



# Public Service Enterprise Group

FIRST QUARTER 2024  
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, natural disasters, 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;
- increases in the costs of equipment, materials, fuel, services 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;
- any inability to extend certain significant contracts on terms acceptable to us;
- development, adoption and use of Artificial Intelligence by us and our third-party vendors;
- 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 our sale of nuclear generation output and purchase of nuclear fuel;
- any inability to meet our commitments under forward sale obligations and Regional Transmission Organization rules;
- 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 projects or programs may not be fully approved by regulators and its capital investment may be lower than planned;
- our ability to receive sufficient financial support for our New Jersey nuclear plants from the markets, production tax credit and/or zero emission certificates program;
- 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 operational, 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 report 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 report apply only as of the date of this report. 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 report 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 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. Non-GAAP Operating Earnings exclude the impact of gains (losses) associated with the Nuclear Decommissioning Trust (NDT), Mark-to-Market (MTM) accounting and other material infrequent items. The last two slides in this presentation (Slides A and B) include a list of items excluded from Net Income 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, 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 Q1 2024 Highlights

## First Quarter Results

- Net Income of \$1.06 per share
- Non-GAAP Operating Earnings\* of \$1.31 per share
- PSE&G non-GAAP Operating Earnings\* driven by higher regulated investments, offset by anticipated higher O&M, depreciation and interest expense
- First quarter dividend increased by \$0.03 per share to indicative 2024 annual rate of \$2.40 per share\*\*

## Operational Excellence

- CEF-EC/AMI installations on schedule and on budget, nearing 80% completion
- CEF-EE program recognized with the ENERGY STAR Partner of the Year – Sustained Excellence Award
- Nuclear capacity factor was approximately 97% for the quarter

## Disciplined Investment

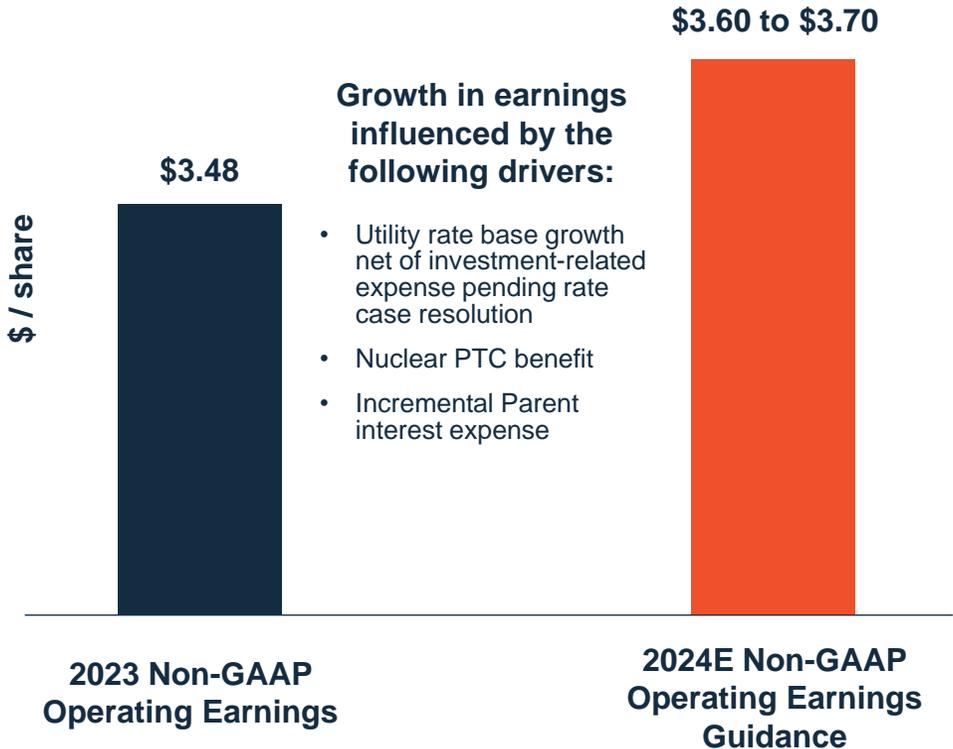
- PSE&G invested approximately \$0.8 billion in Q1 and is on track for 2024's \$3.4 billion capital investment program
- PSE&G commenced in Q1 2024 GSMP II extension, representing ~\$900 million of infrastructure spend through year end 2025
- Regulated capital investment program for 2024 - 2028 of \$18 billion - \$21 billion focused on infrastructure modernization and electrification initiatives

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

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

Note: PSEG Power & Other includes nuclear generating fleet, gas supply operations, PSEG Long Island, Offshore wind lease area, competitively bid regulated transmission investments, potential hydrogen investments, Parent and other.

