



GenConn ENERGY AWARDED AN ADDITIONAL 200 MW PEAKING PROJECT IN CONNECTICUT

—Project will provide electricity to support Connecticut during peak use—

New Haven, CT and Princeton, NJ; October 8, 2008—The Connecticut Department of Public Utility Control (DPUC) awarded GenConn Energy LLC, a 50-50 partnership between The United Illuminating Company (UI), a subsidiary of UIL Holdings Corporation (NYSE: UIL), and NRG Energy, Inc. (NYSE:NRG), a contract to build 200 megawatts (MW) of new peaking generation at NRG's existing site in Middletown, CT. The new units will provide power to Connecticut homes and businesses during peak electric energy usage periods in the summer and winter months, and are expected to be online by June 2011.

This past June, the DPUC awarded GenConn a contract to build approximately 200 MW of new peaking generation at NRG's Devon site in Milford, CT.

"The proposal we submitted earlier this year put us in a strategic position to quickly and efficiently build more peaking generation in the state," said James P. Torgerson, CEO of The United Illuminating Company. "The Middletown facility, combined with the Devon facility, will provide substantial benefits to the people of Connecticut."

"These projects are part of *Repowering*NRG, our plan to optimize our existing facilities, and together, bring 400 MW of new, efficient and environmentally responsible power generation to Connecticut to help meet the State's growing need for electricity," said John Ragan, President of NRG Energy's Northeast Region.

Background

Under legislation passed last year, the Connecticut DPUC sought proposals for peaking generation units to help address the state's growing need for more power generation during the heaviest load periods. The decision approved nearly 700 MW of new peaking capability, including GenConn's approximately 200 MW Devon project awarded in June 2008. At that time, the DPUC indicated that GenConn's Middletown project was an alternate in the event that another selected project did not go forward.

About GenConn

The GenConn partnership comes out of Connecticut's need for more peaking power generation, or power that is required during times of highest demand, such as periods of extreme weather conditions or unexpected transmission or generation outages. This partnership was developed in accordance with a law passed by the State of Connecticut's General Assembly in 2007 (Public Act 07-242, Section 50), which sought a long-term solution to meet these peaking needs.

GenConn is a partnership between NRG, a leading wholesale power generation company, and UI, a well-respected Connecticut utility, to produce and distribute much needed new peaking generation in the state. NRG is Connecticut's second largest power generator, and UI is an investor-owned transmission and distribution utility with more than 323,000 customers in Southern Connecticut. This partnership marks the first time an independent generator and a regulated utility have joined together to build new power generation facilities for the benefit of all Connecticut consumers.



About UI

The United Illuminating Company (UI) is a New Haven-based regional distribution utility established in 1899. UI is engaged in the purchase, transmission, distribution and sale of electricity and related services to more than 323,000 residential, commercial and industrial customers in the Greater New Haven and Bridgeport areas. UI's World Wide Web address is <http://www.uinet.com/>. UI's parent company, UIL Holdings Corporation, is traded on the New York Stock Exchange under the symbol UIL.

Certain statements contained herein, regarding matters that are not historical facts, are forward-looking statements (as defined in the Private Securities Litigation Reform Act of 1995). These include statements regarding management's intentions, plans, beliefs, expectations or forecasts for the future. Such forward-looking statements are based on UIL Holdings' expectations and involve risks and uncertainties; consequently, actual results may differ materially from those expressed or implied in the statements. Such risks and uncertainties include, but are not limited to, general economic conditions, legislative and regulatory changes, changes in demand for electricity and other products and services, unanticipated weather conditions, changes in accounting principles, policies or guidelines, and other economic, competitive, governmental, and technological factors affecting the operations, timing, markets, products and services of UIL Holdings' subsidiary, The United Illuminating Company. The foregoing and other factors are discussed and should be reviewed in UIL Holdings' most recent Annual Report on Form 10-K and other subsequent periodic filings with the Securities and Exchange Commission. Forward-looking statements included herein speak only as of the date hereof and UIL Holdings undertakes no obligation to revise or update such statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events or circumstances.



About NRG

NRG Energy, Inc. (NYSE: NRG), a Fortune 500 company, owns and operates one of the country's largest and most diverse power generation portfolios. NRG's 48 plants provide approximately 24,000 megawatts of generation capacity—including plants in Cos Cob, Middletown, Milford, Norwalk and Uncasville, CT. In November 2007, NRG won two of the industry's highest honors—Platts Industry Leadership and Energy Company of the Year awards. Headquartered in Princeton, NJ, NRG is a member of the U.S. Climate Action Partnership (USCAP), a group of business and environmental organizations calling for mandatory legislation to reduce greenhouse gas emissions. More information is available at www.nrgenergy.com.

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 with respect to new peaking generation in Connecticut and typically can be identified by the use of words such as "will," "expect," "plan," 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, construction delays and permitting and regulatory obstacles. 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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Media Contacts:

NRG Energy, Inc.

Meredith Moore
609.524.4522

The United Illuminating Company

Steve Bravar
203.499.3927

Lori Neuman
609.524.4525

Anita Steeves
203.499.2901 (after hours 203-499-2812)

Investor Contacts:

NRG Energy, Inc.

Nahla Azmy
609.524.4526

UIL Holdings Corporation

Susan Allen
203.499.2409

David Klein
609.524.4527