Investor Presentation

NRG Energy, Inc.

(NYSE: NRG)

September 2014

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Safe Harbor

Forward Looking Statements

In addition to historical information, the information presented in this presentation includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks and uncertainties and can typically be identified by terminology such as “may,” “should,” “could,” “objective,” “projection,” “forecast,” “goal,” “guidance,” “outlook,” “expect,” “intend,” “seek,” “plan,” “think,” “anticipate,” “estimate,” “predict,” “target,” “potential” or “continue” or the negative of these terms or other comparable terminology. Such forward-looking statements include, but are not limited to, statements about the Company’s future revenues, income, indebtedness, capital structure, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions.

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 from those contemplated above include, among others, general economic conditions, hazards customary in the power industry, weather conditions, competition in wholesale power markets, the volatility of energy and fuel prices, failure of customers to perform under contracts, changes in the wholesale power markets, changes in government regulation of markets and of environmental emissions, the condition of capital markets generally, our ability to access capital markets, unanticipated outages at our generation facilities, adverse results in current and future litigation, failure to identify or successfully implement acquisitions and repowerings, our ability to implement value enhancing improvements to plant operations and companywide processes, our ability to obtain federal loan guarantees, the inability to maintain or create successful partnering relationships, our ability to operate our businesses efficiently, our ability to retain retail customers, our ability to realize value through our commercial operations strategy and the creation of NRG Yield, the ability to successfully integrate the businesses of acquired companies, the ability to realize anticipated benefits of acquisitions (including expected cost savings and other synergies) or the risk that anticipated benefits may take longer to realize than expected, and our ability to pay dividends and initiate share repurchases under our Capital Allocation Plan, which may be made from time to time subject to market conditions and other factors, including as permitted by United States securities laws. Furthermore, any common stock dividend is subject to available capital and market conditions.

NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The adjusted EBITDA and free cash flow guidance are estimates as of August 7, 2014. These estimates are based on assumptions believed to be reasonable as of that date. NRG disclaims any current intention to update such guidance, except as required by law. 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 Earnings Presentation 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.

NRG Energy Overview

Key Information

Ticker: **NRG (NYSE)**

Market Capitalization[1]: **~$10.3 BN**

Net Generation Capacity[2]: **~53 GW**

Competitive Retail Customers: **~2.9 MM**

LTM Financial Highlights[3]

Revenues: **$13.4 BN**

Adjusted EBITDA: **$3.2 BN**

Adjusted Cash From Operations: **$2.0 BN**

Free Cash Flow Before Growth: **$1.4 BN**

NRG in the Power Sector Value Chain

Fuel Supply & Transportation	Power Generation	Transmission & Distribution	Retail (Customer)
	Regulated Utilities ***Competitive Generators (merchant, contracted)*** ***Renewables***		Cost of service ***Competitive markets (Residential and C&I)*** ***New products and services (rooftop solar, personal power)***

The nrg Difference:

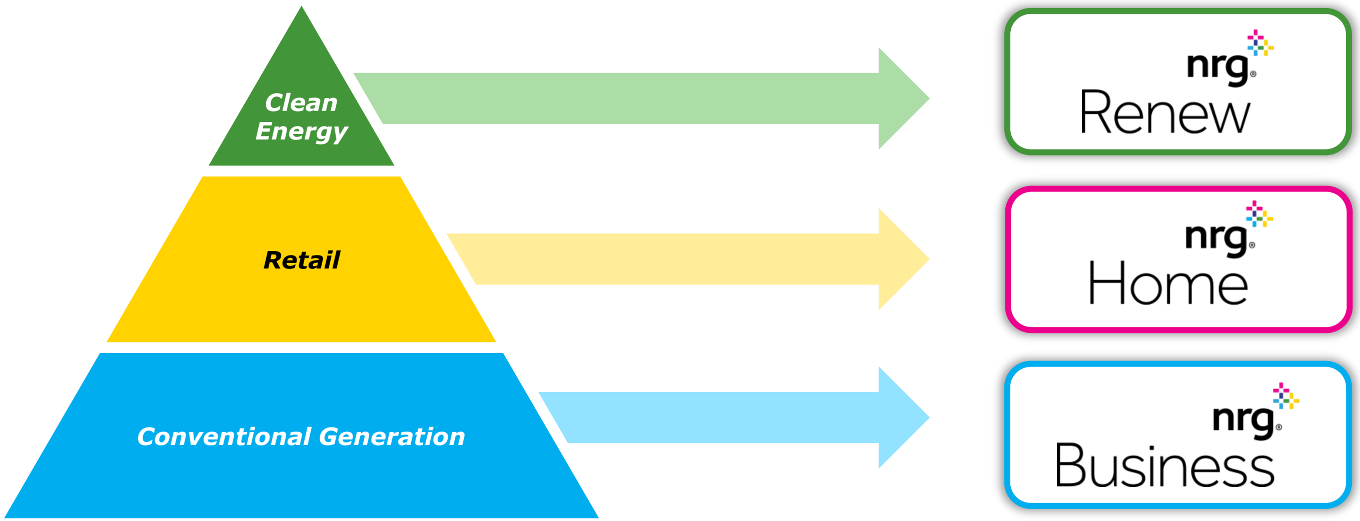
- Largest competitive power generation portfolio with fuel and geographic diversity
- Leading retail energy platform across competitive markets that provides foundation for high growth distributed businesses – including NRG Home Solar
- National leader in clean energy sector with ~4,300 MW[4] of utility-scale renewable generation projects; Focused effort to reduce carbon footprint
- Competitive cost of capital through majority ownership of NRG YIELD
- Strong free cash flow coupled with long history of balanced capital allocation

[1] As of 8/27/2014; Assumes ~337.7 MM shares outstanding
[2] Net operating capacity as of 6/30/2014 (excludes capacity attributable to non-controlling interests, NRG Thermal MW_T, and NRG Yield's recently closed acquisition of Alta Wind)
[3] Per NRG Energy filings as of 6/30/2014 and 12/31/2013
[4] Total solar and wind capacity as of 8/12/2014; Includes NRG Yield

NRG: Premium Competitive Energy Business Platform

Competitive Energy Business Model…

…Organized Around the "NRG Group of Companies"



Augmented by Balanced Capital Allocation

Reinvestment & Growth | ***Return of Capital*** | ***Balance Sheet Management***

Annual Dividend: \$0.56/share (~1.8% yield)[1]

2014 Free Cash Flow Yield: 12% – 14%[1,2]

★ A Diversified Competitive Energy Company Positioned for Future Growth, While Generating Significant Free Cash Flow ★

[1] As of 8/27/2014; Assumes ~337.2 MM shares outstanding

[2] Based on 2014 Free Cash Flow Before Growth guidance as previously disclosed during NRG's 2nd Quarter 2014 Results Presentation on 8/7/2014

Business Alignment Recognizes Several Distinct Value Propositions

NRG Group of Companies

nrg Home | nrg Business | nrg Renew

nrg eVgo | nrg Petra Nova

NRG YIELD

3 + 2 + 1

nrg Home

- Leading retail energy platform with ~2.8 million residential customers
- Smart energy management, home solutions, and personal power
- Rapidly growing residential solar business

nrg Business

- Largest US competitive generation portfolio with over 50 GW of capacity[1]
- Full suite of energy management services and retail energy supply for commercial and industrial customers
- Unique range of on-site generation offerings through dGen business

nrg Renew

- Leading renewable development and operations platform
- Commercialized renewable microgrid solutions and green B2B initiatives
- Innovative focus on sustainable and distributed energy future

