

NRG Carbon 360SM Overview

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NRG Carbon 360: Why?

Society, led by the Millennials, increasingly focused on carbon footprint of its consumptions

EPA will not relent in its efforts to regulate greenhouse gases

Abundant US coal resource cannot be disregarded-reinforces NRG's fuel diversity advantage

NRG has a phenomenal, first-mover, competitive advantage to advance this opportunity



Double Value

Value to NRG Group

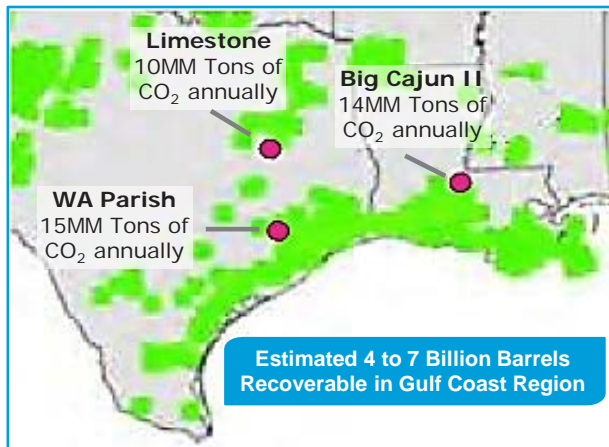
- ✦ Enhances value and useful life of flagship coal fleet
- ✦ Provides unique and effective carbon hedge
- ✦ Preserves fuel diversity

Intrinsic Value Carbon Business

- ✦ Capitalizes on abundant Gulf Coast EOR resources
- ✦ Captures significant value from existing assets
- ✦ Contributes to significant EBITDA growth

★ More Than Just a Barrel of Oil ★

Unique Advantage: Leveraging NRG's Coal Assets



✦ NRG's Gulf Coast assets provide a unique opportunity for future development projects:

- WA Parish
- Limestone
- Big Cajun 2



Represents one of the largest equity CO₂ positions in U.S.



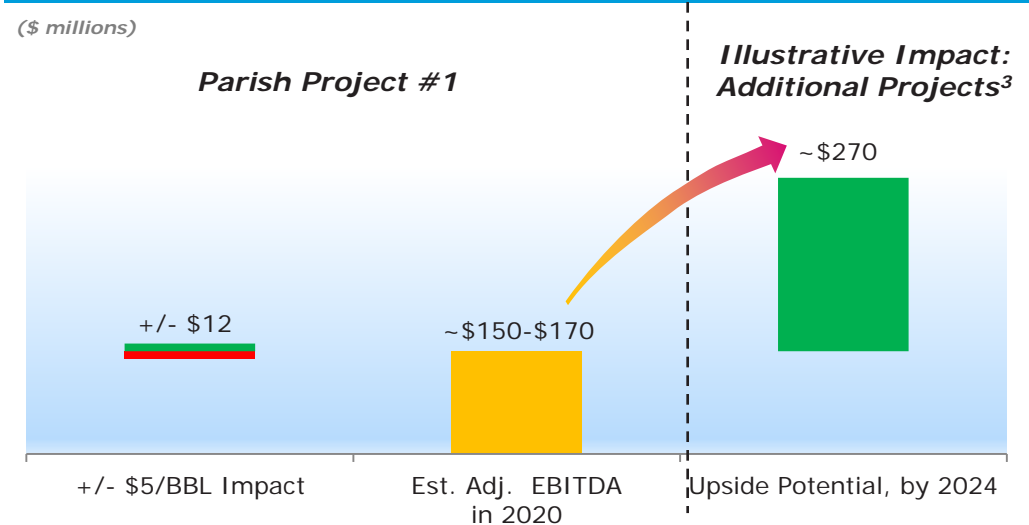
NRG Carbon 360: Economic Potential

Parish Project #1 key statistics

Reserves	MMBOE
<ul style="list-style-type: none"> Total NRG Carbon 360 % Share 	<p>~60</p> <p>~15</p>

Peak Daily Oil Production¹	BBL/D
<ul style="list-style-type: none"> Peak Oil Estimates NRG Carbon 360 % Share 	<p>~30,000</p> <p>~7,500</p>

Adjusted EBITDA profile & sensitivity at Peak Production



Based on current Jan '17 NYMEX futures price adjusted for inflation²

¹ Estimate at year 2020 assuming project online at year-end 2016; ² Quality of oil produced at West Ranch field trades at a premium to WTI; ³ Projects would come on at varying dates with peak production based on COD Incremental NRG capital required

