

NRG REMA, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

Three Months Ended September 30,

	2016	2015
	<u>(In thousands)</u>	<u>(In thousands)</u>
Operating revenues:		
Operating revenues	\$ 1,059	\$ 645
Operating revenues - affiliate	\$ 50,401	\$ 56,789
Other revenue	2,835	\$ 2,740
Total operating revenues	<u>54,295</u>	<u>60,174</u>
Operating costs and expenses:		
Cost of operations	31,887	39,244
Cost of operations - affiliate	8,010	9,428
Facilities leases	7,347	7,347
Depreciation and amortization	5,310	6,070
General and administrative - affiliate	10,306	10,043
Total operating costs and expenses	<u>62,860</u>	<u>72,132</u>
Operating loss	<u>(8,565)</u>	<u>(11,958)</u>
Other income / (expense):		
Interest income / (expense)	3,901	(28)
Interest expense - affiliate	(22,273)	(19,548)
Other income, net	90	87
Total other expense, net	<u>(18,282)</u>	<u>(19,489)</u>
Net loss	<u>\$ (26,847)</u>	<u>\$ (31,447)</u>

NRG REMA, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Nine Months Ended September 30,	
	2016	2015
	(In thousands)	(In thousands)
Operating revenues:		
Operating revenues	\$ 2,531	\$ 2,377
Operating revenues - affiliate	137,414	245,647
Other revenue	8,505	8,220
Total operating revenues	148,450	256,244
Operating costs and expenses:		
Cost of operations	99,561	118,656
Cost of operations - affiliate	23,702	64,555
Facilities leases	22,041	22,041
Depreciation and amortization	17,237	22,728
General and administrative - affiliate	29,357	29,801
Total operating costs and expenses	191,898	257,781
Operating loss	(43,448)	(1,537)
Other income / (expense):		
Interest income / (expense)	3,147	(83)
Interest expense - affiliate	(60,587)	(58,387)
Other income, net	397	248
Total other expense, net	(57,043)	(58,222)
Net loss	\$ (100,491)	\$ (59,759)

NRG REMA, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In thousands) Assets	<u>September 30, 2016</u> (unaudited)	<u>December 31, 2015</u>
Current assets:		
Cash and cash equivalents	\$ 109,747	\$ 191,894
Insurance receivable	-	1,978
Inventory	49,569	50,672
Prepayments and other current assets	42,403	46,305
Total current assets	<u>201,719</u>	<u>290,849</u>
Property, plant and equipment:		
In service	431,792	423,438
Under construction	100,003	65,960
Total property, plant and equipment	<u>531,795</u>	<u>489,398</u>
Less accumulated depreciation and amortization	(88,967)	(71,844)
Net property, plant and equipment	<u>442,828</u>	<u>417,554</u>
Other assets:		
Intangible assets, net	160	170
Other noncurrent assets	72,488	47,684
Total other assets	<u>72,648</u>	<u>47,854</u>
Total assets:	<u><u>\$ 717,195</u></u>	<u><u>\$ 756,257</u></u>
 Liabilities and Member's Deficit		
Current liabilities:		
Current portion of capital lease	\$ 324	\$ 313
Accounts payable	13,902	34,057
Accounts payable—affiliate	3,606	2,170
Subordinated accounts and interest payable, net - affiliate	857,766	797,320
Subordinated interest payable on subordinated note payable - affiliate	310,427	272,176
Accrued expenses and other current liabilities	7,759	7,763
Total current liabilities	<u>1,193,784</u>	<u>1,113,799</u>
Other noncurrent liabilities:		
Long-term portion of capital lease	1,618	1,863
Out-of-market contracts	143,443	151,828
Other noncurrent liabilities	44,776	54,702
Subordinated note payable - affiliate:	543,563	543,563
Total noncurrent liabilities	<u>733,400</u>	<u>751,956</u>
Total liabilities:	<u>1,927,184</u>	<u>1,865,755</u>
Member's deficit:		
Common stock; no par value (1,000 shares authorized, issued and outstanding)	-	-
Capital deficit	(1,134,428)	(1,134,428)
Accumulated (deficit) / retained earnings	(75,561)	24,930
Total member's deficit:	<u>(1,209,989)</u>	<u>(1,109,498)</u>
Total liabilities and member's deficit:	<u><u>\$ 717,195</u></u>	<u><u>\$ 756,257</u></u>

NRG REMA, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For period ending September 30, 2016 and 2015
(Unaudited)

	Nine months ended September 30,	
	2016	2015
	(In thousands)	
Cash flows from operating activities:		
Net loss	\$ (100,491)	\$ (59,759)
Adjustments to reconcile net loss to net cash provided by operating activities		
Depreciation and amortization	17,237	22,728
Accretion of asset retirement obligation	2,046	2,009
Amortization of intangible assets and out-of-market contracts	(8,375)	(8,448)
Debt Amortization	11	11
Changes in assets and liabilities:		
Prepayments and other current assets	3,902	755
Accounts payable - affiliate	1,436	(62,667)
Subordinated accounts and interest payable, net - affiliate	60,446	55,309
Subordinated interest payable on subordinated note payable - affiliate	38,251	38,216
Other assets and liabilities	(27,377)	(28,279)
Net cash used by operating activities	<u>(12,914)</u>	<u>(40,125)</u>
Cash flows from investing activities:		
Capital expenditures	(68,988)	(56,138)
Proceeds from sale of assets	-	-
Decrease in restricted cash, net	-	-
Other, net	-	-
Net cash used by investing activities	<u>(68,988)</u>	<u>(56,138)</u>
Cash flows from financing activities:		
Payments for capital lease	(245)	(234)
Net cash used by financing activities	<u>(245)</u>	<u>(234)</u>
Net decrease in cash and cash equivalents	(82,147)	(96,497)
Cash and cash equivalents, beginning of period	191,894	322,309
Cash and cash equivalents, end of period	<u>\$ 109,747</u>	<u>\$ 225,812</u>