

Credit Risk Metrics

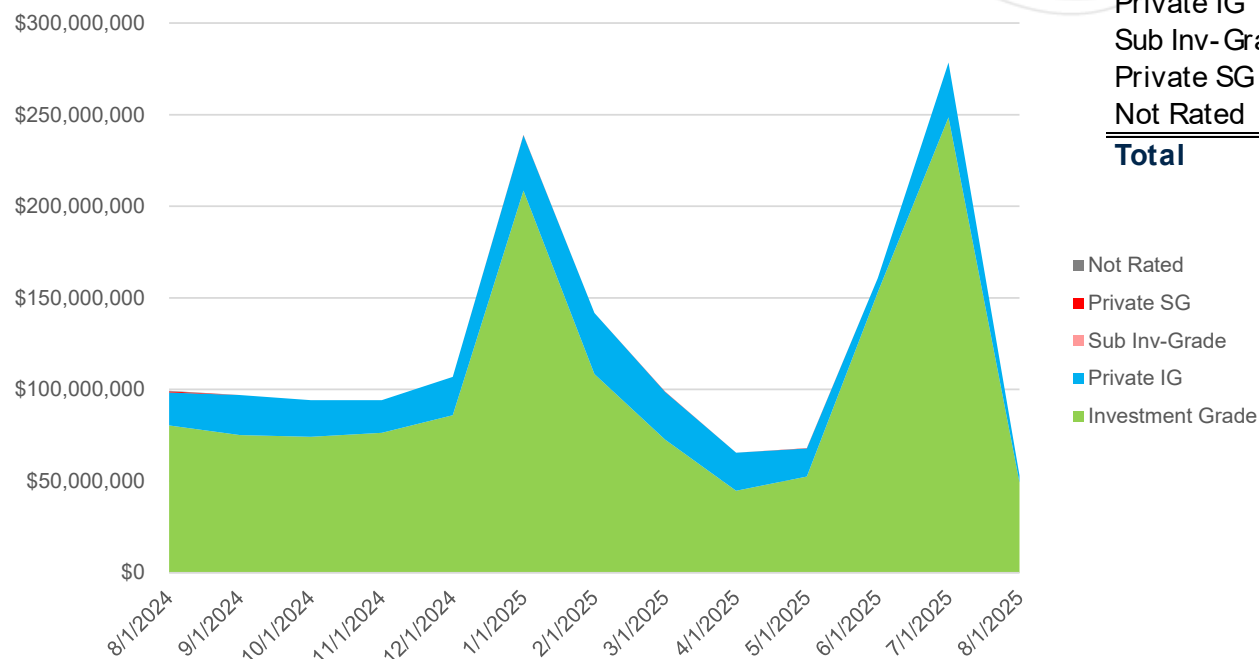
Gwen Kelly

Sr. Director, Credit Risk & Collateral Management

Risk Management Committee

September 26th, 2025

Full Portfolio Exposure through Time



Classification	Total Unsecured Credit Allowance	UCA with Exposure	Net Exposure	%
Investment Grade	\$1,389,383,389	\$544,340,666	\$49,189,630	93%
Private IG	\$234,665,257	\$35,784,233	\$3,987,016	7%
Sub Inv-Grade	\$0	\$0	\$0	0%
Private SG	\$0	\$0	\$0	0%
Not Rated	\$0	\$0	\$0	0%
Total	\$1,624,048,646	\$580,124,899	\$53,176,646	100%