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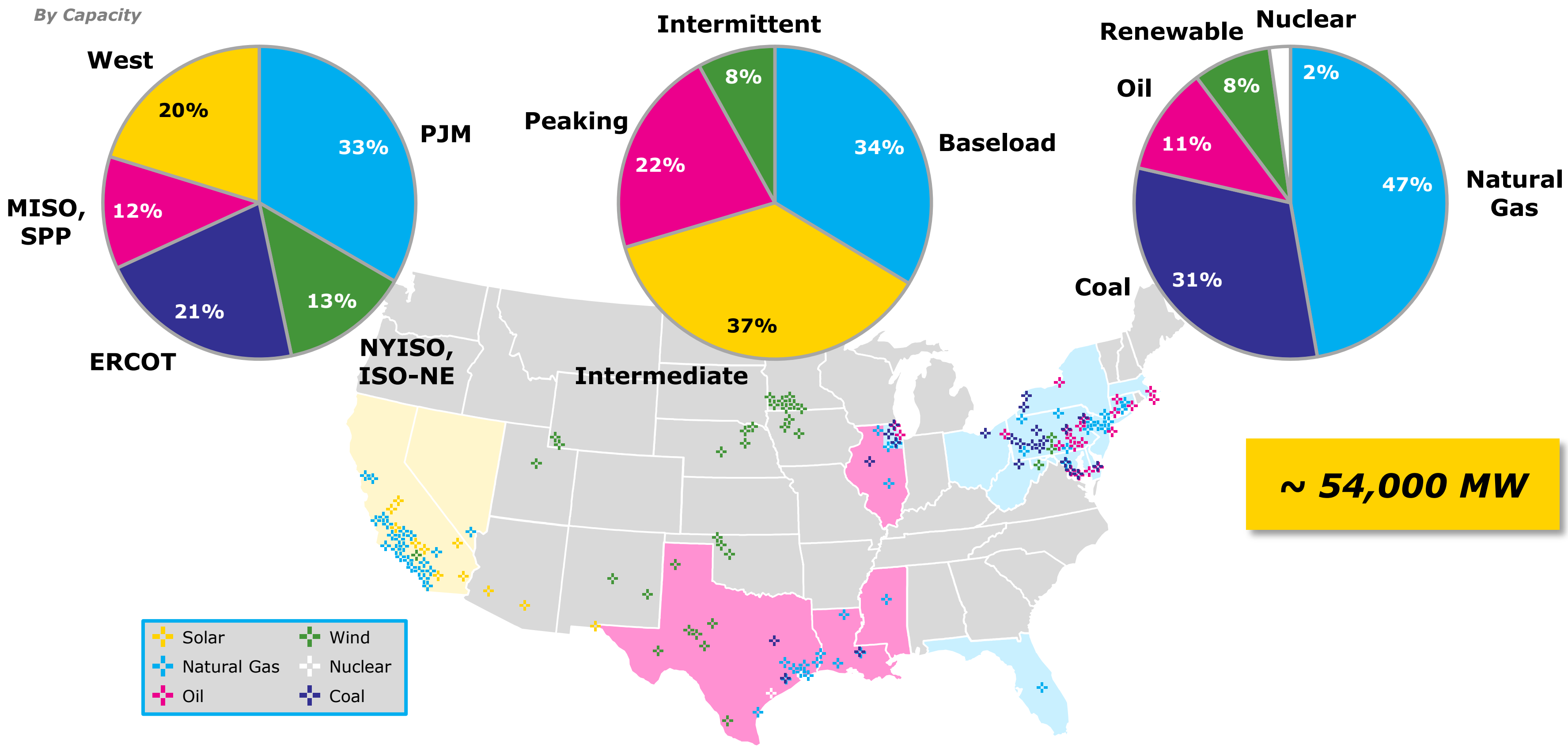
★ Creating the Foundation for Future Growth, Value Creation, and Value Recognition ★

[1] Includes NRG's gross generation capacity as of 6/30/2014. Excludes all renewable assets

NRG Business: Leading Competitive Generation Portfolio

NRG's Competitive Generation Footprint Benefits from Scale and Diversity …

Locational Diversity | **Merit Order Diversity[1]** | **Fuel Diversity[1]**



★ … And Provides Foundation for Strong Results, While Supporting Development of Next Generation Competitive Energy Services ★

Note: Totals may not sum to 100% due to rounding; MW as of 6/30/2014, pro forma for Alta Wind acquisition, and excluding international assets

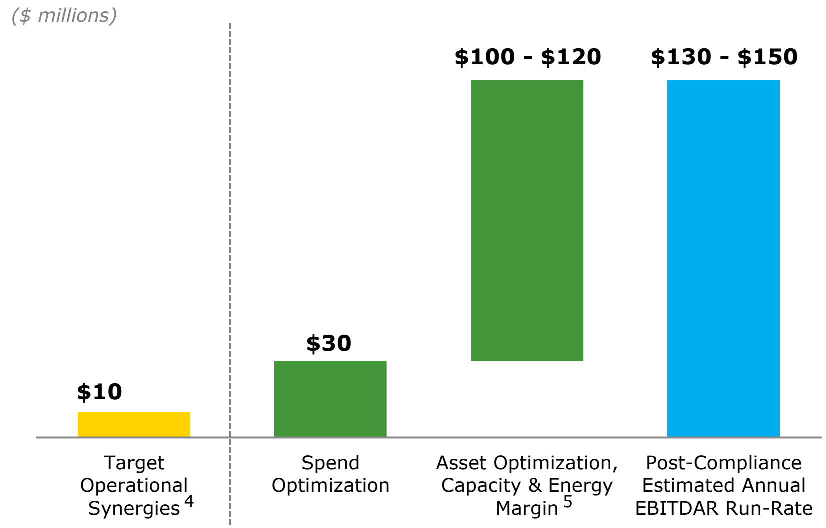
[1] Merit order classification based on technology and NRG assumptions, rather than actual dispatch characteristics on a current-market basis; Fuel diversity denotes primary fuel type

Midwest Generation: Investing in the Future

NRG's Optimization Plan…

Facility	Capacity	Anticipated Actions
Powerton	1,538	Continue to operate on PRB coal Planned DSI and ESP upgrades[1]
Joliet	1,326	Planned conversion to natural gas Expected 2016 COD
Waukegan	681	Continue to operate on PRB coal Planned DSI and ESP upgrades
Will County	761	Retire Unit 3 in April 2015 (251 MW) Testing Unit 4 for MATS compliance; no additional capex requirement
Environmental Benefits		60% reduction in annual CO_2 90% reduction in annual SO_2 65% reduction in annual NO_X

…Significantly Enhances the Value of MWG



Investment	$ MM
Compliance Plan[2]	$545
PV of Lease Obligation[3]	$224
Total	**$769**

Implied EV/EBITDAR Multiple of ~5.5x

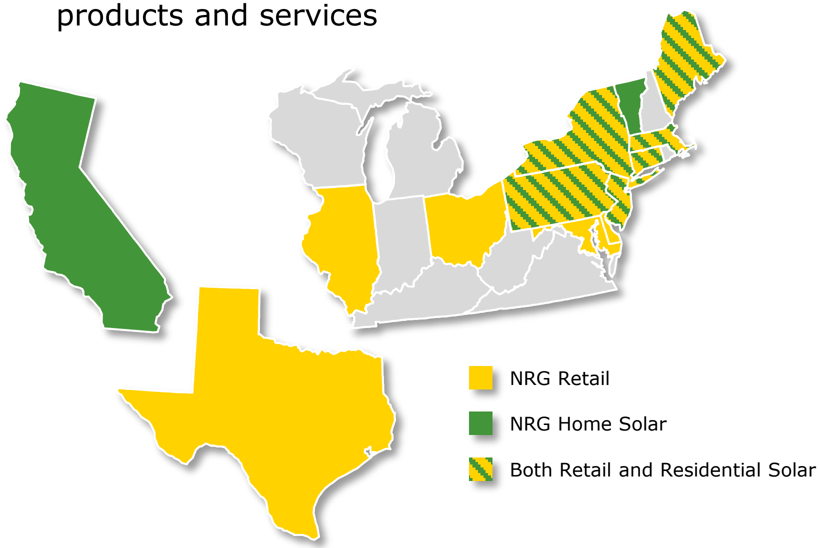
★ Continuing to Execute on Long Term Value Creation ★

[1] DSI – Direct Sorbent Injection; ESP – Electrostatic Precipitator; [2] Excludes Interest During Construction (IDC)
[3] Represents the present value of Midwest Generation operating lease payments (10% discount rate) as of 6/30/2014
[4] Based on initial synergy guidance provided on 1/7/2014
[5] Based on forward curves

