



Public Service Enterprise Group

2nd QUARTER 2023
NYSE: PEG

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 (SEC), including our 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:

- any inability to successfully develop, obtain regulatory approval for, or construct transmission and distribution, and our nuclear generation projects;
- the physical, financial and transition risks related to climate change, including risks relating to potentially increased legislative and regulatory burdens, changing customer preferences and lawsuits;
- any equipment failures, accidents, critical operating technology or business system failures, severe weather events, acts of war, terrorism or other acts of violence, sabotage, physical attacks or security breaches, cyberattacks or other incidents that may impact our ability to provide safe and reliable service to our customers;
- any inability to recover the carrying amount of our long-lived assets;
- disruptions or cost increases in our supply chain, including labor shortages;
- any inability to maintain sufficient liquidity or access sufficient capital on commercially reasonable terms;
- the impact of cybersecurity attacks or intrusions or other disruptions to our information technology, operational or other systems;
- a material shift away from natural gas toward increased electrification and a reduction in the use of natural gas;
- failure to attract and retain a qualified workforce;
- inflation, including increases in the costs of equipment, materials, fuel and labor;
- the impact of our covenants in our debt instruments and credit agreements on our business;
- adverse performance of our defined benefit plan trust funds and Nuclear Decommissioning Trust Fund and increases in funding requirements and pension costs;
- fluctuations in, or third party default risk in wholesale power and natural gas markets, including the potential impacts on the economic viability of our generation units;
- our ability to obtain adequate nuclear fuel supply;
- changes in technology related to energy generation, distribution and consumption and changes in customer usage patterns;
- third-party credit risk relating to and purchase of nuclear fuel;
- any inability to meet our commitments under forward sale obligations and Regional Transmission Organization rules;
- reliance on transmission facilities to maintain adequate transmission capacity for our nuclear generation fleet;
- the impact of changes in state and federal legislation and regulations on our business, including PSE&G's ability to recover costs and earn returns on authorized investments;
- PSE&G's proposed investment programs may not be fully approved by regulators and its capital investment may be lower than planned;
- our ability to advocate for and our receipt of appropriate regulatory guidance to ensure long-term support for our nuclear fleet;
- adverse changes in and non-compliance with energy industry laws, policies, regulations and standards, including market structures and transmission planning and transmission returns;
- risks associated with our ownership and operation of nuclear facilities, including increased nuclear fuel storage costs, 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;
- changes in federal and state environmental laws and regulations and enforcement;
- delays in receipt of, or an inability to receive, necessary licenses and permits and siting approvals; and
- changes in tax laws and regulations.

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 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/(Loss) reported in accordance with accounting principles generally accepted in the United States (GAAP). Operating Earnings is a non-GAAP financial measure that differs from Net Income/(Loss). 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. The last two slides in this presentation (Slides A and B) include a list of items excluded from Net Income/(Loss) to reconcile to non-GAAP Operating Earnings with a reference to those 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/(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 by navigating to the Email Alerts webpage [here](#). The information on <https://investor.pseg.com> and <https://investor.pseg.com/resources/email-alerts/default.aspx> is not incorporated herein and is not part of this communication or the Form 8-K to which it is an exhibit.

PSEG Q2 2023

Second Quarter Results – On track

- Net Income of \$1.18 per share
- Non-GAAP Operating Earnings* of \$0.70 per share
- PSE&G non-GAAP Operating Earnings* driven by T&D investments and timing of taxes
- PSEG Power & Other non-GAAP Operating Earnings* on track

Operational Excellence

- PSE&G customer reliability results for total outage durations (SAIDI) are better than prior year-to-date; 2022 full-year SAIDI was the best in PSE&G’s recorded history
- PSE&G has completed the planned replacement of 135 miles of gas main and the ~12,500 associated gas services to homes and businesses
- PSEG Nuclear completed Spring refueling outage at Salem 2 on time and on budget

Disciplined Investment

- PSEG completed the sale of 25% equity stake in Ocean Wind 1 to Ørsted
- PSE&G invested \$1.7 billion year-to-date, as part of full-year 2023, \$3.5 billion capital investment program
- PSE&G’s 5-year capital program of \$15.5 billion - \$18 billion is driven by focus on modernizing T&D infrastructure, CEF programs and “Last Mile” projects
- PSEG Nuclear is proceeding with Hope Creek fuel cycle extension project to reduce O&M and increase generation over the life of the plant

* See Slides A and B for Items excluded from Net Income/(Loss) to reconcile to Operating Earnings (non-GAAP) for PSEG, PSE&G and PSEG Power & Other.
 Note: PSEG Power & Other includes our nuclear generating fleet, gas operations, PSEG Long Island, remaining offshore wind investment, potential hydrogen investments, Parent and other.



