



Initial Margin Historical Simulation Project – Parallel Operations

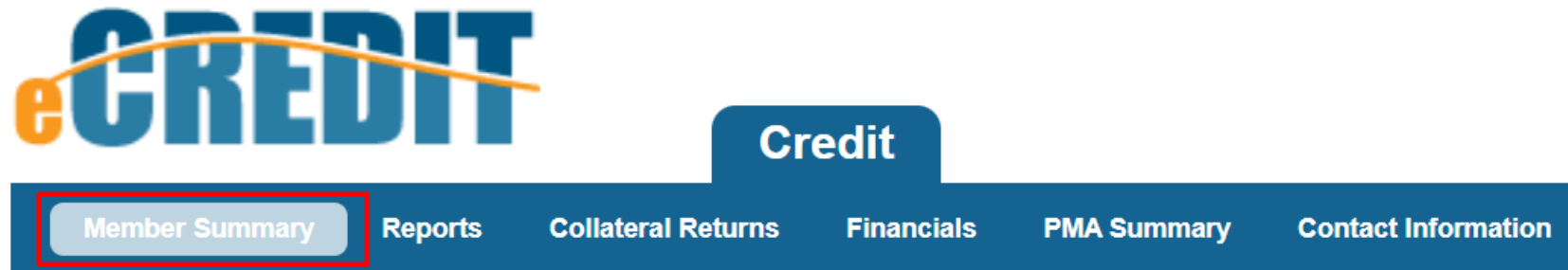
Eric J. Endress
Trade Surveillance
February 14, 2022

Product - Action Required	Dates	Who May Be Affected
<p>eCredit and FTR Center - Review sample data of the new IM-H method available for FTR Market Participants.</p>	<p>February 10</p>	<p>FTR Market Participants</p>
<p>New IM-H method will be used for calculating Credit Requirement for FTR Market Participants in Production (pending approval from the FERC).</p>	<p>April TBD</p>	<p>FTR Market Participants</p>



- Initial Margin Historical Simulation (IM-H) values for FTR portfolios will be available in eCredit and FTR Center on February 10, 2022
- The IM-H method was discussed at the FRMSTF and materials can be found [here](#)
- IM-H uses historical price data to generate scenarios for FTR prices for all paths in an FTR portfolio; these price scenarios simulate price movements over the defined liquidation period
- These values are illustrative during parallel operations and do not indicate a final requirement
- Feedback from this data is encouraged

- Once posted, the data will be accessible in eCredit, the login screen is available [here](#).
- Once logged in, go to the Member Summary tab:

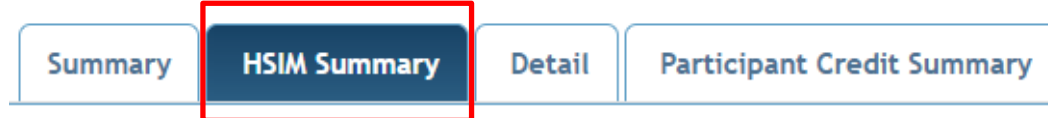


- Stakeholders that do not have direct access to eCredit are asked to contact their internal credit department or subject matter experts for their individual company account(s).

- Total FTR IM-H Credit Requirement Sample value will be available under the Accounts section in eCredit

Accounts		Edit ▶
		PJMST [2214]
FTR credit requirement	\$0.00	
FTR IM-H Credit Requirement Sample	\$0.00	
Collateral	\$0.00	
Total Credit	\$0.00	
Excess / (Deficiency)	\$0.00	
RPM Credit Requirement	\$0.00	
Collateral	\$25,000,000.00	
Unsecured Credit Allowance	\$0.00	
RPM Seller Credit	\$0.00	
Total Credit	\$25,000,000.00	
Excess / (Deficiency)	\$25,000,000.00	
Virtual Transactions Allocation %	30%	
Available Market Credit for Virtual Transactions	\$0.00	
Virtual Transactions Credit Requirement	\$0.00	
CTS/Export Transactions Allocation %	35%	
Available Market Credit for CTS/Export Transactions	\$0.00	
CTS/Export Transactions Credit Requirement	\$0.00	
Account Last Modified Date/Time		01/03/2022 05:10:38 PM

- Once posted, the data will be accessible in FTR Center, the login screen is available [here](#).
- Once logged in, go to the Credit section, then the HSIM Summary tab:



- Stakeholders that do not have direct access to FTR Center are asked to contact their subject matter experts for their individual company account(s).

- The components of the new FTR IM-H Credit Requirement will be available by period for each account
- The status quo Credit Study can be used to see the impact to these values below, using the new methodology

 Include Credit Study

[Refresh](#)

Summary **HSIM Summary** Detail

1/21/2022>>Auction

Note: All values on the HSIM Credit Summary tab are an illustrative sample and do not indicate the final requirement.

Limit: \$10,000,000,000.00

Available: \$9,999,999,289.97

Total Requirement: \$710.03

MTA: \$10,124.90

PerMWH: \$710.03

Realized Gains and Losses: \$0.00

Period	Start Day	End Day	Initial Margin	Cleared ARR	Net Initial Margin	Initial Margin Option	MTA	PerMWH	Realized Gains And Losses
▼ Long Term Positions									
	6/1/2022	5/31/2023	0	0	0	0	0	0	0
	6/1/2023	5/31/2024	0	0	0	0	0	0	0
	6/1/2024	5/31/2025	0	0	0	0	0	0	0
▼ Monthly Positions									
	1/1/2022	1/31/2022	57.23	0	57.23	0	0	57.23	0
	2/1/2022	2/28/2022	153.6	0	153.6	0	0	153.6	0
	3/1/2022	3/31/2022	5798.48	0	5798.48	0	0	176.64	0
	4/1/2022	4/30/2022	3289.52	0	3289.52	0	3691.84	161.28	0
	5/1/2022	5/31/2022	4531.38	0	4531.38	0	6433.06	161.28	0

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Initial Margin Historical Simulation Project



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