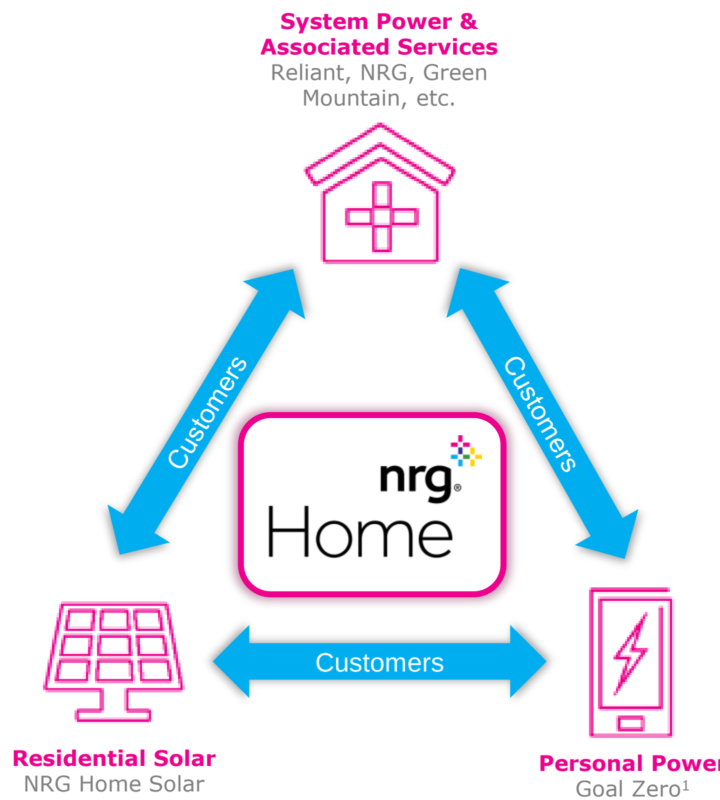
NRG Home: Powering the Individual at Home & On-the-Go with Clean Energy

Establishing NRG Home…

- ~2.8 million customers in Texas and the Northeast
  - Leveraging industry-leading **integrated wholesale / retail** energy model
- Best-in-class, **vertically-integrated** residential solar platform through customer life cycle
  - Key relationships with **major big box retailers** provide advantaged sales platform
- Ability to cross-sell NRG's full suite of consumer products and services



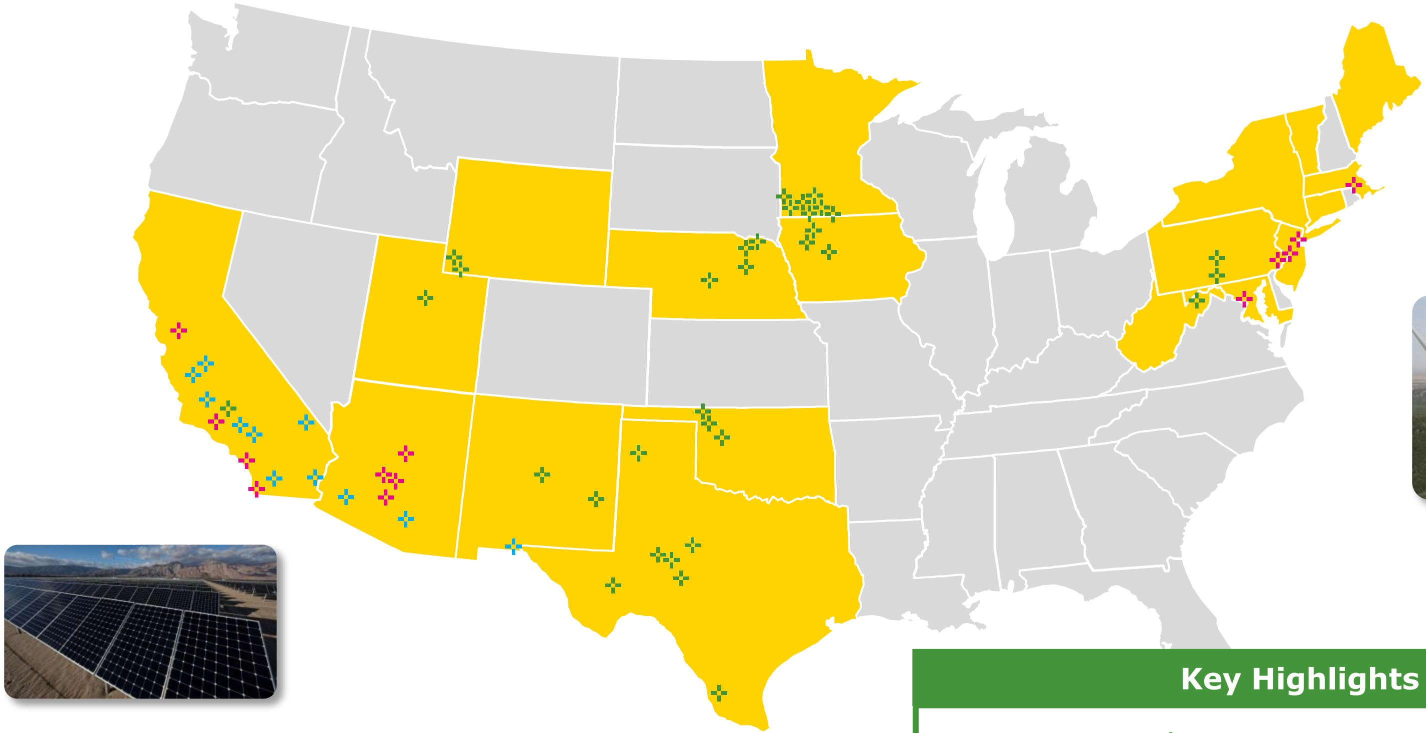
…to Position for Growth



★ NRG's Leading Retail Platform Provides a Strong Foundation for Growth Inside the Home ★

[1] Acquisition announced on 8/14/2014; Expected to close during 3Q 2014

NRG Renew: Industry-Leading Clean Energy Platform



- Utility-Scale Solar
- Distributed Solar[2]
- Utility-Scale Wind

Key Highlights

- NRG is the **3rd largest** US-based renewables operator and developer
- **~4,300 MW** of wind and solar capacity in operation and under construction[1]
- Burgeoning **distributed solar** business and focus on B2B sustainability partnerships

★ Leading Renewables Platform Contributing Significant Contracted EBITDA and Growth ★

[1] Total capacity, including capacity owned by minority interest partners, as of 8/12/2014
[2] Represents major distributed solar portfolios

WA Parish Project: Value Proposition

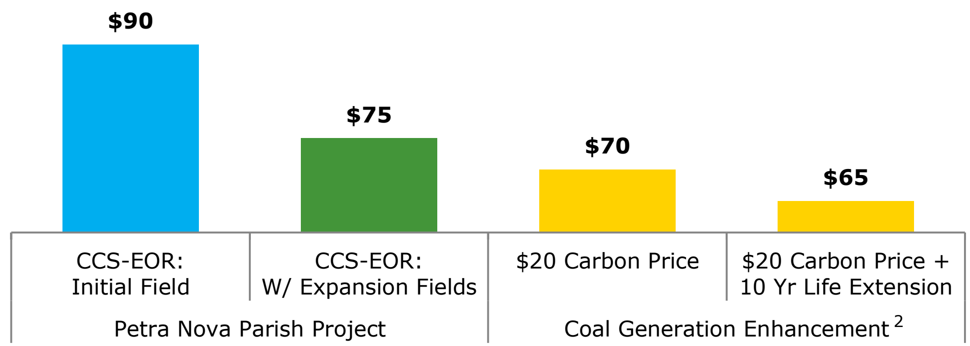
Commodity Diversification Through Oil / Natural Gas Price Arbitrage

Carbon Price Hedge

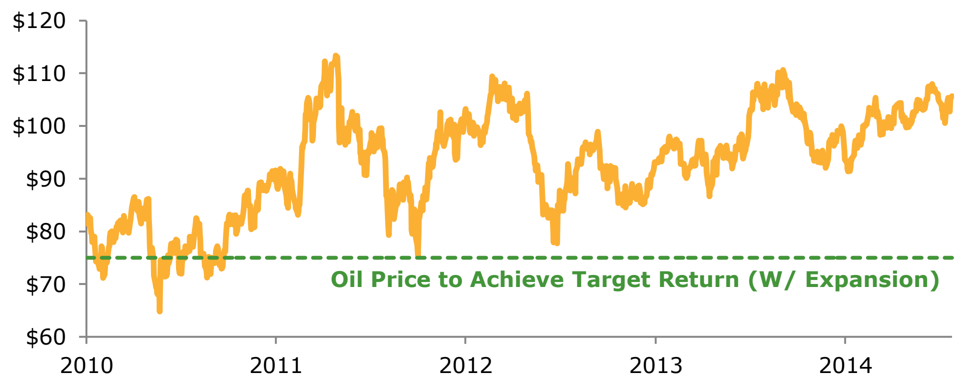
Enhance Value and Useful Life of Coal Fleet

