

# Credit Risk Metrics

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Risk Management Committee  
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# Full Portfolio Metrics *as of 02/24/2022*

Classification	Current				Last Month				% ▲ m/m
	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	Class % of Exposure	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	Class % of Exposure	
Investment Grade	\$2,155,787,691	\$1,048,237,086	\$127,367,065	94%	\$2,149,666,139	\$1,271,252,381	\$262,815,497	86%	-52%
Private IG	\$282,471,240	\$54,187,101	\$5,314,649	4%	\$282,471,240	\$89,570,790	\$28,353,998	9%	-81%
Sub Inv-Grade	\$4,459,375	\$0	\$0	0%	\$4,459,375	\$0	\$1,625,868	1%	-100%
Private SG	\$21,799,241	\$8,889,450	\$2,680,306	2%	\$20,048,787	\$10,923,811	\$9,532,626	3%	-72%
Not Rated	\$15,976,299	\$5,000,000	\$705,815	1%	\$15,976,299	\$5,000,000	\$3,009,562	1%	-77%
<b>Total</b>	<b>\$2,480,493,846</b>	<b>\$1,116,313,637</b>	<b>\$136,067,835</b>	<b>100%</b>	<b>\$2,472,621,840</b>	<b>\$1,376,746,982</b>	<b>\$305,337,551</b>	<b>100%</b>	<b>-55%</b>

### Unsecured Credit Allowance (UCA):

- Total credit extended by rating class per tariff Q
- Shows where PJM *is comfortable taking risk*

### Highlights:

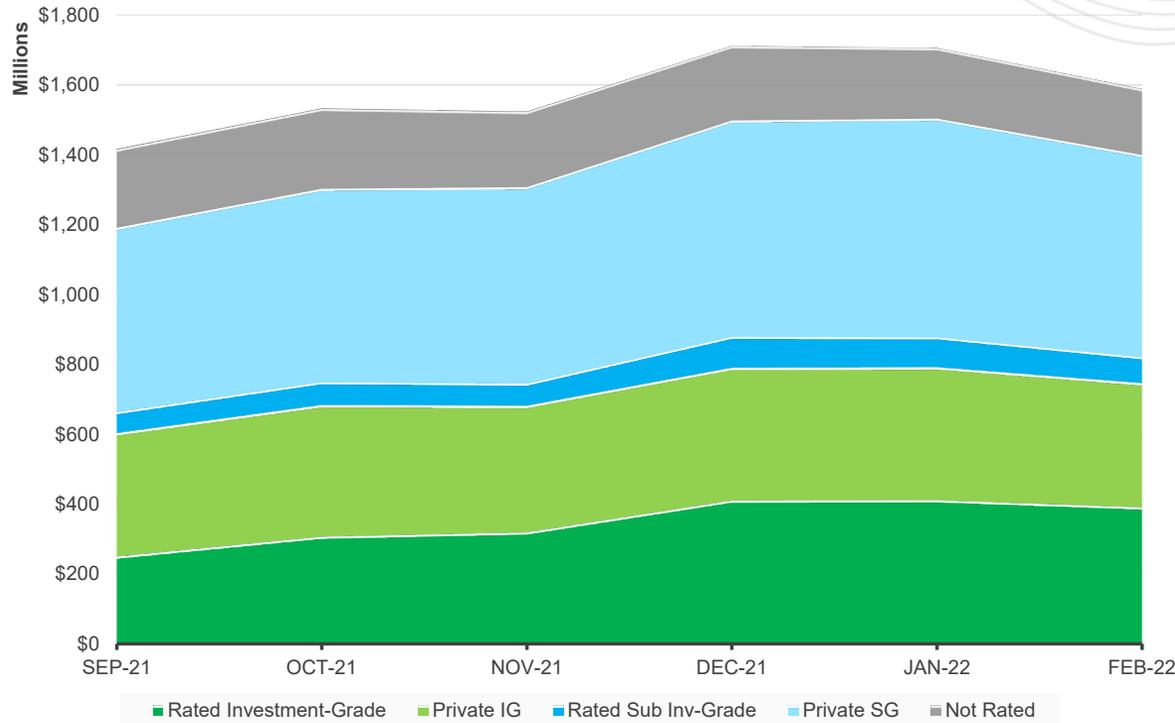
- 2 corporate families each represent >10% of exposure exceeding collateral. Both are rated A-.

