



Exelon Offer for NRG:

Then -- Low Value / High Risk

Now -- Lower Value / Higher Risk

Deutsche Bank
May 27, 2009



Safe Harbor Statement

Important Information

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of proxy of any stockholder of NRG Energy, Inc. ("NRG"). NRG filed a preliminary proxy statement on Schedule 14A with the Securities and Exchange Commission (the "SEC") on April 2, 2009 in connection with its 2009 Annual Meeting of Stockholders (the "2009 Annual Meeting"). Prior to the 2009 Annual Meeting, NRG will furnish a definitive proxy statement to its stockholders, together with a WHITE proxy card. **INVESTORS AND STOCKHOLDERS OF NRG ARE URGED TO READ THE PROXY STATEMENT FOR THE 2009 ANNUAL MEETING IN ITS ENTIRETY BECAUSE IT CONTAINS IMPORTANT INFORMATION.**

In response to the exchange offer proposed by Exelon Corporation referred to in this news release, NRG has filed with the SEC a Solicitation/Recommendation Statement on Schedule 14D-9. **STOCKHOLDERS OF NRG ARE ADVISED TO READ NRG'S SOLICITATION/RECOMMENDATION STATEMENT ON SCHEDULE 14D-9 IN ITS ENTIRETY BECAUSE IT CONTAINS IMPORTANT INFORMATION.**

Investors and stockholders will be able to obtain free copies of NRG's preliminary proxy statement, the Solicitation/Recommendation Statement on Schedule 14D-9, any amendments or supplements to the proxy statement and/or the Schedule 14D-9, any other documents filed by NRG in connection with the 2009 Annual Meeting and/or the exchange offer by Exelon Corporation, and other documents filed with the SEC by NRG at the SEC's website at www.sec.gov. Free copies of the definitive proxy statement, the Solicitation/Recommendation Statement on Schedule 14D-9, and any amendments and supplements to these documents can also be obtained by directing a request to Investor Relations Department, NRG Energy, Inc., 211 Carnegie Center, Princeton, New Jersey 08540.

Safe Harbor Disclosure

Certain statements contained herein may constitute 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 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, risks and uncertainties related to the capital markets generally.

NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless 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 herein 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. Statements made in connection with exchange offer are not subject to the safe harbor protections provided to forward-looking statements under the Private Securities Litigation Reform Act.

Exelon-NRG -- Current Status

- After three months, Exelon's conditional "exchange offer" process is back with its third expiration date on June 26, 2009
- While the third expiration date will not and can not result in the actual exchange of a single NRG share into Exelon shares any more than the first or second expiration date did (due to the very large number of pre-conditions and approvals required – see slide 30), we believe Exelon will interpret the outcome as a barometer of NRG shareholder sentiment with respect to the merits of its 0.485 fixed exchange ratio offer for NRG
- Exelon's response to receiving 51% tender on the second expiration date of its offer was to:
 - ⇒ Not increase its original offer or improve it in any way
 - ⇒ Not arrange debt financing
 - ⇒ Not provide any reasonable assurance as to credit rating agency reaction to the proposed combination – or to the amount of equity Exelon may need to issue to support its credit rating objectives
 - ⇒ Not provide any detail or even an outline of a credible business plan or hedging program suitable for a 48,000 MW – ~250 million MWh/year merchant generation fleet, with significant collateral/liquidity requirements
- Exelon has provided clarification to its medium-term hedge disclosure - with the result being that the market now understands that Exelon's fleet is much less hedged volumetrically in 2011-2012 than had been commonly understood

On the Other Hand, NRG has...

...Over the past three months:

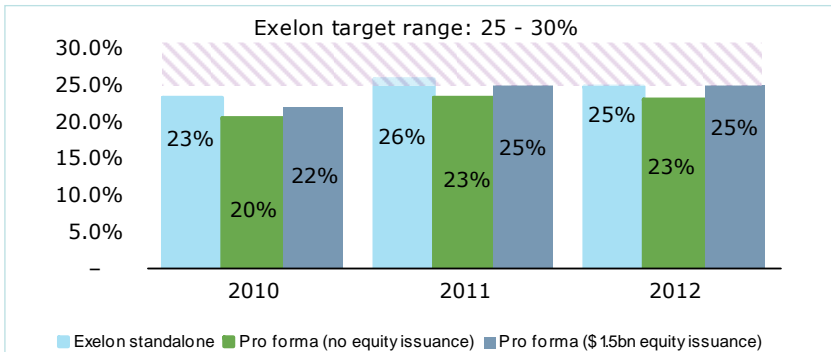
- ✓ Succeeded in acquiring the retail electricity business of RRI Energy in a strategically complementary and significantly value accretive transaction
- ✓ Succeeded in contracting for the sale of MIBRAG, our German lignite business, at significant value
- ✓ Succeeded in contracting for the acquisition of the 500MW eSolar development portfolio and progressing the balance of our renewables development portfolio
- ✓ Succeeded in the off-balance sheet non-recourse debt financing for our 400MW GenConn projects (\$543M), as well as the recourse debt associated with Dunkirk backend controls (\$58M)
- ✓ Succeeded in becoming one of the four nuclear development projects advanced by the DOE in the nuclear loan guarantee program, setting the stage for NRG to be a first mover in the “nuclear renaissance”

