APPENDIX

COMMITTED TO SUSTAINABILITY

NRG Sustainability Framework

SUSTAINABILITY **BUSINESS** — SUSTAINABILITY **OPERATIONS** — SUSTAINABILITY **CUSTOMERS** — SUSTAINABILITY **SUPPLIERS** — SUSTAINABILITY **WORKPLACE**

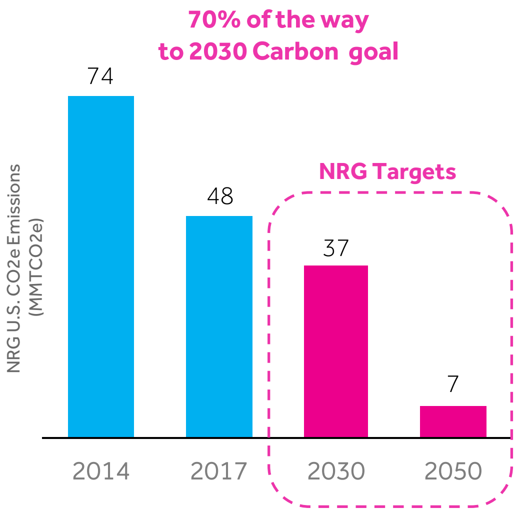
Award-Winning Disclosure

SASB — GRI GOLD Community NRG Energy 2018 — TCFD TASK FORCE on CLIMATE-RELATED FINANCIAL DISCLOSURES

Comprehensive Approach

SUSTAINABLE DEVELOPMENT GOALS — CDP SUPPLIER ENGAGEMENT LEADER — SCIENCE BASED TARGETS DRIVING AMBITIOUS CORPORATE CLIMATE ACTION — WOMEN'S EMPOWERMENT PRINCIPLES EQUALITY MEANS BUSINESS

Environmental Leadership



Community Partner

positivenrg

541 NONPROFITS SERVED BY NRG VOLUNTEERS

21,792 VOLUNTEER HOURS

APPENDIX: FINANCE

TRANSFORMATION PLAN

($ MM)

INCREMENTAL TRANSFORMATION PLAN

	2018	2019	2020
Cost Savings	$500	$590	$590
Margin Enhancements	30	135	215
EBITDA Impact	$530	$725	$805
Maintenance Capex	30	50	50
Working Capital	85	64	0
FCFbG Impact	$645	$839	$855
Annual EBITDA Change		*$195*	*$80*
Annual FCFbG Change		*194*	*16*

