

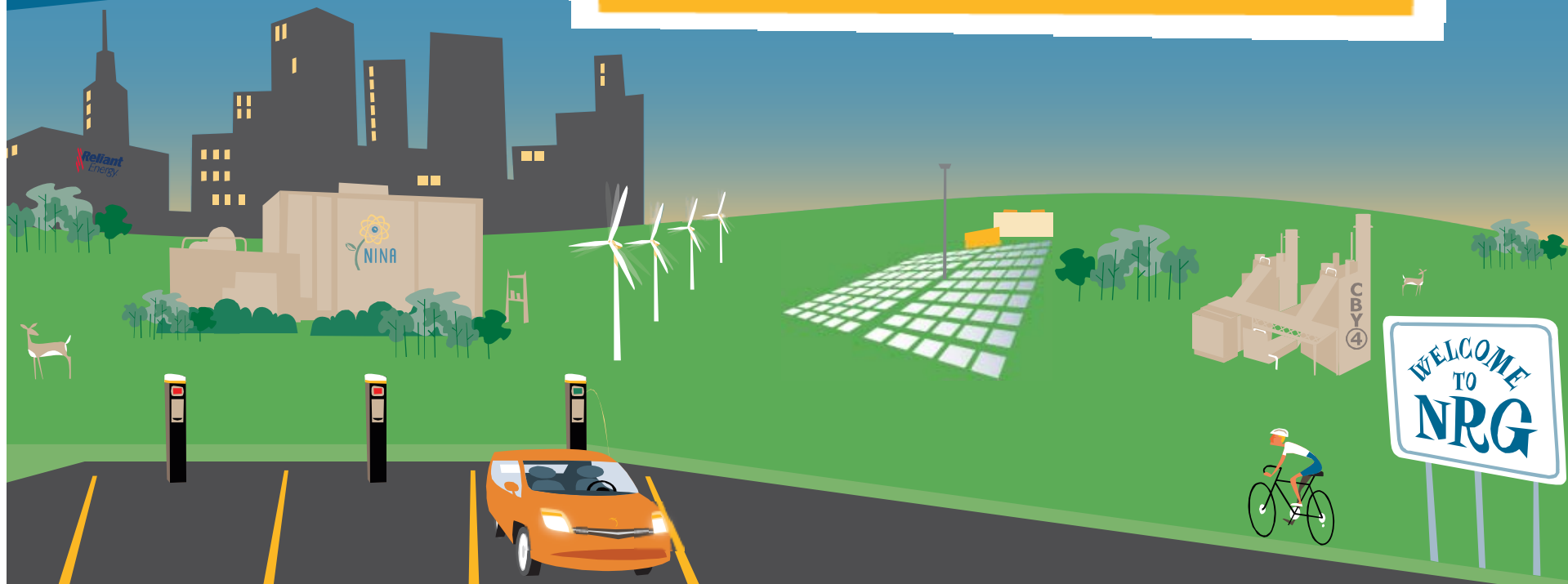


## Moving Clean Energy Forward:

*How NRG Shareholders Will  
Capitalize on our Greener  
Energy Future*

**David Crane**

President & Chief Executive Officer



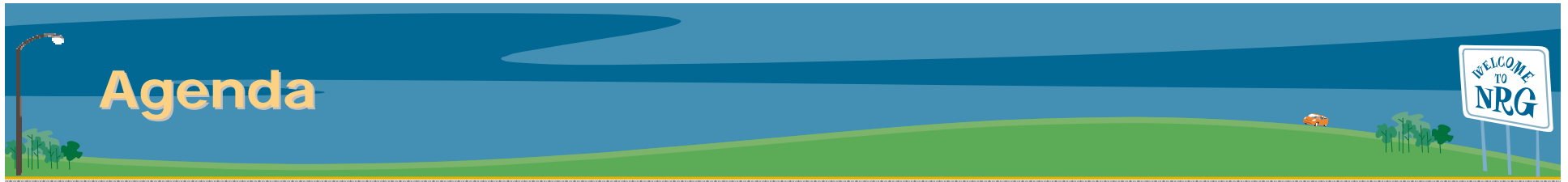
BoA/ML Investment Conference  
September 14, 2010

A graphic header for a 'Safe Harbor Statement'. It features a stylized landscape with a blue sky, green rolling hills, and a road. On the left, there is a street lamp. On the right, there is a white sign with a blue border that says 'WELCOME TO NRG'.

# Safe Harbor Statement

This presentation 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. Forward-looking statements are subject to certain risks, uncertainties and assumptions and typically can be identified by the use of words such as “expect,” “estimate,” “should,” “anticipate,” “forecast,” “plan,” “guidance,” “believe” and similar terms. Such forward-looking statements include our, developments in renewables, the electric vehicle, and other green energy solutions, as well as the timing and benefits of the acquisition of certain Dynegy assets. 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, weather conditions, competition in wholesale and retail power markets, the volatility of energy and fuel prices, failure of customers to perform under contracts, changes in the wholesale and retail power markets, changes in government regulation of markets and of environmental emissions, the condition of capital markets generally, our ability to access capital markets, unanticipated outages at our generation facilities, adverse results in current and future litigation, failure to identify or successfully implement acquisitions and repowerings, the inability to develop successful partnering relationships, the inability to implement value enhancing improvements to plant operations and companywide processes, our ability to realize value through our commercial operations strategy, shareholder approval of Blackstone’s acquisition of Dynegy as it relates to Blackstone’s simultaneous sale of certain Dynegy assets to NRG, and the successful closing of the Dynegy/Blackstone transaction and the Blackstone/NRG transaction.

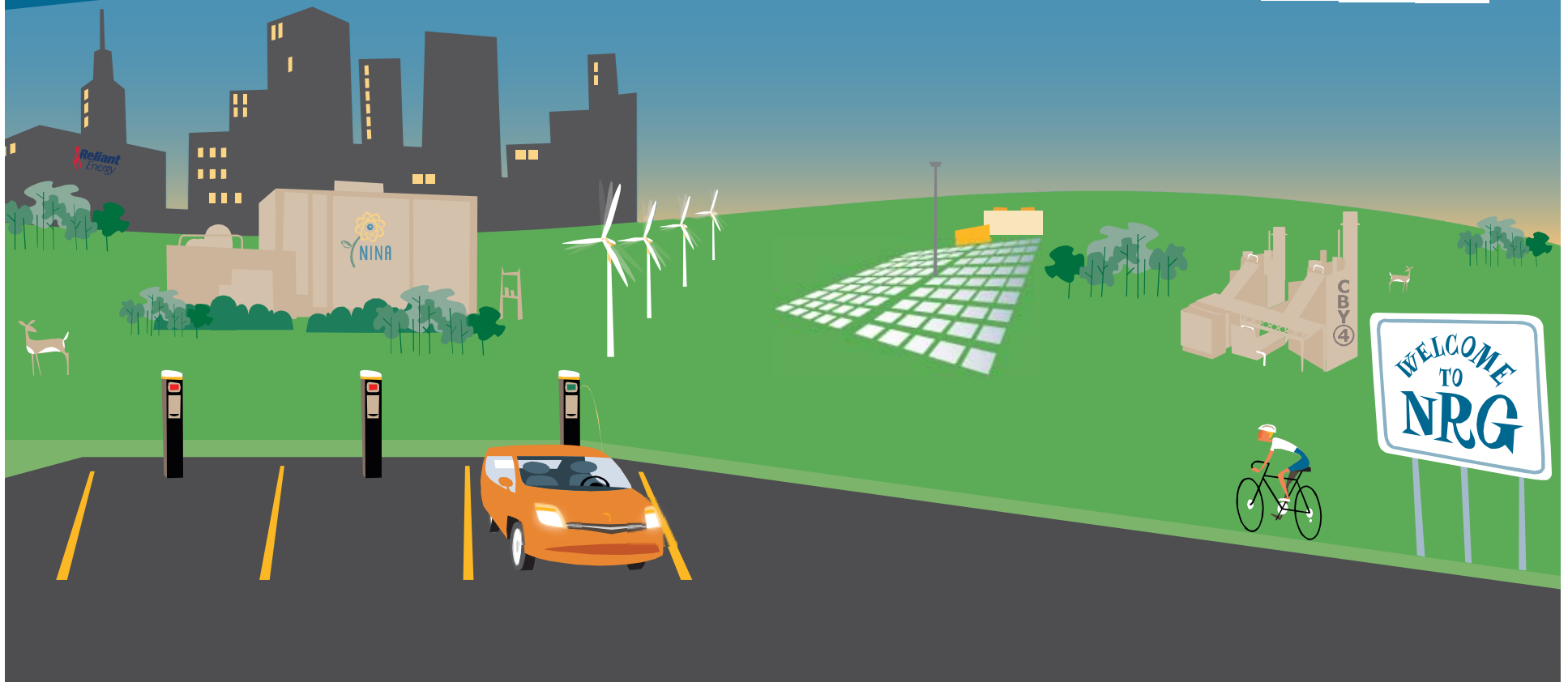
NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The foregoing review of factors that could cause NRG’s actual results to differ materially from those contemplated in the forward-looking statements included in this Investor Presentation 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). Statements made in connection with the exchange offer are not subject to the safe harbor protections provided to forward-looking statements under Private Securities Litigation Reform Act.



- I. American Energy Industry at an Inflection Point
- II. Pointing NRG at the Conventional Future
- III. Pointing NRG at the Green Future
- IV. Summary & Q&A



# I. American Energy Industry at an Inflection Point



# I. Energy in America



## Problems with the Status Quo



**Oil Spill Disasters**  
*Emphasize cost of our national (fossil fuel) energy addictions*



**Mountaintop Blasting Controversy/  
Deep Shaft Accidents**  
*Fuel public distaste for mining*



**Geopolitical Dynamics**  
*Heighten national energy security concerns*

## Inflection Point

## Solutions



**Energy Efficient Consumer Products**



**Nissan Leaf**  
*Heralds the arrival of mass market plug-in vehicle*



**Smart Meters**  
*Promise improvements in consumer conservation and grid efficiencies*

National energy problems which have persisted for three decades are now in a position to be addressed by technology-based solutions which do NOT require a substantial compromise to the American way of life



# I. Situational Analysis

The American public is becoming much more sensitized to the scale, scope and nature of their energy usage due to...

- Expense of Energy
- Geopolitical Awareness
- Environmental Events
- Political/Scientific Debate over GHG emissions and Climate Change
- *Awareness that energy alternatives exist for the American consumer*

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...And that trend is going to accelerate dramatically in 2011 and beyond, because of...

# I. The Imminent Arrival of Electric Car

The Plug-In Car Era is About to Begin....



