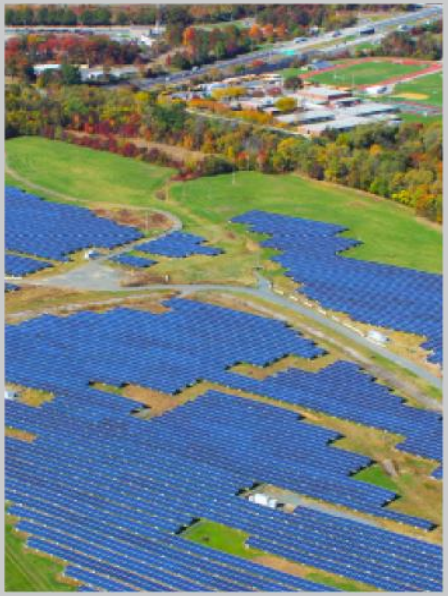
CHANGING THE UTILITY/POWER PARADIGM

CECP's Strategic Investor Initiative



RALPH IZZO - CHAIRMAN, PRESIDENT AND CEO

MAY 8, 2019

PSEG

We make things work for you.

Forward-Looking Statements

Certain of the matters discussed in this presentation about our and our subsidiaries' future performance, including, without limitation, future revenues, earnings, strategies, prospects, consequences and all other statements that are not purely historical constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ materially from those anticipated. Such statements are based on management's beliefs as well as assumptions made by and information currently available to management. When used herein, the words "anticipate," "intend," "estimate," "believe," "expect," "plan," "should," "hypothetical," "potential," "forecast," "project," variations of such words and similar expressions are intended to identify forward-looking statements. Factors that may cause actual results to differ are often presented with the forward-looking statements themselves. Other factors that could cause actual results to differ materially from those contemplated in any forward- looking statements made by us herein are discussed in filings we make with the United States Securities and Exchange Commission, including our 2018 Annual Report on Form 10-K and subsequent reports on Form 10-Q and Form 8-K. These factors include, but are not limited to:

- fluctuations in wholesale power and natural gas markets, including the potential impacts on the economic viability of our generation units;
- our ability to obtain adequate fuel supply;
- any inability to manage our energy obligations with available supply;
- PSE&G's proposed investment programs may not be fully approved by regulators and its capital investment may be lower than planned;
- increases in competition in wholesale energy and capacity markets;
- changes in technology related to energy generation, distribution and consumption and customer usage patterns;
- economic downturns;
- third-party credit risk relating to our sale of generation output and purchase of fuel;
- adverse performance of our decommissioning and defined benefit plan trust fund investments and changes in funding requirements;
- changes in state and federal legislation and regulations, and PSE&G's ability to recover costs and earn returns on authorized investments;
- the impact of any future rate proceedings;
- risks associated with our ownership and operation of nuclear facilities, including regulatory risks, such as compliance with the Atomic Energy Act and trade control, environmental and other regulations, as well as financial, environmental and health and safety risks;
- the impact on our New Jersey nuclear plants if such plants are not selected to participate in future Zero Emission Certificate (ZEC) programs or if adverse changes are made to the capacity market construct;
- adverse changes in energy industry laws, policies and regulations, including market structures and transmission planning;
- changes in federal and state environmental regulations and enforcement;
- delays in receipt of, or an inability to receive, necessary licenses and permits;
- adverse outcomes of any legal, regulatory or other proceeding, settlement, investigation or claim applicable to us and/or the energy industry;
- changes in tax laws and regulations;
- the impact of our holding company structure on our ability to meet our corporate funding needs, service debt and pay dividends;
- lack of growth or slower growth in the number of customers or changes in customer demand;
- any inability of Power to meet its commitments under forward sale obligations;
- reliance on transmission facilities that we do not own or control and the impact on our ability to maintain adequate transmission capacity;
- any inability to successfully develop, obtain regulatory approval for, or construct generation, transmission and distribution projects;
- any equipment failures, accidents, severe weather events or other incidents that impact our ability to provide safe and reliable service to our customers;
- our inability to exercise control over the operations of generation facilities in which we do not maintain a controlling interest;
- any inability to recover the carrying amount of our long-lived assets and leveraged leases;
- any inability to maintain sufficient liquidity;
- any inability to realize anticipated tax benefits or retain tax credits;
- challenges associated with recruitment and/or retention of key executives and a qualified workforce;
- the impact of our covenants in our debt instruments on our operations; and
- the impact of acts of terrorism, cybersecurity attacks or intrusions.

All of the forward-looking statements made in this presentation are qualified by these cautionary statements and we cannot assure you that the results or developments anticipated by management will be realized or even if realized, will have the expected consequences to, or effects on, us or our business, prospects, financial condition, results of operations or cash flows. Readers are cautioned not to place undue reliance on these forward-looking statements in making any investment decision. Forward-looking statements made in this presentation apply only as of the date of this presentation. While we may elect to update forward-looking statements from time to time, we specifically disclaim any obligation to do so, even in light of new information or future events, unless otherwise required by applicable securities laws.

The forward-looking statements contained in this presentation are intended to qualify for the safe harbor provisions of Section 27A of the Securities Exchange Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

GAAP Disclaimer

PSEG presents Operating Earnings in addition to its Net Income reported in accordance with accounting principles generally accepted in the United States (GAAP). Operating Earnings are non-GAAP financial measures that differ from Net Income. 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. The last two slides in this presentation (Slides 22-23) include a list of items excluded from Net Income/(Loss) to reconcile to non-GAAP Operating Earnings with a reference to this slides included on each of the slides where the non-GAAP information appears.

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 2, 2019.

These materials and other financial releases can be found on the PSEG website at https://investor.pseg.com. From time to time, PSEG, PSE&G and PSEG Power release important information via postings on their corporate website at https://investor.pseg.com. Investors and other interested parties are encouraged to visit the corporate website to review new postings. The "email alerts" link at https://investor.pseg.com may be used to enroll to receive automatic email alerts and/or really simple syndication (RSS) feeds regarding new postings at https://investor.pseg.com/rss.

A 116 - year Newark, New Jersey-based business investing in critical energy infrastructure, providing safe and increasingly clean energy through two strong businesses



Electric & Gas Distribution and Transmission

Strategy: Investments aligned with public policy and customer needs

Value Proposition: An $11 Billion - $16 Billion infrastructure program expected to produce **7%-9%** annual rate base growth through 2023

2018

Assets $31B
Net Income $1,067M

Regional Competitive Generation

Strategy: Investment program enhances competitive position with addition of efficient, clean, reliable CCGT capacity and preservation of nuclear

Value Proposition: Provides substantial free cash flow and upside from market rule improvements

