



PJM Interconnection, L.L.C.  
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April 21, 2026

Honorable Debbie-Anne Reese, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E. Room 1A  
Washington, D.C. 20426

*Re: PJM Settlement, Inc., Docket No. ES26-32-000  
Supplemental Filing of Financial Exhibits to Application of PJM Settlement, Inc. under  
Section 204 of the Federal Power Act for an Order Authorizing (I) Issuance of Guaranty  
and (II) Provision of Line of Credit to PJM Interconnection, L.L.C.*

Dear Secretary Reese:

On March 20, 2026, PJM Settlement, Inc. (“PJM Settlement”), pursuant to Section 204 of the Federal Power Act,<sup>1</sup> and Part 834 of the regulations of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. part 34, submitted an application (“Application”) requesting a Commission order authorizing: (1) PJM Settlement to guaranty obligations of PJM Interconnection, L.L.C. (“PJM”) in an amount not exceeding \$250 million (PJM’s total current available Commission-authorized borrowing capacity)(the “PJM Settlement Guaranty”); and (2) PJM Settlement to provide a line of credit to PJM in an amount not exceeding the cash that PJM Settlement holds due to remittances from Market Participants that PJM Settlement is not yet obligated to disburse, in an amount not to exceed \$250 million (the “PJM Settlement Line of Credit”).

On April 15, 2026, PJM and PJM Settlement each submitted to the Commission its FERC Form No. 1 for the year ending December 31, 2025. In accordance with 18 C.F.R. § 34.4, PJM Settlement is hereby submitting Exhibits C (Balance Sheet and Attached Notes), D (Income

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<sup>1</sup> 16 U.S.C. § 824c.

Statement and Attached Notes) and E (Statement of Cash Flows and Computation of Interest Coverage) to the Application, each in the form prescribed for FERC Form No. 1. Consistent with past practice, PJM Settlement is not including pro forma adjustments related to PJM Settlement because the PJM Settlement Guaranty and PJM Settlement Line of Credit do not impact PJM Settlement's finances.

Please do not hesitate to contact me if you have any questions.

Respectfully submitted,

/s/ Eric Scherling  
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Attorney for PJM Settlement, Inc.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Audubon, PA, this 21st day of April, 2026.

/s/ Eric Scherling  
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**Exhibit C**