Re-affirming full-year 2023 guidance

PSEG Non-GAAP Operating EPS



2023E Non-GAAP Operating EPS Drivers

- CIP stabilizes distribution margin from weather impacts and other volumetric variances
- PSE&G transmission formula rate and infrastructure investment and clean energy program roll-ins provide current recovery of investments
- PSEG Power & Other realized the majority of higher average annual hedged prices for 2023 during Q1
- PSEG cost comparisons in line with expectations
- PSE&G pension accounting order in effect for full-year 2023

Regulatory and Policy Update

NJ Board of Public Utilities

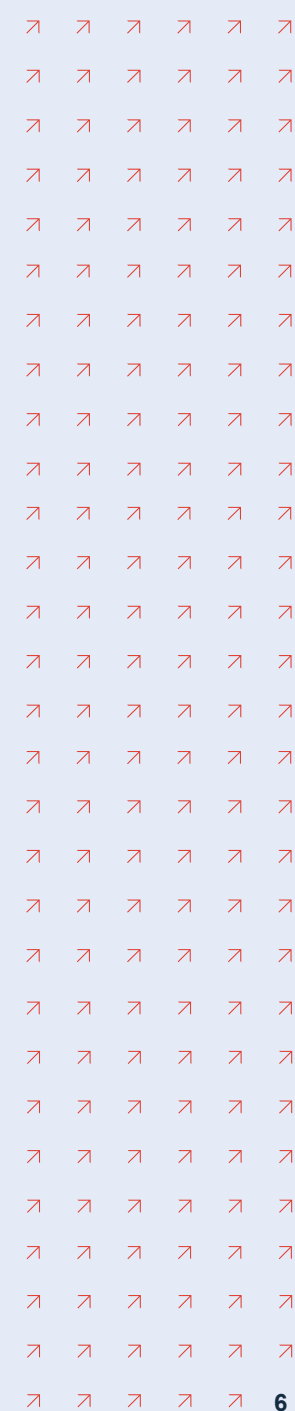
- CEF-EE nine-month extension through June 30, 2024 settled and approved for \$280 million, increasing run rate
- BPU issued EE framework for second triennial program that will be basis for PSE&G filing in Q4 2023
- Electric and Gas Distribution Base Rate Case to be filed by year-end 2023
- Two new BPU Commissioners, Christine Guhl-Sadovy and Marian Abdou, confirmed in May

Federal Energy Regulatory Commission

- RTO incentive ROE adder continues to remain in place

Investment Priorities Aligned with NJ's Clean Energy Agenda

- Incremental investments in existing PSEG programs would support NJ's increasing targets to decarbonize the economy through Governor Murphy's Executive Orders
 - Stakeholder proceedings, including on the "Future of Natural Gas", have commenced at the BPU and Governor's Office Council on the Green Economy for considering pathways to achieve:
 - 100% clean energy by 2035
 - Electrifying transportation - No internal combustion engine vehicles sold after 2035 and increased incentives for Medium and Heavy-Duty EV adoption
 - Building electrification – 400,000 homes, 20,000 commercial properties and 10% of low-to-moderate income properties by 2030
 - Goal to reduce gas emissions by 2030
- BPU to address the balance of CEF filing regarding Medium and Heavy-Duty EVs in conjunction with ongoing stakeholder proceedings



PSEG: An improved business mix and platform for predictable growth

- Re-affirming full-year 2023 non-GAAP Operating Earnings guidance of **\$3.40 - \$3.50** per share
- PSE&G expected to contribute **~90%** of 2023 non-GAAP Operating Earnings
- Best-in-class, customer-centric regulated Utility with robust 5-year capital investment program of **\$15.5B - \$18B**, supporting our **6% - 7.5%** compound annual growth in rate base over the 2023-2027 period
- **Retaining Nuclear fleet** with PTC stabilized, predictable cash flows and multiple growth paths with modest investment
- PSEG's **improved business mix** drives the predictability of our long-term earnings growth rate of **5% - 7%** over the 2023-2027 period
- PSEG's solid balance sheet supports execution of 5-year capital plan with **no new equity** or need to sell assets
- 2023 indicative annual common dividend* of **\$2.28** per share represents a 5.6% increase over 2022
- **Favorable "share of wallet"** for combined residential bills:
 - Gas bills are **among the lowest in the region**
 - Electric bills are **below regional peer average**
- **Exited offshore wind generation**, continuing to pursue offshore transmission projects

* All future decisions and declarations regarding dividends on the common stock are subject to approval by the Board of Directors.