EXELON – NRG: THEN AND NOW

S&P Risk Factor and the Probability for Equity Issuance: What it Means for NRG Stockholders



FFO / debt ⁽¹⁾



(1) Assumptions on synergies, transaction costs and refinancing interest rate as per slide 28. No asset sales and no use of cash on balance sheet to fund transaction.

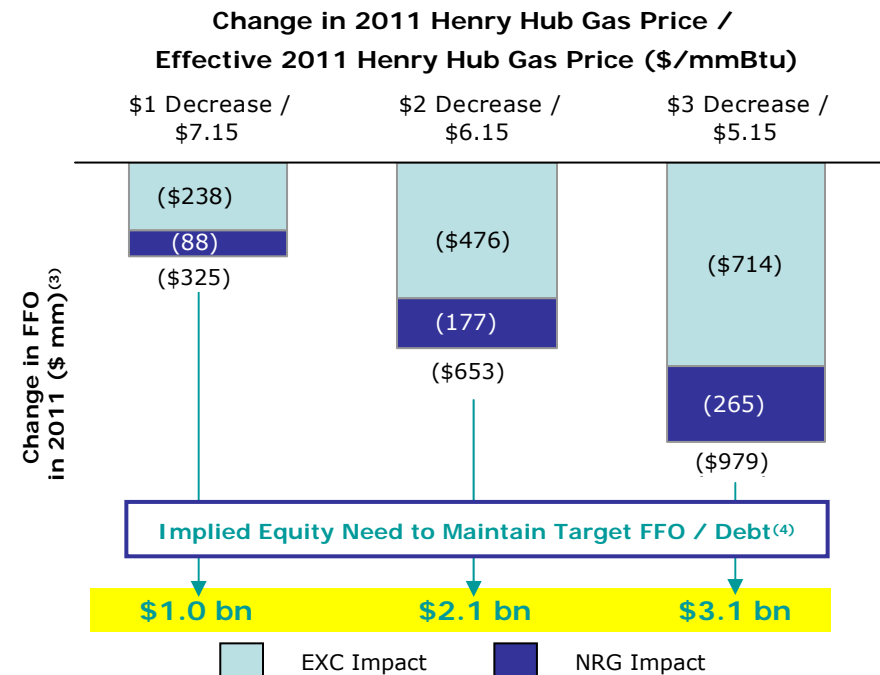
Impact of an Exelon Equity Issuance on Exchange Offer

	NRG Ownership	Exchange Ratio	
Exelon's Offer on 10/17	16.9%	0.485x	Value Implications for NRG stockholders
Effective Offer⁽²⁾ Adjusted for Scenario of:			
\$1.0B Exelon Equity Issuance	16.4%	0.469x	↓ 3.3%
\$2.0B Exelon Equity Issuance	16.0%	0.454x	↓ 6.5%

(2) 10/17 Exchange Ratio Equivalent is equal to the exchange ratio that would give NRG the same ownership % of the combined company without an equity issuance.

2011 FFO Sensitivities

Exelon assumed 2011 Henry Hub gas price in November 2008 of \$8.15⁽¹⁾ and current NYMEX 2011 forward price of \$6.82⁽²⁾



(1) Source: Exelon 2008 EEI Presentation.

(2) Source: Bloomberg, data as of 4/15/09.

(3) EXC gas sensitivity based on 4/15/09 presentation. NRG gas sensitivity based on 2/12/09 presentation. Tax rate of 39% assumed.

(4) Assumes proforma FFO/Debt level in November 2008 of 25% for EXC+NRG – low end of EXC's target range. Analysis done to solve for same target FFO/Debt level after adjusting for the reduced FFO. Assumes interest expense on reduced debt of 10% and tax rate of 39%.