Tesla



Fisker



Coda



Aptera



Nissan Leaf



Chevy Volt



Mitsubishi Miev



Plug-in Prius



Ford Focus



Suzuki Swift

Americans relate to their energy usage principally through their car and, until now, at the pump

# I. Further Re-Shaping the American Public's Attitude towards its Energy



## **Committed**

Committed to pursuing sustainable lifestyle whenever there is a genuinely green option available

## **Proactive**

Will seek out green alternatives. Will consider "greenness", together with price, performance, etc., as a significant (but not the only) consideration

## **Pragmatic**

Will choose the greener energy option when presented with it, so long as there is no meaningful difference in price, performance, and convenience

## **Indifferent**

Don't know where their energy comes from or what the socio-political consequences are of using it, *and don't care*

Committed

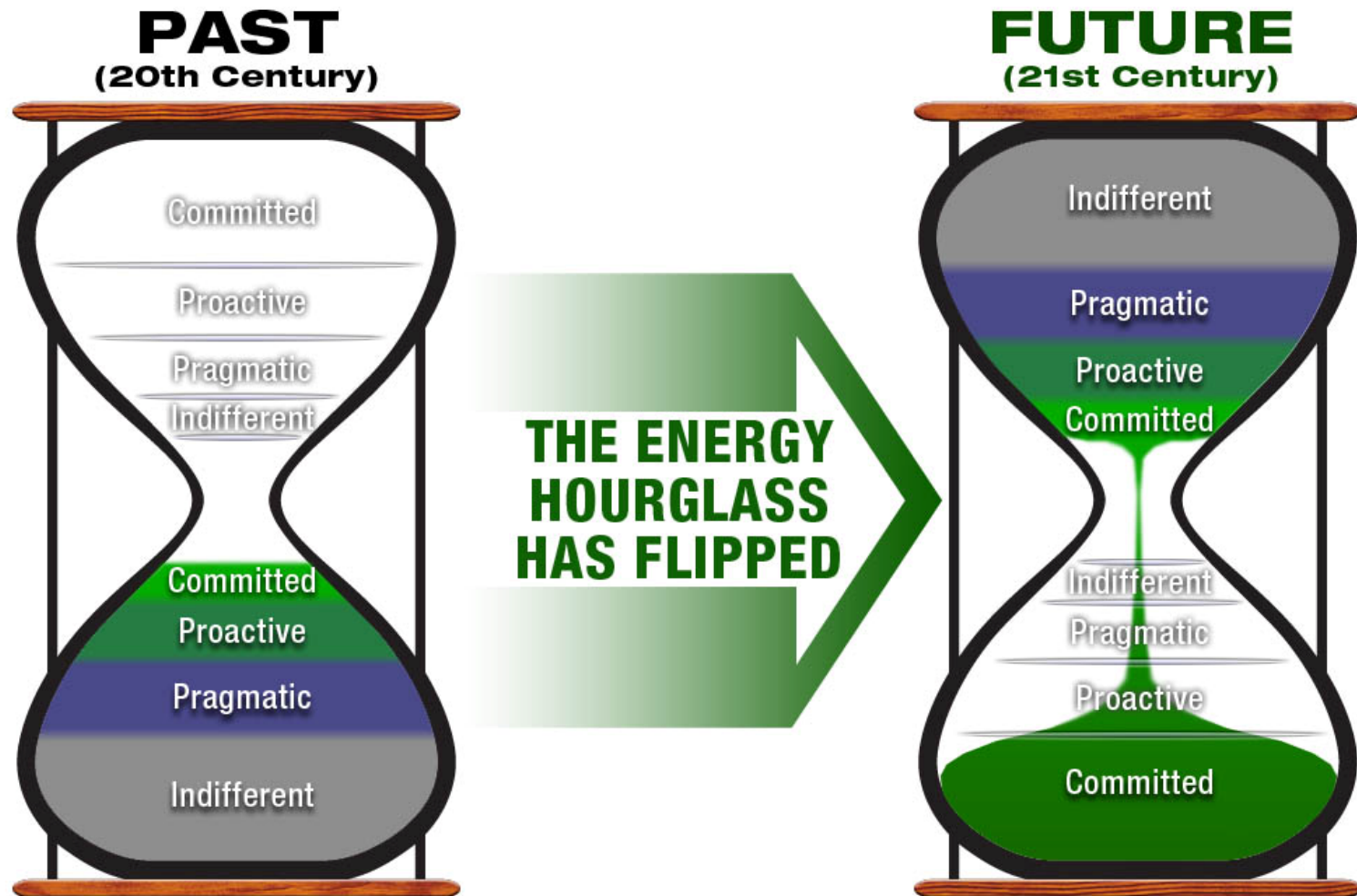
Proactive

Pragmatic

Indifferent

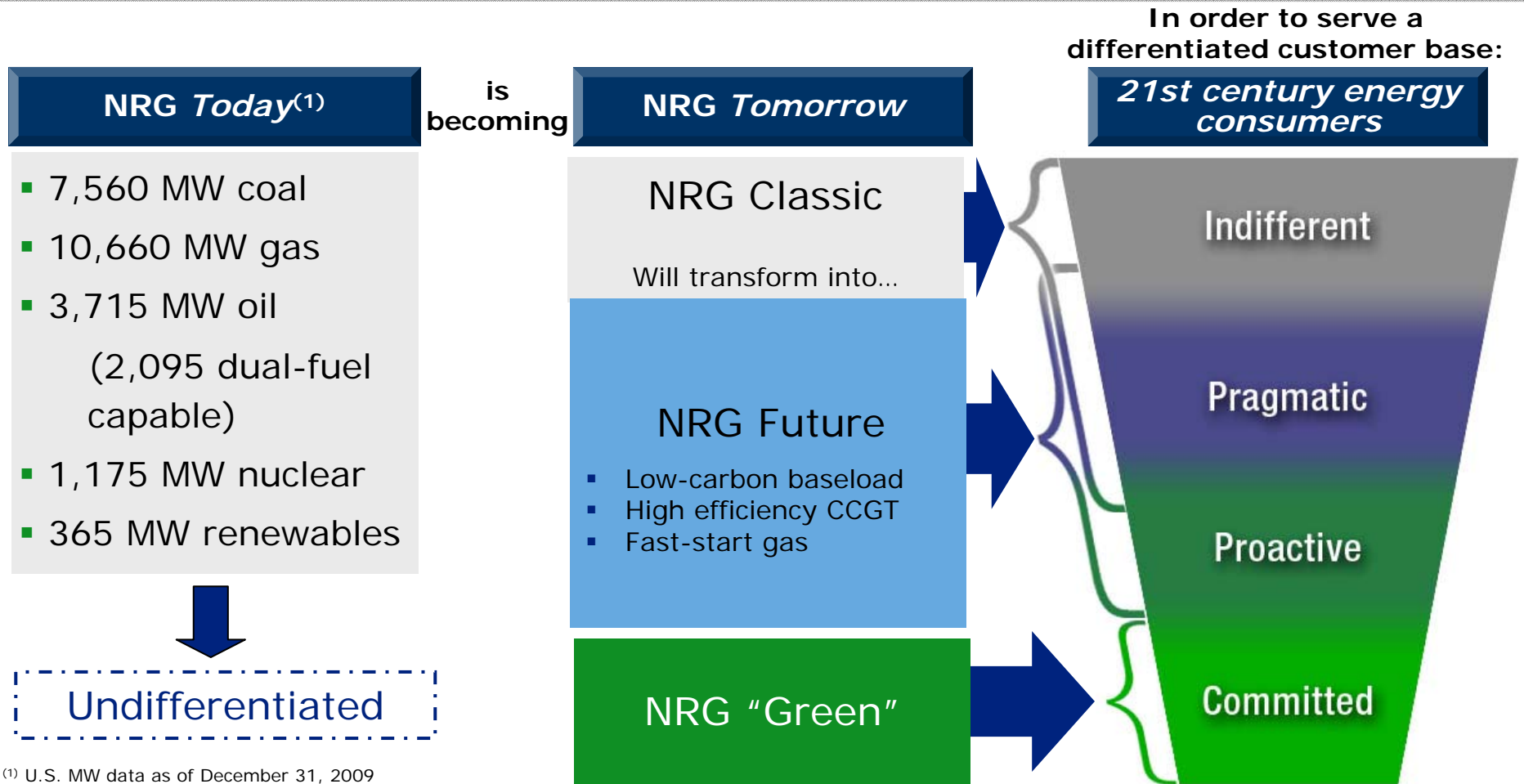
The American public has a wide spectrum of attitudes towards energy

# I. American Consumers



★ American attitudes towards energy are shifting slowly but inexorably ★

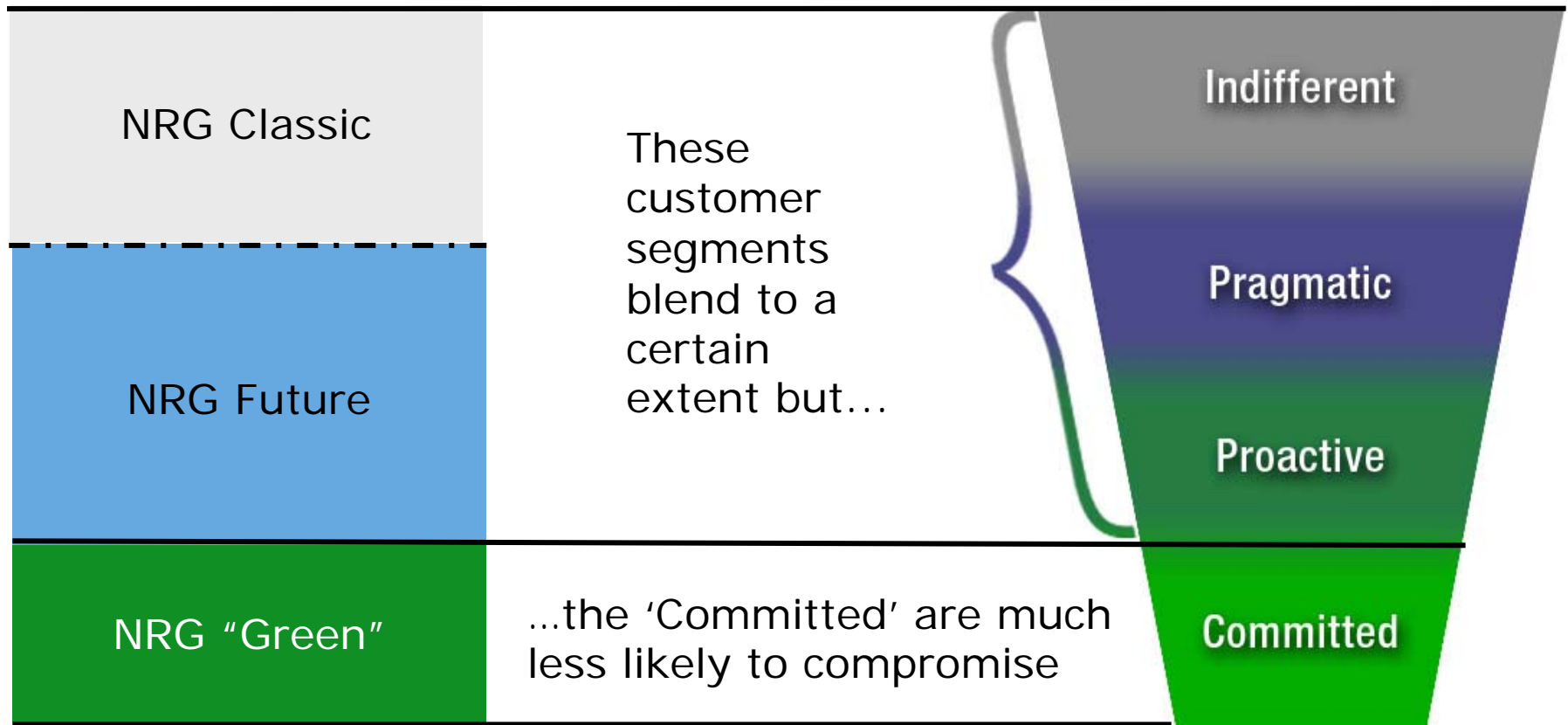
# I. NRG Positioning Itself to Serve Shifting Spectrum of Energy Consumers



