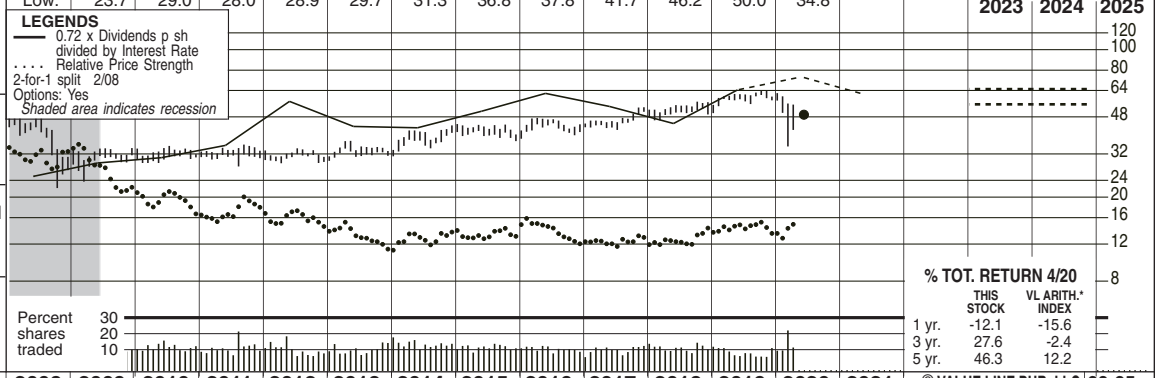
P.S. ENTERPRISE GP. NYSE-PEG

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
49.14	15.4	(Trailing: 14.5 Median: 14.0)	0.93	4.0%	VALUE LINE

TIMELINESS 2 Raised 4/10/20
SAFETY 1 Raised 11/23/12
TECHNICAL 4 Raised 5/8/20
BETA .90 (1.00 = Market)

High:	34.1	34.9	35.5	34.1	37.0	43.8	44.4	47.4	53.3	56.7	63.9	62.1
Low:	23.7	29.0	28.0	28.9	29.7	31.3	36.8	37.8	41.7	46.2	50.0	34.8

Target Price Range
2023 | 2024 | 2025



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$38-$80	$59 (20%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	65	(+30%)	11%
Low	55	(+10%)	7%

Institutional Decisions

	2Q2019	3Q2019	4Q2019
to Buy	364	336	415
to Sell	352	365	315
Hld's(000)	353688	353397	351159

% TOT. RETURN 4/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-12.1	-15.6
3 yr.	27.6	-2.4
5 yr.	46.3	12.2

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
23.09	24.74	24.07	25.28	27.94	24.57	23.31	22.42	19.33	19.71	21.52	20.61	18.22	18.14	19.24	19.99	*18.60*	*19.40*	Revenues per sh	*22.00*
3.02	3.42	3.91	4.36	4.68	4.98	5.27	5.36	4.87	5.17	5.82	6.15	5.07	5.30	5.44	6.76	*6.15*	*6.60*	"Cash Flow" per sh	*7.50*
1.52	1.79	1.85	2.59	2.90	3.08	3.07	3.11	2.44	2.45	2.99	3.30	2.83	2.82	2.76	3.90	*3.20*	*3.55*	Earnings per sh A	*4.25*
1.10	1.12	1.14	1.17	1.29	1.33	1.37	1.37	1.42	1.44	1.48	1.56	1.64	1.72	1.80	1.88	*1.96*	*2.04*	Div'd Decl'd per sh B ■†	*2.30*
2.64	2.04	2.01	2.65	3.50	3.55	4.27	4.12	5.09	5.56	5.58	7.65	8.32	8.30	7.76	6.28	*5.65*	*5.25*	Cap'l Spending per sh	*5.25*
12.05	11.99	13.35	14.35	15.36	17.37	19.04	20.30	21.31	22.95	24.09	25.86	26.01	27.42	28.53	29.94	*31.15*	*32.70*	Book Value per sh C	*38.00*
476.20	502.33	505.29	508.52	506.02	505.99	505.97	505.95	505.89	505.86	505.84	505.28	504.87	505.00	504.00	504.00	*505.00*	*505.00*	Common Shs Outst'g D	*505.00*
14.3	16.5	17.8	16.5	13.6	10.0	10.4	10.4	12.8	13.5	12.6	12.4	15.3	16.3	18.7	15.1	*Bold figures are*		Avg Ann'l P/E Ratio	*14.0*
.76	.88	.96	.88	.82	.67	.66	.65	.81	.76	.66	.62	.80	.82	1.01	.81	*Value Line*		Relative P/E Ratio	*.80*
5.1%	3.8%	3.5%	2.7%	3.3%	4.3%	4.3%	4.2%	4.6%	4.4%	3.9%	3.8%	3.8%	3.7%	3.5%	3.2%	*estimates*		Avg Ann'l Div'd Yield	*3.8%*

