



# PSEG Investor Update

*Leading toward a  
sustainable future*

August 2024



# Forward-Looking Statements

Certain of the matters discussed in this presentation 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 constitute "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. When used herein, the words "anticipate," "intend," "estimate," "believe," "expect," "plan," "should," "hypothetical," "potential," "forecast," "project," variations of such words and similar expressions are intended to identify forward-looking statements. Factors that may cause actual results to differ are often presented with the forward-looking statements themselves. Other factors that could cause actual results to differ materially from those contemplated in any forward-looking statements made by us herein are discussed in filings we make with the United States Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K and subsequent reports on Form 10-Q and Form 8-K. These factors include, but are not limited to:

- any inability to successfully develop, obtain regulatory approval for, or construct transmission and distribution, and our nuclear generation projects;
- the physical, financial and transition risks related to climate change, including risks relating to potentially increased legislative and regulatory burdens, changing customer preferences and lawsuits;
- any equipment failures, accidents, critical operating technology or business system failures, natural disasters, severe weather events, acts of war, terrorism or other acts of violence, sabotage, physical attacks or security breaches, cyberattacks or other incidents that may impact our ability to provide safe and reliable service to our customers;
- any inability to recover the carrying amount of our long-lived assets;
- disruptions or cost increases in our supply chain, including labor shortages;
- any inability to maintain sufficient liquidity or access sufficient capital on commercially reasonable terms;
- the impact of cybersecurity attacks or intrusions or other disruptions to our information technology, operational or other systems;
- a material shift away from natural gas toward increased electrification and a reduction in the use of natural gas;
- failure to attract and retain a qualified workforce;
- increases in the costs of equipment, materials, fuel, services and labor;
- the impact of our covenants in our debt instruments and credit agreements on our business;
- adverse performance of our defined benefit plan trust funds and Nuclear Decommissioning Trust Fund and increases in funding requirements and pension costs;
- any inability to extend certain significant contracts on terms acceptable to us;
- development, adoption and use of Artificial Intelligence by us and our third-party vendors;
- fluctuations in, or third-party default risk in wholesale power and natural gas markets, including the potential impacts on the economic viability of our generation units;
- our ability to obtain adequate nuclear fuel supply;
- changes in technology related to energy generation, distribution and consumption and changes in customer usage patterns;
- third-party credit risk relating to our sale of nuclear generation output and purchase of nuclear fuel;
- any inability to meet our commitments under forward sale obligations and Regional Transmission Organization rules;
- the impact of changes in state and federal legislation and regulations on our business, including PSE&G's ability to recover costs and earn returns on authorized investments;
- PSE&G's proposed investment projects or programs may not be fully approved by regulators and its capital investment may be lower than planned;
- our ability to receive sufficient financial support for our New Jersey nuclear plants from the markets, production tax credit and/or zero emission certificates program;
- adverse changes in and non-compliance with energy industry laws, policies, regulations and standards, including market structures and transmission planning and transmission returns;
- risks associated with our ownership and operation of nuclear facilities, including increased nuclear fuel storage costs, regulatory risks, such as compliance with the Atomic Energy Act and trade control, environmental and other regulations, as well as operational, financial, environmental and health and safety risks;
- changes in federal and state environmental laws and regulations and enforcement;
- delays in receipt of, or an inability to receive, necessary licenses and permits and siting approvals; and
- changes in tax laws and regulations.

All of the forward-looking statements made in this report 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 report apply only as of the date of this report. 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.

The forward-looking statements contained in this report are intended to qualify for the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

# GAAP Disclaimer

PSEG presents Operating Earnings in addition to its Net Income reported in accordance with accounting principles generally accepted in the United States (GAAP). Operating Earnings is a non-GAAP financial measure that differs from Net Income. Non-GAAP Operating Earnings exclude the impact of gains (losses) associated with the Nuclear Decommissioning Trust (NDT), Mark-to-Market (MTM) accounting and other material infrequent items. The last two slides in this presentation (Slides A and B) include a list of items excluded from Net Income to reconcile to non-GAAP Operating Earnings.

Management uses non-GAAP Operating Earnings in its internal analysis, and in communications with investors and analysts, as a consistent measure for comparing PSEG's financial performance to previous financial results. The presentation of non-GAAP Operating Earnings is intended to complement, and should not be considered an alternative to, the presentation of Net Income, which is an indicator of financial performance determined in accordance with GAAP. In addition, non-GAAP Operating Earnings as presented in this release may not be comparable to similarly titled measures used by other companies.

PSEG also includes forward-looking estimates of non-GAAP Operating Earnings, non-GAAP Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) and non-GAAP Funds From Operations (FFO), including the non-GAAP ratio FFO/Debt, in this presentation.

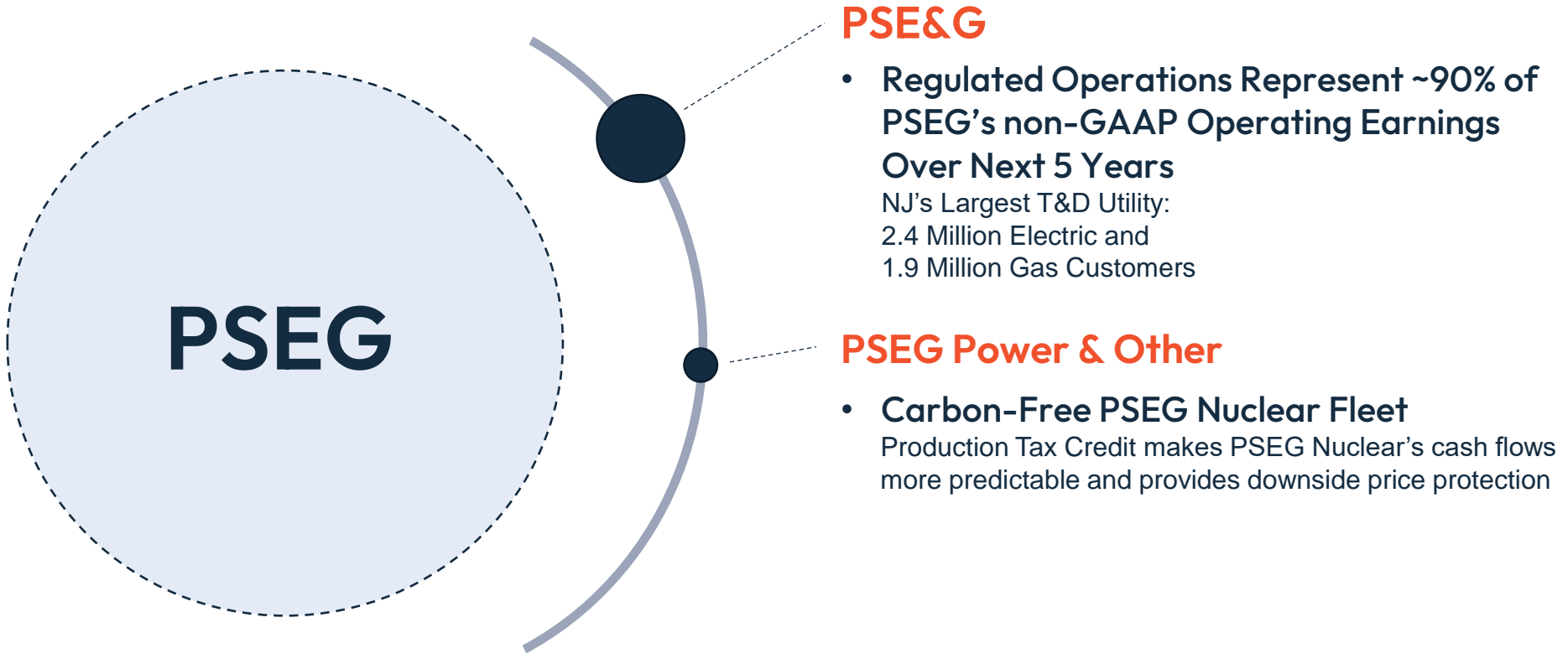
Non-GAAP EBITDA excludes the same items as our non-GAAP Operating Earnings measure, as well as income tax expense (except for production tax credits (PTCs)), interest expense and depreciation and amortization. Non-GAAP FFO reflects cash from operations excluding working capital and adjusts for certain items including taxes on asset sales, cost of removal and energy efficiency investments. Non-GAAP Debt consists of long-term debt, short-term debt and other imputed debt primarily related to an unfunded pension obligation. Non-GAAP EBITDA and non-GAAP FFO, as referenced in this presentation, may not be comparable to similarly titled measures used by other companies. Given the forward-looking nature of non-GAAP Operating Earnings, non-GAAP Adjusted EBITDA and non-GAAP FFO estimates and our inability to project certain reconciling items that would be excluded from the most directly comparable GAAP measures – such as MTM and NDT gains (losses), with respect to non-GAAP Operating Earnings and non-GAAP EBITDA; working capital (including accounts receivable/payable, cash collateral), adjustments to Net Income (including changes in regulatory assets/liabilities, deferred taxes) with respect to non-GAAP FFO and non-GAAP debt and imputed debt (including unfunded pension obligation) with respect to non-GAAP debt - due to the volatility, complexity and low visibility of these items, PSEG is unable to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measure. These items are uncertain, depend on various factors, and may have a material impact on our future GAAP results. Guidance included herein is as of July 30, 2024.

From time to time, PSEG and PSE&G release important information via postings on their corporate Investor Relations website at <https://investor.pseg.com>. Investors and other interested parties are encouraged to visit the Investor Relations website to review new postings. You can sign up for automatic email alerts regarding new postings at the bottom of the webpage at <https://investor.pseg.com> or by navigating to the Email Alerts webpage [here](#). The information on <https://investor.pseg.com> and <https://investor.pseg.com/resources/email-alerts/default.aspx> is not incorporated herein and is not part of this communication.



# Public Service Enterprise Group

# PSEG 2024: An improved business mix and platform for predictable growth



## ***PSEG's Powering Progress Vision: Powering a future where people use less energy, and it's cleaner, safer and delivered more reliably than ever***

- **Operational Excellence:** Best-in-class utility and strong nuclear performance
- **Financial Strength:** Solid balance sheet to fund our growth objectives
  - No new equity required to support 5-year capital plan through 2028
  - Solid investment grade ratings supported by credit metrics that allow for incremental investment
  - PTC provides long-term certainty and downside price protection for Nuclear
  - Cost control supports customer affordability with the lowest gas bills and below average electric bills vs. regional peers
- **Disciplined Investment:** >90% of capital allocation through 2028 to PSE&G and other regulated investments, aligned with clean energy policies
  - Investments to modernize utility infrastructure – Energy Strong, “Last Mile” reliability, GSMP
  - Investments to support decarbonization – Energy Efficiency, EV, AMI, Solar and other
  - Recently awarded investment into competitively bid regulated transmission

# *PSEG Financial Outlook:* More Predictability from an Improved Business Profile

## Well-Positioned for the Future

<b>Retained Carbon Free Nuclear Fleet</b>	<ul style="list-style-type: none"><li>✓ PTC provides downside price protection through 2032</li><li>✓ Enhances PSEG Power &amp; Other cash flow visibility and predictability</li></ul>
<b>Exited Offshore Wind Generation</b>	<ul style="list-style-type: none"><li>✓ Completed sale of 25% equity stake in Ocean Wind 1, recouped full investment</li><li>✓ Evaluating options to monetize our 50% stake in Garden State Offshore Energy acreage</li></ul>
<b>Exited Merchant Fossil Generation</b>	<ul style="list-style-type: none"><li>✓ Eliminated market price volatility on earnings with proceeds used to pay down debt and return capital to shareholders</li></ul>
<b>Progress on Reducing Pension Variability</b>	<ul style="list-style-type: none"><li>✓ BPU pension accounting order helps reduce volatility in PSE&amp;G earnings</li><li>✓ “Lift-out” of ~\$1 billion of PSEG Power &amp; Other pension obligations</li></ul>
<b>PSE&amp;G Transmission Formula Rate</b>	<ul style="list-style-type: none"><li>✓ Provides timely recovery of capital investments</li></ul>
<b>PSE&amp;G Conservation Incentive Program</b>	<ul style="list-style-type: none"><li>✓ Decoupling of volumes from revenues supportive of widespread adoption of EE investments</li></ul>
<b>PSE&amp;G’s Robust Capital Program</b>	<ul style="list-style-type: none"><li>✓ Long-term visibility from infrastructure replacement and support of NJ’s decarbonization efforts</li></ul>
<b>PSEG Financial Strength</b>	<ul style="list-style-type: none"><li>✓ Solid balance sheet enables funding of 5-year capital investment program without new equity</li></ul>
<b>PSEG Compelling Risk-Adjusted Return Opportunity</b>	<ul style="list-style-type: none"><li>✓ Continued opportunity for consistent and sustainable dividend growth</li><li>✓ Supports our long-term non-GAAP Operating Earnings growth outlook of 5%-7% through 2028</li></ul>

# PSEG Growth Opportunities Aligned with Clean Energy Policies

Significant events (i.e., the Northeast Blackout of 2003 and Superstorm Sandy) have driven policy changes and led to investment opportunities

Future investment will address growing demand for electrification and need for an even more reliable grid, all aligned with New Jersey and federal energy policies

## Key State Policies

- NJ Governor signed legislation adopting \$500M of tax incentives to attract new investment in Artificial Intelligence (AI) to NJ (2024)
- BPU issued 2<sup>nd</sup> triennium Energy Efficiency framework (2023)
- February 2023 NJ Governor's Executive Orders advance 100% Clean Energy by 2035 (#315), prioritize Electrification of Building Sector (#316), and initiate Stakeholder Proceeding on Future of Natural Gas Utilities (#317)
- BPU Order for Energy Efficiency Adoption (2020)
- NJ Energy Master Plan (2020)
- NJ Clean Energy Act (2018)
- NJ Zero Emissions Certificate Law (2018)

## Key Federal Policies

- Inflation Reduction Act (2022)
- Infrastructure Investment and Jobs Act (2021)
- PIPES Act (2020) Supports Replacement of Aged Gas Pipeline Infrastructure

## PSEG Opportunities

- “Last Mile” distribution system investments increase reliability and prepare for electrification
- GSMP targets methane leaks and infrastructure replacement
- EE programs reduce usage, emissions and customer bills
- EV programs address the #1 source of emissions in NJ
- PTC helps preserve NJ nuclear units; offers opportunities to invest in uprates, fuel-cycle extension and license extension
- PSEG's carbon-free nuclear fleet supports incremental opportunities for hydrogen and revenue enhancements aligned with NJ's economic development efforts to attract high tech industry
- Competitively bid, FERC regulated transmission projects



# PSEG: Key Assets and Leadership

## PSE&G – Best-in-Class Regulated Electric & Gas T&D Utility Focused on Affordability, Reliability and Customer Satisfaction

- Top quartile safety performance
- Recipient of PA Consulting 2023 ReliabilityOne® Award for Outstanding Reliability Performance in the Mid-Atlantic Metropolitan Service Area for 22 consecutive years
- #1 in Customer Satisfaction with Residential and Business Electric Service in the East among Large Utilities by J.D. Power in 2023\*
- Robust pipeline of regulated investment opportunities
- Residential electric bills are below the regional average
- Residential gas bills are the lowest in the region
- Award-winning Solar, Energy Efficiency, and EV programs
- Awarded 2024 ENERGY STAR® Partner of the Year for Sustained Excellence

## PSEG Power & Other

- Solid nuclear operations with exemplary ratings on all units, gas supply operations benefiting PSE&G customers, and PSEG Long Island
- Nuclear fleet consisting of 3,761 MW carbon-free, baseload assets with a PTC stabilized revenue stream and opportunities for low-cost uprates and other enhancements
- Supporting revenues from Gas Operations, PSEG Long Island, and other investments offset by Parent interest

## PSEG's Workforce of ~12,500 Engaged Associates Led by an Experienced Management Team with Continuity

- CEO, CFO, GC, Presidents of PSE&G and PSEG Nuclear have an average of > 25 years of service with PSEG in a variety of roles
- Strong union partnerships with our six unions and the ~7,700 employees they represent:
  - In May 2023, PSEG reached new four-year labor agreements with all unions representing employees in New Jersey
  - In November 2023, PSEG Long Island reached a new four-year labor agreement

\* PSE&G received the highest score in the East Large segment of the J.D. Power 2023 U.S. Electric Utility Residential and Business Customer Satisfaction Study of electric utility satisfaction among residential and business customers. Visit [jdpower.com/awards](https://www.jdpower.com/awards) for more details.



# PSEG: Financial Strength to Achieve Strategic Plan

## Long-Term Non-GAAP Operating Earnings Growth Outlook of 5%-7% for 2024-2028

- Primary contributor is PSE&G’s growth over this 5-year period
- Rate Base CAGR of 6%-7.5% driven by expanded capital program starting from a 10% higher Rate Base at YE 2023 vs YE 2022
- Nuclear revenues at PTC threshold level offer stability that supports long-term growth outlook

## Robust Regulated Capital Investment Plan Updated to \$18B-\$21B for 2024-2028; total PSEG capital plan of \$19B-\$22.5B

- Clean Energy Future – Energy Efficiency II filing proposes \$3.1 billion of programs to save energy, lower utility bills, decarbonize the NJ economy and continue developing green jobs beginning in January 2025
- Expansion of current investments focused on system modernization, “Last Mile” reliability and clean energy programs, reflecting long runway of infrastructure investments, decarbonization and electrification opportunities

## Solid Balance Sheet

- Supports 5-year capital plan with no new equity or required asset sales through 2028
- Solid investment grade credit ratings with improved business mix

## Indicative Annual Dividend Rate for 2024 Increased \$0.12 Per Share over 2023\*

- Opportunity for consistent, sustainable growth

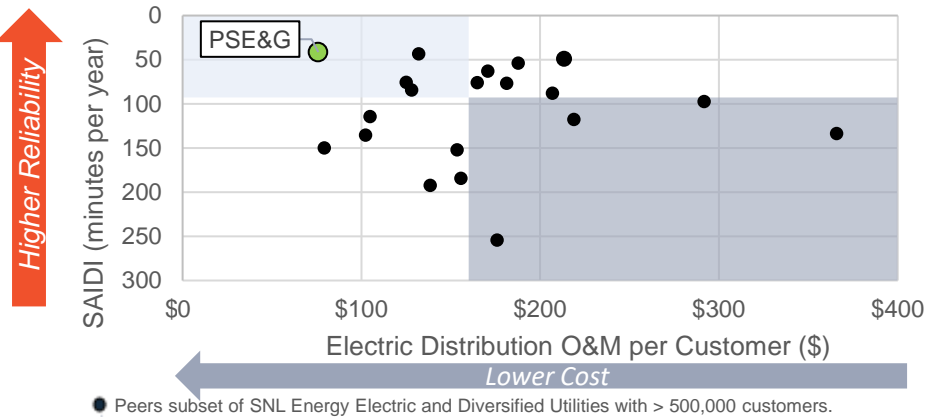
## Compelling Growth Profile of PSE&G, Complemented by PSEG Power & Other’s Nuclear PTC Enhanced Outlook

*\*All future decisions and declarations regarding dividends on the common stock are subject to approval by the Board of Directors.*

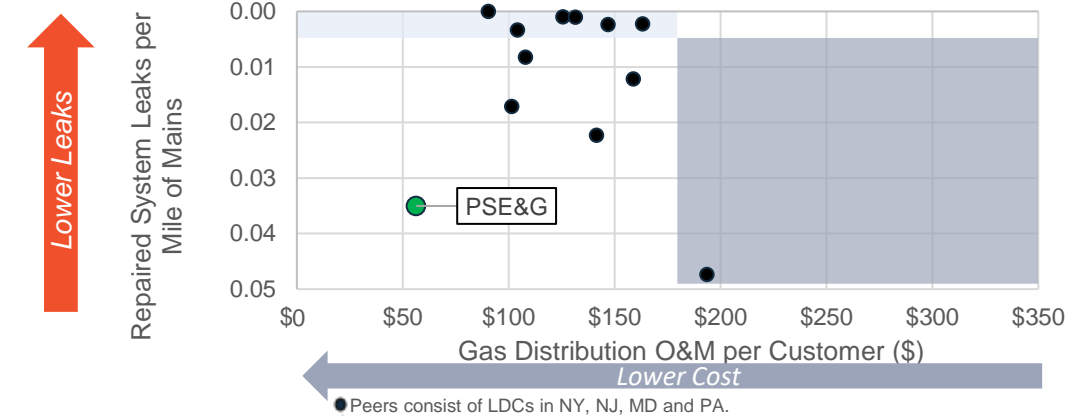
# PSEG Provides Compelling Value for Our Customers

