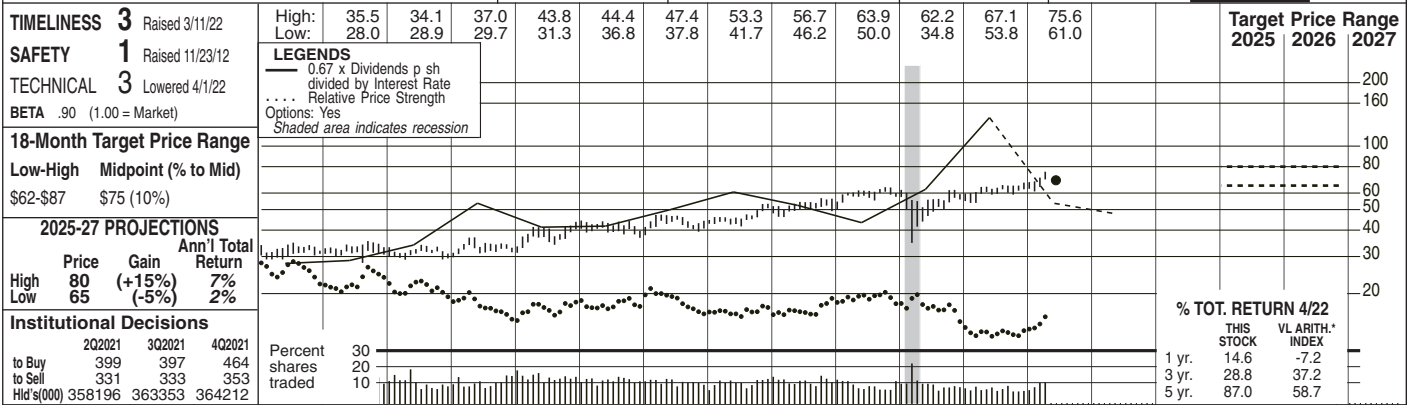


P.S. ENTERPRISE GP. NYSE-PEG

RECENT PRICE **68.85** P/E RATIO **31.3** (Trailing; NMF Median: 15.0) RELATIVE P/E RATIO **1.89** DIV'D YLD **3.2%** VALUE LINE



2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	© VALUE LINE PUB. LLC		25-27
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	19.05	19.29	17.35	18.95	Revenues per sh	22.00	
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	6.54	5.34	5.15	6.65	"Cash Flow" per sh	7.75	
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	3.61	2.55	2.20	3.60	Earnings per sh ^A	4.25	
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	2.16	2.28	Div'd Decl'd per sh ^B †	2.65	
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	5.80	5.39	6.25	7.55	Cap'l Spending per sh	7.25	
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	31.71	28.65	28.15	29.45	Book Value per sh ^C	35.25	
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	504.00	504.00	496.00	496.00	Common Shs Outst'g ^D	496.00	
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	14.9	24.1	17.35	18.95	Avg Ann'l P/E Ratio	17.0	
.96	.88	.82	.67	.66	.65	.81	.76	.66	.62	.80	.82	1.01	.80	.77	1.32	1.15	1.32	Relative P/E Ratio	.95	
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%	3.6%	3.3%	3.3%	3.3%	Avg Ann'l Div'd Yield	3.7%	