<sup>(1)</sup> U.S. MW data as of December 31, 2009

NRG seeks to serve a wide spectrum of energy consumers with safe, reliable and economic power to all; and sustainable energy solutions to those who seek it and those who demand it

# I. The 'Committed Green' Customer Requires Special Care



Most 'Committed' customers will require a committed green energy company to serve them

# I. What Benefit do We Seek for NRG Shareholders?



## Growth

- ✓ In the power industry in 21<sup>st</sup> century America, growth is overwhelmingly dictated by policy constraints and opportunities and by shifts in demand from one type of energy to another (environmental benefits can trigger that demand shift)

## Higher Margins

- ✓ In almost all industries, higher margins reside closer to the customer:
    - Services and
    - Specialized products
- Particularly when you control your own supply

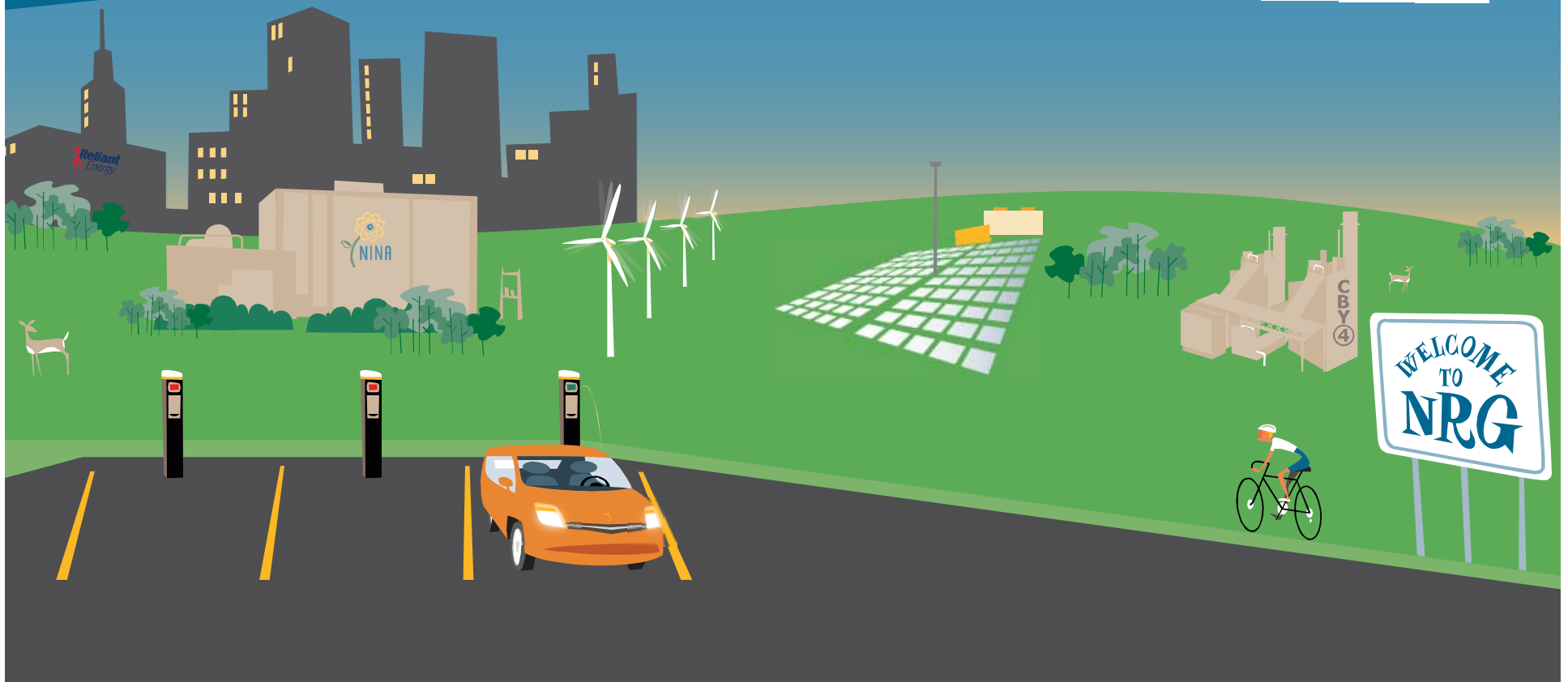
## Increasing De-Risked Business Model

- ✓ Environmental pressure became an upside, not a downside
- ✓ Less capital intensive around the customer; less sensitive to whims of capital markets
- ✓ Less uncertainty around capital requirements which are subject to changing environmental rules and laws

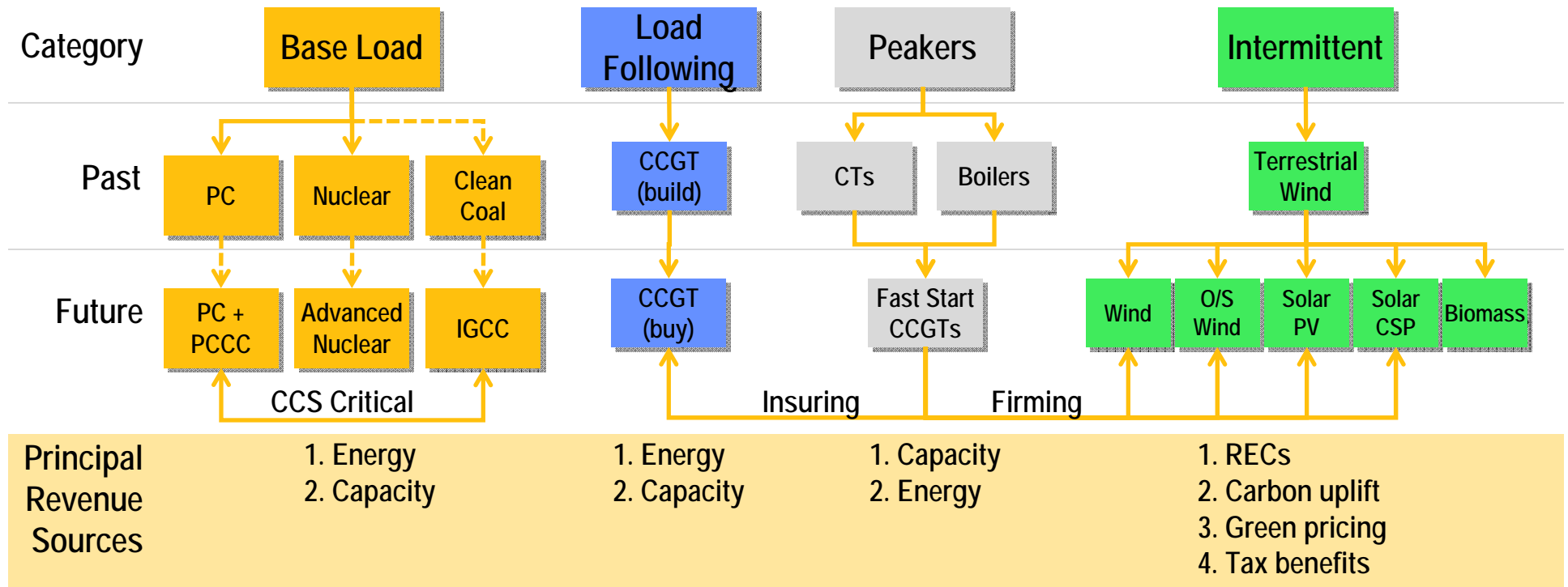
Going green is the best market opportunity available in the power sector  
***and the space, currently, is wide open***



## II. Pointing NRG at the (Conventional) Future



## II. NRG--Multi-Fuel, Across the Merit Order, Asset Mix in three Core Markets

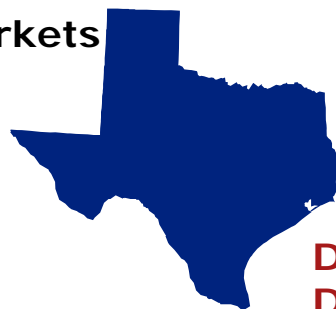


NRG is repositioning its asset portfolio to optimize its generation “line up” vis-à-vis future market trends