*We continuously target top quartile performance to deliver better service, at lower cost*

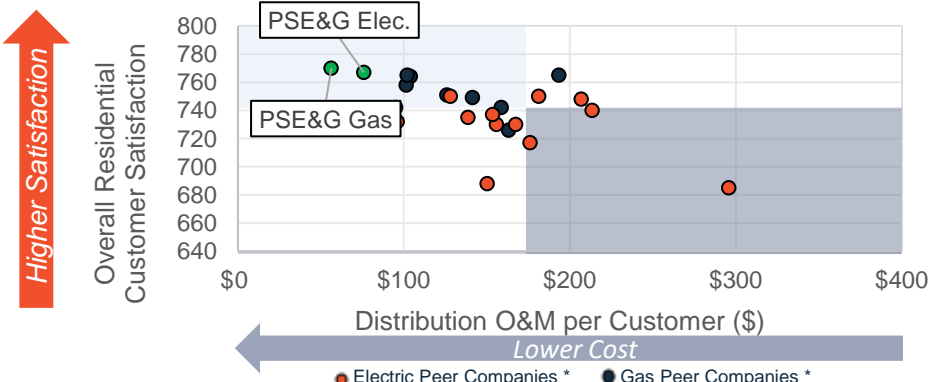
**Delivering Highest Customer Reliability at Lowest Cost: Achieving low SAIDI outage scores with Lowest Distribution O&M spend**



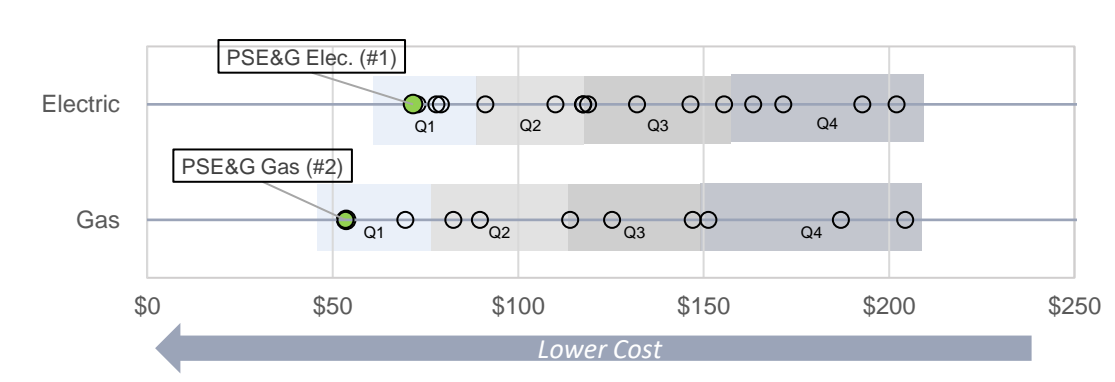
**Lowest Cost, but More Leaks/Mile than Peers: Age of cast iron system drives need for GSMP program**



**Achieving Highest Customer Satisfaction at Lowest Cost: For Overall Residential Customer Satisfaction**



**Lowest A&G Cost/Customer vs. Peers**

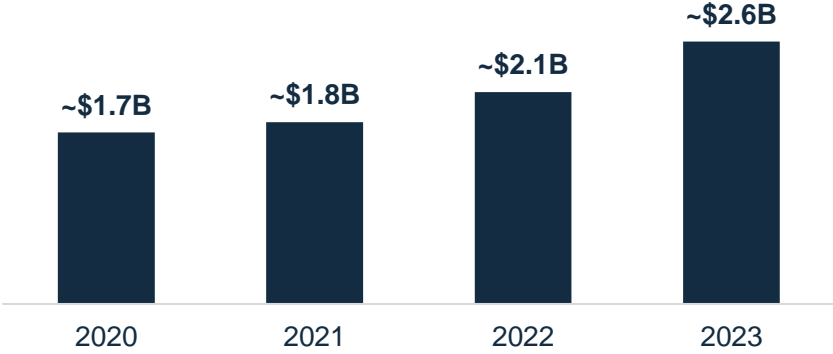


\* Peers and Overall Residential Customer Satisfaction from the East Large segment of the J.D. Power 2022 U.S. Electric Utility Residential Customer Satisfaction Study of customers' satisfaction with electric utility residential services and the J.D. Power 2022 U.S. Gas Utility Residential Customer Satisfaction of customers' satisfaction with natural gas residential services. Excludes PSEG Long Island for Electric and Eversource Energy and National Grid for Gas.  
 Note: Data and analytics for O&M and A&G Cost provided by S&P Global Market Intelligence. Leaks/Mile from PHMSA annual data. Data from 2022.

Electric Peers subset of SNL Energy Electric and Diversified Utilities with > 500,000 customers operating in CT, DE, MD, NY, NJ or PA  
 Gas Peers LDCs operating in CT, MD, NJ, NY or PA with > 500,000 customers.

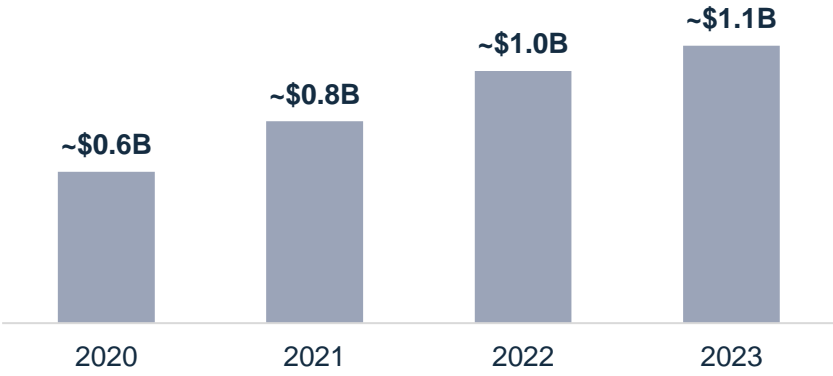
# PSEG Provides a Compelling Value for Our Communities

## NJ Spend



*Substantial investment in New Jersey economy*

## U.S. Diversity Spend



*Continued growth in spending with diverse businesses*

## Corporate Citizenship & Economic Development

- **Recognized as One of America’s Most Responsible Companies** (*Newsweek 2023*)
- **Choose NJ** – CEO is Chair of leading NJ economic development group that supports NJ interests in international/domestic trade, businesses and industries
- **Clean Energy Jobs Program** – Supported more than 2,500 hires <sup>(1)</sup> in collaboration with NJ’s Council on the Green Economy
- **PSEG’s Corporate Citizenship** prioritizes environmental sustainability, social justice and equity, and focuses on creating a positive impact in the communities we serve
- **With over \$12M in giving in 2023, the PSEG Foundation and Corporate Social Responsibility** support strategic partnerships and activities, charitable giving as well as in-kind donations, and a robust employee-giving program
- **Over 3,000 employees volunteered ~24,000 hours in 2023** with hundreds of local organizations, and PSEG executives serving on boards of 60 non-profits
- **Offshore Wind Port** – Provided land and support for permitting and development

(1) As of June 30, 2024.

# PSEG Provides a Compelling Value for the Environment

## Environmental Targets

- Net-zero for operations (Scope 1 and 2 emissions) by 2030
- PSEG continues to maintain its three-prong climate vision, including producing carbon-free energy, reducing GHG emissions operations and enabling the low-carbon transition to support economy-wide decarbonization
- Methane emissions – 22% reduction from 2018 levels through GSMP
- Energy Efficiency – PSE&G on path to achieve EE savings targets established by the BPU (2% for electric and 0.75% for natural gas)
- Electrifying transportation – Clean Energy Future–EV and the IAP focus on make-ready investments; targeting broad introduction of EVs into PSE&G fleet by 2030



**Half** of our 5-year capital spending plans address greenhouse gas emission reductions, climate and storm adaptation, preparing the grid for clean energy transition and electrifying transportation

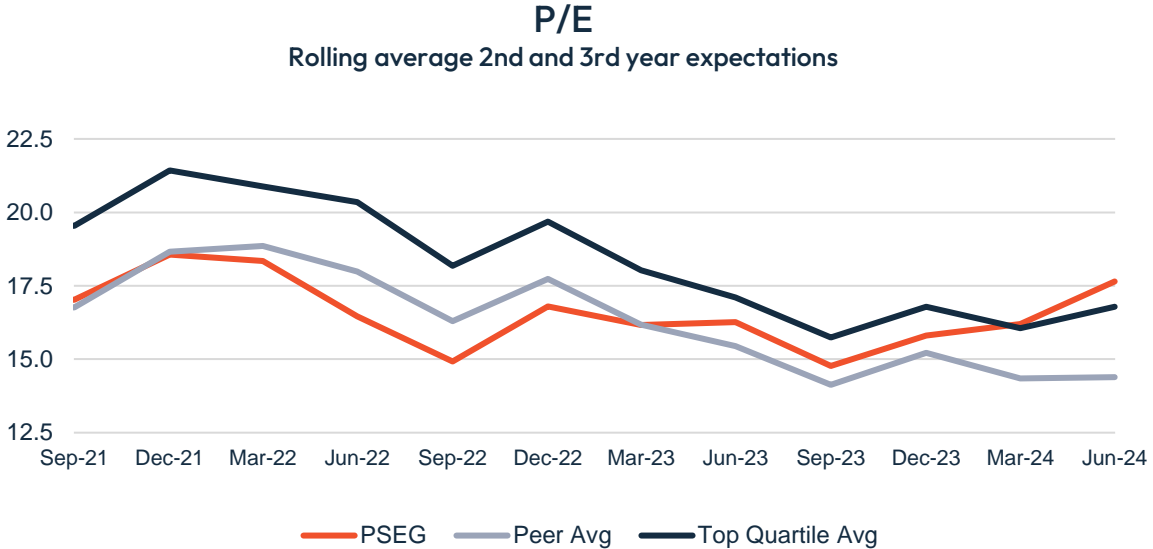
## Dow Jones Sustainability North America Index – 16<sup>th</sup> year in a row

## Carbon-Free, Baseload Generating Fleet

- Carbon-free, nuclear generating fleet
- Preserved New Jersey’s carbon-free, baseload nuclear generation resource
- PSEG Power has retired or divested all coal and fossil-fired generation



# PSEG Provides a Compelling Value for Our Investors



## Improved business mix and visible earnings growth:

- Regulated investment opportunities in decarbonization of NJ economy and electrification of transportation and buildings
- Broader opportunities in competitively bid regulated transmission due to recent DOE study and PJM fast track proceeding
- Unique asset class of carbon-free baseload nuclear fleet with PTC stabilized price beginning January 2024
- De-risked long-term growth outlook from visible, long-term investments
- Nuclear operations provide added flexibility to fund PSEG’s 5-year capital spending plan without the need to issue new equity or sell assets

Investment Proposition	Return Opportunity
Non-GAAP Operating Earnings Growth Rate Outlook 2024E-2028E	5% – 7%
Dividend Yield	3% – 4%
Total Potential Shareholder Return	8% – 11%

Opportunity for Multiple Expansion to Further Enhance Return Opportunity



# Public Service Electric & Gas

# PSE&G – A Single State, Dual Jurisdiction Utility

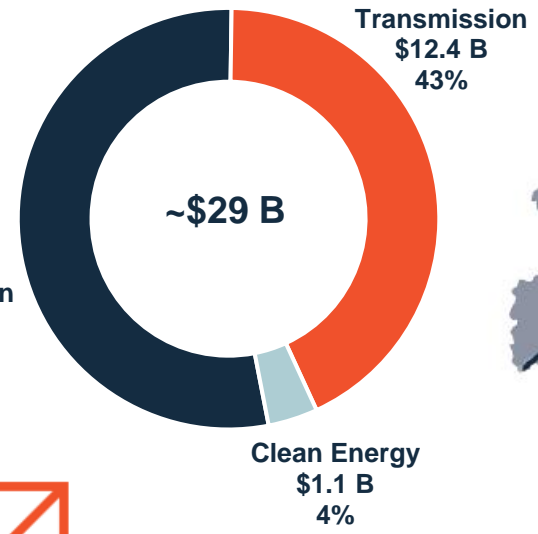
- Electric and Gas Distribution
- Utility Provider of Energy Efficiency and Renewable Energy Programs
- Electric Transmission
- Appliance Service Provider

Customer Data <sup>1</sup>	Electric	Gas
Total Customers	2.4 Million	1.9 Million
5-YR Annual Growth*	0.9%	0.6%
Total Sales	39,085 GWh	2,282M Therms**

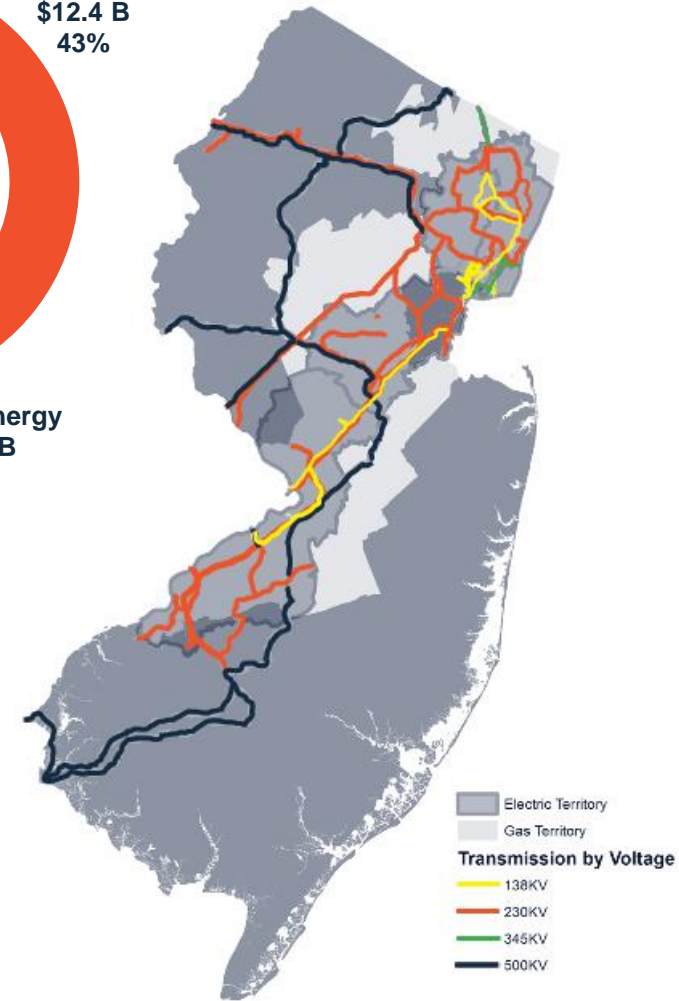
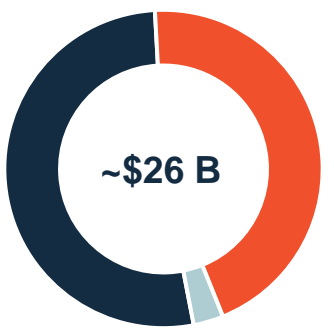
  

Sales Mix <sup>1</sup>	Electric	Gas
Residential	33%	58%
Commercial	58%	38%
Industrial	9%	4%

PSE&G YE 2023 Rate Base<sup>\*\*\*</sup>



PSE&G YE 2022 Rate Base<sup>\*\*\*</sup>

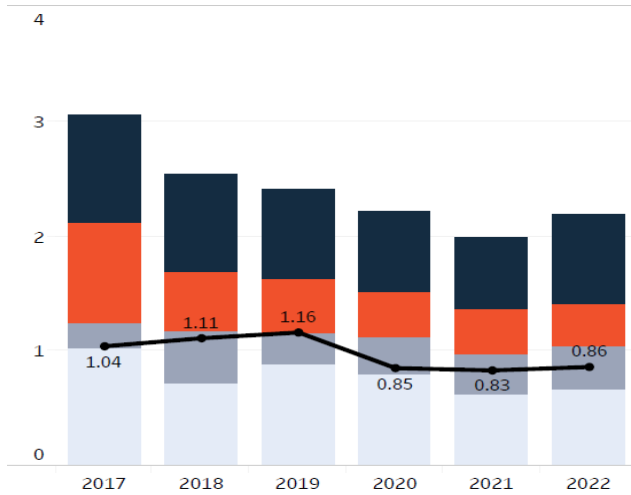


<sup>1</sup> Customer and Sales Mix data are as of year-end 2023. \* Annual customer growth uses 2018 as base year. \*\*Gas Firm sales only. \*\*\* Excludes CWIP. Year-end CWIP 2023 and 2022 balance was ~\$1.3B.