Fight Climate Change While Preserving Critical System Fuel Diversity

Illustrative Oil Price for Target Return[1] ($/bbl)



Historical WTI Crude Oil Prices ($/bbl)[1,3]



★ Petra Nova Provides the Foundation for the Future of Coal At NRG By Economically Reducing CO_2 Emissions ★

[1] Represents after-tax 10% unlevered return; Oil prices represent today's dollars adjusted for annual inflation; Quality of oil produced at West Ranch field trades at a premium to WTI
[2] Illustrative $20 Carbon Price Scenario assumes $20/ton carbon price beginning in 2020, oil field expansion post-West Ranch, 90% CO_2 removal rate on 240 MW, 1 ton/MWh baseline carbon emissions, 80% capacity factor, and $0.53/MWh uplift in power prices for every $1/ton carbon price; Illustrative 10 Year Life Extension assumes a $20/MWh dark spread
[3] Source: EIA Historical Spot Prices; Market data as of 7/30/2014

NRG YIELD

A Premier Dividend Growth Company

Ticker: NYLD (NYSE)	**Market Cap[1]:** ~$4.2 BN
Estimated Dividend Yield[1]: ~2.8%	**Target Dividend Growth[2]:** 15% - 18%
Project Pipeline Capacity: ~2.1 GW	**NRG Energy Ownership Stake:** 55.3%

Conventional

- 4 Facilities with 1,460 net MW
- 100% Contracted
- ~13 year average remaining PPA life[4]

Renewable[3]

- 19 solar and wind facilities with 1,401 net MW
- 100% Contracted
- ~21 year average remaining PPA life[4]

Thermal

- 1.35 GW_T capacity and 123 MW of generating capacity
- 690 customers
- Primarily long-term contracts or regulated rates

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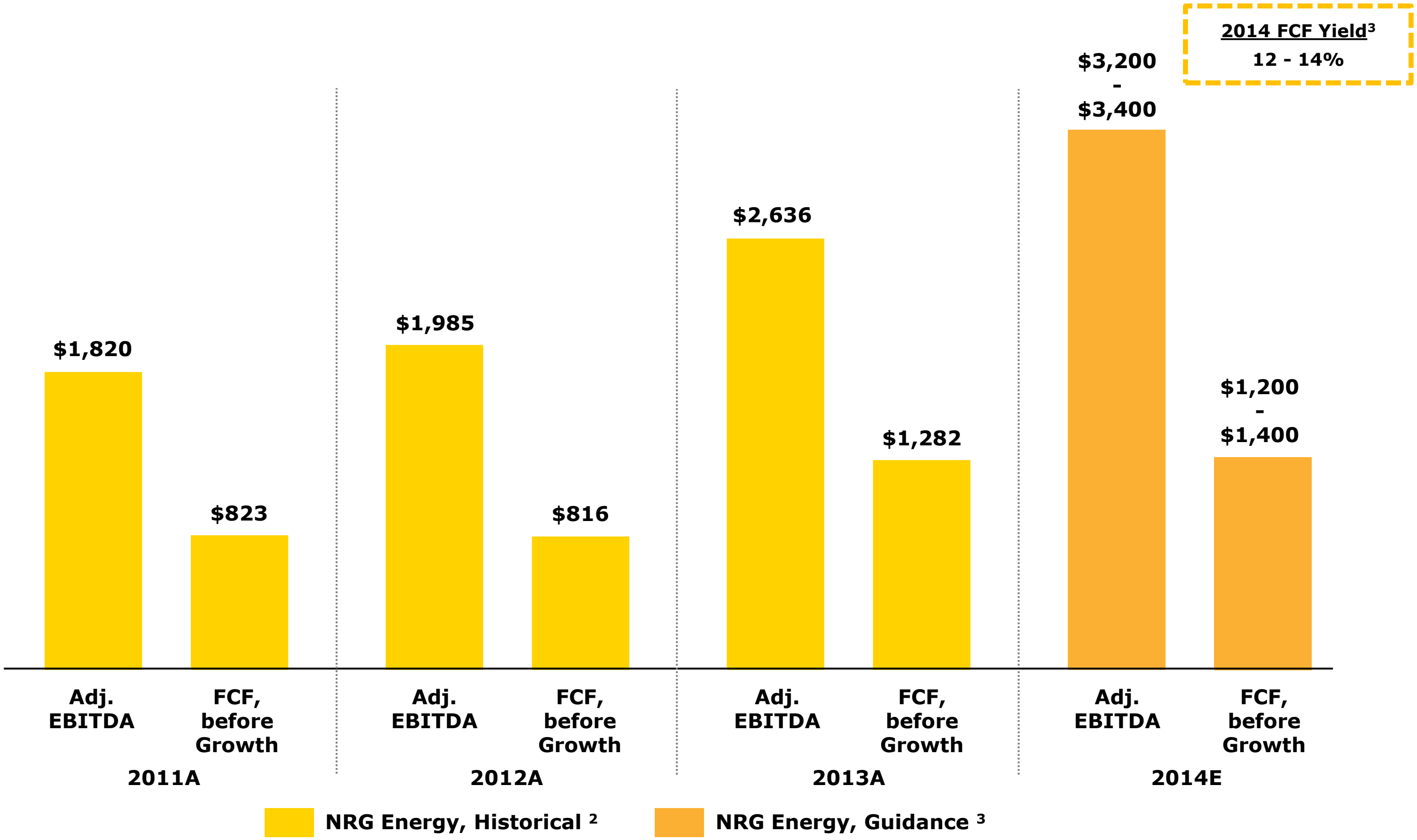
[1] As of 8/27/2014; Assumes ~77.3 MM shares outstanding (~34.6 MM Class A shares; ~42.7 Class B shares) and an expected annualized dividend of $1.50 per share by 4Q 2014
[2] Represents target 5-year CAGR
[3] Pro forma for Alta Wind acquisition closed on 8/12/2014
[4] Weighted by Cash Available for Distribution (CAFD)

Financial Highlights:
EBITDA[1] and Free Cash Flow

Strong Financial Performance and Robust Free Cash Flow Today…



★ …Provides the Necessary Capital for Long-Term Value Creation ★

[1] 2012A, 2013A, and 2014E Adjusted EBITDA based on NRG's revised methodology, as more fully described in NRG's 4Q12 earnings presentation on 2/27/2013
[2] 2011A from NRG's 4Q11 earnings presentation on 2/28/2012; 2012A from NRG's 4Q12 earnings presentation on 2/27/2013; 2013A from NRG's 4Q13 earnings presentation on 2/28/2014
[3] Based on guidance previously disclosed in NRG's 2nd Quarter 2014 Results Presentation on 8/7/2014; Market data as of 8/27/2014; Assumes ~337.2 MM shares outstanding

Investor Relations Contacts

NRG Investor Relations

211 Carnegie Center

Princeton, NJ 08540

For copies of other presentations, annual/ quarterly reports, or to be added to our email distribution list please contact:

- **Chad Plotkin**
  Vice President of Investor Relations
  609.524.4526
  chad.plotkin@nrgenergy.com

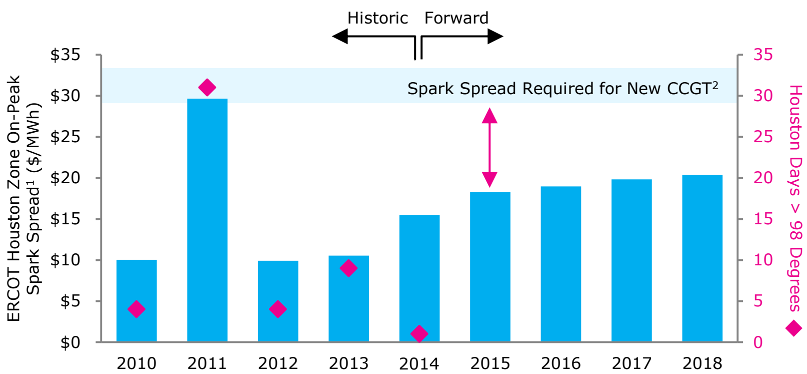
- **Daniel Keyes**
  Analyst, Investor Relations
  609.524.4527
  daniel.keyes@nrgenergy.com

- **Lori Stagliano**
  Investor Relations Coordinator
  609.524.4528
  lori.stagliano@nrgenergy.com