TABLES FROM FINANCE SLIDE 6

2018 Baseline (mid-point)	$1,000
XOOM	45
Interest savings ($45 + 9)	54
T. Plan add'l FCFbG	194
Pro Forma 2019	$1,293

T. Plan add'l EBITDA	$195
Target ratio	3.0x
	$585

2019 Pro Forma	$1,293
T. Plan add'l FCFbG	16
Pro Forma 2020	$1,309

T. Plan add'l EBITDA	$ 80
MWG Corp EBITDA Incr.	80
Total	$160
Target ratio	3.0x
	$480

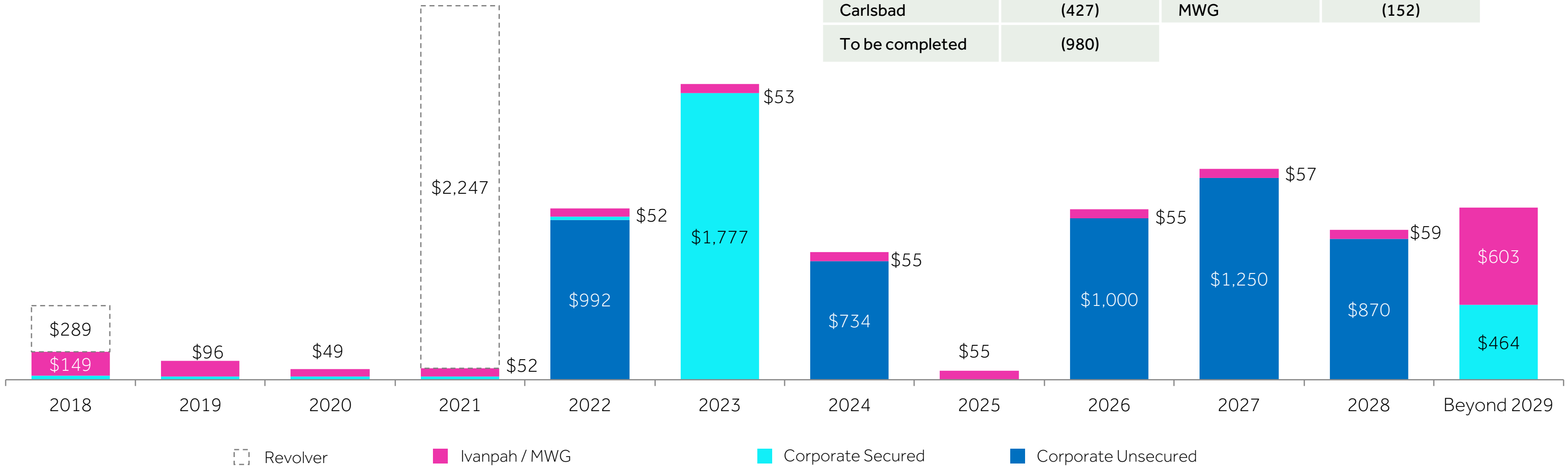
DEBT MATURITY

($ MM)
As of 12/31/17

Debt Balances as of 12/31/2017

Consolidated	Less: Impact of Asset Sales	Pro-Forma	Less: Ivanpah/ MWG	Recourse Debt
$16,638	($8,118)	$8,520	($1,334)	$7,186

NYLD / Renewables	(6,711)	Renewables (Ivanpah)	(1,182)
Carlsbad	(427)	MWG	(152)
To be completed	(980)		



FINANCE FOOTNOTES

Finance Section Slide 3 – Reaffirming 2018 Guidance
[1] Includes Corporate Segment;
[2] Based on midpoint of guidance range

Finance Section Slide 4 – 2018 Capital Allocation - Update
[1] 2018 CAFA includes $4,232 MM of capital from existing cash, 2018 estimated NRG-Level FCFbG, and announced asset sales (see slide 13 of the 4Q17 Earnings presentation for details) plus $130 MM of Canal 3 sales proceeds (excludes adjustments for working capital);
[2] As noted in 4Q17 Earnings Presentation – comprises of $261M for GenOn settlement, ($125M) repayment of loan by GenOn, $28 MM agreed as part of settlement plus $14 MM in pension funding in 2018
[3] Net of financing; XOOM acquisition include working capital and transaction costs
[4] $103 MM of 2018 capacity revenue sold forward in 2016; 2018 payment to counterparty treated as debt amortization for accounting purposes

Finance Section Slide 5 – Capital Allocation at NRG
[1] FCFbG comprises Adjusted EBITDA reduced for Interest, taxes, working capital, non-EBITDA cash, maintenance and environmental capital expenditures (net of financing), and distributions to non-controlling interests

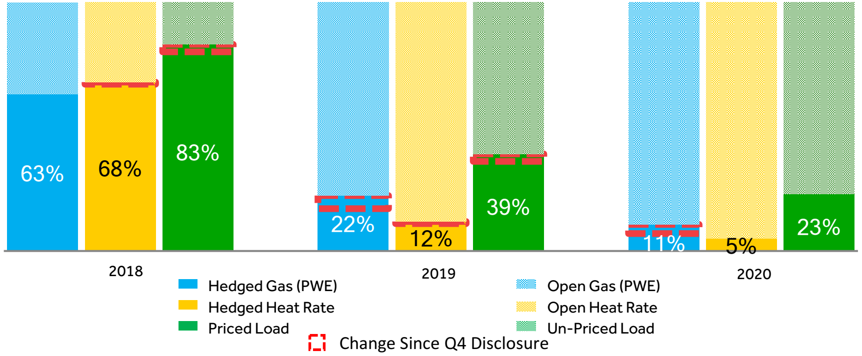
Finance Section Slide 6 – Pro Forma Excess Cash 2018-2020
[1] Excludes cash of $500 MM for collateral posting and other liquidity needs;
[2] Excludes working capital and other purchase price adjustments;
[3] Represents $275 MM of remaining target sales per February Asset Sale presentation less $70 MM for sale of BETM reflected in the 2018 YE CAFA;
[4] 2 years of 1% Term Loan amortization plus $49 MM of remaining Midwest Gen debt amortization;
[5] Cumulative through 2020, assumes 2018 cash reserve of $1.2 Bn released by 2020