**PJM Interconnection, L.L.C. Balance Sheet and Attached Notes**

**Exhibit C**  
**PJM Interconnection, L.L.C.**  
**Balance Sheet**  
(\$ in thousands)

	Published Audited 12/31/2025	A Adjustments to Reflect Borrowings to PJM from PJM Settlement	B Adjustments to Reflect Guaranty from PJM Settlement to PJM	Adjusted ProForma 12/31/2025
<b>Assets:</b>				
<b>UTILITY PLANT</b>				
Utility Plant (101-106, 114)	\$ 692,481	\$ -	\$ -	\$ 692,481
Construction Work in Progress (107)	43,961	-	-	43,961
Total Utility Plant	736,442	-	-	736,442
(Less) Accum. Prov. for Depr. Amort. Dep. (108, 110, 111, 115)	555,735	-	-	555,735
Net Utility Plant	180,707	-	-	180,707
<b>OTHER PROPERTY AND INVESTMENTS</b>				
Investment in Subsidiary Companies (123.1)	25,881	-	-	25,881
Other Special Funds (128)	31,444	-	-	31,444
Total Other Property and Investments	57,325	-	-	57,325
<b>CURRENT AND ACCRUED ASSETS</b>				
Cash (131)	1,296,757	174,000	250,000	1,720,757
Notes Receivable (141)	3,278	-	-	3,278
Customer Accounts Receivable (142)	71,623	-	-	71,623
Other Accounts Receivable (143)	4,849	-	-	4,849
Accounts Receivable from Assoc. Companies (146)	46,691	-	-	46,691
Prepayments (165)	19,019	-	-	19,019
Accrued Utility Revenues (173)	28	-	-	28
Miscellaneous Current and Accrued Assets (174)	125	-	-	125
Total Current and Accrued Assets	1,442,370	174,000	250,000	1,866,370
<b>DEFERRED DEBITS</b>				
Other Regulatory Assets (182.3)	30,354	-	-	30,354
Accumulated Deferred Income Taxes (190)	46,074	-	-	46,074
Total Deferred Debits	76,428	-	-	76,428
<b>Total Assets</b>	<b>\$ 1,756,830</b>	<b>\$ 174,000</b>	<b>\$ 250,000</b>	<b>\$ 2,180,830</b>
<b>Liabilities and Stockholder Equity</b>				
<b>PROPRIETARY CAPITAL</b>				
Other Paid-in Capital (208-2011)	\$ 722	\$ -	\$ -	\$ 722
Unappropriated Undistributed Subsidiary Earnings (216.1)	25,881	-	-	25,881
Accumulated Other Comprehensive Income (219)	28	-	-	28
Total Proprietary Capital	26,631	-	-	26,631
<b>LONG-TERM DEBT</b>				
Other Long-Term Debt (224)	-	-	-	-
Total Long-Term Debt	-	-	-	-
<b>OTHER NONCURRENT LIABILITIES</b>				
Obligations Under Capital Leases - Noncurrent (227)	22,936	-	-	22,936
Accumulated Provisions for Pensions and Benefits (228.3)	20,116	-	-	20,116
Total Other Noncurrent Liabilities	43,052	-	-	43,052
<b>CURRENT AND ACCRUED LIABILITIES</b>				
Accounts Payable (232)	79,127	-	-	79,127
Notes Payable to Associated Companies (233)	76,000	174,000	250,000	500,000
Accounts Payable to Associated Companies (234)	57	-	-	57
Customer Deposits (235)	1,294,600	-	-	1,294,600
Miscellaneous Current and Accrued Liabilities (242)	234,068	-	-	234,068
Obligations Under Capital Leases-Current (243)	1,224	-	-	1,224
Total Current and Accrued Liabilities	1,685,076	174,000	250,000	2,109,076
<b>DEFERRED CREDITS</b>				
Accum. Deferred Income Taxes-Other (283)	2,071	-	-	2,071
Total Deferred Credits	2,071	-	-	2,071
<b>Total Liabilities and Stockholder Equity</b>	<b>\$ 1,756,830</b>	<b>\$ 174,000</b>	<b>\$ 250,000</b>	<b>\$ 2,180,830</b>

**A** For ProForma purposes, borrowings are calculated as the maximum potential borrowings of PJM Interconnection, LLC from PJM Settlement, Inc. under the PJM Settlement, Inc. Line of Credit, as authorized in Docket No. ES24-25-000 (\$180.0 million) in addition to a \$70.0 million requested increase.

**B** For ProForma purposes, adjustment reflects the maximum potential PJM Settlement, Inc. guaranty from PJM Settlement, Inc. to PJM Interconnection, LLC. The guaranty comprises a \$250 million PNC Bank Line of Credit.

**Exhibit C-2**

**PJM Settlement, Inc. Balance Sheet and Attached Notes**

**Exhibit C-2**  
**PJM Settlement, Inc.**  
**Balance Sheet**  
**(\$ in thousands)**

**Published**  
**Audited**  
**12/31/2025**

**Assets**

**CURRENT AND ACCRUED ASSETS**

Cash (131)	2,693,312
Customer Accounts Receivable (142)	14,361
Notes Receivable from Associated Companies (145)	76,000
Accounts Receivable from Assoc. Companies (146)	57
<b>Total Current and Accrued Assets</b>	<b>2,783,730</b>
<b>Total Assets</b>	<b>\$ 2,783,730</b>

**Liabilities and Stockholder Equity**

**CURRENT AND ACCRUED LIABILITIES**

Accounts Payable (232)	71,825
Notes Payable to Associated Companies (233)	-
Accounts Payable to Associated Companies (234)	45,702
Customer Deposits (235)	2,451,454
Interest Accrued (237)	-
Miscellaneous Current and Accrued Liabilities (242)	214,749
<b>Total Current and Accrued Liabilities</b>	<b>2,783,730</b>
<b>Total Liabilities and Stockholder Equity</b>	<b>\$ 2,783,730</b>

