

## NRC Accepts Application for Two New Nuclear Units in Texas

November 30, 2007

New 2,700 Megawatt Nuclear Plant, South Texas Project 3 & 4,

Expected to be Online in 2014 and 2015

PRINCETON, N.J.--(BUSINESS WIRE)--Nov. 30, 2007--The Nuclear Regulatory Commission (NRC) has docketed the Combined Construction and Operating License Application (COLA) to build and operate two new nuclear units at the South Texas Project (STP) nuclear power station site filed by NRG Energy, Inc. (NYSE:NRG), San Antonio's CPS Energy (CPS) and South Texas Project Nuclear Operating Company (STPNOC) on September 24, 2007.

The acceptance review confirms that the application -- the first to be filed with the NRC in 29 years -- is technically complete and sufficiently addresses all necessary subject areas. With the COLA docketed, the NRC begins a comprehensive and detailed review process that includes requests for additional information, site visits, company responses, public hearings, NRC Environmental Impact Statements and NRC Safety Evaluation Reports. Based on this schedule, NRG would anticipate receiving its license approval in time to begin construction in 2010 and bring STP units 3 and 4 online in 2014 and 2015, respectively.

"The clock has officially started. Each day hereafter will bring us closer to a future of carbon-free, affordable nuclear baseload generation," said David Crane, NRG's President and Chief Executive Officer. "Nuclear, like no other carbon-free technology currently in operation, has the power to move the needle in the fight against global warming."

The new units will be constructed at the 12,220-acre STP site in Matagorda County, Texas that is home to STP units 1 and 2. This site, including its 7,000-acre cooling reservoir, was originally designed for four units and can easily accommodate the two new units. The new units will use the U.S. Advanced Boiling Water Reactor (ABWR) technology which is certified by the NRC and four units have been built in Japan on time and on budget and have operated safely and successfully for a decade.

NRG filed its letter of intent to submit an application with the NRC to construct STP units 3 and 4 in June 2006. STPNOC, together with a team of contractors, prepared the more than 20,000-page COLA for STP units 3 and 4 in just over one year for submittal to the NRC.

The multibilion dollar investment is expected to generate more than \$9 billion of economic benefit principally in the South Texas area, require 4,000 to 6,000 construction workers, and result in about 800 new operating staff positions at the plant.

## About NRG Energy, Inc.

A Fortune 500 company, 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 and also in Australia, Germany and Brazil. NRG is a member of USCAP, a diverse group of business and environmental organizations standing together in calling for mandatory legislation to achieve significant reductions of greenhouse gas emissions. NRG is also a founding member of "3C -- Combat Climate Change," a global initiative with 42 business leaders calling on the global business community to take a leadership role in designing the road map to a low carbon society. More information on NRG is available at www.nrgenergy.com.

## About the South Texas Project

STP's reactors supply power to Houston, Austin, San Antonio, Corpus Christi and surrounding areas. The plant is managed by the STP Nuclear Operating Company and units 1 and 2 are owned by NRG Energy (44 percent), CPS Energy (40 percent) and Austin Energy (16 percent). STP's twin reactors produce nearly 2,700 megawatts of electricity, enough to power more than 2.1 million homes. More information about the South Texas Project is available at www.stpnoc.com.

## About CPS Energy

CPS Energy is the nation's largest municipally owned energy company providing both natural gas and electric service. Acquired by the City of San Antonio in 1942, CPS Energy serves approximately 673,000 electric customers and more than 316,000 natural gas customers in and around the seventh largest city in the U.S. CPS Energy bills rank the lowest of the nation's 20 largest cities, and the company has earned the highest financial ratings of any electric system in the nation. More CPS Energy information can be found at www.cpsenergy.com.

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 the proposed timing and NRG's expectations regarding the South Texas Project and typically can be identified by the use of words such as "will," "expect," "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, general economic conditions, permitting and regulatory obstacles, and construction delays.

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.

Fact sheets and photos on the STP expansion will be available at www.nrgenergy.com.

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