## II. NRG's Locational Competitive Advantage



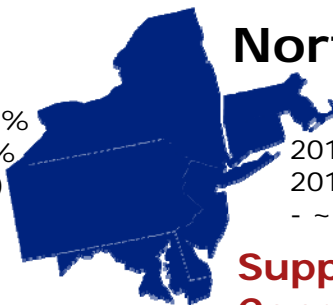
### Markets



### Texas

2015 Peak Load ~ 71 GW  
2015 Reserve Margin ~13%  
Houston Zone Margin ~3%  
- 10,000 MW RPS (~10%)

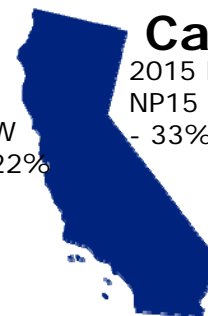
**Demand  
Driven**



### Northeast

2015 Peak Load ~206 GW  
2015 Reserve Margin ~22%  
- ~17% RPS (average)

**Supply  
Constrained**



### California

2015 Peak Load ~52 GW  
NP15 reserve margin ~22%  
- 33% RPS

**Supply  
Constrained**

Market	Texas	Northeast	California
Barriers to Entry	<ul style="list-style-type: none"> <li>Competitive wholesale/retail markets</li> <li>New supply builds are dominantly brownfield</li> <li>Reserve Margin decreases by 8% over the next 5 years (Net supply +1.8 GW, load +6.5 GW)</li> <li>No structured capacity market</li> </ul>	<ul style="list-style-type: none"> <li>Mature and structured wholesale/retail markets</li> <li>Reserve Margin decreases by 5% over the next 5 years (net supply +6 GW, load +14 GW)</li> <li>Formal capacity markets with settled prices for next three years</li> </ul>	<ul style="list-style-type: none"> <li>Limited utilities (PG&amp;E, SCE, SDGE) buying from many sellers</li> <li>Strong opposition (public and political) to fossil generation development</li> <li>Greater Bay Area relies on imports (~9 GW peak load, ~7 GW qualifying capacity in 2015)</li> <li>Bilateral capacity market and developing formal capacity market</li> </ul>
Renewables and Ancillaries	<ul style="list-style-type: none"> <li>Strongest renewable development in the country with nearly 10 GW of renewable capacity.</li> <li>Wind output deviations straining system resources. 2+ GW drops experienced several times.</li> <li>Additional CREZ wind build will require firming and additional ancillaries</li> </ul>	<ul style="list-style-type: none"> <li>Average of ~17% RPS across northeast states</li> <li>17% RPS target requires close to 20 GW additional wind. Almost 5 GW currently installed.</li> <li>Developing needs for wind firming and ancillary capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Most aggressive renewable program – potentially 33% by 2020</li> <li>33% RPS target requires 20+ GW additional wind. Only 2.2 GW currently installed.</li> <li>Significant developing needs for wind firming and ancillary capabilities</li> </ul>
Environmental	<ul style="list-style-type: none"> <li>Minimal CAIR/CATR impact</li> <li>Potential 316(b) impact</li> </ul>	<ul style="list-style-type: none"> <li>Moderate CAIR/CATR impact forcing unit retirements</li> <li>Potential 316(b) impact</li> <li>RGGI CO2 structure currently in place</li> </ul>	<ul style="list-style-type: none"> <li>No CAIR/CATR impact</li> <li>Once through cooling - over 20 GW of generation at risk per CA-ISO report</li> <li>AB32 potential CO2 legislation</li> </ul>
Load	<ul style="list-style-type: none"> <li>Recession resistant load</li> <li>Demographic shifts, housing starts, and continued population growth lead to a strong 1.8% projected CAGR</li> <li>Consecutive new peak loads set this year</li> </ul>	<ul style="list-style-type: none"> <li>Loads recovering from recessionary shock, returning to 1.4% projected CAGR</li> </ul>	<ul style="list-style-type: none"> <li>Loads recovering from recessionary shock, returning to 1.2% projected CAGR</li> </ul>
Infrastructure/ Transmission	<ul style="list-style-type: none"> <li>CREZ build supporting 18.5 GW renewable build</li> </ul>	<ul style="list-style-type: none"> <li>Proposed transmission to flatten regional spreads (MAPP, PATH, TRAIL, NEEWS, and Susquehanna-Roseland)</li> </ul>	<ul style="list-style-type: none"> <li>Significant transmission build to support renewables including Tehachapi and Sunrise Powerlink</li> </ul>

With potential acquisition of combined cycle assets in NE and California, NRG continues to enhance its diversified generation portfolio

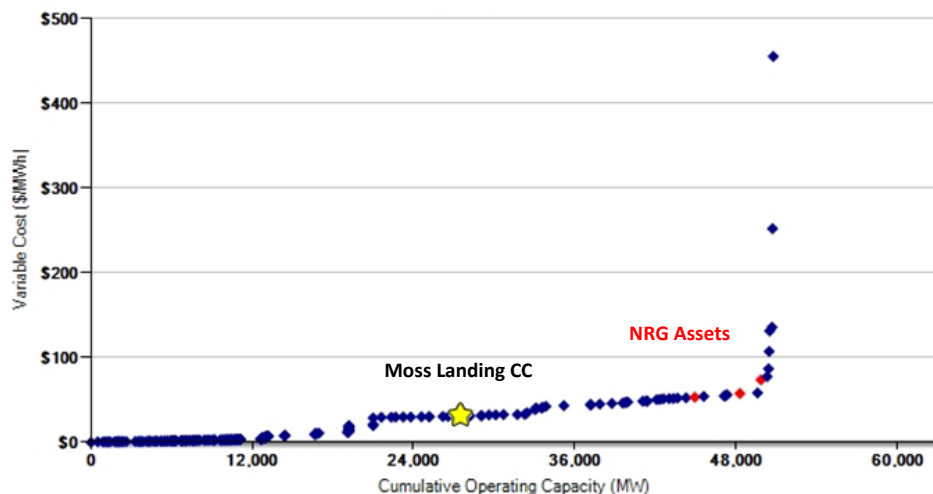
## II. A Case Study - the Value of Moss Landing 1&2



### Moss Landing's Competitive Advantage

- Proximity to the Greater Bay Area load pocket
- Eight-year old, 2002 Vintage GE 7FA combined cycle in a market with 15 years of average combined cycle age
- Strong interconnection to the transmission grid
- Highly efficient combined cycle positioned in merit-dispatch order to capture any market uplift due to potential Carbon (AB32) ruling

2009 Power Supply Curve - California



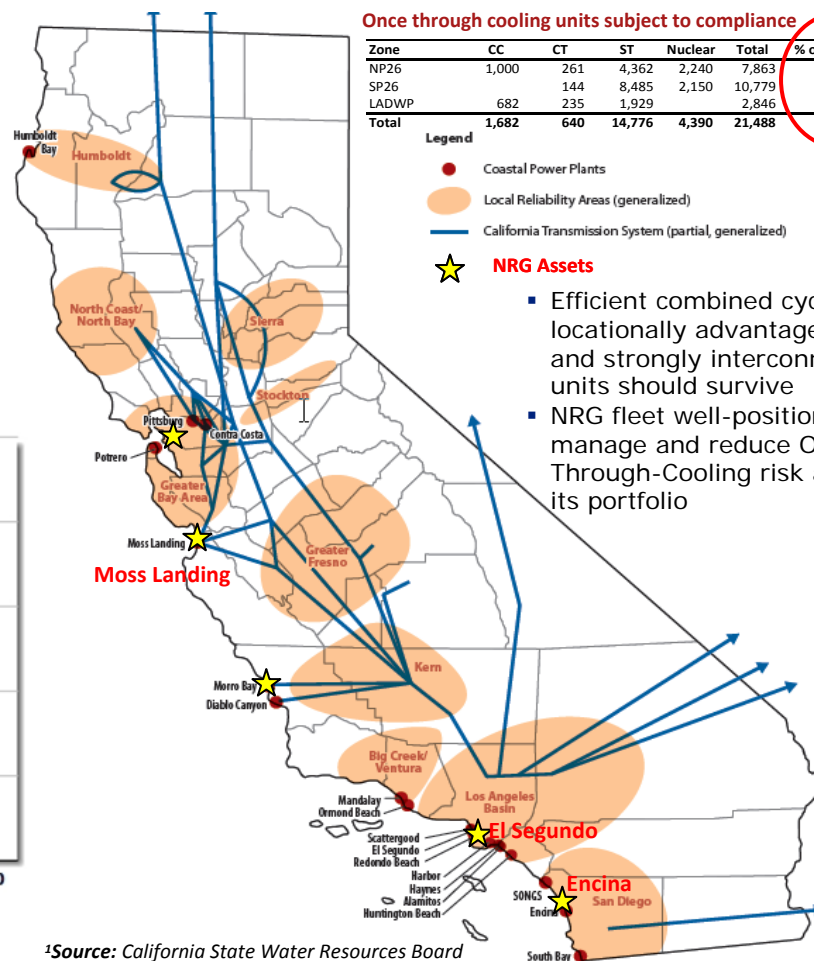
### <sup>1</sup>Once-Through Cooling Generation in California

Once through cooling units subject to compliance

Zone	CC	CT	ST	Nuclear	Total	% of Peak Load
NP26	1,000	261	4,362	2,240	7,863	36%
SP26		144	8,485	2,150	10,779	39%
LADWP	682	235	1,929		2,846	44%
<b>Total</b>	<b>1,682</b>	<b>640</b>	<b>14,776</b>	<b>4,390</b>	<b>21,488</b>	<b>38%</b>

Legend

- Coastal Power Plants
- Local Reliability Areas (generalized)
- California Transmission System (partial, generalized)
- ★ NRG Assets



- Efficient combined cycle, locationally advantaged, and strongly interconnected units should survive
- NRG fleet well-positioned to manage and reduce Once-Through-Cooling risk across its portfolio

<sup>1</sup>Source: California State Water Resources Board

Moss Landing is competitively advantaged and well positioned to optimize on future favorable fundamental market dynamics

## II. Transforming NRG Classic into NRG Future



<u>Goals</u>		<u>Why</u>		<u>NRG Progress</u>
Reduce Fleet Age in our Core Markets	➡	Entire industry generation fleet is aging rapidly; environmental obsolescence and economic marginalization for (non gas assets) is looming across industry	➡	<ol style="list-style-type: none"> <li>1. Repowering NRG</li> <li>2. Cottonwood<sup>1</sup></li> <li>3. Dynegy assets<sup>2</sup></li> </ol>
Improve Efficient Load Following Capability	➡	Increasingly, non-generation LSEs require "all needs" suppliers	➡	<ol style="list-style-type: none"> <li>1. Cedar Bayou 4</li> <li>2. Cottonwood<sup>1</sup></li> <li>3. Dynegy assets<sup>2</sup></li> </ol>
Create ability to "firm" renewables	➡	Intermittent renewables will stress system stability. Fast start capability increasingly valued by ISOs and LSEs	➡	<ol style="list-style-type: none"> <li>1. El Segundo</li> <li>2. Encina (u/d)</li> <li>3. Astoria (u/d)</li> <li>4. CT peakers</li> </ol>
Preserve our current locational advantage	➡	No systemic fix for transmission system, constraints are endemic	➡	<ol style="list-style-type: none"> <li>1. Repowering NRG                         <ul style="list-style-type: none"> <li>– Connecticut</li> <li>– California</li> <li>– NY-Zone J</li> </ul> </li> </ol>
Take environmental questions out of the NRG investment equation. Make environmental pressure work for us	➡	Environmental pressure is a long term societal dynamic, the potential impact of which remains of concern to NRG shareholders. It need not be	➡	<ol style="list-style-type: none"> <li>1. STP – new nuclear</li> <li>2. Clean coal project at WAP</li> <li>3. Retail</li> </ol>

