

Surety Bonds Opportunity

Includes Problem/Opportunity Statement

Problem Statement

As attached

Issue Source

Exelon

Stakeholder Group Assignment

Since this issue impacts the PJM Credit Policy, it should be discussed at the Credit Subcommittee

Key Work Activities

- 1) Review background on surety bonds and the opportunity it may allow for market participants to manage their financial security with PJM
- 2) Discuss benefits and risks associated with allowing surety bonds as a form of financial security in PJM
- 3) If necessary, discuss associated changes to the PJM Credit Policy and other documentation

Expected Deliverables

- 1) If needed and as appropriate, revisions to PJM's Manuals, Credit Policy, PJM Tariff, and PJM Operating Agreement

Expected Overall Duration of Work

The work on this issue is expected to be completed within 6 to 9 months.

Decision-Making Method

Tier 1, consensus (unanimity) on a single proposal