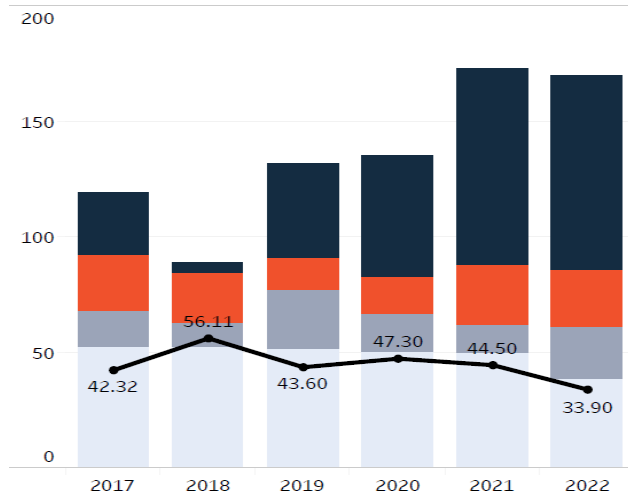
# Top Safety and Reliability Performance Metrics Driven by Nonstop Focus on Continuous Improvement

### OSHA Recordable Incidence Rate



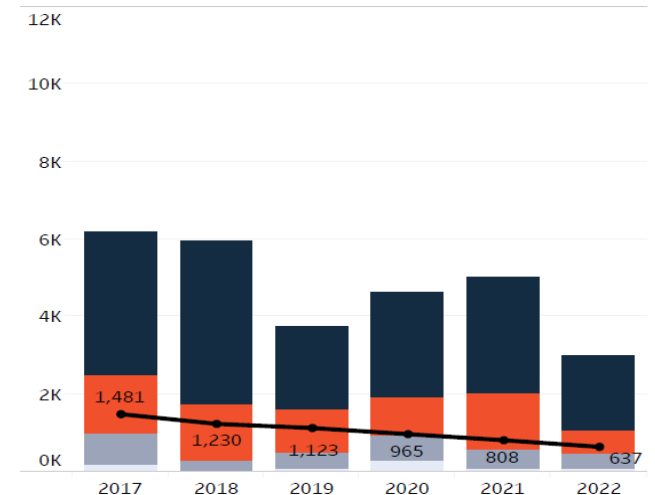
Consistent top performance in OSHA recordable incidence

### SAIDI



Sustained top decile performance in electric reliability results

### Open Leaks

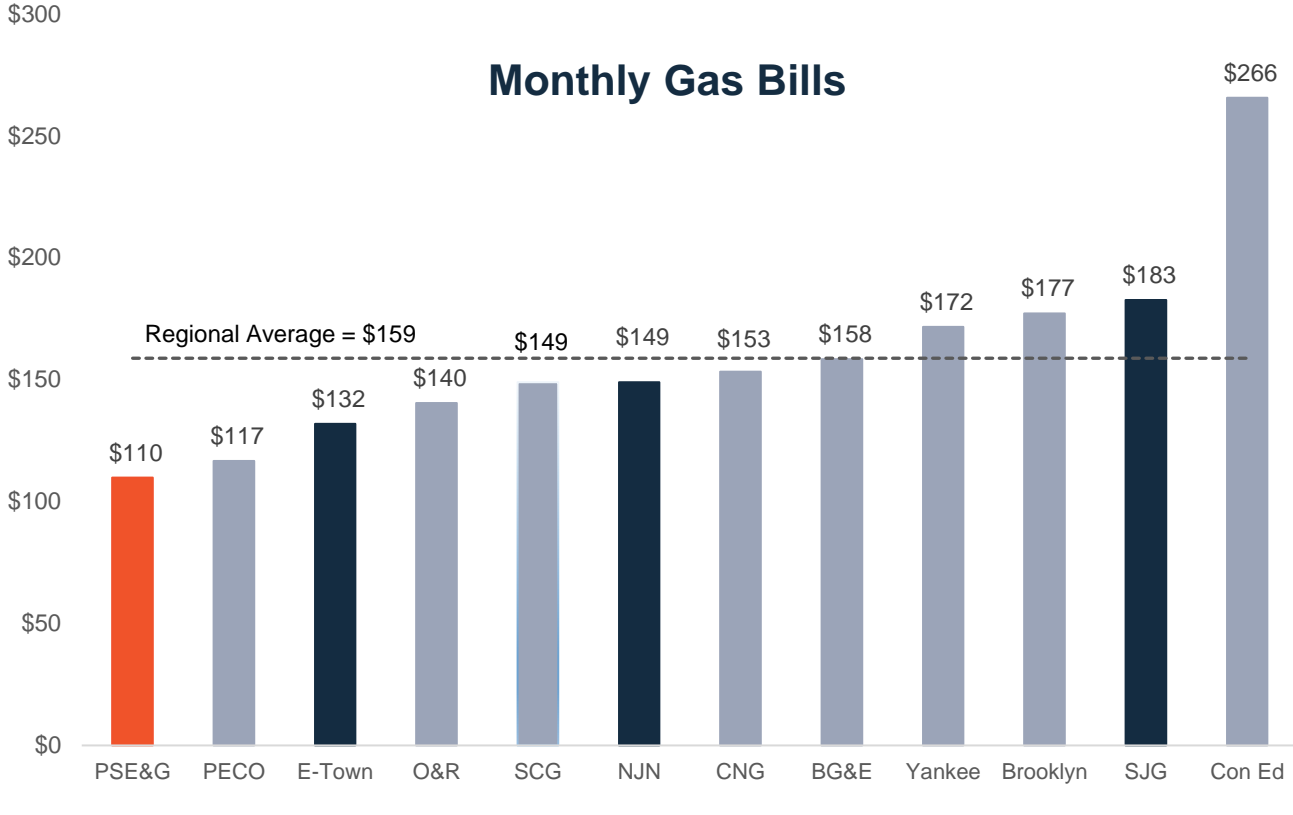
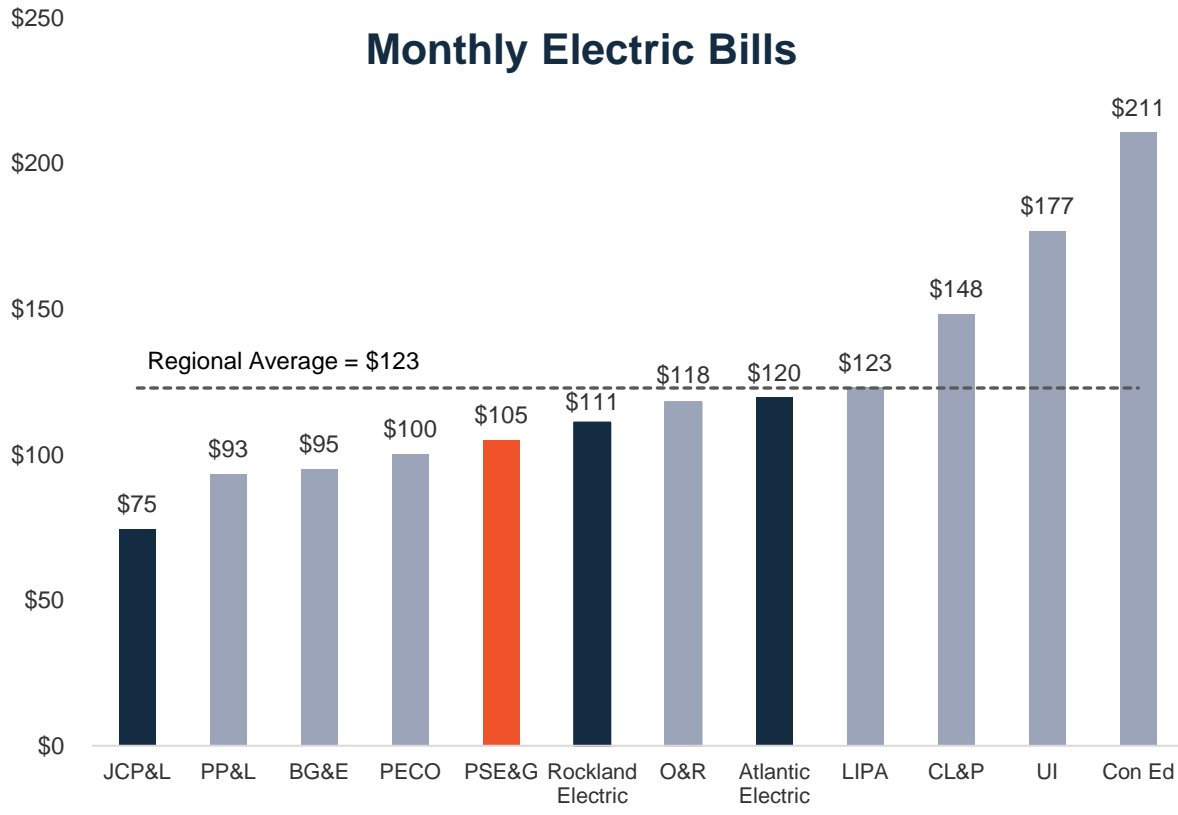


Open year-end gas leaks reduced by 57% from 2017

Top Decile
  1<sup>st</sup> Quartile
  2<sup>nd</sup> Quartile
  3<sup>rd</sup> Quartile
  PSEG

Benchmarks based on panels of comparable US utilities.

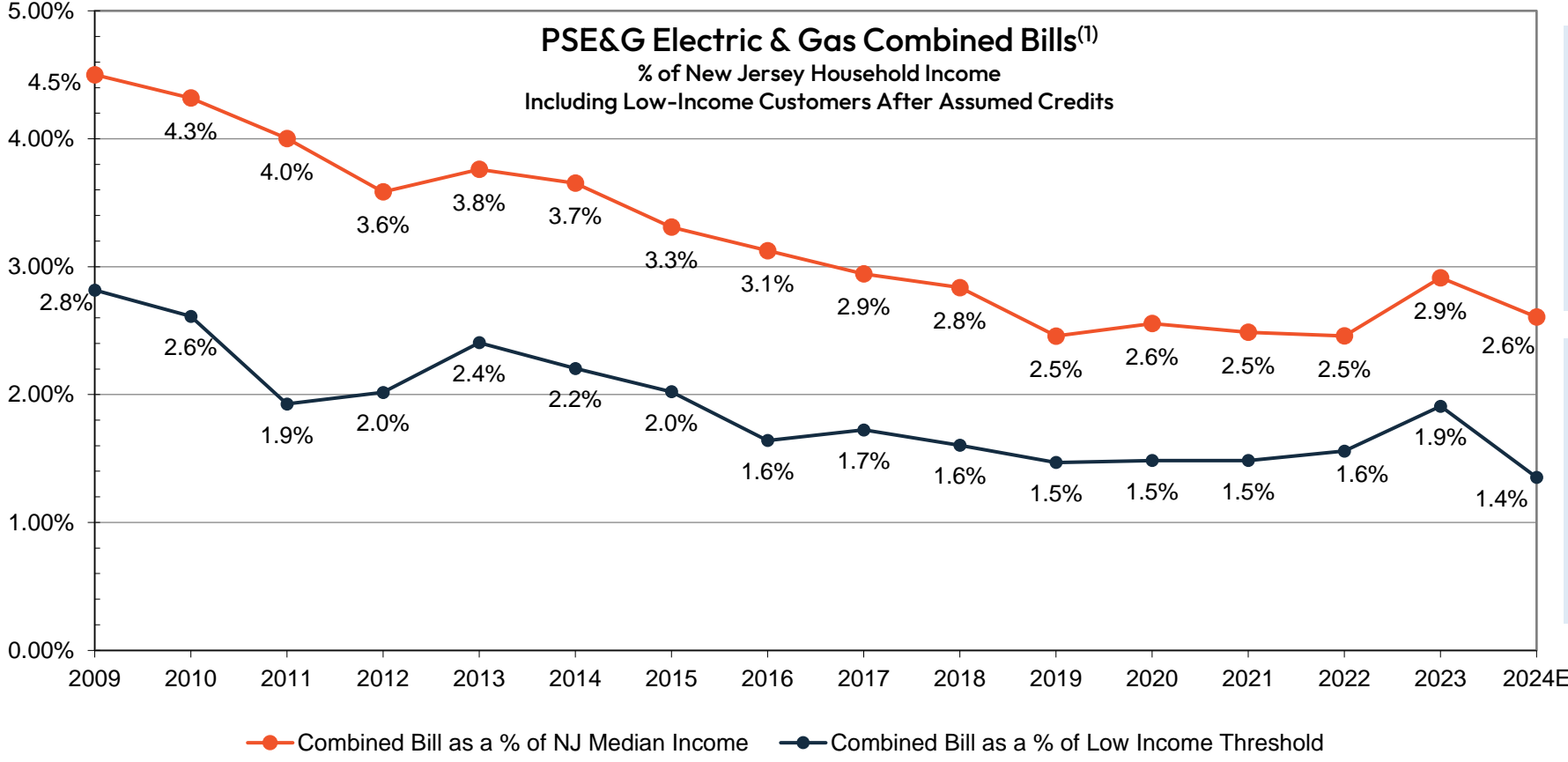
# PSE&G's Residential Electric Bills Are Lower than Regional Average and Residential Gas Bills Are the Lowest of Regional Peers



■ PSE&G    
 ■ Peer NJ Utilities    
 ■ Peer Regional Utilities outside of NJ

Based upon a calculation of monthly bills for an electric customer using 500 kilowatt-hours using rates as of March 1, 2024, and a gas customer using 100 therms using rates as of March 1, 2024. Rates sourced from public company documents.

# PSE&G Combined Bills Under 3% of Median NJ Income, Favorable “Share of Wallet” vs. Lower-Cost Regions



Affordability of the combined bill has improved ~40% since 2009 for median-income customers and ~50% for low-income customers

The BGS auction process, which procures NJ’s default electric service for a three-year period, cushions the impact of markets on customers

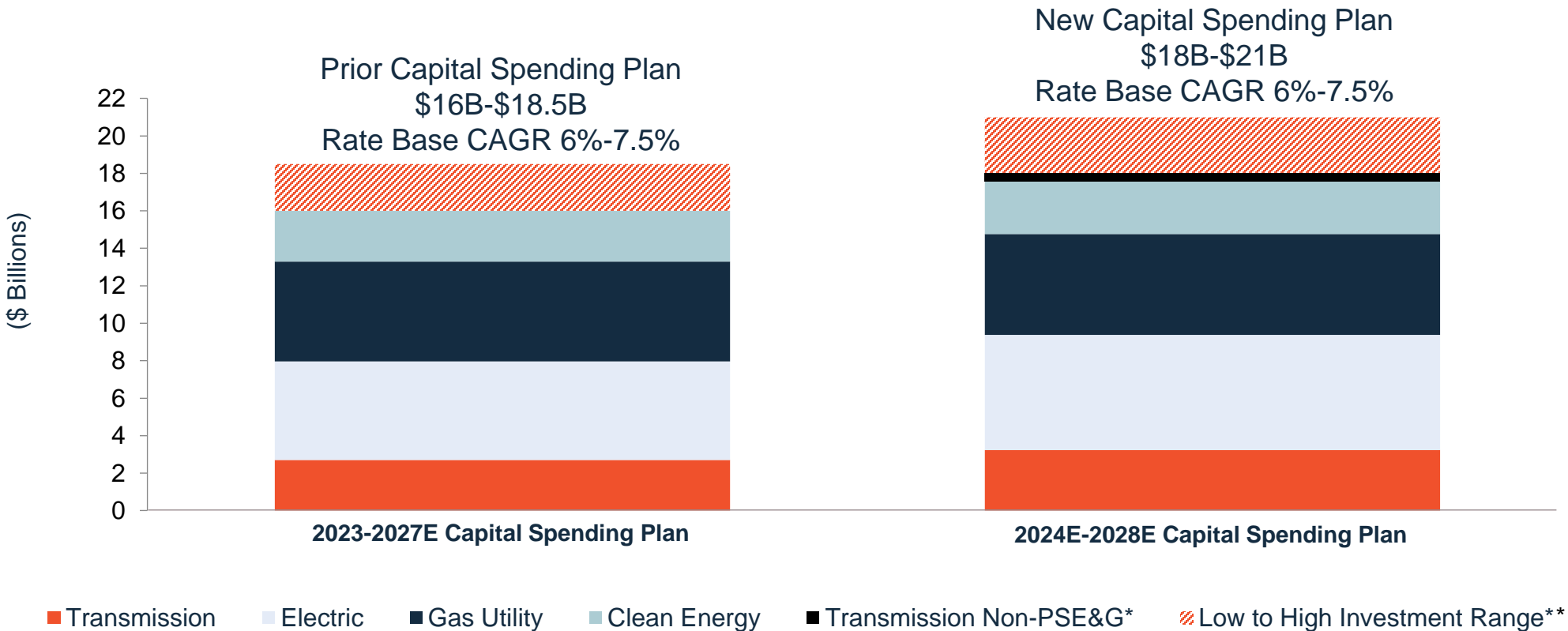
(1) Based on a typical residential electric customer using 740 kilowatt-hours per summer month and 6,920 kilowatt-hours on an annual basis using rates as of June 1 for each year and a typical residential gas heating customer using 172 therms per winter month and 1,040 therms on an annual basis using rates as of January 1 of each year. 2024E is reflective of April 1 rates plus BGS rates effective June 1, 2024.

Notes: NJ Median income source <https://fred.stlouisfed.org/series/MEHOINUSNJA646N>. Income level of USF, the lowest threshold of the three low-income programs, is 175% of the Federal Poverty Line. Assumes the customer also qualifies for LIHEAP and Lifeline.

2022 results were adjusted to normal levels of customer assistance, which was elevated in 2022 due to funds received through the American Recovery Plan.

# Regulated planned capital spending range increased by >\$2B for 2024-2028 reflecting expanded Clean Energy, electric reliability and electrification needs at PSE&G, and inclusion of a competitively bid transmission project

## Regulated Capital Spending and Rate Base CAGR 2024 vs. Prior Plan



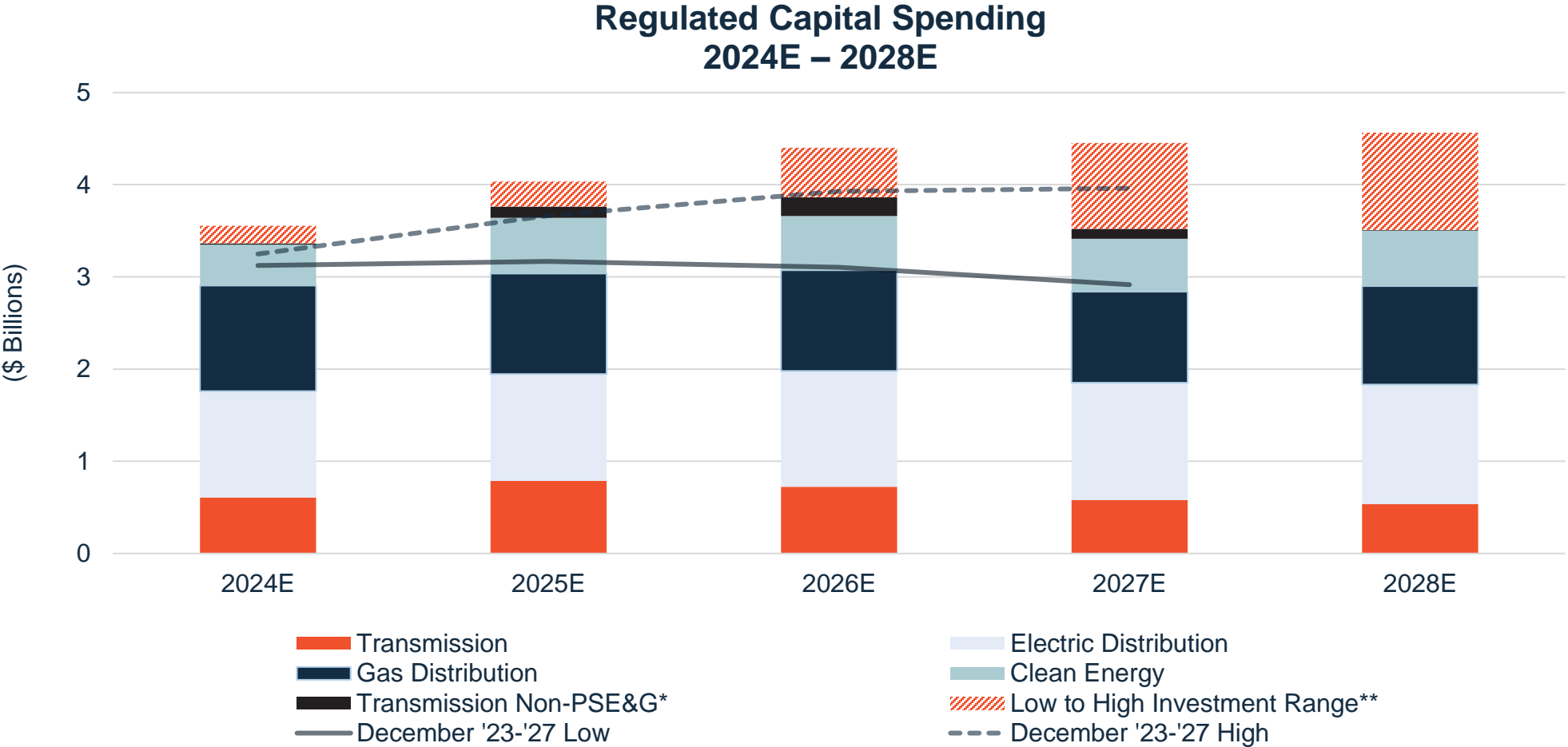
Consistent Rate Base CAGR driven by expanded capital program starting from a 10% higher Rate Base at YE 2023 vs YE 2022

*Includes AFUDC. CEF-EC/AMI is included in Electric.*

*\* The Maryland Piedmont Reliability Project that was awarded to PSEG by PJM on December 11, 2023, will be managed and owned outside of PSE&G but is included here given FERC regulated rate base formula rate recovery.*

*\*\* The low end of the range includes extensions of GSMP and CEF-EE. The hashed portion of the chart represents incremental PSE&G investment that may occur for programs related to gas and electric modernization, energy efficiency, energy storage, electric vehicles and solar.*

# Regulated 5-Year Capital Investment Plan of \$18B-\$21B is Driven by System Modernization and NJ's Decarbonization and Energy Policy Goals



