

PSEG
AUDIT COMMITTEE CHARTER
AMENDED AND RESTATED DECEMBER 19, 2017

Committee Role and Organization

The Audit Committee (the “Audit Committee” or the “Committee”) of the Board of Directors (the “Board”) of Public Service Enterprise Group Incorporated (the “Corporation”) assists the Board in fulfilling its responsibility for oversight of the integrity of the Corporation’s financial statements, and the quality and integrity of the accounting, auditing and financial reporting practices of the Corporation. The Audit Committee’s responsibilities also include:

- assisting the Board in its oversight of the Corporation’s compliance with legal and regulatory requirements;
- assessing the independence and qualifications of the independent auditor; and
- assessing the performance of the independent auditor and the internal audit function.

The 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 Committee may retain appropriate resources to assist in the discharge of its responsibilities.

The Audit Committee shall consist of three or more independent Directors who are generally knowledgeable in financial matters, including at least one member with accounting or financial management expertise, and at least one member who is an audit committee financial expert in accordance with the Securities and Exchange Commission (SEC) requirements. Each member shall be free of any relationship that, in the opinion of the Board, would interfere with his or her individual exercise of independent judgment, or that would render such member not to be independent under applicable law. For this purpose, a member of the Audit Committee may not, other than in his or her capacity as a Board or Committee member, accept any consulting, advisory or other compensatory fee from the Corporation, and may not be an affiliated person of the Corporation or of its subsidiaries. A Director who serves on the audit committees of more than three other public companies may serve on the Audit Committee of this Corporation only if the Board determines that such simultaneous service will not impair the ability of such Director to serve on the Audit Committee. The Board will appoint and may remove members of the Audit Committee and will determine the Chair of the Committee, upon recommendation of the Corporate Governance Committee.

The Committee will meet at least four times per year in the discharge of its duties. The Committee shall meet in executive session at each meeting, unless waived by the Committee. The Committee shall maintain free and open communication with the independent auditor, the internal auditors and other members of management. The Committee shall periodically meet in executive session with the independent auditor, the internal auditor, the Chief Financial Officer, the General Counsel and the Chief Compliance & NERC Officer.

Independent Auditor

The Audit Committee, in its capacity as a committee of the Board of Directors, shall be directly responsible for the appointment, termination, compensation and oversight of the work of the independent auditor of the Corporation. The independent auditor shall report directly to the Audit Committee.

The Audit Committee shall ensure that the independent auditor submits, at least annually, a formal written statement delineating all relationships between the auditor and the Corporation and certifying its independence, in accordance with the Public Company Accounting Oversight Board (“PCAOB”) Ethics and Independence Rule 3526, Communication with Audit Committees Concerning Independence and applicable law. The Audit Committee shall, at least annually, obtain and review a report by the independent auditor describing the firm’s internal quality-control procedures, any material issues raised by the most recent quality control or peer review, or governmental or professional inquiry within the preceding five years, and steps taken by the independent auditor to address any such issues. The Audit Committee shall discuss with the firm on a quarterly basis the communications required by the PCAOB under applicable rules, matters involving independence and any disclosed relationships and control matters that may impact on the objectivity or independence of the independent auditor. The Committee shall take such actions in its judgment as are necessary or appropriate to assure the independence of the firm. The Audit Committee, or the Chair of the Committee, shall pre-approve the fees to be paid to the independent auditor for all services.

The Audit Committee shall consider, in consultation with the independent auditor and management, the planned scope of the annual audit of financial statements, including a review of staffing and coordination of audit efforts between the independent auditor and the internal auditors.

Internal Audit

To ensure for the independence of the Corporation’s Internal Audit Services Department, the Vice President - Internal Audit Services reports functionally to the Audit Committee. The Committee shall review the planned scope of audits to be performed by the internal audit function on an annual basis, as well as the function’s performance relative to staffing, budget and other criteria of import to the Committee in the discharge of its function. The Vice President - Internal Audit Services meets in executive session with the Audit Committee at least four times per year.

