

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Consolidating Statements of Operations
(Unaudited, \$ millions, except per share data)

Three Months Ended September 30, 2018

	PSEG	PSEG Enterprise/ Other ^(a)	PSE&G	PSEG Power
OPERATING REVENUES	\$ 2,394	\$ (69)	\$ 1,595	\$ 868
OPERATING EXPENSES				
Energy Costs	804	(220)	593	431
Operation and Maintenance	742	122	389	231
Depreciation and Amortization	294	8	192	94
Total Operating Expenses	<u>1,840</u>	<u>(90)</u>	<u>1,174</u>	<u>756</u>
OPERATING INCOME	554	21	421	112
Income from Equity Method Investments	5	-	-	5
Net Gains (Losses) on Trust Investments	45	1	-	44
Other Income (Deductions)	33	(2)	21	14
Non-Operating Pension and OPEB Credits (Costs)	19	1	14	4
Interest Expense	(127)	(15)	(83)	(29)
INCOME BEFORE INCOME TAXES	529	6	373	150
Income Tax Benefit (Expense)	(117)	3	(95)	(25)
NET INCOME	\$ 412	\$ 9	\$ 278	\$ 125
Reconciling Items Excluded from Net Income ^(b)	69	-	-	69
OPERATING EARNINGS (non-GAAP)	\$ 481	\$ 9	\$ 278	\$ 194

Earnings Per Share

NET INCOME	\$ 0.81	\$ 0.02	\$ 0.54	\$ 0.25
Reconciling Items Excluded from Net Income ^(b)	0.14	-	-	0.14
OPERATING EARNINGS (non-GAAP)	\$ 0.95	\$ 0.02	\$ 0.54	\$ 0.39

Three Months Ended September 30, 2017

	PSEG	PSEG Enterprise/ Other ^(a)	PSE&G	PSEG Power
OPERATING REVENUES	\$ 2,254	\$ (122)	\$ 1,530	\$ 846
OPERATING EXPENSES				
Energy Costs	616	(257)	543	330
Operation and Maintenance	693	107	357	229
Depreciation and Amortization	252	7	169	76
Total Operating Expenses	<u>1,561</u>	<u>(143)</u>	<u>1,069</u>	<u>635</u>
OPERATING INCOME	693	21	461	211
Income from Equity Method Investments	3	-	-	3
Net Gains (Losses) on Trust Investments	18	(1)	-	19
Other Income (Deductions)	33	-	22	11
Non-Operating Pension and OPEB Credits (Costs)	-	-	(2)	2
Interest Expense	(100)	(9)	(79)	(12)
INCOME BEFORE INCOME TAXES	647	11	402	234
Income Tax Benefit (Expense)	(252)	2	(156)	(98)
NET INCOME	\$ 395	\$ 13	\$ 246	\$ 136
Reconciling Items Excluded from Net Income ^(b)	22	-	-	22
OPERATING EARNINGS (non-GAAP)	\$ 417	\$ 13	\$ 246	\$ 158

Earnings Per Share

NET INCOME	\$ 0.78	\$ 0.02	\$ 0.49	\$ 0.27
Reconciling Items Excluded from Net Income ^(b)	0.04	-	-	0.04
OPERATING EARNINGS (non-GAAP)	\$ 0.82	\$ 0.02	\$ 0.49	\$ 0.31

(a) Includes activities at Energy Holdings, PSEG Long Island and the Parent as well as intercompany eliminations.

(b) See Attachments 10 and 11 for details of items excluded from Net Income/(Loss) to compute Operating Earnings (non-GAAP).