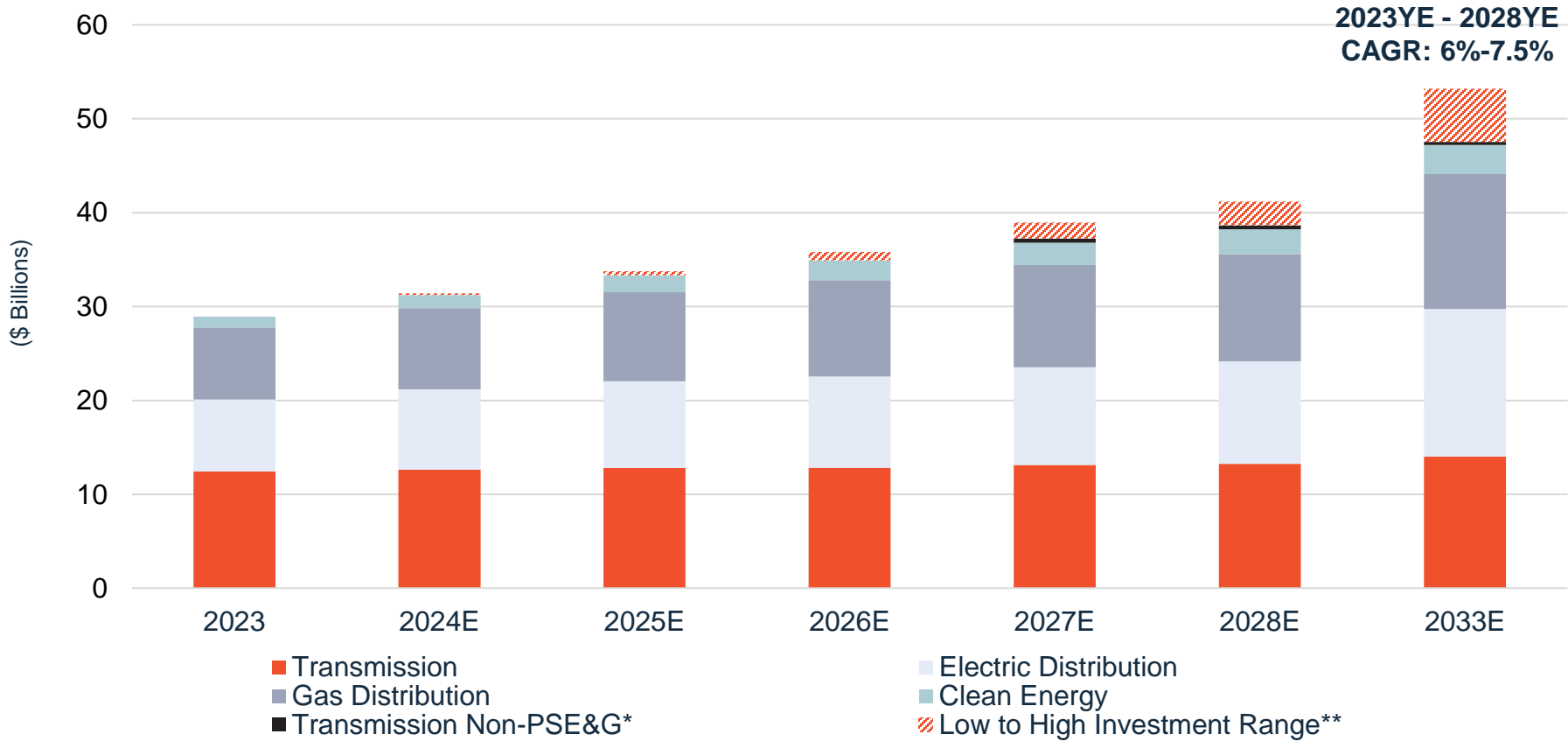
*Includes AFUDC. CEF-EC/AMI is included in Electric.*

*\* The Maryland Piedmont Reliability Project that was awarded to PSEG by PJM on December 11, 2023, will be managed and owned outside of PSE&G but is included here given FERC regulated rate base formula rate recovery.*

*\*\* The low end of the range includes extensions of GSMP and CEF-EE. The hashed portion of the chart represents incremental PSE&G investment that may occur for programs related to gas and electric modernization, energy efficiency, energy storage, electric vehicles and solar.*

# Regulated Rate Base Growth Delivers Improved Reliability, Enhanced Resiliency, Increased Customer Satisfaction, and Lower Emissions

Projected Regulated Year-End Rate Base



Our investment opportunities provide consistent rate base growth

*Includes AFUDC. CEF-EC/AMI is included in Electric.*

*\* The Maryland Piedmont Reliability Project that was awarded to PSEG by PJM on December 11, 2023, will be managed and owned outside of PSE&G but is included here given FERC regulated rate base formula rate recovery.*

*\*\* The low end of the range includes extensions of GSMP and CEF-EE. The hashed portion of the chart represents incremental PSE&G investment that may occur for programs related to gas and electric modernization, energy efficiency, energy storage, electric vehicles and solar.*

# Transmission Investment is Focused on 69kV Upgrades to Support Future Electrification Efforts

- Transitioning from large end-of-life projects to 69kV conversion/expansion and new stations to improve reliability, address aging system and load growth including future electrification efforts
- Lifecycle investments focused on overhead conductor and pipe cable replacements and upgrades
- Generation topology changes due to retiring plants and interconnections/upgrades for OSW transmission and other renewables
- Broader opportunities in transmission due to recent DOE study and PJM fast track proceeding, including competitively bid opportunities addressing reliability needs
- Annual formula rate incorporates forward test year, eliminates investment and cost recovery lag, which provides predictable earnings growth



# Electric Distribution Investment is Focused on System Modernization Providing Long Runway of Investment Opportunities and Maintains Our Best-in-Class Reliability

We will build on the success of programs like Energy Strong and Infrastructure Advancement Program to meet current and future needs of our customers, including investments for:

- **“Last Mile”** – Modernize circuits via targeted replacement of a myriad of asset types to support reliability, hardening and future electrification
- **Station Upgrades** – Modernize or eliminate aging electric distribution substations and switchgear to support EV/DER growth and address expanded security requirements



Outside Plant Construction



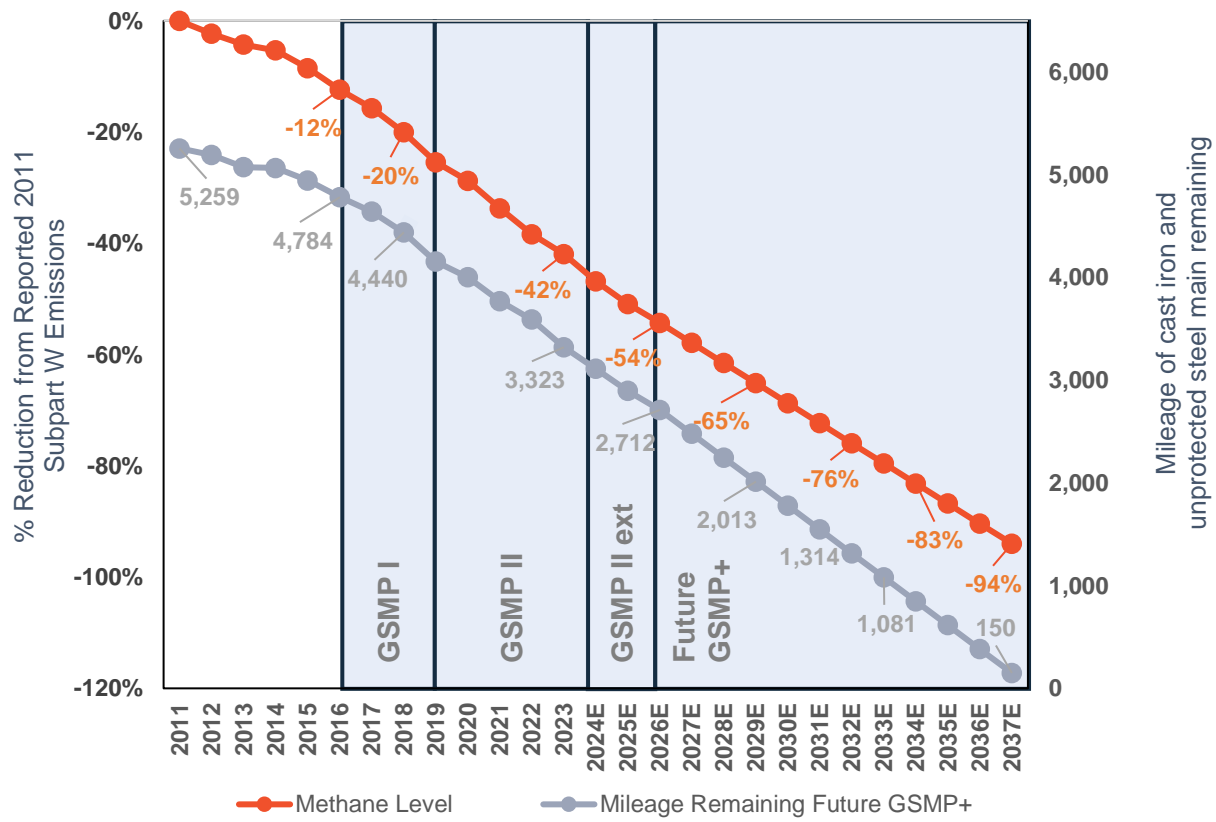
Madison Street Substation

- **Community Needs** – Expertise in tailoring station design to harmonize with our communities
- **Technology** – AMI, new enhanced capacitor banks and other technology to enable capabilities for remote monitoring and system control to support EV/DER integration, urban networks and cost reductions



# Gas Distribution Investment is Focused on Infrastructure Replacement that Accelerates Emission Reduction Benefits

Impact of GSMP on Methane Reduction\*  
Mileage of CI/US Inventory Remaining



GSMP main replacement

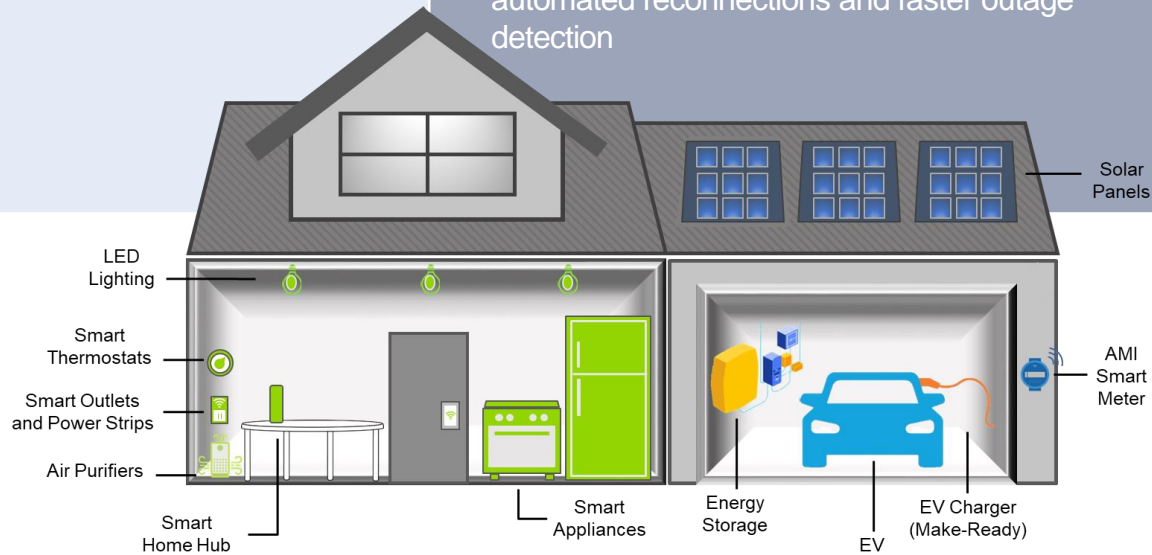
- GSMP II extension settlement approved in October 2023:
  - ~\$900M, 2-year extension (January 2024 – December 2025)
  - ~\$750M accelerated clause-based recovery and \$150M stipulated base
  - Replacement of a minimum of 400 miles of main
  - Sustains the thousands of jobs and skilled workforce created under GSMP II
- GSMP III filing, including RNG and Hydrogen projects:
  - Parties scheduled to reconvene by no later than January 31, 2025; if approved, work would commence in January 2026

Future GSMP+ Assumption=GSMP II extension run rate and current base capital plan continues until all eligible remaining CI/US mileage is replaced.  
 \* Methane reductions starting from 2011 when greenhouse gas emissions were required to be reported by the U.S. EPA for gas distribution companies.  
 \* Reduction forecast is based on current 40 CFR 98, Subpart W. This forecast does not include regulatory and calculation changes reflected in the revised 40 CFR 98, Subpart W released by the U.S EPA on May 6, 2024.

# PSE&G’s Award-Winning Clean Energy Future Programs Are Delivering Benefits to Customers and Rate Base Growth

<p><b>ENERGY EFFICIENCY</b> BPU approved ~\$1.3B investment</p> <p>Programs for Residential and C&amp;I Customers including low-income, multi-family, small business and local government</p>	<p><b>ENERGY CLOUD “AMI”</b> BPU approved \$707M investment</p> <p>“Smart meters,” new software and product solutions to improve PSE&amp;G processes and better manage the electric grid</p>	<p><b>ELECTRIC VEHICLES</b> BPU approved \$166M investment</p> <p>Residential Smart Charging, Level 2 Mixed-Use Charging, and Public DC Fast Charging (Make-Ready)</p>
<ul style="list-style-type: none"> <li>Existing CEF-EE program on target</li> <li>BPU approved a 6-month extension of existing EE program investment of ~\$300M beginning July 2024</li> <li>Winner of over 40 awards for Energy Efficiency and Clean Energy Jobs programs</li> </ul>	<ul style="list-style-type: none"> <li>Program on target with more than 2 million meters in service to date <sup>(1)</sup> and full deployment on schedule by end of 2024</li> <li>Foundation for better customer service by providing customers granular usage information, automated reconnections and faster outage detection</li> </ul>	<ul style="list-style-type: none"> <li>Program on target, enrollments increasing due to education, outreach and supply chain improvements with ~15,000 chargers energized to date and an additional 6,000+ chargers in the application queue <sup>(1)</sup></li> <li>Program recognized with Plug-In America Utility Award and EVgo Charging Hero Award</li> <li>BPU to address Medium and Heavy-Duty EVs in future Rules proposal</li> </ul>

Filed EE II programs for \$3.1B in commitments starting Jan 2025 through June 2027 based on BPU’s EE II framework, spent over 6-year period



PSE&G’s Clean Energy Jobs Program has supported more than 2,500 unemployed and underemployed people from low-to-moderate income areas secure clean energy careers <sup>(1)</sup>

<sup>(1)</sup> As of June 30, 2024.

# PSE&G’s Proposed Energy Efficiency Offerings: An Expanded Suite of 11 Residential, C&I, and Multifamily & Other programs

		Program	Description
Residential Programs		Energy Efficient Products	Offers incentives and on-bill repayment (OBR) for energy efficient equipment and appliances.
		Whole Home	Provides comprehensive residential energy efficiency assessment and installation services to provide ‘one-stop shop’ for all applicable energy efficiency and decarbonization upgrades for PSE&G residential customers, including OBR, for weatherization and equipment replacement.
		Behavioral	Provides electric and gas customers with information about their energy use, peer usage data, and suggested actionable steps to produce energy savings through behavioral changes and engagement with other energy efficiency programs.
		Income Qualified	Similar offering to Whole Home program with 100% incentive coverage for assessment and efficiency upgrades for income-qualified residential customers; also includes enhanced financial support for pre-weatherization barrier mitigation and health and safety measures.
Commercial & Industrial		Energy Solutions	Whole-building engineered savings including expanded outreach, technical assistance, and financial incentives supporting whole-building EE upgrades through a streamlined suite of energy solutions. Also includes incentives for retro-commissioning and strategic energy management, in addition to OBR.
		Prescriptive & Custom	Rebates and OBR for measures such as HVAC, lighting, motors & drives, refrigeration, water heaters, air compressors, food service equipment, and custom measures.
		Direct Install	Provides free audit and easy-to-complete process with enhanced incentive coverage and OBR available for relatively simple EE projects for smaller C&I customers.
Multifamily & Other New Programs		Multifamily	Targeted program directed at the specific challenges of this hard-to-reach customer segment. Offers a standalone program that leverages measures from both Residential and C&I programs with multi-family specific incentive levels and marketing, including OBR.
		Next Generation Savings	Support for field testing and assessment of opportunities to incorporate new technologies and program designs.
		Building Decarbonization	Includes several approaches that incentivize switching from fossil fuel to electric measures in buildings. Includes a utility-owned, Geothermal Network Demonstration and a PSE&G Building Decarbonization Demonstration. OBR will be available for pathways where the incentives do not cover the full cost of the project.
		Demand Response	Several different demand response approaches for residential and commercial customers to reduce usage during times of high demand; OBR may be available for pathways where there are costs to customers.

# PSE&G's 10-Year Investment Opportunities are Aligned with New Jersey's Accelerated Electrification Goals

## Governor Murphy's February 2023 Executive Orders

---

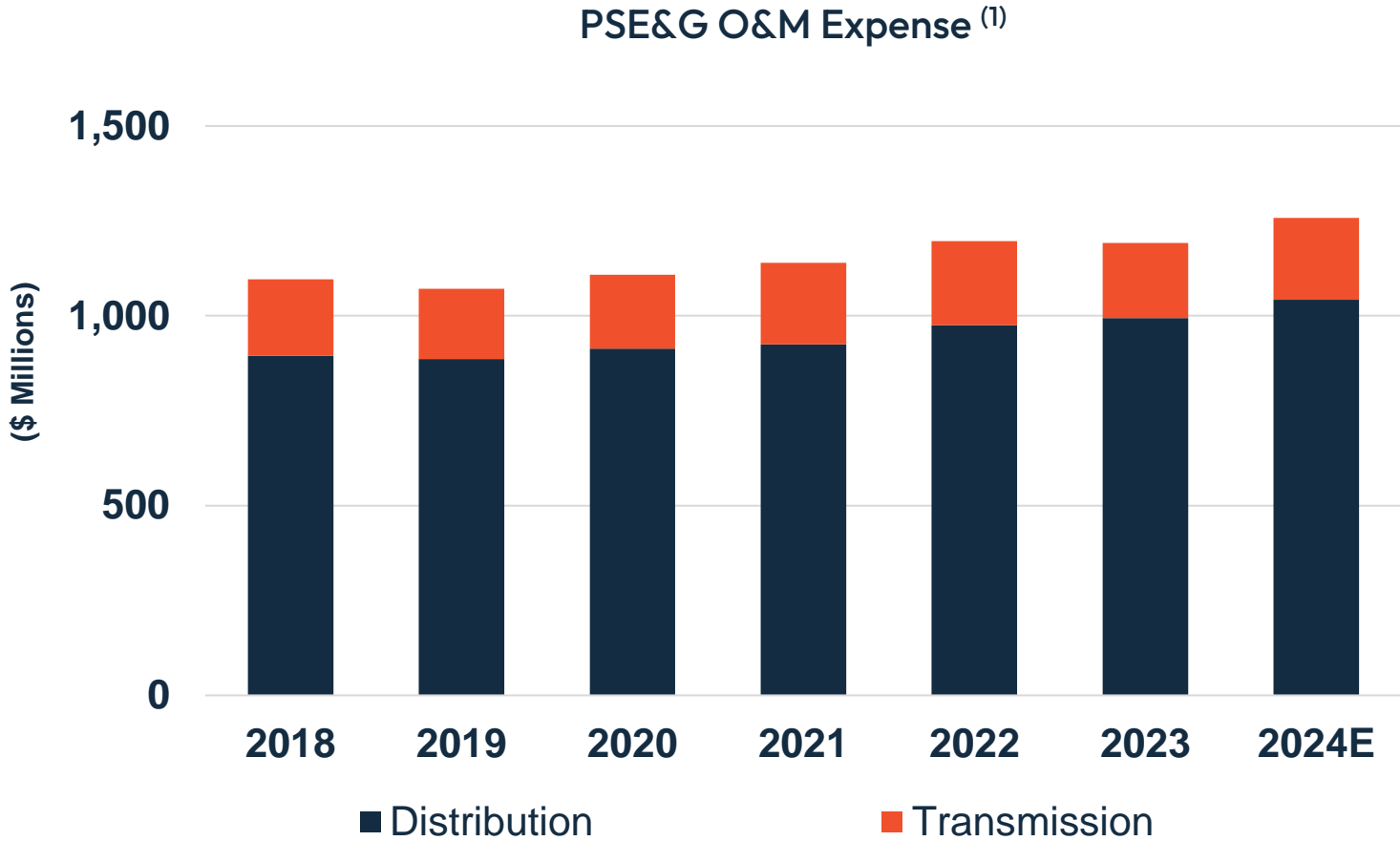
- **100% clean energy by 2035** (#315)
- **Building electrification** – 400,000 homes and 20,000 commercial properties and 10% of low-to-moderate income properties by 2030 (#316)
- **Initiated 18-month stakeholder process** to achieve 2021 reduced gas emission goal by 2030 (#317)

## Incremental investments to support NJ's increasing targets to decarbonize the economy

---

- **Electrifying transportation** – No internal combustion engine vehicles sold after 2035 and increased incentives for Medium and Heavy-Duty EV adoption
- **Incremental clean energy investments** (Solar, EE, EV, Battery storage)
- **Enhanced “Last Mile” reliability** work to support accelerated EV adoption and electrification
- **Supports accelerated replacement of aging gas mains** prone to leaks and breaks
- **Potential investments for low carbon fuels** to integrate into gas distribution system

# Effective Cost Control to Mitigate Inflation Impacts and Preserve Customer Affordability Keeps O&M CAGR under 2.5%



- Demonstrated ability to control O&M
- 2023 cost reductions and a timing benefit of deferred compensation more than offset inflation, with the latter two driving the increase in 2024
- Focus on cost control provides headroom for recovery of capital investment, as \$1 of O&M offsets the impact of ~\$10 of capital investment on customer bills
- Implementation of AMI and productivity efforts are expected to continue to control O&M costs for the next several years

(1) Excludes certain regulatory balance account items.

