



NRG Subsidiary, NEO Corporation, Opens Chowchilla II Power Plant in Time for California Summer Demands

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CHOWCHILLA, Calif., Jun 14, 2001 (BUSINESS WIRE)—New Facility Adds 49 Megawatts of Generation Capacity to California Grid

NRG Energy, Inc. (NYSE:NRG) today announced the opening, by its subsidiary NEO Corporation, of the Chowchilla II Power Plant. The 49 megawatt (MW) plant can generate enough power to meet the electricity needs of approximately 50,000 homes.

"NEO and NRG are leading the effort to add new generation capacity in California and we are committed to working with state officials to continue to provide as much power as possible to the California market," said Craig A. Mataczynski, president and CEO of NRG North America. "This facility can operate as a peaking, intermediate or baseload plant to meet the varying demand for electricity."

"NEO Corporation worked hard to bring this plant on line in time to help meet California's high summer demand for electricity," said Valorie A. Knudsen, president of NEO Corporation. "We are committed to implementing this technology nationally because it is a part of the solution to energy supply shortages and will help improve system reliability and congestion issues."

Designed with environmental sensitivities, the new electric generation plant is a state-of-the-art facility powered by efficient natural gas-fired internal combustion engines. With the Chowchilla II plant, generation facilities owned by NRG and its subsidiaries now contribute more than 1,600 MW to California's power supply. NRG operates major plants near San Diego, Los Angeles and in northern California that supply 3,200 MW of electricity.

Formed in 1993 to develop own and operate small generation and renewable-fueled electric generation, NEO Corporation (the parent of NEO California Power LLC, the owner and operator of the Chowchilla II Plant) is a wholly owned subsidiary of NRG Energy, Inc. NEO is one of the top three generators using landfill gas in the United States.

NRG is a leading global energy company engaged primarily in the acquisition, development, construction, ownership and operation of power generation facilities. The company has 19,549 MW of facilities in operation and under construction. In addition, the company has 5,636 MW of projects under signed acquisition agreement and 7,147 MW of projects in advanced development, for a total of 32,332 MW of capacity from identifiable projects.

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, but are not limited to, projected growth and future financial performance. 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, the following: factors affecting power generation operations such as unusual weather conditions, generator outages, changes in fuel costs or availability and environmental incidents; factors affecting the availability or cost of capital, such as, for example, changes in interest rates or changes in investor perceptions of the power generation industry, NRG or any of its subsidiaries; workforce factors; the volatility of energy prices in a deregulated market environment and the adverse impacts on the profitability of our generation facilities that may result from the imposition of price limitations and other mechanisms to address such volatility; and other business or investment considerations that may be disclosed from time to time in NRG's Securities and Exchange Commission filings or in other publicly disseminated written documents.

NRG undertakes no obligation to update or revise any forward-looking statement, 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 these risks and uncertainties, review NRG's filings with the Securities and Exchange Commission.

Contacts:

NRG Energy, Inc.

Media Relations
Meredith Moore, 612/373-8892

Investor Relations
Rick Huckle, 612/313-8900