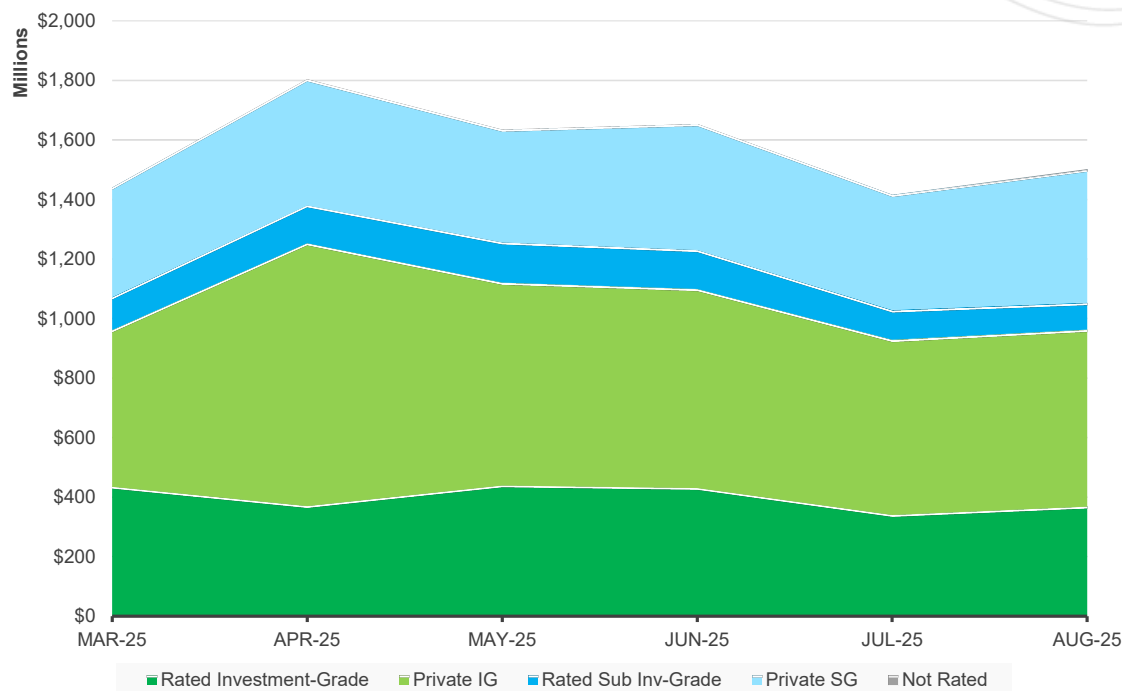
Highlights:

- 2 participants each represent >10% of the exposure individually
- The top 10 participants represent 73% of the outstanding exposure
- They are from different corporate families
- Net exposure of \$53MM was sharply lower this month due to moderating summer temperatures.

Defaulting Member Company	Amt of Default	Date of Default	Type of Default
Pennoni Assoc Inc.	\$18,828	8/19/2025	Payment

Source: eCredit member data reports (8-28-2025)