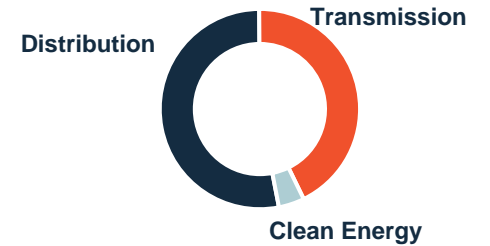
# PSE&G Dual Jurisdiction Regulation Provides for a Mixture of Investment and Cost Recovery Mechanisms

## Transmission

- Federal Regulatory Entity: Federal Energy Regulatory Commission (FERC)
- Annual Formula Rate filing provides for contemporaneous recovery with forward-looking test year
- Current Transmission ROE: 10.4% inclusive of 50 basis point RTO adder
  - Equity Ratio: ~55%
  - YE 2023 Transmission Rate Base: ~\$12B (~43%)

## Distribution and Clean Energy

- State Regulatory Entity: NJ Board of Public Utilities
- Timely recovery of investment programs:
  - Contemporaneous recovery of EE and Solar programs
  - Clause investment recovered via periodic filings for historic spending on Infrastructure Investment Programs (GSMP, Energy Strong, IAP)
  - Rate case recovery: Base spending, stipulated base
- Current Distribution ROE: 9.6% for all programs
  - Equity Ratio: 54%
  - YE 2023 Distribution Rate Base: ~\$17B (~57%)
- PSE&G Distribution base rate case is first since 2018
  - Test Year – Mid-2023 through mid-2024
  - Request recovery of base distribution investments of \$3.3B, including BPU approved stipulated base spend
- Cost control and other factors mitigate other rate increases
  - O&M control limits customer bill impact from last rate case and keeps costs below peers
  - Pension/OPEB expectations comparable to 2018 levels; seek to further reduce volatility
  - Weighted average cost of debt is flat compared to 2018 due to favorable refinancing and long-dated maturities
  - COVID and storm deferral recovery can be offset by completion of Superstorm Sandy recovery
- Regulatory Filings Update
  - BPU approved a 6-month extension of existing EE program investment of ~\$300M beginning July 2024
  - BPU approved the recovery of COVID-related deferrals over a five-year period beginning June 2025



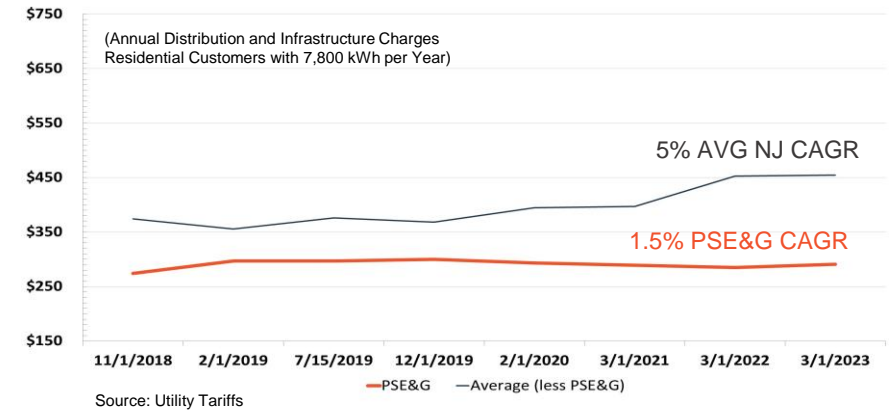
# PSE&G Base Rate Filing Seeks Recovery of Recent Investments; Cost Control and CEF-EE Programs Help Keep Bills Affordable

- First distribution base rate request in 6 years; 9% overall revenue increase requested
  - Requested increase estimated to have a 12% impact on a typical combined residential customer
- Seeking recovery of \$3.3B of recent capital investment, including BPU approved stipulated base spend
- Requested a regulatory pension deferral mechanism to address variability of costs
- Tax Adjustment Credit provides flowback of additional benefits (included in requested amounts)
- Test year data updated to reflect 12 months of actual data
- Rate case procedural schedule released in March 2024; expect resolution later in 2024

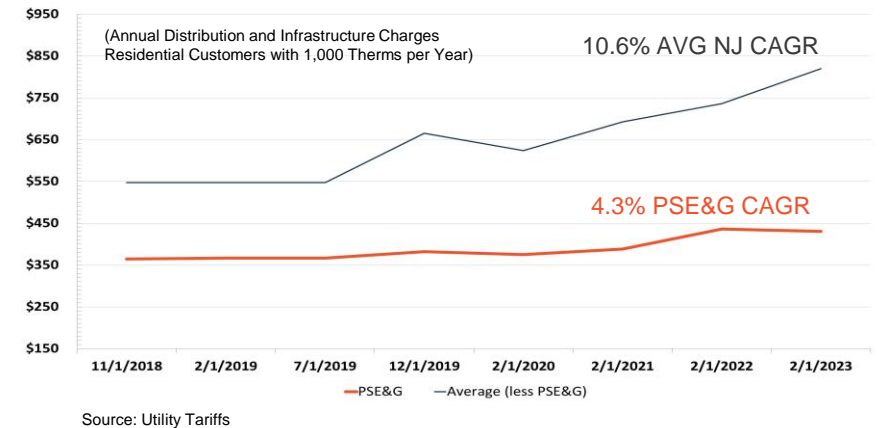
Requested	Electric ER23120924	Gas GR23120925	Return on Equity	Common Equity
Revenue Increase	\$462 Million	\$364 Million	10.4%	55.5%

**PSE&G has delivered stable distribution rates, paired with best-in-class reliability and award-winning customer satisfaction**

**New Jersey Electric Utility Costs 2018-2023**



**New Jersey Gas Utility Costs 2018-2023**



# ***Key Takeaways:* Best-in-Class Operations with Important System Investment Needs Driving a Predictable Earnings Growth Platform**

**Operational Excellence:** Delivering top-tier safety, reliability and customer service, while maintaining customer bill affordability

**Financial Strength:** Strong track record of growth continues

- Distribution base rate case in 2024 driven by capital recovery, while continuing to keep customer bills affordable
- Conservation Incentive Program decouples revenues, enabling broad EE adoption
- Cost control supports customer affordability with the lowest gas bills and below average electric bills vs regional peers
- Investment recovery mechanisms help minimize regulatory lag

**Disciplined Investment:** Programs driven by infrastructure modernization and decarbonization

- \$18B-\$21B regulated capital investment program drives rate base growth of 6%-7.5% over the 2024-2028 period
- 2023 year-end rate base grew by ~10% over 2022
- Investments aligned with NJ climate policies, with upside to address Governor Murphy's February 2023 Executive Orders
- Gas business capital investments driven by replacement of aged pipe prone to leaks
- Technology investments will improve the customer experience and reliability while continuing to control O&M

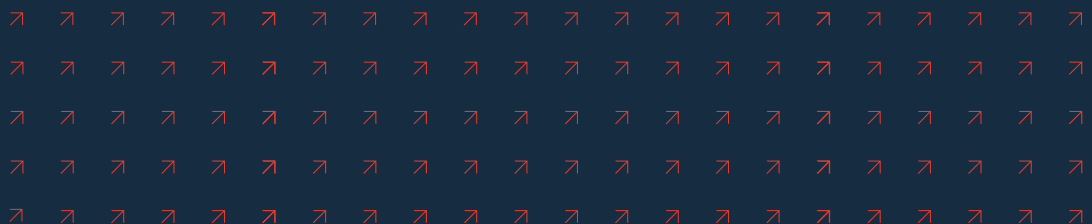
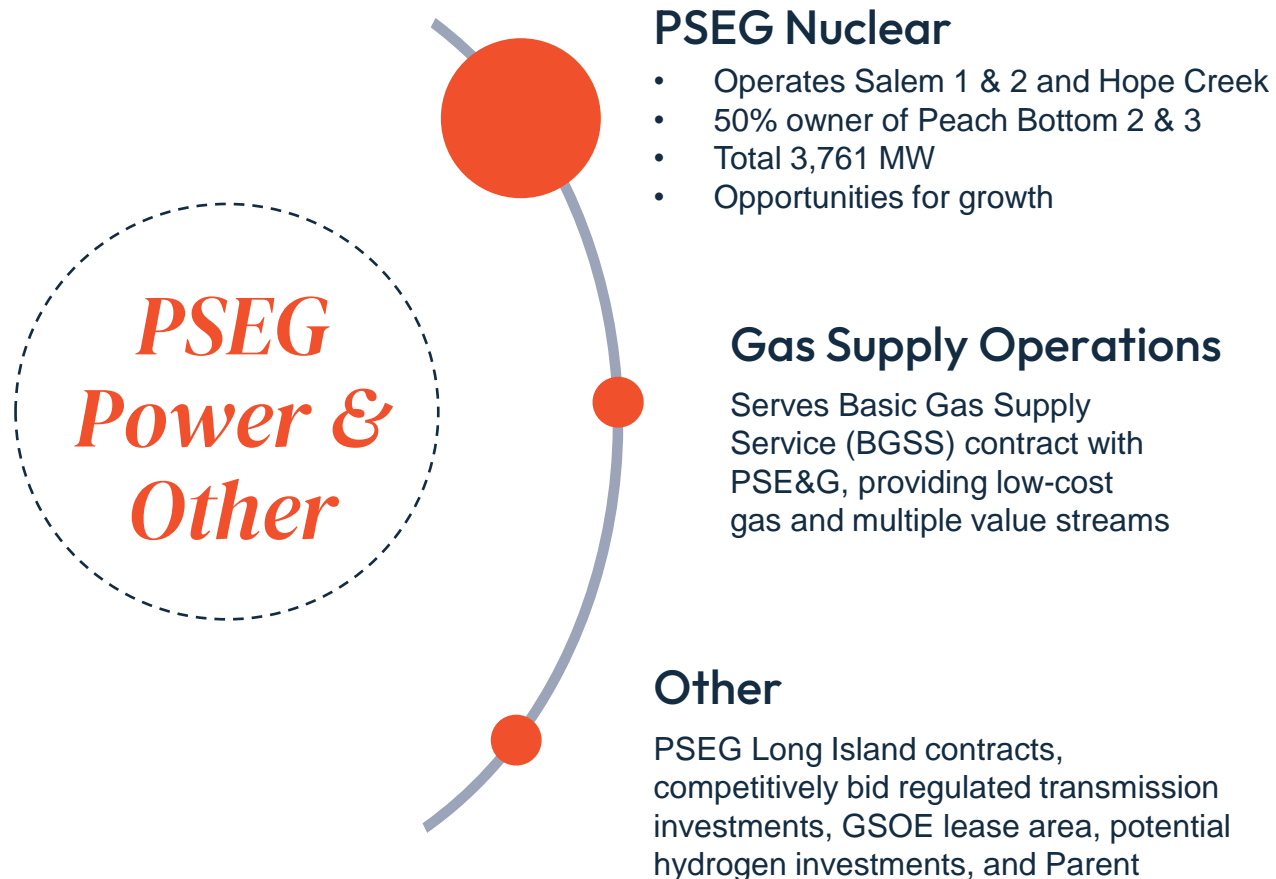




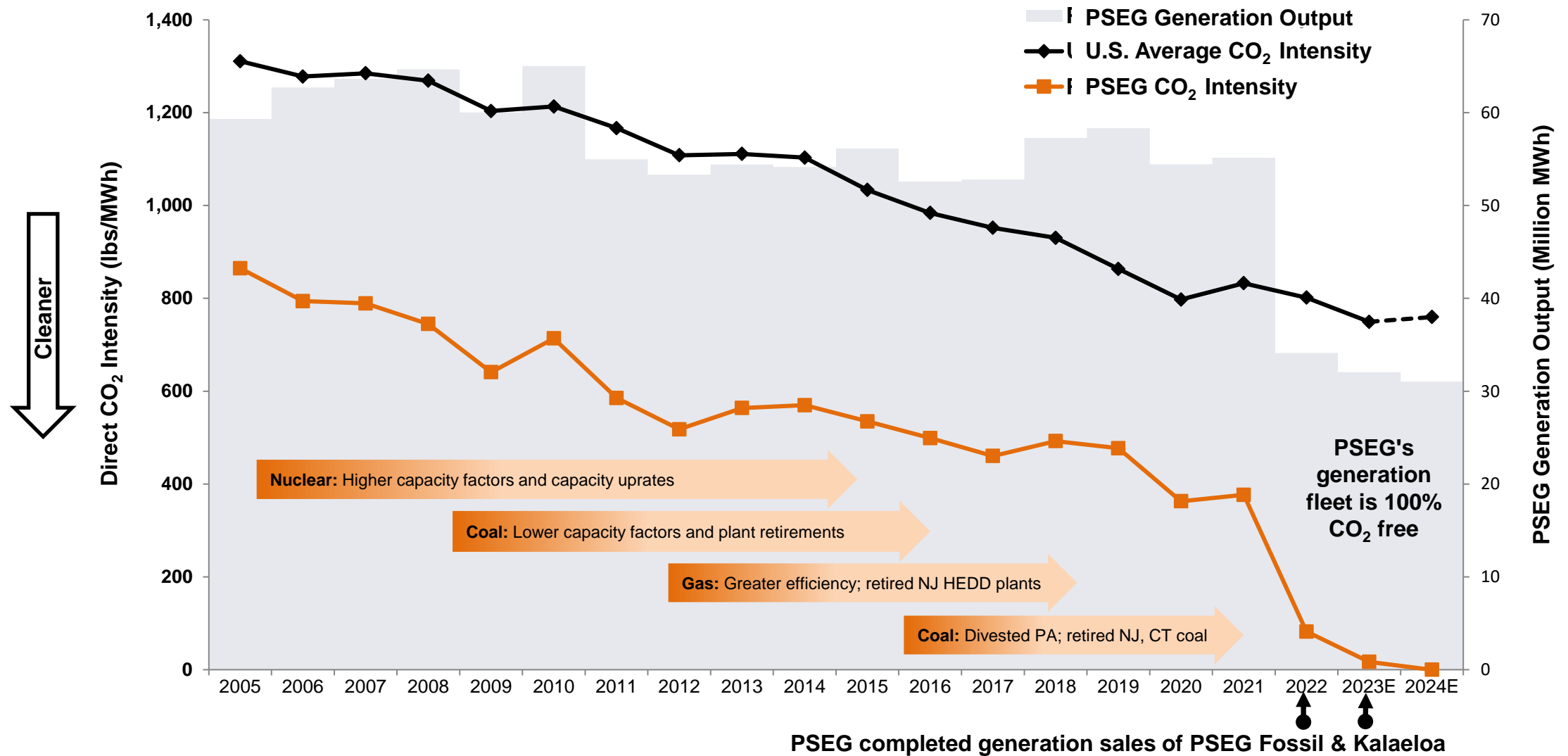
# PSEG Power & Other

# PSEG Power & Other

A more stable, predictable business that generates significant free cash flow to support PSEG's investment program



# PSEG Generation Output and Carbon Intensity



Source: For PSEG: MJ Bradley/ERM "U.S. Benchmarking Air Emissions" and PSEG; For USA: EIA actuals 2005-2023, EIA forecasted 2024 from Annual Energy Outlook 2023. HEDD: New Jersey's High Electric Demand Day (HEDD) rule limits NOx emissions from turbines and boilers.

# PSEG Decision to Retain Units Clarified with Passage of the IRA; PTC Started in January 2024

## Key Strategic Drivers:

- Unique asset class of existing, low-cost, carbon-free, 24x7 base load generation, providing reliable energy integral to meeting New Jersey's clean energy targets
- Significant free cash flow supports PSEG as it allocates capital for PSE&G's growth
- Three-unit nuclear site on Artificial Island (Hope Creek, Salem 1 and 2)

## Key Financial Drivers:

- Predictable earnings from PTC through 2032 provides escalating support for energy prices
- Prices above PTC threshold will provide upside opportunity
- High value growth opportunities with low capital requirements, including thermal uprates, license extensions, hydrogen pilots, and potential data center power sales
- Growth opportunities at nuclear would be incremental to PSEG's stated 5% to 7% long-term Non-GAAP Operating Earnings CAGR and further increase the predictability of the business

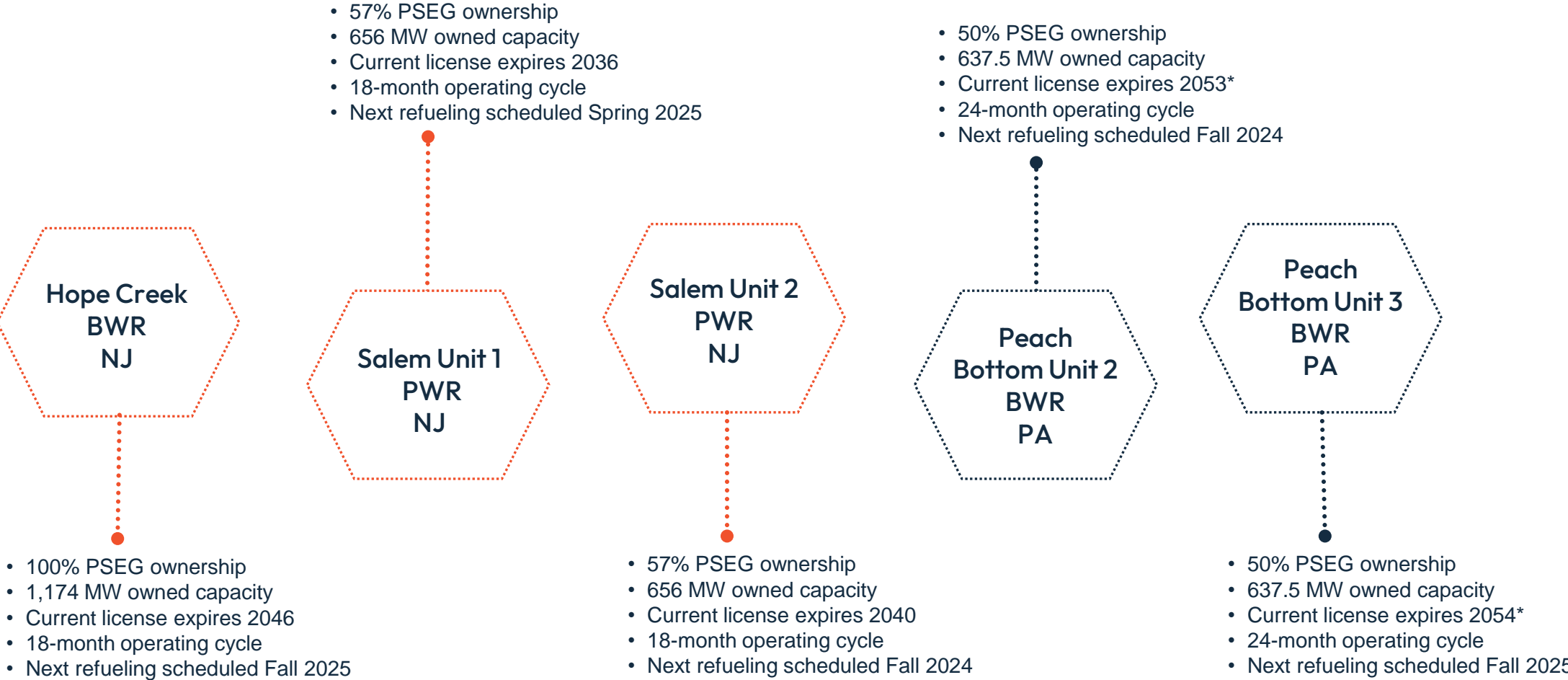
## Key Operational Drivers:

- Demonstrated operational excellence and equipment reliability, providing improved predictability
- Safety is always our highest priority



# PSEG Nuclear — Key Fleet Data

## Fleet Average Capacity Factor of 89.8% for First Half 2024



\* Both Peach Bottom units have received subsequent license renewals for an additional 20 years from the NRC. However, the NRC is revisiting the environmental review and the license expiration dates were reverted back to 2033 and 2034 pending this review.

