

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

Three Months Ended December 31, 2018

	PSEG	PSEG Enterprise/ Other ^(a)	PSE&G	PSEG Power
OPERATING REVENUES	\$ 2,468	\$ (285)	\$ 1,645	\$ 1,108
OPERATING EXPENSES				
Energy Costs	869	(435)	657	647
Operation and Maintenance	794	98	442	254
Depreciation and Amortization	304	9	201	94
Total Operating Expenses	<u>1,967</u>	<u>(328)</u>	<u>1,300</u>	<u>995</u>
OPERATING INCOME	501	43	345	113
Income from Equity Method Investments	3	-	-	3
Net Gains (Losses) on Trust Investments	(174)	(3)	(1)	(170)
Other Income (Deductions)	(14)	(16)	19	(17)
Non-Operating Pension and OPEB Credits (Costs)	19	-	15	4
Interest Expense	(135)	(19)	(87)	(29)
INCOME BEFORE INCOME TAXES	200	5	291	(96)
Income Tax Benefit (Expense)	(1)	(10)	(52)	61
NET INCOME (LOSS)	\$ 199	\$ (5)	\$ 239	\$ (35)
Reconciling Items Excluded from Net Income (Loss) ^(b)	85	(7)	-	92
OPERATING EARNINGS (non-GAAP)	\$ 284	\$ (12)	\$ 239	\$ 57

Earnings Per Share

NET INCOME (LOSS)	\$ 0.39	\$ (0.01)	\$ 0.47	\$ (0.07)
Reconciling Items Excluded from Net Income (Loss) ^(b)	0.17	(0.01)	-	0.18
OPERATING EARNINGS (non-GAAP)	\$ 0.56	\$ (0.02)	\$ 0.47	\$ 0.11

Three Months Ended December 31, 2017

	PSEG	PSEG Enterprise/ Other ^(a)	PSE&G	PSEG Power
OPERATING REVENUES	\$ 2,107	\$ (295)	\$ 1,575	\$ 827
OPERATING EXPENSES				
Energy Costs	706	(427)	628	505
Operation and Maintenance	773	72	372	329
Depreciation and Amortization	265	9	179	77
Total Operating Expenses	<u>1,744</u>	<u>(346)</u>	<u>1,179</u>	<u>911</u>
OPERATING INCOME (LOSS)	363	51	396	(84)
Income from Equity Method Investments	3	-	-	3
Net Gains (Losses) on Trust Investments	63	-	-	63
Other Income (Deductions)	(16)	(22)	20	(14)
Non-Operating Pension and OPEB Credits (Costs)	(1)	-	(3)	2
Interest Expense	(102)	(13)	(80)	(9)
INCOME BEFORE INCOME TAXES	310	16	333	(39)
Income Tax Benefit (Expense)	646	110	(113)	649
NET INCOME	\$ 956	\$ 126	\$ 220	\$ 610
Reconciling Items Excluded from Net Income ^(b)	(667)	(147)	(10)	(510)
OPERATING EARNINGS (non-GAAP)	\$ 289	\$ (21)	\$ 210	\$ 100

Earnings Per Share

NET INCOME	\$ 1.88	\$ 0.25	\$ 0.43	\$ 1.20
Reconciling Items Excluded from Net Income ^(b)	(1.31)	(0.29)	(0.02)	(1.00)
OPERATING EARNINGS (non-GAAP)	\$ 0.57	\$ (0.04)	\$ 0.41	\$ 0.20

(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)

Year Ended December 31, 2018

	PSEG	PSEG Enterprise/ Other ^(a)	PSE&G	PSEG Power
OPERATING REVENUES	\$ 9,696	\$ (921)	\$ 6,471	\$ 4,146
OPERATING EXPENSES				
Energy Costs	3,225	(1,492)	2,520	2,197
Operation and Maintenance	3,015	441	1,575	999
Depreciation and Amortization	1,158	34	770	354
Total Operating Expenses	<u>7,398</u>	<u>(1,017)</u>	<u>4,865</u>	<u>3,550</u>
OPERATING INCOME	2,298	96	1,606	596
Income from Equity Method Investments	15	-	-	15
Net Gains (Losses) on Trust Investments	(143)	(2)	(1)	(140)
Other Income and (Deductions)	85	(16)	80	21
Non-Operating Pension and OPEB Credits (Costs)	76	2	59	15
Interest Expense	(476)	(67)	(333)	(76)
INCOME BEFORE INCOME TAXES	1,855	13	1,411	431
Income Tax Benefit (Expense)	(417)	(7)	(344)	(66)
NET INCOME	\$ 1,438	\$ 6	\$ 1,067	\$ 365
Reconciling Items Excluded from Net Income ^(b)	144	7	-	137
OPERATING EARNINGS (non-GAAP)	\$ 1,582	\$ 13	\$ 1,067	\$ 502

