thereof
- PJM has accepted LCs from 40 banks in total

Surety Bonds: \$292MM

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

LC Source: eCredit Bank LC Summary Report (7-25-2024)
Cash Source: PJM Treasury (7-25-2024)



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

- The banks represent ~\$834MM or 23% of PJM’s LC portfolio
- The 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 (7-25-2024)

Facilitator:
Thomas Zadlo,
Thomas.Zadlo@pjm.com

Secretary:
Julia Spatafore,
Julia.Spatafore@pjm.com

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

Credit Risk Metrics



Member Hotline

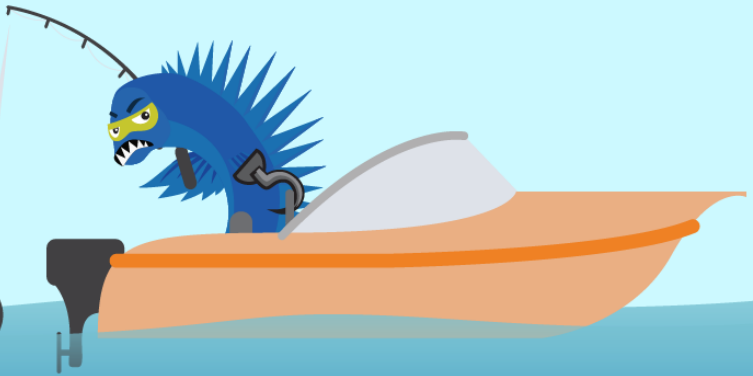
(610) 666 – 8980

(866) 400 – 8980

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**