



## **NRG Energy, Inc. and Lower Colorado River Authority Sign Memorandum of Understanding on Future Power Supplies**

February 16, 2007

PRINCETON, N.J.--(BUSINESS WIRE)--Feb. 16, 2007--NRG Energy, Inc. (NYSE:NRG) and the Lower Colorado River Authority (LCRA) have signed a memorandum of understanding to work together strategically on a series of supply alternatives to serve the needs of LCRA's wholesale electric customers and to help support Texas' growing economy. The agreement could provide LCRA and its customers with the opportunity to access up to 700 MW of new NRG electrical generation.

"Our Powering Texas with NRG program is designed to help meet Texas' growing demand for electrical power," said Thad Hill, Regional President for NRG Texas. "We are very pleased to have the opportunity to work with LCRA, which has such a long track record of service in Texas and which shares our commitment to meeting our energy challenges in an affordable and environmentally responsible manner."

"Central Texas is one of the fastest growing regions in the country, and population growth creates challenges for public utilities," said Joe Beal, LCRA General Manager. "LCRA owes it to our wholesale electric customers, the communities they serve and the people of Texas to explore as many options as possible in our effort to meet growing energy demands. Exploring our options with NRG is part of that process."

The transactions contemplated by this agreement could be finalized as soon as the fourth quarter of this year.

NRG Energy, Inc.

NRG Energy, Inc. owns and operates a diverse portfolio of power-generating facilities, primarily in Texas and the Northeast, South Central and Western regions of the United States. Its operations include baseload, intermediate, peaking, and cogeneration facilities and thermal energy production. NRG also has ownership interests in generating facilities in Australia, Germany and Brazil.

Lower Colorado River Authority

LCRA is a conservation and reclamation district created by the Texas Legislature in 1934. It has no taxing authority and operates solely on utility revenues and fees generated from supplying energy, water and community services. LCRA supplies low-cost electricity for Central Texas, manages water supplies and floods in the lower Colorado River basin, develops water and wastewater utilities, provides public parks, and supports community and economic development in 58 Texas counties.

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements are subject to certain risks, uncertainties and assumptions and typically can be identified by the use of words such as "will," "expect," "believe," and similar terms. Although NRG believes that its expectations are reasonable, it can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Factors that could cause actual results to differ materially include, among others, the ability to achieve the expected benefits and timing of the agreement as described herein.

NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Factors that could cause NRG's actual results to differ materially from those contemplated in the forward-looking statements included in this news release should be considered in connection with information regarding risks and uncertainties that may affect NRG's future results included in NRG's filings with the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

More information on NRG is available at [www.nrgenergy.com](http://www.nrgenergy.com)

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