

Credit Risk Metrics

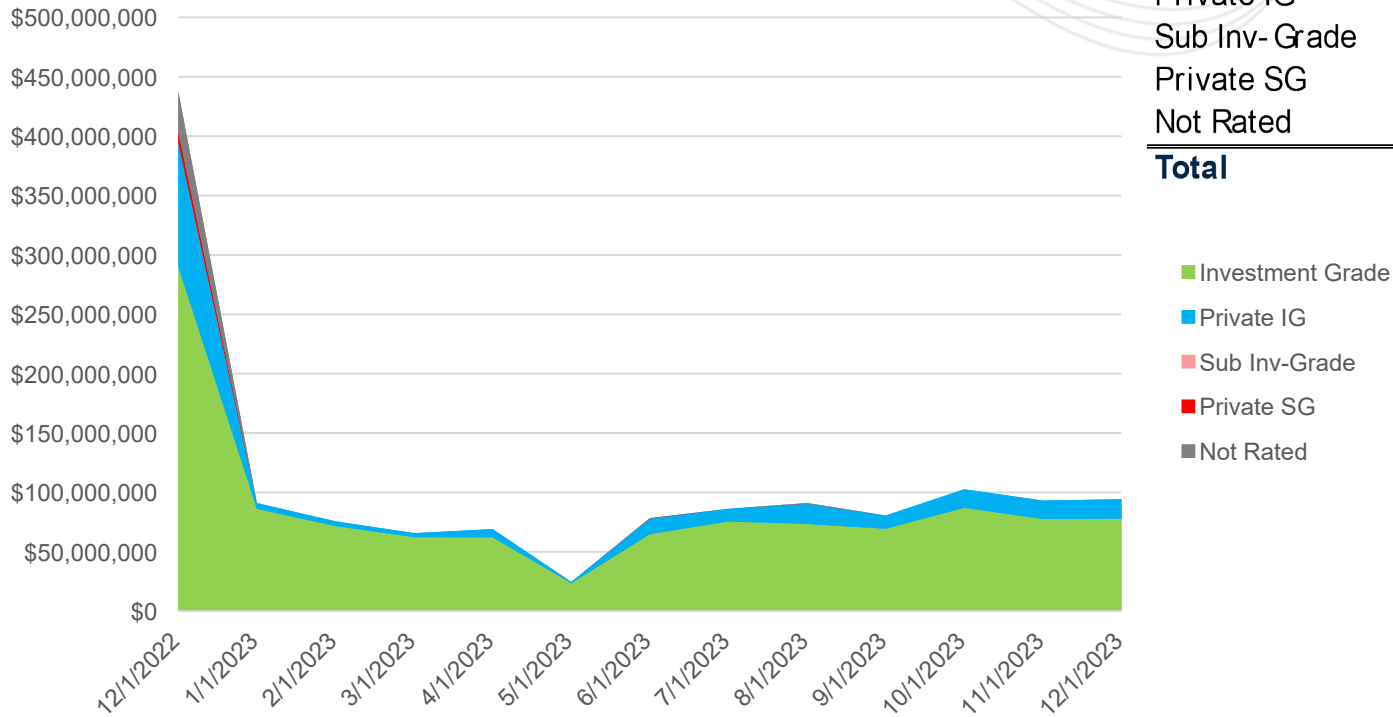
Gwen Kelly, Sr. Director, Credit Risk &
Collateral Management

Risk Management Committee
January 23rd, 2024



Full Portfolio Metrics *as of 12/28/2023*

Full Portfolio Exposure through Time



Classification	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	%
Investment Grade	\$1,594,176,369	\$624,930,148	\$77,917,453	83%
Private IG	\$271,161,505	\$67,294,954	\$16,341,885	17%
Sub Inv-Grade	\$0	\$0	\$0	0%
Private SG	\$0	\$0	\$0	0%
Not Rated	\$0	\$0	\$0	0%
Total	\$1,865,337,874	\$692,225,102	\$94,259,338	100%