# PSEG Outlook Reaffirmed



- PSEG full-year **2024 non-GAAP Operating Earnings guidance of \$3.60 to \$3.70** per share reaffirmed
- **\$18B - \$21B** regulated capital investment program over 2024-2028
- 5-year capex plan supports **Rate Base CAGR of 6% - 7.5%** over the 2024-2028 period
- PSEG's improved business mix drives our **non-GAAP earnings growth rate of 5% - 7%** through 2028
- Carbon-free **nuclear fleet with predictable cash flows** stabilized by the PTC, which took effect January 1, 2024, and enables multiple growth paths with modest investment
- Solid **balance sheet supports execution of 5-year capex** plan with no new equity or asset sales needed to fund the plan
- PSE&G retains **favorable "share of wallet"** for combined residential bills:
  - ✓ Gas bills are the lowest in the region
  - ✓ Electric bills are below regional peer average

**Guidance for 2024 is consistent with PSEG's non-GAAP Operating Earnings growth outlook of 5% - 7% through 2028**



# Q1 2024

*Review*

# PSEG Q1 Results

## PSEG EPS Summary – Three Months ended March 31,

Net Income	2024	2023	Change
PSE&G	\$0.98	\$0.98	-
PSEG Power & Other	<u>\$0.08</u>	<u>\$1.60</u>	<u>\$(1.52)</u>
<b>Total PSEG</b>	\$1.06	\$2.58	\$(1.52)

Non-GAAP Operating Earnings*	2024	2023	Change
PSE&G	\$0.98	\$0.99	\$(0.01)
PSEG Power & Other	<u>\$0.33</u>	<u>\$0.40</u>	<u>\$(0.07)</u>
<b>Total PSEG</b>	\$1.31	\$1.39	\$(0.08)

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

# PSEG EPS Reconciliation – Q1 2024 versus Q1 2023



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



# PSE&G

## Q1 2024 Highlights

### Operations

- Residential Electric and Gas customer count, a driver of margin growth under the Conservation Incentive Program (CIP), each grew by ~1% for the trailing 12 months ended March 31, 2024
- CIP minimizes margin volatility due to variations in sales, regardless of the sales driver (weather, energy efficiency, net-metered solar, economy)
- Weather-normalized sales for the trailing 12 months ended March 31:
  - Electric sales decreased ~1% and Gas sales increased ~1%
- PSE&G replaced 62 miles of gas main and 5,556 associated gas services to homes and businesses under gas main replacement program
- CEF-EC/AMI completed installations of ~1.8 million of the 2.3 million planned meter replacements by end of 2024
- CEF-EE program recognized with the ENERGY STAR Partner of the Year – Sustained Excellence Award

### Regulatory and Market Environment

- Fully executed stipulation to recover an annualized increase in revenue of \$12 million, effective May 1, 2024, representing the return of and on Energy Strong II investments (pending BPU approval on April 30, 2024)
- BPU approved annual increase in SBC revenues totaling \$59 million, effective April 1, 2024, for costs incurred under PSE&G’s EE & Renewable Energy and Social Programs
- Implemented annual FERC transmission formula rate increase of \$58 million effective January 1, 2024, subject to true-up

### Financial

- PSE&G invested ~\$0.8 billion in Q1, on track to invest ~\$3.4 billion in 2024
- Commenced GSMP II extension investments in Q1 2024 for ~\$900 million of infrastructure replacement spend through year end 2025
- In March, PSE&G issued \$450 million of 5.20% Secured Medium-Term Notes due March 2034 and \$550 million of 5.45% Secured Medium-Term Notes due March 2054
- In March, PSE&G retired \$250 million of 3.75% Secured Medium-Term Notes at maturity



# PSEG Power & Other

## Nuclear Generation Measures

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Capacity Factor	96.8%	100%
Fuel Cost (\$ millions)	\$51	\$48
Generation (GWh)	8,201	8,380
Fuel Cost (\$/MWh)	\$6.22	\$5.72
Refueling Outages	Spring 2024 – HC Fall 2024 – S2, PB2	Spring 2023 – S2 Fall 2023 – S1, PB3

## PJM Capacity Auction Results

Delivery Period	PSEG's Average Prices	PSEG's Cleared Capacity
Jan 2024 – May 2024	\$50/MW-Day	3,700 MW
Jun 2024 – May 2025	\$65/MW-Day	3,700 MW