Finance Section Slide 8 – Capital Structure & Corporate Credit Metrics
[1] Includes NRG Energy Inc. term loan facility, senior notes, revolver, capital leases and tax exempt bonds;
[2] Reflects non-cash expenses (i.e. nuclear amortization, equity compensation amortization, and bad debt expense) that are included in Adjusted EBITDA

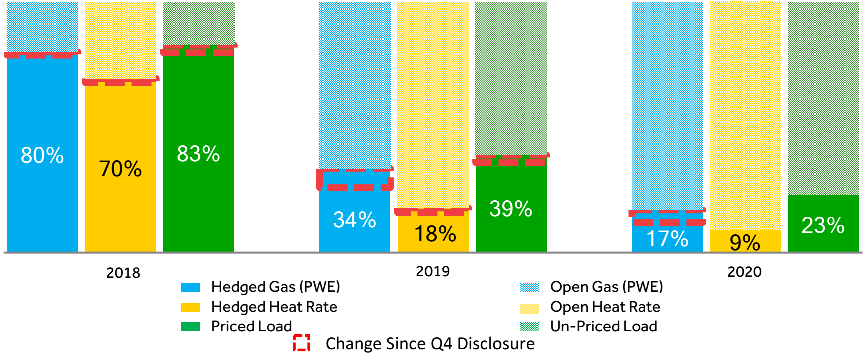
APPENDIX: OPERATIONS

PRO-FORMA PORTFOLIO[1] MANAGING COMMODITY PRICE RISK

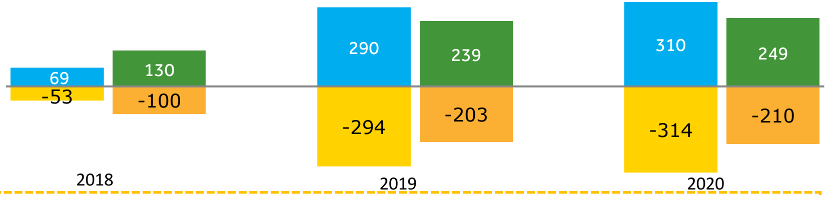
Total Portfolio Generation and Retail Hedge Position[1,2]



Coal and Nuclear Generation and Retail Hedge Position[1,2,4]



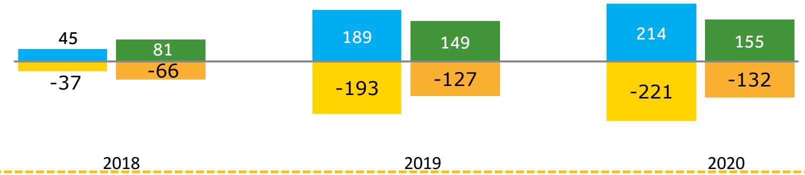
Total Portfolio Sensitivity to Gas Price and Heat Rate[1,3]



Henry Hub Gas as of 3/22	2.83	2.78	2.75

Gas Up By $0.5/mmBtu
HR Up By 1 mmBtu/MWh
Gas Down By $0.5/mmBtu
HR Down By 1 mmBtu/MWh

Coal and Nuclear Generation Sensitivity to Gas Price and Heat Rate[1,3]



Henry Hub Gas as of 3/22	2.83	2.78	2.75

Gas Up By $0.5/mmBtu
HR Up By 1 mmBtu/MWh
Gas Down By $0.5/mmBtu
HR Down By 1 mmBtu/MWh

[1] Portfolio as of 3/22/2018, includes TEXAS, PJM, NY, NE, CAISO & Cottonwood, excludes GenOn, MISO, Yield & Renew; [2] Retail priced load includes term load, Hedged month-to-month load, and Indexed load; [3] Price sensitivity reflects gross margin change from $0.5/MMBtu gas price, 1 mmBtu/MWh heat rate move; [4] Coal hedge ratios are 99%, 41%, and 24% for 2018, 2019, and 2020, respectively