Highlights:

- 4 participants each represent >10% of the exposure individually
- The top 5 participants represent 57% of the outstanding exposure
- They are from different corporate families
- Overall exposure was stable month-on-month

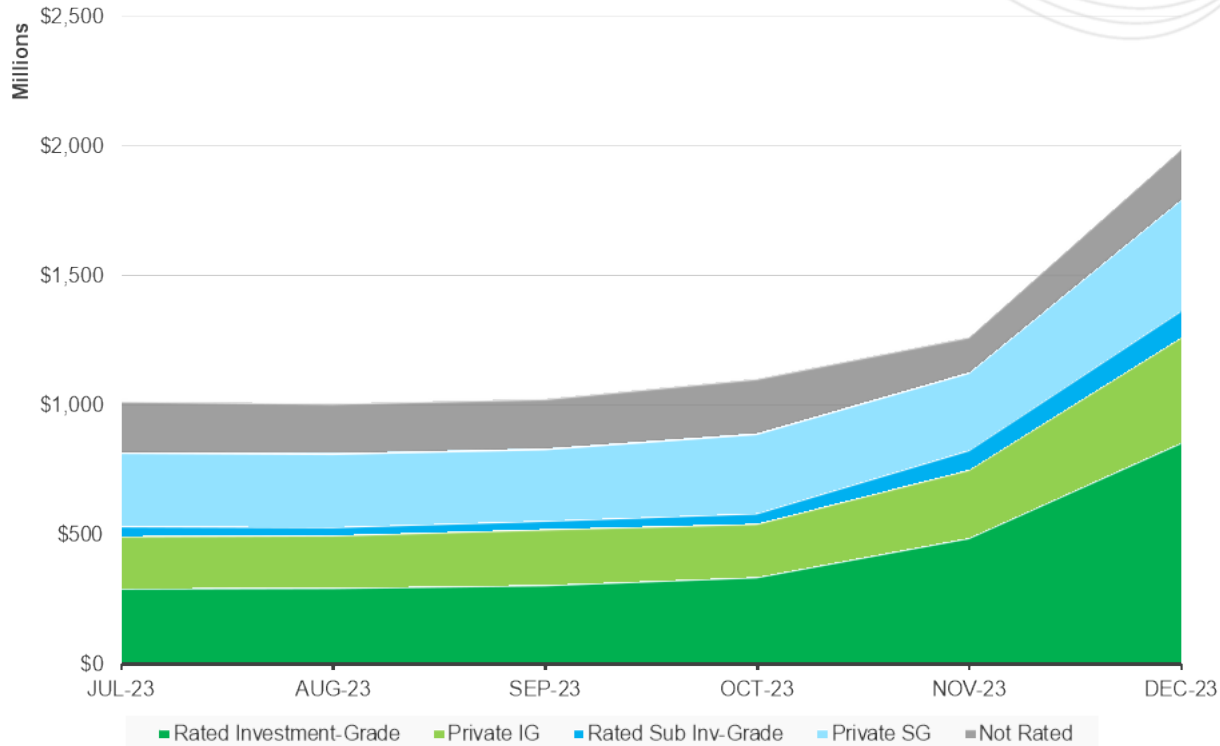
Defaulting Member Company	Amt of Default	Date of Default	Date of Cure	Type of Default
-	-	-	-	-

Source: eCredit member data reports (12-28-2023)



FTR Portfolio Metrics *as of 12/28/2023*

FTR Collateral & Quality through Time



FTR Credit Req. by Quality

Classification	12/28/2023	11/30/2023	10/26/2023
Rated Investment-Grade	\$856,254,579	\$488,333,719	\$336,389,985
Private IG	\$406,322,421	\$262,900,876	\$206,229,398
Rated Sub Inv-Grade	\$103,130,367	\$76,310,829	\$40,258,408
Private SG	\$428,622,450	\$300,349,616	\$308,953,081
Not Rated	\$195,103,436	\$136,920,259	\$211,430,557
Total	\$1,989,433,253	\$1,264,815,299	\$1,103,261,429
Investment Grade %	63%	59%	49%