Appendix

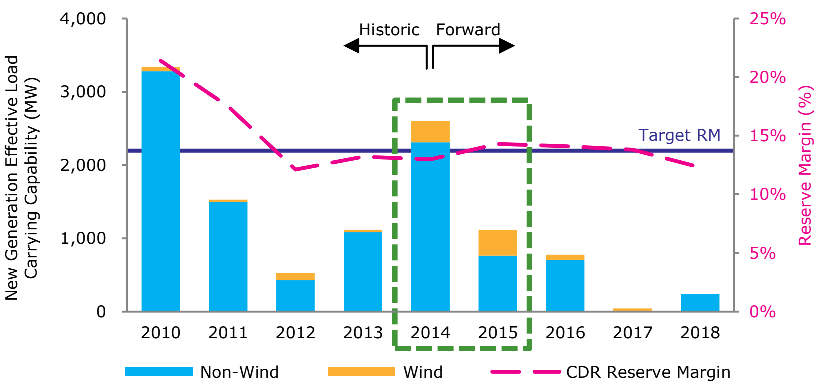
Market Update (2Q Earnings Presentation)

ERCOT: Mild Summer Weather Impacts Spot and Forward Prices



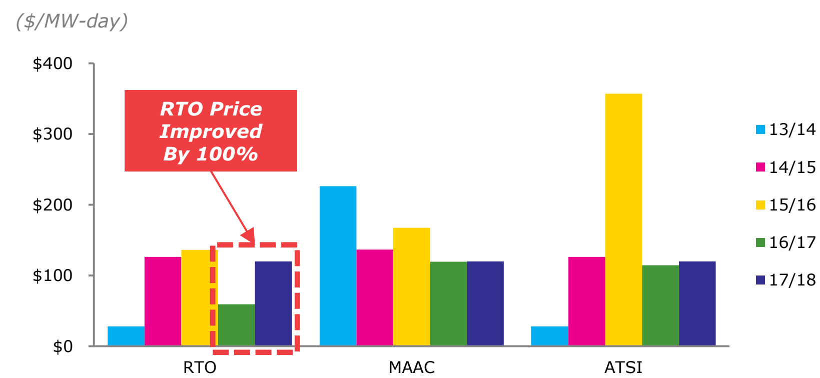
Source: ERCOT, NOAA, NRG estimates

New Builds Driven By Potential Capacity Market and PTC Extension

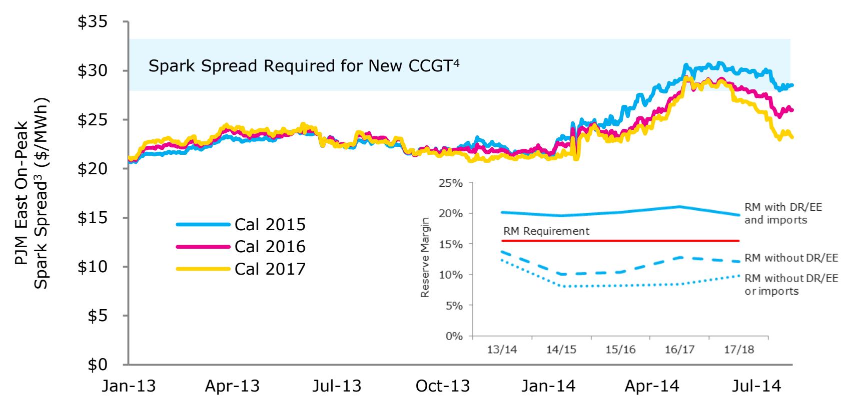


Source: ERCOT CDR
Note: 2014 new build includes a mix of both completed and planned projects as per the May 2014 CDR

PJM: Strong Capacity Results Support Asset Optimization Plan



Capacity⁵: 6.4 GW 9.9 GW 1.1 GW



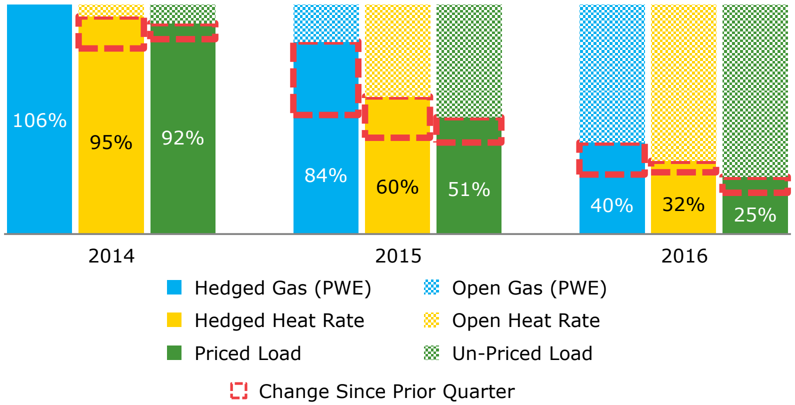
Source: PJM, NRG estimates

★ NRG Continues to Benefit From Regional Diversification ★

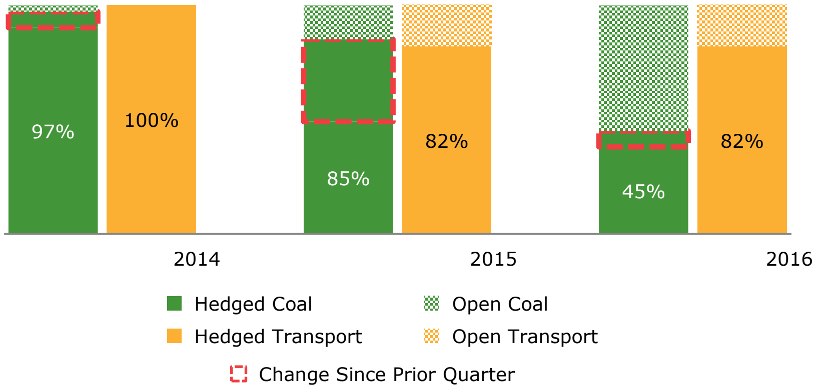
[1] 2010 – 2013 spark spreads calculated using actual DA settles vs. 7 heat rate x Houston Ship Channel gas; 2014 spark spreads are a combination of YTD actual DA settles and balance of year forwards; 2015 – 2018 spark spreads based on forward on-peak power prices vs. 7 heat rate x Houston Ship Channel gas; [2] CCGT CONE range calculated based on overnight capital cost in the range of $800/kW to $900/kW; Spark Spreads =(On-peak power - 7 heat rate x Houston Ship Channel gas); [3] Spark spreads based on forward on-peak power prices vs. 7 heat rate x TETCO M3 gas; [4] CCGT CONE range is calculated based on overnight capital cost of $1,100/kW, net of capacity and ancillary revenue; Spark Spreads = (On-peak power - 7 heat rate x TETCO M3 gas); [5] Represents installed capacity (ICAP) as of 6/30/2014

Commercial Operations

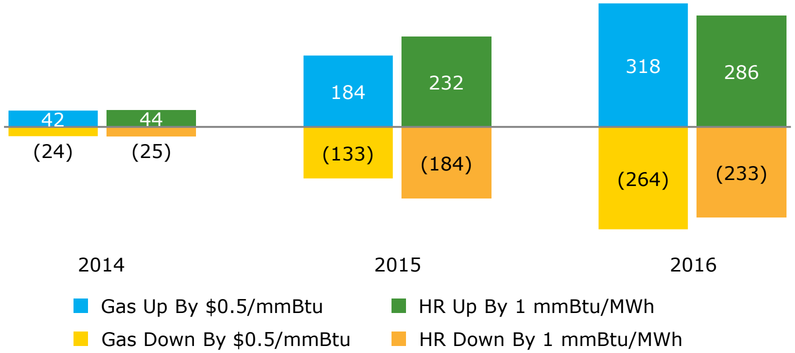
Coal and Nuclear Generation and Retail Hedge Position[1,2]



PJM: Strong Capacity Results Support Asset Optimization Plan



Coal and Nuclear Generation Sensitivity to Gas Price and Heat Rate[1,3]



