February 25, 2002

Harold W. Keiser Chief Nuclear Officer and President PSEG Nuclear Officer and President P. O. Box 236 Hancocks Bridge, NJ 08038

SUBJECT: LETTER OF APPRECIATION

Dear Mr. Keiser:

Thank you for the assistance provided to Marie Miller, Marc Ferdas and Alan Shropshire of my staff during a visit on January 23, 2002 to obtain information on your performance monitoring programs. This team has been tasked to evaluate and recommend improvements we might make in the internal performance monitoring processes we employ within Region I. In trips such as the January 23 visit to Artificial Island, the team was looking for "best practices" and practical experience in this area.

Bert Simpson and Chris McClain gave generously of their time. They provided a very complete package of information on PSEG process management and business planning activities. They provided valuable insights on challenges and potential pitfalls -- on change management and other practical aspects of implementing new programs.

Again, I want to thank Bert, Chris and you for help in our efforts.

Sincerely,

/RA/

Hubert J. Miller Regional Administrator

cc Bert Simpson Sr. Vice President & CAO