## Other Financial Considerations

- For 2024, total nuclear generation is forecasted to be 30-32 TWh
- Transitioning PSEG's 100%-owned Hope Creek unit from 18-month to 24-month fuel cycles starting in 2025
- In March, PSEG issued \$750 million of 5.20% Senior Notes due April 2029 and \$500 million of 5.45% Senior Notes due April 2034



# Appendix

# 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 <sup>(1,2)</sup>	\$0.50B
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PSEG Long-term Debt Outstanding	\$5.61B
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PSEG Consolidated Debt to Capitalization	58%
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### PSEG Power Issuer Credit Ratings

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

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

- PSEG had approximately \$5B of total available liquidity, including \$1.2B of cash and cash equivalents, at 3/31/2024
- PSEG Power had net cash collateral postings of \$281M at 3/31/2024

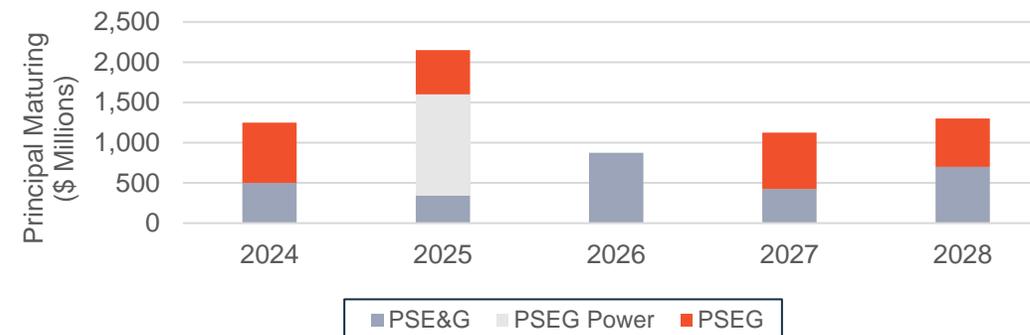
## Public Service Electric & Gas

### PSE&G Senior Secured Credit Ratings

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

PSE&G Long-term Debt Outstanding	\$14.40B
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## PSEG Maturity Profile 2024 - 2028



## Financing Activity Subsequent to March 31, 2024

Maturity of 364-Day Variable Rate Term Loan due April 2024	\$(0.50B)
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All data is as of 3/31/2024 unless otherwise noted.

(1) 364-Day term loan is included in short-term debt as Commercial Paper & Loans and as of 3/31/2024 included one term loan with a remaining balance of \$0.50B due April 2024.

(2) PSEG 364-Day term loan and PSEG Power long-term debt are at a variable rate. As of 3/31/2024, PSEG had entered into floating-to-fixed interest rate swaps totaling \$1.75B to reduce the volatility in interest expense for our variable rate debt on our \$1.25B term loan due March 2025 at PSEG Power and PSEG's \$0.50B term loan due April 2024.

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 March 31, 2024

Company	Facility	Expiration Date	Total Facility	Usage	Available Liquidity
				(\$ millions)	
<b>PSE&amp;G</b>	Revolving Credit Facility	March 2028	\$1,000	\$45	\$955
<b><u>PSEG Money Pool</u></b>					
PSEG/PSEG Power	Revolving Credit Facility (PSEG)	March 2028	\$1,500 <sup>(A,B)</sup>	\$2	\$1,498
	Revolving Credit Facility (PSEG Power)	March 2028	1,250 <sup>(A)</sup>	39	1,211
	Letter of Credit Facility (PSEG Power)	April 2026	75	45	30
	Letter of Credit Facility (PSEG Power)	September 2024	200	83	117
			<b>\$3,025</b>	<b>\$169</b>	<b>\$2,856</b>
		<b>Total Facilities</b>	<b>\$4,025</b>	<b>\$214</b>	<b>\$3,811</b>
		PSEG Money Pool Cash and Short-term Investments			\$1,136
		PSE&G Cash and Short-term Investments			\$50
			<b>Total Liquidity Available</b>		<b>\$4,997</b>
		<b>Total Money Pool Liquidity Available</b>			<b>\$3,992</b>