HEDGE DISCLOSURE: COAL AND NUCLEAR OPERATIONS

Coal & Nuclear Portfolio [1]	Texas 2018	Texas 2019	Texas 2020	East 2018	East 2019	East 2020
Net Coal and Nuclear Capacity (MW)[2]	5,329	5,329	5,329	3,267	3,267	3,267
Forecasted Coal and Nuclear Capacity (MW)[3]	4,112	3,925	3,954	1,426	1,171	1,027
Total Coal and Nuclear Sales (GWh)[4]	26,457	13,484	6,785	12,499	1,567	672
Percentage Coal and Nuclear Capacity Sold Forward[5]	73%	39%	20%	100%	15%	7%
Total Forward Hedged Revenues [6]	$1,136	$550	$223	$404	$48	$21
Weighted Average Hedged Price ($ per MWh)[6]	$42.93	$40.76	$32.94	$32.34	$30.56	$30.56
Average Equivalent Natural Gas Price ($ per MMBtu)[6]	$2.07	$2.61	$2.61	$2.82	$2.90	$2.70
Gross Margin Sensitivities $ in MM: Gas Price Sensitivity Up $0.50/MMBtu on Coal and Nuclear Units	$5	$86	$110	$41	$103	$104
Gas Price Sensitivity Down $0.50/MMBtu on Coal and Nuclear Units	($15)	($117)	($148)	($22)	($76)	($73)
Heat Rate Sensitivity Up 1 MMBtu/MWh on Coal and Nuclear Units	$53	$91	$99	$27	$58	$56
Heat Rate Sensitivity Down 1 MMBtu/MWh on Coal and Nuclear Units	($43)	($79)	($86)	($23)	($48)	($46)

1 Portfolio as of 3/22/2018. Includes TEXAS and PJM; Excludes MISO

2 Net Coal and Nuclear capacity represents nominal summer net MW capacity of power generated as adjusted for the Company's ownership position excluding capacity from inactive/mothballed units

3 Forecasted generation dispatch output (MWh) based on forward price curves as of 3/22/2018 which is then divided by number of hours in a given year to arrive at MW capacity; The dispatch takes into account planned and unplanned outage assumptions

4 Includes amounts under power sales contracts and natural gas hedges; The forward natural gas quantities are reflected in equivalent GWh based on forward market implied heat rate as of 3/22/2018 and then combined with power sales to arrive at equivalent GWh hedged; The Coal and Nuclear Sales include swaps and delta of options sold which is subject to change; Actual value of options will include the impact of non-linear factors; For detailed information on the Company's hedging methodology through use of derivative instruments, see discussion in 2015 10K Item 15 - Note 5, Accounting for Derivative Instruments and Hedging Activities, to the Consolidated Financial Statements; Includes inter-segment sales from the Company's wholesale power generation business to the Retail Business

5 Percentage hedged is based on Total Coal and Nuclear sales as described above (4) divided by the forecasted Coal and Nuclear Capacity (3)

6 Represents all coal and nuclear sales

COMMODITY PRICES

Forward Prices[1]	2018	2019	2020	Annual Average for 2018-2020
NG Henry Hub ($/Mmbtu)	$2.83	$2.78	$2.75	$2.79
PRB 8800 ($/ton)	$12.58	$12.41	$12.30	$12.43
ERCOT Houston On-peak ($/MWh)	$53.22	$45.28	$41.21	$46.57
ERCOT Houston Off-peak ($/MWh)	$23.20	$21.90	$21.11	$22.07
PJM West On-peak ($/MWh)	$39.09	$35.22	$34.79	$36.37
PJM West Off-peak ($/MWh)	$29.10	$26.27	$26.00	$27.12

[1] Prices as of 3/22/2018

CAPACITY CLEARS: NRG STANDALONE

<u>Assumptions:</u>

- Data as of 2/28/2018
- Excludes NRG Yield Assets
- Represents merchant wholesale generation
- Qualified Capacity is estimated as of 2/28/18 and is subject to change.