### Net Exposure:

- Unsecured Credit Allowance utilization
- Current outstanding invoices + unbilled – available market collateral
- Shows where PJM *is taking risk*

Source: eCredit member data reports (02-24-2022)

## FTR Portfolio Size & Quality through Time



Classification	Current		Last Month		m/m
	FTR Credit Req.	% of Port.	FTR Credit Req.	% of Port.	
Rated Investment-Grade	\$391,140,994	25%	\$411,859,302	24%	0%
Private IG	\$355,448,660	22%	\$380,522,059	22%	0%
Rated Sub Inv-Grade	\$73,772,608	5%	\$84,931,750	5%	0%
Private SG	\$578,978,847	36%	\$626,147,709	37%	0%
Not Rated	\$189,849,137	12%	\$202,329,833	12%	0%
<b>Total</b>	<b>\$1,589,190,246</b>	<b>100.00%</b>	<b>\$1,705,790,653</b>	<b>100.00%</b>	<b>-7%</b>

### FTR Portfolio Metrics as of February 24th:

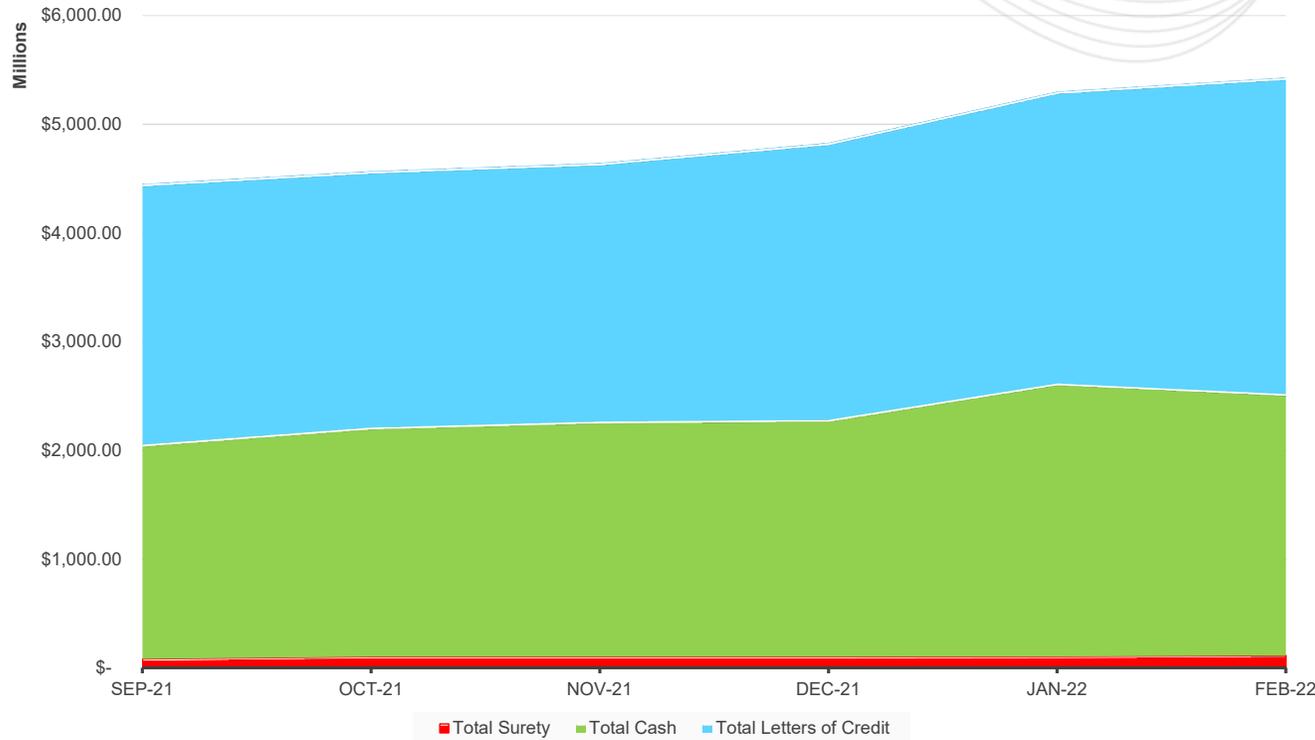
- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 47% Investment-grade (+1% m/m)
- 47% concentration in top 10 participants (+2% m/m)
- No market participants or corporate families represent over 10% of the portfolio

