

PSEG
FINANCE COMMITTEE CHARTER
AMENDED AND RESTATED DECEMBER 15, 2009

Committee Role and Organization

The Finance Committee (the “Finance Committee”) of the Board of Directors of Public Service Enterprise Group Incorporated (the “Corporation”) reviews and makes recommendations to the Board of Directors regarding corporate financial policies and processes and significant financial decisions. These include:

- the Corporation’s overall financial policies and planning process;
- dividend policy and capital structure;
- securities issuances and redemptions;
- the financial attributes of the Corporation’s risk management activities; and
- the Corporation’s cash management and investment practices.

The Finance Committee shall have open and free access to all information, may require any officer or employee of the Corporation or its subsidiaries to furnish it with information, documents or reports that it deems necessary or desirable to carrying out its business, and is empowered to investigate any matter involving the Corporation or its subsidiaries. The Finance Committee may retain appropriate resources to assist it in discharging its responsibilities.

The Finance Committee shall consist of three or more members, the majority of whom shall be independent directors. The Board will appoint and may remove members of the Finance Committee and will determine the Chair of the Finance Committee, upon recommendation of the Corporate Governance Committee.

The Finance Committee will meet at least three times per year in discharge of its duties. The Finance Committee shall meet in executive session at each meeting, unless waived by the Committee.

Committee Duties and Responsibilities

In carrying out its responsibilities, the Finance Committee will:

- Review and recommend to the Board annually the financial plan of the Corporation and its subsidiaries.
- Discuss with management the application and effects of the Corporation’s policies with respect to risk assessment and risk management, including the limits and authorities contained in the risk management practice.
- Review and recommend to the Board authorizations with respect to the issuance, sale and redemption of securities by the Corporation and its subsidiaries.
- Review with the Thrift and Pension Investment Committee and management the investment guidelines for and investment performance of the trust funds of

the Corporation's several pension plans and nuclear decommissioning trust fund.

- Review with management the Corporation's cash management policies and practices.
- Review with management credit agency ratings and analyses.
- Conduct an annual performance evaluation of the Finance Committee's activities.
- Review the adequacy of the Finance Committee Charter annually and submit Charter revisions to the Corporate Governance Committee and the Board for approval and adoption, respectively.
- Review the Committee calendar annually and determine the meeting schedule for the succeeding year.
- Perform such other duties as may be assigned by the Board.
- Report Finance Committee activities to the Board.