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Form **990-PF**Department of the Treasury
Internal Revenue Service**Return of Private Foundation**
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2010

For calendar year 2010, or tax year beginning , and ending

G Check all that apply: ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Name of foundation PSEG FOUNDATION, INC.		A Employer identification number 22-3125880
Number and street (or P O box number if mail is not delivered to street address) 80 PARK PLAZA	Room/suite T-9A	B Telephone number (see page 10 of the instructions) (973) 430-7773
City or town, state, and ZIP code NEWARK NEW JERSEY 07102-4106		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ 35,649,848	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ (Part I, column (d) must be on cash basis.)	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/> F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	15,000,000			
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
	3 Interest on savings and temporary cash investments	232,949	232,949		
	4 Dividends and interest from securities	37,313	37,313		
	5 a Gross rents		0		
	b Net rental income or (loss)	0			
	6 a Net gain or (loss) from sale of assets not on line 10	0			
	b Gross sales price for all assets on line 6a	0			
	7 Capital gain net income (from Part IV, line 2)		0		
	8 Net short-term capital gain			0	
	9 Income modifications				
	10 a Gross sales less returns and allowances	0			
b Less: Cost of goods sold	0				
c Gross profit or (loss) (attach schedule)	0				
11 Other income (attach schedule)	0	0	0		
12 Total. Add lines 1 through 11	15,270,262	270,262	0		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.	0			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16 a Legal fees (attach schedule)		0	0	0
	b Accounting fees (attach schedule)		0	0	0
	c Other professional fees (attach schedule)		0	0	0
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)		0	0	0
	19 Depreciation (attach schedule) and depletion		0	0	
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	-0	0	0	0
	24 Total operating and administrative expenses. Add lines 13 through 23	0	0	0	0
	25 Contributions, gifts, grants paid	6,819,110			6,181,873
26 Total expenses and disbursements. Add lines 24 and 25	6,819,110	0	0	6,181,873	
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements	8,451,152				
b Net investment income (if negative, enter -0-)		270,262			
c Adjusted net income (if negative, enter -0-)			0		

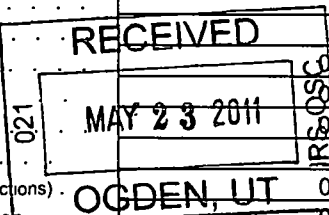
For Paperwork Reduction Act Notice, see page 30 of the instructions.

(HTA)

Form **990-PF** (2010)

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SCANNED MAY 25 2011



Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions.)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash—non-interest-bearing	37,674		
	2	Savings and temporary cash investments			
	3	Accounts receivable ▶ 0			
		Less: allowance for doubtful accounts ▶ 0	0	0	0
	4	Pledges receivable ▶ 0			
		Less: allowance for doubtful accounts ▶ 0	0	0	0
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)	0	0	0
	7	Other notes and loans receivable (attach schedule) ▶			
		Less: allowance for doubtful accounts ▶ 0	0		
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10 a	Investments—U S and state government obligations (attach schedule)	0	0	0
	b	Investments—corporate stock (attach schedule)	0	0	0
	c	Investments—corporate bonds (attach schedule) See Attached	0	11,955,140	11,955,140
Liabilities	11	Investments—land, buildings, and equipment basis ▶ 0			
		Less: accumulated depreciation (attach schedule) ▶ 0	0	0	0
	12	Investments—mortgage loans			
	13	Investments—other (attach schedule) Marketable Securities	26,232,455	23,560,918	23,560,918
	14	Land, buildings, and equipment, basis ▶ 0			
		Less: accumulated depreciation (attach schedule) ▶ 0	0	0	0
	15	Other assets (describe ▶ Accrued Bond Interest)	0	133,790	133,790
	16	Total assets (to be completed by all filers—see the instructions. Also, see page 1, item I)	26,270,129	35,649,848	35,649,848
	17	Accounts payable and accrued expenses	62,800	710,366	
	18	Grants payable	6,355,000	6,636,000	
Net Assets or Fund Balances	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons	0	0	
	21	Mortgages and other notes payable (attach schedule)	0	0	
	22	Other liabilities (describe ▶)	0	0	
	23	Total liabilities (add lines 17 through 22)	6,417,800	7,346,366	
		Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/>			
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
		Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/>			
	27	Capital stock, trust principal, or current funds	19,852,330	28,303,482	
	28	Paid-in or capital surplus, or land, bldg, and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds			
	30	Total net assets or fund balances (see page 17 of the instructions)	19,852,330	28,303,482	
	31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	26,270,130	35,649,848	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	19,852,330
2	Enter amount from Part I, line 27a	2	8,451,152
3	Other increases not included in line 2 (itemize) ▶	3	0
4	Add lines 1, 2, and 3	4	28,303,482
5	Decreases not included in line 2 (itemize) ▶	5	0
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	28,303,482

