

PUBLIC SERVICE ENTERPRISE GROUP

NYSE: PEG

Q1 2021 Performance Update

We are off to a solid start in 2021 and well positioned to execute our financial and strategic goals during the balance of the year. With the majority of our nearly \$2 billion of Clean Energy Future (CEF) programs having moved from approval to execution, PSE&G is helping to advance the decarbonization of New Jersey in a sizable and equitable way. The New Jersey Board of Public Utilities' April 27 decision to award our three New Jersey nuclear units a continuation of the full \$10 per MWh Zero Emission Certificate through May 2025 will similarly advance climate action in New Jersey by recognizing nuclear's reliability, resiliency and environmental benefits and help to preserve the state's largest carbon-free generating resource.

The COVID-19 pandemic and its economic dislocations continue to impact the New Jersey economy. The large contribution of the Transmission and Residential electric and gas segments to our overall sales mix, as well as a supportive regulatory order that authorizes deferral of certain COVID-19 related costs for future recovery, have had a stabilizing effect on the margins of our utility business. The Conservation Incentive Programs, which begin in June for electric and in October for gas, cover variations in revenue due to energy efficiency and other impacts. PSE&G invested approximately \$0.6 billion in the first quarter and is on track to fully execute on its planned 2021 capital investment program of \$2.7 billion. The 2021 capital spending program will include infrastructure upgrades to its Transmission and Distribution facilities, as well as the rollout of the CEF investments in Energy Efficiency, Energy Cloud (smart meters) and Electric Vehicle charging infrastructure.

PSEG Power has made progress on the exploration of strategic alternatives for its fossil and solar generating fleet. PSEG has entered into an agreement to sell its 467 MW_{DC} Solar Source portfolio to an affiliate of LS Power and is continuing the exploration of strategic alternatives for its fossil generating fleet. With over a decade of capital allocation directed mainly toward PSE&G, PSEG today is primarily a regulated electric and gas utility, and these transactions will move us even further in that direction. PSEG's remaining generating business will consist of a carbon-free nuclear fleet, and regional offshore wind investments that will be highly contracted.

We are on track to execute PSEG's five-year, \$14 billion to \$16 billion capital plan through 2025 and have the financial strength to fund it without the need to issue new equity. Over 90% of this capital program is directed to PSE&G, which is expected to produce 6.5% to 8% compound annual growth in rate base over the 2021 - 2025 period.

We are re-affirming non-GAAP Operating Earnings guidance for full-year 2021 of \$3.35 - \$3.55 per share. This affirmation assumes normal weather and plant operations for the remainder of the year and incorporates the Conservation Incentive Programs.

Ralph Izzo, Chairman, President & CEO - May 5, 2021

PSEG - Q1 2021 Highlights

First Quarter Highlights

- Net Income or \$1.28 per share in Q1 2021 vs. \$0.88 in Q1 2020
- Non-GAAP Operating Earnings* of \$1.28 per share in Q1 2021 vs. \$1.03 in Q1 2020
- PSE&G results reflect ongoing investment in electric and gas infrastructure
- PSEG Power non-GAAP Operating Earnings* benefited from higher capacity revenues and colder weather

Operational Excellence

- Nuclear operations achieve a capacity factor of 98.8% in Q1; Hope Creek completes a 517-day uninterrupted, "breaker to breaker" run
- PSEG Nuclear recognized as an industry leader in operational reliability by INPO, one of only two nuclear fleets across the industry with no scrams over the past year

Disciplined Investment

- Beginning rollout of nearly \$2 billion of CEF approved programs in Energy Efficiency, Energy Cloud (Automated Metering Infrastructure) and Electric vehicle charging infrastructure
- PSE&G on track to invest \$2.7 billion in 2021 in Transmission & Distribution infrastructure upgrades and CEF

Re-affirming 2021 Full-Year Guidance

PSEG Non-GAAP Operating Earnings per Share*



Q1 Results by Subsidiary

	Financial Results		Earnings per Share (EPS)	
	2021	2020	2021	2020
\$ millions (except EPS)				
PSE&G (Net Income)	\$ 477	\$ 440	\$ 0.94	\$ 0.87
PSEG Power (Net Income)	\$ 161	\$ 13	\$ 0.32	\$ 0.02
PSEG Power (non-GAAP Op. Earnings)*	\$ 163	\$ 85	\$ 0.32	\$ 0.17
Enterprise/Other (Net Income/(Loss))	\$ 10	\$ (5)	\$ 0.02	\$ (0.01)
PSEG (Net Income)	\$ 648	\$ 448	\$ 1.28	\$ 0.88
PSEG (non-GAAP Operating Earnings)*	\$ 650	\$ 520	\$ 1.28	\$ 1.03

Key Performance Highlights

as of 3/31/2021	
Stock Price	\$60.21
Dividends Paid per Share (year-to-date)	\$0.51
Dividend Yield	3.4%
Average Shares Outstanding, Diluted (in millions)	507
Book Value Per Common Share	\$32.33

* See Items excluded from Net Income to reconcile to non-GAAP Operating Earnings on next page or <https://investor.pseg.com/non-gaap>.

