PSEG
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Enbridge Purchase of PSEG Equity Position in PennEast Pipeline Project Completed

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PSEG Remains Committed to PennEast as Second Largest Customer

PennEast Pipeline Company LLC today announced that its Board of Managers approved the final purchase and sale agreement in which Spectra Energy Partners, LP (NYSE: SEP), an Enbridge company, acquired 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). Spectra Energy Partners is now a 20 percent equity partner. PSEG Power remains committed to its 125,000 Dth/day contracted capacity on PennEast (the Project's second largest customer). With the acquisition, which was announced in March, 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 that 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, creating thousands of jobs, meeting growing demand for natural gas and providing enhanced energy reliability for both gas and electric customers while protecting the environment. PennEast received a positive Final Environmental Impact Statement (FEIS) from the Federal Energy Regulatory Commission and is on track to receive federal approval with a Certificate of Public Convenience and Necessity. Last month, the United States Department of Environmental Protection stated that "many of our concerns and objections have been or will be addressed," and the FEIS had "improved safeguards for protection of human health and the environment." Additionally, in February, the Pennsylvania Department of Environmental Protection approved a key water quality permit. 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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