Q2 2023

Review

PSEG Q2 Results

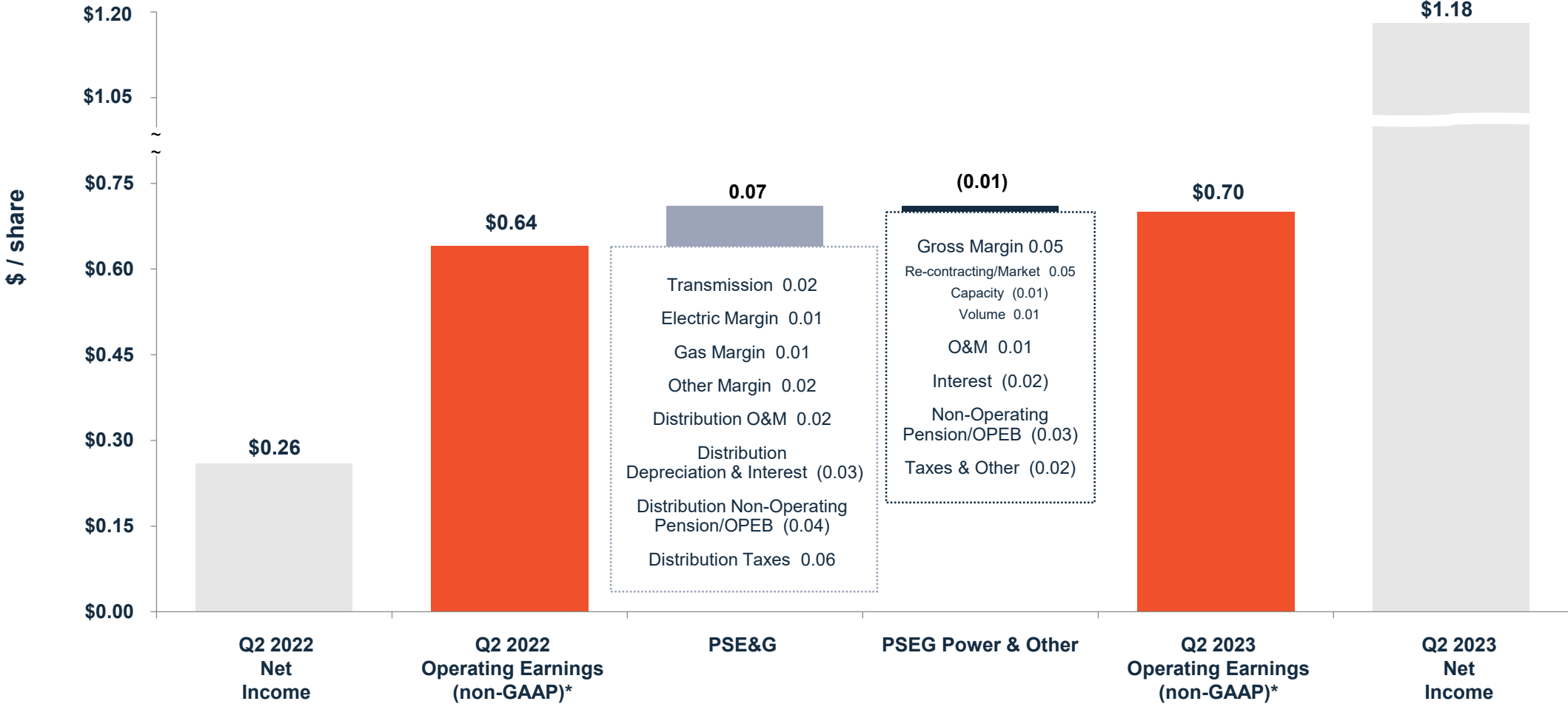
PSEG EPS Summary – Three Months ended June 30

Net Income/(Loss)	2023	2022	Change
PSE&G	\$ 0.67	\$ 0.61	\$ 0.06
PSEG Power & Other	<u>\$ 0.51</u>	<u>\$ (0.35)</u>	<u>\$ 0.86</u>
Total PSEG	\$ 1.18	\$ 0.26	\$ 0.92

Non-GAAP Operating Earnings*	2023	2022	Change
PSE&G	\$ 0.68	\$ 0.61	\$ 0.07
PSEG Power & Other	<u>\$ 0.02</u>	<u>\$ 0.03</u>	<u>\$ (0.01)</u>
Total PSEG	\$ 0.70	\$ 0.64	\$ 0.06

* See Slides A and B for Items excluded from Net Income/(Loss) to reconcile to Operating Earnings (non-GAAP) for PSEG, PSE&G and PSEG Power & Other.

