



## Industries and Government Come Together to Celebrate Ground Breaking of Petra Nova Carbon Capture System

September 5, 2014

*Construction of what is expected to be the largest post-combustion carbon capture system in the world is officially underway*

HOUSTON--(BUSINESS WIRE)--Sep. 5, 2014-- The Deputy Secretary of Energy and Lieutenant Governor of Texas joined together with executives of NRG Energy, Inc. (NYSE:NRG), JX Nippon Oil & Gas Exploration Corporation and HilCorp Energy Company to mark the construction of the WA Parish Petra Nova Carbon Capture Project (The Project).



The W. A. Parish power plant on Friday Sept. 5, 2014 in rural Fort Bend County, TX. Ground was broken today on the Petra Nova Carbon Capture site, the world's largest post-combustion carbon capture-enhanced oil recovery project. (Photo by Eric Kayne/Invision for NRG/AP Images)

and CEO, HilCorp Energy Company

During the ceremony, these leaders of industry and government commented on the importance of the Petra Nova project to the energy and environment in decreasing greenhouse gas emissions, making America's and the world's most abundant fuel source significantly more sustainable and reducing our dependence on foreign oil.

"Fossil fuels are essential to energizing modern civilization today and for many decades to come. The best way for us to avoid the harmful consequences of emitting carbon into the atmosphere is to turn it into a productive asset here on Earth," said David Crane, president and CEO of NRG. "By piping captured carbon exhaust into domestic oil fields, we both protect the environment and enhance domestic oil production benefitting our national energy security."

"What is happening here today has global implications from an economic perspective, energy security perspective, and environmental stewardship perspective, and that's why it is so important to take the global lead on this post-combustion CCS technology," said Daniel Poneman, Deputy Secretary of Energy.

"This project is yet another example of why Texas is the nation's energy leader," said David Dewhurst, Lieutenant Governor of Texas. "In Texas, we celebrate those forward thinkers willing to risk their own capital in pursuit of innovation that maximizes efficiencies, yields jobs and moves America closer to energy independence."

"The Project is pioneering in that it not only utilizes CO<sub>2</sub> emissions from a coal-fired power plant, but also boosts the oil production, and ultimately reduces CO<sub>2</sub> released into the air. Put simply, it addresses a global environmental issue," said Shunsaku Miyake, President and CEO of JX Nippon Oil & Gas Exploration Corporation. "We are confident that this Project and our relationship with NRG will enhance the cooperative relationship between the US and Japan from an environmental and economic perspective."

"We as a company are very proud of the fact that we are associated with such a forward thinking and innovative project," said Jeff Hildebrand, founder,

Using proven technology, the Project will be a commercial-scale carbon capture system that is expected to capture 90% of the carbon dioxide (CO<sub>2</sub>) in the processed flue gas from an existing unit at the WA Parish power plant in Fort Bend County, southwest of Houston. When complete in 2016, the Project is expected to be the world's largest post-combustion carbon capture facility installed on an existing coal plant.

Those attending the ground breaking included:

- David Crane, President and CEO of NRG Energy
- Daniel Poneman, Deputy Secretary of Energy, United States Department of Energy
- David Dewhurst, Lieutenant Governor of Texas
- Shunsaku Miyake, Representative Director, President and CEO of JX Nippon Oil & Gas Exploration Corporation
- Jeff Hildebrand, founder, Chairman

Chairman and CEO, HilCorp Energy Company.

"Unconventional partnerships have driven innovation and disrupted the old ways of seeing things to create a project that could change the world," said John Ragan, President of Petra Nova.

CO<sub>2</sub> captured from the plant will be compressed and piped approximately 80 miles to the West Ranch oil field, jointly owned by NRG, JX and Hilcorp. Through Enhanced Oil Recovery (EOR), the captured CO<sub>2</sub> is expected to create a revenue stream for the Project by increasing domestic oil production from around 500 barrels per day to approximately 15,000 barrels per day.

#### 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 250 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 serve almost 3 million residential and commercial customers throughout the country. More information is available at [www.nrg.com](http://www.nrg.com). More information about NRG's carbon capture project can be found at <http://www.nrg.com/business/wholesale/carbon-capture/>. Connect with NRG Energy on Facebook and follow us on Twitter [@nrgenergy](https://twitter.com/nrgenergy).

#### About JX Nippon Oil & Gas Exploration Corporation

JX Nippon Oil & Gas Exploration Corporation is a core business company that engages in oil and natural gas exploration and production (E&P) business in the JX Group. The JX Group is the leading "integrated energy, resources and materials business group" in Japan and has net sales of approximately \$120 billion. We are currently expanding crude oil and natural gas E&P business in 14 countries around the world. In the U.S., we hold assets in the Gulf of Mexico, which range from the continental shelf to deep water area, in addition, in Canada, participate in the Syncrude Project that produces synthetic crude oil from oil sand, and operate them at Houston office. More information is available at [www.nex.jx-group.co.jp/english](http://www.nex.jx-group.co.jp/english).

#### About Hilcorp

Hilcorp, founded in 1989, is one of the largest privately-held independent oil and natural gas exploration and production companies in the United States. Hilcorp is consistently ranked as one of the top places to work in America by multiple regional and national publications. Headquartered in Houston, TX, with over 1200 employees, Hilcorp has operations across the United States including the Gulf Coast of Texas and Louisiana, Northeast US and Alaska's Cook Inlet.

#### Safe Harbor Disclosure

This news release contains 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. Such forward-looking statements are subject to certain risks, uncertainties and assumptions and include NRG's expectations regarding the post-combustion carbon capture unit at NRG's WA Parish plant and forward-looking statements typically can be identified by the use of words such as "expect," "believe," and similar terms. Although NRG believes that its expectations are reasonable, it can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated above include, among others, general economic conditions, hazards customary in the power industry, competition in wholesale power markets, the volatility of energy and fuel prices, failure of customers to perform under contracts, changes in the wholesale power markets, changes in government regulation of markets and of environmental emissions, and our ability to achieve the expected benefits and timing of the carbon capture-EOR projects. NRG undertakes no obligation to update or revise any forward-looking statements, 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 be considered in connection with information regarding risks and uncertainties that may affect NRG's future results included in NRG's filings with the Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov).

Photos/Multimedia Gallery Available: <http://www.businesswire.com/multimedia/home/20140905005840/en/>

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