A potential EBITDA multiplier for NRG

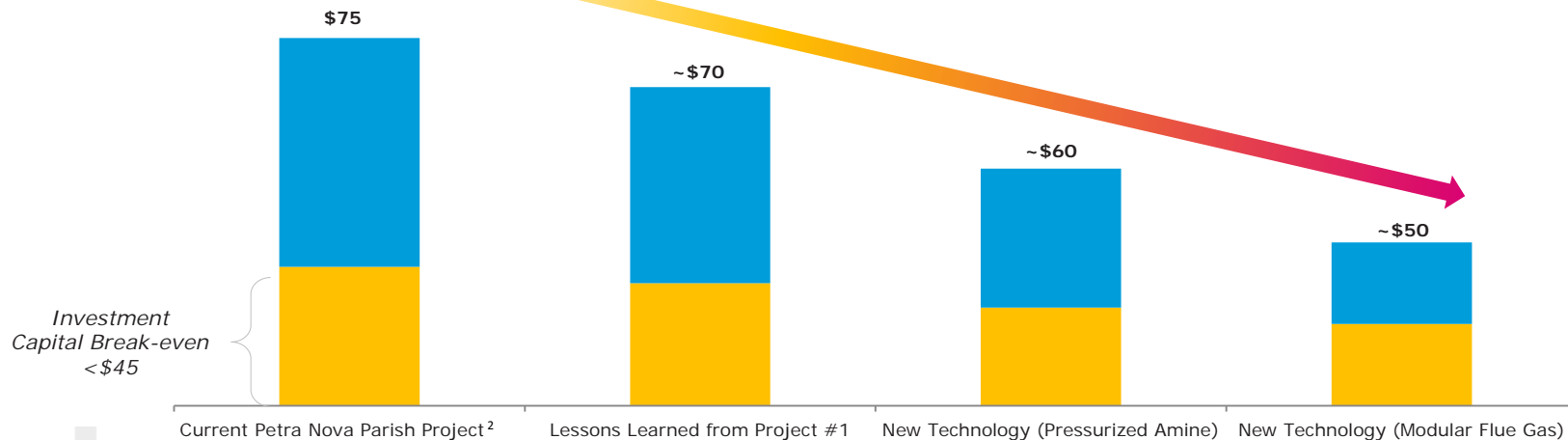




Declining Costs of Carbon Capture

Illustrative Oil Price for Target Return¹

(\$/barrel)



¹ Represents after-tax 10% unlevered return; Oil prices represent today's dollars adjusted for annual inflation

² Represents Petra Nova Parish Project with expansion fields

NRG Carbon 360 will be a first-mover in capitalizing on declining capital costs for carbon capture



Upside Benefit in Monetizing CO₂

Core Objective:

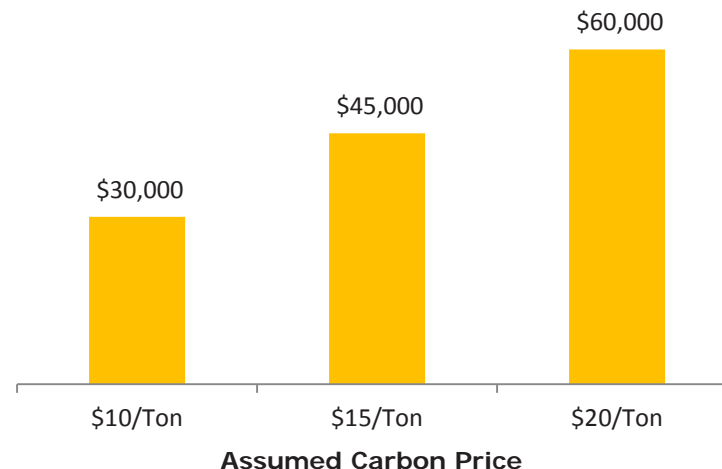
Recover investment through monetizing NRG equity CO₂

NRG's Carbon 360 Benefit:

Creates long-term coal plant advantage in a carbon constrained market

Texas Power Sales Gross Margin Uplift¹

(\$/MW)



Illustrative Gross Margin Uplift of ERCOT Coal Fleet² (\$ millions)