GAAP Disclaimer

Non-GAAP Operating Earnings exclude the impact of returns (losses) associated with the Nuclear Decommissioning Trust (NDT), Mark-to-Market (MTM) accounting and material one-time items.

Management uses non-GAAP Operating Earnings in its internal analysis, and in communications with investors and analysts, as a consistent measure for comparing PSEG's financial performance to previous financial results. The presentation of non-GAAP Operating Earnings is intended to complement, and should not be considered an alternative to, the presentation of Net Income, which is an indicator of financial performance determined in accordance with GAAP. In addition, non-GAAP Operating Earnings as presented in this release may not be comparable to similarly titled measures used by other companies.

Due to the forward looking nature of non-GAAP Operating Earnings guidance, PSEG is unable to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measure. Management is unable to project certain reconciling items, in particular MTM and NDT gains (losses), for future periods due to market volatility. Guidance included herein is as of May 5, 2021.

From time to time, PSEG, PSE&G and PSEG Power release important information via postings on their corporate Investor Relations website at <https://investor.pseg.com>. Investors and other interested parties are encouraged to visit the Investor Relations website to review new postings. You can sign up for automatic email alerts regarding new postings at the bottom of the webpage at <https://investor.pseg.com>.

Items Excluded from Net Income to Reconcile to Non-GAAP Operating Earnings

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED Consolidated Operating Earnings (Non-GAAP) Reconciliation

Reconciling Items	Three Months Ended March 31,		Year Ended December 31,
	2021	2020	2020
(\$ millions, Unaudited)			
Net Income	\$ 648	\$ 448	\$ 1,905
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax (PSEG Power)	(55)	219	(231)
(Gain) Loss on Mark-to-Market (MTM), pre-tax ^(a) (PSEG Power)	47	(107)	81
Plant Retirements and Dispositions, pre-tax (PSEG Power)	-	-	(122)
Oil Lower of Cost or Market (LOCOM) adjustment, pre-tax (PSEG Power)	-	20	2
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(b)	10	(60)	106
Operating Earnings (non-GAAP)	\$ 650	\$ 520	\$ 1,741
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	507
(\$ Per Share Impact - Diluted, Unaudited)			
Net Income	\$ 1.28	\$ 0.88	\$ 3.76
(Gain) Loss on NDT Fund Related Activity, pre-tax (PSEG Power)	(0.11)	0.44	(0.46)
(Gain) Loss on MTM, pre-tax ^(a) (PSEG Power)	0.09	(0.21)	0.16
Plant Retirements and Dispositions, pre-tax (PSEG Power)	-	-	(0.24)
Oil LOCOM adjustment, pre-tax (PSEG Power)	-	0.04	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(b)	0.02	(0.12)	0.21
Operating Earnings (non-GAAP)	\$ 1.28	\$ 1.03	\$ 3.43

(a) Includes the financial impact from positions with forward delivery months.

(b) Income tax effect calculated at statutory rate, except for lease related activity which is calculated at a combined leveraged lease effective tax rate, and NDT related activity which is calculated at the statutory rate plus a 20% tax on income (loss) from qualified NDT funds.

PSEG Power Operating Earnings (Non-GAAP) Reconciliation

Reconciling Items	Three Months Ended March 31,		Year Ended December 31,
	2021	2020	2020
(\$ millions, Unaudited)			
Net Income	\$ 161	\$ 13	\$ 594
(Gain) Loss on NDT Fund Related Activity, pre-tax	(55)	219	(231)
(Gain) Loss on MTM, pre-tax ^(a)	47	(107)	81
Plant Retirements and Dispositions, pre-tax	-	-	(122)
Oil LOCOM adjustment, pre-tax	-	20	2
Goodwill Impairment, pre-tax	-	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(b)	10	(60)	106
Operating Earnings (non-GAAP)	\$ 163	\$ 85	\$ 430
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	507

(a) Includes the financial impact from positions with forward delivery months.

(b) Income tax effect calculated at statutory rate, except for NDT related activity which is calculated at the statutory rate plus a 20% tax on income (loss) from qualified NDT funds.