



Eesti Energia and NRG Energy Issue Mandate Letter for Estonian Power Project

September 6, 2001

TALINN, Estonia, Sep 6, 2001 (BUSINESS WIRE)—Eesti Energia and NRG Energy, Inc. (NYSE:NRG), on behalf of Narva Power and Eesti Polevkivi, are pleased to announce the mandating of SG Investment Banking, KBC Bank N.V. and The Bank of Tokyo-Mitsubishi, Ltd. Each of the three banks has committed to underwrite one third of the total Euro 285 million of 14-year funding for the Narva Power Project. The funds will be used to repower and renovate the Eesti and Balti power plants as well as make investments in the mines of Eesti Polevkivi.

"Having agreed on the terms of finance, the banks, NRG and Eesti Energia will now work together to complete due diligence and documentation," said Gunnar Okk, president of Eesti Energia. "We will continue to work hard to obtain financial closing as soon as possible."

"This financing will be the largest ever in Estonia and, with a fourteen-year maturity, the longest tenor ever achieved in the Baltic States," said Leonard A. Bluhm, chief financial officer of NRG Energy. "The involvement of three top tier international banks demonstrates the sound commercial and financial structure of the transaction as well as broad based support for developing the Estonian economy."

In October 2000, more than forty banks were approached to ascertain initial interest and in June 2001, eleven pre-selected banks were given an information memorandum inviting them to make formal offers to provide financing. SG Investment Banking, KBC Bank N.V. and The Bank of Tokyo-Mitsubishi, Ltd. were selected following detailed negotiations with the recipients of the information memorandum.

NRG is a leading global energy company engaged primarily in developing, constructing, acquiring and operating power generation facilities. NRG has approximately 34,809 of generating assets in operation, under construction, in advanced development and subject to signed acquisition agreements. The company's operations utilize such diverse fuel sources as natural gas, oil, coal and coal seam methane, biomass, landfill gas, and hydro, as well as refuse-derived fuel.

The information in this news release includes forward-looking statements in addition to historical information. Actual events or results may differ materially from these forward-looking statements as a result of various factors, such as changes in political, legal and financial market conditions which may impact the success of NRG's financing efforts, and other business and investment considerations disclosed from time to time in NRG's filings with the SEC. Although NRG believes that its expectations are reasonable, it can give no assurances that these expectations will prove to have been correct. NRG undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. For more information, review NRG's filings with the SEC.

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