



NRG Energy, Inc. to Acquire Padoma Wind Power; Leading Wind Energy Development Company

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Further Diversifies NRG's Fuel Mix and Provides Immediate, Cost Effective Platform in High-Growth Renewable Marketplace

PRINCETON, N.J., Jun 20, 2006 (BUSINESS WIRE) -- NRG Energy, Inc. (NYSE:NRG) announced that it has reached a definitive agreement to acquire privately held Padoma Wind Power, LLC, a leading wind energy development and co-development company for an undisclosed sum. NRG's acquisition of Padoma is part of "ecoNRG," the Company's ongoing and extensive environmental business effort, targeted at reducing NRG's environmental footprint.

Padoma's principals have over 80 years of combined experience in the development, technical integration, financing, construction and operation of utility-scale wind energy facilities. Together, they have led the development, financing, construction and operation of more than 40 wind farms in the United States and Europe comprising over 1,300 megawatts (MW) of installed capacity. Padoma currently has three projects under active development independently, in addition to a pipeline of over a dozen wind projects which it is developing in conjunction with third parties. The projects under development are in nine states including California and Texas and are expected to bring another 1,000 MW of new wind-based generation to market by 2015.

"Acquiring Padoma is consistent with NRG's multi-fuel strategy and provides us with immediate access to industry-leading expertise and a robust project pipeline in our core markets," said David Crane, NRG's President and Chief Executive Officer. "With Padoma, NRG is well-positioned to meet the demand for renewable energy sources, while also reducing our own carbon intensity and providing financial upside opportunities through the expansion of our energy services offering."

"In spite of the finite resources we have had at our disposal to date, Padoma has achieved significant success in the US renewables industry over the past five years," said Jan Paulin, President and Chief Executive Officer of Padoma. "However, with the dramatic increase in growth opportunities in the renewable industry, successful wind development companies are those which leverage off the resources and capabilities of a strategic partner while retaining their nimble decision making capability. As one of the leading independent power generation companies in the United States and as one which understands development, NRG is the right company to help us build on our success on both counts."

The transaction will be funded with cash on hand and is expected to close by the end of July 2006, subject to customary closing conditions. Upon closing, Padoma will maintain its headquarters in La Jolla, California and will operate as a subsidiary of NRG.

About 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, thermal energy production and energy resource recovery facilities. NRG also has ownership interests in generating facilities in Australia and Germany. The Company's recently launched "ecoNRG" program encompasses NRG's overall and ongoing environmental or "green" business efforts, targeted at reducing NRG's environmental footprint.

About Padoma Wind Power, LLC

Padoma Wind Power (www.padoma.com) is a California-based wind farm developer whose principals have developed, financed, built and operated more than 40 wind farms in the United States and Europe since the 1980s.

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 the expected timing of the transaction and the expected timing and amount of new wind-based generation. 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, delays or failure in closing the contemplated transactions as expected; general economic conditions; changes in the wholesale power markets and fluctuations in the costs of raw materials; the inability to enter into contracts to sell power or purchase turbines or other equipment on terms and prices acceptable to us; and changes in governmental regulation, including possible changes of market rules, market structures and design, rates, tariffs, environmental laws and regulations and regulatory compliance requirements.

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 at www.sec.gov.

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

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