<sup>1</sup>Subject to closing <sup>2</sup>Subject to Dynegy stockholder approval of Blackstone's acquisition of Dynegy and the closing of the Dynegy/Blackstone transaction

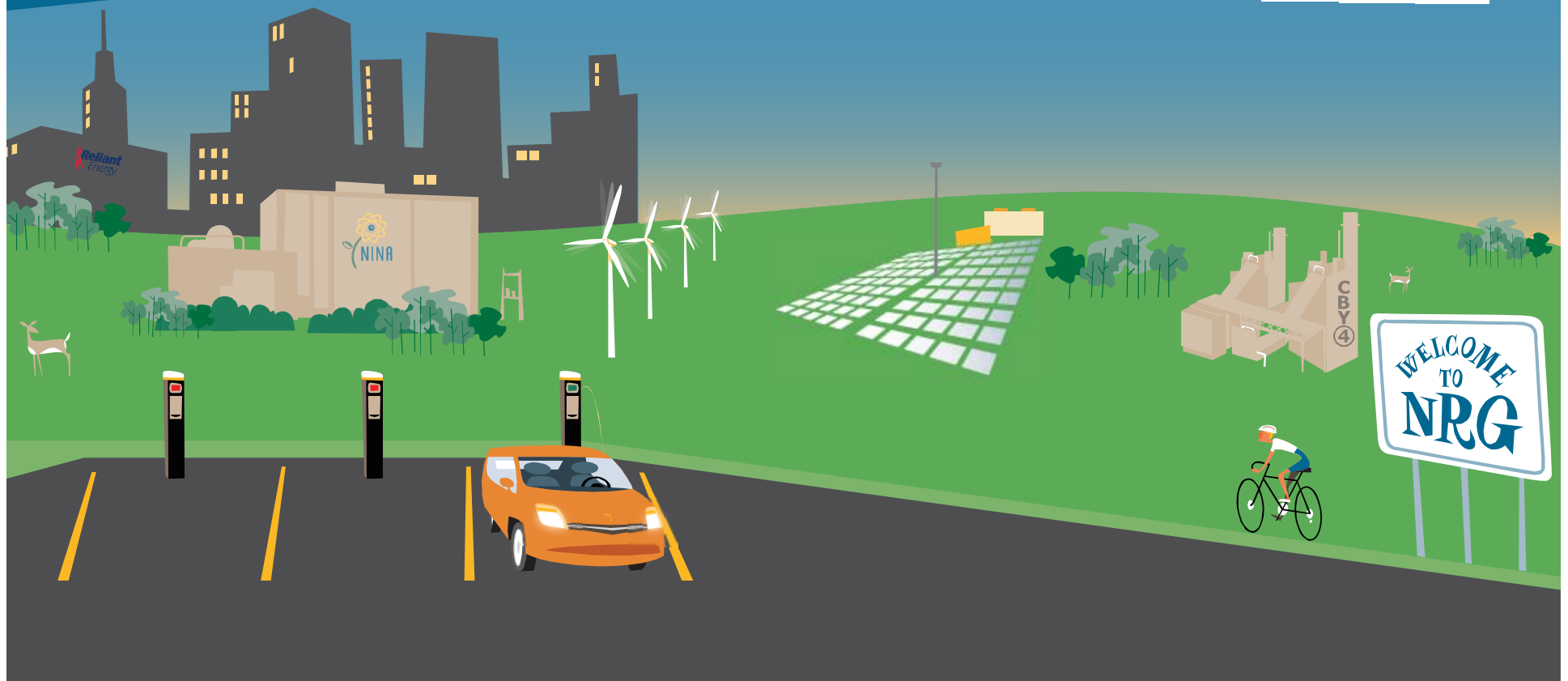


Progress has been made on all fronts





### III. Pointing NRG at the (Green) Future



# III. Why Green?



## Societal Dynamic

- Rise of green consumers
- Favorable demographics (younger generation demands sustainability)
- "Dirty rich" are being replaced by "clean rich"

## Government Encouragement

- Renewable portfolio standards in red & blue states
- Extensive government support at federal and state level
- Federal funding for renewables and advance technology clean energy solutions

## Shareholder Benefit

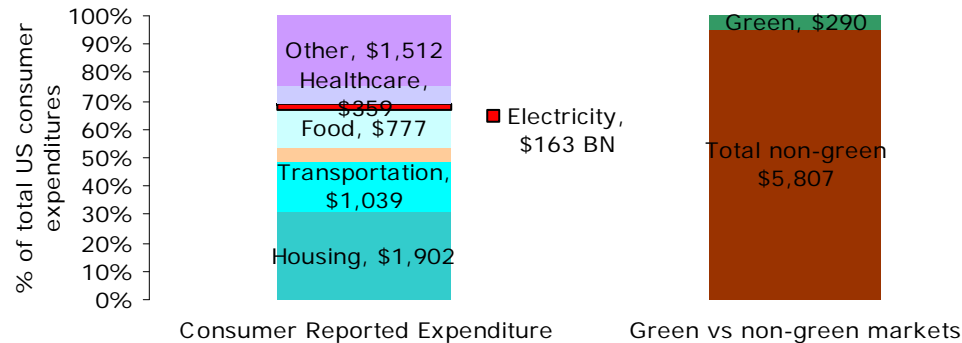
- High growth potential
- Low Beta/High Returns
- Enormous market potential

The Government and the consumer together are creating an enormous market opportunity for NRG shareholders

# III. Scope and Scale of "Green Consumer Market"



US consumer reported purchases \$6,100 billion (2008)



## Fundamentals

- Green retail sales continue at healthy growth rate with CAGR of 12% compared to overall consumption CAGR of 4%
- In 2010, surveys found 26% of consumers identified as 'committed greens' that regularly buy green products, up from 12% in 2006 (CAGR of 21%)
- Drivers for additional consumption come from availability and awareness of green alternatives

Sources: Bureau of Labor Statistics (BLS) Consumer Expenditure Survey (includes all self-reported expenses for consumer purchases; compared to ~\$10 trillion US consumption figure usually stated for personal consumption expense based on retail sales in the National Income Accounts), Minitel 2010 Green Living survey, LOHAS 2006 and 2009

## Green Consumer Product Market Size by Segment (\$ in bn)

Category	Description	2005	2008	CAGR
Personal Health	organic foods, supplements, personal care, alternative medicine, health, media	118	117	0%
Eco-tourism	Travel spent on excursions in nature	24.2	42	20%
Alt. Vehicles	Hybrid/biodiesel, car sharing	6.1	20	49%
Green Building	Energy Star products and homes, other green-certified homes, materials, solar	49.7	100	26%
Natural Lifestyles	Home furnishings/supplies, pet products, cleaners, apparel, philanthropy)	10.6	10.6	0%
<b>Alt. Energy</b>	<b>Green retail, RECs</b>	<b>\$400 MM</b>	<b>\$1 BN</b>	<b>36%</b>
<b>TOTAL</b>		<b>\$209 BN</b>	<b>\$290 BN</b>	<b>12%</b>

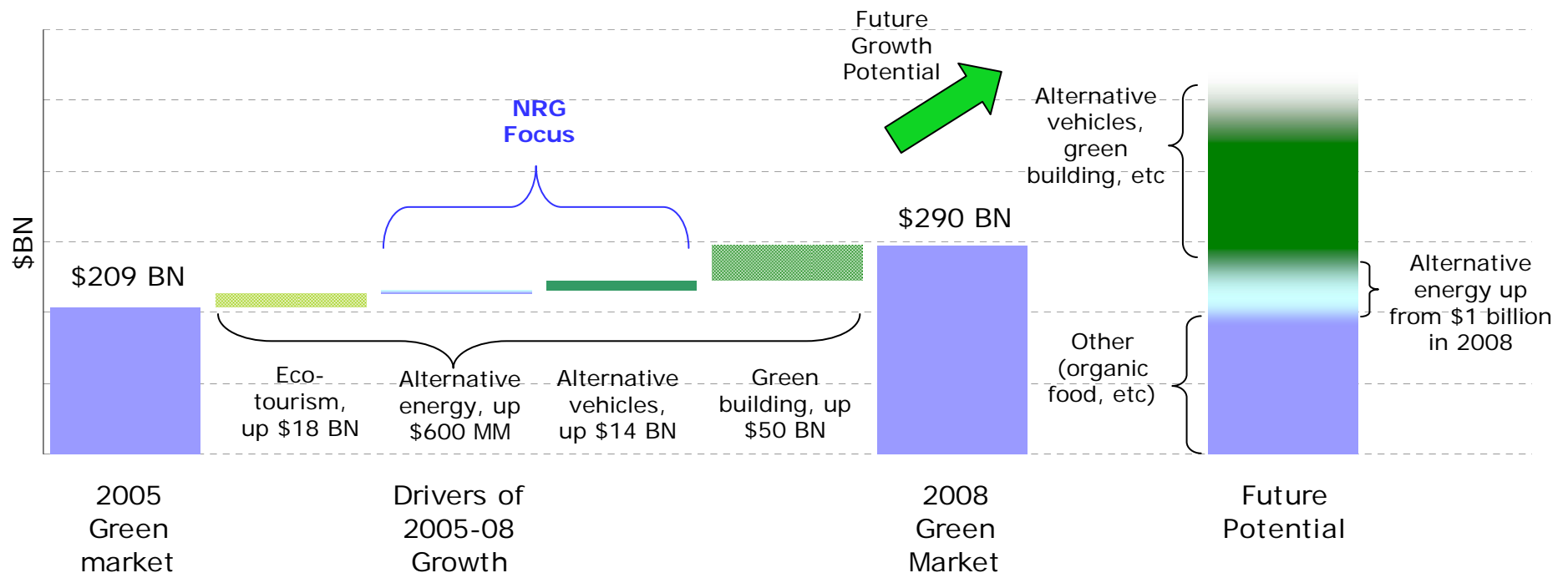
"Green" market growth outpaces non-green markets, in spite of recession

# III. Green Retail Poised for Continued Strong Growth into 21<sup>st</sup> Century



## Drivers of Growth, 2005-2008

## Future Growth<sup>1</sup>



Notes: Alternative energy includes green retail pricing programs and voluntary REC purchases

