



NRG Energy, Inc. Executes 10-Year Power Purchase Agreement for 260 Megawatts of Generation Capacity at Long Beach

November 16, 2006

PRINCETON, N.J.--(BUSINESS WIRE)--Nov. 16, 2006--NRG Energy, Inc. (NYSE:NRG) has executed a 10-year power purchase agreement with Southern California Edison Co. (SCE) to provide 260 megawatts (MW) of new generating capacity located in a critical reliability area. This new gas-fueled capacity is expected to be online at NRG's Long Beach Generating Station by August 1, 2007, in time to support the expected summer peak on the SCE and California Independent System Operator (CAISO) systems.

"NRG is glad to be a part of the solution to California's urgent need for reliable and affordable energy," said David Crane, NRG's President and Chief Executive Officer. "This project is the first project in our 'Repowering NRG' initiative to complete the contract stage. We are confident that our Long Beach project, together with the rest of the repowering program, will make a major contribution to meeting America's next generation of energy infrastructure requirements."

Retired in January 2005, NRG's Long Beach Generating Station will be "repowered" in order to meet current and future energy demand. The project consists of converting natural gas-fueled combustion turbines to simple-cycle peakers, using existing infrastructure and installing best available control technology emissions equipment.

"During California's heat storm this past July, peak loads on the CAISO system exceeded the historical peak by 10 percent," added Crane. "Today's announcement is an important step in assisting SCE to secure a portion of the generation needed for its customers in the near term, and NRG stands ready to deliver affordable and reliable megawatts to southern California from other NRG projects under development, as well."

In light of California's growing energy demands, as well as continued tight reserve margins in the Southern California portion of the grid, the California Public Utilities Commission (CPUC) authorized SCE to procure 500 MW of peaking and demand-response capacity that could be ready in time for the summer 2007 season. In support, CAISO also asked for rapid procurement actions that could increase available supply during peak hours and enhance overall grid reliability. NRG's contract at Long Beach, which is subject to CPUC approval, is part of the solution sought by the CAISO and CPUC, and proposed by SCE.

NRG Energy, Inc. owns and operates a diverse portfolio of power-generating facilities, primarily in Texas and the Northeast, South Central and West regions of the United States. Its operations include baseload, intermediate, peaking, and cogeneration facilities and thermal energy production. NRG also has ownership interests in generating facilities in Australia, Germany and Brazil.

This news release contains 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. Such forward-looking statements are subject to certain risks, uncertainties and assumptions and include NRG's expectations regarding expected benefits and impact of the Long Beach Project and the repowering program, and typically can be identified by the use of words such as "will," "should," "expect," "estimate," "anticipate," "forecast," "plan," "believe" and similar terms. 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, our ability to use existing plant infrastructure, general economic conditions, permitting and regulatory obstacles, construction delays, the volatility of energy and fuel prices, changes in the wholesale power markets and related government regulation.

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 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.

CONTACT: NRG Energy, Inc.

Investors:

Nahla Azmy, 609-524-4526

or

Kevin Kelly, 609-524-4527

or

Jon Baylor, 609-524-4528

or

Media:

Meredith Moore, 609-524-4522

or

Lori Neuman, 609-524-4525

SOURCE: NRG Energy, Inc.