



NRG Energy Reaffirms its \$1.35 EPS Forecast and Will Announce 3rd Quarter Earnings During October Investor Conference

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MINNEAPOLIS—Sept. 26, 2001(BUSINESS WIRE)—NRG Energy, Inc. (NYSE:NRG) today reconfirmed that it remains on course to deliver on its previously forecast \$1.35 in earnings per share for 2001. The company also addressed concerns in the sector about international exposure and currency risk.

"Investors in the energy sector are concerned about companies' exposure to Latin America and the United Kingdom, but they shouldn't worry about NRG's ability to deliver on its earnings per share forecasts," said David H. Peterson, chairman, CEO and president of NRG. "NRG's diverse portfolio is what enables us to navigate rough waters, and setbacks in one geographic area can be offset by successes in another."

"We know the risks of doing business in countries with potentially wide foreign currency fluctuations and we mitigate those risks with contracts that are tied to the U.S. dollar. Only two percent of NRG's net megawatts (MW) of operating projects are in Latin America. Approximately 97 percent of the electricity we generate from those assets is under contracts that call for payment that is tied to the U.S. dollar," Peterson continued. "Roughly 80 percent of our net MW are located in the U.S. and we employ risk mitigation strategies throughout our entire portfolio."

"We understand the UK market has become more challenging following the introduction of the New Electricity Trading Arrangements (NETA). In the near term, any disappointing results from the approximately 3.5 percent of NRG's total net MW that we own in the UK have been offset by better than expected results in the U.S. and Mid-Continent Europe," Peterson added. "In the next few years we expect the UK market to rationalize just as the Australian market has, when supply and demand for electricity approaches equilibrium."

"NRG has had an impressive record of acquisitions this year and we have acquired a larger stake in facilities in operation, located in Germany and the U.S.," continued Peterson. "As a result of our continued acquisition success, ambitious greenfield development program and prudent strategies, we remain confident we will deliver 25 percent earnings growth per year for the foreseeable future."

"We will use our scheduled October 11-12 Investor Conference to provide more detail about how NRG will continue to achieve 25 percent per year earnings growth, and we will announce 3rd quarter earnings results at the Conference," said Leonard A. Bluhm, NRG chief financial officer.

NRG is a leading global energy company engaged primarily in developing, constructing, acquiring and operating power generation facilities. The company's operations utilize such diverse fuel sources as natural gas, oil, coal and coal seam methane, biomass, landfill gas, and hydro, as well as refuse-derived fuel.

The information in this news release includes forward-looking statements in addition to historical information. Forward-looking statements above include, but are not limited to, expected earnings and future growth and financial performance. 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 above include, among others, factors affecting power generation operations such as unusual weather conditions, unscheduled generator outages, unanticipated changes in fuel costs or availability and environmental incidents; changes in government regulation or the implementation of government regulations, including pending changes within or outside of California as a result of the California energy crisis, which could result in NRG's failure to obtain regulatory approvals required to close project acquisitions, and which could adversely affect the continued deregulation of the electric industry; unanticipated developments in the California energy market, including defaults on amounts due and adverse results in current or future litigation; risks associated with the timely completion of development projects, including obtaining competitive contracts and construction delays; a change in general economic conditions, which could affect the demand for electricity; and factors affecting the availability or cost of capital, such as changes in interest rates and market perceptions of the power generation industry, NRG or any of its subsidiaries.

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 these risks and uncertainties, review NRG's filings with the Securities and Exchange Commission.

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