Capacity Revenue by Calendar Year ($ MM)

Market	2018	2019	2020
PJM	$326	$327	$286
NYISO	$100	$40	$11
NE-ISO	$157	$149	$110

NYISO 2018, 2019 & 2020 has MWs that will be either bid into upcoming auctions or sold bilaterally

Market	Region	Planning Year	Average Price ($/MW-Day)	MWs Cleared	Estimated Qualified Capacity
ISO-NE	Connecticut	2017-2018	$7.03	1,534	1,534
		2018-2019	$9.55	1,535	1,535
		2019-2020	$7.03	1,529	1,529
		2020-2021	$5.30	1,529	1,529
		2021-2022	$4.63	1,529	1,529
NYISO	New York City	2018	$7.31	915	1,249
		2019	$6.28	440	1,256
		2020	$6.79	133	1,256
		2021	-	-	1,256
NYISO	Rest of State	2018	$1.59	1,020	1,567
		2019	$1.78	302	1,564
		2020	$2.90	3	1,564
		2021	-	-	1,564

CAPACITY CLEARS: NRG STANDALONE (CONT'D)

			Base Product		Capacity Performance Product	
Market	Region	Planning Year	Average Price ($/MW-Day)	MWs Cleared	Average Price ($/MW-Day)	MWs Cleared
PJM	ComEd	2017-2018	$145.51	539	$151.50	3,227
		2018-2019	$25.36	225	$215.00	3,509
		2019-2020	$182.77	65	$202.77	3,738
		2020-2021			$188.12	3,315
PJM	MAAC	2017-2018	$116.96	17	$151.50	106
		2018-2019	$149.98	1	$164.77	108
		2019-2020	$80.00	1	$100.00	105
		2020-2021			$86.04	91
PJM	DPL South	2017-2018	$150.03	133	$151.50	358
		2018-2019	$210.63	98	$225.42	459
		2019-2020	NA	NA	$119.77	481
		2020-2021			$187.87	519
PJM	PEPCO	2017-2018	$111.13	80	NA	NA
		2018-2019	NA	NA	$164.77	69
		2019-2020	NA	NA	$100.00	66
		2020-2021			$86.04	67
PJM	RTO	2017-2018	$126.13	907	$151.50	9
		2018-2019	NA	NA	NA	NA
		2019-2020	NA	NA	NA	NA
		2020-2021			NA	NA
PJM	Net Total	2017-2018	$133.46	1,676	$151.50	3,701
		2018-2019	$81.75	324	$227.69	4,144
		2019-2020	$181.51	65	$189.69	4,389
		2020-2021			$184.04	3,992

Assumptions:

- PJM Data as of 5/23/2017; NY-NE Data as of 2/28/2018
- Includes imports
- Excludes NRG Yield Assets
- Represents merchant wholesale generation

PRO FORMA ASSET LIST[1]: MERCHANT WHOLESALE GENERATION

ERCOT

ERCOT (10,159 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Cedar Bayou	Baytown, TX	1,495	NRG	100%
Cedar Bayou 4	Baytown, TX	249	NRG	50%
Greens Bayou	Houston, TX	344	NRG	100%
Petra Nova	Thompsons, TX	22	NRG	50%
San Jacinto	La Porte, TX	162	NRG	100%
TH Wharton	Houston, TX	1,025	NRG	100%
WA Parish	Thompsons, TX	3,649	NRG	100%
Limestone	Jewett, TX	1,689	NRG	100%
South Texas	Bay City, TX	1,136	NRG	44%
Gregory	Gregory, TX	388	NRG	100%

CAISO

CAISO (2,414 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Midway-Sunset	Fellows, CA	113	NRG	50%
Sunrise	Fellows, CA	586	NRG	100%
Ivanpah	Ivanpah Dry Lake, CA	392	NRG	50%
Long Beach	Long Beach, CA	260	NRG	100%
Watson	Carson, CA	204	NRG	49%
Encina	Carlsbad, CA	859	NRG	100%

PJM

ComEd (4,336 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Fisk	Chicago, IL	172	NRG	100%
Joliet	Joliet, IL	1,326	NRG	100%
Powerton	Pekin, IL	1,538	NRG	100%
Waukegan	Waukegan, IL	790	NRG	100%
Will County	Romeoville, IL	510	NRG	100%