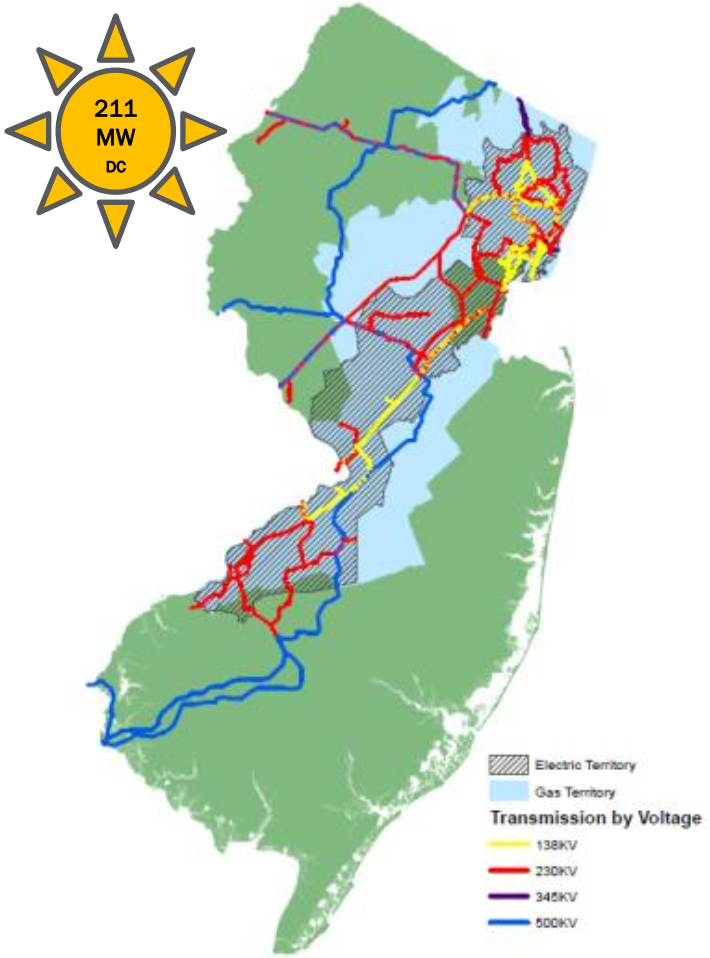
2018

Assets $13B
Net Income $365M; Non-GAAP Operating Earnings $502M*

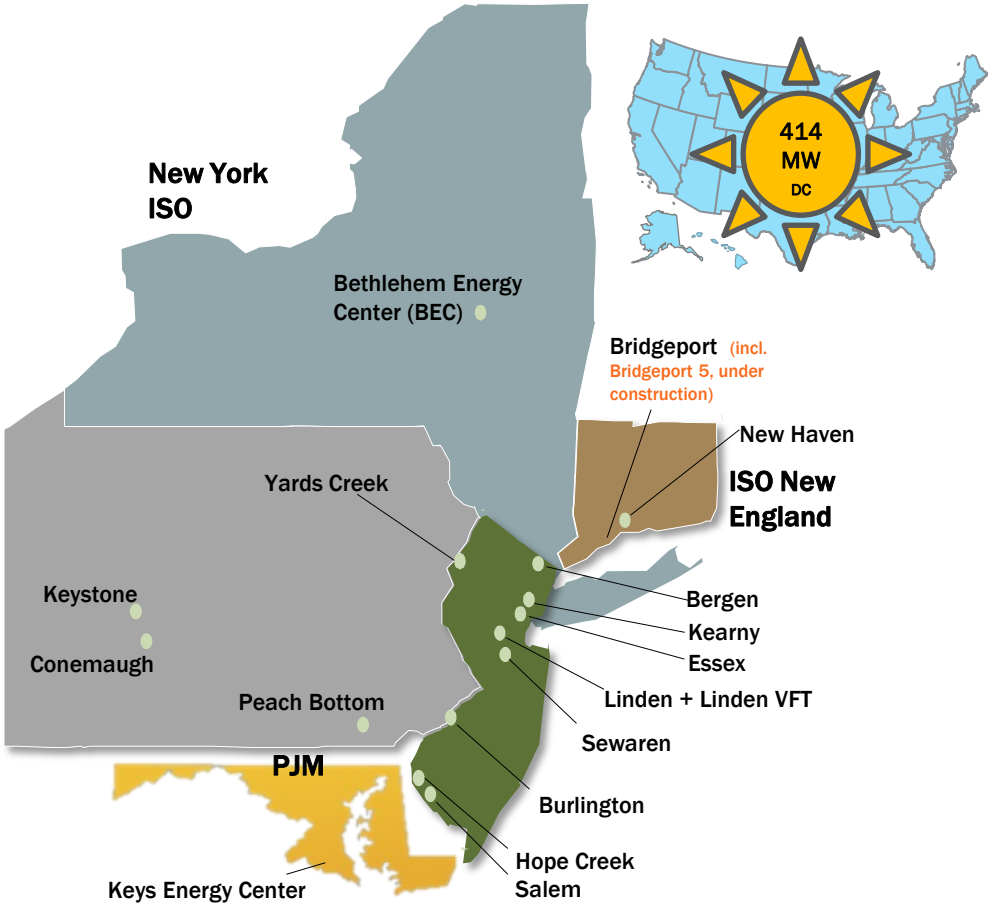
NOTE: ASSETS AND NET INCOME ARE FOR THE YEAR ENDED 12/31/2018; SEE APPENDIX FOR NON-GAAP RECONCILIATION

Largest utility in New Jersey, competitive generation in the Northeast and a U.S. solar portfolio, and a utility management contract for Long Island