Exelon equity issue would erode the already inadequate offer to NRG stockholders, but it also raises the question of how Exelon stockholders will react

The Shrinking Exchange Offer

10/19/08 Exelon's original offer 0.485 at \$55⁽¹⁾ /ps =

**\$26/
share**

5/22/09 Exelon's offer today 0.485 at \$47⁽²⁾ /ps =

**\$23/
share**

Future Exelon's effective offer if issues \$2 billion of new equity to fund its credit rating aspirations 0.454 at \$47⁽²⁾ /ps =

**\$21/
share**

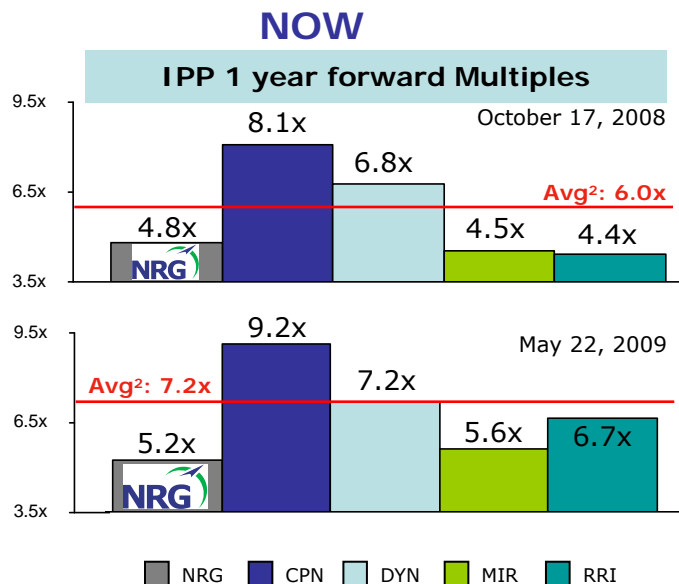
(1) Market close price 10/17/08 of \$54.50, unadjusted for EXC dividend (2) Market close price 5/22/09 of \$46.64, not adjusted for EXC dividend

With the prospect of a large equity issue, Exelon needs to increase its offer by almost 25% simply to get NRG shareholders back to the inadequate position they were in at the time of the original Exelon offer

Trading Value

THEN: Exelon in its own words

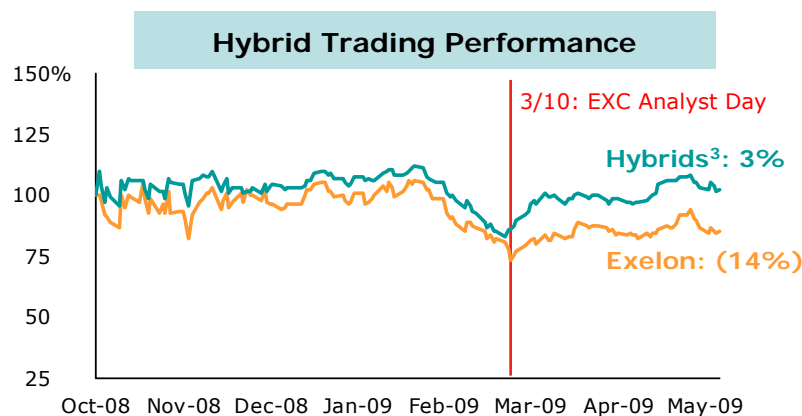
"Assuming that NRG's stock price maintained its historic relationship to movement in the IPP index, NRG stock would have declined ~16% since October 17, 2008 in the absence of the Exelon offer"¹



NOW: Should Exelon choose to update their statements...

...Using EXC stated methodology of assuming NRG's stock price maintains its historic relationship to the IPP index, NRG share price would be \$23.86 vs. current \$19.02 (25% higher)

"During the same period, EXC's share price increased by ~3.4% to \$56.38"¹



...During the period, EXC share price decreased by 14.4% to \$46.64

(1) Source from Exelon presentation dated 2/2009 (2) IPP avg. includes CPN, DYN, MIR, RRI (3) Hybrid Index includes AYE, ETR, FPL, FE, PEG, PPL.

We believe NRG's stock price is being constrained by EXC's offer

Conclusion...

