



# Spectra Energy Partners to Purchase PSEG Equity Position in PennEast Pipeline Project

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## *PSEG Remains Committed to PennEast as a Customer*

PennEast Pipeline Company LLC today announced that Spectra Energy Partners, LP (NYSE: SEP), an Enbridge company, has entered into a purchase and sale agreement to acquire from PSEG Power LLC, a subsidiary of Public Service Enterprise Group Inc. (NYSE: PEG), its 10 percent minority equity position in the PennEast interstate natural gas pipeline project (PennEast).

PSEG Power remains committed to its 125,000 Dth/day contracted capacity on PennEast (the Project's second largest customer). This acquisition could close in the second quarter of 2017, subject to certain conditions precedent being met including approval by the PennEast Board. Upon the closing of this acquisition, Spectra Energy Partners will increase its equity investment in PennEast from 10 percent to 20 percent.

"We're pleased with PennEast's progress and are excited to have Spectra Energy Partners, with its extensive experience in the region, become an equal equity partner," said Dat Tran, chairman of the board of managers for PennEast. "With respect to PSEG, we look forward to continue working with them as a PennEast customer. PSEG's unwavering commitment to its subscribed PennEast capacity underscores the need for lower cost natural gas to power New Jersey's future, and directly rebuts the notion this Project is about excessive returns - rather than a need for the gas."

"From its inception, we have viewed the PennEast Pipeline as a critical project for the mid-Atlantic, connecting abundant domestic supplies to growing local markets in need of additional clean natural gas," said Bill Yardley, president of Spectra Energy Partners. "PennEast provides an opportunity to build upon our very strong footprint in the region."

Bill Levis, president of PSEG Power, emphasized PSEG will remain a PennEast customer for its committed capacity.

"This Project will provide PSE&G customers with greater and more reliable access to affordable natural gas," he said. "We look forward to being a PennEast customer. We've decided to put our focus on our core business - constructing three new combined cycle power plants and running our diverse fleet of generation plants."

PennEast Pipeline Company remains dedicated to helping lower energy costs for families and businesses, meeting growing demand for natural gas and providing enhanced energy reliability. PennEast received a positive Draft Environmental Impact Statement from the Federal Energy Regulatory Commission and is on track to receive the Final Environmental Impact Statement in April. These are key milestones as the Project continues to advance toward providing a more secure energy future for the region when it goes into service in the second half of 2018.

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## About PennEast Member Companies:

### **NJR Pipeline Company**

[www.njresources.com](http://www.njresources.com) [2]

NJR Pipeline Company is a subsidiary of New Jersey Resources (NYSE: NJR), a Fortune 1000 company that provides safe and reliable natural gas and clean energy services, including transportation, distribution and asset management. NJR Pipeline is part of NJR's strong financial profile and ongoing commitment to invest in and own midstream assets, including natural gas storage and transportation pipelines. NJR's midstream assets are currently comprised of a 50 percent ownership stake in Steckman Ridge - a 12 Bcf storage field in south central Pennsylvania - a stake in Dominion Midstream Partners, L.P. and now equity ownership in the PennEast Pipeline.

### **Public Service Enterprise Group**

[www.pseg.com](http://www.pseg.com) [3]

Public Service Enterprise Group (NYSE: PEG) is a publicly traded diversified energy company with annual revenues of \$9.1 billion. Its operating subsidiaries are: Public Service Electric and Gas Company (PSE&G), PSEG Power, and PSEG Long Island.

### **SJI Midstream**

[www.sjindustries.com](http://www.sjindustries.com) [4]

SJI Midstream is a direct subsidiary of South Jersey Industries (NYSE: SJI), formed in 2014 to house the company's interest in midstream business activities, including its equity investment in the PennEast Pipeline project. SJI, an energy services holding company based in Folsom, NJ, operates its business through two additional business segments, as well. South Jersey Gas, one of the nation's fastest growing natural gas utilities, delivers clean, efficient natural gas and promotes energy efficiency to more than 373,100 customers in southern New Jersey. SJI's non-regulated businesses, under South Jersey Energy Solutions, promote efficiency, clean technology and renewable energy by developing, owning and operating on-site energy production facilities - including Combined Heat and Power, Solar, and District Heating and Cooling projects; acquiring and marketing natural gas and electricity for retail customers; providing wholesale commodity marketing and fuel supply management services; and offering HVAC and other energy-efficiency related services.

### **Southern Company Gas**

[www.southerncompanygas.com](http://www.southerncompanygas.com) [5]

Southern Company Gas is a wholly owned subsidiary of Atlanta-based Southern Company (NYSE:SO), America's premier energy company. Southern Company Gas serves approximately 4.5 million natural gas utility customers through its regulated distribution companies in seven states and more than 1 million retail customers through its companies that market natural gas and related home services. Other nonutility businesses include asset management for natural gas wholesale customers and ownership and operation of natural gas storage facilities.

### **Spectra Energy Partners**

[www.spectraenergypartners.com](http://www.spectraenergypartners.com) [6]

Spectra Energy Partners, LP (NYSE: SEP), an Enbridge company, is a Houston-based master limited partnership. SEP is one of the largest pipeline MLPs in the United States and connects growing supply areas to high-demand markets for natural gas and crude oil. These assets include more than 15,000 miles of transmission pipelines, approximately 170 billion cubic feet of natural gas storage, and approximately 5.6 million barrels of crude oil storage. On February 27, 2017, Enbridge and Spectra Energy completed the stock-for-stock merger transaction to acquire all of the outstanding stock of Spectra Energy Corp. Spectra Energy is the general partner of Spectra Energy Partners.

### **UGI Energy Services**

[www.ugies.com](http://www.ugies.com) [7]

UGI Energy Services, LLC is a subsidiary of UGI Corporation (NYSE:UGI). UGI Energy Services, LLC markets natural gas, electricity and liquid fuels to approximately 20,000 residential, commercial, and industrial customers in ten states and Washington, D.C. In addition, it stores and delivers natural gas and generates electricity.

### **Language:**

English

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