# Nuclear is Critical to the Energy Transition

Nuclear is a unique asset class providing reliable 24x7, carbon-free energy and price stabilization

## PSEG Nuclear provides ~40% of New Jersey’s energy and ~85% of NJ’s clean energy

- NJ’s energy goals can only be met through preserving our nuclear assets through an extended license life
- Integrated Energy Plan supporting NJ’s EMP concluded that retaining nuclear is the least-cost scenario for achieving NJ’s goals

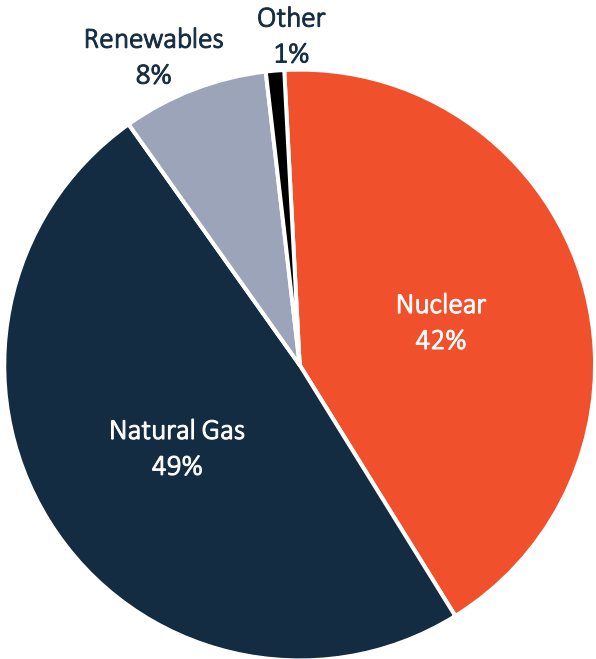
## PSEG Nuclear is important to NJ’s economy

- Supports an annual payroll of more than \$180 million
- Purchases more than \$130 million a year in New Jersey goods and services

## PSEG Nuclear is a leading employer in Salem County and Southern NJ

- ~4,500 in-state direct and secondary jobs
- ~1,600 full-time employees — 70% of employees live in South Jersey
- ~1,000 additional contractors twice a year to support refueling outages and maintenance

NJ Electric Generation by Fuel Source 2023\*

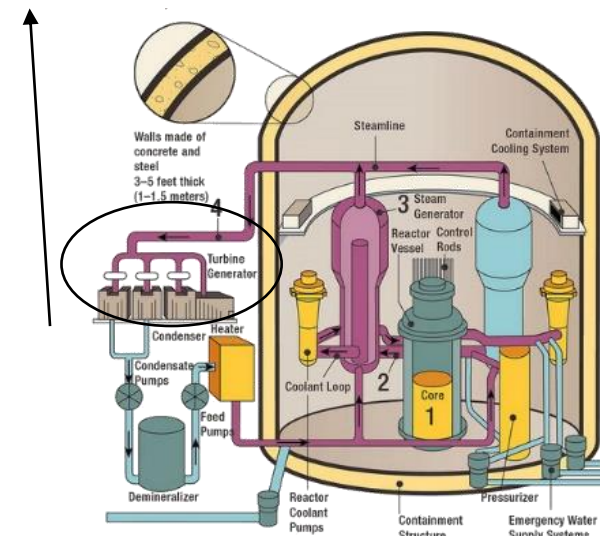
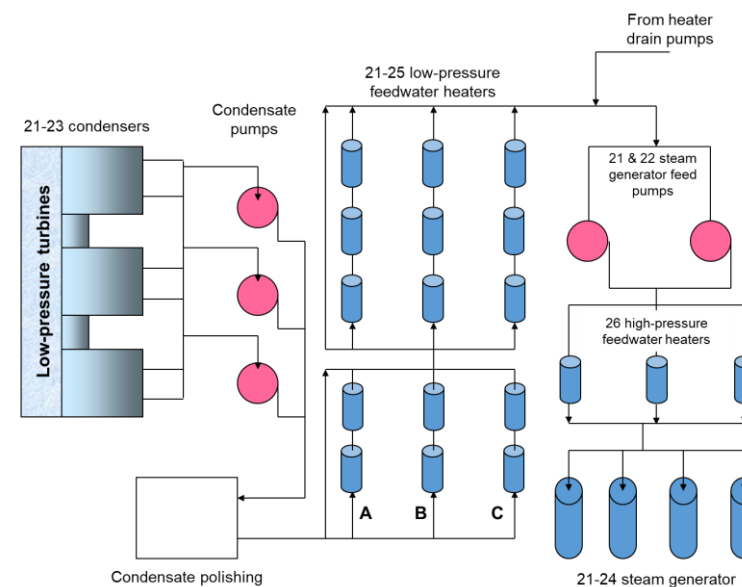


\* Source: Form EIA-923 (Electricity Data Browser as of April 11, 2024).

# PSEG Nuclear has Compelling Growth Opportunities: Salem Capacity Uprate

- ~45-60 MW PSEG-share (4%-5%) thermal increase targeted
- Lowers \$/MWh generating cost (same O&M, more MWh)
- Targeting in service in 2027-2029
- Low-cost investment — Capital is ~\$100M PSEG-share for upgrades on the secondary side of the plant (shown to right); no upgrades to reactor equipment expected, no incremental O&M
- Opportunity for a larger uprate will be evaluated
- **Compelling value:**
  - Incremental PTC benefit — Expected to qualify for the incremental clean energy production credit, providing 10 years of \$27/MWh\* incremental value to market
  - Average annual net income for first five full years ~\$15M-\$25M

## Simplified Drawing of Secondary Side of Plant



\*Amounts reflect 2023 dollars, subject to IRS inflation adjustment factor.

# Additional PSEG Nuclear Growth Opportunities

## Transition from 18-month to 24-month Refueling Cycles

- An extended fuel cycle eliminates refueling outages over the life of the plant, reducing O&M by eliminating one refueling outage every 6 years (~\$50M O&M) and increasing generation ~25 days every six years (~\$30M) to end of extended life (avoids 6 refueling outages)\*
- Hope Creek: Authorized funding required to transition fuel cycle starting with Fall 2025 outage
- Salem: Monitoring NRC approval of new fuel type that would enable transitioning to 24-month cycles

## License Extensions — Salem and Hope Creek

- Notified NRC of intention to seek 20-year license renewals for Salem Unit 1 (to 2056), Salem Unit 2 (to 2060), and Hope Creek (to 2066)
- ~\$120M total PSEG-share investment (includes ~\$40M capex for equipment replacement), ~\$40M–\$50M through 2028
- Scoping study underway, Salem 1 & 2 license extension request submittal 2026, NRC approval anticipated 2028, Hope Creek to follow sequentially

\*Amounts reflect 2023 dollars.





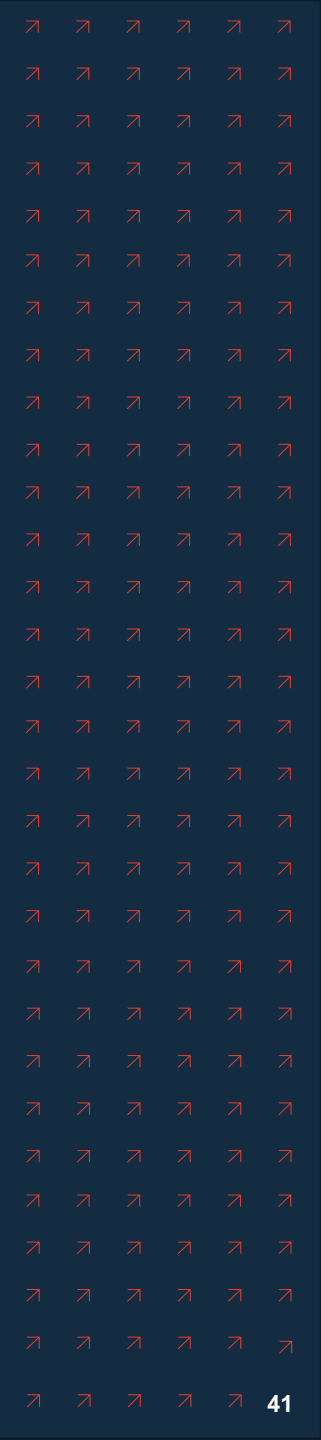
# Hydrogen Opportunities

## Federal Government Created Programs to Incentivize the Development of a Hydrogen Economy to Drive Decarbonization Efforts Toward Some of the Hardest Sectors to Abate

- Infrastructure Investment and Jobs Act, 2021 — Up to \$7 billion was awarded in October 2023 by the DOE to seven hydrogen hubs across the country, including the MACH2 Hub of which PSEG is a participant
- Inflation Reduction Act, 2022 — Creation of hydrogen PTC and ITC, dependent upon carbon intensity of hydrogen production process

## PSEG is Actively Evaluating Hydrogen-Related Opportunities

- Evaluating multiple roles
  - Owner and operator of hydrogen production facilities powered by carbon-free, nuclear power
  - Seller of RECs and/or nuclear power to third party hydrogen producers
  - Delivery of hydrogen blended into selected segments of PSE&G's gas distribution system



# PSEG Power & Other – Other Businesses

## Gas Supply Operations – the Next Largest Component of PSEG Power & Other

- Broad portfolio of pipeline and storage contracts providing access to low-cost gas and optionality
- Serves Basic Gas Supply Service to PSE&G customers
- Multiple value streams from gas commodity and pipeline capacity sales to third parties and margins on gas sales to certain customer classes
- Lowest-cost gas supplier in New Jersey with 75% of off-system sales margins credited to customers

## Other Components

●

### PSEG Long Island – Two Categories of Services

- Operating Services Agreement to manage T&D utility
- Fuel & Energy Management Contracts

●

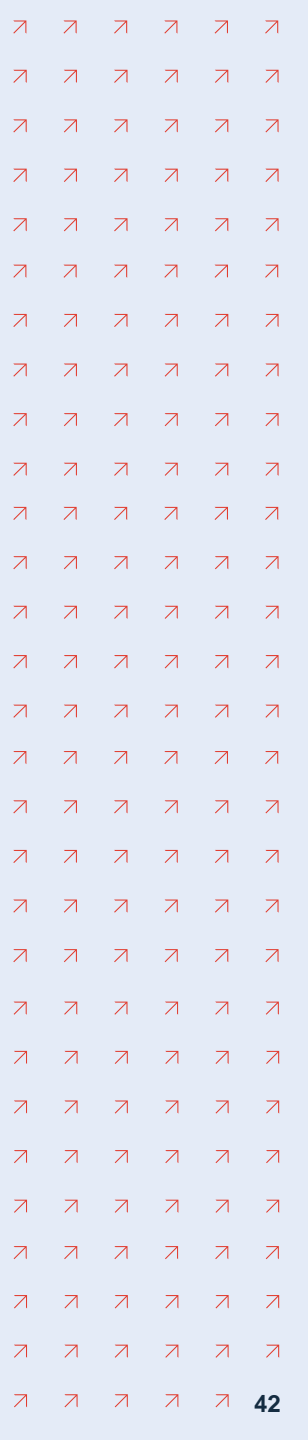
### Competitively Bid, FERC Regulated Transmission Projects

- In December 2023, PJM awarded PSEG an ~\$424 million project as part of its 2022 Window 3 competitive solicitation
- In April 2024, PSE&G submitted bids to the BPU for its Pre-Build Infrastructure (PBI) project to support offshore wind
- Second State Agreement Approach (SAA) postponed beyond July 2024
- PJM’s 2024 Regional Transmission Expansion Plan Window 1 solicitation opened in July 2024

●

### GSOE Lease Area

- Evaluating options to monetize our acreage



## *Key Takeaways:* Increasing Predictability

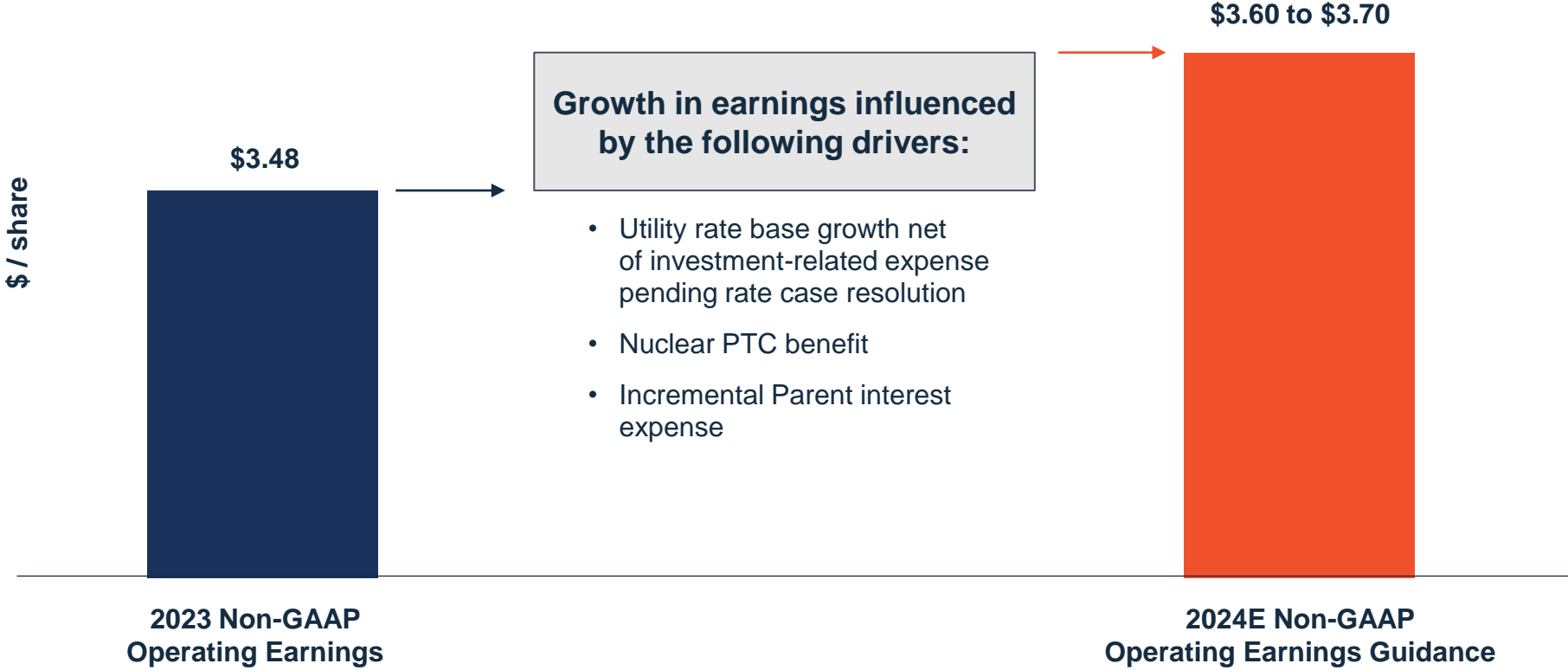
- **Operational Excellence:** Solid nuclear operations with exemplary ratings on all units, gas supply operations benefiting PSE&G customers, and PSEG Long Island
- **Financial Strength:**
  - Nuclear long-term price stability through PTC threshold into the next decade
  - Nuclear operations generate significant free cash flow to support PSEG's growth objectives
  - Other businesses, while smaller components, provide stable value
- **Disciplined Investment:**
  - The PTC is a game-changer, providing LT price stability, driving our strategic decision to retain our nuclear assets
  - Enables investment opportunities in power uprates, fuel cycle optimization, license extensions and hydrogen

*Transformed business with the sale of fossil generating assets and exit from offshore wind generation, and decision to retain PSEG's nuclear assets following IRA*



