

Public Service Enterprise Group

PSEG's Vision: to power a future where people use less energy and it's cleaner, safer and delivered more reliably than ever.

- A predominantly regulated utility
- Contracted, carbon-free infrastructure investments
- ESG Leader with Net-Zero 2030 Vision and Top Tier scores
- Fortune 500 company, included in the S&P 500 Index
- Dow Jones Sustainability Index – North America since 2008
- 120-year old company; 116 years of paying a common dividend

PSEG's business mix is expected to be ~90% regulated through earnings at PSE&G, and have a stable and predictable growth platform for earnings, dividends and capital spend visibility, including:

- PSEG's 2023E – 2027E five-year capital spending forecast of \$15.5 billion - \$18 billion aligned with state clean energy goals
- Long-term non-GAAP earnings growth rate of 5% - 7% from 2023 guidance midpoint to 2027 driven by PSE&G's 6% - 7.5% Rate Base CAGR and Nuclear at PTC threshold value, with upside for market improvements
- Raised indicative annual 2023 dividend to \$2.28 per share*

Our businesses: PSE&G provides electric transmission and electric and gas distribution service to 2.3 million electric and 1.9 million gas customers, respectively, in an ~2,600 square mile service territory in New Jersey, covering approximately 70% of the state's population. PSE&G's \$511 million Infrastructure Advancement Program, which was approved by the BPU in 2022, initiates investments targeting improved reliability of the "Last Mile" of our electric distribution system. PSE&G won EEI's Edison Award in 2022 and has been recognized as the most reliable electric utility in the Mid-Atlantic Metropolitan Service Area for 21 years in a row by PA Consulting.

PSEG's remaining business, described as **PSEG Power & Other**, includes a 3,766 megawatt fleet of carbon-free, nuclear generation located in New Jersey and Pennsylvania, gas operations, PSEG Long Island, offshore wind investments, potential hydrogen investments, other investments, as well as Parent company activity.

Visit [PSEG's Environmental, Social and Governance page](#) to learn more and view all of our current reports and disclosures on our [IR website](#).

*All future dividend payments, and any changes thereto, are subject to approval by the Board of Directors.

Financial Highlights (as of December 31, 2022)



Assets	\$48.7B
Market Capitalization	\$30.6B
Operating Revenues	\$9.8B



Regulated Electric Transmission and
Electric and Gas Distribution

Assets	\$40.0B
Operating Revenues	\$7.9B

Year Ended December 31,	2022	2021	2020
(\$ in millions, except per share data)			
Operating Revenues	\$9,800	\$9,722	\$9,603
Net Income/(Loss)	\$1,031	(\$648)	\$1,905
Reconciling Items	\$708	\$2,501	(\$164)
Operating Earnings (non-GAAP)**	\$1,739	\$1,853	\$1,741
Per Share (Diluted)			
EPS from Net Income/(Loss)**	\$2.06	(\$1.29)	\$3.76
EPS from Operating Earnings (non-GAAP)**	\$3.47	\$3.65	\$3.43
PSE&G's Contribution to Net Income (\$ in millions)	\$1,565	\$1,446	\$1,327
Stock Performance - Price Per Share			
High	\$74.73	\$67.05	\$62.15
Low	\$53.48	\$53.77	\$34.75
Year-End	\$61.27	\$66.73	\$58.30
Other Shareholder Information			
Common Dividend Paid Per Share	\$2.16	\$2.04	\$1.96
Book Value Per Share	\$27.63	\$28.67	\$31.72
Diluted Shares Outstanding (in millions)	501	504	507
Debt to Capital (%)	60	57	52
Number of Employees	12,525	12,684	12,788

**See items excluded from Net Income/(Loss) to reconcile to Operating Earnings (non-GAAP) on Page 2.
Note: PSE&G Net Income is equal to PSE&G non-GAAP Operating Earnings.

GAAP Disclaimer

Non-GAAP Operating Earnings exclude the impact of gains (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 this non-GAAP financial measure to the most directly comparable GAAP financial measure because comparable GAAP measures are not reasonably accessible or reliable due to the inherent difficulty in forecasting and quantifying measures that would be required for such reconciliation. Namely, we are not able to reliably project without unreasonable effort MTM and NDT gains (losses), for future periods due to market volatility. These items are uncertain, depend on various factors, and may have a material impact on our future GAAP results.

From time to time, PSEG and PSE&G 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> or navigating to the Email Alerts webpage [here](#).

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	Year Ended December 31,		
	2022	2021	2020
	(\$ millions, Unaudited)		
Net Income (Loss)	\$1,031	(\$648)	\$1,905
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax	270	(178)	(231)
(Gain) Loss on Mark-to-Market (MTM), pre-tax ^(a)	635	620	81
Plant Retirements, Dispositions and Impairments, pre-tax ^(b)	31	2,940	(122)
Oil Lower of Cost or Market adjustment, pre-tax	-	-	2
Lease Related Activity, pre-tax	78	10	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(c)	(306)	(891)	106
Operating Earnings (non-GAAP)	\$1,739	\$1,853	\$1,741
PSEG Fully Diluted Average Shares Outstanding (in millions) ^(d)	501	504	507
	(\$ Per Share Impact – Diluted, Unaudited)		
Net Income (Loss)	\$2.06	(\$1.29)	\$3.76
(Gain) Loss on NDT Fund Related Activity, pre-tax	0.54	(0.35)	(0.46)
(Gain) Loss on MTM, pre-tax ^(a)	1.27	1.23	0.16
Plant Retirements, Dispositions and Impairments, pre-tax ^(b)	0.06	5.83	(0.24)
Lease Related Activity, pre-tax	0.15	0.02	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(c)	(0.61)	(1.77)	0.21
Share Differential ^(d)	-	(0.02)	-
Operating Earnings (non-GAAP)	\$3.47	\$3.65	\$3.43

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

(b) 2022 includes the results for fossil generation sold in February 2022. 2021 includes a pre-tax loss of \$298 million for the make-whole premium paid upon the early redemption of PSEG Power's debt and other non-cash debt extinguishment costs.

(c) 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 in 2021 and lease related activity.

(d) 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 year ended December 31, 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. As a result of the use of different denominators for non-GAAP Operating Earnings and GAAP Net Loss, a reconciling line item, "Share Differential," has been added to the year ended December 31, 2021 results to reconcile the two EPS calculations.