Highlights:

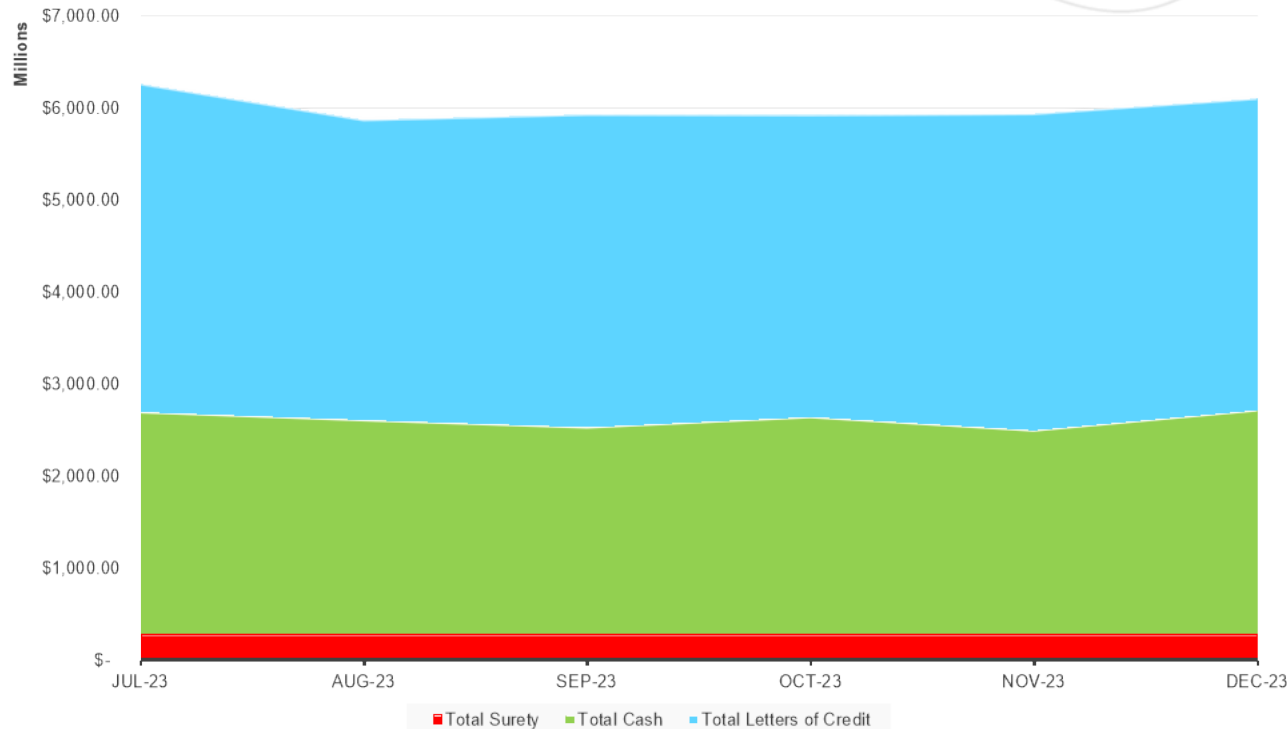
- Large spike is due to winter weather and HSIM99% being implemented
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 63% Investment-grade
- 39% concentration in top 10 participants
- No market participant represents over 10% of the portfolio

Source: eCredit member data reports (12-28-2023)