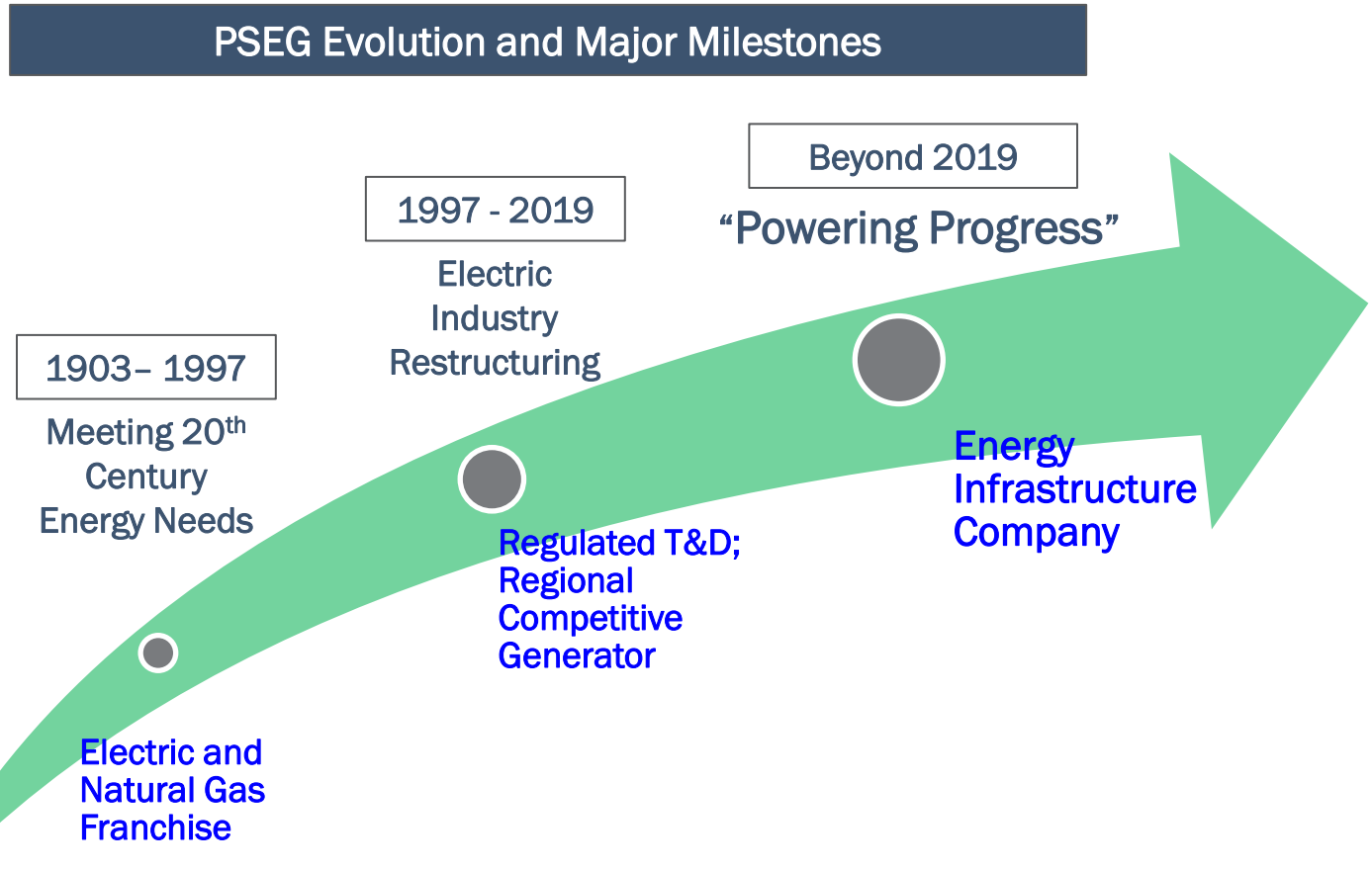
PSE&G: Utility Operations



PSEG Power: Merchant Generation Plants



Aspiring to change the Utility-Power Paradigm



Success driven by the quality, not the quantity of the energy our customers use.

Focused on energy that is:

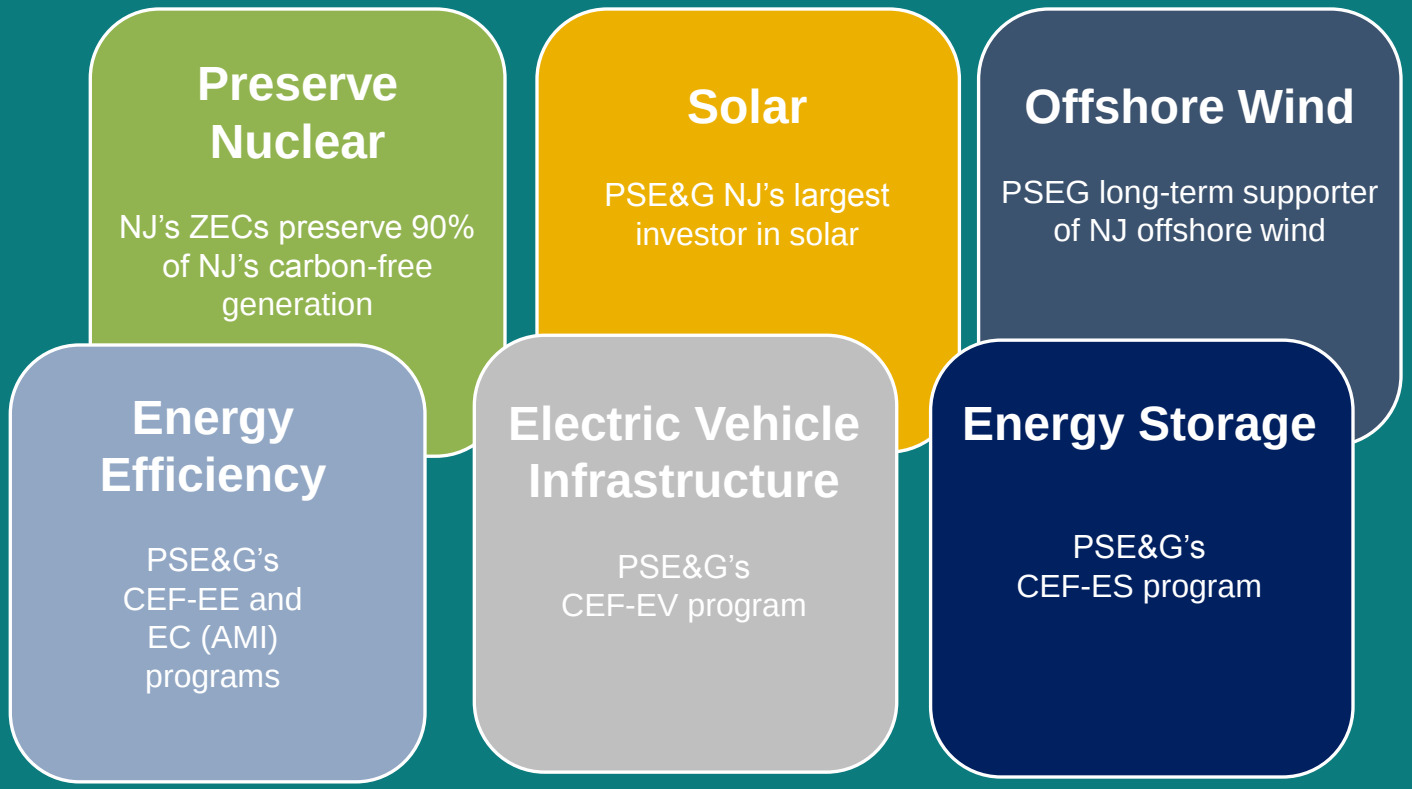
* Efficient
* Clean
* Reliable, Resilient
* Affordable

New Jersey has advanced a clean energy agenda

New Jersey's clean energy agenda:

50% renewables by 2030 and 100% clean energy by 2050

Reduce annual energy usage (2% Electric; 0.75% Gas)



PSEG's investment strategies are aligned with these public policy objectives

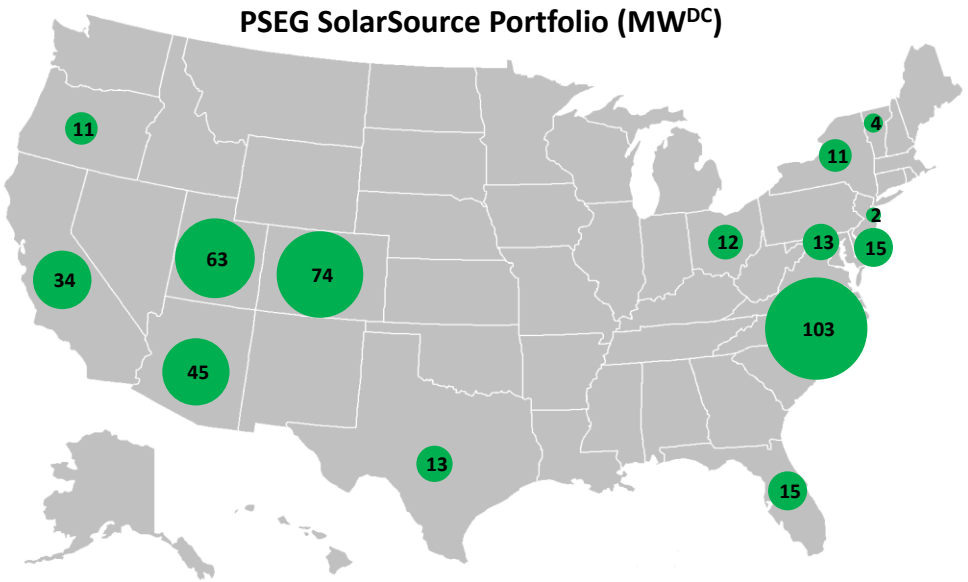
PSE&G's proposed Clean Energy Future program – Spreading the benefits of EE to save the planet

- **Energy Efficiency:** Residential and C&I programs to lower energy bills and combat climate change
  - Savings targeting 2% electric and 0.75% gas savings consistent with NJ Clean Energy Legislation
  - Customer benefits exceed costs
- **Electric Vehicles:** "Smart" electric vehicle infrastructure: residential, workplace, multi-family, travel corridors
- **Energy Storage:** Utility-scale systems to defer traditional distribution investment, enable additional solar, and enhance critical infrastructure resiliency
- **Energy Cloud: Advanced Metering Infrastructure (AMI):** Accelerated roll-out of 2.2 million electric meters and supporting infrastructure. Compelling customer benefits