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Consolidating Statements of Operations
(Unaudited, \$ millions, except per share data)

Nine Months Ended September 30, 2018

	PSEG	PSEG Enterprise/ Other ^(a)	PSE&G	PSEG Power
OPERATING REVENUES	\$ 7,228	\$ (636)	\$ 4,826	\$ 3,038
OPERATING EXPENSES				
Energy Costs	2,356	(1,057)	1,863	1,550
Operation and Maintenance	2,221	343	1,133	745
Depreciation and Amortization	854	25	569	260
Total Operating Expenses	<u>5,431</u>	<u>(689)</u>	<u>3,565</u>	<u>2,555</u>
OPERATING INCOME	1,797	53	1,261	483
Income from Equity Method Investments	12	-	-	12
Net Gains (Losses) on Trust Investments	31	1	-	30
Other Income and (Deductions)	99	-	61	38
Non-Operating Pension and OPEB Credits (Costs)	57	2	44	11
Interest Expense	(341)	(48)	(246)	(47)
INCOME BEFORE INCOME TAXES	1,655	8	1,120	527
Income Tax Benefit (Expense)	(416)	3	(292)	(127)
NET INCOME	\$ 1,239	\$ 11	\$ 828	\$ 400
Reconciling Items Excluded from Net Income ^(b)	59	14	-	45
OPERATING EARNINGS (non-GAAP)	\$ 1,298	\$ 25	\$ 828	\$ 445

Earnings Per Share

NET INCOME	\$ 2.44	\$ 0.02	\$ 1.63	\$ 0.79
Reconciling Items Excluded from Net Income ^(b)	0.12	0.03	-	0.09
OPERATING EARNINGS (non-GAAP)	\$ 2.56	\$ 0.05	\$ 1.63	\$ 0.88

Nine Months Ended September 30, 2017

	PSEG	PSEG Enterprise/ Other ^(a)	PSE&G	PSEG Power
OPERATING REVENUES	\$ 6,987	\$ (795)	\$ 4,749	\$ 3,033
OPERATING EXPENSES				
Energy Costs	2,072	(1,129)	1,793	1,408
Operation and Maintenance	2,128	325	1,086	717
Depreciation and Amortization	1,721	24	506	1,191
Total Operating Expenses	<u>5,921</u>	<u>(780)</u>	<u>3,385</u>	<u>3,316</u>
OPERATING INCOME (LOSS)	1,066	(15)	1,364	(283)
Income from Equity Method Investments	11	-	-	11
Net Gains (Losses) on Trust Investments	71	7	2	62
Other Income (Deductions)	98	(1)	65	34
Non-Operating Pension and OPEB Credits (Costs)	1	-	(5)	6
Interest Expense	(289)	(25)	(223)	(41)
INCOME (LOSS) BEFORE INCOME TAXES	958	(34)	1,203	(211)
Income Tax Benefit (Expense)	(340)	30	(450)	80
NET INCOME (LOSS)	\$ 618	\$ (4)	\$ 753	\$ (131)
Reconciling Items Excluded from Net Income (Loss) ^(b)	581	45	-	536
OPERATING EARNINGS (non-GAAP)	\$ 1,199	\$ 41	\$ 753	\$ 405

Earnings Per Share

NET INCOME (LOSS)	\$ 1.22	\$ (0.01)	\$ 1.49	\$ (0.26)
Reconciling Items Excluded from Net Income (Loss) ^(b)	1.14	0.08	-	1.06
OPERATING EARNINGS (non-GAAP)	\$ 2.36	\$ 0.07	\$ 1.49	\$ 0.80

(a) Includes activities at Energy Holdings, PSEG Long Island and the Parent as well as intercompany eliminations.

(b) See Attachments 10 and 11 for details of items excluded from Net Income/(Loss) to compute Operating Earnings (non-GAAP).

