

# March 31, 2025

## Financial Statement Highlights

MC Webinar  
June 25, 2025

Megan Heater  
Controller – Finance

# Balance Sheet Highlights – Assets

	Mar. 31, 2025	Dec. 31, 2024	CHANGE	
			Dollar	Percentage
<i>(dollars in millions)</i>				
<b>Operating cash<sup>(1)</sup></b>	50	91	(41)	(45)
<b>Receivables<sup>(2)</sup></b>	2	8	(6)	(75)

(1) Decrease in operating cash is primarily driven by a decrease in member payments of market settlements at Mar. 31, 2025, as compared to Dec. 31, 2024, driven by the timing of market settlement in relation to the month-end calendar.

(2) PJM's receivable balance at Mar. 31, 2025 represented billed PJM Connex, L.L.C. receivables.

In Mar. 2025 market settlement billing, PJM returned \$46.6 million of excess congestion. The month-end Mar. 2025 return of excess congestion was netted against PJM's unbilled service fees and unbilled recovery of pass-through charges, with the excess reclassified as a liability in the financial statement line item due to members.

# Balance Sheet Highlights – Liabilities

<i>(dollars in millions)</i>	Mar. 31, 2025	Dec. 31, 2024	CHANGE	
			Dollar	Percentage
<b>Accounts payable<sup>(1)</sup></b>	84	53	31	58
<b>Due to members<sup>(2)</sup></b>	43	95	(52)	(55)

(1) Increase in Accounts Payable primarily reflects change in the accrual of the annual FERC electric program charge.

(2) The impact of: (1) timing of market settlement in relation to the calendar, and (2) the excess congestion and month-end market settlement billing position, resulted in a \$43 million due to members balance at Mar. 31, 2025.

- \$39 million represents member payments primarily associated with the Mar. 19<sup>th</sup> month-to-date market settlement bill (paid Apr. 2025).
- In Mar. 2025 market settlement billing, PJM returned \$46.6 million of excess congestion. The month-end Mar. 2025 return of excess congestion was netted against PJM's unbilled service fees and unbilled recovery of pass-through charges, with the excess (\$4 million) reclassified as a liability in the financial statement line item due to members.

*(dollars in millions)*

	3-months ended Mar. 31, 2025	3-months ended Mar. 31, 2024	CHANGE	
			Dollar	Percentage
<b>Compensation expense<sup>(1)</sup></b>	55	49	6	12

(1) Increase in compensation expense reflects higher head count period over period and normal merit increases reflected in 2025 results. In line with higher headcount and employee base salaries, the employer cost of benefits increased during first quarter 2025.

# Cash Flow Statement Highlights

<i>(dollars in millions)</i>	3-months ended Mar. 31, 2025	3-months ended Mar. 31, 2024	CHANGE	
			Dollar	Percentage
<b>Operating cash flows<sup>(1)</sup></b>	21	8	13	163
<b>Financing cash flows<sup>(2)</sup></b>	538	(78)	616	790

(1) Operating cash flow increased primarily due to the change in accounts payable and accounts receivable positions from Dec. 2024 to Mar. 2025 as compared to Dec. 2023 to Mar. 2024.

(2) The increase in cash provided by financing activities from Dec. 2024 to Mar. 2025 as compared to Dec. 2023 to Mar. 2024 is primarily due to the change (increase) in the deposits on hand position period over period.

- In 2025 results, PJM reported an increase in study and interconnection deposits driven by queue activity, including the reliability resource initiative and an increase in deposits for member credit reflecting collateral posted in support of the 2025 financial transmission right annual auction.

**Footnote 9** provides a summary of ongoing legal and regulatory matters.