Source: LOHAS 2006, 2010; NRG research, Minitel

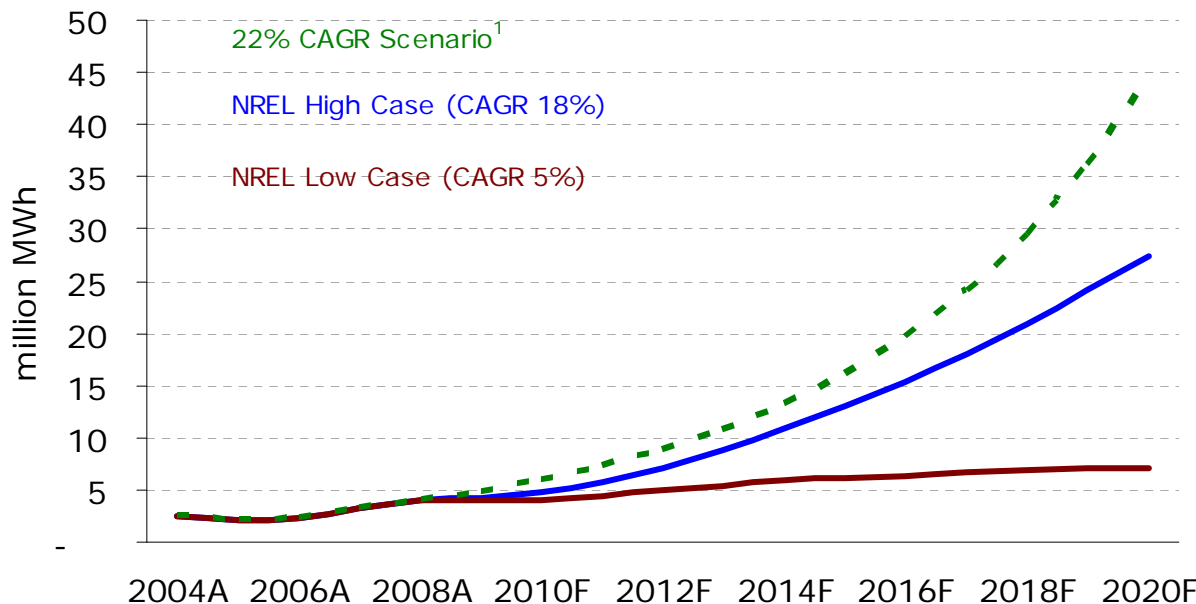
<sup>1</sup>Illustrative: assumes similar compound growth rate (12%) through next decade

Alternative energy the next green growth driver

# III. Alternative Energy Anticipated to be a High-Growth Segment of Green Sector



## US Competitive Green Retail Sales



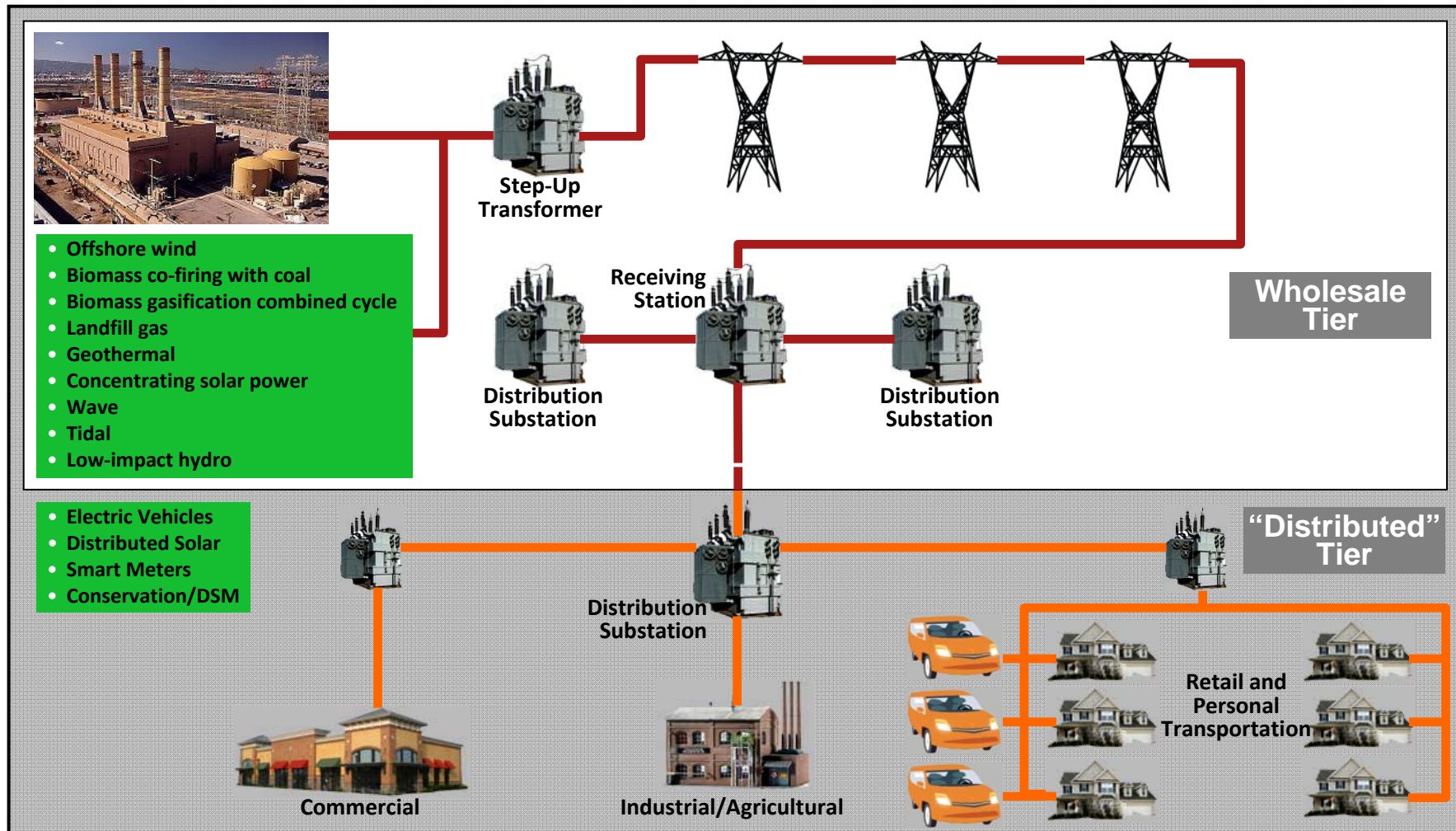
- Reflects competitive green pricing programs in 14 deregulated states
- Includes C&I and residential programs which account for less than 1% of total load in 2008
- Approximately 60-70% of current residential green retail customers are in TX, CA, and NE

Source: EIA, Dept of Energy National Renewable Energy Laboratory (DOE NREL) Reports, "Green Power Marketing in the United States: A Status Report (2008 Data)", 9/2009, and "Voluntary Green Power Market Forecast through 2015", May 2010, NRG Estimates  
<sup>1</sup>22% CAGR from 2005 to 2008 applied to growth in future periods

- Early stage green focused on organic food, personal care; next stage green drivers anticipated to come from alternative energy and electric vehicle
- Alternative energy, given recent trends, has potential to grow to 3%+ of competitive retail market by end of decade, largely driven by residential
- With greater awareness, more proactive and committed green participants will seek new green goods and services

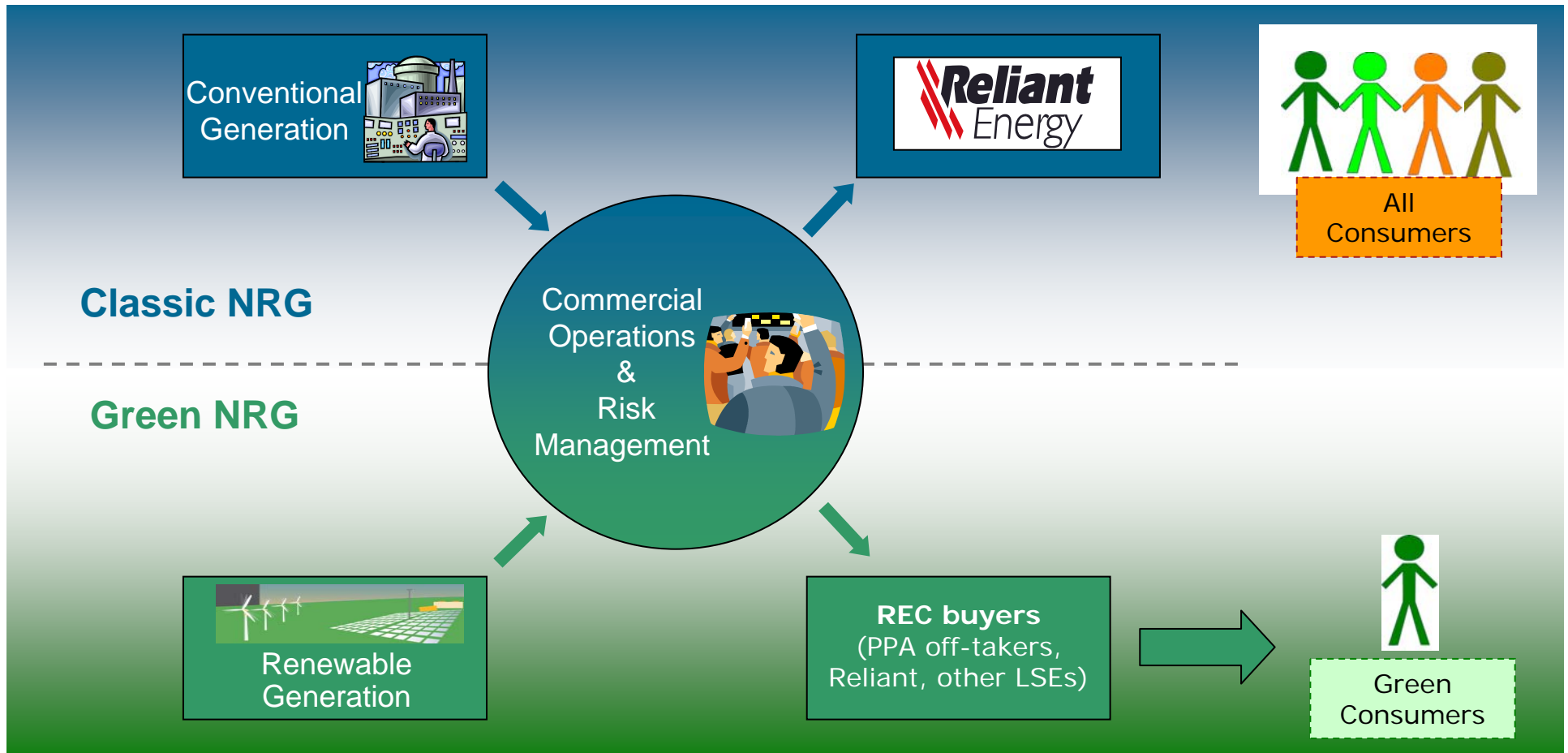
Alternative energy remains a small fraction of growing green market, but it has the potential to be an exploding category within an exploding market segment