Source: eCredit member data reports (02-24-2022)



# Collateral Summary (Total PJM) *as of 02/24/2022*

### Collateral Summary through Time



### Cash Collateral

- Total held by PJM: \$2.40Bn

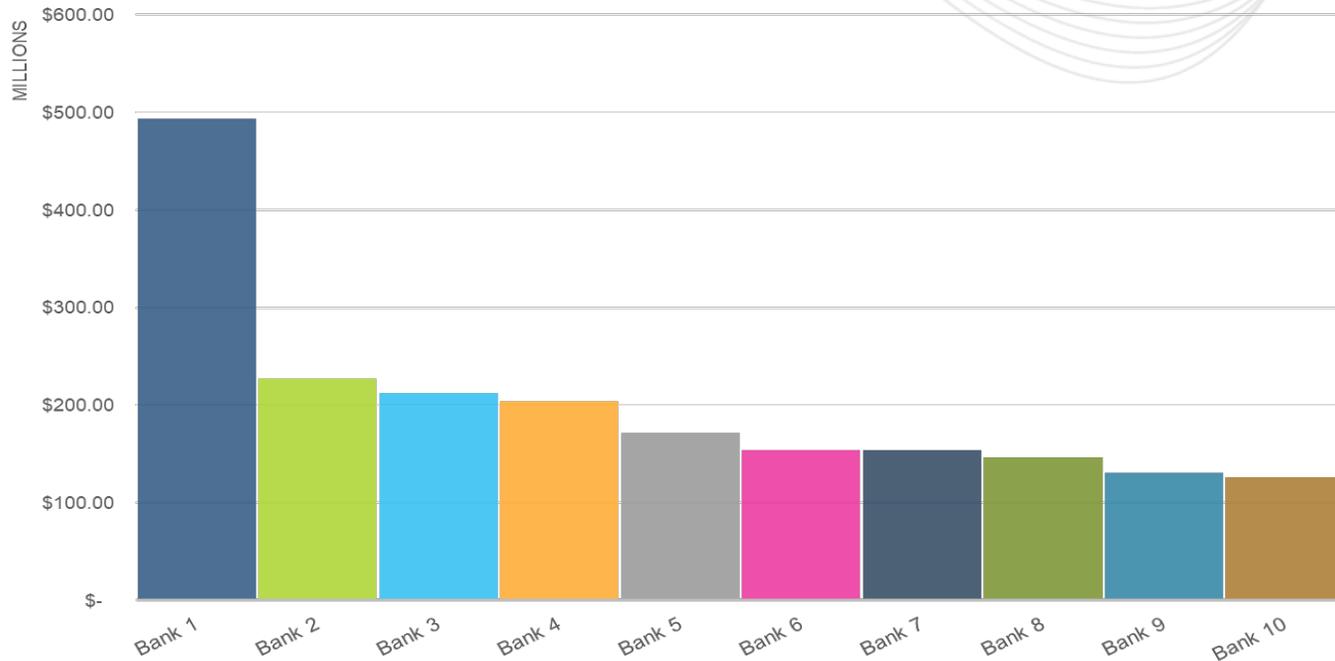
### Letters of Credit

- Total held by PJM: \$2.91Bn
- All issuers rated A or better
- Top 10 banks issued 69% thereof (-1% m/m)
- 1 Bank issued more than 10% thereof
- PJM has accepted LCs from 35 banks in total

### Surety Bonds

- Total held by PJM: \$112MM (+\$10MM)
- All issuers rated A or better
- Concentrations capped at \$50MM per issuer

LC Source: eCredit Bank LC Summary Report (02-24-2022)  
Cash Source: PJM Treasury (02-24-2022)



## Bank 1:

US arm of a large foreign bank. It provides capital markets, trade finance, money management and investment banking services.

- Just under \$500MM (17%) of all of PJM's LC holdings sit with this bank.
- Rated A+ with Stable outlook at S&P
- Rated Aa3 with Stable outlook at Moody's

LC Source: eCredit Bank LC Summary Report (02-24-2022)  
Cash Source: PJM Treasury (02-24-2022)

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## Credit Risk Metrics



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POWER GRID  
THINK BEFORE  
YOU CLICK!**



Be alert to  
malicious  
phishing emails.

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