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a	0	0	0	
b	0	0	0	
c	0	0	0	
d	0	0	0	
e	0	0	0	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a	0	0	0	
b	0	0	0	
c	0	0	0	
d	0	0	0	
e	0	0	0	
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }			2	0
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8			3	0

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	5,436,936	26,011,084	0.209024
2008	5,412,133	20,804,889	0.260138
2007	4,687,924	12,120,383	0.386780
2006	3,892,886	11,913,503	0.326762
2005	4,055,722	6,735,508	0.602140
2 Total of line 1, column (d)		2	1.784844
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years		3	0.356969
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5		4	27,593,526
5 Multiply line 4 by line 3		5	9,850,033
6 Enter 1% of net investment income (1% of Part I, line 27b)		6	2,703
7 Add lines 5 and 6		7	9,852,736
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.		8	6,181,873

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary—see instructions)		1	5,405
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b _____			
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0
3 Add lines 1 and 2		3	5,405
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	5,405
6 Credits/Payments			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a 10,153		
b Exempt foreign organizations—tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c 0		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	10,153	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	0	
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	0	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	4,748	
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax 4,748 Refunded	11	0	

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation \$ _____ (2) On foundation managers. \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) NJ		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	X	

Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address ► PSEG.COM				
14	The books are in care of ► DEREK M. DIRISIO Telephone no ► (973) 456-3557			
Located at ► 80 PARK PLAZA, T-9A NEWARK, NJ ZIP+4 ► 07102-4106				
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year	15		
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16	Yes	No
See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1 If "Yes," enter the name of the foreign country ►				X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.		Yes	No
1a	During the year did the foundation (either directly or indirectly)		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)–(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here ► <input type="checkbox"/>	1b	N/A
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If "Yes," list the years ► 20 _____, 20 _____, 20 _____, 20 _____			
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement—see page 22 of the instructions)	2b	N/A
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ► 20 _____, 20 _____, 20 _____, 20 _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010.)	3b	N/A
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)**5a** During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No
- (2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No
- (3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No
- (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No
- (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)?Organizations relying on a current notice regarding disaster assistance check here ☐**5b**

N/A

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945–5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?☐ Yes ☒ No**b** Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?**6b**

X

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?☐ Yes ☒ No**7b****b** If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors****1** List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE SCHEDULE ATTACHED	.00	0	0	0
	.00	0	0	0
	.00	0	0	0
	.00	0	0	0
	.00	0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3 Five highest-paid independent contractors for professional services** (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		0
		0
		0
		0
		0
		0
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

	Amount
1	
2	
All other program-related investments. See page 24 of the instructions	
3	0
Total. Add lines 1 through 3	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	28,013,732
b	Average of monthly cash balances	1b	
c	Fair market value of all other assets (see page 25 of the instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	28,013,732
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	28,013,732
4	Cash deemed held for charitable activities. Enter 1½ % of line 3 (for greater amount, see page 25 of the instructions)	4	420,206
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	27,593,526
6	Minimum investment return. Enter 5% of line 5	6	1,379,676

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	1,379,676
2a	Tax on investment income for 2010 from Part VI, line 5	2a	5,405
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	0
c	Add lines 2a and 2b	2c	5,405
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	1,374,271
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	1,374,271
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,374,271

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	6,181,873
b	Program-related investments—total from Part IX-B	1b	0
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	0
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	6,181,873
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	0
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	6,181,873