PSEG EPS Reconciliation – Q2 2023 versus Q2 2022



* See Slides A and B for Items excluded from Net Income/(Loss) to reconcile to Operating Earnings (non-GAAP) for PSEG, PSE&G and PSEG Power & Other.

PSEG First Half Results

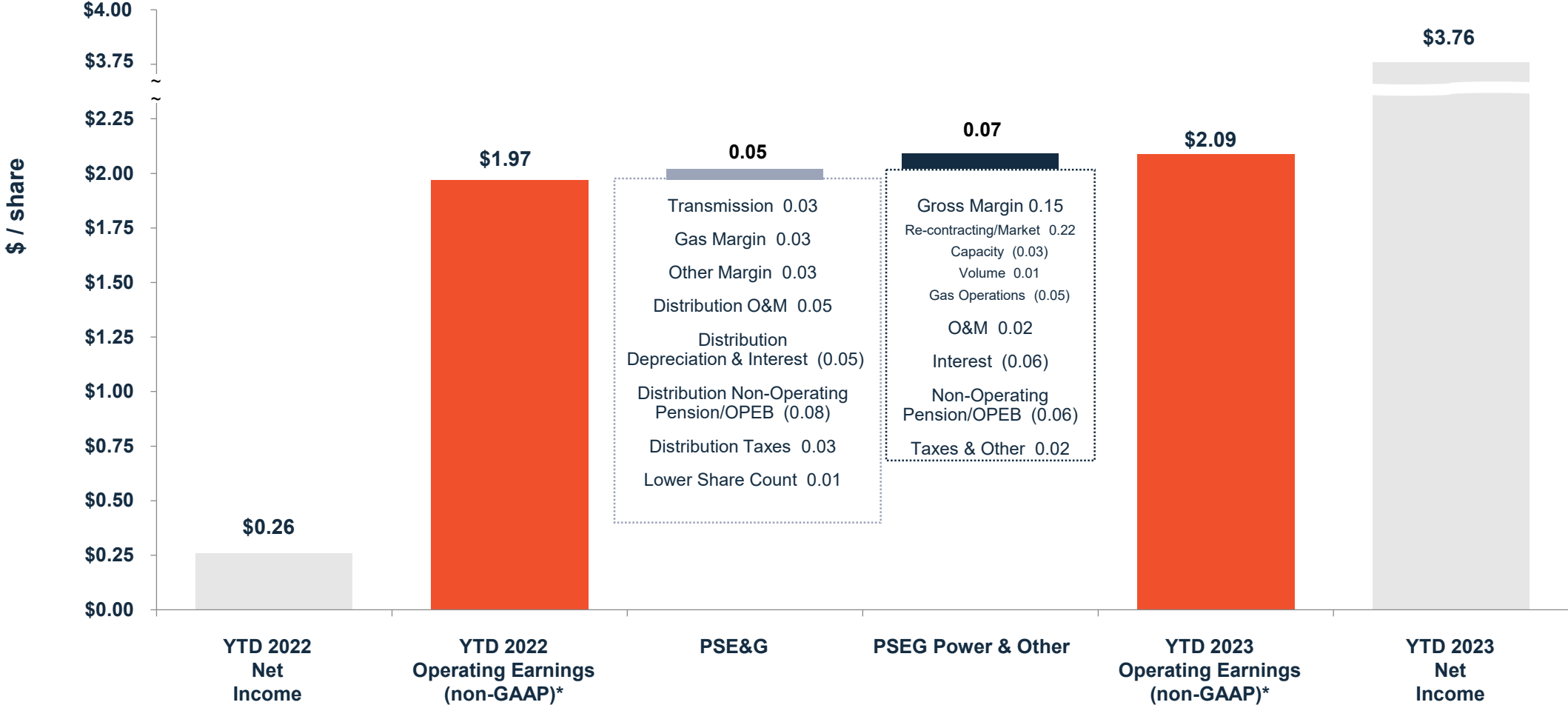
PSEG EPS Summary – Six Months ended June 30

Net Income/(Loss)	2023	2022	Change
PSE&G	\$ 1.65	\$ 1.62	\$ 0.03
PSEG Power & Other	<u>\$ 2.11</u>	<u>\$ (1.36)</u>	<u>\$ 3.47</u>
Total PSEG	\$ 3.76	\$ 0.26	\$ 3.50

Non-GAAP Operating Earnings*	2023	2022	Change
PSE&G	\$ 1.67	\$ 1.62	\$ 0.05
PSEG Power & Other	<u>\$ 0.42</u>	<u>\$ 0.35</u>	<u>\$ 0.07</u>
Total PSEG	\$ 2.09	\$ 1.97	\$ 0.12

* See Slides A and B for Items excluded from Net Income/(Loss) to reconcile to Operating Earnings (non-GAAP) for PSEG, PSE&G and PSEG Power & Other.

