
PUBLIC SERVICE ENTERPRISE GROUP, INC.

(PUBLIC SERVICE ELECTRIC AND GAS COMPANY)

- Public Service Electric and Gas Company (PSE&G) serves 2.1 million electric customers and 1.7 million gas customers in New Jersey. These residential and business customers reside in a 2,600-square-mile diagonal corridor across the state from Bergen to Gloucester Counties.
- System wide there are approximately 1,500 circuit miles of transmission lines.
- Between 2000 and 2006 PSEG has invested approximately \$285 million into the transmission system.



Electric service territory source:
Global Energy Decisions, Inc. © 2008

Branchburg Switching Station Project

Project Description: This project replaces one 500/230 kV transformer bank (three single phase transformers) with full rated transformers that can handle approximately 1,100 MW of electricity at Branchburg.

Project Cost: \$21 million.

Project Status: Project completed and in-service in January 2007.

Investment Partner(s): None.

Project Benefits: The new transformers replace others whose ratings had been reduced in March 2004 to avoid overheating in the units and increased the total power handling capability of the Branchburg station.



Essex - Aldene 230 kV Project

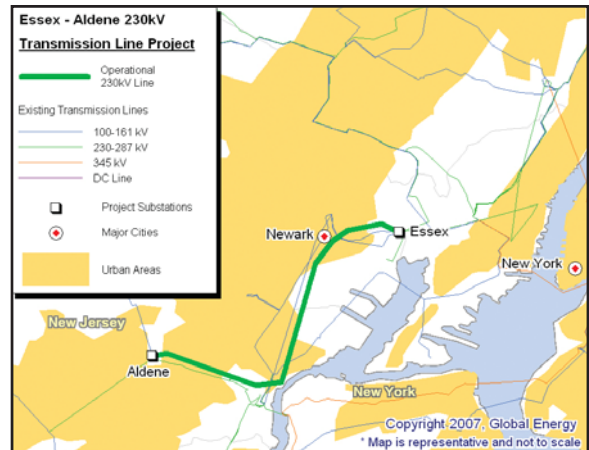
Project Description: Build new 19.1-mile Essex- Aldene 230 kV cable connected through a phase angle regulator at Essex.

Project Cost: \$66 million.

Project Status: Project completed and in-service in June 2007.

Investment Partner(s): None.

Project Benefits: Increased system capability to address reliability and increased load needs.



Flagtown - Somerville - Bridgewater Project

Project Description: Reconductor the 8.25 mile Flagtown-Somerville-Bridgewater 230 kV circuit with 1590 ACSS and construct new line section between Branchburg and Flagtown.

Project Cost: \$23 million.

Project Status: Targeted completion is June 2009.

Investment Partner(s): None.

Project Benefits: Increased system capability to address reliability and increased load needs.