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Capitalization Schedule
(Unaudited, \$ millions)

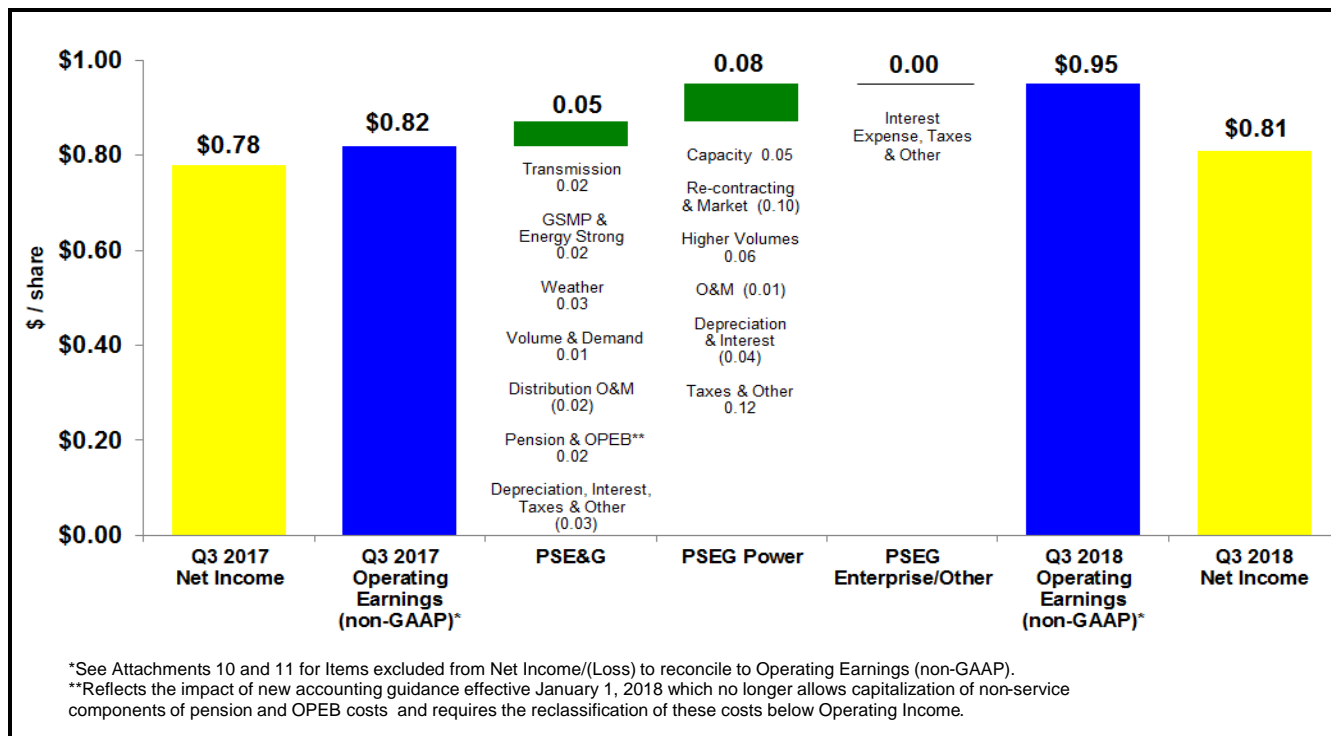
	<u>September 30, 2018</u>	<u>December 31, 2017</u>
DEBT		
Commercial Paper and Loans	\$ 419	\$ 542
Long-Term Debt*	14,359	13,068
Total Debt	<u>14,778</u>	<u>13,610</u>
STOCKHOLDERS' EQUITY		
Common Stock	4,966	4,961
Treasury Stock	(811)	(763)
Retained Earnings	10,611	9,878
Accumulated Other Comprehensive Loss	(407)	(229)
Total Stockholders' Equity	<u>14,359</u>	<u>13,847</u>
Total Capitalization	<u>\$ 29,137</u>	<u>\$ 27,457</u>