Exelon should put an equitable (funded) offer on the table which offers appropriate value to NRG shareholders – or they should go away as their “coldblooded⁽¹⁾” and “hardheaded value basis⁽¹⁾” is, in fact, hurting the value proposition of both companies and their respective shareholders

(1) EXC earning conference call on 1/22/09



Four Key Investor Factors



Four Key Factors

Factors	Key Questions	Trend Favors
<p>1. Value Equation</p>	<p>Which company over the last six months has executed on its plan to deliver enhanced value to its shareholders?</p>	<p>?</p>
<p>2. The Washington Factor</p>	<p>Will climate and other energy legislation likely out of Washington, in aggregate, favor NRG or Exelon?</p>	<p>?</p>
<p>3. Hedging Program</p>	<p>Which company's hedge position provides greater protection through the current commodity down-cycle?</p>	<p>?</p>
<p>4. Allocation of Capital</p>	<p>In an era where capital is expensive and scarce to everyone, which company is in a better position to deploy capital in a manner that enhances shareholder value?</p>	<p>?</p>

Factor 1: Value Equation: Free Cash Flow

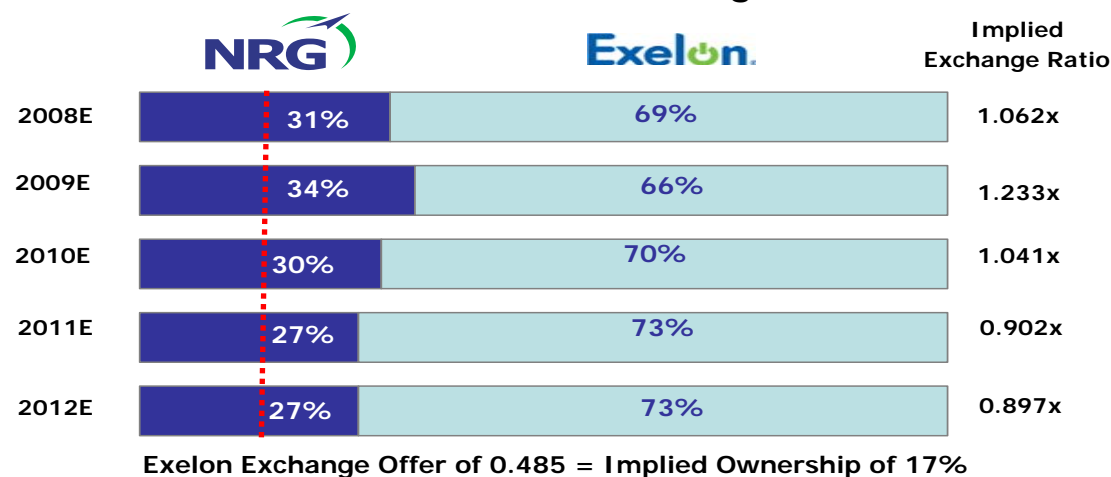
THEN: Exelon in its own words

“NRG’s position [with respect to Free Cash Flow dilution] is only for a single year [2008]” and... “ignores PECO PPA roll-off in 2011 and Exelon carbon uplift”¹

NOW

Free Cash Flow dilution to NRG shareholders

Percent Contribution of Recurring FCF^{(2), (3)}

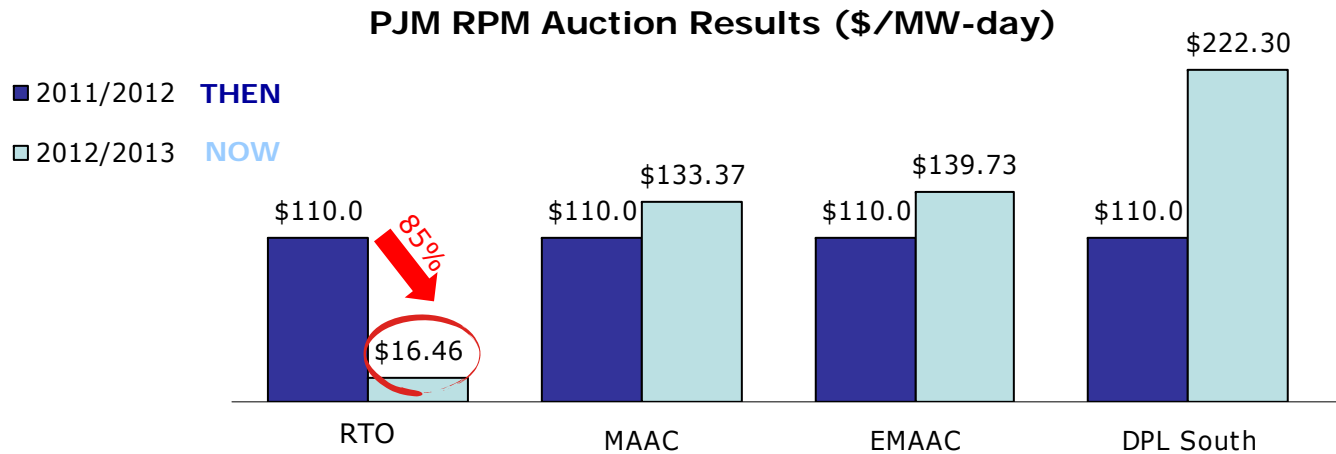


(1) Exelon presentation dated 2/09

(2) Source: Sell-side research; (3) FCF defined as Cash from Operations less maintenance CapEx but excluding environmental and growth CapEx, dividends, and share repurchases; not intended as guidance of expected results.