2017/2018 PJM Auction Results

Zone	% Capacity Cleared[5]
MAAC	98%
ATSI	100%
RTO	93%
Total	**96%**

[1] Portfolio as of 7/17/2014; [2] Retail Priced Load includes Term load, Hedged Month-to-month load, and Indexed load
[3] Price sensitivity reflects gross margin change from $0.5/MMBtu gas price, 1 mmBtu/MWh heat rate move
[4] Coal position excludes existing coal inventory
[5] Represents the amount of cleared UCAP capacity compared to total available UCAP capacity; Excludes assets retiring prior to the 2017/2018 planning year

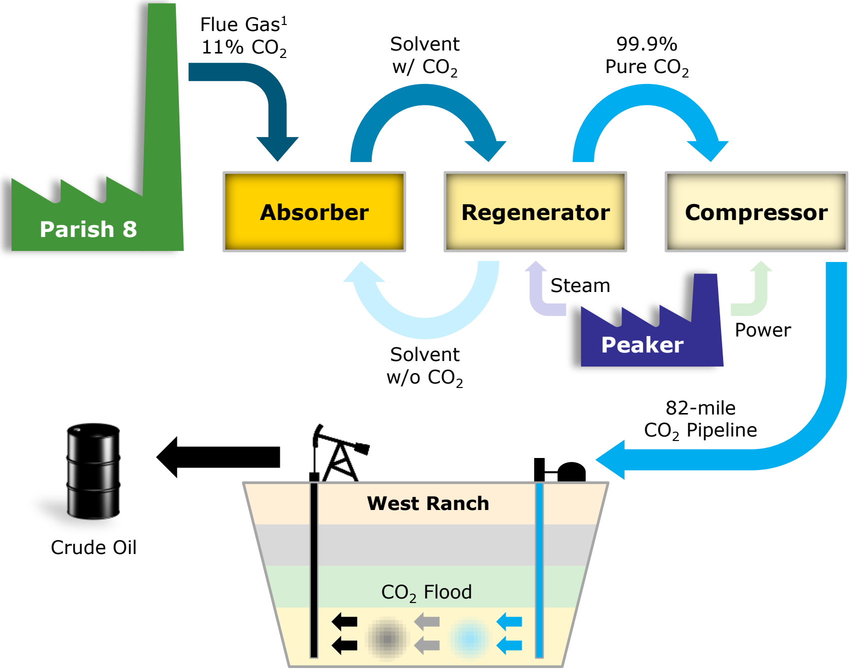
petra nova

WA Parish Project: Overview

Project Advantage

Demonstrated, Superior Technology	Post-combustion carbon capture (PCCC) is a simple, mature, and proven technology Similar to back-end controls being used for SO_2 and NO_X today Well-understood and proven technology with experienced OEM
Enhanced CO_2 Capture	90% carbon capture target for 240 MW flue gas slip stream
Strong Project Partners	Experienced project partners Hilcorp Energy and JX Nippon Oil & Gas $167 MM Department of Energy grant
Leverages Existing Power Plant	No new baseload power needed; Utilizes existing WA Parish plant
No Reliability Impact	No impact on plant operations; Capture unit is independent
Cost Protections	Fixed price under lump-sum turn-key (LSTK) EPC agreement
Timing Protections	Guaranteed completion with liquidated damages through EPC agreement

Process Overview



- Target COD for CCS by end of 2016
- Expected to capture 1.6 million tons of CO_2/year
- West Ranch field holds reserves of ~60 million barrels[2]
- Projected production increase from 500 bbl/d to 15,000 bbl/d

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★ Petra Nova: Leading the Market For Post-Combustion Carbon Capture ★

[1] Flue gas conditioning occurs prior to absorption, which removes all residual SO_X and cools the flue gas
[2] Based on reserve report as of 12/31/2013; Reserves are proved and probable on a contingent basis subject to audit of final approved project

2014 Guidance Overview

($ millions)	**Guidance 8/7/2014**	**Guidance 5/6/2014**
Wholesale[1,2]	$2,200 – $2,320	$2,315 – $2,440
Retail	$600 – $675	$600 – $675
NRG Yield[1]	$410	$292
Adjusted EBITDA	**$3,200 – $3,400**	**$3,200 – $3,400**
Free Cash Flow before Growth	**$1,200 – $1,400**	**$1,200 – $1,400**

[1] In accordance with GAAP, 2014 guidance includes $100 MM shift in Adjusted EBITDA from Wholesale to NRG Yield following ROFO asset dropdown on 6/30/2014. Excludes impact of Alta Wind Transaction
[2] Includes approximately $40 MM of negative Adjusted EBITDA associated with residential solar

NRG Yield Drop-Down Update

	Project	Technology	Net MW	COD	Off-Take
Dropped Down 6/30/2014 *Run-Rate Adj. EBITDA: $100 MM* *Run-Rate CAFD: $30 MM*	El Segundo	CCGT	550	2013	10-year tolling agreement with SCE[1]
	TA High Desert	PV	20	2013	20-year PPA with SCE
	RA Kansas South	PV	20	2013	20-year PPA with PG&E[1]
Expected to Be Offered By YE 2014 *Run-Rate Adj. EBITDA: $120 MM* *Run-Rate CAFD: $35 MM*	Walnut Creek	CT	500	2013	10-year PPA with SCE
	Tapestry	Wind	204	2008 – 2011	20-year PPA with various off-takers
	Laredo Ridge	Wind	81	2011	20-year PPA with NPPD[1]
Expected to Be Offered Post-2014 *Run-Rate Adj. EBITDA: $215 MM* *Run-Rate CAFD: $100 MM*	CVSR[2]	PV	128	2013	25-year PPA with PG&E
	Agua Caliente[3]	PV	148	2014	25-year PPA with PG&E
	Ivanpah[4]	Solar Thermal	193	2013	20-25-year PPAs with PG&E and SCE
	Other NYLD-Eligible Assets	Wind	816	Various	Various long-term contracts

★ Poised for Capital Replenishment at NRG Energy and Driving CAFD Growth at NYLD ★

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1 SCE – Southern California Edison; PG&E – Pacific Gas & Electric; NPPD – Nebraska Public Power District
2 Represents NRG's remaining interest in CVSR
3 Capacity represents 51% NRG ownership; Remaining 49% of Agua Caliente is owned by MidAmerican Energy Holdings, Inc.
4 Capacity represents 49.95% NRG ownership; Remaining 50.05% is owned by Google, Inc. and BrightSource Energy, Inc.

2014 Capital Allocation Update

Prior Quarter Update[1]
$2,726 MM – $2,926 MM

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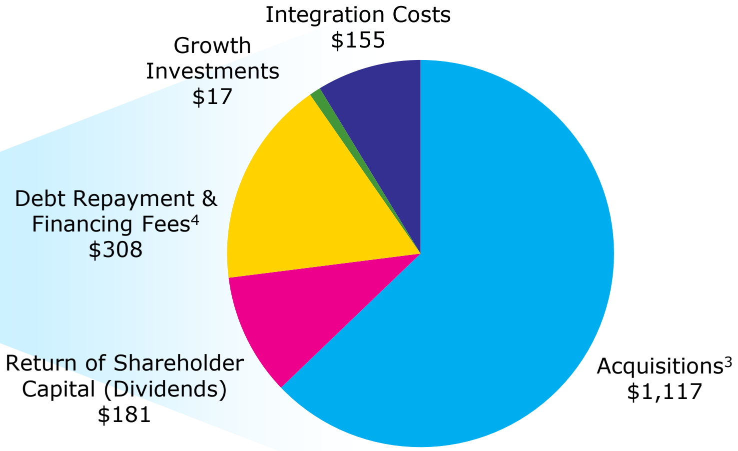
Net NYLD Excess Cash[2]
$188 MM

Total Cash Available for Allocation
$2,914 MM – $3,114 MM

Previously Allocated
$1,778 MM



Remaining Cash Available for Allocation
$1,136 MM – $1,336 MM

At GenOn[5]: ~$650 MM

- Post-2014 capital for fuel conversions (Portland, Shawville, Avon Lake, New Castle) of ~$440 MM

At NYLD: ~$280 MM

- Fund 2nd drop-down (moves to NRG)

At NRG[5]: ~$305 MM + Drop-Down Proceeds

- Residential Solar
- (Bolt-on) Acquisitions across businesses
- 2015 Midwest Generation investment

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★ Significant Progress Made YTD on Long-Term Value Creation ★

