



NRG Energy Confirms South Central Generating LLC Debt Acceleration

November 21, 2002

MINNEAPOLIS (November 21, 2002) -- NRG South Central Generating LLC, a wholly owned subsidiary of NRG Energy, Inc., today received a notice of acceleration from the bond trustee, on behalf of bondholders, for its 8.962 percent senior secured series A-1 bonds due 2016 and its 9.479 percent senior secured series B-1 bonds due 2024. The notice of acceleration renders the approximately \$750 million in debt, which is nonrecourse to NRG Energy, immediately due and payable.

Based on discussions with the bondholders, it is NRG's understanding that the bond trustee issued the acceleration notice to preserve certain rights, and NRG continues negotiations with bondholders.

"We will continue to work with our lenders toward an overall restructuring of NRG's debt," said Richard C. Kelly, NRG president and chief operating officer. "We do not believe that the NRG South Central Generating bondholders' action will negatively affect the course of those discussions."

NRG South Central Generating defaulted on the bonds when it did not make approximately \$47 million in combined principal and interest payments, due September 15, on the two bond issuances and did not make the required payments before the 15-day grace period expired.

NRG Energy, a wholly owned subsidiary of Xcel Energy, develops and operates power-generating facilities. Its operations include competitive energy production and cogeneration facilities, thermal energy production and energy resource recovery facilities.

Xcel Energy is a major U.S. electricity and natural gas company with regulated operations in 12 Western and Midwestern states. The company provides a comprehensive portfolio of energy-related products and services to 3.2 million electricity customers and 1.7 million natural gas customers through its regulated operating companies. In terms of customers, it is the fourth-largest combination natural gas and electricity company in the United States. Company headquarters are located in Minneapolis.

Certain statements included in this news release are 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. Forward-looking statements above include, but are not limited to, the status of negotiations with lenders and progress of asset sales and restructuring efforts. Although NRG believes that its expectations are reasonable, it can give no assurance that these expectations will prove to have been correct. Factors that could cause NRG's actual results to differ materially from those contemplated in the forward-looking statements above include, among others, the actions of NRG's lenders and the satisfaction of conditions to completion of the asset sales NRG has announced.

NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of 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 not be construed as exhaustive. For more information regarding risks and uncertainties that may affect NRG's future results, review NRG's filings with the Securities and Exchange Commission.

Investor Relations

Adam Carte, 612.373.5359

Nicole Miller, 612.373.8815

Media Relations

Lesa Bader, 612.373.6992