PSEG EPS Reconciliation – First Half 2023 versus First Half 2022



* See Slides A and B for Items excluded from Net Income/(Loss) to reconcile to Operating Earnings (non-GAAP) for PSEG, PSE&G and PSEG Power & Other.
 Note: Quarterly results may not add due to rounding.



PSE&G

Q2 Highlights

Operations

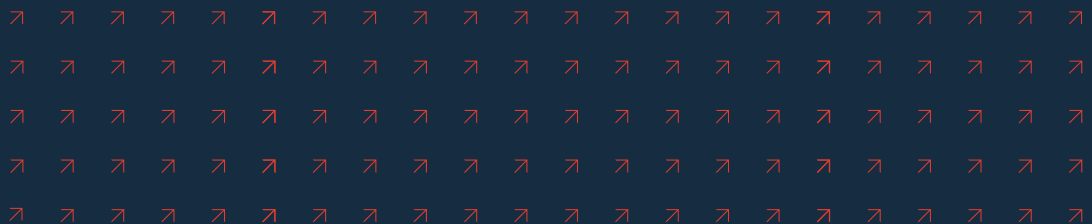
- The number of Residential Electric and Gas customers, the driver of margin growth under the CIP, each grew by ~1% for the trailing 12 months ended June 30
- CIP minimizes margin volatility due to variations in sales, regardless of the sales driver (weather, energy efficiency, net-metered solar, economy)
 - For the trailing 12 months ended June 30, weather-normalized Electric sales were flat
 - For the trailing 12 months ended June 30, weather-normalized Gas sales increased by ~4%
- CEF-EC/AMI installations on schedule and on budget; ~1 million of the 2.3 million planned meter replacements in service

Regulatory and Market Environment

- PSE&G submitted annual BGSS filing to reduce the gas commodity charge to \$0.40 per therm beginning October 1; the gas commodity charge was reduced twice during the prior winter heating season from \$0.65 per therm to \$0.47 per therm
- PSE&G filed a petition in response to a generic BPU Order requesting recovery of incremental cost associated with the COVID-19 pandemic

Financial

- PSE&G invested \$0.9 billion in Q2, on track to invest \$3.5 billion in 2023 on projects that support New Jersey's policies for energy transition
- In May, PSE&G retired \$500 million of 2.38% Secured Medium-Term Notes at maturity
- PSE&G 2023 non-GAAP Operating Earnings guidance is unchanged at \$1,500 million - \$1,525 million



PSEG Power & Other

Nuclear Generation Measures

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2023	2022	2023
Capacity Factor	88.9%	91.2%	94.9%	95.8%
Fuel Cost (\$ millions)	\$44	\$46	\$93	\$94
Generation (GWh)	7,518	7,738	15,957	16,133
Fuel Cost (\$/MWh)	\$5.85	\$5.94	\$5.83	\$5.83
Refueling Outages:	2022:	Spring – S1	Fall – HC, PB2	
	2023:	Spring – S2	Fall – S1, PB3	

PJM Capacity Auction Results

2023 Delivery Period	PSEG's Average Prices (\$/MW-Day)	PSEG's Cleared Capacity (MW)
Jan – May	\$97	3,300
Jun – Dec	\$50	3,700

Carbon-Free Contracted Energy Sales*

Baseload Nuclear	2023E	2024E
Volume TWh	30 – 32	30 - 32
% Hedged	95-100%	75-80%
Price \$/MWh	\$31	\$38

Other Financial Considerations

- Progress continues to transition PSEG's 100%-owned Hope Creek unit from 18-month to 24-month fuel cycles as early as 2025
- PSEG Power & Other 2023 non-GAAP Operating Earnings guidance unchanged at \$200 million - \$225 million

* Numbers reflect management's view of hedged percentages and prices as of December 31, 2022 for 2023E and June 30, 2023 for 2024E. Prices for 2023E reflect revenues of full requirement load deals based on contract price including renewable energy credits and ancillary, but excluding capacity and transmission components. Prices for 2024E reflect energy revenues only. Hedged positions include MTM accounting treatment and options.