CAPITAL STRUCTURE as of 3/31/20
Total Debt $16767 mill. **Due in 5 Yrs** $8130 mill.
LT Debt $14040 mill. **LT Interest** $527 mill.
(LT interest earned: 5.2x)

Leases, Uncapitalized Annual rentals $44 mill.

Pension Assets-12/19 $5929 mill. **Oblig** $6892 mill.

Pfd Stock None

Common Stock 505,625,328 shs.
as of 4/21/20
MARKET CAP: $25 billion (Large Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
11793	11343	9781.0	9968.0	10886	10415	9198.0	9161.0	9696.0	10076	*9400*	*9800*	Revenues ($mill)	*11150*
1557.0	1577.0	1239.0	1243.0	1518.0	1679.0	1436.0	1431.0	1399.0	1979.0	*1625*	*1810*	Net Profit ($mill)	*2125*
40.5%	40.4%	36.2%	39.5%	38.2%	37.4%	31.7%	37.3%	22.3%	15.9%	*9.0%*	*9.0%*	Income Tax Rate	*9.0%*
5.5%	2.7%	4.8%	4.6%	4.5%	5.5%	8.4%	10.6%	9.8%	5.5%	*8.0%*	*7.0%*	AFUDC % to Net Profit	*6.0%*
44.8%	42.1%	38.3%	40.4%	40.4%	40.3%	45.3%	46.6%	47.8%	47.7%	*48.0%*	*48.5%*	Long-Term Debt Ratio	*50.0%*
55.2%	57.9%	61.7%	59.6%	59.6%	59.7%	54.7%	53.4%	52.2%	52.3%	*52.0%*	*51.5%*	Common Equity Ratio	*50.0%*
17452	17731	17467	19470	20446	21900	24025	25915	27545	28832	*30375*	*32150*	Total Capital ($mill)	*38500*
16390	17849	19736	21645	23589	26539	29286	31797	34363	35844	*37300*	*38475*	Net Plant ($mill)	*41700*
10.4%	10.2%	8.1%	7.5%	8.4%	8.6%	6.8%	6.4%	6.0%	7.8%	*6.0%*	*6.5%*	Return on Total Cap'l	*6.5%*
16.2%	15.4%	11.5%	10.7%	12.5%	12.9%	10.9%	10.3%	9.7%	13.1%	*10.5%*	*11.0%*	Return on Shr. Equity	*11.0%*
16.2%	15.4%	11.5%	10.7%	12.5%	12.9%	10.9%	10.3%	9.7%	13.1%	*10.5%*	*11.0%*	Return on Com Equity E	*11.0%*
9.0%	8.6%	4.8%	4.4%	6.3%	6.8%	4.6%	4.1%	3.4%	6.8%	*4.0%*	*4.5%*	Retained to Com Eq	*5.0%*
45%	44%	58%	59%	49%	47%	58%	61%	65%	48%	*61%*	*57%*	All Div'ds to Net Prof	*54%*

ELECTRIC OPERATING STATISTICS

	2017	2018	2019
% Change Retail Sales (KWH)	-2.0	+2.8	-2.9
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH(¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	9567	9978	9753
Annual Load Factor (%)	NA	NA	NA
% Change Customers (avg.)	NA	NA	NA
Fixed Charge Cov. (%)	503	413	361