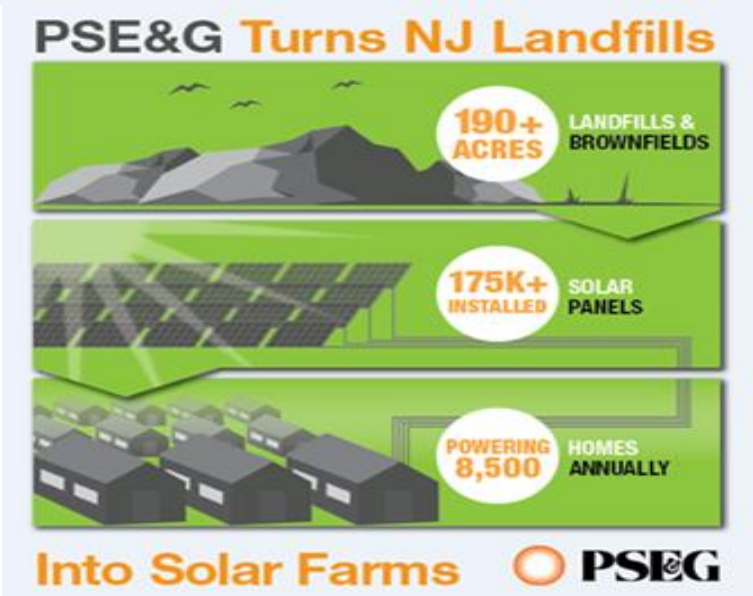
Program Investment	$ Billion
Energy Efficiency	$2.5
Electric Vehicles	$0.3
Energy Storage	$0.1
Energy Cloud – AMI	$0.6
Investment Total	$3.5

- 6-year investment program starting in 2019
- Seeking contemporaneous recovery
- Contingent on approval of lost revenue recovery mechanism

PSEG has invested $1.7 Billion in 625 MWs of Solar



PSEG Power has invested ~$0.8B in 23 projects in 14 states totaling 414 MWs



PSE&G: has invested ~$0.9B across its Solar portfolio totaling 211 MWs







PSE&G's infrastructure investment – reliability and resiliency in a climate-challenged world