*Includes current portion of Long-Term Debt

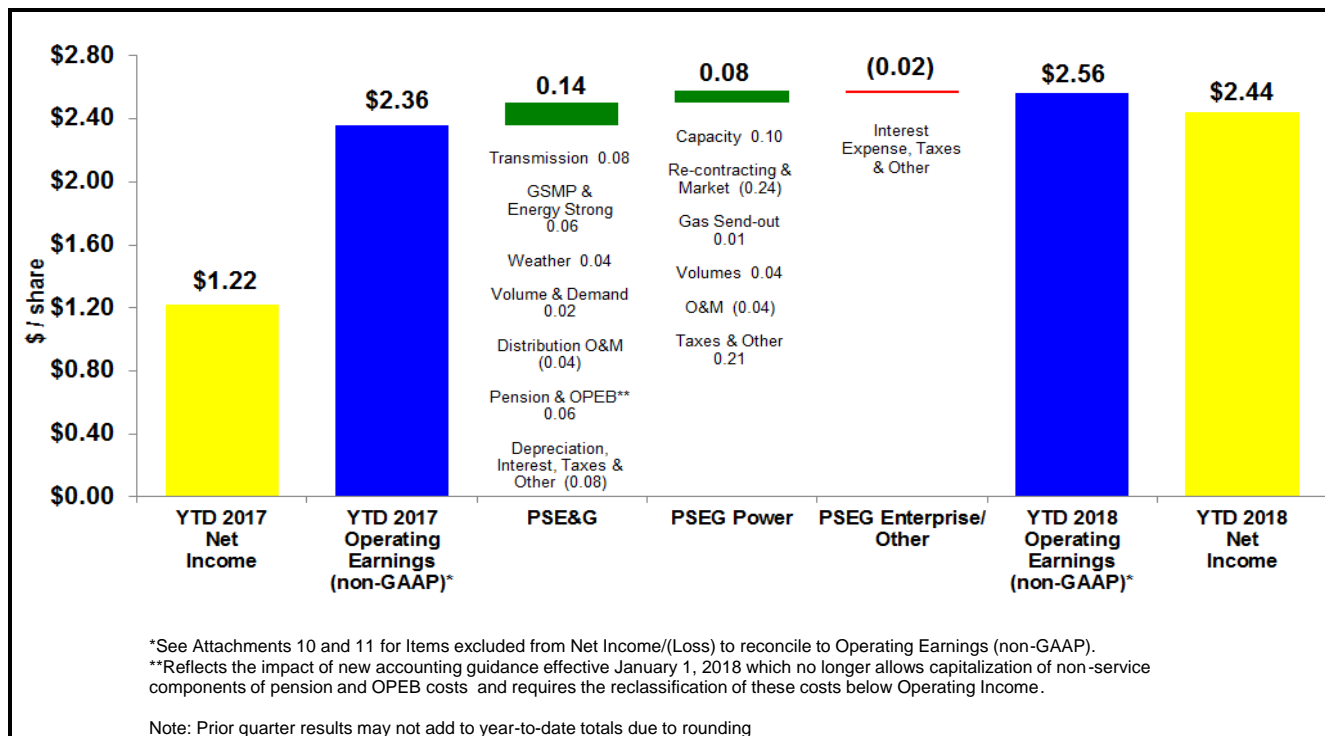
PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, \$ millions)

	Nine Months ended September 30,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 1,239	\$ 618
Adjustments to Reconcile Net Income to Net Cash Flows		
From Operating Activities	1,253	2,115
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>2,492</u>	<u>2,733</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(3,113)</u>	<u>(3,104)</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>412</u>	<u>225</u>
Net Change in Cash, Cash Equivalents and Restricted Cash	(209)	(146)
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	315	426
Cash, Cash Equivalents and Restricted Cash at End of Period	<u>\$ 106</u>	<u>\$ 280</u>

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Quarter-over-Quarter EPS Reconciliation
September 30, 2018 vs. September 30, 2017
(Unaudited)



PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Year-over-Year EPS Reconciliation
September 30, 2018 vs. September 30, 2017
(Unaudited)



PUBLIC SERVICE ELECTRIC & GAS COMPANY

Retail Sales

(Unaudited)

