

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

	Three Months Ended September 30,	
	2017	2016
	(In thousands)	(In thousands)
Operating revenues:		
Operating revenues	\$ 503	\$ 509
Operating revenues - affiliate	76,093	50,951
Other revenue	2,935	2,835
Total operating revenues	<u>79,531</u>	<u>54,295</u>
Operating costs and expenses:		
Cost of operations	32,856	31,887
Cost of operations - affiliate	23,173	8,010
Facilities leases	7,347	7,347
Depreciation and amortization	6,835	5,310
General and administrative	1,542	-
General and administrative - affiliate	2,777	10,306
Total operating costs and expenses	<u>74,530</u>	<u>62,860</u>
Operating loss	<u>5,001</u>	<u>(8,565)</u>
Other income / (expense):		
Interest (expense) / income	(363)	3,901
Interest expense - affiliate	(21,555)	(22,273)
Other income, net	104	90
Total other expense, net	<u>(21,814)</u>	<u>(18,282)</u>
Loss Before Income Taxes	<u>(16,813)</u>	<u>(26,847)</u>
Income tax benefit	-	-
Net Loss	<u>\$ (16,813)</u>	<u>\$ (26,847)</u>

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

	Nine Months Ended September 30,	
	2017	2016
	(In thousands)	(In thousands)
Operating revenues:		
Operating revenues	\$ 1,511	\$ 1,982
Operating revenues - affiliate	184,287	137,963
Other revenue	8,805	8,505
Total operating revenues	194,603	148,450
Operating costs and expenses:		
Cost of operations	100,553	99,561
Cost of operations - affiliate	47,142	23,702
Facilities leases	22,041	22,041
Depreciation expense	20,573	17,237
General and administrative	5,440	-
General and administrative - affiliate	19,958	29,357
Total operating costs and expenses	215,707	191,898
Operating loss	(21,104)	(43,448)
Other (expense) / income:		
Interest (expense) / income	(839)	3,147
Interest expense - affiliate	(63,839)	(60,587)
Other income, net	316	397
Total other expense, net	(64,362)	(57,043)
Loss Before Income Taxes	(85,466)	(100,491)
Income tax benefit	1,513	-
Net Loss	(83,953)	(100,491)

NRG REMA, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In thousands)

	<u>September 30, 2017</u> (Unaudited)	<u>December 31, 2016</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 59,172	\$ 99,500
Accounts receivable	1,571	1,877
Accounts receivable—affiliate	18,029	21,147
Inventory	50,641	50,506
Prepayments and other current assets	43,397	41,628
Total current assets	172,810	214,658
Property, plant and equipment:		
In service	411,691	406,835
Under construction	7,420	4,597
Total property, plant and equipment	419,111	411,432
Less accumulated depreciation and amortization	(89,109)	(68,977)
Net property, plant and equipment	330,002	342,455
Other assets:		
Intangible assets, net	147	157
Other noncurrent assets	96,661	63,207
Total other assets	96,808	63,364
Total assets:	\$ 599,620	\$ 620,477
Liabilities and Member's Deficit		
Current liabilities:		
Current portion of capital lease	\$ 339	\$ 328
Accounts payable	13,094	19,183
Subordinated accounts and interest payable, net - affiliate	921,190	879,634
Subordinated interest payable on subordinated note payable - affiliate	361,382	323,271
Accrued expenses and other current liabilities	8,088	7,705
Total current liabilities	1,304,093	1,230,121
Other noncurrent liabilities:		
Long-term portion of capital lease	1,279	1,535
Out-of-market contracts	132,262	140,647
Other noncurrent liabilities	47,006	49,241
Subordinated note payable - affiliate:	543,563	543,563
Total noncurrent liabilities	724,110	734,986
Total liabilities:	2,028,203	1,965,107
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	(294,155)	(210,202)
Total member's deficit:	(1,428,583)	(1,344,630)
Total liabilities and member's deficit:	\$ 599,620	\$ 620,477

NRG REMA, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine months ended September 30,	
	2017	2016
	(In thousands)	
Cash flows from operating activities:		
Net loss	\$ (83,953)	\$ (100,491)
Adjustments to reconcile net loss to net cash used by operating activities		
Depreciation expense	20,573	17,237
Accretion of asset retirement obligation	2,243	2,046
Amortization of intangible assets and out-of-market contracts	(8,375)	(8,375)
Changes in assets and liabilities:		
Prepayments and other current assets	(1,769)	3,902
Accounts receivable - affiliate	3,118	1,436
Subordinated accounts and interest payable, net - affiliate	41,556	60,446
Subordinated interest payable on subordinated note payable - affiliate	38,111	38,251
Other assets and liabilities	(39,233)	(27,366)
Net cash used by operating activities	(27,729)	(12,914)
Cash flows from investing activities:		
Capital expenditures	(12,343)	(68,988)
Net cash used by investing activities	(12,343)	(68,988)
Cash flows from financing activities:		
Payments for capital lease	(256)	(245)
Net cash used by financing activities	(256)	(245)
Net decrease in cash and cash equivalents	(40,328)	(82,147)
Cash and cash equivalents, beginning of period	99,500	191,894
Cash and cash equivalents, end of period	\$ 59,172	\$ 109,747