

## PUBLIC SERVICE ENTERPRISE GROUP

**NYSE: PEG**

### Q3 2021 Performance Update

We delivered a solid operating quarter and are progressing on schedule to close on the sale of our Fossil units by year-end 2021 or early 2022. During the fourth quarter of 2021, PSE&G intends to submit an Infrastructure Advancement Program filing with the New Jersey Board of Public Utilities. This jobs and economic stimulus focused infrastructure proposal, if approved as filed, would direct approximately \$848 million of investment over a four-year period to improve the reliability of the “last mile” of our electric distribution system; address aging substations and gas metering and regulating stations; and invest in electric vehicle charging infrastructure at our facilities to support the planned electrification of the PSE&G fleet. The utility’s planned \$2.7 billion capital spending program for 2021 continues on schedule as part of PSEG’s five-year, \$15 billion - \$17 billion capital plan which we still intend to execute without the need to issue new equity. We are raising our full-year 2021 non-GAAP Operating Earnings guidance to a range of \$3.55 to \$3.70 per share (from \$3.50 to \$3.65 per share) based on solid results through the first nine months of the year. Our results for the third quarter and nine months ended September 30 incorporate the planned August 1 implementation of PSE&G’s transmission rate settlement announced in July, and reflect PSEG Power’s cessation of depreciation expense on the Fossil assets upon their move to held for sale treatment in August.

On the Environmental, Social and Governance (ESG) front, PSEG also took significant steps in the quarter to advance our climate leadership by accelerating our Net-Zero vision to 2030, and signing onto the Race to Zero campaign to establish science-based targets in alignment with the 1.5 °C scenario across all three emission scopes. We advanced our decarbonization efforts with the elimination of coal in our fuel mix this past June. Our participation in the New Jersey wind port and ongoing consideration of regional offshore wind opportunities in generation and transmission demonstrates our alignment with the state’s clean energy agenda. And, in October, we issued our first ever combined [Sustainability and Climate Report](#) that outlines our progress to date and commitments for the future. We intend to continue taking meaningful climate action in response to the increasing frequency and severity of extreme weather in our service area.

As we continue to execute our strategy consistent with the significant financial announcements made at our September 2021 PSEG Investor Conference, we remain focused on providing our shareholders with the premier opportunity to pursue sustainable growth in earnings and dividends with an industry leading ESG platform.

*Ralph Izzo, Chairman, President & CEO - November 2, 2021*

### PSEG – Q3 2021 Highlights

#### Third Quarter Highlights

- Net Loss of (\$ %) per share in Q3 2021 vs. Net Income of \$% per share in Q3 2020
- Non-GAAP Operating Earnings\* of \$0.-, per share in Q3 2021 vs. \$0.- \* in Q3 2020
- PSE&G results reflect ongoing investment in electric and gas infrastructure
- PSEG Power reflect re-contracting and dck Yf market
- PSEG Fossil sale announced; expected to close in late Q4 2021 or early Q1 2022

#### Operational Excellence

- Energy Strong investments made after Superstorm Sandy and Hurricane Irene minimized electric service outages during substantial flooding in recent Tropical Storm Ida
- Nuclear operations achieved an average capacity factor of 94.8% for Q3 2021

#### Disciplined Investment

- PSE&G on track to invest \$2.7 billion in 2021 in electric and gas infrastructure to upgrade transmission and distribution facilities, and enhance reliability and increase resiliency
- PSE&G

### Updating 2021 Full-Year Guidance

#### PSEG Non-GAAP Operating Earnings per Share\*



### Q3 Results by Subsidiary

	Financial Results		Earnings per Share (EPS)	
	2021	2020	2021	2020
<b>\$ millions (except EPS)</b>				
PSE&G (Net Income)	\$ 389	\$ 313	\$ 0.77	\$ 0.61
PSEG Power (Net Income/(Loss))	\$(1,933)	\$ 254	\$(3.84)	\$ 0.51
PSEG Power (non-GAAP Op. Earnings)*	\$ 119	\$ 167	\$ 0.23	\$ 0.33
Enterprise/Other (Net Income/(Loss))	\$ (20)	\$ 8	\$ (0.03)	\$ 0.02
Enterprise/Other (non-GAAP Op. Earnings)*	\$ (13)	\$ 8	\$ (0.02)	\$ 0.02
<b>PSEG (Net Income/(Loss))</b>	<b>\$(1,564)</b>	<b>\$ 575</b>	<b>\$(3.10)</b>	<b>\$ 1.14</b>
<b>PSEG (non-GAAP Operating Earnings)*</b>	<b>\$ 495</b>	<b>\$ 488</b>	<b>\$ 0.98</b>	<b>\$ 0.96</b>

### Key Performance Highlights

	as of 9/30/2021
Stock Price	\$60.90
Dividends Paid per Share (year-to-date)	\$1.53
Dividend Yield	3.3%
Average Shares Outstanding, Diluted (in millions)	504
Book Value Per Common Share	\$27.94

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

\*\* 2021 non-GAAP Operating Earnings guidance includes ~\$0.10 per share of cessation of depreciation expense following Fossil assets move to held for sale in August 2021.

Note: The \$848 million Infrastructure Investment Program was filed with the New Jersey Board of Public Utilities in early November 2021.