~ \$65

~ \$95

~ \$125

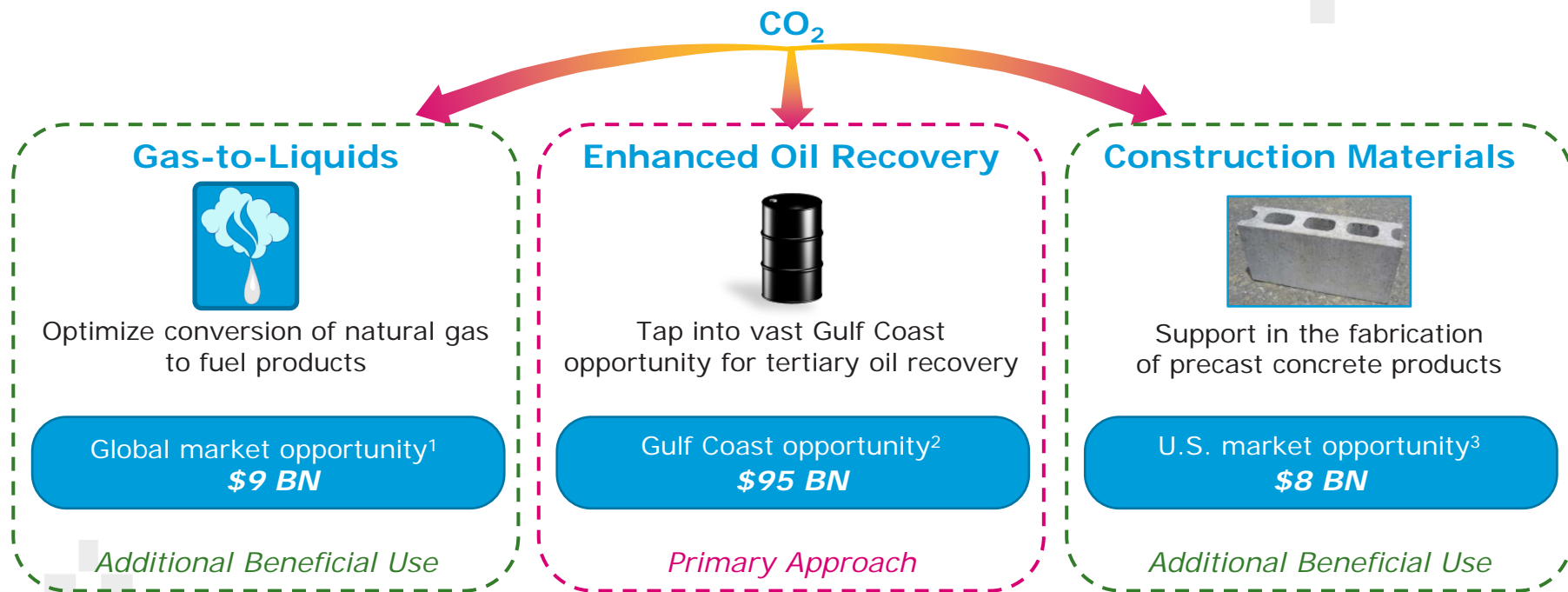
¹ Assumes 90% CO₂ removal rate per MW of generation, 1 ton/MWh baseline carbon emissions, 80% capacity factor, and \$0.53/MWh uplift in power prices for every \$1/ton carbon price

² Assumes 50% of NRG's Texas coal assets are captured

Potential gross margin uplift for NRG's Texas coal assets is a significant upside benefit



Vast Market Opportunity in Redefining CO₂



¹ Source: Johnson Matthey; Annually; ² Source: U.S. DOE Basin Oriented Strategies for CO₂ Enhanced Oil Recovery. Assumes \$25/bbl net operating margin. ³ Source: Freedonia Group

Monetization opportunities NOT limited to enhanced oil recovery



NRG Carbon 360 Major Milestones

Foundation for Success

- ✦ Establish critical partnerships ☑

- ✦ Achieve financial close and commence construction ☑

- ✦ Execute Project 1 on-time, on-budget On Track

Sustained Value Drivers

- ✦ Capitalize on First Mover Advantage
- ✦ Leverage carbon potential of NRG coal plants
- ✦ Be the Leader in carbon monetization

A Game Changer for NRG with Significant Value Uplift

NRG Carbon 360: Major Driver of Value Medium to Long Term