Earnings Per Share

NET INCOME	\$ 2.83	\$ 0.01	\$ 2.10	\$ 0.72
Reconciling Items Excluded from Net Income ^(b)	0.29	0.02	-	0.27
OPERATING EARNINGS (non-GAAP)	\$ 3.12	\$ 0.03	\$ 2.10	\$ 0.99

Year Ended December 31, 2017

	PSEG	PSEG Enterprise/ Other ^(a)	PSE&G	PSEG Power
OPERATING REVENUES	\$ 9,094	\$ (1,090)	\$ 6,324	\$ 3,860
OPERATING EXPENSES				
Energy Costs	2,778	(1,556)	2,421	1,913
Operation and Maintenance	2,901	397	1,458	1,046
Depreciation and Amortization	1,986	33	685	1,268
Total Operating Expenses	<u>7,665</u>	<u>(1,126)</u>	<u>4,564</u>	<u>4,227</u>
OPERATING INCOME (LOSS)	1,429	36	1,760	(367)
Income from Equity Method Investments	14	-	-	14
Net Gains (Losses) on Trust Investments	134	7	2	125
Other Income (Deductions)	82	(23)	85	20
Non-Operating Pension and OPEB Credits (Costs)	-	-	(8)	8
Interest Expense	(391)	(38)	(303)	(50)
INCOME (LOSS) BEFORE INCOME TAXES	1,268	(18)	1,536	(250)
Income Tax Benefit (Expense)	306	140	(563)	729
NET INCOME	\$ 1,574	\$ 122	\$ 973	\$ 479
Reconciling Items Excluded from Net Income ^(b)	(86)	(102)	(10)	26
OPERATING EARNINGS (non-GAAP)	\$ 1,488	\$ 20	\$ 963	\$ 505

Earnings Per Share

NET INCOME	\$ 3.10	\$ 0.24	\$ 1.92	\$ 0.94
Reconciling Items Excluded from Net Income ^(b)	(0.17)	(0.21)	(0.02)	0.06
OPERATING EARNINGS (non-GAAP)	\$ 2.93	\$ 0.03	\$ 1.90	\$ 1.00

(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)

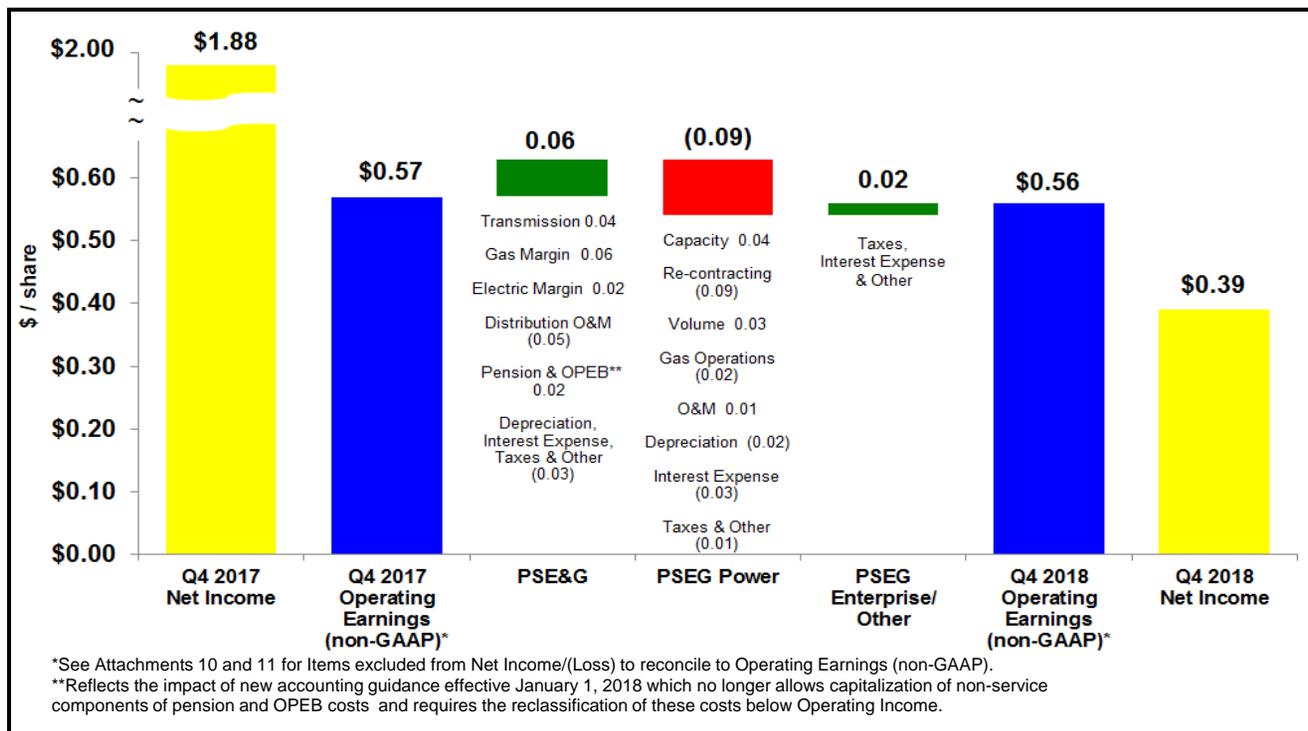
	<u>December 31, 2018</u>	<u>December 31, 2017</u>
DEBT		
Commercial Paper and Loans	\$ 1,016	\$ 542
Long-Term Debt*	<u>14,462</u>	<u>13,068</u>
Total Debt	15,478	13,610
STOCKHOLDERS' EQUITY		
Common Stock	4,980	4,961
Treasury Stock	(808)	(763)
Retained Earnings	10,582	9,878
Accumulated Other Comprehensive Loss	<u>(377)</u>	<u>(229)</u>
Total Stockholders' Equity	14,377	13,847
Total Capitalization	<u>\$ 29,855</u>	<u>\$ 27,457</u>

