



NEWS RELEASE

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Nuclear Innovation North America (NINA) Moving Forward with South Texas Project (STP) Expansion

Proposed settlement with CPS Energy maintains strength and momentum of the nuclear expansion

NEW YORK, NY – Feb. 17, 2010 – Nuclear Innovation North America LLC (NINA), the nuclear development company jointly owned by NRG Energy, Inc. (NYSE:NRG) and Toshiba Corporation, has reached an agreement with CPS Energy. NINA will increase its ownership in the South Texas Project (STP) units 3&4 and assume full management control for the project, enabling the STP expansion to move forward. The agreement remains subject to final documentation and CPS Board approval which will be requested at its meeting on February 22, 2010.

“This agreement is of tremendous importance for Texas, NINA, and for the American nuclear renaissance,” said Steve Winn, Chief Executive Officer of NINA. “With this agreement, we can continue developing one of the leading nuclear power projects in the country. The strengths of the STP 3&4 project—certified technology, turnkey contract with a proven EPC contractor, exceptional site and strong state support—will once again put us in contention for a Department of Energy (DOE) loan guarantee and ensure we have no conflicts preventing new partners from joining the project.”

STP 3&4 will create 4,000 to 6,000 construction jobs while the units are being built, 800 full-time jobs operating the units for the life of the plant and an economic multiplier effect that will generate 7,500 more permanent jobs across Texas. A 2010 economic study estimated construction of the two units will generate more than \$15 billion in business activity across the state with \$3.6 billion per year in spending once the two units are operational, anticipated in 2016 and 2017. Additionally, the units will avoid emissions of almost 22 million tons of carbon dioxide and thousands of tons of sulfur, nitrogen and other emissions every year when compared with a traditional fossil-fueled plant.

The following terms were agreed to in the settlement:

- NINA will increase its ownership of STP 3&4 by 42.375%, bringing its total ownership interest in the project to 92.375%. CPS Energy will retain a 7.625% interest in the project.
- Upon receipt of a conditional Department of Energy loan guarantee, NINA will pay CPS Energy \$80 million—half paid promptly after award receipt and the other half six months later.
- NINA will donate \$10 million over four years to the Residential Energy Assistance Partnership in San Antonio.
- CPS Energy will work with the DOE to support NINA’s application.
- NINA will assume all management control of the project.
- CPS Energy will be responsible for half of all project development costs incurred through January 31, 2010, with NINA responsible for all project development costs incurred thereafter.
- All litigation will be dismissed with prejudice.

Texas Public Utility Commission Chairman Barry Smitherman facilitated the discussions to achieve closure after several weeks of intensive bilateral discussions.

“We are very grateful to the Chairman for taking the initiative to help us achieve this agreement that allows Texas to reap the many benefits of this project,” added Winn. “We are looking forward to working with San Antonio officials to secure the DOE loan guarantee necessary to proceed with the project.”

The STP expansion will use Advanced Boiling Water Reactor (ABWR) technology, the only Nuclear Regulatory Commission-certified design that is fully engineered with a history of on-time, on-budget construction and superb operating results upon startup. NINA’s EPC Contractor, Toshiba has experience building ABWR units in Asia and has operated them for more than a decade. Toshiba’s proven track record ensures the lowest first-of-a-kind technology risk and provides greater certainty on critical factors such as cost, schedule, process, quantities and final result. Upon the Nuclear Regulatory Commission’s approval of the STP 3&4 combined license, and the STP 3&4 owners’ decision to issue the Full Notice to Proceed, anticipated in 2012, the EPC contract converts to a lump-sum turnkey contract with customary warranties, performance and schedule guarantees, and liquidated damage provisions.

About Nuclear Innovation North America

Nuclear Innovation North America (NINA) is a partnership between NRG Energy (88%) and Toshiba (12%) focused on developing new nuclear expansion projects using Advanced Boiling Water Reactor (ABWR) technology—the only advanced nuclear technology certified by the Nuclear Regulatory Commission that has been built on time and on budget. NINA is currently developing the 2,700 megawatt South Texas Project expansion through the South Texas Project Nuclear Operating Company. NINA is also exploring other development opportunities to employ ABWR in additional projects across North America.

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 our expectations regarding the timing and completion of STP Units 3 and 4, and typically can be identified by the use of words such as “will,” “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, general economic conditions, successful partnering relationships, loan guarantees, 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, construction delays, changes in the wholesale power markets, changes in government regulation of markets and of environmental emissions, 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.

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