## 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/(Loss), 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 November 2, 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/(Loss) to Reconcile to Non-GAAP Operating Earnings

Public Service Enterprise Group Incorporated - Consolidated Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended September 30,		Year Ended December 31,
	2021	2020	2020
	(\$ millions, Unaudited)		
<b>Net Income (Loss)</b>	<b>\$ (1,564)</b>	<b>\$ 575</b>	<b>\$ 1,905</b>
(Gain) Loss on Nuclear Decommissioning Trust (NDT)			
Fund Related Activity, pre-tax (PSEG Power)	17	(100)	(231)
(Gain) Loss on Mark-to-Market (MTM), pre-tax <sup>(a)</sup> (PSEG Power)	666	82	81
Plant Retirements, Dispositions and Impairments, pre-tax (PSEG Power)	2,175	(122)	(122)
Oil Lower of Cost or Market (LOCOM) adjustment, pre-tax (PSEG Power)	-	-	2
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	10	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items <sup>(b)</sup>	(609)	53	106
<b>Operating Earnings (non-GAAP)</b>	<b>\$ 495</b>	<b>\$ 488</b>	<b>\$ 1,741</b>
<b>PSEG Fully Diluted Average Shares Outstanding (in millions)<sup>(c)</sup></b>	<b>504</b>	<b>507</b>	<b>507</b>
	(\$ Per Share Impact - Diluted, Unaudited)		
<b>Net Income (Loss)</b>	<b>\$ (3.10)</b>	<b>\$ 1.14</b>	<b>\$ 3.76</b>
(Gain) Loss on NDT Fund Related Activity, pre-tax (PSEG Power)	0.03	(0.20)	(0.46)
(Gain) Loss on MTM, pre-tax <sup>(a)</sup> (PSEG Power)	1.32	0.16	0.16
Plant Retirements, Dispositions and Impairments, pre-tax (PSEG Power)	4.31	(0.24)	(0.24)
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	0.02	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items <sup>(b)</sup>	(1.60)	0.10	0.21
<b>Operating Earnings (non-GAAP)</b>	<b>\$ 0.98</b>	<b>\$ 0.96</b>	<b>\$ 3.43</b>

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

(b) Income tax effect calculated at the statutory rate except for qualified NDT related activity, which records an additional 20% trust tax on income (loss) from qualified NDT Funds, the additional investment tax credit (ITC) recapture related to the sale of PSEG Solar Source, and leveraged lease related activity, which is calculated at a combined leveraged lease effective tax rate.

(c) Approximately three million potentially dilutive shares were excluded from fully diluted average shares outstanding used to calculate the diluted GAAP loss per share for the quarter ended September 30, 2021 as their impact was antilutive to GAAP results. For non-GAAP per share calculations, we used fully diluted average shares outstanding of 507 million, including the three million potentially dilutive shares as they were dilutive to non-GAAP results.

PSEG Power LLC - Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended September 30,		Year Ended December 31,
	2021	2020	2020
	(\$ millions, Unaudited)		
<b>Net Income (Loss)</b>	<b>\$ (1,933)</b>	<b>\$ 254</b>	<b>\$ 594</b>
(Gain) Loss on NDT Fund Related Activity, pre-tax	17	(100)	(231)
(Gain) Loss on MTM, pre-tax <sup>(a)</sup>	666	82	81
Plant Retirements, Dispositions and Impairments, pre-tax	2,175	(122)	(122)
Oil LOCOM adjustment, pre-tax	-	-	2
Income Taxes related to Operating Earnings (non-GAAP) reconciling items <sup>(b)</sup>	(806)	53	106
<b>Operating Earnings (non-GAAP)</b>	<b>\$ 119</b>	<b>\$ 167</b>	<b>\$ 430</b>
<b>PSEG Fully Diluted Average Shares Outstanding (in millions)<sup>(c)</sup></b>	<b>504</b>	<b>507</b>	<b>507</b>

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

(b) Income tax effect calculated at statutory rate, except for qualified NDT related activity, which records an additional 20% trust tax on income (loss) from qualified NDT Funds and the additional investment tax credit (ITC) recapture related to the sale of PSEG Solar Source.

(c) Approximately three million potentially dilutive shares were excluded from fully diluted average shares outstanding used to calculate the diluted GAAP loss per share for the three months and nine months ended September 30, 2021 as their impact was antilutive to GAAP results. For non-GAAP per share calculations, we used fully diluted average shares outstanding of 507 million, including the three million potentially dilutive shares as they were dilutive to non-GAAP results.

PSEG Enterprise/Other - Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended September 30,		Year Ended December 31,
	2021	2020	2020
	(\$ millions, Unaudited)		
<b>Net Income (Loss)</b>	<b>\$ (20)</b>	<b>\$ 8</b>	<b>\$ (16)</b>
Lease Related Activity, pre-tax	10	-	-
Income Taxes related to Lease Related Activity <sup>(a)</sup>	(3)	-	-
<b>Operating Earnings (non-GAAP)</b>	<b>\$ (13)</b>	<b>\$ 8</b>	<b>\$ (16)</b>
<b>PSEG Fully Diluted Average Shares Outstanding (in millions)<sup>(b)</sup></b>	<b>504</b>	<b>507</b>	<b>507</b>

(a) Income tax effect calculated at a combined leveraged lease effective tax rate.

(b) Approximately three million potentially dilutive shares were excluded from fully diluted average shares outstanding used to calculate the diluted GAAP loss per share for the three months and nine months ended September 30, 2021 as their impact was antilutive to GAAP results. For non-GAAP per share calculations, we used fully diluted average shares outstanding of 507 million, including the three million potentially dilutive shares as they were dilutive to non-GAAP results.