CAPITAL STRUCTURE as of 12/31/21		2019	2020	2021	2019		2020	2021	2019		2020	2021	2019		2020	2021	2019		2020	2021
Total Debt \$19438 mill. Due in 5 Yrs \$9069 mill.		9781.0	9968.0	10886	10415	9198.0	9161.0	9696.0	10076	9603.0	9722.0	8600	9400	Revenues (\$mill)	10900					
LT Debt \$15219 mill. LT Interest \$475 mill.		1239.0	1243.0	1518.0	1679.0	1436.0	1431.0	1399.0	1979.0	1829.0	1288.0	1105	1790	Net Profit (\$mill)	2090					
(LT interest earned: 3.8x)		36.2%	39.5%	38.2%	37.4%	31.7%	37.3%	22.3%	15.9%	16.1%	19.6%	20.0%	20.0%	Income Tax Rate	20.0%					
Leases, Uncapitalized Annual rentals \$40 mill.		4.8%	4.6%	4.5%	5.5%	8.4%	10.6%	9.8%	5.5%	7.2%	13.4%	12.0%	7.0%	AFUDC % to Net Profit	6.0%					
Pension Assets-12/21 \$6906 mill. Oblig \$7240 mill.		38.3%	40.4%	40.4%	40.3%	45.3%	46.6%	47.8%	47.7%	47.6%	51.3%	54.0%	55.0%	Long-Term Debt Ratio	56.5%					
Pfd Stock None		61.7%	59.6%	59.6%	59.7%	54.7%	53.4%	52.2%	52.3%	52.4%	48.7%	46.0%	45.0%	Common Equity Ratio	43.5%					
Common Stock 502,077,935 shs. as of 2/18/22		17467	19470	20446	21900	24025	25915	27545	28832	30480	29657	30475	32550	Total Capital (\$mill)	40100					
MARKET CAP: \$35 billion (Large Cap)		19736	21645	23589	26539	29286	31797	34363	35844	37585	34366	36050	38350	Net Plant (\$mill)	44300					
ELECTRIC OPERATING STATISTICS		8.1%	7.5%	8.4%	8.6%	6.8%	6.4%	6.0%	7.8%	6.9%	5.2%	4.5%	6.5%	Return on Total Cap'l	6.5%					
%		11.5%	10.7%	12.5%	12.9%	10.9%	10.3%	9.7%	13.1%	11.4%	8.9%	8.0%	12.0%	Return on Shr. Equity	12.5%					
%		11.5%	10.7%	12.5%	12.9%	10.9%	10.3%	9.7%	13.1%	11.4%	8.9%	8.0%	12.0%	Return on Com Equity ^E	12.5%					
%		4.8%	4.4%	6.3%	6.8%	4.6%	4.1%	3.4%	6.8%	5.2%	1.8%	Nil	4.5%	Retained to Com Eq	4.5%					
%		58%	59%	49%	47%	58%	61%	65%	48%	54%	80%	98%	63%	All Div'ds to Net Prof	63%					

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 1.9 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: 36% of revenues. '21 reported depreciation rates (utility): 1.8%-2.6%. Has 12,700 employees. Chairman, President & CEO: Dr. Ralph Izzo. COO: Ralph A. LaRossa. Inc.: New Jersey. Address: 80 Park Plaza, P.O. Box 1171, Newark, New Jersey 07101-1171. Tel.: 973-430-7000. Internet: www.pseg.com.

Public Service Enterprise Group has completed the sale of its fossil-fueled generating assets. The deal raised \$1.75 billion, and a previous sale of nonutility solar assets brought in \$400 million. PSEG is repurchasing \$500 million of common stock, and used the remainder of the funds for debt reduction. Following the divestiture of these nonregulated assets, some 90% of PSEG's income is generated by its regulated utility, Public Service Electric and Gas, with the remainder from its nonregulated nuclear facilities. This has lessened the company's business risk. However, PSEG took a sizable loss on the transactions, and booked a nonrecurring charge of \$3.84 a share after writing down these assets last year.

Our 2022 earnings estimate requires an explanation. Our presentation includes mark-to-market accounting items because these are part of PSEG's ongoing results. This amounted to a pretax charge of \$845 million in the first quarter, and sent the bottom line into the red. Operationally, PSE&G's income is advancing thanks to regulatory mechanisms that allow contemporaneous recovery of much of the utility's capital spending for transmission and distribution. The company's 2022 earnings guidance, which excludes mark-to-market items, is \$3.35-\$3.55 a share. Note that PSEG will lose the (undisclosed) income from the assets that were sold.

We look for solid profit growth in 2023. The key driver should be continued growth in income from PSE&G. The utility's capital budget is expected to be higher next year. There will also be a modest benefit from a decline in average shares outstanding. **As expected, the board of directors raised the quarterly dividend \$0.03 a share (5.9%) in the first quarter.** PSEG had signaled that such an increase was in the offing. We project similar growth in the disbursement through the period to 2025-2027.

This high-quality stock has a dividend yield that is about average, by utility standards. However, the equity lacks appeal for the 18-month span and the next 3 to 5 years. Like most utility issues, the recent quotation is within our 2025-2027 Target Price Range.

Paul E. Debbas, CFA May 13, 2022

(A) Diluted EPS. Excl. nonrec. gains (losses): '06, (35c); '08, (96c); '09, 6c; '11, (34c); '12, 7c; '16, (30c); '17, 28c (net); '18, 8c; '19, (62c); '20, 15c; '21, (\$3.84); gains from disc. ops. '06, 12c; '07, 3c; '08, 40c; '11, 13c. Next earnings report due early Aug. (B) Div'ds historically paid in late Mar., June, Sept., & Dec. Div'd reinvestment plan avail. (C) Incl. intang. In '21: \$7.19/sh. (D) In mill., adj. for split. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '18: 9.6%; earned on avg. com. eq., '21: 8.0%. Regulatory Climate: Average.	Company's Financial Strength Stock's Price Stability Price Growth Persistence Earnings Predictability	A++ 100 70 80
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