

# Credit Risk Metrics

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Risk Management Committee  
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# Full Portfolio Metrics *as of 7/29/2021*

Classification	Total Unsecured Credit Allowance (UCA)	Current			Last Month as of June 24, 2021			
		UCA with Exposure	Net Exposure	Class % of Exposure	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	Class % of Exposure
Investment Grade	\$2,193,844,741	\$1,076,017,111	\$108,236,378	86%	\$2,195,050,616	\$1,172,982,568	\$97,268,122	80%
Private IG	\$234,853,187	\$83,452,381	\$16,597,243	13%	\$245,687,442	\$70,498,285	\$17,920,313	15%
Sub Inv-Grade	\$4,459,375	\$0	\$30,165	0%	\$4,459,375	\$0	\$2,684,999	2%
Private SG	\$31,997,451	\$9,286,603	\$774,848	1%	\$20,873,734	\$9,286,603	\$2,122,336	2%
Not Rated	\$16,178,299	\$5,202,000	\$849,36	1%	\$16,178,299	\$5,202,000	\$1,228,289	1%
<b>Total</b>	<b>\$2,481,333,053</b>	<b>\$1,173,958,095</b>	<b>\$126,488,001</b>	<b>100%</b>	<b>\$2,482,249,466</b>	<b>\$1,257,969,456</b>	<b>\$121,224,059</b>	<b>100%</b>

### Unsecured Credit Allowance (UCA):

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

### Highlights:

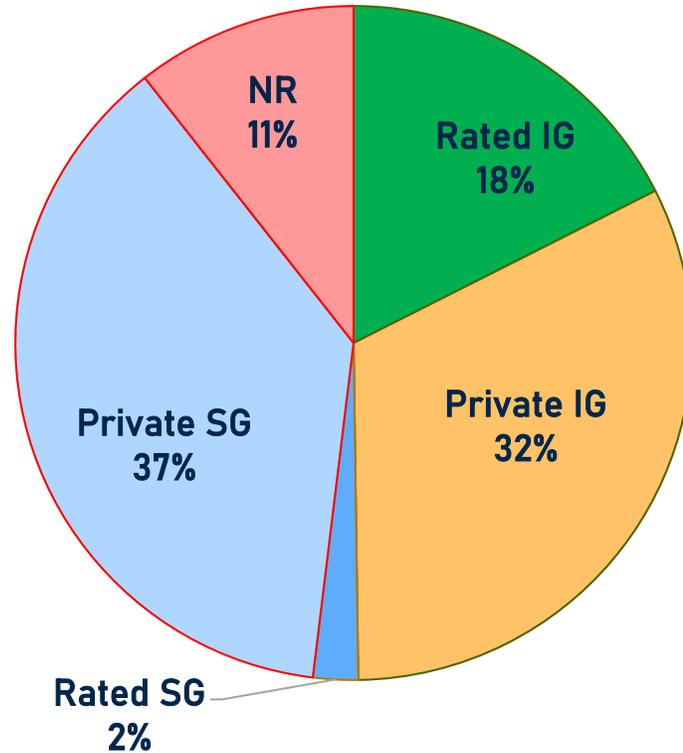
- 1 A- rated corporate family represents >10% of exposure exceeding collateral

### Net Exposure:

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

<u>Defaulting Member Company</u>	<u>Amt of Default</u>	<u>Date of Default</u>	<u>Date of Cure</u>	<u>Type of Default</u>
-	-	-	-	-

Source: eCredit member data reports (7-29-2021)