Note: Generation indicates period net generation; Average Prices and Cleared Capacity reflect base and incremental auctions.



Appendix

PSEG – Full Year 2023 Guidance by Business

PSEG Non-GAAP Operating Earnings Guidance	
\$ millions (except EPS)	2023E
PSE&G	\$1,500 - \$1,525
PSEG Power & Other	\$200 - \$225
PSEG Operating Earnings (non-GAAP)	\$1,700 - \$1,750
PSEG Operating EPS (non-GAAP)	\$3.40 - \$3.50

2023 Pension Update

PSEG (\$ Millions)	2022	2021
Discount Rate	5.20%	2.94%
Expected Rate of Return on Plan Assets (EROA)	7.2%	7.7%
Fair Value of Plan Assets at Beginning of Year	\$6,906	\$6,368
Actual Return on Plan Assets	(\$1,606)	\$886
Fair Value of Plan Assets at Year-End	\$4,911	\$6,906
Benefit Obligation at Year-End	\$5,628	\$7,240
Funded Status at Year-End	87%	95%
Net Actuarial Loss at Year-End	\$2,151	\$1,643

- Focused on increasing the predictability of future earnings by mitigating pension impacts
- In February, the BPU approved an order authorizing PSE&G to modify its method for pension accounting for ratemaking purposes, which mitigates variability in the calculation of PSE&G's pension expense for calendar year 2023 and beyond; as of June 30, 2023, PSE&G has deferred \$30 million as a Regulatory Asset under this methodology
- In July, PSEG executed an agreement for a pension "lift-out", transferring approximately \$1 billion of pension obligations and associated plan assets which will help further increase the predictability of financial results
- Post the "lift-out" transaction, strong funding ratio maintained

PSEG maintains a solid financial position

PSEG

PSEG Senior Unsecured Credit Ratings

Moody's = Baa2 / Outlook = Stable S&P = BBB / Outlook = Stable

PSEG 364-Day Term Loan Outstanding ^(1,2)	\$0.75B
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PSEG Long-term Debt Outstanding	\$4.13B
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PSEG Consolidated Debt to Capitalization	57%
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PSEG Power Issuer Credit Ratings

Moody's = Baa2 / Outlook = Stable S&P = BBB / Outlook = Stable

PSEG Power Long-term Debt Outstanding ⁽²⁾	\$1.25B
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PSEG Liquidity and Net Cash Collateral Postings

- PSEG had approximately \$4.0B of total available liquidity, including \$0.5B of cash and short-term investments, at 6/30/2023
- PSEG Power had net cash collateral postings of \$0.4B at 6/30/2023

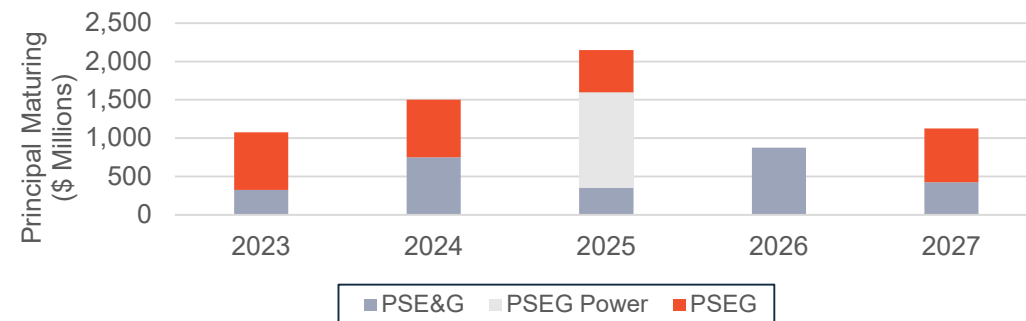
Public Service Electric & Gas

PSE&G Senior Secured Credit Ratings

Moody's = A1 / Outlook = Stable S&P = A / Outlook = Stable

PSE&G Long-term Debt Outstanding	\$13.09B
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PSEG Long-Term Maturity Profile Through 2027



All data is as of 6/30/2023 unless otherwise noted.

(1) 364-Day Term Loan is included in Short-Term Debt as Commercial Paper & Loans and as of 6/30/2023 included one \$0.75B term loan maturing April 2024.