*Consistent with past practice, PJM Settlement is not including pro forma adjustments related to PJM Settlement because the PJM Settlement Guaranty and PJM Settlement Line of Credit do not impact PJM Settlement's finances.*

**Exhibit D**

**PJM Interconnection, L.L.C. Income Statement and Attached Notes**

**Exhibit D**  
**PJM Interconnection, L.L.C.**  
**Statement of Income**  
(\$ in thousands)

	Published Audited Twelve Months Ending 12/31/2025	A Adjustments to Reflect Borrowings to PJM from PJM Settlement	Adjusted ProForma 12/31/2025
<b>UTILITY OPERATING INCOME</b>			
Operating Revenues (400)	\$ 464,026	\$ -	\$ 464,026
<b>OPERATING EXPENSES</b>			
Operation Expenses (401)	427,475	-	427,475
Maintenance Expenses (402)	11,569	-	11,569
Depreciation Expense (403)	37,679	-	37,679
Amort. & Depl. of Utility Plant (404-405)	948	-	948
Income Taxes - Federal (409.1)	(447)	-	(447)
Income Taxes - Other (409.1)	32	-	32
(Less) Provision for Deferred Income Taxes-Cr. (411.1)	107	-	107
Losses from Disp. of Utility Plant (411.7)	606	-	606
<b>Total Utility Operating Expenses</b>	<b>477,755</b>	<b>-</b>	<b>477,755</b>
<b>Net Util Oper Inc</b>	<b>(13,729)</b>	<b>-</b>	<b>(13,729)</b>
<b>OTHER INCOME</b>			
Equity in Earnings of Subsidiary Companies (418.1)	3,532	-	3,532
Interest and Dividend Income (419)	14,198	-	14,198
Miscellaneous Nonoperating Income (421)	4,456	-	4,456
<b>Total Other Income</b>	<b>22,186</b>	<b>-</b>	<b>22,186</b>
<b>OTHER INCOME DEDUCTIONS</b>			
Exp. for Certain Civic, Political & Related Activities (426.4)	24	-	24
Other Deductions (426.5)	11	-	11
<b>Total Other Income Deductions</b>	<b>35</b>	<b>-</b>	<b>35</b>
<b>Net Other Income and Deductions</b>	<b>22,151</b>	<b>-</b>	<b>22,151</b>
<b>INTEREST CHARGES</b>			
Interest on Long-Term Debt (427)	132	-	132
Interest on Debt to Assoc. Companies (430)	4,162	7,656	11,818
Other Interest Expense (431)	596	-	596
<b>Net Interest Charges</b>	<b>4,890</b>	<b>7,656</b>	<b>12,546</b>
<b>Income Before Extraordinary Items</b>	<b>3,532</b>	<b>(7,656)</b>	<b>(4,124)</b>
<b>Net Income</b>	<b>\$ 3,532</b>	<b>\$ (7,656)</b>	<b>\$ (4,124)</b>

**A** For ProForma purposes, interest expense reflects the maximum potential borrowings under the PJM Settlement, Inc. Line of Credit at an estimated average interest rate of 4.40%.

**Exhibit D-2**

**PJM Settlement, Inc. Income Statement and Attached Notes**

**Exhibit D-2**  
**PJM Settlement, Inc.**  
**Statement of Income**  
(\$ in thousands)

	<b>Published Audited Twelve Months Ending 12/31/2025</b>
UTILITY OPERATING INCOME	
Operating Revenues (400)	\$ 19,269
OPERATING EXPENSES	
Operation Expenses (401)	19,269
<u>Total Utility Operating Expenses</u>	<u>19,269</u>
<u>Net Util Oper Inc</u>	<u>-</u>
OTHER INCOME	
Interest and Dividend Income (419)	99,291
<u>Total Other Income</u>	<u>99,291</u>
<u>Net Other Income and Deductions</u>	<u>99,291</u>
INTEREST CHARGES	
Other Interest Expense (431)	99,291
<u>Net Interest Charges</u>	<u>99,291</u>
<u>Income Before Extraordinary Items</u>	<u>-</u>
<b><u>Net Income</u></b>	<b><u>\$ -</u></b>