Gas pipe replacement

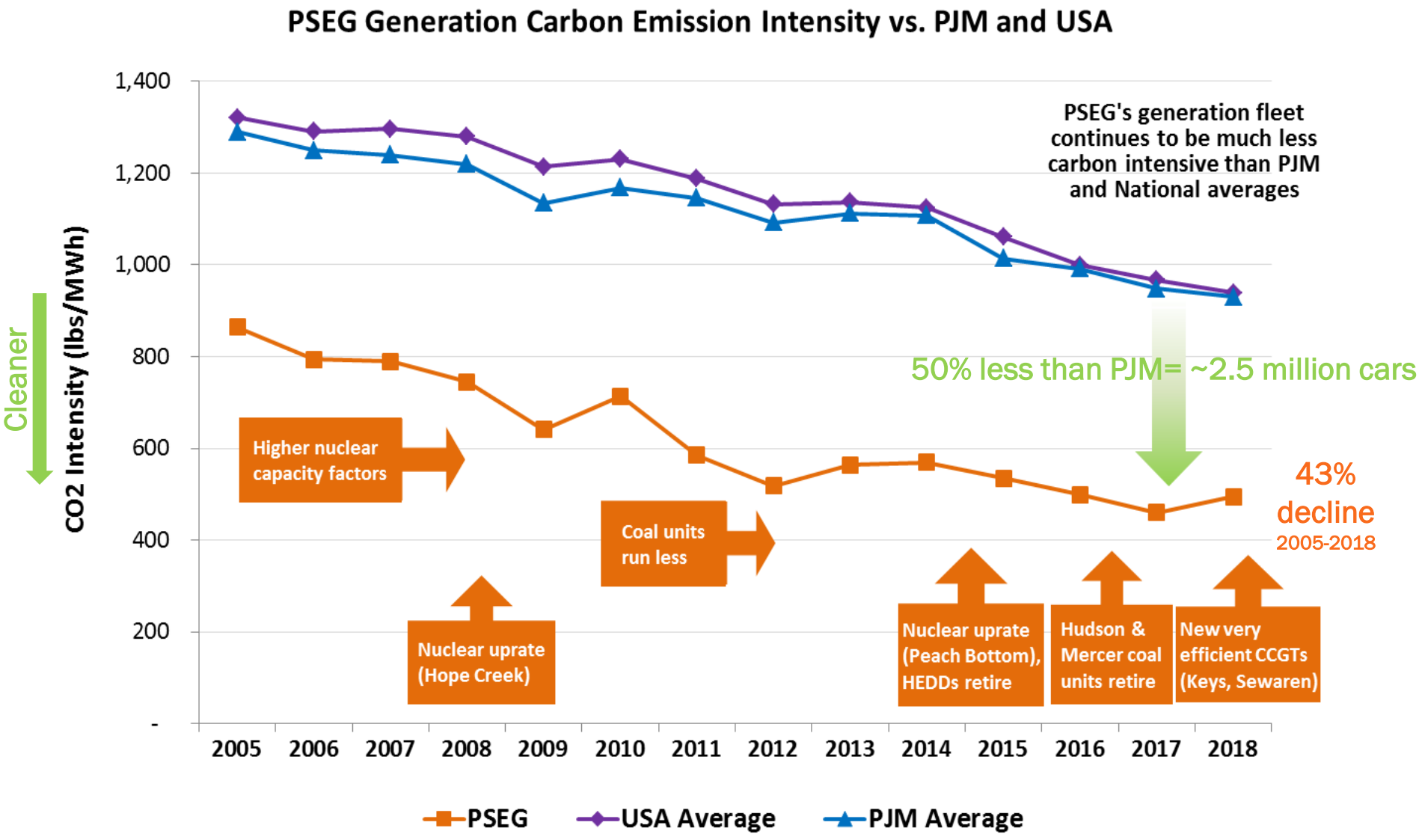


Raising substations

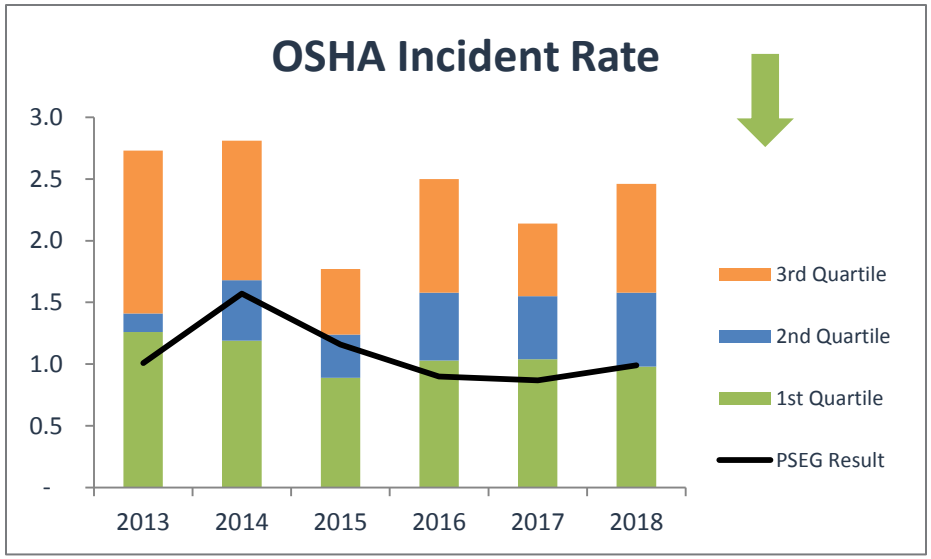


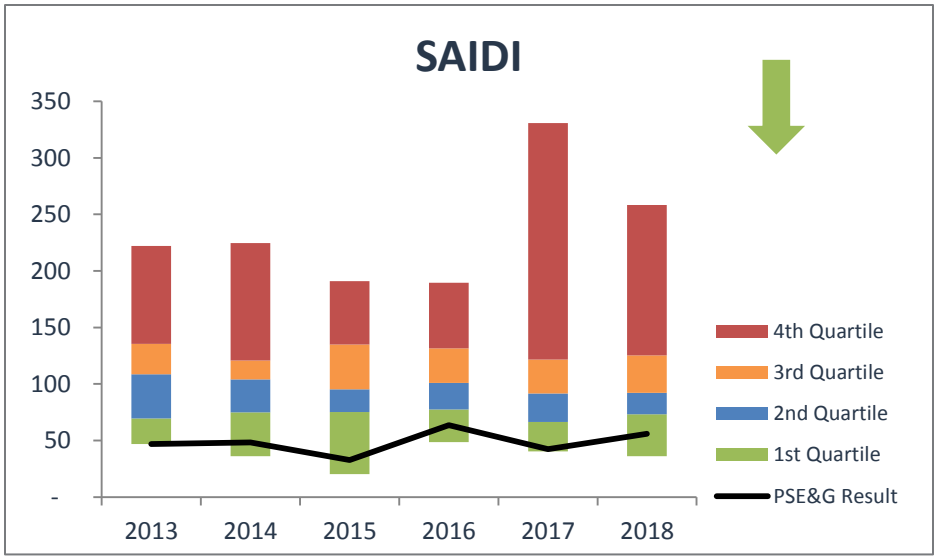
	2014-2018	2019-2023 and beyond
Gas	**Gas System Modernization Program (GSMP 1) -** Replaced 510 miles of aging cast-iron and unprotected steel pipe, improving infrastructure and **reducing methane leaks**	**GSMP 2** – $1.9B, five year program to replace another 875 miles of aging pipe
Electric	**Energy Strong – $1.2B investment program in response to Superstorm Sandy.** Raised 26 substations and made related improvements for reliability and **resiliency to address extreme weather**	**Energy Strong 2 (ES2)**– Proposed $2.5B, five year extension to further **strengthen the utility's electric and gas systems to withstand storms**

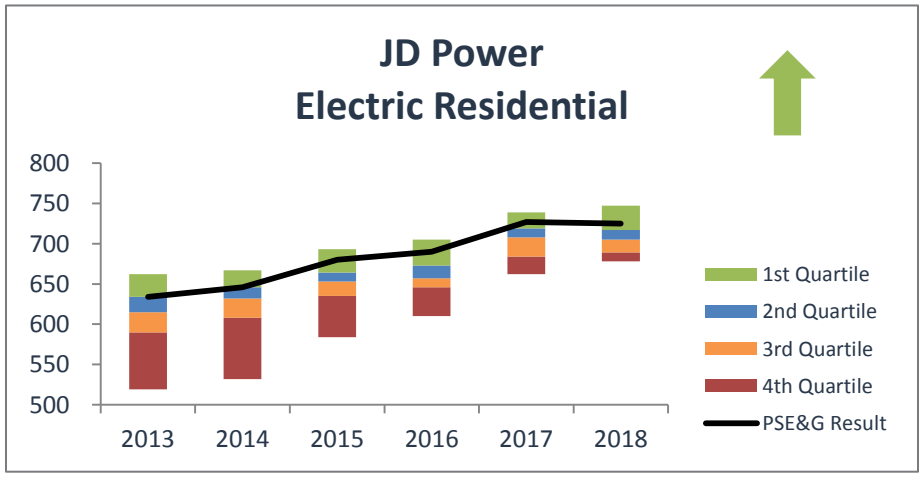
Power's fleet transformation has improved the climate