# III. NRG's Green Advantage



★ Wholesale to Retail: We have the full range of opportunities and the best markets to achieve first mover advantage ★

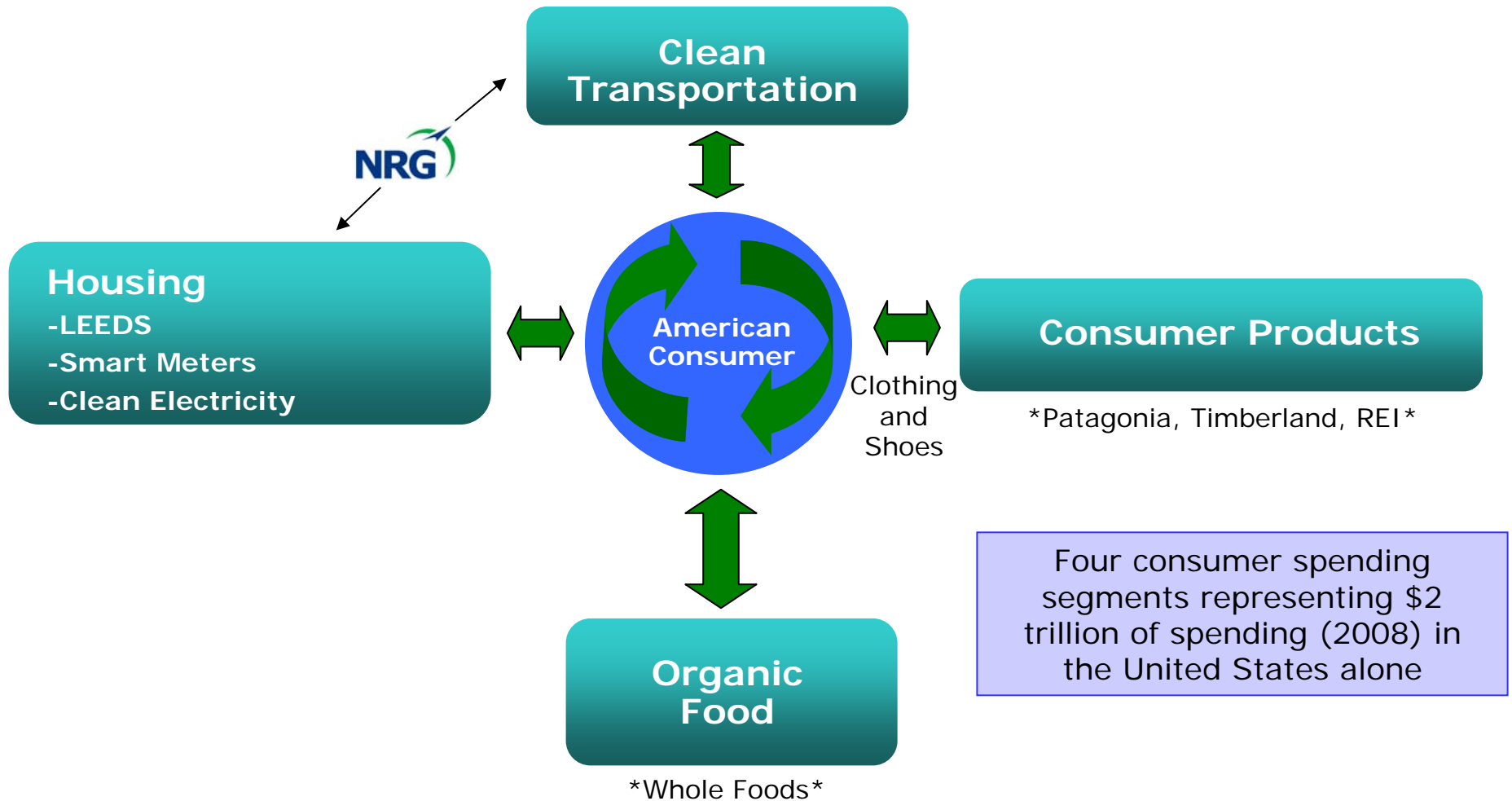
# III. Green NRG: Positioning to Capture our Share of the Green Market



**Our Goal: to get as Close to the Green Consumer as possible**

The 'Sustainability Revolution' is going to be end-user, consumer-driven and the plug-in electric vehicle is going to play a major role in shaping that revolution and accelerating its pace

# III. The Committed Green Consumer

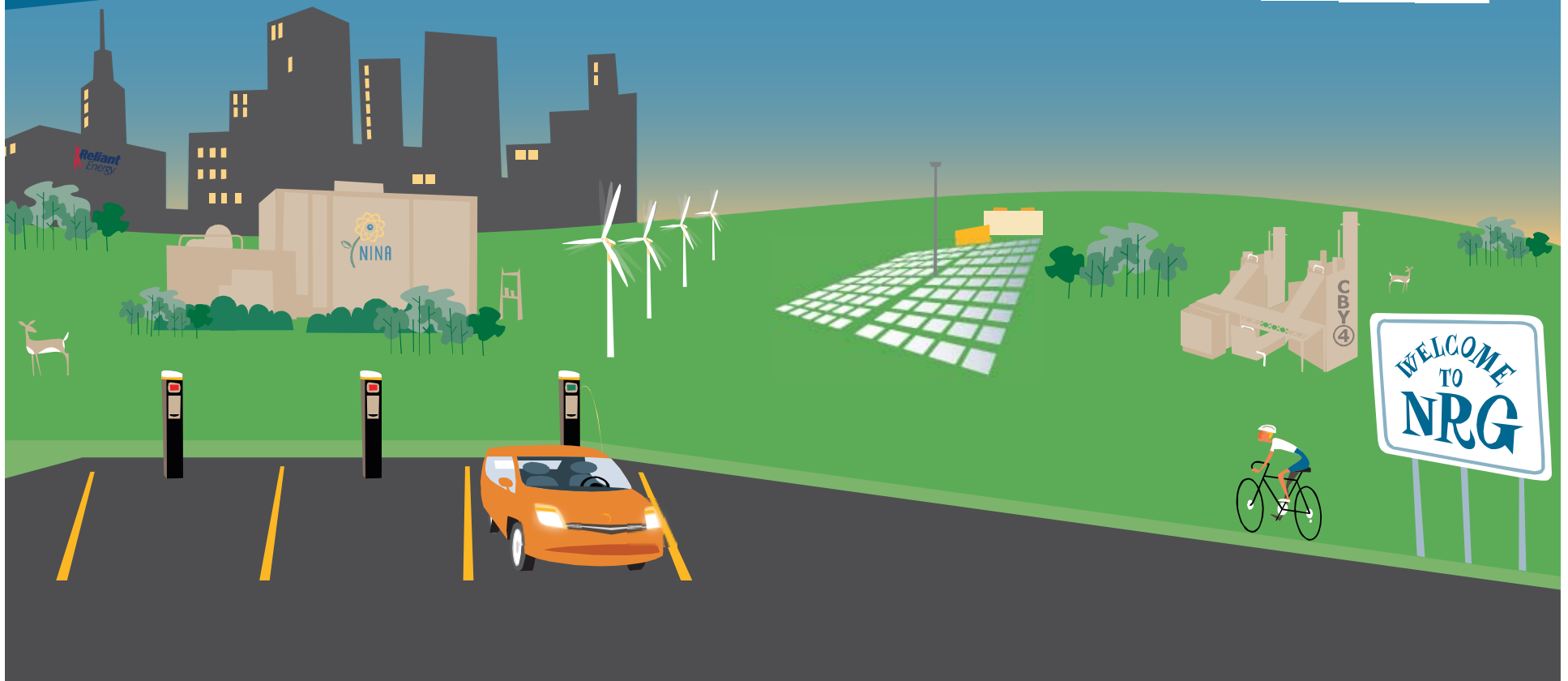


Living the Virtuous Green Lifestyle





## IV. Summary & Q&A



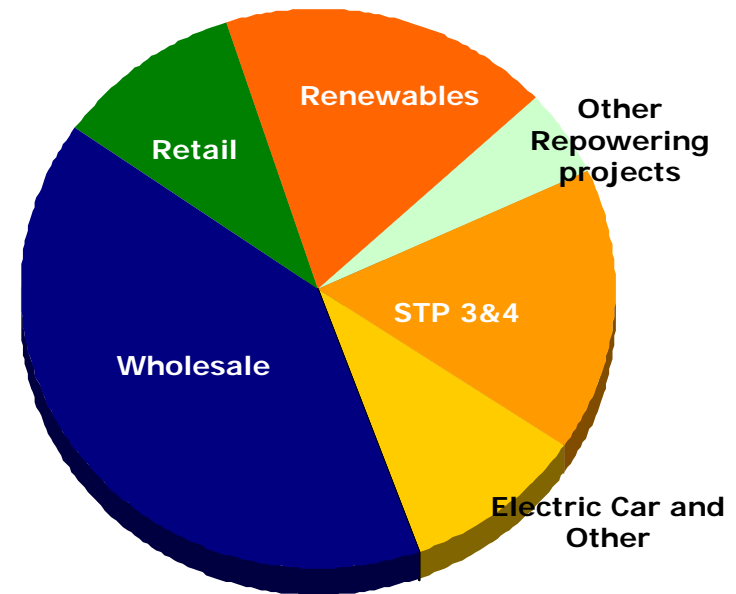
## IV. Summary and Q&A



NRG Today<sup>1</sup>



NRG "Tomorrow"<sup>2</sup>



...A free cash flow machine tied to capital, carbon and commodity (natural gas) prices...

