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July 10, 2008

**PSEG EXECUTIVE ANNE HOSKINS AFFIRMS SUPPORT
FOR ENERGY MASTER PLAN GOALS**

***Supports increasing energy efficiency, expanding renewable energy
and exploring additional nuclear power***

***Urges role for utilities in conservation, more funding for research
on global warming alternatives***

Anne Hoskins, PSEG's vice president of federal affairs and policy, today affirmed PSEG's support for the New Jersey Energy Master Plan (EMP) and called for increasing energy efficiency, expanding renewable energy and exploring additional nuclear power. Hoskins testified today at the first of three public hearings on the EMP. The hearing was held at the headquarters of the New Jersey Board of Public Utilities (BPU) in Newark, New Jersey.

"PSEG agrees wholeheartedly with the core principles articulated in this draft plan. It reflects a clear understanding of the enormous challenge we face in combating climate change, and it charts a course that could make New Jersey a leader in that effort," said Hoskins.

Hoskins applauded the draft report for recognizing that energy efficiency and conservation must be the state's first step in combating climate change. "We can make significant reductions in carbon emissions through efficiency -- by far the cheapest and quickest way to make progress against global warming."

She added that utilities should play a major role in this effort. "It would make no sense for a critical player like PSE&G to be sitting on the sidelines," she said.

In the area of renewable energy, Hoskins pointed out that PSE&G won approval this spring for a \$105 million plan to finance solar power projects and that the company is seeing a robust demand from customers seeking to participate. "If this effort goes as well as we expect, we will seek to expand it significantly," she asserted.

Hoskins also noted that PSEG Renewable Generation and Winery Power Holdings has submitted a joint bid to build a 350-megawatt wind project off the coast of South Jersey. "The wind off our coast offers a rich source of green power. It is this state's primary form of renewable energy. We hope the BPU considers approving more than just one project."

Hoskins also commented on the section of the report that addresses nuclear power, saying, "The EMP recognizes the need to consider building a new nuclear plant. It acknowledges the reality that New Jersey will need new base load plants even if we reach our goals on energy

efficiency and renewables. It directs the state to explore the feasibility of building a new nuclear plant, and to hold public hearings on such plans.” PSEG has previously indicated that it is exploring the feasibility of building an additional nuclear plant in South Jersey.

In addition, Hoskins said that the state needs to:

- help find funds for energy research. “Success at combating climate change hinges on finding new technologies to save and produce energy,” she said.
- carefully weigh the costs of proposed measures to help guide the state as it chooses between competing requests for subsidies
- smooth the process for gaining permits and regulatory approval for new climate change initiatives, and
- maintain a sense of urgency.

Hoskins’s testimony can be found on PSEG.com

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.

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