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				1,374,271
2 Undistributed income, if any, as of the end of 2010:				
a Enter amount for 2009 only			0	
b Total for prior years: 20____, 20____, 20____		0		
3 Excess distributions carryover, if any, to 2010:				
a From 2005	3,723,434			
b From 2006	3,892,886			
c From 2007	4,687,924			
d From 2008	5,412,133			
e From 2009	5,436,936			
f Total of lines 3a through e	23,153,313			
4 Qualifying distributions for 2010 from Part XII, line 4. ► \$ 6,181,873				
a Applied to 2009, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 26 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 26 of the instructions)	0			
d Applied to 2010 distributable amount				1,374,271
e Remaining amount distributed out of corpus	4,807,602			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a))	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	27,960,915			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see page 27 of the instructions		0		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount—see page 27 of the instructions			0	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2005 not applied on line 5 or line 7 (see page 27 of the instructions)				
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	27,960,915			
10 Analysis of line 9:				
a Excess from 2006	4,149,033			
b Excess from 2007	7,054,685			
c Excess from 2008	5,022,431			
d Excess from 2009	5,566,139			
e Excess from 2010	6,168,627			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9)**N/A**

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling . . . ▶

b Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(j)(3) or ☐ 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

b 85% of line 2a

c Qualifying distributions from Part XII, line 4 for each year listed

d Amounts included in line 2c not used directly for active conduct of exempt activities

e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c

3 Complete 3a, b, or c for the alternative test relied upon.

a "Assets" alternative test—enter

(1) Value of all assets

(2) Value of assets qualifying under section 4942(j)(3)(B)(i)

b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed

c "Support" alternative test—enter:

(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)

(3) Largest amount of support from an exempt organization

(4) Gross investment income

Tax year	Prior 3 years				(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
	0				0
	0	0	0	0	0
	6,181,873	5,436,936	5,412,133	4,687,924	21,718,866
					0
	6,181,873	5,436,936	5,412,133	4,687,924	21,718,866
	0				0
					0
					0
					0
					0

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year—see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2))

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:

RICHARD T. THIGPEN 80 PARK PLAZA NEWARK NJ 07101 (973) 430-5763

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year See Attached				### 6,181,873
Total			3a	6,181,873
b Approved for future payment See Attached				## 6,636,000
Total			3b	6,636,000

E.I.N. 22-3125880

PSEG FOUNDATION, INC.
80 Park Plaza, T-9A
Newark, NJ 07102

FORM 990-PF - TAX YEAR ENDED DECEMBER 31, 2010

Part I Analysis of Revenue and Expenses - Line 1
& Part VII-A Statements Regarding Activities - Line 10

Donation of Marketable Securities \$15,000,000

Marketable Securites received from Public Service Enterprise Group Inc.
80 Park Plaza
Newark, New Jersey 07101

PSEG FOUNDATION, INC.
80 Park Plaza, T-9A
Newark, NJ 07102

FORM 990-PF - TAX YEAR ENDED DECEMBER 31, 2010

Balance Sheet, Part II-Line 10c, Page 2

Description	Amount
Long Term Investments -Corporate Bonds	
Goldman Sachs Group LP L/T 11/01/12	\$3,208,590
JP Morgan Chase & Co. L/T 1/15/12	\$5,184,250
Paccar Financial Corp.	\$3,562,300
TOTAL	\$11,955,140

**PART VIII - Information About Officers, Directors, Trustees, Foundation Managers,
Highly Paid Employees, and Contractors**

List all officers, directors, trustees, foundation managers and their compensation(1):

(a) Name and address	(b) Title, and average hours per week devoted to position (1)	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans & def. comp.	(e) Expense account, other allowances
Richard T. Thigpen 80 Park Plaza, T-9B Newark, NJ 07101	Chairman of The Board, CEO, & Trustee	-0-	-0-	-0-
Vaughn L. McKoy 80 Park Plaza, T-10-C Newark, NJ 07101	President	-0-	-0-	-0-
Ralph A. LaRossa 80 Park Plaza, T-4-B Newark, NJ 07101	Trustee	-0-	-0-	-0-
William Levis 80 Park Plaza, T-4-B Newark, NJ 07101	Trustee	-0-	-0-	-0-
Derek M. DiRisio 80 Park Plaza, T-4-B Newark, NJ 07101	Controller & Trustee	-0-	-0-	-0-
Anne E. Hoskins 80 Park Plaza, T-4-A Newark, NJ 07101	Trustee	-0-	-0-	-0-
Caroline Dorsa 80 Park Plaza, T-4-B Newark, NJ 07101	Trustee	-0-	-0-	-0-
Tamara L. Linde 80 Park Plaza, T-4-B Newark, NJ 07101	Trustee	-0-	-0-	-0-
Randall E. Mehrberg 80 Park Plaza, T-4-B Newark, NJ 07101	Trustee	-0-	-0-	-0-
Courtney M. McCormick 80 Park Plaza, T-4-B Newark, NJ 07101	Secretary	-0-	-0-	-0-
Bradford D. Huntington 80 Park Plaza, T-9B Newark, NJ 07101	Assistant Treasurer	-0-	-0-	-0-
Lynn Manganaro 80 Park Plaza, T-6A Newark, NJ 07101	Assistant Treasurer	-0-	-0-	-0-
James T. Foran 80 Park Plaza, T-5-B Newark, NJ 07101	Assistant Secretary & General Counsel	-0-	-0-	-0-