Business Conduct Compliance Program and Chief Compliance & NERC Officer

The Committee shall provide oversight of the Corporation’s ethics and compliance policies, processes, controls and programs (the “Business Conduct Compliance Program”). The Corporation’s Chief Compliance & NERC Officer shall report functionally and have unfettered access to the Audit Committee, regardless of other reporting lines.

Committee Duties and Responsibilities

In carrying out its responsibilities, the Committee will:

- Review the adequacy of the Audit Committee Charter annually and submit Charter revisions to the Corporate Governance Committee and the Board for approval and adoption, respectively.
- Review and recommend changes, if any, to the internal audit charter.
- Review the annual audited and the quarterly financial statements, and management's discussion and analysis of financial condition and results of operations, with the independent auditor, management and the internal auditors, and recommend to the Board of Directors the inclusion of the audited financial statements in the Corporation's Form 10-K Annual Report to the SEC. This review will cover both the acceptability and the quality of the Corporation's financial statements, including the matters required of the independent auditor by the PCAOB.
- Review with management at least annually any changes to the Company's disclosure controls and procedures, including the certification process in connection with the requirements of the Sarbanes-Oxley Act of 2002 and the regulations of the Securities and Exchange Commission.
- Review disclosures by the Company's Chief Executive Officer and Chief Financial Officer during their certification process for the Form 10-K and Form 10-Q about any significant deficiencies or material weaknesses in the design or operation of internal controls and any fraud involving management or other employees who have a significant role in the Company's internal controls.
- Generally discuss the Corporation's earnings press releases, as well as financial information and earnings guidance, that are provided to the public.
- Review with the independent auditor, management and the internal auditors the acceptability and application of policies and practices with respect to accounting, reporting and auditing, and the adequacy of internal and financial reporting controls.
- Provide for pre-approval of the scope of all services to be provided by the independent auditor and all associated fees.
- Review in a general manner the guidelines, policies and processes by which the Corporation assesses and manages enterprise risk, consistent with the listing standards of the New York Stock Exchange.
- Provide oversight of the management of such risks relating to the role, duties and responsibilities of the Committee as described in this Charter, including financial reporting, compliance and legal risk.
- Set hiring policies for employees and former employees of the independent auditor.
- Issue an annual Audit Committee Report for inclusion in the Corporation's Proxy Statement.
- Hold timely discussions with the independent auditor concerning:
 - critical accounting policies of the Corporation;
 - any alternative accounting treatments within generally accepted accounting principles related to material items;

- any potential disagreements which may arise between management and the independent auditor regarding financial reporting;
 - any potential audit issues or difficulties and management's response; and
 - any other material written communications between the independent auditor and management, including, but not limited to a summary of adjustments passed by the independent auditors.
- Review with the Vice President – Internal Audit Services any difficulties, disagreements or scope limitations encountered in the course of their work.
 - Assure that the Corporation has adequate, independent procedures for:
 - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters;
 - the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters; and
 - the reporting of allegations of material violations of securities laws and fiduciary requirements by attorneys representing the Corporation and its majority owned subsidiaries in practice before the SEC.
 - Provide oversight of the internal audit and environmental, health and safety audit functions of the Corporation, including review and discussion of reports periodically by these functions summarizing audit findings and implementation by management of recommendations made by the auditors.
 - Provide oversight of the Business Conduct Compliance Program and at least annually, but more frequently as circumstances may require, conduct a review and discussion with the Chief Compliance & NERC Officer regarding the status, effectiveness and implementation of the Program.
 - Review the status of pending material litigation, and legal and business conduct compliance.
 - Conduct an annual review of the Corporation's D&O liability coverage.
 - Conduct an annual performance evaluation of the Committee.
 - Review the Committee calendar annually and determine the meeting schedule for the succeeding year.
 - Perform such other duties as assigned by the Board or required by law.
 - Report Audit Committee activities to the Board.