

PSEG Regulation FD Disclosure Policy

The SEC's Regulation FD (Fair Disclosure) prohibits selective disclosure of material, non-public information by public companies to investors and market professionals such as analysts and investment advisors, under circumstances where it is reasonably foreseeable that such persons would trade on the basis of that information. The objective of Regulation FD is to foster a level information playing field for all investors by requiring the simultaneous disclosure to the public of all material non-public information which the company makes available to market professionals and investors.

PSEG's Disclosure Policy: PSEG is committed to a fair and open dialogue with investors and market professionals that complies with all applicable laws and regulations. Employees of PSEG will not disclose material non-public information about the Company except as provided by SEC rules and regulations, including Regulation FD and this Policy.

All inquiries received by PSEG employees from investors or market professionals will in the first instance be referred to our Investor Relations Department. The PSEG employees who may communicate on behalf of PSEG to investors and market professionals (other than as to shareholder administrative matters) are limited to the CEO, the CFO, the presidents of our major subsidiaries, the Treasurer, certain other senior officers who may be specifically designated from time to time to speak as to particular issues, the Vice President of Investor Relations and the staff of our Investor Relations Department. A member of the Investor Relations staff will arrange for our responses to these inquiries and will participate in all communications (other than those which the CEO or CFO may elect to handle individually).

Earnings Releases: We intend to hold annual and quarterly conference calls, open to investors, media and the public, to review the releases that we file with the SEC and related information. We will publicly announce the date, time and call-in information for these conference calls and, in the normal case, will make them available through a live Web cast. We will make the recording of the conference, including any Q & As, available through our Website for at least five (5) business days subsequent to the call, following which it will be archived.

Earnings Guidance: If we elect to provide earnings guidance in respect of a particular period, we undertake no obligation to update any such guidance. Any earnings guidance, including any update, will be publicly announced. We will not privately reaffirm guidance, comment one way or the other on an individual analyst's earnings estimates or "street consensus" or elaborate in a material way on previously-disclosed guidance. We will not issue monthly financial reports nor give running updates during the quarter on current financial performance. We will use safe-harbor disclosures for forward-looking statements as a regular part of our communications formats.

Analyst Models and Reports: To assist the financial community in its research efforts regarding the company, we may agree to requests to review draft analyst research reports and financial model inputs for accuracy in respect only of our actual results and publicly-disclosed facts.

One-on-One Meetings: A PSEG representative will establish ground rules, including any restricted topics, for any one-on-one meeting or telephone conference with an investor or market professional. Discussions for such meetings or telephone conferences will be limited to previous publicly-released financial information, non-material information and generally-known industry data.

Quiet Periods: We may elect to restrict access to our management for one-on-one meetings and other non-public communications during certain periods preceding our public announcement of earnings or other material developments.

Analyst and Investor Conferences: We look forward to participating in and presenting at analyst and investor conferences, provided that they are Web cast and sufficient prior notice is provided to the public. We will post our formal presentation on our Website immediately prior to the meeting.

Employee Training: All employees who are authorized to speak to market professionals and investors are required to receive regular training as to their responsibilities, and those of PSEG, under the securities laws and this Policy.

Further Information: Any questions from the financial community about this policy should be directed to Kathleen Lally, Vice President-Investor Relations, at 973-430-6565; kathleen.lally@pseg.com.