NRG Response: Pick any year... let’s talk about PECO PPA roll-off and carbon... and just wait until we add the projected contribution of Reliant Energy retail

Factor 1: Value Equation – Analyzing First Key Exelon “Growth” Driver¹

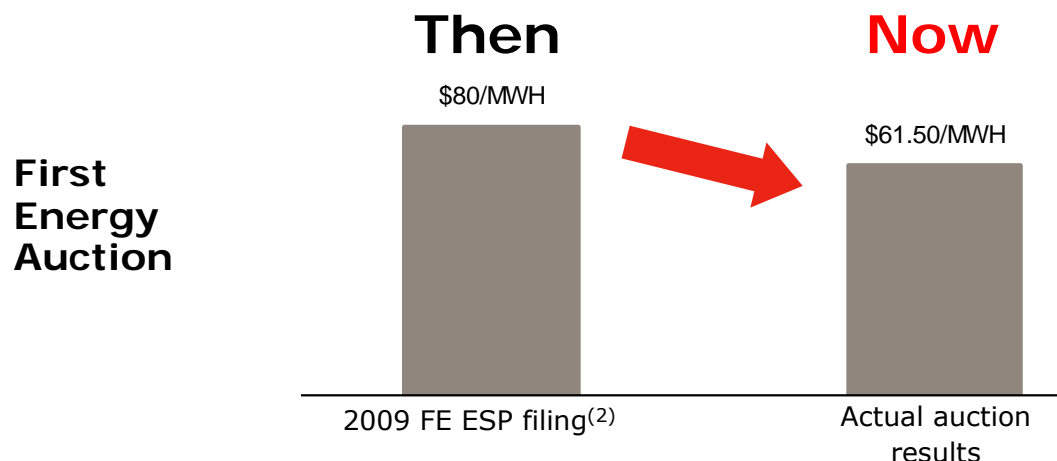


Exelon Generation Participation within PJM RPM					
Exelon Unforced Capacity, UCAP (MW) ¹	11,400	1,403	8,888	-	21,700
<hr style="border-top: 1px dashed #000;"/>					
Capacity Revenue, in millions (Unhedged portfolio)					
2011 / 2012	\$458.8	\$56.5	\$357.7	-	\$873.1
2012 / 2013	68.5	68.3	453.3	-	590.1
Projected Change in Gross Margin	(\$390.4)	\$11.8	\$95.6	-	(\$282.9)

¹ Capacity from Exelon 2009 Investor Conference presentation (pg. 39), adjusted by pool wide EFORd of 6.44% for 2012/2013 and 6.21% for 2011/2012 per PJM auction report

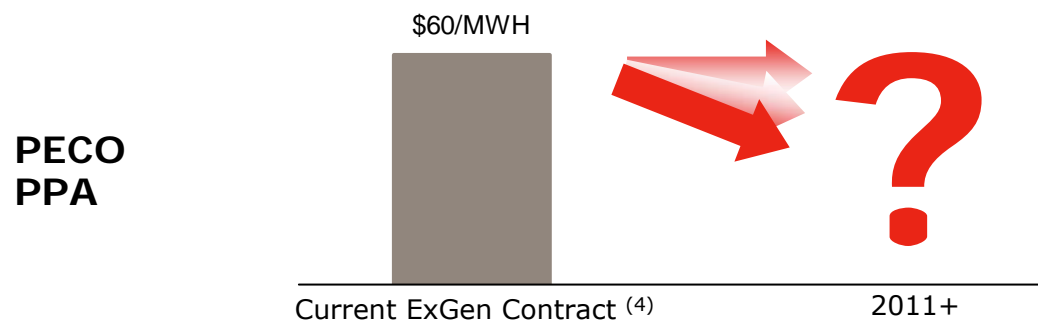
Cash Flow uplift from RPM?

Factor 1: Value Equation – Analyzing Second Key Exelon “Growth” Driver⁽¹⁾



- FE’s recent auction (5/15/09) demonstrated lower prices and lower load serving margins, far below Wall Street and prior FE expectations
- FE’s stock price closed down 10% on the day the auction results were announced

Exelon provided “illustrative” guidance on PECO rates increasing to **\$107.50/MWH** in 2011 based on PPL’s auction results⁽³⁾



- ExGen touted uplift in 2011 as legacy PECO contract rolls off and is replaced by higher market prices...
- ...however, FE Auction results could suggest otherwise

(1) Exelon February investor presentation, page 9; (2) Energy, capacity and transmission service; (3) Exelon EEI presentation, 11/10/08; (4) Energy and Capacity, excluding transmission

Cash Flow uplift from PECO roll-off?

