



NRG Energy to Acquire 1,456 MW of Generation from Con Edison

January 28, 1999

MINNEAPOLIS, (January 28, 1999) -- NRG Energy, Inc., a wholly-owned subsidiary of Northern States Power Company (NYSE: NSP), announced today the execution of a binding asset purchase and sales agreement with Consolidated Edison Company of New York (Con Edison) to acquire the Arthur Kill Generating Station and the Astoria Gas Turbine Site. The summer capacity rating of the two projects is 1,456 MW. The acquisition is expected to close later this year.

The Arthur Kill Generating Station, located in Staten Island, New York, includes two steam generating units designed to burn gas and oil, as well as a "black start" gas turbine. The Astoria Gas Turbine Site, located in Queens, New York, consists of 20 gas turbines, grouped into 11 units.

Craig Mataczynski, president and chief executive officer of NRG North America, commented, "The addition of these assets advances NRG's progress toward becoming one of the leading IPPs in the Northeast, and also allows NRG to effectively capture ancillary service and peak market opportunities in the New York City market."

NRG is one of the world's leading independent power producers, specializing in the development, construction, operation, maintenance and ownership of low-cost, environmentally-sensitive power plants. Established in 1989, NRG has a low-risk, high quality portfolio of projects in the United States, Europe, the Pacific Rim, and Latin America. NRG is involved in approximately 14,000 MW of projects utilizing diverse fuel types including natural and landfill gas, hydro, and solid fuels such as coal, lignite, bio-mass and refuse-derived fuel.

Con Edison is one of the nation's largest utility companies, with more than \$7 billion in annual revenues and \$14 billion in assets. The company, a subsidiary of Consolidated Edison, Inc., provides electric, gas and steam service to more than three million customers in New York City and Westchester County, New York.

Certain information included in this press release contains statements that are forward-looking. Such forward-looking information involves important 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.

For more information regarding these risks and uncertainties, review NRG's filings with the Securities and Exchange Commission.

#

Media Contact:

Trudy Marshall
Director of Communications
612/373-5410