



NRG Energy to Acquire Killingholme Plant

November 17, 1999

MINNEAPOLIS (November 17, 1999) -- NRG Energy, Inc. (NRG Energy), a wholly-owned subsidiary of Northern States Power Company (NYSE: NSP), today announced the execution of a binding agreement with National Power plc to acquire the 665-megawatt (MW) gas-fired Killingholme A combined-cycle, gas-turbine power station in North Lincolnshire, England.

The purchase price for the station will be approximately 410 million pounds sterling (approximately \$664 million U.S. at current exchange rates), subject to commercial adjustments. The conclusion of the acquisition is scheduled for the end of the first quarter, 2000.

NRG Energy expects to fund the acquisition with a combination of equity and non-recourse project financing. The purchase price includes 20 million pounds sterling (approximately \$32 million U.S. at current exchange rates) that is contingent upon the successful completion of negotiations that have begun with NRG Energy for the purchase of National Power's Blyth generating facilities. The Blyth assets consist of two coal-fired stations totaling 1,140 MW of generation capacity located on the River Blyth approximately 15 miles northeast of Newcastle upon Tyne, England.

Killingholme A was commissioned in 1994 and is located in North Lincolnshire on the south bank of the River Humber, five kilometers northwest of Immingham Docks. The station's three gas turbine generators have nominal capacities of 145 MW each, as well as heat recovery steam generators that raise steam for a single 227 MW steam turbine generator.

"Killingholme A is key to NRG Energy's plan to be a substantial participant in the United Kingdom market," said Ron Will, president and CEO of NRG Europe. "Acquisitions such as this, as well as greenfield projects, will allow us to accomplish our goals." NRG Energy expects the project to contribute seven to nine cents per NSP share to earnings during a typical year.

NRG Energy will pursue short- to medium-term contracts for differences (CFD) as well as bilateral contracts, in addition to entering into a portfolio of gas contracts to provide long-term gas availability and price stability for the project.

NRG Energy is a 25-percent owner of Enfield Energy Centre, a 396-MW, combined cycle merchant plant in North London. Enfield, which is nearing completion, will sell power into the National grid. NRG Energy is also developing the Langage Energy Park, a nominal 800-MW gas-fired, combined-cycle gas turbine, greenfield merchant plant located at near Plymouth, in the southwest of England. In December 1999, the Langage facility is expected to receive a final permit to burn gas, and the facility is expected to be operable in 2002. The Company's other European assets are comprised of interests in projects totaling more than 1,500 MW in Germany and the Czech Republic. NRG Energy's United Kingdom headquarters are in London, with additional European offices in Prague, Berlin, Tallinn, Warsaw and Istanbul.

NRG Energy is one of the world's leading independent power producers, specializing in the development, construction, operation, maintenance and ownership of low-cost, environmentally responsible power plants. Established in 1989, NRG Energy has a high quality portfolio of projects in the United States, Europe, the Pacific Rim, and Latin America. NRG Energy is involved in over 21,000 MW of projects utilizing such diverse fuel sources as natural gas, oil, coal and coal seam methane, biomass, landfill gas, and hydro, as well as refuse derived fuel and geothermal energy.

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 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

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