Factor 2: Washington Legislation

Stimulus

- Designed to incent tomorrow's energy infrastructure, not yesterday's
- Wind, solar, CCS, biomass
- NRG has initiatives (and applications) with respect to each of those technologies

Federal RES

- Federal RES is progressing in both bodies – independent of climate change in Senate
- Significant potential impact on baseload coal & nuclear in Midwest where renewables penetration has been low¹
- Less impact in Texas which already is approaching 20% renewable

Climate Change

- Waxman-Markey generally tracks USCAP *Blueprint*
- To achieve passage, legislation will need to accommodate coal state legislators
- Impact on Exelon will depend on state tolerance of EXC's carbon uplift; Impact on NRG will depend on our own success with *Repowering* NRG

NRG
View:

**Advantage NRG
(Significant)**

**Advantage NRG
(Significant)**

**Advantage Exelon:
(Moderate – possible)**

(1) Credit Suisse Equity Research "Adventure in Power Market Transformation", December 22, 2008

Since June 2006, NRG remains at the forefront of legislation and repositioning its portfolio to benefit from potential outcomes

Factor 2: Washington Legislation – Climate Change

THEN: Exelon in its own words

If you take a look at Exelon on a standalone and you analyze us on a standalone from carbon, and you assume that we would get the full benefit of the potential value, **it's about \$1 billion for every \$10 of tax, and that's earnings before taxes.** Then again, you take a look at the NRG fleet and you evaluate the dilutive effect of our standalone on carbon, it's approximately 10%. So you would, anywhere from 80 to 120 million is the dilution, and that's on a more conservative approach of not getting – *the generators not getting any allotment.* **So, although carbon on a standalone could be slightly dilutive, and that's if you assume we are going to reap that full benefit as the generator,** the dilutive effects are minimal compared to the value created of those assets.

-- EEI Financial Conference, Nov. 11, 2008, Christopher M. Crane

NOW

- W-M allocations keep NRG net neutral in early years and *RepoweringNRG* creates upside in out-years
- EPA modeling suggests almost 50% lower benefits to EXC (~\$15 prices for 2012 and ~\$85 for 2050 under W-M¹) than last year (~\$28 in 2012 and ~\$157 in 2050 under Lieberman-Warner²)

(1) The United States Environmental Protection Agency's Preliminary Analysis of the Waxman-Markey Discussion Draft in the 111th Congress, The American Clean Energy and Security Act of 2009; (2) The United States Environmental Protection Agency's Analysis of Senate Bill S.2191 in the 110th Congress, the Lieberman-Warner Climate Security Act of 2008

Little to no downside to NRG and far less accretion for EXC, if Illinois and Pennsylvania states actually allow EXC to keep upside

Factor 2: Washington Legislation -- Renewables

THEN: Exelon in its own words

"Our *Exelon 2020* work says that the cost of adding all this wind to society is between \$50 and \$80 per ton of avoided carbon-dioxide. This is not a cheaper way for our customers to deal with the CO2 problems as everybody wants to believe it is. Nonetheless it's very clear that the politics are with building wind, we're going to keep seeing more of it and we are trying very hard to stay on top of it's effects and we are certainly trying to model it in the NRG acquisition. ... it seems to concern us more than it concerns NRG but that's not a helpful comment."

