



# PSEG Power Acquires Maryland Combined-Cycle Power Plant Project

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*755-MW plant will provide clean energy to Maryland and create new jobs  
and economic activity within the region*

(June 17, 2015 – Prince George’s County, MD) - PSEG Power, through its wholly-owned subsidiary PSEG Fossil, has acquired the 755-MW Keys Energy Center project from Genesis Power, LLC and an energy-focused private equity fund managed by Ares EIF Management, LLC. PSEG Power plans to rename the facility the PSEG Keys Energy Center (KEC).

PSEG Power – an independent power producer and subsidiary of PSEG – expects to begin construction of the natural gas-fired, combined-cycle plant in 2015. The plant, which represents an investment of \$825 - \$875 million, is targeted to be completed and supplying needed capacity and energy to the state of Maryland and region in 2018. The project was bid into and cleared the PJM capacity auction in May 2014.

PSEG Fossil will oversee construction, operate and maintain the combined-cycle plant. SNC - Lavalin Constructors Inc. is the designated engineering, procurement and construction contractor. The combined-cycle plant will use state-of-the-art generating technology, including a full complement of emissions controls and run on clean, efficient natural gas. The plant will generate approximately 700 jobs during the two-year construction phase. More than 20 permanent jobs will be created to run the new plant once it becomes operational.

“The new plant offers a strong operational and financial fit for PSEG Power’s balanced generation portfolio and will expand our footprint in our core PJM market,” said Bill Levis, PSEG Power president and COO. “This is an opportunity to add to the reliability of the energy grid, provide clean energy to Maryland and create new jobs and economic activity locally and within the region.”

“We have extensive experience in developing and running combined-cycle plants,” said Richard P. Lopriore, president of PSEG Fossil. “PSEG Power is committed to working with local government and community organizations to provide employment opportunities for as many qualified workers as possible from the local area.”

Located in Prince George’s County, Maryland, the PSEG Keys Energy Center will feature two gas-fired turbines and one steam turbine. The project is located north of North Keys Road and about 1.25 miles east of Brandywine, Maryland.

The plant will connect to the Potomac Electric Power Company (PEPCO)/PJM 500 kV transmission line adjacent to the property; no new transmission lines are required. Fuel to run the plant is also readily available; a major interstate natural gas pipeline is within close proximity of the site.

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PSEG Power is an independent power producer that generates and sells electricity in the wholesale market, with a fleet totaling more than 13,000 MWs of electric generating capacity. With the addition of the PSEG Keys Energy Center, the combined-cycle gas turbine fleet would grow to represent in excess of 4,000 MWs, or approximately one third of the fleet. PSEG Power is a nationally recognized industry leader on environmental issues. PSEG Fossil is a subsidiary of PSEG Power, and operates the company’s portfolio of natural gas, coal and oil-fired electric generating units.

PSEG Power is a subsidiary of Public Service Enterprise Group Incorporated (PSEG) (NYSE:PEG), a publicly traded diversified energy company with annual revenues of approximately \$11 billion.

Ares Management, L.P. (NYSE: ARES) is a leading global alternative asset manager with approximately \$87 billion of assets under management and more than 15 offices in the United States, Europe and Asia as of March 31, 2015. Since its inception in 1997, Ares has adhered to a disciplined investment philosophy that focuses on delivering strong risk-adjusted investment returns throughout market cycles. Ares believes each of its four distinct but complementary investment groups in Tradable Credit, Direct Lending, Private Equity and Real Estate is a market leader based on assets under management and investment performance. Ares was built upon the fundamental principle that each group benefits from being part of the greater whole. Ares EIF Management, LLC, formerly known as Energy Investors Funds (EIF), was acquired by Ares in January 2015. EIF was founded in 1987 as one of the first private equity fund managers focused on the independent power industry. Ares EIF’s investment strategy is to create geographically and

technologically diversified portfolios of energy infrastructure assets, via acquisitions as well as development and construction, across the power generation, transmission and midstream sectors.

#### Forward-Looking Statement

The statements contained in this communication 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, 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> [4]. 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.

#### **Language:**

English

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