*Includes current portion of Long-Term Debt

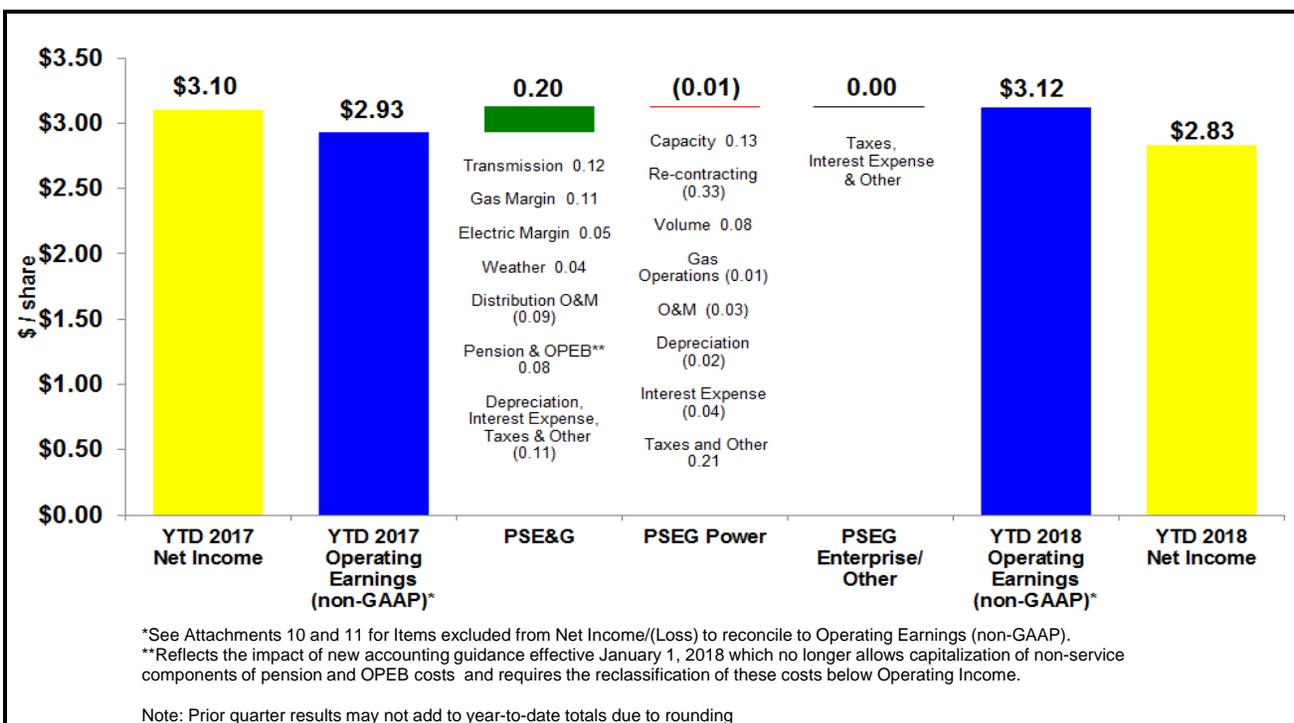
PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, \$ millions)