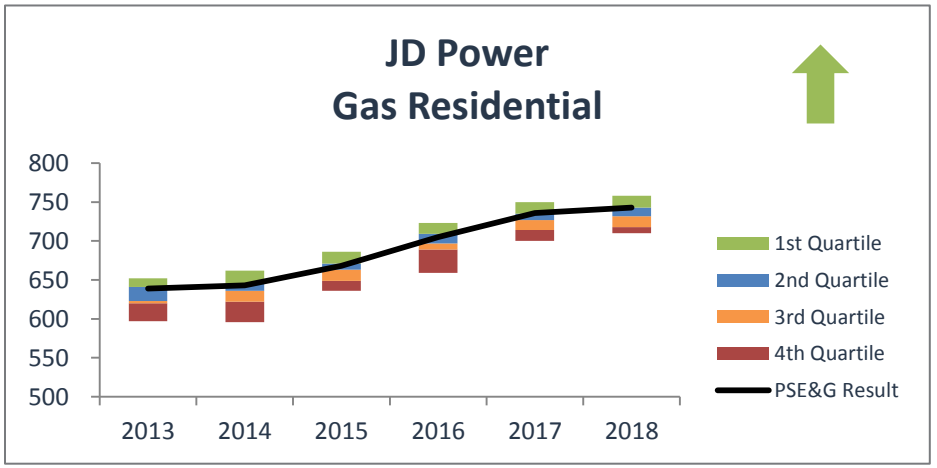


PSEG's operating strategy delivers top performance





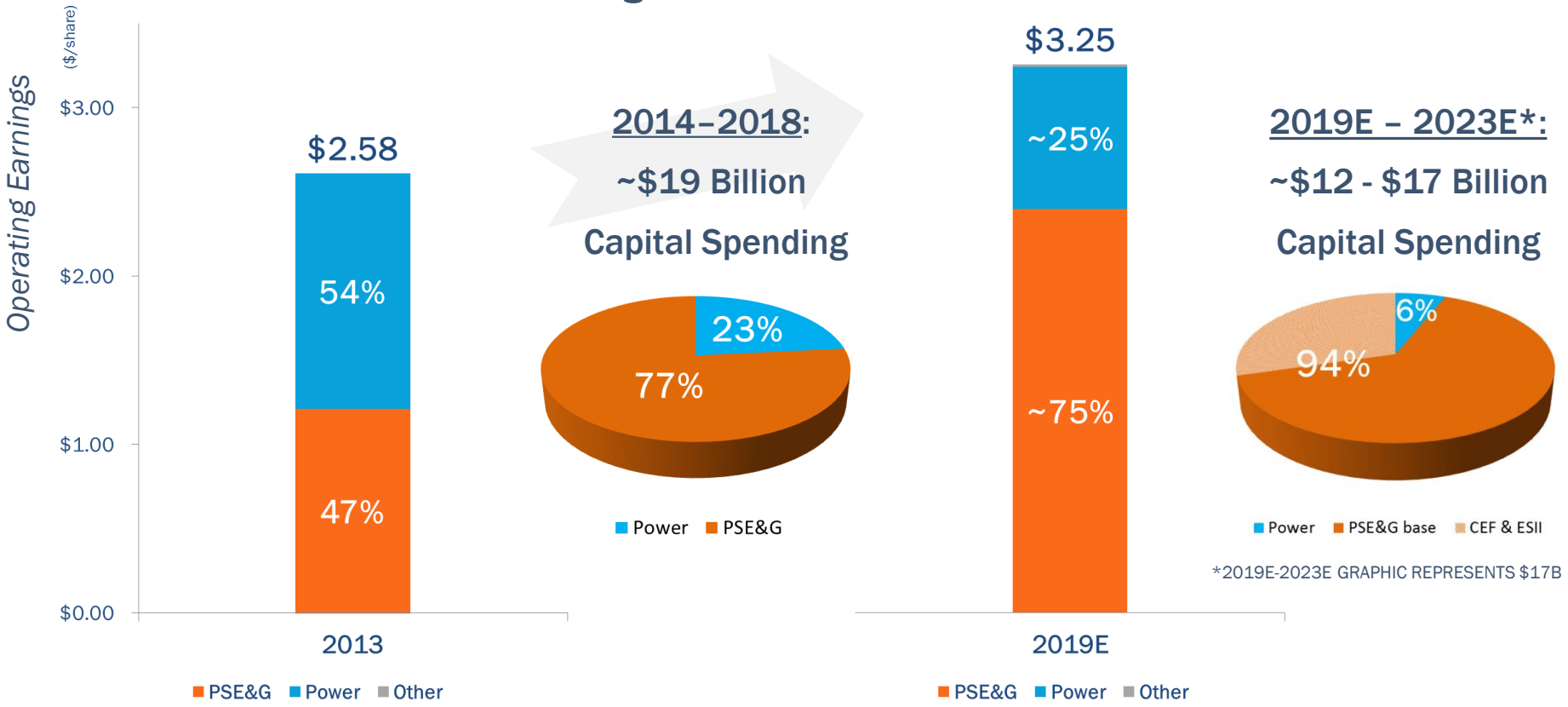




At the same time, O&M costs have been flat for a decade due to continuous improvement efforts

Increased capital allocation to the utility to address infrastructure needs, customer expectations and public policy

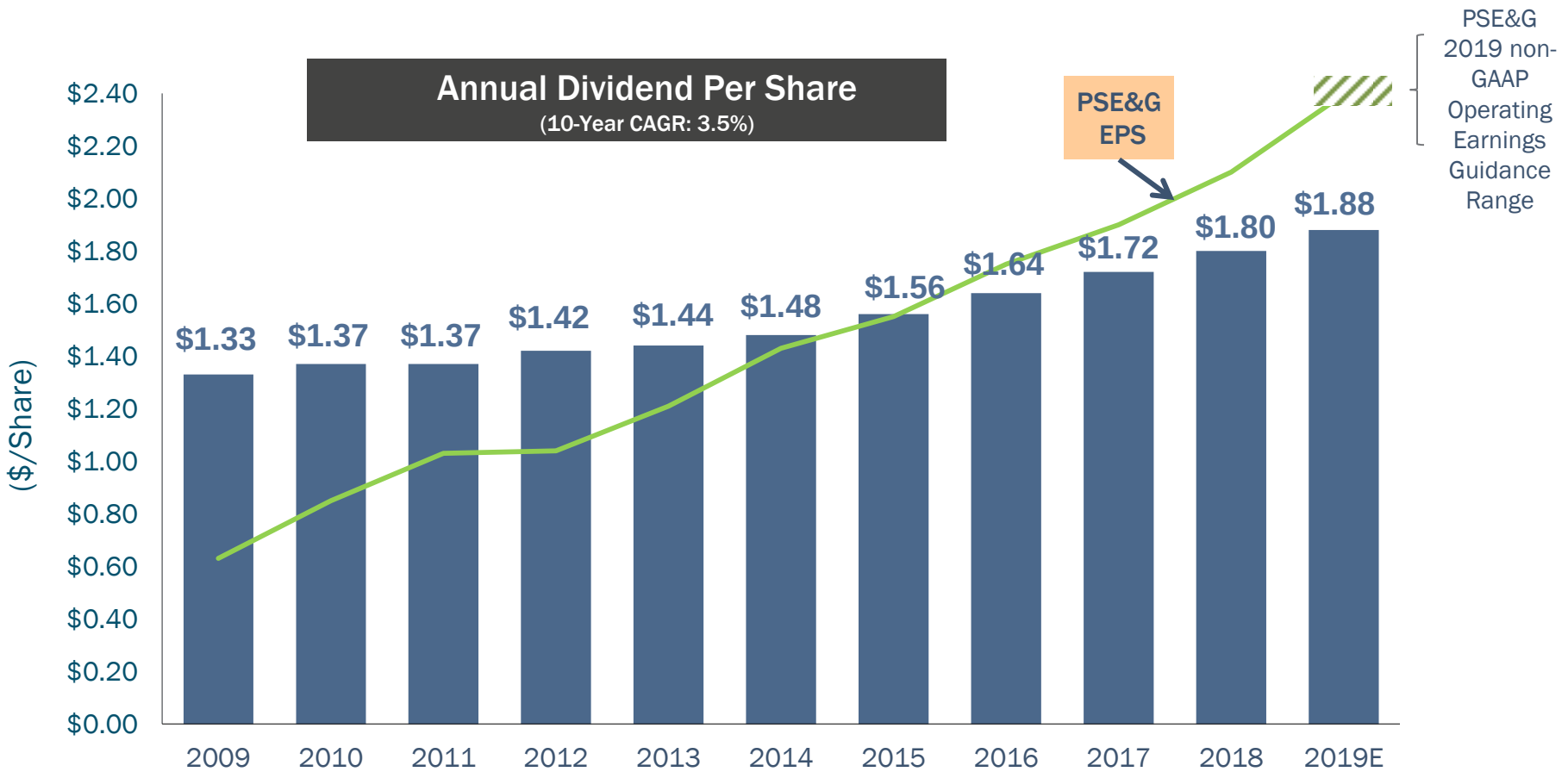
Capital allocation to PSE&G grows from 77% to over 90%, furthering the shift in the business mix



2019E OPERATING EARNINGS BASED ON THE MID-POINT OF NON-GAAP OPERATING EARININGS GUIDANCE OF $3.15 TO $3.35 PER SHARE.
CAPITAL SPENDING INCLUDES AFUDC AND IDC.
SEE SLIDES 22-23 FOR ITEMS EXCLUDED FROM NET INCOME/(LOSS) TO RECONCILE TO NON-GAAP OPERATING EARNINGS FOR PSEG, PSE&G, PSEG POWER AND ENTERPRISE/OTHER. E= ESTIMATE.

Stable business mix provides opportunity for consistent and sustainable dividend growth