-- Q109 EXC earnings call

NOW

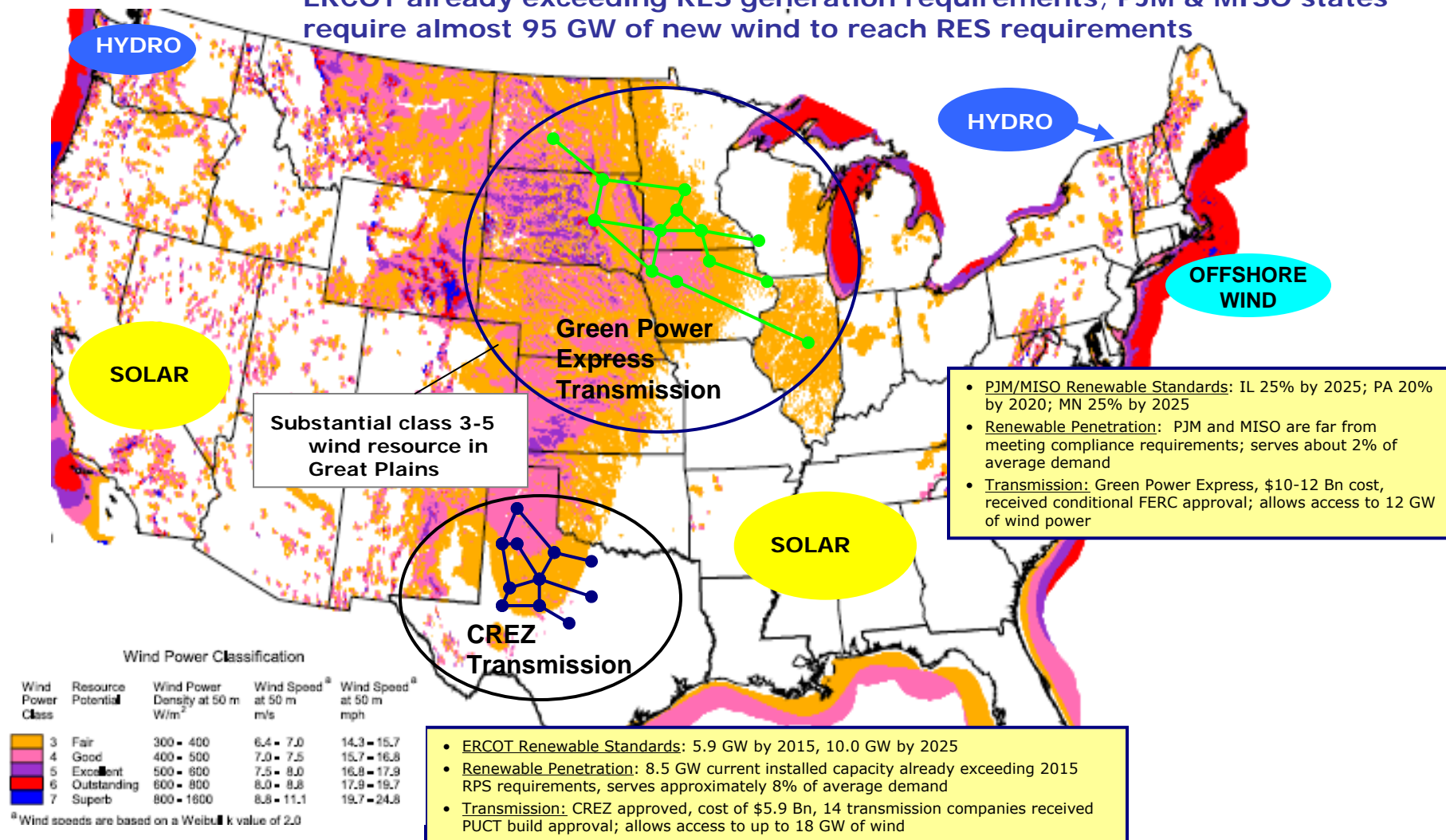
- Both Senate and House are reaching compromises on Renewable Energy Standards
 - Key features likely to include up to 20% of all energy delivered must be met by renewables, with 5% to 8% achievable by efficiency and "carve outs" for *new* nuclear
 - Federal transmission siting authority also is likely to emerge
- "Future power prices will come under pressure relative to current expectations as low variable cost renewable generation is added to the bottom of the supply stack.
 - "The major surprise in our mind is the hit in MISO where coal fired generation was poised to be replaced more frequently by gas fired generation as the marginal source of electricity; with renewables this will likely not happen to the magnitude as previously expected."
 - "Equally interesting to us is that the outlook for ERCOT (Texas) is largely unchanged at basically flat since even with the addition of new renewable resources, the large installed base of efficient gas fueled power plants (CCGTs) remains as the marginal provider of electricity although look for some zonal price differentiation that favors the South and Houston over the West and North."

-- *CS Equity Analyst, Dan Eggers, December 22, 2008*

NRG has minimal negative impact and increased growth opportunity while EXC has potential risk of not realizing anticipated carbon uplift due to regional renewables penetration

Factor 2: Washington Legislation -- Renewables

ERCOT already exceeding RES generation requirements; PJM & MISO states require almost 95 GW of new wind to reach RES requirements



