



NRG Energy Announces Acquisition of Vattenfall's Interests in Three South American Projects

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MINNEAPOLIS, Jun 6, 2001 (BUSINESS WIRE)—NRG Energy, Inc. (NYSE:NRG) announced today it has acquired Vattenfall's interests in three South American projects. Those projects consist of Compania Boliviana de Energia Electrica S.A. - Bolivian Power Company Ltd. (COBEE) and Compania Electrica Central Bulo Bulu S.A., both in Bolivia, and Itiquira Energetica S.A. in Brazil. In addition, NRG announced it has acquired the ownership interest of Inepar Energia S.A. (Inepar) in the Itiquira project.

NRG had been a 50 percent partner with Vattenfall in COBEE, Bulu Bulu and Itiquira. NRG will now own 98.9 percent of COBEE, 60 percent of Bulu Bulu and 99 percent of the common shares of Itiquira. Pan American Energy LLC, a joint venture between BP-Amoco and Bridas Corporation, an Argentine company, owns the remaining 40 percent of Bulu Bulu.

COBEE, with 220 MW of predominantly hydroelectric generation, is the second largest electric generator in Bolivia. Bulu Bulu is an 88 MW natural gas-fired facility in Bolivia, and Itiquira is a 156 MW hydroelectric project in the advanced stage of construction in Brazil. Full commercial operation of Itiquira is expected in March 2002.

"This acquisition provides a strong base for NRG's continued development in the Southern Cone region," commented David H. Peterson, chairman, president and CEO of NRG. "The region is characterized by growing economies and increasing demand for electricity especially in Brazil."

"Increasing our ownership and taking management control of these assets furthers NRG's strategy of maintaining a generation portfolio that is diverse geographically and by fuel type," commented Mark Hart, president of NRG Europe and Latin America.

NRG is a leading global energy company engaged primarily in the acquisition, development, construction, ownership and operation of power generation facilities. NRG owns all or a portion of 66 projects (188 facilities) in operation and under construction. Its net ownership interest in these projects is 19,549 MW. In addition, the company has 5,543 MW of projects under signed acquisition agreement and 7,240 MW of projects in advanced development, for a total of 32,332 MW of capacity from identifiable projects. 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.

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, projected growth and future 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 in the forward-looking statements above include, among others, the following: factors affecting power generation operations such as unusual weather conditions, generator outages, changes in fuel costs or availability and environmental incidents; factors affecting the availability or cost of capital, such as, for example, changes in interest rates or changes in investor perceptions of the power generation industry, NRG or any of its subsidiaries; workforce factors; the volatility of energy prices in a deregulated market environment and the adverse impacts on the profitability of our generation facilities that may result from the imposition of price limitations and other mechanisms to address such volatility; and other business or investment considerations that may be disclosed from time to time in NRG's Securities and Exchange Commission filings or in other publicly disseminated written documents.

NRG undertakes no obligation to update or revise any forward-looking statement, 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.

More information on NRG Energy is available at www.nrgenergy.com.

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