



PSEG ANNOUNCES MAJOR INFRASTRUCTURE INVESTMENT PROGRAM

Release Date:

Thursday, May 31, 2018 8:05 am EDT

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Dateline City:

Newark

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Investments in infrastructure, clean energy provide opportunity for 8% - 10% annual growth in rate base, will help New Jersey become a clean energy leader

PSEG Power to continue to transition to more efficient, productive, clean fleet

Investment program includes proposal to invest \$2.9 billion in energy efficiency, electric vehicle infrastructure and energy storage and \$2.5 billion to extend the Energy Strong program

(NEWARK, N.J. - May 31, 2018) - PSEG today outlined a plan to invest \$14 billion to \$17 billion over the next five years.

PSEG's infrastructure program, an expansion of previously disclosed plans to invest \$11.5 billion to \$13.2 billion over the five-year period ending in 2022, includes a proposal for a significant increase in the utility's investments in energy efficiency, as well as the first major investment in electric vehicle infrastructure. These investments will help New Jersey achieve its clean energy goals, maintain its momentum to modernize its infrastructure and underscore New Jersey's environmental leadership.

The program, if approved, provides an opportunity for annual growth of 8 percent to 10 percent in PSE&G's rate base.

"This ambitious program is all about continuing the positive momentum that the people of PSEG have built over the last 115 years," said PSEG Chairman, President and CEO Ralph Izzo. "It is the most significant investment program in PSEG's history, marking a strong commitment to modernization of our infrastructure and a clean energy future. This will help meet growing consumer desire to use less energy, to ensure the energy they use is cleaner, and to lower bills."

The company outlined its game-changing clean energy proposal to invest \$2.9 billion in energy efficiency and other programs that will reduce energy bills and combat climate change. The proposal includes:

- \$2.5 billion for energy efficiency to reduce bills and lower energy use, which will decrease air pollution, including emissions that accelerate climate change;
- \$300 million for building a "smart" electric vehicle infrastructure; and
- \$100 million for utility-scale energy storage systems that will enable greater development of renewable resources and

enhance resiliency.

PSEG estimates that the energy efficiency program will generate approximately 5,000 sustainable direct and indirect jobs over the six-year life of the program, reduce CO2 emissions by 24 million tons and reduce energy use by 40 million MWh of electricity and 675 million therms of natural gas.

“This energy efficiency program would be a win-win for the state,” Izzo said. “This program will put New Jersey at the forefront of clean energy policy and will align the utility’s incentives with the rising expectations of our customers.”

PSE&G expects to file its clean energy plan with the New Jersey Board of Public Utilities later this year.

In addition to the clean energy investments, PSE&G’s five-year investment program, which continues the company’s momentum to modernize its transmission and distribution system, includes:

- \$6 billion in transmission projects to upgrade aging infrastructure and enhance reliability and resiliency;
- \$3 billion to improve the reliability and safety of its natural gas distribution system through the recently approved extension of its Gas System Modernization Program; and
- \$2.5 billion (proposed) to extend its Energy Strong program, referred to as Energy Strong II, which is expected to enhance reliability and resiliency by hardening electric and gas facilities against storms and expanding technology investment in the grid. The \$1.2 billion first phase of the Energy Strong program is expected to be completed later this year.

“Even as we have made significant investments in improving the gas, electric delivery and transmission systems, typical residential customer bills are about 21 percent lower than they were at the start of this decade,” Izzo said. “Lower natural gas prices and interest rates make this the ideal time to make these needed investments and still keep bills reasonable.”

PSEG further announced that PSEG Power, the company’s merchant generation and power marketing business, will continue to transition to a more efficient, productive and clean power generation fleet.

PSEG Power has retired approximately 4,000 MW of less-efficient generation (coal and peakers) over the last five years and is currently constructing three highly efficient combined-cycle power plants – two that are expected to come online this year (Sewaren, New Jersey, and Prince George’s County, Maryland) and one in 2019 (Bridgeport, Connecticut).

“PSEG Power is helping combat climate change by preserving nuclear generation as a carbon-free resource and developing new highly efficient, combined-cycle plants to displace coal and older, less-efficient gas plants,” Izzo said.

The announcement was made Thursday at the PSEG Analyst Conference at the New York Stock Exchange.

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Public Service Enterprise Group (NYSE: PEG) is a publicly traded diversified energy company with annual revenues of \$9.1 billion and approximately 13,000 employees. Headquartered in Newark, N.J., PSEG’s principal operating subsidiaries are: Public Service Electric and Gas Company (PSE&G), PSEG Power and PSEG Long Island. PSEG is a Fortune 500 company included in the S&P 500 Index and has been named to the Dow Jones Sustainability Index for North America for 10 consecutive years. (www.pseg.com) [4].

Forward-Looking Statements

The statements contained in this press release that are not purely historical are “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. Factors that may cause actual results to differ materially from those contemplated in any forward-looking statements made by us herein are discussed 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 its website: <http://investor.pseg.com> [5]. All of the forward-looking statements made in this press release 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 press release apply only as of the date hereof. 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.

From time to time, PSEG, PSE&G and PSEG Power release important information via postings on their corporate website at <http://investor.pseg.com> [5]. Investors and other interested parties are encouraged to visit the corporate website to review new postings. The “Email Alerts” link at <http://investor.pseg.com> [5] may be used to enroll to receive automatic email alerts and/or Really Simple Syndication (RSS) feeds regarding new postings.



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