



## NRG Canal 3 Project Clears ISO-NE Capacity Auction

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*333 MW Peaker will provide flexible, fast-start capacity*

PRINCETON, N.J.--(BUSINESS WIRE)--Feb. 11, 2016-- NRG Energy, Inc. (NYSE:NRG) is pleased to announce its Canal 3 development project, a 333 MW gas turbine peaker, cleared the ISO-New England tenth forward capacity auction at a price of \$7.03/Kw-month. Canal 3's selection demonstrates the value of new fast-start, flexible power generation in a region experiencing multiple facility retirements. Canal 3 is scheduled to go online in 2019 on Cape Cod, with capital investment beginning in late 2017 and significant development expenditures in 2018. The unit will leverage existing infrastructure at the NRG Canal Station in Sandwich, Massachusetts. NRG and its affiliates also cleared the rest of its existing New England fleet at the same \$7.03/Kw-mo (about \$230.50/MW-day) clearing price for the delivery period June 2019-May 2020.

For the new Canal unit, NRG elected to receive the auction clearing price for seven capacity commitment periods, which means that the new unit will receive the FCA10 clearing price for seven years, with years 2-7 adjusted for inflation. This is an important capacity market feature that is helping to bring new generation resources online.

According to NRG EVP, Development John Chillemi, "We're especially pleased that our new Canal 3 project cleared the auction, allowing us to provide valuable generation to the region and continue our robust fleet modernization program."

Canal 3 will primarily use natural gas to provide enough generation to power 264,000 average-sized homes. As a "peaking plant," Canal 3 will operate mainly during peak demand periods or in the event of unexpected outages. Additionally, Canal 3's high-efficiency gas turbine will be capable of starting and reaching full capacity in 10 minutes.

In addition to the Canal 3 project, NRG is permitting and building a 1.5 MW community solar project, also on the existing footprint of the Canal Station.

### 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 200 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). Connect with NRG Energy on Facebook and follow us on Twitter @nrgenergy.



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