



Dynegy and NRG Energy Complete Rocky Road Power Plant Expansion

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HOUSTON, July 11, 2000 (BUSINESS WIRE)--Dynegy Inc. (NYSE: DYN) and NRG Energy, Inc. (NYSE: NRG) today announced that they have jointly completed a 100-megawatt (MW) expansion of the Rocky Road Power Plant, a natural gas-fired, simple-cycle peaking facility in East Dundee, Ill. The installation of an additional 100-MW natural gas-fired combustion turbine in less than 11 months increases the facility's generating capacity to a nominal 350 MW.

"The expansion of the Rocky Road Power Plant, which was in direct response to open market forces, pricing signals during the last two summers and critical wholesale market demand in the Midwest, will enable us to provide solutions to a constrained electrical system," said Steve Bergstrom, president and chief operating officer of Dynegy Inc. "The continued support from local and state officials and the community enabled us to complete the expansion in time for the summer peak period."

"This expansion enables NRG and its shareholders to realize the full value of the Rocky Road acquisition," said Craig Mataczynski, chief executive officer for NRG North America. "In addition, Rocky Road will be a larger contributor to the vibrant Chicago area energy market."

The first phase of the Rocky Road Power Plant began commercial operation on June 30, 1999. Dynegy is currently selling power generated at the Rocky Road Power Plant in the wholesale electricity market to investor-owned utilities, electric cooperatives and municipalities throughout the Midwest and other regions of the country.

NRG acquired a 50 percent interest in the Rocky Road Power Plant in December 1999, making it the third asset alliance between the two companies. Dynegy and NRG jointly acquired 1,218 MW of power generation facilities, including the 965-MW Encina Power Plant in Carlsbad, Calif. and combustion turbines totaling 253 MW throughout the San Diego area, in December 1998. Dynegy and NRG also jointly own a 1,020-MW power plant in El Segundo, Calif. and a 530-MW facility in Long Beach, Calif. Typically, as part of their asset alliance, Dynegy provides fuel management services and markets energy out of the facilities, while NRG manages the operations.

The expansion of the Rocky Road Power Plant is the second of three new generation projects for Dynegy totaling 1,055 MW of gross capacity that will begin commercial operation this summer. Dynegy began commercial operation at the Calcasieu Generation Project, a 155-MW natural gas-fired peaking facility near Lake Charles, La., on May 31. Commercial operation at Dynegy's Rockingham Power Plant, an 800-MW natural gas-fired power plant in Rockingham County, N.C., is scheduled to phase in service beginning in July.

Dynegy Inc. is one of the country's leading marketers of energy products and services. Through its leadership position in energy marketing, independent power generation, transportation, gathering and processing, the company provides energy solutions to its customers primarily in North America, the United Kingdom and Europe.

NRG Energy is a leading global energy company primarily engaged in the acquisition, development, construction, ownership and operation of power generation facilities. NRG owns all or a portion of 57 power generation projects with a total generating capacity of more than 23,000 MW; its net ownership interest in these projects exceeds 13,000 MW. NRG'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.

Certain information included in this news 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 from those expressed in any forward-looking statements made by or on behalf of NRG Energy. For more information regarding these risks and uncertainties, review NRG Energy's filings with the Securities and Exchange Commission.

For more information about Dynegy, please visit its web site at www.dynegy.com.

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