FTR Collateral & Quality through Time



FTR Credit Req. by Quality

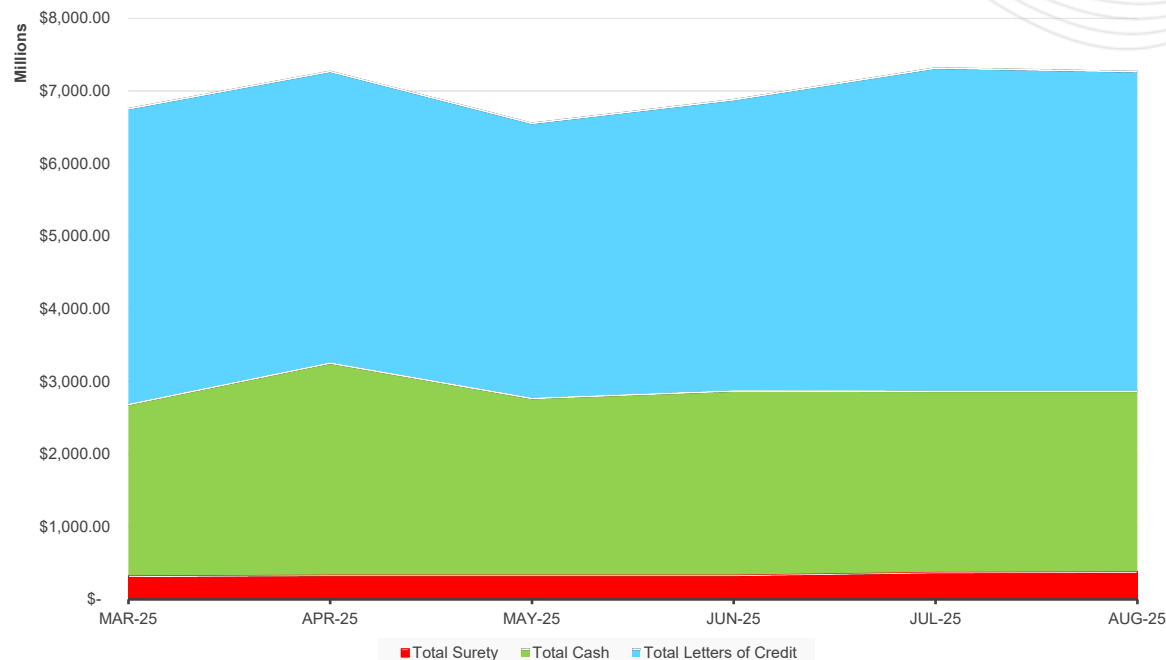
Classification	8/ 28/ 2025	7/ 31/ 2025	6/ 26/ 2025
Rated Investment- Grade	\$368,038,464	\$340,259,104	\$430,456,890
Private IG	\$596,225,847	\$588,098,568	\$668,491,745
Rated Sub Inv- Grade	\$91,825,199	\$101,327,058	\$131,728,555
Private SG	\$445,768,633	\$386,008,131	\$421,308,889
Not Rated	\$0	\$0	\$0
Total	\$1,501,858,143	\$1,415,692,861	\$1,651,986,079
Investment Grade %	64.20%	65.58%	66.52%

Highlights:

- 100% of the FTR credit requirement is collateralized by Cash or Letter of Credit
- 64% Investment-grade
- 40% concentration in top 10 participants
- 0 market participants represent over 10% of the portfolio

Source: eCredit member data reports (8-28-2025)

Collateral Summary through Time



Total Collateral held at PJM: \$7.27Bn

Cash Collateral: \$2.49Bn

Letters of Credit: \$4.39Bn

- All issuers rated A or better
- Top 10 banks issued 65% thereof
- 1 Bank issued more than 10% thereof
- PJM has accepted LCs from 39 banks in total

