

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED
Consolidating Statements of Operations
(Unaudited, \$ Millions)

For the Quarter Ended September 30, 2009

	PSEG	OTHER ^(a)	PSEG POWER	PSE&G	PSEG ENERGY HOLDINGS
OPERATING REVENUES	\$ 3,039	\$ (526)	\$ 1,422	\$ 1,943	\$ 200
OPERATING EXPENSES					
Energy Costs	1,241	(524)	526	1,167	72
Operation and Maintenance	622	(9)	255	351	25
Depreciation and Amortization	224	4	44	169	7
Taxes Other Than Income Taxes	30	-	-	30	-
Total Operating Expenses	2,117	(529)	825	1,717	104
OPERATING INCOME	922	3	597	226	96
Income from & Impairment on Equity Method Investments	6	-	-	-	6
Other Income and Deductions	26	35	23	2	(34)
Interest Expense	(129)	(4)	(37)	(77)	(11)
Preferred Stock Dividends	-	1	-	(1)	-
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES ^(b)	825	35	583	150	57
Income Tax Expense	(337)	(15)	(236)	(63)	(23)
NET INCOME	488	\$ 20	\$ 347	\$ 87	\$ 34
Reconciling Items Excluded from Continuing Operations ^(c) :	24	-	8	-	16
OPERATING EARNINGS	\$ 464	\$ 20	\$ 339	\$ 87	\$ 18

For the Quarter Ended September 30, 2008

	PSEG	OTHER ^(a)	PSEG POWER	PSE&G	PSEG ENERGY HOLDINGS
OPERATING REVENUES	\$ 3,718	\$ (743)	\$ 1,833	\$ 2,274	\$ 354
OPERATING EXPENSES					
Energy Costs	1,899	(740)	904	1,521	214
Operation and Maintenance	609	(13)	282	313	27
Depreciation and Amortization	214	4	42	161	7
Taxes Other Than Income Taxes	31	-	-	31	-
Total Operating Expenses	2,753	(749)	1,228	2,026	248
OPERATING INCOME	965	6	605	248	106
Income from & Impairment on Equity Method Investments	7	-	-	-	7
Other Income and Deductions	52	(4)	49	-	7
Other Than Temporary Impairments	(65)	-	(65)	-	-
Interest Expense	(149)	(7)	(42)	(82)	(18)
Preferred Stock Dividends	-	1	-	(1)	-
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES ^(b)	810	(4)	547	165	102
Income Tax Expense	(334)	(1)	(219)	(68)	(46)
INCOME (LOSS) FROM CONTINUING OPERATIONS	476	(5)	328	97	56
Discontinued Operations, net of tax	180	-	-	-	180
NET INCOME (LOSS)	\$ 656	\$ (5)	\$ 328	\$ 97	\$ 236
Reconciling Items Excluded from Continuing Operations ^(c) :	(1)	-	(32)	-	31
OPERATING EARNINGS (LOSS)	\$ 477	\$ (5)	\$ 360	\$ 97	\$ 25

(a) Primarily includes financing activities and donations at the parent and intercompany eliminations.

(b) Income from Continuing Operations before Income Taxes includes preferred stock dividends relating to PSE&G of \$1 million for the quarters ended September 30, 2009 and 2008.

(c) See attachment 12 for details of items excluded from Continuing Operations to compute Operating Earnings.