PSEG has a 112 year record of paying dividends

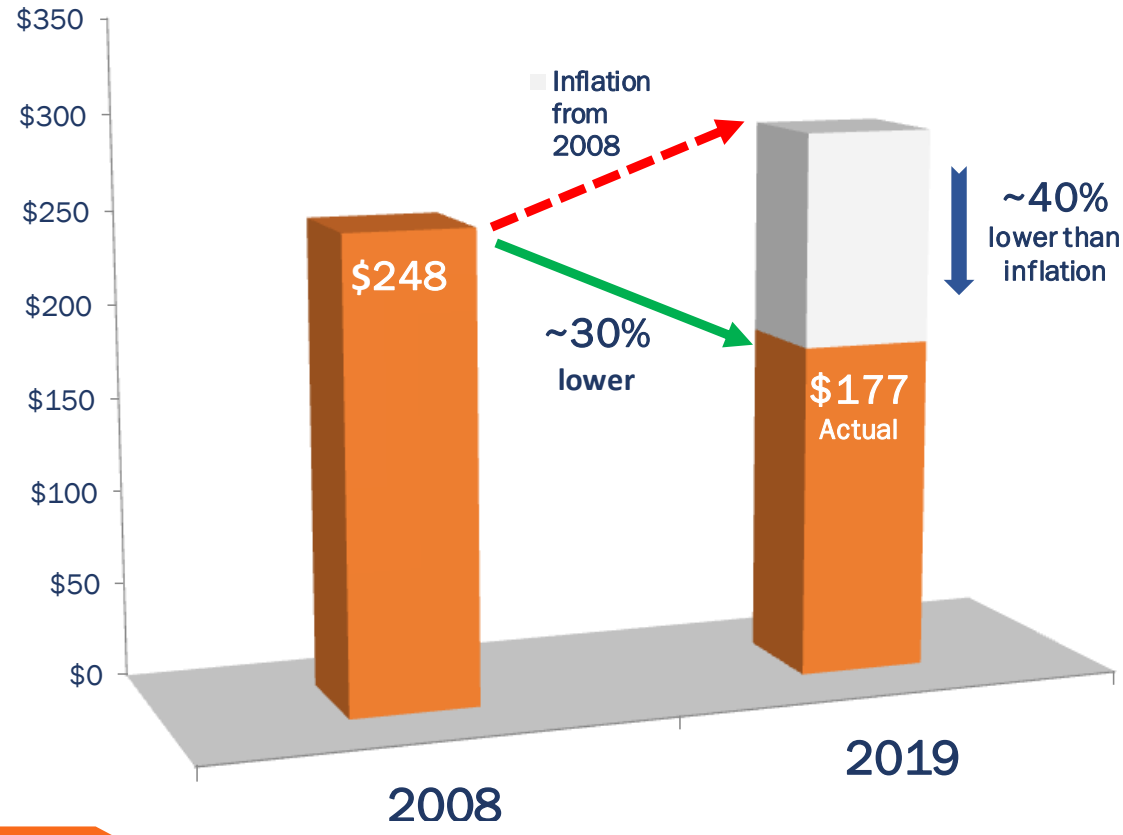


*INDICATIVE ANNUAL 2019 PSEG COMMON DIVIDEND RATE PER SHARE. E = ESTIMATE
NOTE: ALL FUTURE DECISIONS REGARDING DIVIDENDS ON THE COMMON STOCK ARE SUBJECT TO APPROVAL BY THE BOARD OF DIRECTORS.

Customer's bills have declined, supporting needed investment in the system

PSE&G Typical Residential Customer Bill*

Combined Typical Residential Electric and Gas Customer Bill Comparison 2008 to 2019 with Inflation[1]



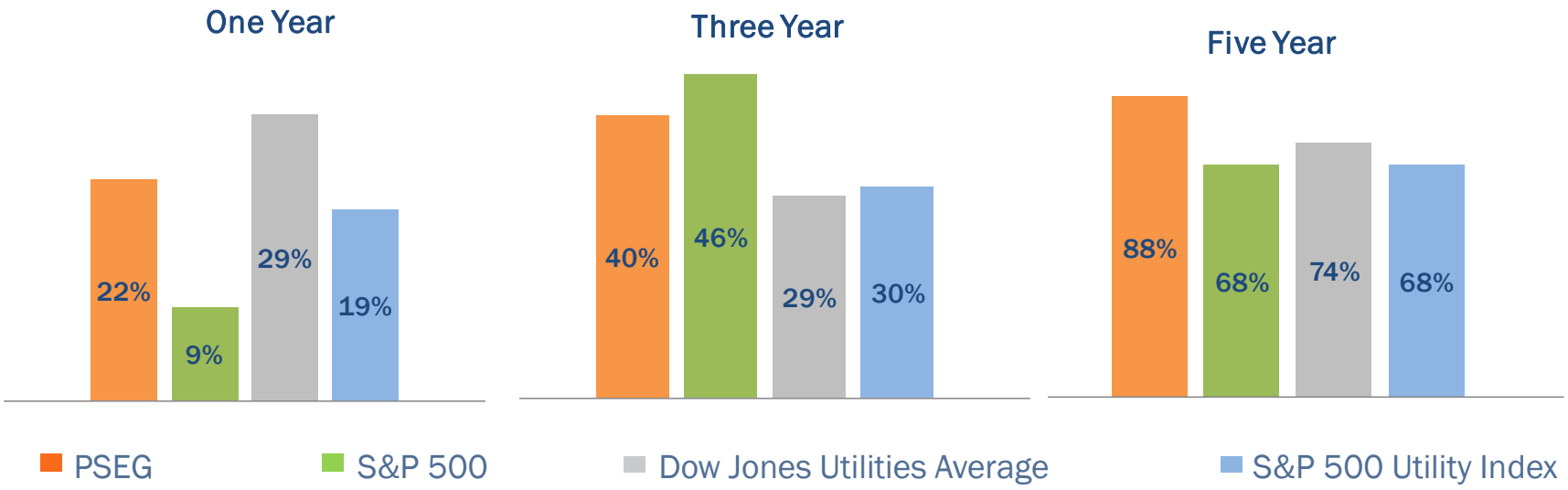
Cost impact of approved and proposed programs GSMP2, ES2, CEF and ZECs over next five years

2 - 3% annual increases, yielding flat bills in real terms

NOTE : AVERAGE MONTHLY BILL FOR A TYPICAL RESIDENTIAL ELECTRIC CUSTOMER THAT USES 6,920 KILOWATT-HOURS PER YEAR AND A TYPICAL RESIDENTIAL GAS HEATING CUSTOMER THAT USES 1,040 THERMS PER YEAR. APRIL 1, 2019 RATES REFLECT JUNE 1, 2019 BGS-RSCP SUPPLY CHARGES INCLUDING THE RESULTS OF THE 2019 BGS-RSCP STATEWIDE AUCTION.

Successful execution of PSEG strategy recognized by the market

PSEG Comparative Market Performance
1/3/5 year
Total Shareholder Returns
(For the periods ended March 31, 2019)



Sustainability is a hallmark of Public Service



Environmental Stewardship



Corporate Citizenship



Transparency and Disclosure



Diversity and Inclusion

With all of our sustainability efforts, we set our sights on supporting PSEG's strategic business model and objectives, reflecting the alignment between our sustainability approach and the way we conduct our business

PSEG is committed to excellence in corporate governance

- Board's role in long-term strategy
- Compensation & incentives aligned with long-term results
- Oversight of sustainability and ESG, including climate change
- Board diversity in gender, ethnicity and experience
- Board tenure and refreshment

Demographic Background	Willie A. Deese	William V. Hickey	Ralph Izzo	Shirley Ann Jackson	David Lilley	Barry H. Ostrowsky	Laura A. Sugg	Richard J. Swift	Susan Tomasky	Alfred W. Zollar
Board Tenure*	3	18	12	18	10	1	-	25	7	7
Diversity										
Gender				✓			✓		✓	
Ethnicity	✓			✓						✓
Age	63	74	61	72	72	68	58	74	66	64