DPL (593 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Indian River	Millsboro, DE	426	NRG	100%
Vienna	Vienna, MD	167	NRG	100%

MAAC (126 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Conemaugh	New Florence, PA	63	NRG	3.72%
Keystone	Shelocta, PA	63	NRG	3.70%

PEPCO (78 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
SMECO	Prince Georges County, MD	78	NRG	100%

MISO

MISO South (1,263 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Cottonwood	Deweyville, TX	1,263	NRG	7 Year Lease

NYISO

NYC (1,262 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Arthur Kill	Staten Island, NY	858	NRG	100%
Astoria	Queens, NY	404	NRG	100%

Central (1,639 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Oswego	Oswego, NY	1,639	NRG	100%

ISO-NE

Connecticut (1,539 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
CT Jets	Connecticut (four sites)	142	NRG	100%
Devon	Milford, CT	133	NRG	100%
Middletown	Middletown, CT	770	NRG	100%
Montville	Uncasville, CT	494	NRG	100%

WECC

AZ-NV (148 MW, Net)				
Name	**Location**	**Capacity**	**Entity**	**Ownership %**
Agua Caliente	Dateland, AZ	102	NRG	35%
Saguaro	Henderson, NV	46	NRG	50%

[1] Excludes International assets

APPENDIX: REG. G SCHEDULES

2018 FCFBG GUIDANCE

Appendix Table : 2018 Guidance

The following table summarizes the calculation of Free Cash Flow before Growth and provides a reconciliation to Adjusted EBITDA

($ millions)	2018 Guidance
Adjusted EBITDA	$2,800 - $3,000
Interest payments	(785)
Income tax	(40)
Working capital / other	40
Adjusted Cash Flow from Operations	$2,015 - $2,215
Maintenance capital expenditures, net	(210) - (240)
Environmental capital expenditures, net	(0) - (5)
Distributions to non-controlling interests[1]	(220) - (250)
Consolidated Free Cash Flow before Growth	$1,550 - $1,750
Less: FCFbG at Non-Guarantor Subsidiaries[2]	(380)
NRG-Level Free Cash Flow before Growth	$1,170 - $1,370

[1] Includes NRG Yield distributions to public shareholders, and Capistrano and Solar distributions to non-controlling interests; [2] Reflects impact from NRG Yield and other excluded project subsidiaries

2018 ADJUSTED EBITDA GUIDANCE

Appendix Table : 2018 Adjusted EBITDA Guidance Reconciliation

The following table summarizes the calculation of Adjusted EBITDA providing reconciliation to net income:

	2018 Adjusted EBITDA Guidance	
($ millions)	Low	High
GAAP Net Income [1]	410	610
Income tax	20	20
Interest Expense	785	785
Depreciation, Amortization, Contract Amortization and ARO Expense	1,180	1,180
Adjustment to reflect NRG share of adjusted EBITDA in unconsolidated affiliates	135	135
Other Costs [2]	270	270
Adjusted EBITDA	$2,800	$3,000

[1] For purposes of guidance, discontinued operations are excluded and fair value accounting related to derivatives are assumed to be zero; [2] Includes deactivation costs, reorganization costs associated with the Transformation Plan, gain on sale of businesses, asset write-offs, impairments and eVgo California settlement

2018 ADJUSTED EBITDA / FCFBG GUIDANCE FOR ASSET SALES

Appendix Table : Adjusted EBITDA and FCFbG Guidance Reconciliation for Asset Sales

The following table summarizes the calculation of Adjusted EBITDA providing reconciliation to net income:

($ millions)	Asset Divestitures Announced	Divestitures to be Completed
Net (loss)/income[1]	200	5
Plus:		
Income tax	25	(25)
Interest expense, net	326	45
Depreciation, Amortization, Contract Amortization, and ARO Expense	577	81
EBITDA	1,128	106
Adjustment to reflect NRG share of adjusted EBITDA in unconsolidated affiliates	77	(9)
Deactivation Costs and non-recurring charges	-	3
Adjusted EBITDA	1,205	100
Interest payments	(320)	(33)
Collateral / working capital / other	(57)	18
Cash Flow from Operations	828	85
Maintenance capital expenditures, net	(65)	(1)
Distributions to non-controlling interests	(173)	(34)
Free Cash Flow before Growth - Consolidated	590	50
Less: FCFbG at NRG Yield and Other Non-Guarantor Subsidiaries	(345)	(30)
Free Cash Flow before Growth – Residual	245	20