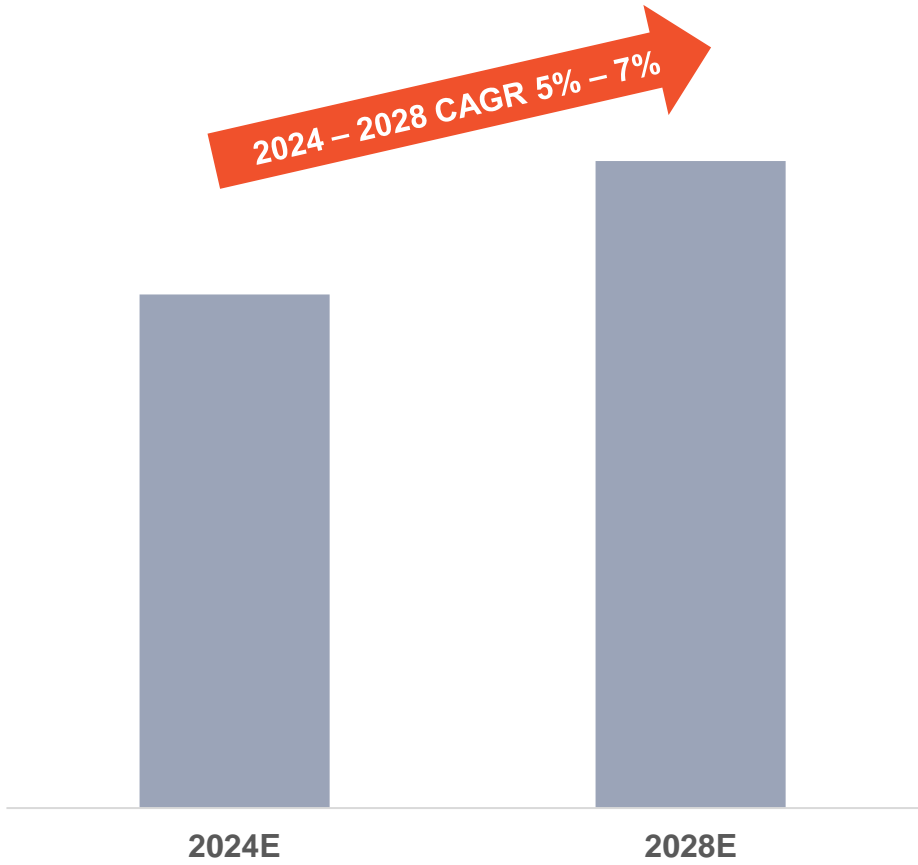
# Financial Review & Outlook

# PSEG 2024 Guidance Consistent with its 5% to 7% Long-Term Non-GAAP Operating Earnings CAGR



# PSEG's Long-term Growth Outlook Driven by PSE&G's Regulated Earnings

## Non-GAAP Operating Earnings

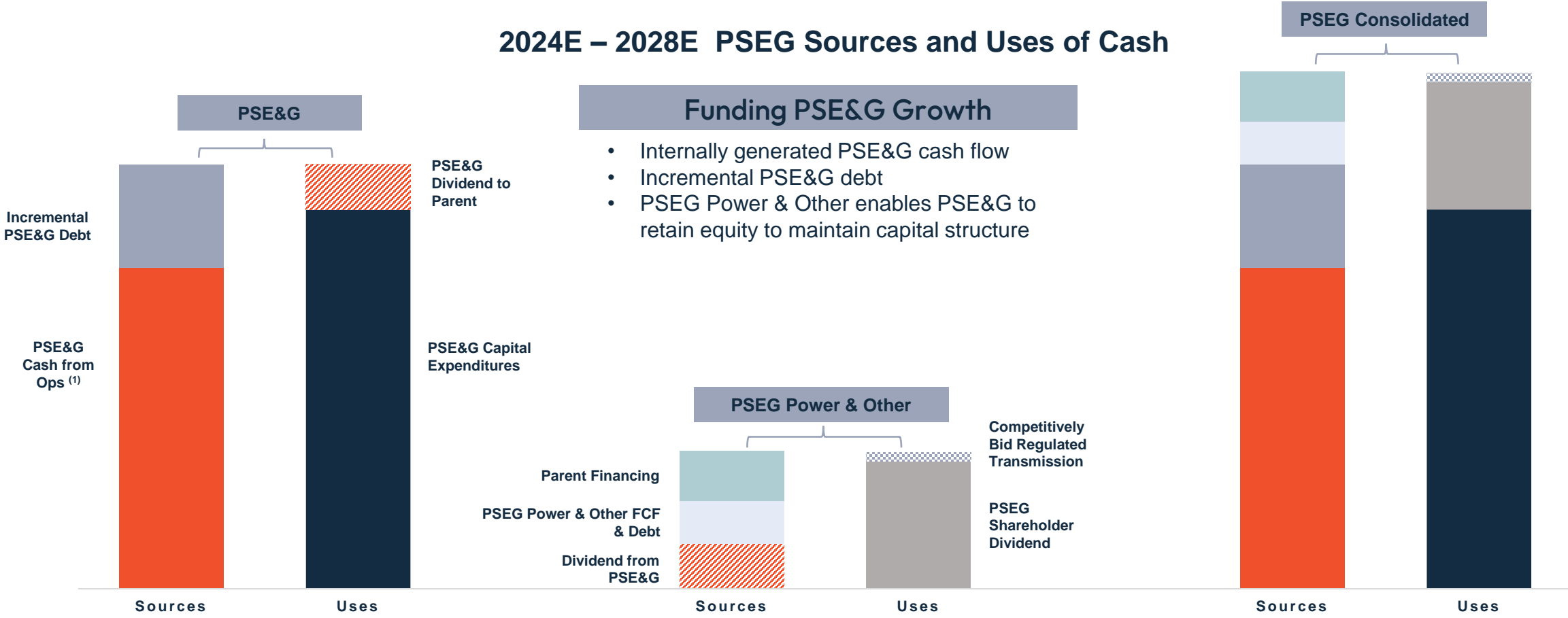


### Continuing Path of Increasing Predictability

- ~90% of PSEG's non-GAAP Operating Earnings over the 2024-2028 period are from PSE&G
- >90% of capital program allocated to regulated activities
- Execution of robust capital plan
- Growth CAGR reflects Nuclear at PTC threshold, adjusting with inflation beginning 2025
- Continued cost control

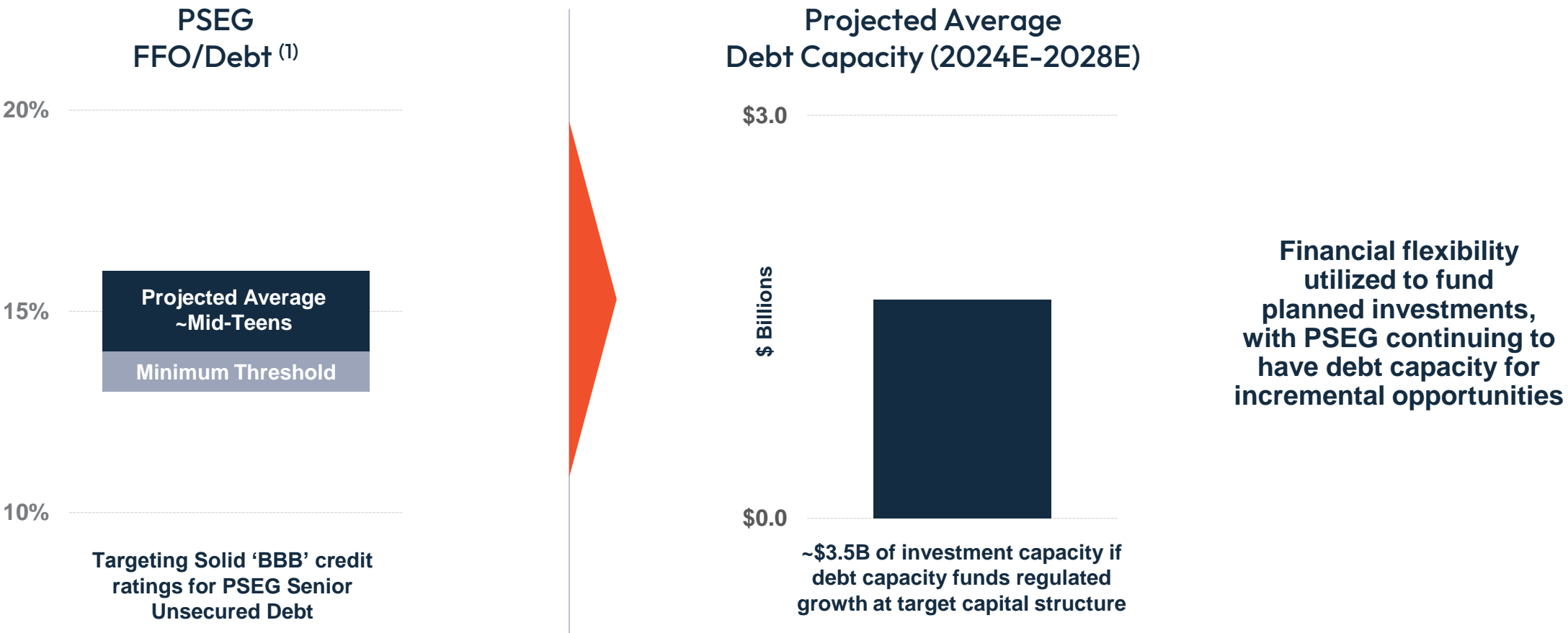
# No New Equity Needs through 2028 to Fund Business Plan Capital Needs

## 2024E – 2028E PSEG Sources and Uses of Cash



(1) PSEG Cash from Operations is adjusted for cost of removal and Energy Efficiency spending, which are included in Capital Expenditures

# Our Business Profile Supports Solid BBB Credit Ratings as Capital is Deployed for PSE&G Growth

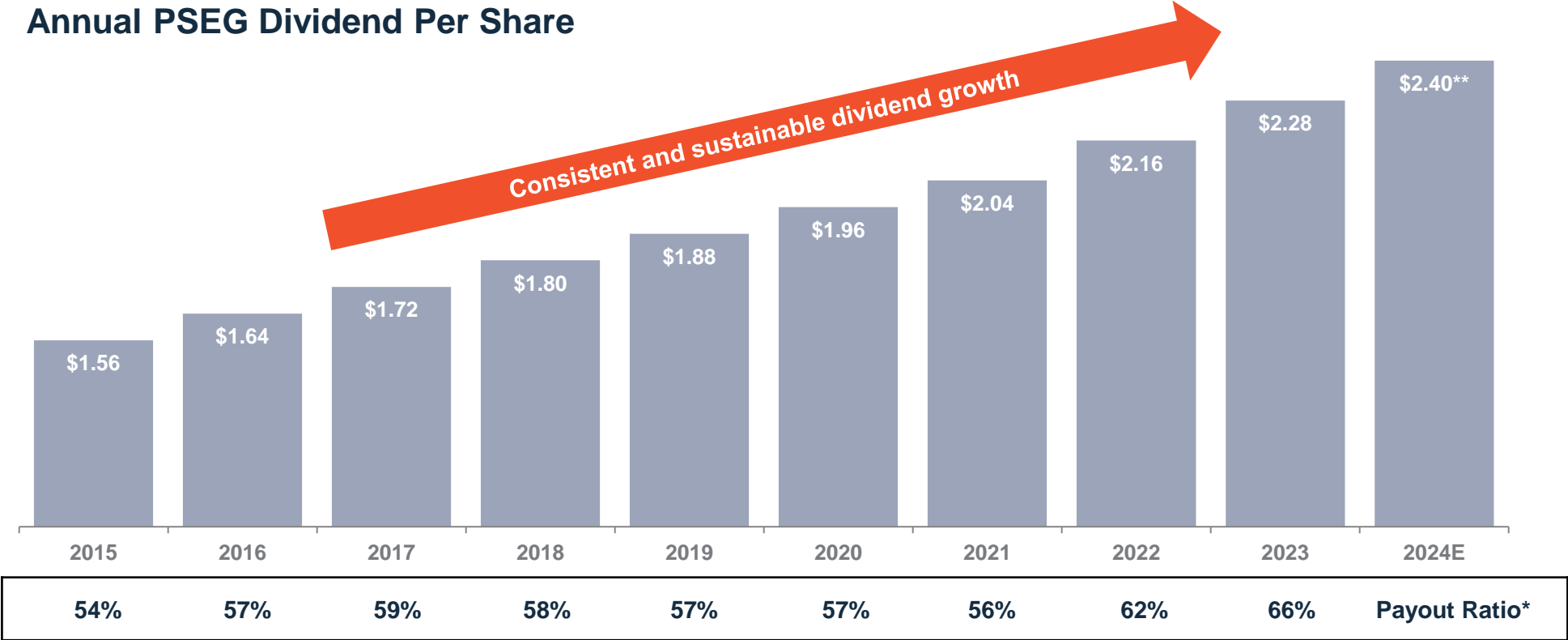


(1) FFO/Debt is an internal estimate of a non-GAAP measure. FFO reflects cash from operations excluding working capital and adjusts for certain items including taxes on asset sales, cost of removal and energy efficiency investments. Debt consists of long-term debt, short-term debt and other imputed debt primarily related to an unfunded pension obligation.



# PSEG's 2024 Indicative Annual Dividend Increase of \$0.12 Per Share Supported by Predictable Earnings

Annual PSEG Dividend Per Share



**PSEG has a 117-year history of returning cash to shareholders**

\* Payout Ratios reflect the dividend rate divided by non-GAAP Operating Earnings. See Slide B for Items excluded from Net Income to reconcile to Operating Earnings (non-GAAP) for PSEG.

\*\* Indicative annual 2024 common dividend rate per share.

Note: All future decisions and declarations regarding dividends on the common stock are subject to approval by the Board of Directors.

## ***Meeting Takeaways:* A Strong Business Mix and Platform for Predictable Growth**

- **5%-7% long-term earnings growth rate for 2024-2028 driven by PSE&G rate base growth and PTC threshold for Nuclear**
- **Best-in-class, customer-centric regulated Utility with robust 5-year capex of \$18B–\$21B**
  - Focused on infrastructure modernization and decarbonization of NJ economy
  - Investment opportunities aligned with New Jersey and federal Clean Energy policies
  - Customer affordability with lower prices than the average among regional peers
  - Constructive NJ regulatory environment
- **Exited offshore wind generation**
- **Retaining Nuclear fleet with PTC stabilized, predictable cash flows and multiple growth paths with modest investment**
  - Predictability – Long-term growth outlook through 2028 based on PTC threshold, with upside for potential market price increases
  - Opportunities – Increase capacity via uprates, extend fuel cycles, seek license extensions and potential hydrogen opportunities
- **Effective cost control to mitigate macro-inflationary concerns, reduce volatility and maintain customer affordability**
- **2024 indicative annual common dividend\* of \$2.40 per share represents a \$0.12 per share increase over 2023**
- **Sustainability recognized in top-tier ESG scores for climate leadership and commitment to ethical business practices**
- **Strong management track record of delivering on commitments, including meeting earnings guidance 19 years in a row**

\* All future decisions and declarations regarding dividends on the common stock are subject to approval by the Board of Directors.



# Appendix

# PSEG Sustainability and ESG Summary

## PSEG Leadership

- PSE&G's Clean Energy Future programs have invested ~\$2B through year end 2023 to decarbonize the NJ economy via Energy Efficiency, EV infrastructure, and AMI
- PSEG continues to maintain its three-prong climate vision, including producing carbon-free energy, reducing GHG emissions from operations and enabling the low-carbon transition to support economy-wide decarbonization
- PSEG's generating fleet is a Top 10 U.S. producer of carbon-free energy
- PSE&G has invested ~\$1B in regulated solar initiatives
- PSE&G has issued \$1.4 billion of Green Bonds and PSEG sub-limit of master credit facility includes sustainability-linked pricing mechanism

## Policies & Goals

- PSEG is a vocal advocate for the preservation of our existing carbon-free nuclear generating fleet
- Committed to rigorous oversight of political contributions and transparency in disclosure
- PSEG oversight of sustainability and climate initiatives by Board of Directors' Governance, Nominating and Sustainability Committee
- Human Rights Policy
- LGBTQ+ Inclusion Pledge
- PSEG's business strategy is aligned with many of the United Nations' Sustainable Development Goals

[Link to PSEG's 2023 Sustainability Report](#) \*

## Recognition & Memberships

- MSCI rates PSEG at AAA, its highest corporate ESG rating
- PSEG named to the Dow Jones Sustainability North America Index for 16 years in a row
- PSE&G awarded 2024 ENERGY STAR® Partner of the Year for Sustained Excellence
- PSEG named to Newsweek - America's Greatest Workplaces for Diversity 2024
- PSEG named Member of S&P Global's 2024 Sustainability Yearbook
- PSE&G received the PA Consulting ReliabilityOne® Award for Outstanding Metropolitan Service Area Reliability Performance in the Mid-Atlantic Region for 22<sup>nd</sup> consecutive year and the 2023 ReliabilityOne® Outstanding Customer Engagement Award
- PSEG named to 2023 CPA-Zicklin Index "Trendsetters" with a score of 90 out of a possible 100 for Corporate Political Disclosure practices and Accountability

# PSE&G Recognized for Excellence

## PSE&G has been honored on numerous fronts for best-in-class operations

- #1 in Customer Satisfaction with Residential and Business Electric Service in the East among Large Utilities by J.D. Power in 2023\*
- 2023 PA Consulting ReliabilityOne® Award for Outstanding Reliability Performance in the Mid-Atlantic Metropolitan Service Area for the 22<sup>nd</sup> consecutive year
- 2023 ReliabilityOne® Outstanding Customer Engagement Award
- Escalent's 2023 Cogent Most Trusted Utility Brands – Residential



\* PSE&G received the highest score in the East Large segment of the J.D. Power 2023 U.S. Electric Utility Residential and Business Customer Satisfaction Study of electric utility satisfaction among residential and business customers. Visit [jdpower.com/awards](https://www.jdpower.com/awards) for more details.

# PSEG Provides Compelling Careers for Our Employees

## PSEG ~12,500 Employees

- Strong union partnerships with our six unions and the ~7,700 employees they represent:
  - In May 2023, PSEG reached new four-year labor agreements with all unions representing employees in New Jersey
  - In November 2023, PSEG Long Island reached a new four-year labor agreement
- DEI – ~29% are racially/ethnically diverse, ~18% are women\*
  - Representation of racially/ethnically diverse employees has increased 2.8% since 2019; exceeds industry benchmark by 2.5%
  - Representation of racially/ethnically diverse employees in management has increased 4.9% since 2019
  - Representation of women employees has increased 0.4% since 2019
  - Representation of women in management has increased 2.9% since 2019
  - Hired more than 3,000 employees in 2022 and 2023
  - Numerous DEI recognitions

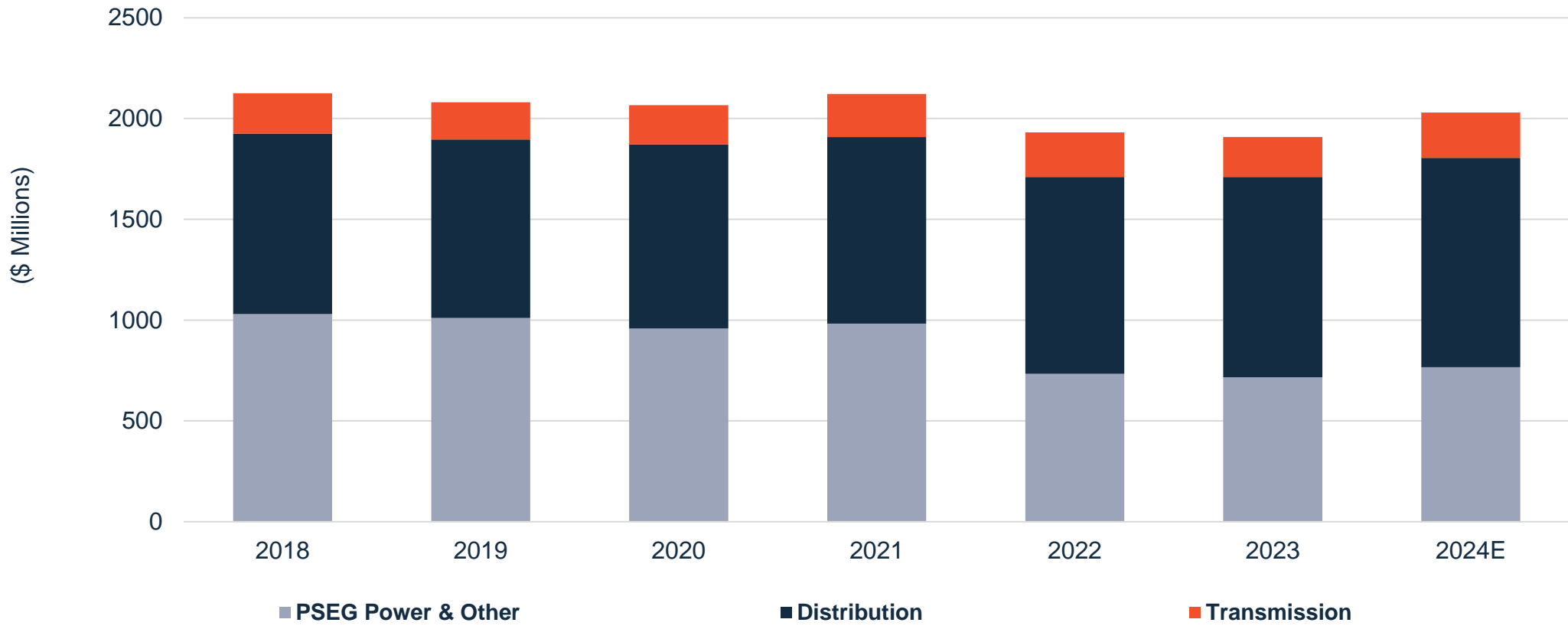
\* As of October 31, 2023.

## 2022-2023 DEI Recognitions

- America's Best Employers for Diversity
- America's Best Large Employers
- America's Best Employers for Women
- America's Best Employer by State
- America's Most Just Companies
- Bloomberg Gender-Equality Index
- Bronze Military Friendly Employers
- 2023 Campus Forward Award
- Corporate Equality Index
- 2023 Best Places to Work for People with Disabilities
- Leading Disability Employer
- [Link to 2022-2023 DEI Report](#)

# PSEG has Demonstrated Success in Controlling O&M, Keeping CAGR ~(-1%)

PSEG O&M Expense <sup>(1)</sup>



(1) Excludes Nuclear ARO, early retirement of Hudson/Mercer coal plants, Bethlehem Energy Center goodwill write-off, write-offs related to Strategic Alternatives and certain regulatory balance account and pass-through items. Excludes PSEG Fossil and PSEG Power Ventures as of 2022.