(2) PSEG 364-Day term loans and PSEG Power long-term debt are at a variable rate. As of 6/30/2023, PSEG has entered into floating-to-fixed interest rate swaps totaling \$0.90B in order to reduce the volatility in interest expense for a portion of our variable rate debt on our \$1.25B, 3-year term loan maturing March 2025 at PSEG Power.

Note: Total Long-Term Debt Outstanding amounts may not add to PSEG Consolidated Total Long-Term Debt Outstanding due to rounding. Amounts on slide are rounded up to two decimal places.

PSEG Liquidity as of June 30, 2023

Company	Facility	Expiration Date	Total Facility	Usage	Available Liquidity
				(\$ millions)	
PSE&G	Revolving Credit Facility	March 2027	\$1,000	\$318	\$682
<u>PSEG Money Pool</u>					
PSEG/PSEG Power	Revolving Credit Facility (PSEG)	March 2027	\$1,500	\$152	\$1,348 ^(A,B)
	Revolving Credit Facility (PSEG Power)	March 2027	1,250	39	1,211 ^(A)
	Letter of Credit Facility (PSEG Power)	September 2024	200	86	114
	Letter of Credit Facility (PSEG Power)	April 2025	100	-	100
	Letter of Credit Facility (PSEG Power)	April 2024	100	66	34
			\$3,150	\$343	\$2,807
		Total Facilities	\$4,150	\$661	\$3,489
		PSEG Money Pool Cash and Short-term Investments			\$421
		PSE&G Cash and Short-term Investments			\$126
				Total Liquidity Available	\$4,036
		Total Money Pool Liquidity Available			\$3,228

(A) Master Facility of \$2.75B with a PSEG sublimit of \$1.5B and PSEG Power sublimit of \$1.25B, which can be adjusted subject to terms within the credit agreement.

(B) The PSEG sublimit includes a sustainability linked pricing based mechanism with potential increases or decreases, which are not expected to be material, depending on performance relative to targeted methane emission reductions.

PSEG Sustainability and ESG Summary

PSEG Leadership

- PSE&G’s Clean Energy Future programs approved to invest \$2B to decarbonize the NJ economy via Energy Efficiency, EV infrastructure, and AMI
- Accelerated PSEG’s climate vision for Net Zero GHG emissions to 2030 for scopes 1 & 2
- PSEG continues to evaluate the criteria for the science-based emission reduction targets encompassing Scopes 1, 2 and 3 emissions in relation to the Science Based Targets initiative
- PSEG generating fleet is a Top 10 U.S. producer of carbon-free energy and is coal-free
- ~\$1B of regulated solar investments
- PSE&G has issued \$1.4 billion of Green Bonds and PSEG sub-limit of master credit facility includes sustainability-linked pricing mechanism
- [Link to PSEG Sustainability and ESG Disclosures including Reports and Sustainable Financing Framework*](#)

Policies & Goals

- PSEG is a vocal advocate for an economy-wide price on carbon and preservation of our existing carbon-free nuclear generating fleet
- Committed to rigorous oversight of political contributions and transparency in disclosure
- PSEG oversight of sustainability and climate initiatives by Board of Directors’ Governance, Nominating and Sustainability Committee
- Human Rights Policy
- LGBTQ+ Inclusion Pledge
- PSEG’s ESG goals and business strategy are aligned with many of the U.N.’s SDGs



Recognition & Memberships

- Named to Forbes List for America’s Best Employers for Diversity for 2023
- Named to JUST Capital’s 2023 list of America’s 100 Most JUST Companies
- MSCI has assigned PSEG its highest corporate ESG rating of AAA
- PSE&G was recognized with the PA Consulting ReliabilityOne® Award for Outstanding Reliability Performance in the Mid-Atlantic Metropolitan Service Area for the 21st consecutive year
- Named to the Dow Jones Sustainability North America Index for 15 years in a row



*These reports and disclosures should not be deemed incorporated into or part of these slides. Scope 1 are direct emissions from power generation, vehicle fleets and methane, SF₆ and refrigerant leaks; Scope 2 are indirect emissions from operations from purchased energy of electric and gas and line losses; Scope 3 are indirect emissions from our value chain.