[1] Cash Available for Allocation as provided on 1Q 2014 earnings call on 5/6/2014; Includes excess cash of $1,189 MM, 2014 FCF before Growth guidance of $1,200 MM – $1,400 MM, and net drop-down proceeds of $337 MM; [2] Represents total cash proceeds from NYLD equity and debt issuances above expected funding requirements for Alta Wind transaction (expected to close 3Q 2014)
[3] Includes net $899 MM related to EME acquisition and $218 MM related to other acquisitions; [4] Includes scheduled debt amortization and $35 MM of debt repayment related to divestiture of Bayou Cove
[5] Implied based on mid-point of Free Cash Flow before Growth guidance

Appendix
Reg. G Schedules

Reg. G: LTM Free Cash Flow Before Growth Investments

$ millions	Year Ending Dec 31, 2013		Half Ending Jun 30, 2013		Half Ending Jun 30, 2014		LTM
Adjusted EBITDAR	**$ 2,746**	**-**	**$ 1,006**	**+**	**$ 1,543**	**=**	**$ 3,283**
Less: GenOn operating lease expense[1]	(110)	-	(39)	+	(56)	=	(127)
Adjusted EBITDA	**$ 2,636**	**-**	**$ 967**	**+**	**$ 1,487**	**=**	**$ 3,156**
Interest payments	(935)	-	(492)	+	(542)	=	(985)
Income tax	60	-	62	+	(9)	=	(11)
Collateral/working capital/other	(491)	-	(615)	+	(567)	=	(443)
Cash flow from operations	**$ 1,270**	**-**	**$ (78)**	**+**	**$ 370**	**=**	**$ 1,718**
Reclassifying of net receipts (payments) for settlement of acquired derivatives that include financing elements	267	-	171	+	(167)	=	(71)
Merger and integration costs	141	-	80	+	64	=	125
Collateral	47	-	158	+	297	=	186
Adjusted Cash flow from operations	**$ 1,725**	**-**	**$ 331**	**+**	**$ 564**	**=**	**$ 1,958**
Maintenance CapEx, net[2]	(325)	-	(170)	+	(164)	=	(319)
Environmental CapEx, net	(104)	-	(33)	+	(86)	=	(157)
Preferred dividends	(9)	-	(5)	+	(5)	=	(9)
Distributions to non-controlling interests	(5)	-	-	+	(23)	=	(28)
Free Cash Flow - before Growth Investments	**$ 1,282**	**-**	**$ 123**	**+**	**$ 286**	**=**	**$ 1,445**

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[1] For Year Ending 12/31/2013, amounts include final purchase accounting adjustments for GenOn transaction
[2] Maintenance capex, net excludes merger and integration capex

Reg. G: 2012 & 2011 Free Cash Flow Before Growth Investments

$ in millions		Dec 31, 2012		Dec 31, 2011
Adjusted EBITDAR	**$**	**1,988**	**$**	**1,820**
Less: GenOn operating lease expense		(3)		-
Adjusted EBITDA	**$**	**1,985**	**$**	**1,820**
Interest payments		(707)		(769)
Income tax		(17)		(26)
Collateral/working capital/other		(112)		141
Cash flow from operations	**$**	**1,149**	**$**	**1,166**
Reclassifying of net payments for settlement of acquired derivatives that include financing elements		(68)		(83)
GenOn Merger and integration costs		46		-
Collateral		(82)		-
Adjusted Cash flow from operations	**$**	**1,045**	**$**	**1,083**
Maintenance CapEx, net		(215)		(200)
Environmental CapEx, net		(5)		(51)
Preferred dividends		(9)		(9)
Free cash flow - before growth investments	**$**	**816**	**$**	**823**

Note: 2012 Adjusted EBITDA based on NRG's revised methodology, as more fully described in NRG's 4Q12 earnings presentation on 2/27/2013

Reg. G: 2014 Guidance

($ millions)	**8/7/2014 Guidance**
Adjusted EBITDAR	**$3,328 - $3,528**
Less: Operating lease expense	(128)
Adjusted EBITDA	**$3,200 - $3,400**
Interest payments[1]	(1,061)
Income tax	(40)
Working capital / other	(70)
Adjusted Cash Flow from Operations	**$2,029 - $2,229**
Maintenance capital expenditures, net	(375) – (395)
Environmental capital expenditures, net	(340) – (360)
Preferred dividends	(9)
Distributions to non-controlling interests	(100)
Free Cash Flow before Growth	**$1,200 - $1,400**

[1] Includes $70 MM debt extinguishment costs associated with refinancings

Reg. G: Executed 6/30 Drop-Down Annual Run-Rate

($ millions)	**6/30 Executed Drop-Downs**	
Income Before Taxes	**$**	**45**
Adjustments to net income to arrive at Adjusted EBITDA:		
Depreciation & amortization		27
Interest expense, net		28
Adjusted EBITDA	**$**	**100**
Cash interest paid		(26)
Maintenance capital expenditures		(2)
Principal amortization of indebtedness		(38)
Change in other assets		(4)
Cash Available for Distribution	**$**	**30**

Reg. G: Drop-Down Pipeline Annual Run-Rate

($ millions)	2H 2014 Drop-Downs	Post-2014 Drop-Downs
Income Before Taxes	**$ 38**	**$ 75**
Adjustments to net income to arrive at Adjusted EBITDA:		
Depreciation & amortization	45	68
Adjustment to reflect reported equity earnings	–	10
Interest expense, net	37	61
Adjusted EBITDA	**$ 120**	**$ 215**
Cash interest paid	(37)	(59)
Working capital / other	(1)	(8)
Maintenance capital expenditures	–	(1)
Principal amortization of indebtedness	(47)	(46)
Cash Available for Distribution	**$ 35**	**$ 100**

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Appendix Table A-1: First Half 2014 Regional Adjusted EBITDA Reconciliation

The following table summarizes the calculation of Adjusted EBITDA and provides a reconciliation to net income

($ millions)	Retail	Texas	South Central	Gulf Coast	East	West	NRG Yield	Renewables	Corporate	Total
Net Income / (Loss) Attributable to NRG Energy, Inc.	**179**	**(208)**	**5**	**(203)**	**225**	**41**	**50**	**(67)**	**(378)**	**(153)**
Plus:										
Net income attributable to non-controlling interest	–	–	–	–	–	–	10	3	(7)	6
Interest expense, net	1	–	35	35	(3)	4	56	58	370	521
Loss on debt extinguishment	–	–	–	–	–	–	–	–	81	81
Income tax	1	–	–	–	–	–	5	–	(163)	(157)
Depreciation, amortization, and ARO expense	66	235	54	289	140	43	60	107	22	727
Amortization of contracts	3	21	(9)	12	(19)	(3)	–	–	–	(7)
EBITDA	**250**	**48**	**85**	**133**	**343**	**85**	**181**	**101**	**(75)**	**1,018**
Adjustment to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates	–	–	1	1	–	(4)	20	3	11	31
Integration & transaction costs	–	–	–	–	1	–	–	–	51	52
Deactivation costs	–	–	–	–	2	4	–	–	–	6
Legal settlement	4	–	–	–	–	–	–	–	–	4
Sale of businesses	–	–	(23)	(23)	5	–	–	–	–	(18)
Asset write-offs and impairments	–	5	–	5	–	–	–	–	2	7
Mark to Market (MtM) losses / (gains) on economic hedges	27	33	(4)	29	330	1	–	–	–	387
Adjusted EBITDA	**281**	**86**	**59**	**145**	**681**	**86**	**201**	**104**	**(11)**	**1,487**

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Appendix Table A-2: First Half 2013 Regional Adjusted EBITDA Reconciliation

The following table summarizes the calculation of Adjusted EBITDA and provides a reconciliation to net income

($ millions)	Retail	Texas	South Central	Gulf Coast	East	West	NRG Yield	Renewables	Corporate	Total
Net Income / (Loss) Attributable to NRG Energy, Inc.	**287**	**(251)**	**–**	**(251)**	**(25)**	**32**	**46**	**(38)**	**(259)**	**(208)**
Plus:										
Net income attributable to non-controlling interest	–	–	–	–	–	–	–	10	(2)	8
Interest expense, net	1	–	8	8	27	–	11	22	328	397
Loss on debt extinguishment	–	–	–	–	–	–	–	–	49	49
Income tax	–	–	–	–	–	–	–	–	(215)	(215)
Depreciation, amortization, and ARO expense	68	225	49	274	178	28	20	47	15	630
Amortization of contracts	39	21	(10)	11	(21)	(3)	–	–	(2)	24
EBITDA	**395**	**(5)**	**47**	**42**	**159**	**57**	**77**	**41**	**(86)**	**685**
Adjustment to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates	–	–	1	1	–	1	20	12	(1)	33
Integration & transaction costs	–	–	–	–	–	–	–	–	69	69
Deactivation costs	–	–	–	–	9	2	–	–	–	11
Asset write-offs and impairments	–	2	1	3	–	–	–	–	1	4
Mark to Market (MtM) losses / (gains) on economic hedges	(152)	197	(37)	160	159	(1)	–	(1)	–	165
Adjusted EBITDA	**243**	**194**	**12**	**206**	**327**	**59**	**97**	**52**	**(17)**	**967**