*Consistent with past practice, PJM Settlement is not including pro forma adjustments related to PJM Settlement because the PJM Settlement Guaranty and PJM Settlement Line of Credit do not impact PJM Settlement's finances.*

**Exhibit E**  
**PJM Interconnection, L.L.C. Statement of Cash Flows**  
**and**  
**Computation of Interest Coverage**

**Exhibit E**  
**PJM Interconnection, L.L.C.**  
**Statement of Cash Flows**  
(\$ in thousands)

	Published Audited Twelve Months Ending 12/31/2025	A Adjustments to Reflect Borrowings to PJM from PJM Settlement	B Adjustments to Reflect Guaranty from PJM Settlement to PJM	ProForma 12/31/2025
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Income (from Statement of Income)	3,532	-	-	3,532
<i>Noncash Charges (Credits) to Income:</i>				
Depreciation and Depletion	37,679	-	-	37,679
Amortization of Capital Lease	2,451	-	-	2,451
Deferred Income Taxes (Net)	(113)	-	-	(113)
Net (Increase) in Receivables	(13,438)	-	-	(13,438)
Net Increase in Payables and Accrued Expenses	26,364	-	-	26,364
Net (Increase) in Other Regulatory Assets	(18,234)	-	-	(18,234)
Net (Decrease) in Other Regulatory Liabilities	(2,666)	-	-	(2,666)
(Less) Undistributed Earnings from Subsidiary Companies	3,532	-	-	3,532
(Increase) in Accrued Revenue & Prepaids	(2,352)	-	-	(2,352)
<b>Net Cash Provided by Operating Activities</b>	<b>29,691</b>	<b>-</b>	<b>-</b>	<b>29,691</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>				
Gross Additions to Utility Plant	(49,912)	-	-	(49,912)
<i>Cash Outflows for Plant</i>	<i>(49,912)</i>	<i>-</i>	<i>-</i>	<i>(49,912)</i>
Investments in and Advances to Assoc. and Subsidiary Companies	(3,025)	-	-	(3,025)
Contributions and Advances from Assoc. and Subsidiary Companies	5,238	-	-	5,238
Purchase of Investment Securities	(2,163)	-	-	(2,163)
<b>Net Cash (Used In) Investing Activities</b>	<b>(49,862)</b>	<b>-</b>	<b>-</b>	<b>(49,862)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase in Customer Deposits	286,200	-	-	286,200
Net Increase in Short-Term Debt	-	174,000	250,000	424,000
Increase in Long Term Derivative Asset	11	-	-	11
<i>Cash Provided by Outside Sources</i>	<i>286,211</i>	<i>174,000</i>	<i>250,000</i>	<i>710,211</i>
Long-term Debt	(2,164)	-	-	(2,164)
Capital Lease Payments	(1,816)	-	-	(1,816)
<b>Net Cash Provided by Financing Activities</b>	<b>282,231</b>	<b>174,000</b>	<b>250,000</b>	<b>706,231</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>262,060</b>	<b>174,000</b>	<b>250,000</b>	<b>686,060</b>
Cash and Cash Equivalents at Beginning of Period	1,034,697			1,034,697
<b>Cash and Cash Equivalents at End of Period</b>	<b>1,296,757</b>	<b>174,000</b>	<b>250,000</b>	<b>1,720,757</b>

**A** For ProForma purposes, borrowings are calculated as the maximum potential borrowings of PJM Interconnection, LLC from PJM Settlement, Inc. under the PJM Settlement, Inc. Line of Credit, as authorized in Docket No. ES24-25-000 (\$180.0 million) in addition to a \$70.0 million requested increase.