To

...A free cash flow machine increasingly driven by services, systems and the sun

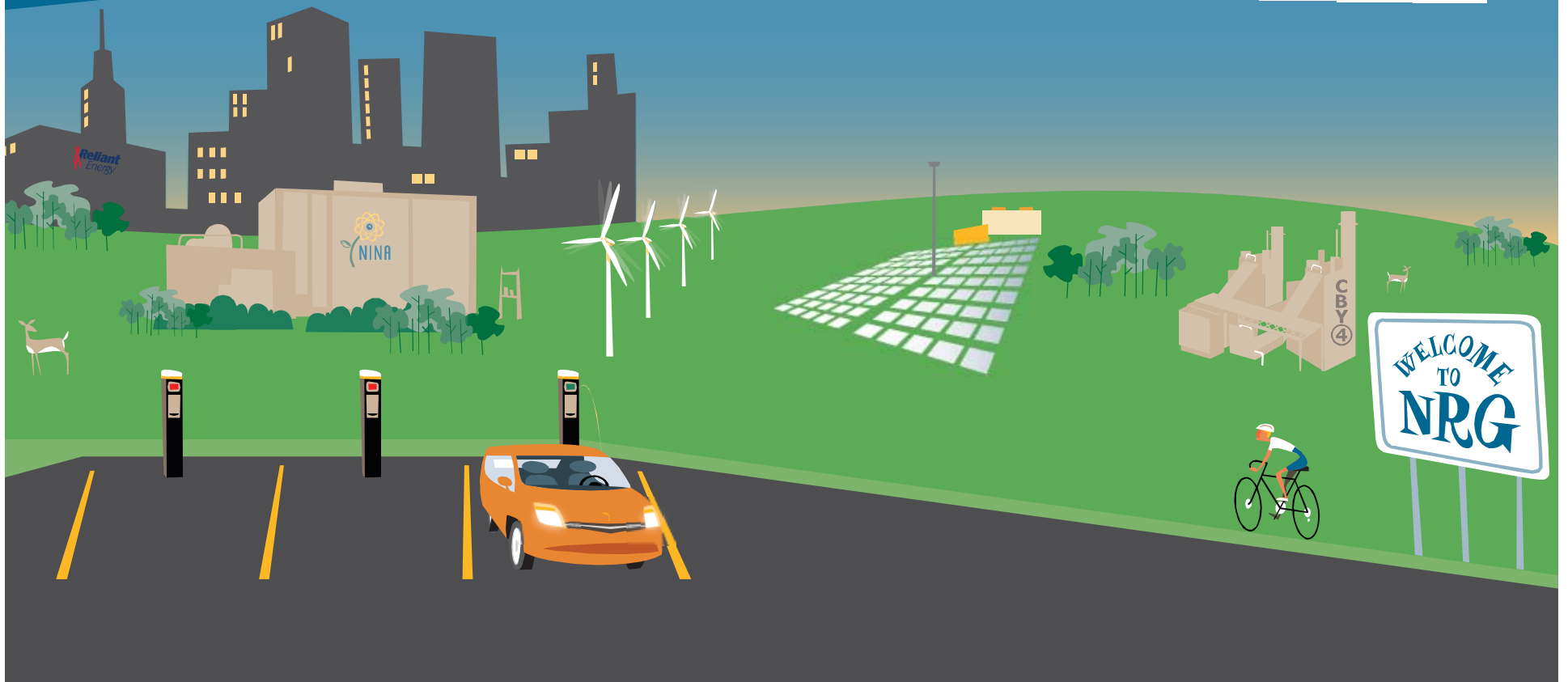
<sup>1</sup>Based on 2009 results

<sup>2</sup>Not intended as guidance

High growth/high margin business increasingly delinked to natural gas prices



# Appendix



# Solar Development



## In Operation

### 21 MW Blythe Solar Project

- Commenced operation in December 2009
- Located in Riverside County, southeastern California
- Developed & built by First Solar
- Approximately 350,000 solar panels
- Will generate over 45,000 megawatt-hours per year
- 20 year PPA with Southern California Edison
- Largest Solar PV Power Plant in California; Total capacity: 21 MW
- Will displace over 27,000 tons of carbon dioxide emissions/year, the equivalent of taking 4,800 cars off the road

## In Development

### 450 MW US Solar Portfolio

- Nine solar development projects in CA and AZ

### 92 MW photovoltaic Alpine Solar Project

- 20 year PPA with Pacific Gas & Electric for 66 MWs in phase 1
- Anticipated Groundbreaking: Dec. 31, 2010

### 25 MW photovoltaic facility in Tucson, AZ

- 20 year PPA with Tucson Electric Power

### 20 MW photovoltaic facility in New Mexico

- 20 year PPA with El Paso Electric
- Anticipated Groundbreaking: By Dec. 31, 2010

Focused on using solar PV and solar thermal technologies to develop hundreds of megawatts of emission-free solar power across the southwestern U.S.

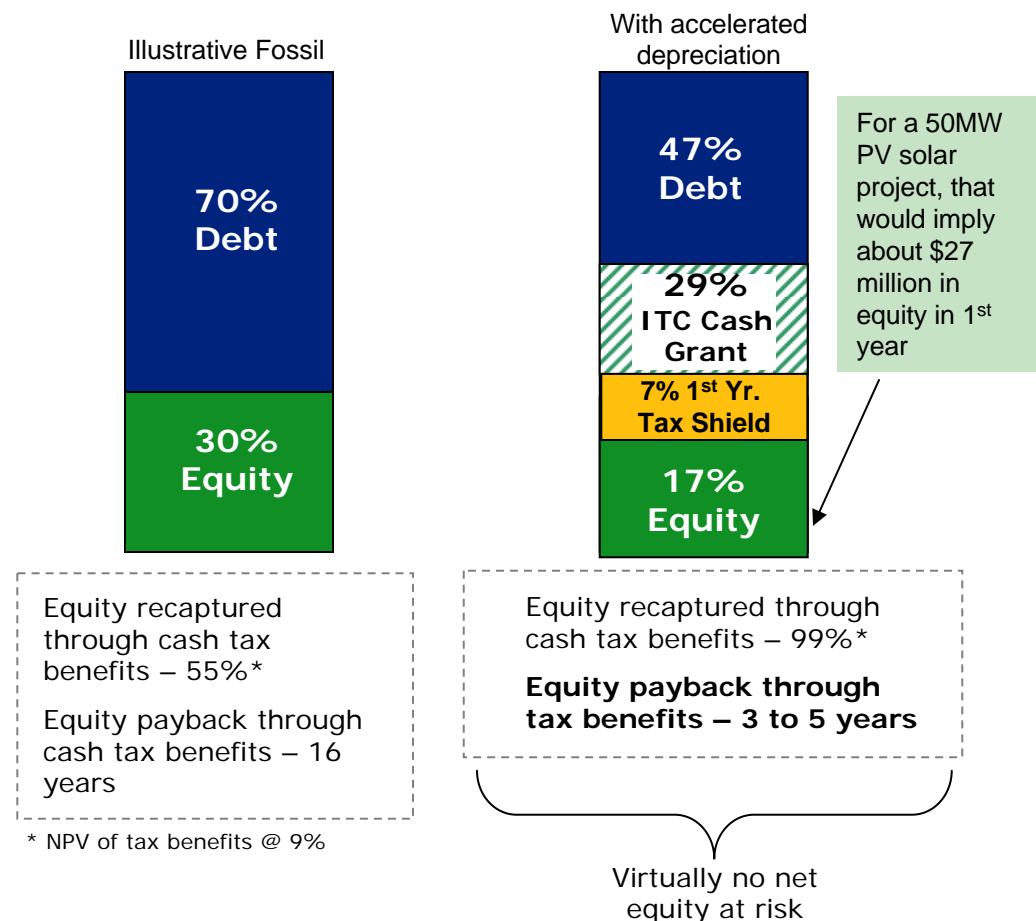
# Economics of Solar



## PV vs Solar Thermal

Type of solar technology:	Solar Thermal	Solar PV
Cost/kw	\$4500- 5000/ kW	\$3000 - \$3300 /kW
Scale	100-500 MW	kWs-500 MW
Capacity Factor	20% – 25%	15% – 25%
Construction	24-36 months	6-9 months
Technology Advantage	Thermal inertia – less disruptive to grid	Can supply energy even with poor solar resource
Non – Recourse Financing (~ 45 -50%)	Requires DOE loan guarantee for newer technologies	Traditional project financing
Levered Returns	Mid-to-high teens	Mid-to-high teens

## Illustrative Fossil vs Renewable Investment



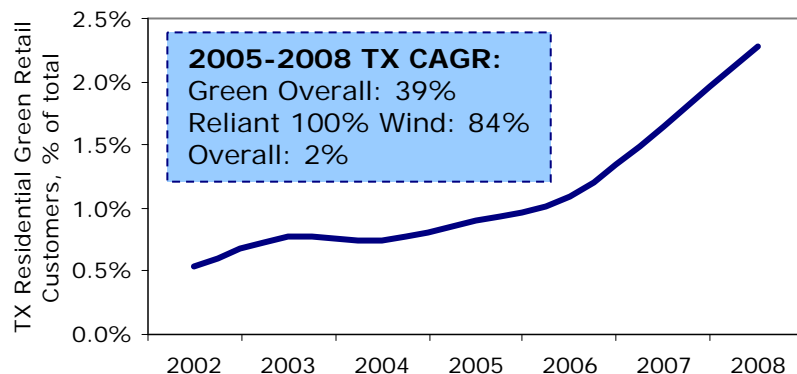
Protecting equity and accelerating paybacks

# Reliant Retail: Pure Wind Product Initiative Produces Premium Margins and Growth



## Reliant Energy's 100% Texas Wind product

- Launched 100% wind energy product in 2005 at premium pricing with minimum capital through full targeting channels
  - Residential subscribers now account for nearly 5% of total Reliant customers
- Benefiting from higher margins than on standard products
  - Up to 4% premium margins
- Experiencing significant growth in spite of recession versus that of standard products
  - Residential customer count has increased over 150% from December 2009 to 2010 while broader customer count showed net attrition
- Building foundation with top brand names among commercial and industrial customers as brand enhancing investment, upon economic recovery



## Earth-Friendly Power is a BREEZE with Reliant Energy.

*Reliant Energy believes in electricity produced in clean, green ways that protect our environment and conserve our natural resources.*

We're dedicated to electricity that fuels both our electric needs AND our local economy.

As a primary electricity provider you know and trust, we're giving you the power to choose among several innovative plans that suit your budget and lifestyle.

All of our standard Secure Plans include at least 20% wind power.

*You can choose to make a greater environmental commitment by choosing our 100% Wind Plan:*

Electricity that includes 100% wind produces no air pollution and no carbon emissions. Upgrade to Reliant Energy's 100% Wind Plan for less than you might think.



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Reliant Energy purchases wind-renewable energy credits sufficient to match the renewable electricity consumption of our customers who purchase our term plans.

**Ask us to find the best electricity plan to meet your needs.**



Reliant has experienced high growth and margins in alternative energy product in spite of recession

