

NUCLEAR COMMITTEE CHARTER
ADOPTED FEBRUARY 21, 1995

The duties and responsibilities of the Nuclear Committee (Committee) of the Board of Directors of Public Service Enterprise Group Incorporated (Enterprise) shall be as provided in this Charter.

Purpose

The purpose of this Committee is to provide the Board of Directors of Enterprise and the Board of Directors of Public Service Electric and Gas Company (PSE&G) with an independent basis for evaluating the safety and effectiveness of the nuclear operations of PSE&G. Specific attention is to be provided to evaluation of overall management attention to nuclear safety, to progress in resolving open issues with the Nuclear Regulatory Commission, the Institute of Nuclear Power Operations and other independent evaluations of PSE&G's nuclear operations, and to improvement in operations.

Membership

The Committee shall consist of from three to six members of the Enterprise Board of Directors who shall not be officers or employees of PSE&G. A Chairperson shall be designated by the Board of Directors.

Conduct of Business

The Committee shall hold meetings as it deems necessary, but shall meet a minimum of three times annually. The Committee shall receive reports from the Chief Nuclear Officer and management relative to plant safety and operations. In addition, the Committee shall select a person, who need not be a director but who shall not be an employee of PSE&G, to serve as the Committee's Representative on PSE&G's Nuclear Review Board (NRB) with full membership status. The NRB shall provide PSE&G's Chief Nuclear Officer with detailed quarterly assessments of PSE&G's nuclear safety and operations. The NRB is an assessment Board composed of senior management of PSE&G's Nuclear Business Unit and at least three members who are not employees of PSE&G, who have expertise in nuclear power, energy or regulation, or in management practices. The Committee Representative shall provide independent reports of PSE&G's nuclear operations to the Committee. Such reports by the Chief Nuclear Officer, management and the Committee Representative shall be in such form and address such topics as the Committee shall deem necessary or desirable.

In the conduct of its business, the Committee shall meet privately with the Committee Representative on a regular basis.

The Committee shall have open and free access to information and may require any officer or employee of Enterprise or PSE&G to furnish it with information, documents or reports that it deems necessary or desirable to carry out its business. PSE&G shall provide the Committee such administrative support as it may require.

Reports

The Committee shall report its business to the Board of Directors of Enterprise and to the Board of Directors of PSE&G at the Board meeting or meetings next following each Committee meeting, except that, when the meeting of a Board of Directors is held within two days after the Committee meeting, such report shall, if not made at the first meeting, be made to such Board of Directors at its second meeting following such Committee meeting.