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PSE&G Proposes to Reduce Residential Gas Bills by Nearly 9 Percent This Winter

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Customers would save about $100 a year

Gas supply reductions have lowered bills 44 percent since2009

Proposed gas supply rate is lowest in 14 years

PSE&G today proposed to reduce residential natural gas bills this coming winter by nearly 9 percent, saving customers almost $15 in a winter month or about $100 for the year. In its annual filing with the New Jersey Board of Public Utilities, PSE&G said it would reduce its basic gas supply rate this winter to 45 cents from 54 cents – the lowest rate in 14 years.

With this reduction, a typical residential heating customer using 160 therms in the winter months, and 1,050 therms per year, would see their annual bill reduced to $987.96 from $1,084.74 for a savings of $96.78, or approximately 8.9 percent. This same customer would see their monthly winter bill reduced to $150.17 from $164.92 for a savings of $14.75, or approximately 8.9 percent. The new rate would take effect October 1, 2014.

“We are pleased to once again propose to lower gas bills for our customers during the next winter heating season,” said Jorge Cardenas, PSE&G vice president of asset management and centralized services. “Since January 2009, our residential gas customers have benefited from multiple rate decreases. Once this decrease goes into effect, gas supply reductions will have lowered bills 44 percent in the last five years.

“In addition,” Cardenas said, “customers have enjoyed several months of bill credits this winter that saved the typical customer about $173 since last November.”

Cardenas said the company has worked hard to manage the portfolio of gas pipeline and storage agreements to be able to lower gas costs for its residential customers and help keep winter heating bills affordable. The utility also continues to purchase gas from the nearby Marcellus Shale Formation, which has helped to lower supply costs.

PSE&G makes no profit on the sale of natural gas. The company passes along what it pays to customers. Costs for natural gas supply account for approximately half of a customer’s bill.

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Public Service Electric and Gas Company (PSE&G) is New Jersey’s oldest and largest regulated gas and electric delivery utility, serving nearly three-quarters of the state’s population. PSE&G is the winner of the ReliabilityOne Award for superior electric system reliability. PSE&G is a subsidiary of Public Service Enterprise Group Incorporated (PSEG) (NYSE:PEG), a diversified energy company (www.pseg.com [4]).

Forward-Looking Statements

The statements contained in this communication about us and our subsidiaries’ future performance, including, without limitation, future revenues, earnings, strategies, prospects, consequences and all other statements that are not purely historical, are forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Although we believe that our expectations are based on information currently available and on reasonable assumptions, we can give no assurance they will be achieved. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements made herein. A discussion of some of these risks and uncertainties is contained in our Annual Report on Form 10-K and subsequent reports on Form 10-Q and Form 8-K filed with the Securities and Exchange Commission (SEC), and available on our website: http://www.pseg.com [5]. These documents address in further detail our business, industry issues and other factors that could cause actual results to differ materially from those indicated in this communication. In addition, any forward-looking statements included herein represent our estimates only as of the date hereof and should not be relied upon as representing our estimates as of any subsequent date. While we may elect to update forward-looking statements from time to time, we specifically disclaim any obligation to do so, even if our internal estimates change, unless otherwise required by applicable securities laws.

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