



Secretary of Energy Rick Perry and Governor of Texas Greg Abbott Help Celebrate Petra Nova Carbon Capture/Enhanced Oil Recovery System Operations

April 13, 2017

—System has already prevented more than 300,000 tons of carbon dioxide from entering the atmosphere since beginning operations—

HOUSTON--(BUSINESS WIRE)--Apr. 13, 2017-- Secretary of Energy Rick Perry and Governor of Texas Greg Abbott joined the chief executive officers of the Petra Nova carbon capture and enhanced oil recovery system partners – NRG Energy (NYSE: NRG), JX Nippon Oil & Gas Exploration Corporation (JX Nippon), and Hilcorp Energy – to celebrate the operations of the carbon capture and enhanced oil recovery system.

This Smart News Release features multimedia. View the full release here: <http://www.businesswire.com/news/home/20170413006016/en/>



U.S. Secretary of Energy Rick Perry (right) joins NRG Energy CEO Mauricio Gutierrez (left) on a tour of the Petra Nova carbon capture and enhanced oil recovery system on Thursday, April 13, 2017, in Fort Bend County, southwest of Houston. Petra Nova, a 50-50 joint venture by NRG Energy and JX Nippon Oil & Gas Exploration, captures more than 90 percent of CO₂ from a 240 MW equivalent slipstream of flue gas off an existing coal-fueled electrical generating unit at the WA Parish power plant and uses it to increase oil production at a mature oil field owned by Petra Nova and Hilcorp Energy. (Photo: Business Wire)

Petra Nova, a 50-50 joint venture by NRG and JX Nippon, is the world's largest carbon capture system retrofitted onto an existing coal plant. It was constructed on-time and on-budget and commenced operations at the end of 2016. The project has delivered more than 300,000 tons of carbon dioxide (CO₂) to the West Ranch oil field. The CO₂ is injected into the oil reservoir to increase oil production in an established process known as Enhanced

Oil Recovery (EOR).

"I commend all those who contributed to this major achievement," said Secretary Perry. "While the Petra Nova project will certainly benefit Texas, it also demonstrates that clean coal technologies can have a meaningful and positive impact on the Nation's energy security and economic growth."

"Everything is bigger in Texas so it is fitting that the largest post-combustion, carbon-capture facility in the world is right here in the Lone Star State," said Governor Abbott. "Texas has become a global leader in innovation thanks to the pioneering spirits of companies like NRG and JX Nippon who are fueling the next generation of energy production through projects like Petra Nova."

"Petra Nova demonstrates our leadership on energy innovation at commercial-scale," said Mauricio Gutierrez, President and CEO of NRG Energy. "We have built the largest carbon capture system on an existing coal-fired power plant in the United States on-time and on-budget. This further shows what can be achieved when collaboration and competitive markets come together to make our existing domestic energy infrastructure more secure and sustainable."

"JX Nippon is very pleased that the construction of Petra Nova's Carbon Capture System (CCS) was completed on-schedule and on-budget," said Shunsaku Miyake, President and CEO of JX Nippon. "Also JX Nippon is delighted to say that shipping of oil produced through enhanced oil recovery by means of CO₂ injection, is currently proceeding smoothly. This project enables us not only to decrease greenhouse gas from the coal-fired power plant, but also, at the same time to dramatically boost oil production. It is a great honor for us, as a Japanese company, to participate in this innovative project in Texas and we are grateful to Petra Nova Team for this incredible opportunity."

"We are excited to be a part of this project," said Jeffery D. Hildebrand, Chairman and CEO, Hilcorp Energy Company. "The CO₂ delivered from Petra Nova to West Ranch will provide employment and long term economic opportunity for both the local economy and the State of Texas. We are proud of the fact that West Ranch has one of the most extensive monitoring programs for an enhanced oil recovery project in the United States, making sure that this project not only provides greater energy security for our nation and an economic benefit to the region but also is done in a safe and environmentally responsible manner."

Petra Nova captures more than 90% of CO₂ from a 240 MW equivalent slipstream of flue gas off an existing coal-fueled electrical generating unit at the WA Parish power plant in Fort Bend County, southwest of Houston. The project can capture more than 5,000 tons of CO₂ per day, or the equivalent of taking more than 350,000 cars off the road.

Hilcorp, the operator of West Ranch oilfield, uses the captured CO₂ to boost production at West Ranch oilfield, jointly owned by NRG, JX Nippon and Hilcorp. Both Hilcorp and the University of Texas Bureau of Economic Geology are monitoring the movement of CO₂ deep in the oil reservoir. Over the next few years, oil production at the field is currently estimated to increase from approximately 300 barrels per day before beginning EOR operations to up to 15,000 barrels per day using captured CO₂.

Photos/Multimedia Gallery Available

<http://www.nrg.com/generation/projects/petra-nova/news/>

About NRG

NRG is the leading integrated power company in the U.S., built on the strength of the nation's largest and most diverse competitive electric generation portfolio and leading retail electricity platform. A Fortune 200 company, NRG creates value through best in class operations, reliable and efficient

electric generation, and a retail platform serving residential and commercial businesses. Working with electricity customers, large and small, we continually innovate, embrace and implement sustainable solutions for producing and managing energy. We aim to be pioneers in developing smarter energy choices and delivering exceptional service as our retail electricity providers serve almost 3 million residential and commercial customers throughout the country. More information is available at www.nrg.com. Connect with NRG Energy on Facebook and follow us on Twitter @nrgenergy.

About JX Nippon

JX Nippon Oil & Gas Exploration Corporation is a core business company in the JXTG Group, which was established in April 2017 through a business integration of the JX Group and the TomenGeneral Group. The JXTG Group is the leading “integrated energy, resources and materials business group” in Japan. JX Nippon Oil & Gas Exploration Corporation engages in oil and natural gas exploration and production (E&P) business around the world. In the U.S., JX Nippon owns assets in the Gulf of Mexico, ranging from the continental shelf to deep water area. In addition, JX Nippon participates in the Syncrude Project in Canada, which produces synthetic crude oil from oil sand, and manages the project at Houston office. More information is available at 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 1,500 employees, Hilcorp has operations across the United States including the Gulf Coast of Texas and Louisiana, Wyoming, Northeast U.S. and both the Cook Inlet and North Slope of Alaska. More information is available at www.hilcorp.com.

Safe Harbor

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 “will,” “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.



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NRG Media

Dave Knox, 832-357-5735

or

NRG Investors

Kevin Cole, CFA, 609-524-4526

Lindsey Puchyr, 609-524-4527