[1] For purposes of guidance, fair value accounting related to derivatives are assumed to be zero

RETAIL ADJUSTED EBITDA

Appendix Table : Retail Adjusted EBITDA Reconciliation

The following table summarizes the calculation of Adjusted EBITDA providing reconciliation to net income:

($ millions)	2013	2017	2019	2022
Net income/(loss)	383	776	1,018	1,188
Plus:				
Income tax	-	(9)	-	-
Interest expense, net	3	5	-	-
Depreciation, amortization, and ARO expense	141	111	29	13
Amortization of contracts	51	1	-	-
EBITDA	578	884	1,047	1,201
Acquisition-related transaction & integration costs	-	(17)	-	-
Reorganization costs	-	7	-	-
Other non recurring charges	3	(1)	-	-
Impairment losses	-	-	-	-
Mark- to- Market (MtM) losses/(gains) on economic hedges	(53)	(89)	3	(1)
Adjusted EBITDA	528	785	1,050	1,200

BUSINESS SOLUTIONS ADJUSTED EBITDA

Appendix Table : Business Solutions Adjusted EBITDA Guidance

The following table summarizes the calculation of Adjusted EBITDA providing reconciliation to net income:

($ millions)	2018
Net income/(loss)	28
Plus:	
Income tax	-
Interest expense, net	-
Depreciation, amortization, and ARO expense	6
Amortization of contracts	-
EBITDA	34
Adjustment to reflect NRG share of Adjusted EBITDA	-
Acquisition-related transaction & integration costs	-
Deactivation Costs	-
Reorganization costs	7
Other non recurring charges	-
Mark- to- Market (MtM) losses/(gains) on economic hedges	19
Adjusted EBITDA	60

MIDWEST GEN ADJUSTED EBITDA

Appendix Table : Midwest Gen (MWG) Adjusted EBITDA

The following table summarizes the calculation of Adjusted EBITDA providing reconciliation to net income:

($ millions)	2018
Net income/(loss)	69
Plus:	
Income tax	-
Interest expense, net	-
Depreciation, amortization, Amortization of Contracts and ARO expense	50
EBITDA	119
Adjustment to reflect NRG share of Adjusted EBITDA	-
Acquisition-related transaction & integration costs	-
Deactivation Costs	3
Reorganization costs	-
Other non recurring charges	-
Mark- to- Market (MtM) losses/(gains) on economic hedges	3
Adjusted EBITDA	125

XOOM ADJUSTED EBITDA

Appendix Table : XOOM Adjusted EBITDA

The following table summarizes the calculation of Adjusted EBITDA providing reconciliation to net income:

($ millions)	2018
Net income/(loss)	44
Plus:	
Income tax	-
Interest expense, net	-
Depreciation, amortization, Amortization of Contracts and ARO expense	1
EBITDA	45
Adjustment to reflect NRG share of Adjusted EBITDA	-
Acquisition-related transaction & integration costs	-
Deactivation Costs	-
Reorganization costs	-
Other non recurring charges	-
Mark- to- Market (MtM) losses/(gains) on economic hedges	-
Adjusted EBITDA	45

MIDWEST GEN AND IVANPAH PRO FORMA ADJUSTED EBITDA

($ millions)

Appendix Table : Midwest Gen and Ivanpah Pro Forma Adjusted EBITDA Guidance

The following table summarizes the calculation of Adjusted EBITDA providing reconciliation to net income:

($ millions)	2018
Net income/(loss)	63
Plus:	
Income tax	-
Interest expense, net	35
Depreciation, amortization, Contract Amortization and ARO expense	120
EBITDA	218
Adjustment to reflect NRG share of Adjusted EBITDA	-
Acquisition-related transaction & integration costs	-
Deactivation Costs	3
Other non recurring charges	-
Mark- to- Market (MtM) losses/(gains) on economic hedges	3
Adjusted EBITDA	225

REG. G

EBITDA and Adjusted EBITDA are non-GAAP financial measures. These measurements are not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The presentation of Adjusted EBITDA should not be construed as an inference that NRG's future results will be unaffected by unusual or non-recurring items.