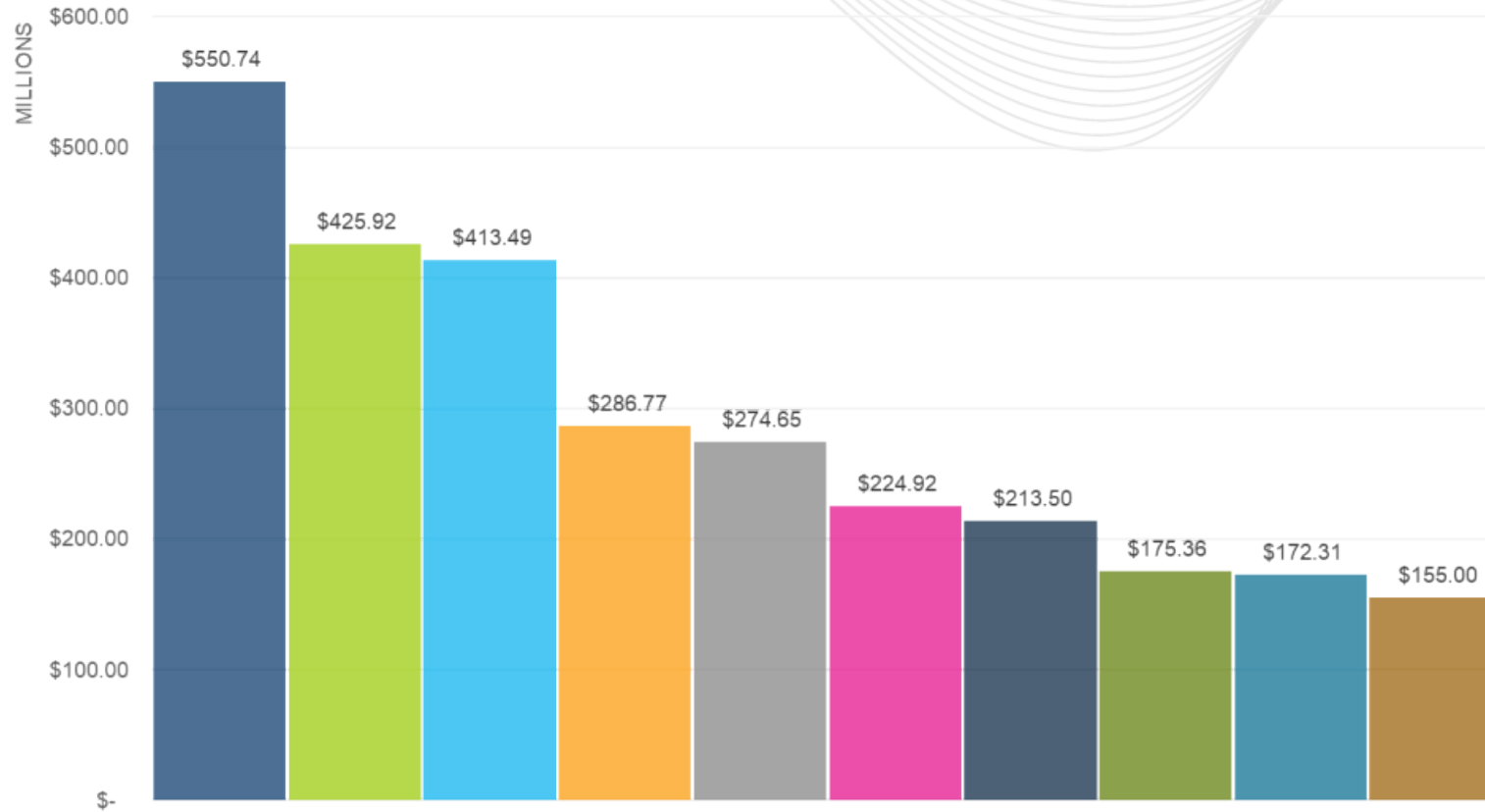
Surety Bonds: \$385MM

- All issuers rated A or better
- Concentrations capped at \$50MM per issuer

LC Source: eCredit Bank LC Summary Report (8-28-2025)

Cash Source: PJM Treasury (8-28-2025)

Bank LC Concentrations



One bank represents more than 10% of the \$4.39Bn LC portfolio:

- The bank is rated A or better at S&P,
- The bank is rated A or better at Fitch, or
- The bank is rated A2 or better at Moody's.

LC Source: eCredit Bank LC Summary Report (8-28-2025)

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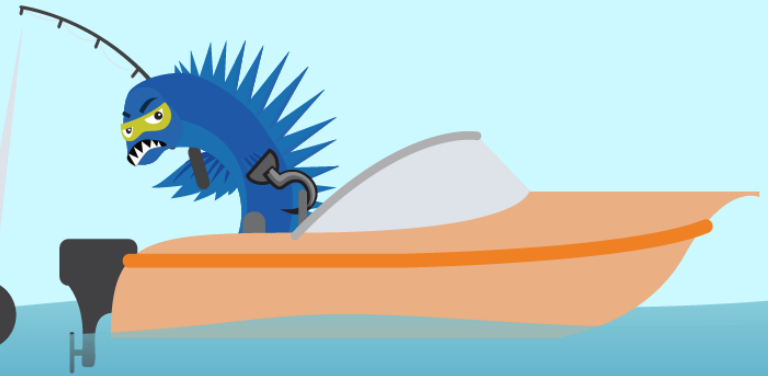
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POWER GRID**
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