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PSEG's Five-Year, $13 Billion Capital Program Supports Earnings Growth Strategy

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Utility 5-year capital spending increases to $11 billion

Proposed gas modernization program would boost spending by

an additional $1.6 billion

(Newark, NJ – March 2, 2015) – Public Service Enterprise Group (PSEG) today said that its five-year capital spending program of $13 billion is expected to yield a third year of sustained growth in operating earnings. PSEG reaffirmed its 2015 earnings guidance of $2.75-$2.95 per share, an increase from the 2014 operating earnings of $2.76 per share.

Speaking at the company's Annual 2015 Investor Conference in New York, Ralph Izzo, PSEG chairman and CEO, told the financial community that the company expects to spend about $13 billion in capital investments through 2019, primarily on transmission and other critical infrastructure projects by its electric and gas utility, PSE&G.

The utility's capital plan of $11 billion includes PJM-mandated transmission upgrades to relieve projected system overloads and maintain reliability for millions of customers. It also now includes $1.2 billion in upgrades, approved in May 2014, to make electric and gas systems more resilient and "Energy Strong" in the wake of severe storms.

"In 2014, PSE&G's capital spending program resulted in another year of double-digit earnings growth at the utility," said Izzo, noting that earnings from the regulated subsidiary now represent more than half of total PSEG operating earnings. "Today, we announced a filing with state regulators to modernize our gas system, including accelerating replacement of aging cast iron gas mains during the next five years at a total cost of about $1.6 billion.

"If approved, these new infrastructure investments will provide additional growth for PSEG during a period of low energy prices. More importantly, the improvements under way and now proposed will provide our more than 2 million utility customers with safe, highly reliable electric and gas service day in and day out, for years to come," Izzo said.

Izzo also said PSEG Power's operating earnings exceeded expectations for 2014. The generation subsidiary's $1.8 billion capital program is adding incremental capacity by increasing the output at its nuclear and combined cycle power plants.

"Five years ago, we charted a course for growth by strengthening our balance sheet so that we can make sound investments that benefit our customers and shareholders," Izzo said. "We've made significant strides and will continue to look for ways to grow our business."

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Public Service Enterprise Group (NYSE:PEG) is a publicly traded diversified energy company with annual revenues of approximately $11 billion, and three principal subsidiaries: PSEG Power, Public Service Electric and Gas Company (PSE&G) and PSEG Long Island.

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.

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