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	-3.0%	-1.0%	*2.5%*
"Cash Flow"	2.0%	2.0%	*4.5%*
Earnings	1.0%	4.0%	*5.0%*
Dividends	3.5%	4.5%	*4.0%*
Book Value	6.0%	4.5%	*5.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	2647	2155	2263	2096	9161.0
2018	2818	2016	2394	2468	9696.0
2019	2980	2316	2302	2478	10076
2020	2781	*2019*	*2200*	*2400*	*9400*
2021	*2900*	*2100*	*2300*	*2500*	*9800*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	.94	.69	.78	.42	2.82
2018	1.10	.53	.81	.32	2.76
2019	1.38	.86	.80	.86	3.90
2020	.88	*.72*	*.95*	*.65*	*3.20*
2021	*1.15*	*.75*	*1.00*	*.65*	*3.55*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■† Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.41	.41	.41	.41	1.64
2017	.43	.43	.43	.43	1.72
2018	.45	.45	.45	.45	1.80
2019	.47	.47	.47	.47	1.88
2020	.49				

BUSINESS: Public Service Enterprise Group Incorporated is a holding company for Public Service Electric and Gas Company (PSE&G), which serves 2.3 million electric and 1.8 million gas customers in New Jersey, and PSEG Power LLC, a nonregulated power generator with nuclear, gas, and coal-fired plants in the Northeast. PSEG Energy Holdings is involved in renewable energy. The company no longer breaks out data on electric and gas operating statistics. Fuel costs: 33% of revenues. '19 reported depreciation rates (utility): 1.9%-2.5%. Has 13,000 employees. Chairman, President & Chief Executive Officer: Dr. Ralph Izzo. Inc.: New Jersey. Address: 80 Park Plaza, P.O. Box 1171, Newark, New Jersey 07101-1171. Telephone: 973-430-7000. Internet: www.pseg.com.

Investors should not be overly worried about the modest earnings decline we estimate for Public Service Enterprise Group this year. In 2019, mark-to-market accounting gains and unrealized gains on the company's nuclear decommissioning trusts boosted pretax income by a total of $540 million. These two items swung to a deficit of $112 million in the first quarter of 2020. Although PSEG excludes these items from its 2020 earnings guidance of $3.30-$3.50 a share, we include them because they are an ongoing part of the company's results. Management has not changed its expectations for its businesses this year, despite the decline in kilowatt-hour sales stemming from the weak economy. PSEG has initiated cost-cutting measures to offset the effects of the current economic troubles.

The company's utility subsidiary, Public Service Electric and Gas, should continue to increase its earnings despite a fall in electric sales. Weather-adjusted electric volume fell 5%-7% from late March through April. As mentioned above, cost-reduction measures should compensate for this. Also, some of PSE&G's income comes from electric transmission, which has a growing rate base and is not affected by a decline in volume. And the utility has programs to modernize its gas system and make its electric and gas systems more resilient, and most of these expenditures are recoverable without the need to file a general rate case. Growth from PSE&G should enable earnings to advance in 2021.

PSEG Power, the main nonutility subsidiary, is dealing with difficult market conditions. The merchant-power producer is experiencing lower output and margins. The company is addressing the tough climate by hedging its output. A full year of zero-emission credits from New Jersey (to subsidize the company's nuclear units) will help. And PSEG Power has additional capacity from gas-fired generating units that began operating last year.

This timely and top-quality stock has a dividend yield that is about average for a utility. The price is down 17% this year, in line with many utility issues. Total return potential doesn't stand out for the 18-month or 3- to 5-year period.

Paul E. Debbas, CFA *May 15, 2020*

(A) Diluted EPS. Excl. nonrecur. gains (losses): '06, (35¢); '08, (96¢); '09, 6¢; '11, (34¢); '12, 7¢; '16, (30¢); '17, 28¢ (net); '18, 8¢; '19, (62¢); gains (loss) from disc. ops.: '05, (33¢); '06, 12¢; '07, 3¢; '08, 40¢; '11, 13¢. '17 EPS don't sum due to rounding. Next egs. report due early Aug. (B) Div'ds histor. paid in late Mar., June, Sept., & Dec. ■ Div'd reinv. plan avail. (C) Incl. intang. In '19: $7.59/sh. (D) In mill., adj. for split. (E) Rate base: Net orig. cost. Rate all'd on com. eq. in '18: 9.6%; earned on avg. com. eq., '19: 13.2%. Regul. Climate: Avg.

Company's Financial Strength	A++
Stock's Price Stability	95
Price Growth Persistence	45
Earnings Predictability	70

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