



## **NRG Energy, Inc. Completes \$325,000,000 Financing**

June 24, 2002

**MINNEAPOLIS (June 24, 2002)** - NRG Energy, Inc., announced today its indirect wholly owned subsidiary, NRG Peaker Finance Company LLC, has issued \$325 million of floating rate senior secured bonds due in 2019. NRG formed the NRG Peaker Finance Company LLC to offer bonds and enter into related transactions in connection with a portfolio of five peaker power plants totaling approximately 1,318 megawatts in Illinois and Louisiana. The bonds were priced at par and will pay interest quarterly at a rate of three month LIBOR plus 1.07 percent.

NRG Peaker Finance Company LLC also entered into a swap arrangement with Goldman Sachs Mitsui Marine Derivative Products, L.P., an affiliate of Goldman Sachs International, which results in a fixed rate borrowing for the issuer through maturity of the bonds. XL Capital Assurance Inc. (XLCA) will guarantee scheduled principal and interest payments on the bonds.

The transaction, rated triple-A by Moody's Investors Service and Standard & Poor's Ratings Services due to the XLCA guarantee, utilizes an innovative financing structure developed by NRG and Goldman Sachs International, who solely managed the offering. The proceeds will primarily be used to reimburse NRG for construction and acquisition costs related to the projects.

A wholly owned subsidiary of Xcel Energy (NYSE: XEL), NRG is a leading global energy company engaged primarily in the ownership and operation of power generation facilities. The company's operations utilize such diverse fuel sources as natural gas, oil, coal, biomass, landfill gas, and hydro, as well as refuse-derived fuel. More information on NRG is available at [www.nrgenergy.com](http://www.nrgenergy.com).

XL Capital Assurance, rated triple-A by Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings, is a New York-domiciled financial guarantee insurer that specializes in corporate and consumer asset securitization, structured funds, essential infrastructure project finance, future flow securitization and U.S. public finance.

Certain information included in this press release contains statements that are forward-looking. Such forward-looking information involves risks and uncertainties that could significantly affect anticipated results in the future, and, accordingly, such results may differ materially from those expressed in any forward-looking statements made by or on behalf of NRG Energy. Factors that could cause NRG Energy's results to differ materially from those contemplated in the forward-looking statements above include, among others, timely receipt of all applicable regulatory approvals, the timing and extent of changes in energy prices and interest rates, the operating performance of NRG Energy's facilities, and other business and investment considerations that may be disclosed from time to time in NRG Energy's Securities and Exchange Commission filings.

For more information regarding these risks and uncertainties, review NRG Energy's filings with the Securities and Exchange Commission. NRG Energy expressly disclaims any obligation to update any forward-looking statements.

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