# PSEG Power & Other

## Nuclear Generation Measures

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Capacity Factor	82.7%	91.6%	89.8%	96.0%
Fuel Cost (\$ millions)	\$42	\$46	\$93	\$94
Generation (GWh)	7,006	7,727	15,207	16,107
Fuel Cost (\$/MWh)	\$5.99	\$5.95	\$6.12	\$5.84
Refueling Outages:	2024:	Spring – HC	Fall – S2, PB2	
	2023:	Spring – S2	Fall – S1, PB3	

## PJM Capacity Auction Results

Delivery Period	PSEG's Average Prices	PSEG's Cleared Capacity
Jan 2024 – May 2024	\$50/MW-Day	3,700 MW*
Jun 2024 – May 2025	\$61/MW-Day	3,700 MW*
Jun 2025 – May 2026	\$270/MW-Day	3,500 MW**

Note: Generation indicates period net generation; \*Average Prices and Cleared Capacity reflect base and incremental auctions.

\*\*PJM's new conversion of ICAP (installed capacity) to UCAP (unforced capacity, which is what is bid), has resulted in less UCAP per MW of ICAP. PSEG Nuclear sold the full UCAP value of the units.

## Other Financial Considerations

- For 2024, total nuclear generation is forecasted to be 30-32 TWh
- Nuclear fuel commitments cover ~100% of estimated uranium, enrichment and fabrication requirements through 2026 and a significant portion through 2027
- PSEG Nuclear's realized energy price most historically aligned with the PECO hub
- Transitioning PSEG's 100%-owned HC unit from 18-month to 24-month fuel cycles starting in 2025
- In April, PSEG retired \$500 million of 364-day variable rate term loan at maturity
- In June, PSEG retired \$750 million of 2.88% Senior Notes at maturity



# PSEG Maintains a Solid Financial Position

## PSEG

### PSEG Senior Unsecured Credit Ratings

Moody's = Baa2 / Outlook = Stable    S&P = BBB / Outlook = Stable

PSEG Long-term Debt Outstanding	\$4.86B
---------------------------------	---------

PSEG Consolidated Debt to Capitalization	57%
--	-----

### PSEG Power Issuer Credit Ratings

Moody's = Baa2 / Outlook = Stable    S&P = BBB / Outlook = Stable

PSEG Power Long-term Debt Outstanding <sup>(1)</sup>	\$1.25B
--	---------

## PSEG Liquidity

- PSEG had approximately \$3.1B of total available liquidity, including \$113M of cash and cash equivalents, at June 30, 2024
- As of June 30, 2024, PSEG had minimal variable rate debt

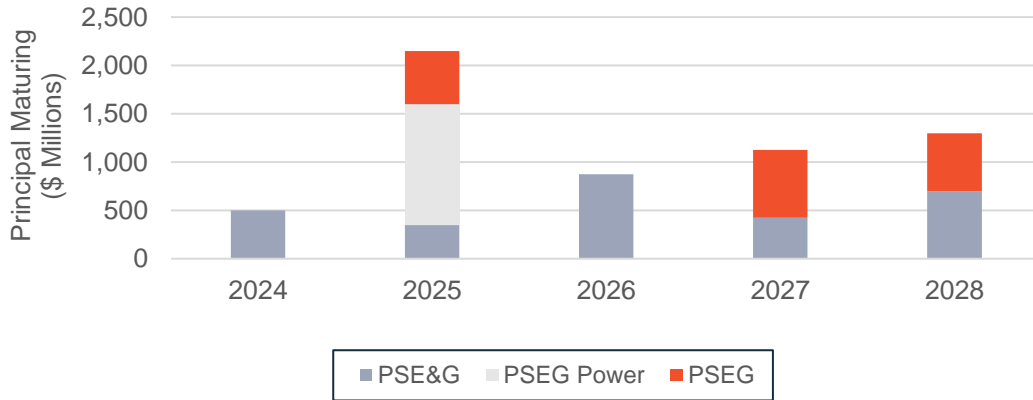
## Public Service Electric & Gas

### PSE&G Senior Secured Credit Ratings

Moody's = A1 / Outlook = Stable    S&P = A / Outlook = Stable

PSE&G Long-term Debt Outstanding	\$14.41B
----------------------------------	----------

## PSEG Maturity Profile 2024 - 2028

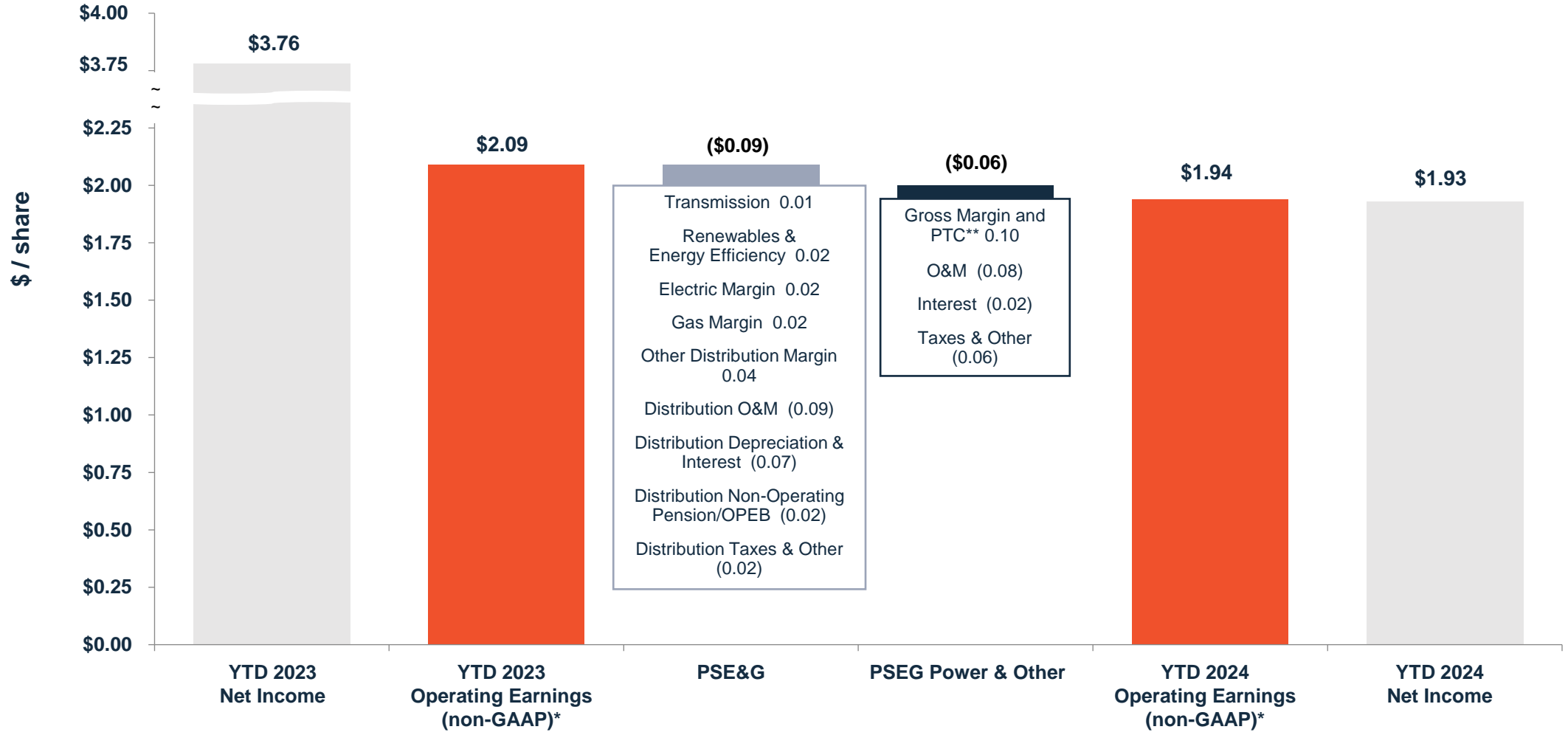


All data is as of 6/30/2024 unless otherwise noted.

(1) PSEG Power long-term debt is at a variable rate. As of 6/30/2024, PSEG had entered into floating-to-fixed interest rate swaps totaling \$1.25B to reduce the volatility in interest expense for our variable rate debt on our \$1.25B term loan due March 2025 at PSEG Power.

Note: Total long-term debt outstanding amounts may not add to PSEG Consolidated total long-term debt outstanding due to rounding. Amounts on slide are rounded up to two decimal places.

# PSEG EPS Reconciliation – First Half 2024 versus First Half 2023



\* See Slides A and B for Items excluded from Net Income to reconcile to Operating Earnings (non-GAAP) for PSEG, PSE&G and PSEG Power & Other.  
 \*\* In 2024, PSEG recorded the benefit of the estimated PTCs within Income Tax Expense in its Consolidated Statements of Operations in accordance with Accounting Standards Codification Topic 740, Income Taxes.  
 Note: Results may not add due to rounding.

# Glossary of Terms

A&G	Administrative & General
AFUDC	Allowance for Funds Used During Construction
AMI	Automated Metering Infrastructure
ARO	Asset Retirement Obligation
BGS	Basic Generation Service
BGSS	Basic Gas Supply Service
BPU	New Jersey Board of Public Utilities
BWR	Boiling Water Reactor
CAGR	Compound Annual Growth Rate
C&I	Commercial and Industrial
CEF	Clean Energy Future
CI/US	Cast Iron and Unprotected Steel Main
CWIP	Construction Work in Progress
DC	Direct Current
DEI	Diversity Equity & Inclusion
DER	Distributed Energy Resource
DOE	Department of Energy
E	Estimate
EC	Energy Cloud
EE	Energy Efficiency
EIA	Energy Information Administration
EMP	Energy Master Plan
EPA	Environmental Protection Agency

ESG	Environmental, Social and Governance
EV	Electric Vehicle
FCF	Free Cash Flow
FERC	Federal Energy Regulatory Commission
FFO	Funds From Operations
GAAP	Generally Accepted Accounting Principles
GC	General Counsel
GHG	Greenhouse Gas
GSMP	Gas System Modernization Program
GSOE	Garden State Offshore Energy
HC	Hope Creek
IAP	Infrastructure Advancement Program
IRA	Inflation Reduction Act
ITC	Investment Tax Credit
LDC	Local Distribution Company
LIHEAP	Low Income Home Energy Assistance Program
LT	Long-Term
MSCI	Morgan Stanley Capital International
NRC	Nuclear Regulatory Commission
O&M	Operations and Maintenance
OPEB	Other Post-Employment Benefits
OSHA	Occupational Safety and Health Administration
OSW	Offshore Wind
P/E	Price to Earnings Ratio

PB	Peach Bottom
PECO	PECO Energy Company
PHMSA	Pipeline and Hazardous Materials Safety Administration
PJM	Pennsylvania Jersey Maryland
PTC	Production Tax Credit
PWR	Pressurized Water Reactor
REC	Renewable Energy Credit
RNG	Renewable Natural Gas
ROE	Return on Equity
RTO	Regional Transmission Organization
S	Salem
SAIDI	System Average Interruption Duration Index
SF <sub>6</sub>	Sulfur Hexafluoride
T&D	Transmission and Distribution
USF	Universal Service Fund
YE	Year-End

## **PSEG Investor Relations**

80 Park Plaza  
Newark NJ 07102

[PSEG-IR-Generallnquiry@pseg.com](mailto:PSEG-IR-Generallnquiry@pseg.com)



[Link to PSEG Investor Relations Website](#)



[Link to PSEG ESG Webpages](#)

# Reconciliation of Non-GAAP Operating Earnings

## Public Service Enterprise Group Incorporated - Consolidated Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended June 30,		Six Months Ended June 30,		Year Ended December 31,
	2024	2023	2024	2023	2023
	(\$ millions, Unaudited)				
<b>Net Income</b>	<b>\$ 434</b>	<b>\$ 591</b>	<b>\$ 966</b>	<b>\$ 1,878</b>	<b>\$ 2,563</b>
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax	(13)	(58)	(108)	(100)	(184)
(Gain) Loss on Mark-to-Market (MTM), pre-tax <sup>(a)</sup>	(159)	(296)	99	(1,068)	(1,334)
Lease Related Activity, pre-tax	-	-	(4)	-	7
Exit Incentive Program (EIP), pre-tax	-	9	-	20	29
Pension Settlement Charges, pre-tax	-	-	-	-	338
Income Taxes related to Operating Earnings (non-GAAP) reconciling items <sup>(b)</sup>	51	105	17	316	323
<b>Operating Earnings (non-GAAP)</b>	<b>\$ 313</b>	<b>\$ 351</b>	<b>\$ 970</b>	<b>\$ 1,046</b>	<b>\$ 1,742</b>
<b>PSEG Fully Diluted Average Shares Outstanding (in millions)</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
	(\$ Per Share Impact - Diluted, Unaudited)				
<b>Net Income</b>	<b>\$ 0.87</b>	<b>\$ 1.18</b>	<b>\$ 1.93</b>	<b>\$ 3.76</b>	<b>\$ 5.13</b>
(Gain) Loss on NDT Fund Related Activity, pre-tax	(0.03)	(0.12)	(0.22)	(0.20)	(0.37)
(Gain) Loss on MTM, pre-tax <sup>(a)</sup>	(0.32)	(0.59)	0.20	(2.14)	(2.67)
Lease Related Activity, pre-tax	-	-	(0.01)	-	0.01
EIP, pre-tax	-	0.02	-	0.04	0.06
Pension Settlement Charges, pre-tax	-	-	-	-	0.68
Income Taxes related to Operating Earnings (non-GAAP) reconciling items <sup>(b)</sup>	0.11	0.21	0.04	0.63	0.64
<b>Operating Earnings (non-GAAP)</b>	<b>\$ 0.63</b>	<b>\$ 0.70</b>	<b>\$ 1.94</b>	<b>\$ 2.09</b>	<b>\$ 3.48</b>

(a) Includes the financial impact from positions with forward delivery months.

(b) Income tax effect calculated at the statutory rate except for qualified NDT related activity, which records an additional 20% trust tax on income (loss) from qualified NDT Funds, and lease related activity.

Please see Slide 3 for an explanation of PSEG's use of Operating Earnings as a non-GAAP financial measure and how it differs from Net Income.

# Reconciliation of Non-GAAP Operating Earnings

## Public Service Enterprise Group Incorporated - Consolidated Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Year Ended December 31,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
	(\$ millions, Unaudited)									
<b>Net Income (Loss)</b>	<b>\$2,563</b>	<b>\$1,031</b>	<b>(\$648)</b>	<b>\$1,905</b>	<b>\$1,693</b>	<b>\$1,438</b>	<b>\$1,574</b>	<b>\$887</b>	<b>\$1,679</b>	
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax <sup>(a)</sup>	(184)	270	(178)	(231)	(255)	144	(133)	(5)	(24)	
(Gain) Loss on Mark-to-Market (MTM), pre-tax <sup>(b)</sup>	(1,334)	635	620	81	(285)	117	167	168	(157)	
Storm O&M, net of insurance recoveries, pre-tax	-	-	-	-	-	-	-	-	(172)	
Pension Settlement Charges, pre-tax	338	-	-	-	-	-	-	-	-	
Plant Retirements, Dispositions and Impairments, pre-tax <sup>(c)</sup>	-	31	2,940	(122)	402	(51)	975	669	-	
Oil Lower of Cost or Market adjustment, pre-tax	-	-	-	2	-	-	-	-	-	
Goodwill Impairment, pre-tax	-	-	-	-	16	-	-	-	-	
Lease Related Activity, pre-tax	7	78	10	-	58	8	77	147	-	
Exit Incentive Program (EIP), pre-tax	29	-	-	-	-	-	-	-	-	
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform <sup>(d)</sup>	323	(306)	(891)	106	37	(74)	(427)	(391)	150	
Tax Reform	-	-	-	-	-	-	(745)	-	-	
<b>Operating Earnings (non-GAAP)</b>	<b>\$1,742</b>	<b>\$1,739</b>	<b>\$1,853</b>	<b>\$1,741</b>	<b>\$1,666</b>	<b>\$1,582</b>	<b>\$1,488</b>	<b>\$1,475</b>	<b>\$1,476</b>	
<b>PSEG Fully Diluted Average Shares Outstanding (in millions) <sup>(e)</sup></b>	<b>500</b>	<b>501</b>	<b>504</b>	<b>507</b>	<b>507</b>	<b>507</b>	<b>507</b>	<b>508</b>	<b>508</b>	
	(\$ Per Share Impact – Diluted, Unaudited)									
<b>Net Income (Loss)</b>	<b>\$5.13</b>	<b>\$2.06</b>	<b>(\$1.29)</b>	<b>\$3.76</b>	<b>\$3.33</b>	<b>\$2.83</b>	<b>\$3.10</b>	<b>\$1.75</b>	<b>\$3.30</b>	
(Gain) Loss on NDT Fund Related Activity, pre-tax <sup>(a)</sup>	(0.37)	0.54	(0.35)	(0.46)	(0.50)	0.28	(0.26)	(0.01)	(0.05)	
(Gain) Loss on MTM, pre-tax <sup>(b)</sup>	(2.67)	1.27	1.23	0.16	(0.56)	0.23	0.33	0.33	(0.31)	
Storm O&M, net of insurance recoveries, pre-tax	-	-	-	-	-	-	-	-	(0.34)	
Pension Settlement Charges, pre-tax	0.68	-	-	-	-	-	-	-	-	
Plant Retirements, Dispositions and Impairments, pre-tax <sup>(c)</sup>	-	0.06	5.83	(0.24)	0.79	(0.10)	1.92	1.32	-	
Goodwill Impairment, pre-tax	-	-	-	-	0.03	-	-	-	-	
Lease Related Activity, pre-tax	0.01	0.15	0.02	-	0.11	0.02	0.15	0.29	-	
EIP, pre-tax	0.06	-	-	-	-	-	-	-	-	
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform <sup>(d)</sup>	0.64	(0.61)	(1.77)	0.21	0.08	(0.14)	(0.84)	(0.78)	0.31	
Tax Reform	-	-	-	-	-	-	(1.47)	-	-	
Share Differential <sup>(e)</sup>	-	-	(0.02)	-	-	-	-	-	-	
<b>Operating Earnings (non-GAAP)</b>	<b>\$3.48</b>	<b>\$3.47</b>	<b>\$3.65</b>	<b>\$3.43</b>	<b>\$3.28</b>	<b>\$3.12</b>	<b>\$2.93</b>	<b>\$2.90</b>	<b>\$2.91</b>	

- (a) Effective January 1, 2018, unrealized gains (losses) on equity securities are recorded in Net Income (Loss) instead of Other Comprehensive Income (Loss).
- (b) Includes the financial impact from positions with forward delivery months.
- (c) 2022 includes the results for fossil generation sold in February 2022. 2021 amounts include a pre-tax loss of \$298 million for the make-whole premium paid upon the early redemption of PSEG Power's debt and other non-cash debt extinguishment costs.
- (d) Income tax effect calculated at 28.11% statutory rate for 2018 through 2023 and 40.85% statutory rate for prior years, except for qualified NDT related activity, which records an additional 20% trust tax on income (loss) from qualified NDT Funds, the additional investment tax credit recapture related to the sale of PSEG Solar Source in 2021 and lease related activity.
- (e) Approximately three million potentially dilutive shares were excluded from fully diluted average shares outstanding used to calculate the diluted GAAP loss per share for the year ended December 31, 2021 as their impact was antidilutive to GAAP results. For non-GAAP per share calculations, we used fully diluted average shares outstanding of 507 million, including the three million potentially dilutive shares as they were dilutive to non-GAAP results. As a result of the use of different denominators for non-GAAP Operating Earnings and GAAP Net Loss, a reconciling line item, "Share Differential," has been added to the 2021 results to reconcile the two Earnings/(Loss) per share calculations.

Please see Slide 3 for an explanation of PSEG's use of Operating Earnings as a non-GAAP financial measure and how it differs from Net Income/(Loss).