EBITDA represents net income before interest (including loss on debt extinguishment), taxes, depreciation and amortization. EBITDA is presented because NRG considers it an important supplemental measure of its performance and believes debt-holders frequently use EBITDA to analyze operating performance and debt service capacity. EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are:

EBITDA does not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments;

EBITDA does not reflect changes in, or cash requirements for, working capital needs;

EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt or cash income tax payments;

Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and

Other companies in this industry may calculate EBITDA differently than NRG does, limiting its usefulness as a comparative measure.

Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to use to invest in the growth of NRG's business. NRG compensates for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA only supplementally. See the statements of cash flow included in the financial statements that are a part of this news release.

Adjusted EBITDA is presented as a further supplemental measure of operating performance. As NRG defines it, Adjusted EBITDA represents EBITDA excluding impairment losses, gains or losses on sales, dispositions or retirements of assets, any mark-to-market gains or losses from accounting for derivatives, adjustments to exclude the Adjusted EBITDA related to the non-controlling interest, gains or losses on the repurchase, modification or extinguishment of debt, the impact of restructuring and any extraordinary, unusual or non-recurring items plus adjustments to reflect the Adjusted EBITDA from our unconsolidated investments. The reader is encouraged to evaluate each adjustment and the reasons NRG considers it appropriate for supplemental analysis. As an analytical tool, Adjusted EBITDA is subject to all of the limitations applicable to EBITDA. In addition, in evaluating Adjusted EBITDA, the reader should be aware that in the future NRG may incur expenses similar to the adjustments in this news release.

Management believes Adjusted EBITDA is useful to investors and other users of NRG's financial statements in evaluating its operating performance because it provides an additional tool to compare business performance across companies and across periods and adjusts for items that we do not consider indicative of NRG's future operating performance. This measure is widely used by debt-holders to analyze operating performance and debt service capacity and by equity investors to measure our operating performance without regard to items such as interest expense, taxes, depreciation and amortization, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired. Management uses Adjusted EBITDA as a measure of operating performance to assist in comparing performance from period to period on a consistent basis and to readily view operating trends, as a measure for planning and forecasting overall expectations, and for evaluating actual results against such expectations, and in communications with NRG's Board of Directors, shareholders, creditors, analysts and investors concerning its financial performance.

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Adjusted cash flow from operating activities is a non-GAAP measure NRG provides to show cash from operations with the reclassification of net payments of derivative contracts acquired in business combinations from financing to operating cash flow, as well as the add back of merger, integration and related restructuring costs. The Company provides the reader with this alternative view of operating cash flow because the cash settlement of these derivative contracts materially impact operating revenues and cost of sales, while GAAP requires NRG to treat them as if there was a financing activity associated with the contracts as of the acquisition dates. The Company adds back merger, integration related restructuring costs as they are one time and unique in nature and do not reflect ongoing cash from operations and they are fully disclosed to investors.

Free cash flow (before Growth investments) is adjusted cash flow from operations less maintenance and environmental capital expenditures, net of funding, preferred stock dividends and distributions to non-controlling interests and is used by NRG predominantly as a forecasting tool to estimate cash available for debt reduction and other capital allocation alternatives. The reader is encouraged to evaluate each of these adjustments and the reasons NRG considers them appropriate for supplemental analysis. Because we have mandatory debt service requirements (and other non-discretionary expenditures) investors should not rely on free cash flow before Growth investments as a measure of cash available for discretionary expenditures.

Free Cash Flow before Growth Investment is utilized by Management in making decisions regarding the allocation of capital. Free Cash Flow before Growth Investment is presented because the Company believes it is a useful tool for assessing the financial performance in the current period. In addition, NRG's peers evaluate cash available for allocation in a similar manner and accordingly, it is a meaningful indicator for investors to benchmark NRG's performance against its peers. Free Cash Flow before Growth Investment is a performance measure and is not intended to represent net income (loss), cash from operations (the most directly comparable U.S. GAAP measure), or liquidity and is not necessarily comparable to similarly titled measures reported by other companies.