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**PUBLIC SERVICE ENTERPRISE GROUP NAMES RANDALL E. MEHRBERG
AS EXECUTIVE VICE PRESIDENT – PLANNING AND STRATEGY**

New executive, a former officer of Exelon, has solid business experience

In another change, Stephen C. Byrd will assume leadership of PSEG Energy Holdings

(July 2, 2008 – Newark, NJ) – Public Service Enterprise Group (PSEG) today announced that it has named Randall E. Mehrberg to the newly created post of executive vice president – planning and strategy, effective September 8.

PSEG also announced that Stephen C. Byrd, senior vice president – finance, business development, strategy and M&A, will become president of PSEG Energy Holdings, effective July 7. In doing so, he will relinquish his current strategy responsibilities to Mehrberg.

Mehrberg will report to Ralph Izzo, PSEG’s chairman, president and chief executive officer, and will be a member of the corporate executive leadership team. He will have leadership responsibility for developing PSEG’s corporate strategy and five-year business plan.

Mehrberg, who is a lawyer and an experienced manager, will join PSEG after serving for eight years in various executive leadership positions at Chicago-based Exelon Corporation, the nation’s largest electric utility. He was executive vice president, chief administrative officer and chief legal officer from 2006 to 2008; executive vice president-corporate development and strategy and general counsel from 2002 to 2006, and senior vice president, general counsel and chief ethics officer from 2000 to 2002.

“Randy Mehrberg is a consummate legal and business professional and an outstanding strategic thinker,” Izzo said. “He has a solid understanding of the complex energy and utility businesses and recognizes the importance of pursuing growth in a manner that will reward shareholders, customers and employees. He will be an excellent addition to PSEG.”

Mehrberg’s responsibilities will also include PSEG’s emergent technology and transfer group. “This will enable him to ensure development of a corporate strategy that includes a comprehensive assessment of the role of technology in the future of our industry,” Izzo said.

In addition, Mehrberg will oversee the corporate balanced scorecard. “This will allow him to look across the company and the industry for how our operational performance compares with competitors,” Izzo said. “He will then be able to identify and help implement areas for improvement as well as areas of strength and how they can be leveraged for future growth opportunities. This will create an organized approach to linking strategy to the scorecard.”

Before his tenure at Exelon, Mehrberg was an equity partner from 1980 to 1993 and again from 1997 to 2000 in the Chicago law firm of Jenner & Block, where he represented corporations, institutions and government entities in a broad range of matters. From 1993 to 1997, he served as lakefront director and general counsel for the City of Chicago's Park District.

He is a graduate of the University of Pennsylvania's Wharton School of Business and holds a doctor of law degree from the University of Michigan Law School. He has been active in a number of business and civic organizations, including as vice chairman of the board of Nuclear Electric Insurance Limited and as a board member of both the University of Pennsylvania Medical School and the University of Michigan Law School.

Byrd will assume the role of president of Energy Holdings from Thomas M. O'Flynn, PSEG's executive vice president and chief financial officer. In his new capacity as president, Byrd will continue to report to O'Flynn. Both Byrd and O'Flynn are also members of the executive leadership team.

Byrd, who also is a lawyer, joined PSEG in January, 2007 from the investment banking firm of Morgan Stanley where he was executive director of the global energy and utilities group.

"Stephen Byrd's solid experience in business development...on Wall Street and here at PSEG...will be of great value in his new role as head of Energy Holdings, particularly as one of its subsidiaries, PSEG Global, refocuses its direction from an international generation and distribution business to a domestic renewables business," Izzo said. Holdings' other subsidiary is PSEG Resources, an investment business.

At Morgan Stanley, Byrd had the lead role in developing transactions involving a combination of investment banking, commodities and structured finance capabilities. On the M&A front, Byrd advised on a broad range of transactions, from less than \$100 million in size to more than \$40 billion. In the financing area, his lead execution roles included initial public stock offerings, principal investments in private companies, convertible offerings and high-yield and investment grade offerings.

Byrd is a graduate of the College of William and Mary and holds a joint doctor of law and master of business administration degree from the University of Virginia.

Corporate Profile

Public Service Enterprise Group (PSEG) (NYSE:PEG) is a publicly traded diversified energy company with annual revenues of more than \$13 billion, and three principal subsidiaries: PSEG Power, PSEG Energy Holdings, and Public Service Electric and Gas Company (PSE&G). PSEG Power, one of the largest independent power producers in the U.S. has three main subsidiaries: PSEG Fossil, PSEG Nuclear, and PSEG Energy Resources & Trade. PSEG Energy Holdings has two main unregulated energy-related businesses: PSEG Global and PSEG Resources. PSE&G, New Jersey's oldest and largest regulated gas and electric delivery utility, serves nearly three-quarters of the state's population and has been a winner of the ReliabilityOne Award for superior electric system reliability. PSEG Services Corporation provides corporate support to the operating businesses.