NRG Energy Signs Deal with Virgin Limited Edition to Power Necker Island with a Renewable Energy-Driven Micro-grid Solution

February 4, 2014

— Islanded Micro-grid Will Generate Reliable, High-Quality Electricity Under Cutting Edge Diesel Reduction Agreement that Dramatically Reduces Fuel Usage —

PRINCETON, N.J. & BRITISH VIRGIN ISLANDS--(BUSINESS WIRE)--Feb. 4, 2014-- NRG Energy, Inc. (NYSE:NRG) and Virgin Limited Edition announced today the entry into a cutting-edge Diesel Reduction Agreement for the provision of renewable power to Necker Island. Pursuant to this Agreement, NRG will develop a renewables-driven micro-grid for the entire island, supplying high quality, reliable electricity powered at least 75% by an integrated array of solar, wind and energy storage technologies. This system will be supported by new energy efficiency and energy control automation designed to reduce overall energy use and synchronize energy consumption with renewable energy production on the island. The agreement was signed and announced at the “Creating Climate Wealth Summit,” by Sir Richard Branson, Founder of the Virgin Group, and NRG CEO David Crane.

The Creating Climate Wealth Summit was hosted by the Carbon War Room, in partnership with Rocky Mountain Institute, as part of the Ten Island Renewable Challenge. The Necker Island Project represents “Demo Island” of the Challenge that seeks to help island nations flip off fossil fuels. The agreement between Virgin and NRG demonstrates that the technical solutions required to achieve this result exist today.

By deploying highly distributed and locally automated and controlled installations, many island nations of the Caribbean can reduce and ultimately eliminate their dependence on fossil fuels for electricity. The high cost of imported fossil fuels across these islands creates an opportunity to deliver clean energy solutions today at a much lower cost, without subsidies and with immense economic and environmental benefit to the people of the Caribbean.

"With oil setting the marginal price of electricity, retail electricity prices in the Caribbean are among the highest in the world, hindering economic development, job creation and quality of life,” said Crane, CEO of NRG. "By tapping into each island’s specific, readily available and ample renewable energy resources, we can achieve an immediate and significant reduction of operating expenses, imported fuel cost, carbon footprint and other air emissions and noise pollution. The renewables-driven micro-grid solution being designed and installed on Necker is intended to demonstrate this and provide a scalable real life application relevant to other islands of the Caribbean."

“The potential for more renewable energy across the world is huge especially in places like the Caribbean, where islands offer an excellent test bed to demonstrate and scale innovative, clean energy solutions. While small compared to island nations, Necker is an ideal ‘guinea pig’ for the Carbon War Room’s Ten Island Challenge and will be able to show the potential of ‘state-of-the-art’ technologies in renewable energy,” said Branson, Founder of Virgin Group.

NRG, the largest competitive power generator in the US, has established partnerships with leading industry suppliers and regional partners to accelerate project development and execution in the Caribbean. NRG’s solar and off-grid projects elsewhere in the Caribbean Basin have shown that businesses can cut energy costs by transitioning to renewable energy. At an island-wide and regional level, such savings represent the opportunity to increase competitiveness across all industry sectors. Lower energy expenditures also increase household disposable income, stimulating consumer spending and savings.

A micro-grid is a network of distributed energy resources that can either be grid-tied or islanded from the conventional grid. Micro-grids allow a person, a building, a city or even an entire island to leverage the most appropriate fuels and technologies to provide clean, reliable and high quality power. To make the system financially viable requires intelligent design to integrate multiple fuel sources seamlessly and optimization through robust demand management to minimize system size. Renewables-driven micro-grids typically use diesel generation – which currently is the primary source of electricity on most islands in the Caribbean – as a backup to solar, wind, geothermal and other renewables, drastically reducing diesel consumption while making the model compatible with existing infrastructure.

The installation of the renewable power system is subject to regulatory approval in the British Virgin Islands, which the parties promptly will seek to obtain with the appropriate regulators.

About NRG

NRG is leading a customer-driven change in the U.S. energy industry by delivering cleaner and smarter energy choices, while building on the strength of the nation’s largest and most diverse competitive power portfolio. A Fortune 500 company, we create value through reliable and efficient conventional generation while driving innovation in solar and renewable power, electric vehicle ecosystems, carbon capture technology and customer-centric energy solutions. Our retail electricity providers – Reliant, Green Mountain Energy, Energy Plus and NRG Residential Solutions – serve more than 2 million residential and commercial customers throughout the country. More information is available at www.nrgenergy.com. Connect with NRG Energy on Facebook and follow us on Twitter @nrgenergy.

About Virgin Limited Edition

Virgin Limited Edition is an award-winning collection of unique retreats, chosen for their beautiful locations and magnificent surroundings; each offers a sense of fun, style, luxury and exceptional personal service. The group includes Necker Island in the Caribbean’s British Virgin Islands, Ulusaba Private Game Reserve in South Africa, The Roof Gardens and Babylon Restaurant in London; Kasbah Tamadot in Morocco, The Lodge in Verbier, Necker Belle, a 105 foot luxury catamaran, Necker Nymph, a three man aero submarine and the latest addition to join the portfolio, Mahali Mzuri, a

luxury tented safari camp in Kenya.

About Carbon War Room

The Carbon War Room is a global nonprofit, founded by Sir Richard Branson and a team of like-minded entrepreneurs, that accelerates the adoption of business solutions that reduce carbon emissions at gigaton scale and advance the low-carbon economy. The organization focuses on solutions that can be realized using proven technologies under current policy landscapes. For more information contact press@carbonwarroom.com.



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