



## NEWS RELEASE

FOR IMMEDIATE RELEASE

### **NRG Cancels Plans for IGCC Plant in Western New York: Decision Follows NYPA Ending Support for Clean Coal Project**

**PRINCETON, NJ; (July 16, 2008)**—NRG Energy, Inc. (NYSE: NRG) today issued the following statement regarding its planned clean coal project at its Huntley Station in western New York:

Today, the New York Power Authority (NYPA) informed NRG of its intent to allow their strategic alliance, formed in January 2007 to pursue development of NRG's clean coal project, to expire on July 22. This effectively ends our effort to develop a clean coal project at Huntley in its present form.

"In this era of sky high prices for oil and natural gas, it is critical that we demonstrate how to capture and store greenhouse gas emissions from coal plants so that we can use our most affordable and available domestic fuel source," said David Crane, President and CEO, NRG Energy. "Of course, we are disappointed in the State's action today, but we recognize that the necessary funding was not there. The Huntley IGCC project was, in many ways, ahead of its time."

The RFP process, which concluded in December 2006, was intended to expand an existing site and push forward a utility-scale clean coal plant that would be operational in near term. This RFP was the result of multiple state agencies – including the Department of Environmental Conservation, the Department of Public Service, the Empire State Development Corporation, the New York State Environmental Research and Development Agency, the New York Power Authority and the Governor's Office of Regulatory Reform, which led the project – working together on a framework to build an advanced clean coal power project to help reduce dependence on imported energy. NRG's project received the endorsement of federal, state and local leaders and most importantly, the local community in Erie County that would benefit most from this project.

"I'd personally like to thank the many local supporters of this project for their tireless and dedicated effort to bring this much-needed green energy project to western New York, and to our hard-working professionals at Huntley Station, who are dedicated to providing safe and reliable electricity to the area," added Crane. "We will continue our relentless efforts to bring some form of green energy technology projects to Huntley and our other operating facilities in western New York."

#### **About NRG**

A Fortune 500 company, NRG Energy, Inc. owns and operates a diverse portfolio of power generating facilities, primarily in Texas and the Northeast, South Central and West regions of the United States. Its operations include baseload, intermediate, peaking, and cogeneration and thermal energy production facilities. NRG also has ownership interests in generating facilities in Australia and Germany. NRG is a member of USCAP, a diverse group of business and environmental organizations calling for mandatory legislation to achieve significant reductions of greenhouse gas emissions. NRG is also a founding member of "3C—Combat Climate Change," a global initiative with companies calling on the global business community to take a leadership role in designing the road map to a low carbon society. More information on NRG is available at [www.nrgenergy.com](http://www.nrgenergy.com)

## 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 our New York operating facilities, and typically can be identified by the use of words such as "will" "should," "expect," "estimate," "anticipate," "forecast," "plan," "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, our ability to use existing plant infrastructure, general economic conditions, permitting and regulatory obstacles, construction delays, the volatility of energy and fuel prices, changes in the wholesale power markets and related government regulation, the availability of financing and the condition of capital markets generally and our ability to access capital markets.

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).

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