



Credit Subcommittee CHARTER

MISSION

The Credit Subcommittee's (CS) responsibility is to discuss and recommend courses of action to address credit risk issues pursuant to PJM's responsibilities as set forth in the PJM Tariff and PJM Operating Agreement.

RESPONSIBILITIES

1. Consider and recommend changes to the credit policy to mitigate the risk of socialized default charges to PJM members, using commercially reasonable practices and considering existing and new situations as they arise.
2. Provide expertise to PJM as PJM considers changes to, and continues to evolve, its internal procedures for evaluating and reporting the risk of socialized default to which members are exposed.

ADMINISTRATIVE

1. The CS reports to the Market Implementation Committee of PJM to which the CS will report on discussions and recommendations.
2. The CS will meet as needed to address issues raised either by PJM staff or by PJM stakeholders.
3. CS meetings will be noticed on the PJM Meeting Advisor, have agendas posted no less than three business days prior to each meeting, and will be documented via meeting minutes.
4. CS representatives may be self-nominated by any PJM member.
5. No confidentiality agreement is required to be signed by CS representatives.
6. The CS is chaired by PJM.

Approved by the Market Implementation Committee at its January 12, 2010 meeting.