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

(B) The PSEG sub-limit 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 have invested ~\$2B through year end 2023 to decarbonize the NJ economy via Energy Efficiency, EV infrastructure, and AMI
- PSEG continues to maintain its three-prong climate vision, including producing carbon-free energy, reducing GHG emissions from operations and enabling the low-carbon transition to support economy-wide decarbonization
- PSEG's generating fleet is a Top 10 U.S. producer of carbon-free energy
- PSE&G has invested ~\$1B in regulated solar initiatives
- PSE&G has issued \$1.4 billion of Green Bonds and PSEG sub-limit of master credit facility includes sustainability-linked pricing mechanism

## Policies & Goals

- PSEG is a vocal advocate for the 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 business strategy is aligned with many of the United Nations' Sustainable Development Goals

[Link to PSEG's 2023 Sustainability Report](#)

## Recognition & Memberships

- MSCI rates PSEG at AAA, its highest corporate ESG rating
- Named to the Dow Jones Sustainability North America Index for 16 years in a row
- Named to Newsweek - America's Greatest Workplaces for Diversity 2024
- Named Member of S&P Global's 2024 Sustainability Yearbook
- PSE&G received the PA Consulting ReliabilityOne® Award for Outstanding Metropolitan Service Area Reliability Performance in the Mid-Atlantic Region for 22<sup>nd</sup> consecutive year and the 2023 ReliabilityOne® Outstanding Customer Engagement Award
- PSEG named to 2023 CPA-Zicklin Index "Trendsetters" with a score of 90 out of a possible 100 for Corporate Political Disclosure practices and Accountability

# Glossary of Terms

AMI	Automated Metering Infrastructure
BPU	New Jersey Board of Public Utilities
CAGR	Compound Annual Growth Rate
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
FERC	Federal Energy Regulatory Commission

GAAP	Generally Accepted Accounting Principles
GHG	Greenhouse Gas
GSMP II	Gas System Modernization Program II
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
S	Salem
SBC	Societal Benefits Clause

## **PSEG Investor Relations**

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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 March 31,	
	2024	2023
	(\$ millions, Unaudited)	
<b>Net Income</b>	<b>\$ 532</b>	<b>\$ 1,287</b>
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax	(95)	(42)
(Gain) Loss on Mark-to-Market (MTM), pre-tax <sup>(a)</sup>	258	(772)
Lease Related Activity, pre-tax	(4)	-
Exit Incentive Program (EIP), pre-tax	-	11
Income Taxes related to Operating Earnings (non-GAAP) reconciling items <sup>(b)</sup>	(34)	211
<b>Operating Earnings (non-GAAP)</b>	<b>\$ 657</b>	<b>\$ 695</b>
<b>PSEG Fully Diluted Average Shares Outstanding (in millions)</b>	<b>500</b>	<b>500</b>
	(\$ Per Share Impact - Diluted, Unaudited)	
<b>Net Income</b>	<b>\$ 1.06</b>	<b>\$ 2.58</b>
(Gain) Loss on NDT Fund Related Activity, pre-tax	(0.19)	(0.08)
(Gain) Loss on MTM, pre-tax <sup>(a)</sup>	0.52	(1.55)
Lease Related Activity, pre-tax	(0.01)	-
EIP, pre-tax	-	0.02
Income Taxes related to Operating Earnings (non-GAAP) reconciling items <sup>(b)</sup>	(0.07)	0.42
<b>Operating Earnings (non-GAAP)</b>	<b>\$ 1.31</b>	<b>\$ 1.39</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, 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 March 31,	
	2024	2023
	(\$ millions, Unaudited)	
<b>Net Income</b>	\$ 488	\$ 487
EIP, pre-tax	-	7
Income Taxes related to Operating Earnings (non-GAAP) reconciling items	-	(2)
<b>Operating Earnings (non-GAAP)</b>	<u>\$ 488</u>	<u>\$ 492</u>
<b>PSEG Fully Diluted Average Shares Outstanding (in millions)</b>	<b>500</b>	<b>500</b>

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

Reconciling Items	Three Months Ended March 31,	
	2024	2023
	(\$ millions, Unaudited)	
<b>Net Income</b>	\$ 44	\$ 800
(Gain) Loss on NDT Fund Related Activity, pre-tax	(95)	(42)
(Gain) Loss on MTM, pre-tax <sup>(a)</sup>	258	(772)
Lease Related Activity, pre-tax	(4)	-
EIP, pre-tax	-	4
Income Taxes related to Operating Earnings (non-GAAP) reconciling items <sup>(b)</sup>	(34)	213
<b>Operating Earnings (non-GAAP)</b>	<u>\$ 169</u>	<u>\$ 203</u>
<b>PSEG Fully Diluted Average Shares Outstanding (in millions)</b>	<b>500</b>	<b>500</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, 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.