Glossary of Terms

AMI Automated Metering Infrastructure
BGSS Basic Gas Supply Service
BPU New Jersey Board of Public Utilities
CEF Clean Energy Future
CIP Conservation Incentive Program
E Estimate
EC Energy Cloud
EE Energy Efficiency
EPS Earnings Per Share
ESG Environmental, Social and Governance
EV Electric Vehicle
GAAP Generally Accepted Accounting Principles
GHG Greenhouse Gas
HC Hope Creek
MSCI Morgan Stanley Capital International
O&M Operation & Maintenance
OPEB Other Postretirement Benefits

PB Peach Bottom
PJM Pennsylvania New Jersey Maryland
PTC Production Tax Credit
ROE Return on Equity
RTO Regional Transmission Organization
S Salem
SAIDI System Average Interruption Duration Index
SF₆ Sulfur Hexafluoride
T&D Transmission and Distribution
U.N. United Nations

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[Link to PSEG Investor Relations Website](#)



[Link to PSEG ESG Webpages](#)

Reconciliation of Non-GAAP Operating Earnings

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

Reconciling Items	Three Months Ended June 30,		Six Months Ended June 30,		Year Ended December 31,
	2023	2022	2023	2022	2022
	(\$ millions, Unaudited)				
Net Income	\$591	\$131	\$1,878	\$129	\$1,031
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax	(58)	185	(100)	257	270
(Gain) Loss on Mark-to-Market (MTM), pre-tax ^(a)	(296)	104	(1,068)	949	635
Plant Retirements, Dispositions and Impairments, pre-tax ^(b)	-	(2)	-	14	31
Lease Related Activity, pre-tax	-	-	-	-	78
Exit Incentive Program (EIP), pre-tax	9	-	20	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(c)	105	(98)	316	(357)	(306)
Operating Earnings (non-GAAP)	\$351	\$320	\$1,046	\$992	\$1,739
PSEG Fully Diluted Average Shares Outstanding (in millions)	500	500	500	502	501
	(\$ Per Share Impact – Diluted, Unaudited)				
Net Income	\$1.18	\$0.26	\$3.76	\$0.26	\$2.06
(Gain) Loss on NDT Fund Related Activity, pre-tax	(0.12)	0.37	(0.20)	0.51	0.54
(Gain) Loss on MTM, pre-tax ^(a)	(0.59)	0.20	(2.14)	1.89	1.27
Plant Retirements, Dispositions and Impairments, pre-tax ^(b)	-	(0.01)	-	0.02	0.06
Lease Related Activity, pre-tax	-	-	-	-	0.15
EIP, pre-tax	0.02	-	0.04	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(c)	0.21	(0.18)	0.63	(0.71)	(0.61)
Operating Earnings (non-GAAP)	\$0.70	\$0.64	\$2.09	\$1.97	\$3.47

- a) Includes the financial impact from positions with forward delivery months.
- b) Six months ended June 30, 2022 and full year 2022 includes the results for fossil generation sold in February 2022.
- c) 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 lease related activity.

Please see Slide 3 for an explanation of PSEG's use of Operating Earnings as a non-GAAP financial measure and how it differs from Net Income.

Reconciliation of Non-GAAP Operating Earnings

PSE&G Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended June 30,		Six Month Ended June 30,		Year Ended December 31,
	2023	2022	2023	2022	2022
	(\$ millions, Unaudited)				
Net Income	\$336	\$305	\$823	\$814	\$1,565
EIP, pre-tax	7	-	14	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items	(2)	-	(4)	-	-
Operating Earnings (non-GAAP)	\$341	\$305	\$833	\$814	\$1,565
PSEG Fully Diluted Average Shares Outstanding (in millions)	500	500	500	502	501

PSEG Power & Other Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended June 30,		Six Months Ended June 30,		Year Ended December 31,
	2023	2022	2023	2022	2022
	(\$ millions, Unaudited)				
Net Income (Loss)	\$255	\$(174)	\$1,055	\$(685)	\$(534)
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax	(58)	185	(100)	257	270
(Gain) Loss on Mark-to-Market (MTM), pre-tax ^(a)	(296)	104	(1,068)	949	635
Plant Retirements, Dispositions and Impairments, pre-tax ^(b)	-	(2)	-	14	31
Lease Related Activity, pre-tax	-	-	-	-	78
EIP, pre-tax	2	-	6	-	-
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(c)	107	(98)	320	(357)	(306)
Operating Earnings (non-GAAP)	\$10	\$15	\$213	\$178	\$174
PSEG Fully Diluted Average Shares Outstanding (in millions)	500	500	500	502	501

- (a) Includes the financial impact from positions with forward delivery months.
- (b) Amount for the six months ended June 30, 2022 and full year 2022 includes the results for fossil generation sold in February 2022.
- (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, and lease related activity.

Please see Slide 3 for an explanation of PSEG's use of Operating Earnings as a non-GAAP financial measure and how it differs from Net Income/(Loss).



 Thank
you