September 30, 2018

Electric Sales

<u>Sales (millions kWh)</u>	<u>Three Months Ended</u>	<u>Change vs. 2017</u>	<u>Nine Months Ended</u>	<u>Change vs. 2017</u>
Residential	4,772	12.6%	10,907	6.8%
Commercial & Industrial	7,645	2.9%	21,023	1.3%
Street Lighting	72	8.9%	241	4.7%
Interdepartmental	2	-1.1%	7	0.7%
Total	12,491	6.4%	32,178	3.1%
Weather Data				
THI Hours - Actual	14,959	34.8%	19,171	23.8%
THI Hours - Normal	12,003		16,086	

Gas Sold and Transported

<u>Sales (millions therms)*</u>	<u>Three Months Ended</u>	<u>Change vs. 2017</u>	<u>Nine Months Ended</u>	<u>Change vs. 2017</u>
Firm Sales				
Residential Sales	85	-5.5%	1,046	10.8%
Commercial & Industrial	101	2.3%	774	11.4%
Total Firm Sales	186	-1.5%	1,820	11.1%
Non-Firm Sales				
Commercial & Industrial	458	57.2%	945	-3.4%
Total Non-Firm Sales	458		945	
Total Sales	644	34.1%	2,765	5.7%
Weather Data				
Degree Days - Actual	25	46.4%	3,068	10.1%
Degree Days - Normal	26		3,046	

*CSG rate included in non-firm sales

PSEG POWER LLC
Generation Measures⁽¹⁾
(Unaudited)

	GWhr Breakdown		GWhr Breakdown	
	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
Nuclear - NJ	5,315	5,500	15,365	15,814
Nuclear - PA	2,676	2,709	8,379	8,316
Total Nuclear	7,991	8,209	23,744	24,130
Fossil - Coal ⁽²⁾	1,342	1,242	4,249	4,036
Fossil - Natural Gas & Oil - NJ	4,456	2,262	8,330	6,889
Fossil - Natural Gas & Oil - NY	1,516	1,582	4,007	4,027
Fossil - Natural Gas & Oil - MD	1,216	-	1,216	-
Fossil - Natural Gas & Oil - CT	20	9	36	8
Total Natural Gas & Oil ⁽³⁾	7,208	3,853	13,589	10,924
	16,541	13,304	41,582	39,090

	% Generation by Fuel Type		% Generation by Fuel Type	
	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
Nuclear - NJ	32%	41%	37%	41%
Nuclear - PA	16%	21%	20%	21%
Total Nuclear	48%	62%	57%	62%
Fossil - Coal ⁽²⁾	8%	9%	10%	10%
Fossil - Natural Gas & Oil - NJ	27%	17%	20%	18%
Fossil - Natural Gas & Oil - NY	9%	12%	10%	10%
Fossil - Natural Gas & Oil - MD	8%	0%	3%	0%
Fossil - Natural Gas & Oil - CT	0%	0%	0%	0%
Total Natural Gas & Oil ⁽³⁾	44%	29%	33%	28%
	100%	100%	100%	100%

⁽¹⁾Excludes Solar and Kalaeloa

⁽²⁾Includes Pumped Storage which accounted for <1% of total generation.

⁽³⁾Include several units that are dual fuel for oil.

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Statistical Measures
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Weighted Average Common Shares Outstanding (millions)				
Basic	504	505	504	505
Diluted	507	507	507	507
Stock Price at End of Period			\$ 52.79	\$ 46.25
Dividends Paid per Share of Common Stock	\$ 0.45	\$ 0.43	\$ 1.35	\$ 1.29
Dividend Yield			3.4%	3.7%
Book Value per Common Share			\$ 28.50	\$ 26.01
Market Price as a Percent of Book Value			185%	178%