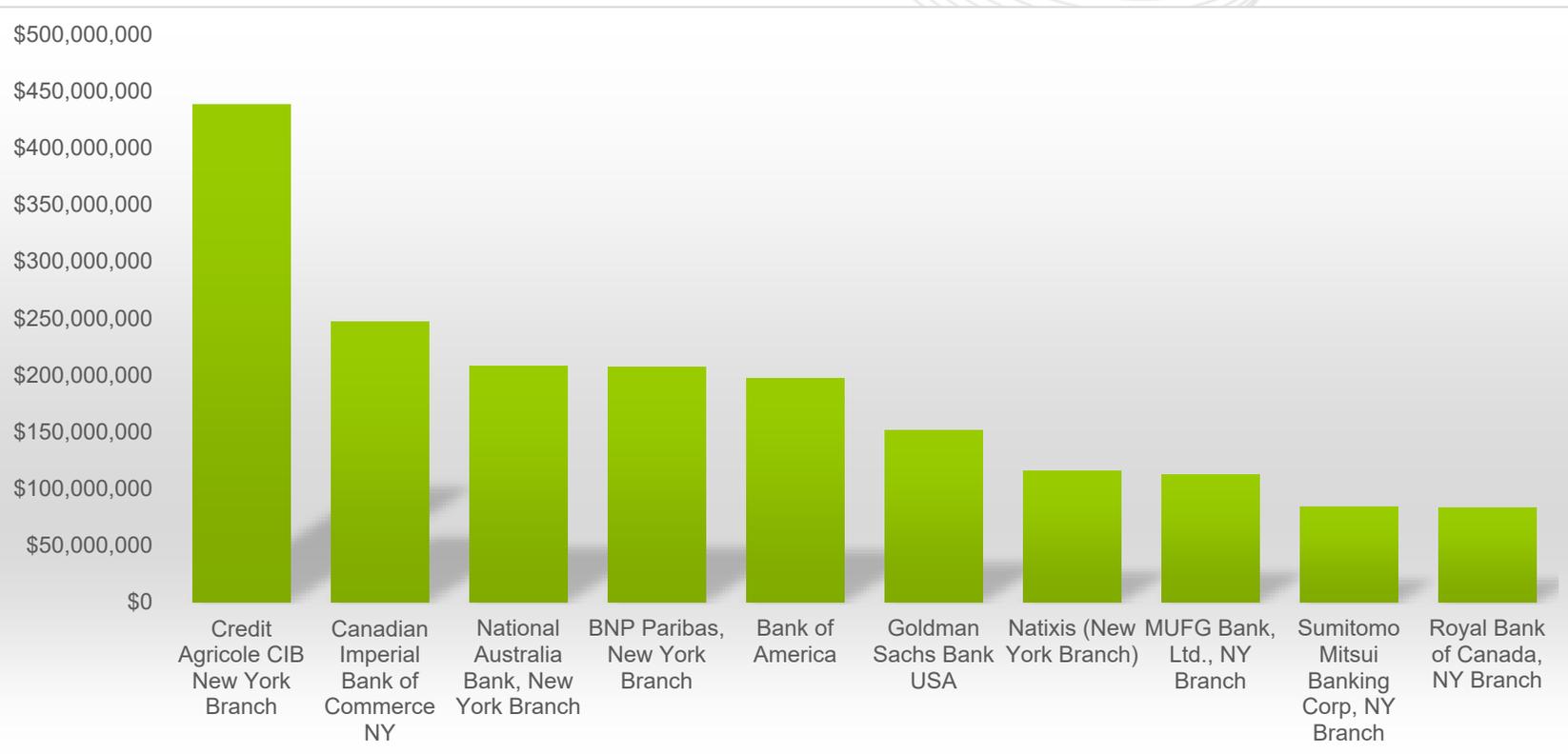
Classification	Current		Last Month as of June 24, 2021		
	FTR Credit Req.	% of Port.	FTR Credit Req.	% of Port.	\$ ▲ m/m
Rated Investment-Grade	\$232,716,175	18%	\$246,216,304	18%	-5%
Private IG	\$427,663,328	32%	\$446,834,090	33%	-4%
Rated Sub Inv-Grade	\$28,479,323	2%	\$20,351,549	2%	40%
Private SG	\$497,290,609	37%	\$488,871,811	36%	2%
Not Rated	\$140,469,169	11%	\$152,480,365	11%	-8%
<b>Total</b>	<b>\$1,326,618,604</b>	<b>100.00%</b>	<b>\$1,354,754,119</b>	<b>100.00%</b>	<b>-2%</b>

## FTR Portfolio Metrics as of July 29

- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 51% of the portfolio is concentrated in the top 10 market participants
- No market participants or corporate families represent over 10% of the portfolio

Source: eCredit member data reports (7-29-2021)

# Top 10 LC Concentrations (Total PJM) *as of 7/29/2021*



- Every issuer holds a rating greater than A-
- 77% of PJM's LC's are with the top 10 banks
- 2 Banks represent more than 10% of the portfolio
- 36 banks have issued Letters of Credit to PJM
- Total LCs held by PJM: \$2.38Bn
- Total Cash held by PJM: \$2.01Bn

LC Source: eCredit Bank LC Summary Report (7-29-2021)  
Cash Source: PJM Treasury (7-29-2021)

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## Credit Risk Metrics



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