**B** For ProForma purposes, adjustment reflects the maximum potential PJM Settlement, Inc. guaranty from PJM Settlement, Inc. to PJM Interconnection, LLC. The guaranty comprises a \$250 million PNC Bank Line of Credit.

**Exhibit E**  
**PJM Interconnection, L.L.C.**  
**Income Statement**  
**(\$in thousands)**

**Twelve Months**  
**Ended**  
**12/31/2025**

Net Income	\$ 3,532
Total Interest Expense	4,890 **
Federal and State Taxes	<u>(522) ***</u>
EBIT	<u>\$ 7,900</u>
Interest Coverage Ratio (EBIT/Total Interest Expense)	1.62 ****

\*\*\*\* Although PJM may not meet the Interest Coverage Ratio requirement, all of the costs of operating PJM Interconnection, LLC including principal and/or depreciation expense, interest expense, and financing costs shall be recovered from users of the various PJM services according to Schedule 9 of PJM's FERC approved Transmission Tariff.

**Exhibit E**  
**ProForma Interest Coverage**

<b>PJM Interconnection, L.L.C.</b> <b>Income Statement</b> <b>(\$in thousands)</b>	<b>ProForma</b> <b>Twelve Months</b> <b>Ending</b> <b>12/31/2025</b>
Net Income	\$ 3,532 *
Total Interest Expense	12,546 **
Federal and State Taxes	<u>(522) ***</u>
EBIT	<u>\$ 15,556</u>
 Interest Coverage Ratio (EBIT/Total Interest Expense)	 1.24 ****

\*\*\*\* Although PJM may not meet the Interest Coverage Ratio requirement, all of the costs of operating PJM Interconnection, LLC including principal and/or depreciation expense, interest expense, and financing costs shall be recovered from users of the various PJM services according to Schedule 9 of PJM's FERC approved Transmission Tariff.

**Exhibit E-2**  
**PJM Settlement, Inc. Statement of Cash Flows**  
**and**  
**Computation of Interest Coverage**

**Exhibit E-2**  
**PJM Settlement, Inc.**  
**Statement of Cash Flows**  
**(\$ in thousands)**

	<b>Published Audited Twelve Months Ending 12/31/2025</b>
NET CASH FLOW FROM OPERATING ACTIVITIES	
Net Income (from Statement of Income)	\$ -
<i>Noncash Charges (Credits) to Income:</i>	
Net (Increase) in Receivables	(4,994)
Net Increase in Payables and Accrued Expenses	181,847
<u>Net Cash Provided by Operating Activities</u>	<u>176,853</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES	
Investments in and Advances to Assoc. and Subsidiary Companies	(5,500)
Contributions and Advances from Assoc. and Subsidiary Companies	-
<u>Net Cash Provided by Investing Activities</u>	<u>(5,500)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Increase in Customer Deposits	256,150
<u>Net Cash Provided by Financing Activities</u>	<u>256,150</u>
<u>Net Increase in Cash and Cash Equivalents</u>	<u>427,503</u>
<u>Cash and Cash Equivalents at Beginning of Period</u>	<u>2,265,809</u>
<u>Cash and Cash Equivalents at End of Period</u>	<u>\$ 2,693,312</u>

*Consistent with past practice, PJM Settlement is not including pro forma adjustments related to PJM Settlement because the PJM Settlement Guaranty and PJM Settlement Line of Credit do not impact PJM Settlement's finances.*

**Exhibit E-2**  
**PJM Settlement, Inc.**  
**Actual Interest Coverage**

<b>Income Statement</b> <b>(\$in thousands)</b>	<b>Actual</b> <b>Twelve Months</b> <b>Ended</b> <b>12/31/2025</b>
Net Income	\$ -
Total Interest Expense	- *
Federal and State Taxes	<u>-</u>
EBIT	<u><u>\$ -</u></u>
Interest Coverage Ratio (EBIT/Total Interest Expense)	-

PJM Settlement holds cash deposits from members for credit purposes. The interest income earned on these deposits is accounted for on a gross basis in PJM Settlement's Statement of Income. The interest expense has been adjusted to remove the effect of the interest earned on these deposits.