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Consolidated Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
	(\$ millions, Unaudited)			
Net Income	\$ 412	\$ 395	\$ 1,239	\$ 618
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax (PSEG Power) ^(a)	(43)	(22)	(28)	(69)
(Gain) Loss on Mark-to-Market (MTM), pre-tax ^(b) (PSEG Power)	133	46	82	-
Hudson/Mercer Early Retirement, pre-tax (PSEG Power)	-	9	3	960
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	-	-	20	77
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(c)	(21)	(11)	(18)	(387)
Operating Earnings (non-GAAP)	\$ 481	\$ 417	\$ 1,298	\$ 1,199
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	507	507
	(\$ Per Share Impact - Diluted, Unaudited)			
Net Income	\$ 0.81	\$ 0.78	\$ 2.44	\$ 1.22
(Gain) Loss on NDT Fund Related Activity, pre-tax ^(a) (PSEG Power)	(0.08)	(0.05)	(0.05)	(0.14)
(Gain) Loss on MTM, pre-tax ^(b) (PSEG Power)	0.26	0.09	0.16	-
Hudson/Mercer Early Retirement, pre-tax (PSEG Power)	-	0.02	0.01	1.89
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	-	-	0.03	0.15
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(c)	(0.04)	(0.02)	(0.03)	(0.76)
Operating Earnings (non-GAAP)	\$ 0.95	\$ 0.82	\$ 2.56	\$ 2.36

(a) Effective January 1, 2018, unrealized gains (losses) on equity securities are recorded in Net Income instead of Other Comprehensive Income (Loss).

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

(c) Income tax effect calculated at 28.11% and 40.85% statutory rate for 2018 and 2017, respectively, except for lease related activity which is calculated at a combined leveraged lease effective tax rate, and NDT related activity which is calculated at the statutory rate plus a 20% tax on income (losses) from qualified NDT funds.

PSEG Power Operating Earnings (non-GAAP) and Adjusted EBITDA (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
	(\$ millions, Unaudited)			
Net Income (Loss)	\$ 125	\$ 136	\$ 400	\$ (131)
(Gain) Loss on NDT Fund Related Activity, pre-tax ^(a)	(43)	(22)	(28)	(69)
(Gain) Loss on MTM, pre-tax ^(b)	133	46	82	-
Hudson/Mercer Early Retirement, pre-tax	-	9	3	960
Income Taxes related to Operating Earnings (non-GAAP) reconciling items ^(c)	(21)	(11)	(12)	(355)
Operating Earnings (non-GAAP)	\$ 194	\$ 158	\$ 445	\$ 405
Depreciation and Amortization, pre-tax ^(d)	91	77	253	256
Interest Expense, pre-tax ^{(d)(e)}	29	12	46	40
Income Taxes ^(d)	46	109	139	275
Adjusted EBITDA (non-GAAP)	\$ 360	\$ 356	\$ 883	\$ 976
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	507	507

(a) Effective January 1, 2018, unrealized gains (losses) on equity securities are recorded in Net Income instead of Other Comprehensive Income (Loss).

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

(c) Income tax effect calculated at 28.11% and 40.85% statutory rate for 2018 and 2017, respectively, except for NDT related activity which is calculated at the statutory rate plus a 20% tax on income (losses) from qualified NDT funds.

(d) Excludes amounts related to Operating Earnings (non-GAAP) reconciling items.

(e) Net of capitalized interest.

**PSEG Enterprise/Other
Operating Earnings (non-GAAP) Reconciliation**

Reconciling Items	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
	(\$ millions, Unaudited)			
Net Income (Loss)	\$ 9	\$ 13	\$ 11	\$ (4)
Lease Related Activity, pre-tax	-	-	20	77
Income Taxes related to Lease related activity ^(a)	-	-	(6)	(32)
Operating Earnings (non-GAAP)	\$ 9	\$ 13	\$ 25	\$ 41
PSEG Fully Diluted Average Shares Outstanding (in millions)	507	507	507	507

(a) Income tax effect calculated at a combined leveraged lease effective tax rate.