	Year Ended December 31,	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 1,438	\$ 1,574
Adjustments to Reconcile Net Income to Net Cash Flows		
From Operating Activities	1,475	1,686
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>2,913</u>	<u>3,260</u>
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	<u>(3,916)</u>	<u>(4,256)</u>
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>887</u>	<u>885</u>
Net Change in Cash, Cash Equivalents and Restricted Cash	(116)	(111)
Cash, Cash Equivalents and Restricted Cash at Beginning of Period	315	426
Cash, Cash Equivalents and Restricted Cash at End of Period	<u>\$ 199</u>	<u>\$ 315</u>

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Quarter-over-Quarter EPS Reconciliation
December 31, 2018 vs. December 31, 2017
(Unaudited)



PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Year-over-Year EPS Reconciliation
December 31, 2018 vs. December 31, 2017
(Unaudited)



PUBLIC SERVICE ELECTRIC & GAS COMPANY

Retail Sales

(Unaudited)

December 31, 2018

Electric Sales

<u>Sales (millions kWh)</u>	<u>Three Months Ended</u>	<u>Change vs. 2017</u>	<u>Year Ended</u>	<u>Change vs. 2017</u>
Residential	2,903	1.7%	13,810	5.7%
Commercial & Industrial	6,711	1.9%	27,734	1.4%
Other	107	9.2%	355	5.7%
Total	9,721	1.9%	41,899	2.8%
Weather Data				
THI Hours - Actual	902	-22.2%	20,073	20.6%
THI Hours - Normal	333		16,419	

Gas Sold and Transported

<u>Sales (millions therms)*</u>	<u>Three Months Ended</u>	<u>Change vs. 2017</u>	<u>Year Ended</u>	<u>Change vs. 2017</u>
Firm Sales				
Residential Sales	486	5.3%	1,532	8.9%
Commercial & Industrial	323	9.2%	1,097	10.8%
Total Firm Sales	809	6.8%	2,629	9.7%
Non-Firm Sales				
Commercial & Industrial	307	60.8%	1,252	7.0%
Total Non-Firm Sales	307		1,252	
Total Sales	1,116	17.7%	3,881	8.8%
Weather Data				
Degree Days - Actual	1,702	6.6%	4,770	8.8%
Degree Days - Normal	1,583		4,629	

*CSG rate included in non-firm sales

PSEG POWER LLC
Generation Measures⁽¹⁾
(Unaudited)

	GWhr Breakdown		GWhr Breakdown	
	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Nuclear - NJ	5,029	5,130	20,394	20,944
Nuclear - PA	2,458	2,545	10,837	10,861
Total Nuclear	7,487	7,675	31,231	31,805
Fossil - Coal ⁽²⁾	1,436	1,301	5,685	5,337
Fossil - Natural Gas & Oil - NJ	3,195	1,736	11,525	8,625
Fossil - Natural Gas & Oil - NY	1,135	1,277	5,142	5,304
Fossil - Natural Gas & Oil - MD	974	-	2,190	-
Fossil - Natural Gas & Oil - CT	(4)	10	32	18
Total Natural Gas & Oil ⁽³⁾	5,300	3,023	18,889	13,947
	14,223	11,999	55,805	51,089

	% Generation by Fuel Type		% Generation by Fuel Type	
	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Nuclear - NJ	35%	43%	37%	41%
Nuclear - PA	17%	21%	19%	21%
Total Nuclear	52%	64%	56%	62%
Fossil - Coal ⁽²⁾	11%	11%	10%	11%
Fossil - Natural Gas & Oil - NJ	22%	14%	21%	17%
Fossil - Natural Gas & Oil - NY	8%	11%	9%	10%
Fossil - Natural Gas & Oil - MD	7%	0%	4%	0%
Fossil - Natural Gas & Oil - CT	0%	0%	0%	0%
Total Natural Gas & Oil ⁽³⁾	37%	25%	34%	27%
	100%	100%	100%	100%

⁽¹⁾Excludes Solar and Kalaeloa

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

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

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Statistical Measures
(Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
Weighted Average Common Shares Outstanding (millions)				
Basic	504	505	504	505
Diluted	508	508	507	507
Stock Price at End of Period			\$ 52.05	\$ 51.50
Dividends Paid per Share of Common Stock	\$ 0.45	\$ 0.43	\$ 1.80	\$ 1.72
Dividend Yield			3.5%	3.3%
Book Value per Common Share			\$ 28.53	\$ 27.45
Market Price as a Percent of Book Value			182%	188%