*Rounded

Information as of March 12, 2019

Skills and Qualifications	Willie A. Deese	William V. Hickey	Ralph Izzo	Shirley Ann Jackson	David Lilley	Barry H. Ostrowsky	Laura A. Sugg	Richard J. Swift	Susan Tomasky	Alfred W. Zollar
Accounting/Finance experience is important in overseeing our financial reporting and internal controls to assure transparency and accuracy.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Construction/Engineering experience is important in assessing our operations, project development and opportunities for growth.			✓				✓	✓		
Corporate Governance experience is important in assuring Board effectiveness and appropriate oversight.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Customer Satisfaction & Sales experience is important in understanding the consumer-driven aspect of our business in order to provide outstanding service.					✓	✓				✓
Environment/Science experience is important to an entity dependent on scientific expertise and in assessing environmental compliance, obligations and operations.			✓	✓	✓		✓	✓	✓	
Government/Policy/Regulatory experience is important to a heavily regulated entity directly impacted by governmental actions, public policy and economic trends.	✓		✓	✓		✓	✓		✓	
Industry/Generating Plant Operations experience is important in overseeing the development and implementation of our operating plan and business strategy.			✓	✓			✓	✓	✓	
Legal experience is important in understanding and evaluating our legal risks and obligations.						✓			✓	
Management experience is important in overseeing the leadership and performance of our Company's senior management.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Manufacturing experience is important in understanding and assessing the operation of our business, including safety, controls, efficiency and compliance.	✓	✓			✓		✓	✓		
Product Development experience is important in developing innovative solutions and adapting our business and strategy to meet customer expectations.		✓			✓					✓
Risk Management experience is important in overseeing the risks facing the Company.			✓	✓		✓	✓	✓	✓	✓
Technology/Cybersecurity experience is important in assessing the best tools to enhance business operations and customer service and address cybersecurity risks.	✓	✓		✓					✓	✓

PSEG's commitment to its many stakeholders is widely recognized

Industry

ReliabilityOne™

PA Consulting Mid-Atlantic Region award – for the 17th consecutive year (2018)

POWERGRID INTERNATIONAL

Grid Optimization Project of the Year
Energy Strong - Advanced Technologies D-SCADA Program - PSE&G (2018)

Long Island Business NEWS

Corporate Citizen of the Year, Large Business – PSEGLI (2017)

Smart Electric Power Alliance

Utility of the Year by SEPA - Solar 4 All (2017)

Employer

American Cancer Society

Breast Cancer Walk Highest # of Participants PSEG LI - (2017)

20% BY 2020 WOMEN ON BOARDS 2020

Recognized for Diversity by 2020 Women on Boards (2017)

Forbes 2019 THE BEST EMPLOYERS for DIVERSITY POWERED BY STATISTA

America's Best Employers List (2019)

CIANJ

Commerce & Industry Association of NJ award Approved Employer by STEM Jobs (2017)

MARCH OF DIMES

March of Dimes Corporate Hero (2017)

MILITARY FRIENDLY MF'18 AWARD EMPLOYER

Military-friendly employer (2018)

Business

Dow Jones Sustainability Index

Named to DJSI North America for the 11th consecutive year (2018)

FORTUNE WORLD'S MOST ADMIRED COMPANIES 2017

Ranked 8th among electric and gas companies in the United States (2017)

Forbes JUST 2016

America's 100 Best Corporate Citizens (2016)

THANK YOU






PSEG

We make things work for you.

APPENDIX

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

Reconciling Items	Year Ended December 31,					
	2018	2017	2016	2015	2014	2013
	($ millions, Unaudited)					
Net Income (Loss)	$ 1,438	$ 1,574	$ 887	$ 1,679	$ 1,518	$ 1,243
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax[a] (PSEG Power)	144	(133)	(5)	(24)	(138)	(86)
(Gain) Loss on Mark-to-Market (MTM), pre-tax[b] (PSEG Power)	117	167	168	(157)	(111)	125
Storm O&M, net of insurance recoveries, pre-tax (PSEG Power)	-	-	-	(172)	27	54
Hudson/Mercer (Gain on Sale) / Early Retirement, pre-tax (PSEG Power)	(51)	975	669	-	-	-
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	8	77	147	-	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform[c]	(74)	(427)	(391)	150	104	(27)
Tax Reform	-	(745)	-	-	-	-
Operating Earnings (non-GAAP)	$ 1,582	$ 1,488	$ 1,475	$ 1,476	$ 1,400	$ 1,309
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	508	508	508	508
	($ Per Share Impact - Diluted, Unaudited)					
Net Income (Loss)	$ 2.83	$ 3.10	$ 1.75	$ 3.30	$ 2.99	$ 2.45
(Gain) Loss on NDT Fund Related Activity, pre-tax[a] (PSEG Power)	0.28	(0.26)	(0.01)	(0.05)	(0.27)	(0.17)
(Gain) Loss on MTM, pre-tax[b] (PSEG Power)	0.23	0.33	0.33	(0.31)	(0.22)	0.25
Storm O&M, net of insurance recoveries, pre-tax (PSEG Power)	-	-	-	(0.34)	0.05	0.11
Hudson/Mercer (Gain on Sale) / Early Retirement, pre-tax (PSEG Power)	(0.10)	1.92	1.32	-	-	-
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	0.02	0.15	0.29	-	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform[c]	(0.14)	(0.84)	(0.78)	0.31	0.21	(0.06)
Tax Reform	-	(1.47)	-	-	-	-
Operating Earnings (non-GAAP)	$ 3.12	$ 2.93	$ 2.90	$ 2.91	$ 2.76	$ 2.58

(a) Effective January 1, 2018, unrealized gains (losses) on equity securities are recorded in Net Income instead of Other Comprehensive Income (Loss).
(b) Includes the financial impact from positions with forward delivery months.
(c) Income tax effect calculated at 28.11% statutory rate for 2018 and 40.85% statutory rate for prior years, 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 (losses) from qualified NDT funds.

PSE&G Operating Earnings (Non-GAAP) Reconciliation

Reconciling Items	Year Ended December 31,					
	2018	2017	2016	2015	2014	2013
	($ millions, Unaudited)					
Net Income (Loss)	$ 1,067	$ 973	$ 889	$ 787	$ 725	$ 612
Tax Reform	-	(10)	-	-	-	-
Operating Earnings (non-GAAP)	$ 1,067	$ 963	$ 889	$ 787	$ 725	$ 612
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	508	508	508	508

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

Reconciling Items	Year Ended December 31,					
	2018	2017	2016	2015	2014	2013
	($ millions, Unaudited)					
Net Income (Loss)	$ 365	$ 479	$ 18	$ 856	$ 760	$ 644
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax[a]	144	(133)	(5)	(24)	(138)	(86)
(Gain) Loss on Mark-to-Market (MTM), pre-tax[b]	117	167	168	(157)	(111)	125
Storm O&M, net of insurance recoveries, pre-tax	-	-	-	(172)	27	54
Hudson/Mercer (Gain on Sale) / Early Retirement, pre-tax	(51)	975	669	-	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform[c]	(73)	(395)	(336)	150	104	(27)
Tax Reform	-	(588)	-	-	-	-
Operating Earnings (non-GAAP)	$ 502	$ 505	$ 514	$ 653	$ 642	$ 710
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	508	508	508	508

(a) Effective January 1, 2018, unrealized gains (losses) on equity securities are recorded in Net Income instead of Other Comprehensive Income (Loss).
(b) Includes the financial impact from positions with forward delivery months.
(c) Income tax effect calculated at 28.11% statutory rate for 2018 and 40.85% statutory rate for prior years, except for NDT related activity which is calculated at the statutory rate plus a 20% tax on income (losses) from qualified NDT funds.

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

Reconciling Items	Year Ended December 31,					
	2018	2017	2016	2015	2014	2013
	($ millions, Unaudited)					
Net Income (Loss)	$ 6	$ 122	$ (20)	$ 36	$ 33	$ (13)
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	8	77	147	-	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform[a]	(1)	(32)	(55)	-	-	-
Tax Reform	-	(147)	-	-	-	-
Operating Earnings (non-GAAP)	$ 13	$ 20	$ 72	$ 36	$ 33	$ (13)
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	508	508	508	508

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