Collateral Summary (Total PJM) *as of 12/28/2023*

Collateral Summary through Time



Total Collateral held at PJM: \$6.10Bn

Cash Collateral: \$2.43Bn

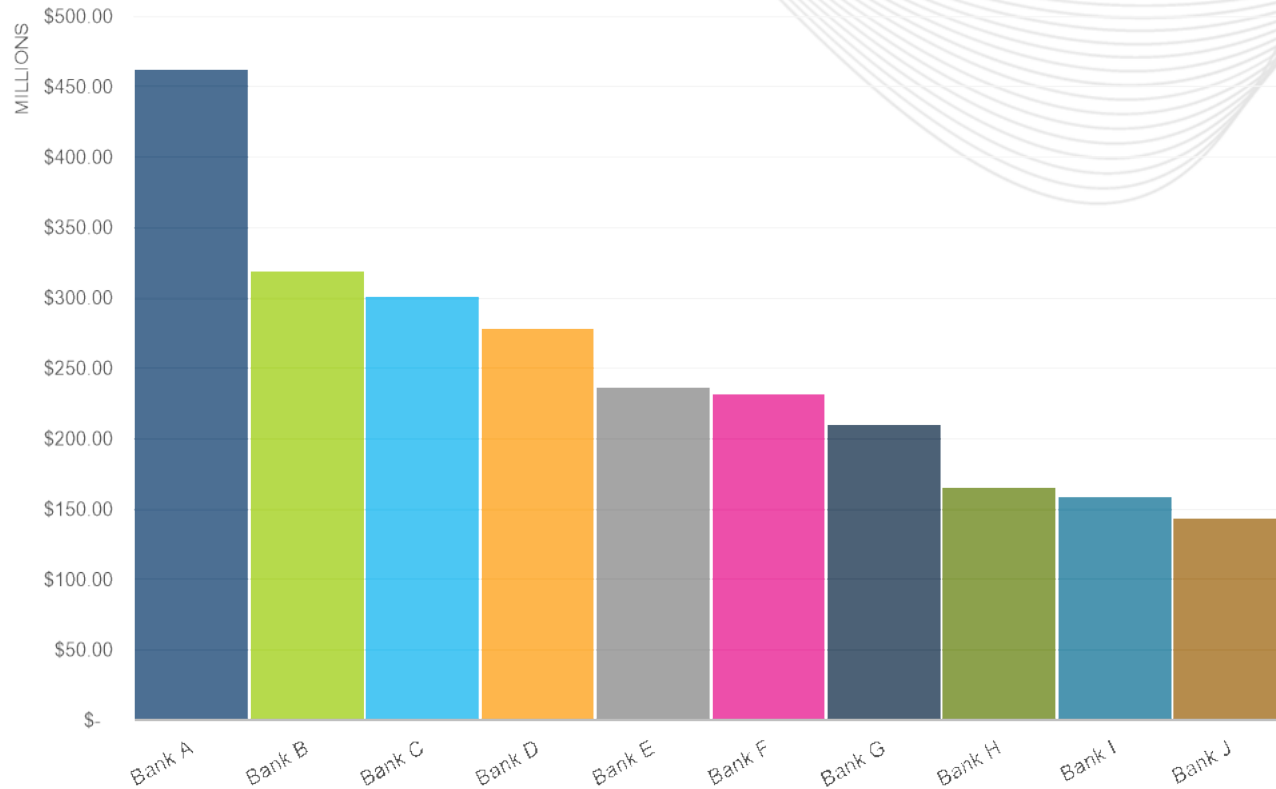
Letters of Credit: \$3.39Bn

- All issuers rated A or better
- Top 10 banks issued 73% thereof
- 1 Bank issued more than 10% thereof
- PJM has accepted LCs from 39 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 (12-28-2023)
Cash Source: PJM Treasury (12-28-2023)



One European bank represents more than 10% of the \$3.39Bn LC portfolio:

- The bank represents ~\$460MM or 14% of PJM’s LC portfolio
- The bank is rated A+ with Stable outlook at S&P and rated Aa3 with Stable outlook at Moody’s.

LC Source: eCredit Bank LC Summary Report (12-28-2023)

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

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