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

Reconciling Items	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
	(\$ millions, Unaudited)			
Net Income	\$ 199	\$ 956	\$ 1,438	\$ 1,574
(Gain) Loss on Nuclear Decommissioning Trust (NDT) Fund Related Activity, pre-tax ^(a) (PSEG Power)	172	(64)	144	(133)
(Gain) Loss on Mark-to-Market (MTM), pre-tax ^(b) (PSEG Power)	35	167	117	167
Hudson/Mercer (Gain on Sale) / Early Retirement, pre-tax (PSEG Power)	(54)	15	(51)	975
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	(12)	-	8	77
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform ^(c)	(56)	(40)	(74)	(427)
Tax Reform	-	(745)	-	(745)
Operating Earnings (non-GAAP)	<u>\$ 284</u>	<u>\$ 289</u>	<u>\$ 1,582</u>	<u>\$ 1,488</u>
PSEG Fully Diluted Average Shares Outstanding (in millions)	508	508	507	507
	(\$ Per Share Impact - Diluted, Unaudited)			
Net Income	\$ 0.39	\$ 1.88	\$ 2.83	\$ 3.10
(Gain) Loss on NDT Fund Related Activity, pre-tax ^(a) (PSEG Power)	0.33	(0.12)	0.28	(0.26)
(Gain) Loss on MTM, pre-tax ^(b) (PSEG Power)	0.07	0.33	0.23	0.33
Hudson/Mercer (Gain on Sale) / Early Retirement, pre-tax (PSEG Power)	(0.11)	0.03	(0.10)	1.92
Lease Related Activity, pre-tax (PSEG Enterprise/Other)	(0.01)	-	0.02	0.15
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform ^(c)	(0.11)	(0.08)	(0.14)	(0.84)
Tax Reform	-	(1.47)	-	(1.47)
Operating Earnings (non-GAAP)	<u>\$ 0.56</u>	<u>\$ 0.57</u>	<u>\$ 3.12</u>	<u>\$ 2.93</u>

(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.

PSE&G Operating Earnings (non-GAAP) Reconciliation

Reconciling Items	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
	(\$ millions, Unaudited)			
Net Income	\$ 239	\$ 220	\$ 1,067	\$ 973
Tax Reform	-	(10)	-	(10)
Operating Earnings (non-GAAP)	<u>\$ 239</u>	<u>\$ 210</u>	<u>\$ 1,067</u>	<u>\$ 963</u>
PSEG Fully Diluted Average Shares Outstanding (in millions)	508	508	507	507

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

Reconciling Items	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
	(\$ millions, Unaudited)			
Net Income (Loss)	\$ (35)	\$ 610	\$ 365	\$ 479
(Gain) Loss on NDT Fund Related Activity, pre-tax ^(a)	172	(64)	144	(133)
(Gain) Loss on MTM, pre-tax ^(b)	35	167	117	167
Hudson/Mercer (Gain on Sale) / Early Retirement, pre-tax	(54)	15	(51)	975
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform ^(c)	(61)	(40)	(73)	(395)
Tax Reform	-	(588)	-	(588)
Operating Earnings (non-GAAP)	<u>\$ 57</u>	<u>\$ 100</u>	<u>\$ 502</u>	<u>\$ 505</u>
Depreciation and Amortization, pre-tax ^(d)	93	77	346	333
Interest Expense, pre-tax ^{(d) (e)}	26	8	72	48
Income Taxes ^(d)	-	11	139	286
Adjusted EBITDA (non-GAAP)	<u>\$ 176</u>	<u>\$ 196</u>	<u>\$ 1,059</u>	<u>\$ 1,172</u>
PSEG Fully Diluted Average Shares Outstanding (in millions)	508	508	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 December 31,		Year Ended December 31,	
	2018	2017	2018	2017
	(\$ millions, Unaudited)			
Net Income (Loss)	\$ (5)	\$ 126	\$ 6	\$ 122
Lease Related Activity, pre-tax	(12)	-	8	77
Income Taxes related to Operating Earnings (non-GAAP) reconciling items, excluding Tax Reform ^(a)	5	-	(1)	(32)
Tax Reform	-	(147)	-	(147)
Operating Earnings (non-GAAP)	<u>\$ (12)</u>	<u>\$ (21)</u>	<u>\$ 13</u>	<u>\$ 20</u>
PSEG Fully Diluted Average Shares Outstanding (in millions)	508	508	507	507

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