(1) AVAILABLE UPON REQUEST

PSEG Foundation Inc 80 Park Plaza T-10 Newark, NJ 07101		Part XV	
Form 990 - PF - Tax Year Ended December 31, 2010		EIN 22-3125880	
Part XV Supplementary Information (Continued)			
Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment			
Recipient Name and Address (home or business)	City	State	Amount
Organization			Total
New Jersey State Safety Council (Triennial Fund)	Cranford	NJ	\$25,000
Boys & Girls Clubs of Newark	Newark	NJ	\$100,000
Environmental Signature RFP	Trenton	NJ	\$50,000
Felician College	Lodi	NJ	\$30,000
Friends of The NJ State Museum, Trenton, NJ	Trenton	NJ	\$125,000
The Newark Museum	Newark	NJ	\$200,000
Hackensack University Medical Center	Hackensack	NJ	\$60,000
NJPAC	Newark	NJ	\$200,000
Ranch Hope For Boys, Inc	Alloway	NJ	\$50,000
Cooper University Hospital	Camden	NJ	\$100,000
Connecticut Science Center	Hartford	CT	\$25,000
Delaware Children's Museum	Wilmington	DE	\$25,000
Trinitas Health Foundation	Elizabeth	NJ	\$50,000
US Naval Academy	Annapolis	MD	\$50,000
New Jersey After 3	New Brunswick	NJ	\$150,000
Rutgers University (Business School, IMCS, STEP)	New Brunswick	NJ	\$330,000
St. Peter's College	Jersey City	NJ	\$60,000
Montclair State University	Montclair	NJ	\$134,000
St. Vincent Academy	Newark	NJ	\$30,000
Children's Specialized Hospital	Mountainside	NJ	\$500,000
League of Municipalities Sustainability Program	Trenton	NJ	\$75,000
Metuchen-Edison YMCA	Metuchen	NJ	\$25,000
Various one-time beneficiaries	Various	NJ	\$3,787,873.00
Total Grants and Contributions Paid During The Year			\$6,181,873.00

PSEG Foundation Inc. 80 Park Plaza T-10 Newark, NJ 07101		Part XV EIN 22-3125880	
Form 990 - PF - Tax Year Ended December 31, 2010			
Part XV Supplementary Information (Continued)			
Line 3 - Grants and Contributions Paid During the Year or Approved for Future Payment			
Recipient Name and Address (home or business)	If recipient is an individual show any relationship to any foundation manager or substantial contributor	Purpose of Grant or Contribution	Amount
3b Approved for Future Payment			
Hackensack University Medical Center			\$120,000
Children's Specialized Hospital			\$2,000,000
Felician College			\$60,000
Boys & Girls Clubs			\$100,000
Ranch Hope For Boys, Inc			\$100,000
NJPAC			\$800,000
Naval Academy			\$150,000
New Jersey After 3			\$150,000
Cooper University Hospital			\$100,000
Rutgers University Foundation (IMCS&STEP), New Brunswick			\$1,140,000
St. Peter's College			\$240,000
Montclair State University			\$266,000
Trinitas Health Foundation			\$50,000
St. Vincent Academy			\$60,000
Metuchen-Edison YMCA			\$25,000
New Jersey State Safety Council (Triennial Fund)			\$50,000
The Newark Museum			\$800,000
Environmental Signature RFP			\$50,000
League of Municipalities Sustainability Program			\$75,000
Choose New Jersey			\$300,000
Total Approved for Future Payment			\$6,636,000
Total Contributions Paid and Pledged			\$12,817,873.00