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Appendix Table A-3: Full-Year 2013 Regional Adjusted EBITDA Reconciliation

The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income

($ in millions)	Retail	Texas	South Central	East	West	Other Conventional	NRG Yield	Alt. Energy	Corp.	Total
Net Income/(Loss) Attributable to NRG Energy, Inc	**562**	**(177)**	**13**	**(139)**	**78**	**(56)**	**96**	**(108)**	**(655)**	**(386)**
Plus:										
Net Income Attributable to Non-Controlling Interest	-	-	-	-	-	-	13	27	(6)	34
Interest Expense, net	2	1	18	57	13	-	34	55	656	836
Loss on Debt Extinguishment	-	-	-	-	-	-	-	-	50	50
Income Tax	-	-	-	-	-	(29)	8	-	(261)	(282)
Depreciation Amortization and ARO Expense	143	460	99	329	60	4	51	109	21	1,276
Amortization of Contracts	55	39	(22)	(46)	(4)	-	2	-	-	24
EBITDA	**762**	**323**	**108**	**201**	**147**	**(81)**	**204**	**83**	**(195)**	**1,552**
Adjustment to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates	-	-	2	-	18	16	40	3	-	79
Integration & Transaction Costs	-	-	-	-	-	-	-	-	128	128
Deactivation costs	-	-	-	19	4	-	-	-	-	23
Legal Settlement	3	-	-	-	-	-	-	-	-	3
Asset and Investment Write-offs	-	2	-	460	-	93	-	4	7	566
MtM losses/(gains) on economic hedges	(151)	177	(67)	324	(2)	-	-	1	3	285
Adjusted EBITDA	**614**	**502**	**43**	**1,004**	**167**	**28**	**244**	**91**	**(57)**	**2,636**

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Appendix Table A-4: Full-Year 2012 Regional Adjusted EBITDA Reconciliation

The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income

($ in millions)	Retail	Texas	South Central	East	West	Other Conventional	NRG Yield	Alt. Energy	Corp.	Total
Net Income/(Loss) Attributable to NRG Energy, Inc	**541**	**(94)**	**2**	**(55)**	**59**	**21**	**13**	**(57)**	**(135)**	**295**
Plus:										
Net Income Attributable to Non-Controlling Interest	-	-	-	-	-	-	-	20	-	20
Interest Expense, net	4	-	18	18	1	-	27	26	558	652
Loss on Debt Extinguishment	-	-	-	-	-	-	-	-	51	51
Income Tax	-	-	-	-	-	3	10	-	(340)	(327)
Depreciation Amortization and ARO Expense	162	461	93	140	16	2	25	49	12	960
Amortization of Contracts	115	41	(20)	(1)	-	-	1	-	-	136
EBITDA	**822**	**408**	**93**	**102**	**76**	**26**	**76**	**38**	**146**	**1,787**
Adjustment to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates	-	-	2	-	2	17	25	9	-	55
Merger and Transaction Costs	-	-	-	-	-	-	-	-	112	112
Deactivation Costs	-	-	-	3	-	-	-	-	-	3
Bargain Purchase Gain	-	-	-	-	-	-	-	-	(296)	(296)
Asset Write Off and Impairment	-	8	9	-	-	-	-	-	5	22
Legal Settlement	-	-	14	-	20	-	-	-	-	34
MtM losses/(gains) on economic hedges	(166)	464	(17)	(3)	(10)	-	-	-	-	268
Adjusted EBITDA	**656**	**880**	**101**	**102**	**88**	**43**	**101**	**47**	**(33)**	**1,985**

[1] Revised to reflect new Adjusted EBITDA methodology disclosed in the February 27, 2013 earnings presentation

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Appendix Table A-5: Full-Year 2011 Regional Adjusted EBITDA Reconciliation
The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income

		Gulf Coast				Other	Alt.		
($ in millions)	**Retail**	**Texas**	**South Central**	**East**	**West**	**Conv.**	**Energy**	**Corp.**	**Total**
Net Income/(Loss)	$369	$316	(14)	($86)	$54	$19	($57)	($404)	$197
Plus:									
Net Income Attributable to Non-Controlling Interes	-	-	-	-	-	-	-	-	-
Income Tax	(3)	-	-	-	-	7	-	(847)	(843)
Interest Expense	4	(16)	41	47	2	15	16	556	665
Depreciation, Amortization and ARO Expense	159	466	89	120	13	14	31	12	904
Loss on Debt Extinguishment	-	-	-	-	-	-	-	175	175
Amortization of Contracts	169	56	(20)		-	1	-	-	206
EBITDA	698	822	96	81	69	56	(10)	(508)	1,304
Asset and Investment Write off	-	170	-	12	-	-	-	495	677
MtM losses/(gains)	(34)	(150)	29	(5)	4	-	(5)	-	(161)
Adjusted EBITDA	$664	$842	$125	$88	$73	$56	($15)	($13)	$1,820

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- EBITDA and Adjusted EBITDA are non-GAAP financial measures. These measurements are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The presentation of Adjusted EBITDA should not be construed as an inference that NRG's future results will be unaffected by unusual or non-recurring items.
- EBITDA represents net income before interest (including loss on debt extinguishment), taxes, depreciation and amortization. EBITDA is presented because NRG considers it an important supplemental measure of its performance and believes debt-holders frequently use EBITDA to analyze operating performance and debt service capacity. EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are:
  - EBITDA does not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments;
  - EBITDA does not reflect changes in, or cash requirements for, working capital needs;
  - EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments;
  - Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and
  - Other companies in this industry may calculate EBITDA differently than NRG does, limiting its usefulness as a comparative measure.
- Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to use to invest in the growth of NRG's business. NRG compensates for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA only supplementally. See the statements of cash flow included in the financial statements that are a part of this news release.
- Adjusted EBITDA is presented as a further supplemental measure of operating performance. Adjusted EBITDA represents EBITDA adjusted for mark-to-market gains or losses, asset write offs and impairments; and factors which we do not consider indicative of future operating performance. The reader is encouraged to evaluate each adjustment and the reasons NRG considers it appropriate for supplemental analysis. As an analytical tool, Adjusted EBITDA is subject to all of the limitations applicable to EBITDA. In addition, in evaluating Adjusted EBITDA, the reader should be aware that in the future NRG may incur expenses similar to the adjustments in this news release.
- Adjusted cash flow from operating activities is a non-GAAP measure NRG provides to show cash from operations with the reclassification of net payments of derivative contracts acquired in business combinations from financing to operating cash flow, as well as the add back of merger and integration related costs. The Company provides the reader with this alternative view of operating cash flow because the cash settlement of these derivative contracts materially impact operating revenues and cost of sales, while GAAP requires NRG to treat them as if there was a financing activity associated with the contracts as of the acquisition dates. The Company adds back merger and integration related costs as they are one time and unique in nature and do not reflect ongoing cash from operations and they are fully disclosed to investors.
- Free cash flow (before growth investments) is adjusted cash flow from operations less maintenance and environmental capital expenditures, net of funding, and preferred stock dividends and is used by NRG predominantly as a forecasting tool to estimate cash available for debt reduction and other capital allocation alternatives. The reader is encouraged to evaluate each of these adjustments and the reasons NRG considers them appropriate for supplemental analysis. Because we have mandatory debt service requirements (and other non-discretionary expenditures) investors should not rely on free cash flow before growth investments as a measure of cash available for discretionary expenditures.
- Cash available for distribution is adjusted EBITDA plus cash dividends from unconsolidated affiliates, less maintenance capital expenditures, pro-rata adjusted EBITDA from unconsolidated affiliates, cash interest paid, income taxes paid, principal amortization of indebtedness and changes in others assets. Management believes cash available for distribution is a relevant supplemental measure of the Company's ability to earn and distribute cash returns to investors.