

PUBLIC SERVICE ENTERPRISE GROUP INCORPORATED

Board of Directors

September 15, 2020

WHEREAS, the Board of Directors of this Corporation (this “Board”) has undertaken a review of the outlook of the Corporation’s Salem 1, Salem 2 and Hope Creek nuclear generating stations (the “Plants”) regarding their ability to fully cover their costs and risks due to (i) energy market prices continuing to be depressed, (ii) uncertainty regarding future capacity revenues, given the postponement of the PJM Base Residual Auctions for the capacity years 2022/2023 and 2023/2024 and the increased risk of the Plants not clearing in the capacity market as a result of the Federal Energy Regulatory Commission (“FERC”) Minimum Offer Price Rule (“MOPR”) order; (iii) the continuing cost of regulatory compliance and enhanced security, (iv) federal and state-level policies that provide financial incentives to construct renewable energy, and (v) the failure to adequately compensate nuclear generating stations for the attributes they bring similar to renewable energy production (the “Adverse Nuclear Condition”);

WHEREAS, beginning in April of 2016, this Board has periodically reviewed and discussed with management the outlook of the Plants, including any updates and changes to the Adverse Nuclear Condition;

WHEREAS, upon this Board’s request, an independent consultant, Goldman, Sachs & Co. LLC, provided an analysis of the economics of the Plants under current market conditions and under various forecasted scenarios, which analysis was presented to this Board and discussed by the Board in depth in April of 2018;

WHEREAS, in April of 2018, this Board further reviewed a management report outlining a plan for decommissioning the Plants that included operational options, the regulatory process and capital investment, personnel and market strategies;

WHEREAS, this Board has reviewed and approved this Corporation’s Forms 10-K and Forms 10-Q filed with the Securities and Exchange Commission which, beginning with the Form 10-Q for the quarter ended June 30, 2016 provided disclosure regarding the possible early retirement of the Plants due to the Adverse Nuclear Condition;

WHEREAS, in December 2018, PSEG Nuclear LLC (“PSEG Nuclear”) filed its applications for Zero Emission Certificates (“ZECs”) to be awarded to the Plants;

WHEREAS, in April 2019, the State of New Jersey awarded ZECs to the Plants for a period commencing April 18, 2019 and ending May 31, 2022 (“first ZEC eligibility period”), in order to prevent the loss of fuel diversity, air quality and environmental attributes from selected nuclear generating stations in the event any applicants qualify;

WHEREAS, the applications for the second ZEC eligibility period covering the period from June 1, 2022 through May 31, 2025 (“second ZEC eligibility period”) are due by October 1, 2020;

WHEREAS, management and the board of directors of PSEG Nuclear an indirect, wholly owned subsidiary of this Corporation, have concluded, and after discussion this Board concurs, that, the Adverse Nuclear Condition has worsened since the application in 2018 and that absent a separate material financial change, the Plants will cease operations within three years unless all three Plants receive ZECs that adequately compensate such Plants for such costs and risks;

WHEREAS, financial projections show that the support required to cover costs and risks has increased since PSEG Nuclear filed its applications for the first ZEC eligibility period, given that forward energy prices have further declined and the Plants now face significant capacity market uncertainty over the second ZEC eligibility period due to the postponement of the PJM Base Residual Auctions for the capacity years 2022/2023 and 2023/2024 and the increased risk of the Plants not clearing in the capacity market as a result of the FERC MOPR order;

WHEREAS, the board of directors of PSEG Nuclear has recommended to this Board that PSEG Nuclear apply for ZECs for the second ZEC eligibility period for all three of the Plants (the “ZECs Application”);

WHEREAS, the board of directors of PSEG Nuclear has further recommended to this Board that PSEG Nuclear certify as part of its application that this Corporation will cease operations at each Plant within three years unless such Plant experiences a material financial change (the “Certification”);

WHEREAS, the board of directors of PSEG Power LLC, a direct, wholly owned subsidiary of this Corporation, has concurred with the foregoing recommendations of the PSEG Nuclear Board; and

WHEREAS, this Board has determined that it is in the best interest of this Corporation and its shareholders that PSEG Nuclear file the ZECs Application, including the Certification:

NOW, THEREFORE, BE IT RESOLVED, that this Board concurs with the conclusions of management and the board of directors of PSEG Nuclear that PSEG Nuclear should, and hereby is authorized to, file the ZECs Application;

FURTHER RESOLVED, that this Board concurs with the conclusions of management and the board of directors of PSEG Nuclear regarding the statements contained in the Certification and that PSEG Nuclear should, and hereby is authorized to, include the Certification in the ZECs Application;

FURTHER RESOLVED, that all acts and deeds previously performed by the directors or officers of this Corporation or by the directors of PSEG Nuclear prior to adoption of the

foregoing resolution that are within the authority conferred hereby, be, and they hereby are, confirmed, approved and ratified in all respects; and

FURTHER RESOLVED, that any officer of this Corporation be, and each of them hereby is, authorized, empowered and directed, in the name and on behalf of this Corporation, to execute such documents, instruments and other papers and to take any and all other and further action as such officer deems necessary or desirable to carry into effect the intent of the foregoing resolution.

I hereby certify that the foregoing is a true copy of the resolutions duly adopted by the Board of Directors of Public Service Enterprise Group Incorporated on September 15, 2020, and such resolutions have not been altered or amended and remain in full force and effect.



Michael K. Hyun
Secretary

Date: September 16, 2020