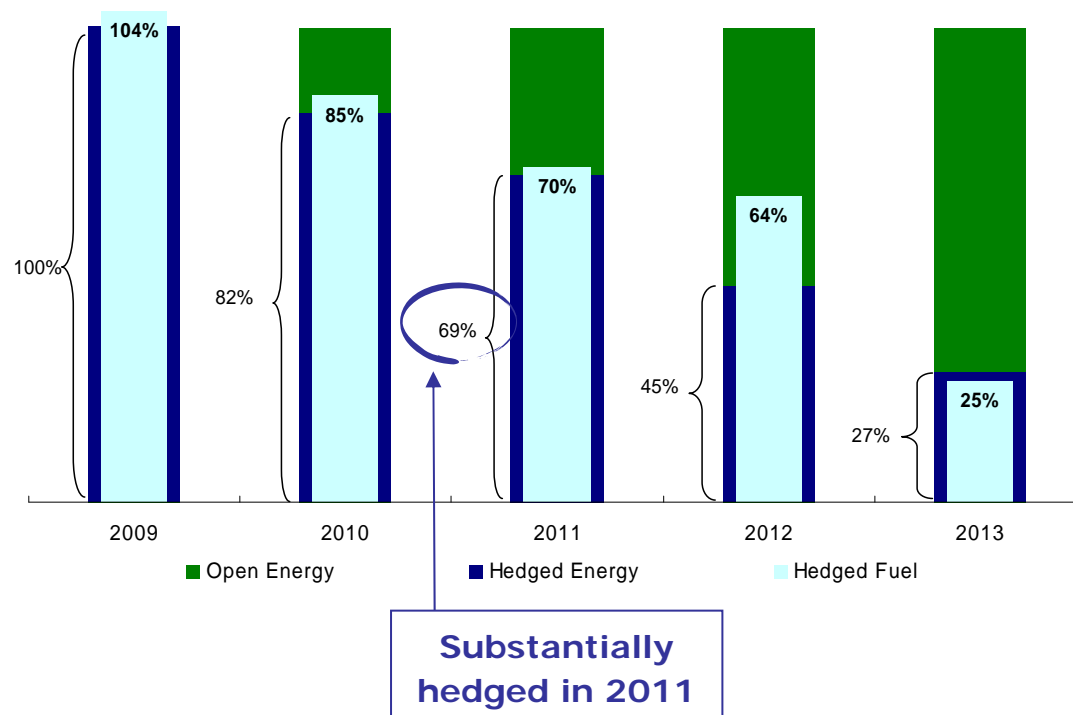
Potential RES buildout will impact generation dispatch dynamics, depressing ATC power prices; this has greatest implications for incumbent generation where the renewable market penetration, to date, has been minimal

Factor 3: Hedging Programs Compared: NRG vs...

THEN and NOW: Consistent Guidance on Hedge Profile⁽¹⁾

S&P's Commentary

NRG Baseload Hedge Position⁽¹⁾



"We raised power producer NRG Energy's corporate credit rating reflective of our view of standalone credit quality... The upgrade is unusually timed amidst sharply lower gas prices, but reflects expected strong and stable cash flows for several years due to the hedged nature of NRG's fleet, as well as a recognition that management's **superior execution of its hedge strategy** has allowed NRG distinguished itself in the independent power producer (IPP) sector. We see NRG being free-cash-flow positive for the next several years even under our conservative merchant price deck."

- S&P press release dated 5/22/09

(1) Portfolio as of 04/09/2009; 2009 values reflect positions from May 09 through December 09 only

NRG's effective hedge program insulates the Company from the current commodity down-cycle...

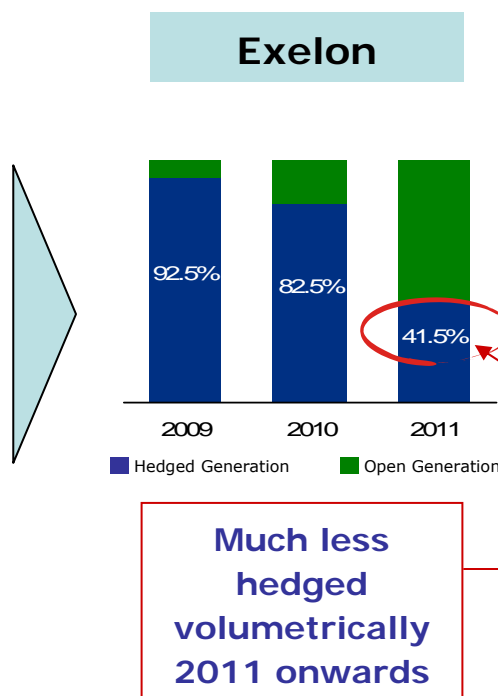
Factor 3: Exelon

THEN: Exelon in its own words

"...the prompt year we're 90 to 98% hedged...[in 2010] upward to a 90% financially hedged...[in 2011] we're at the top end of the range towards an 80% financially hedge issue."

- Kenneth W. Cornew, Exelon SVP, Exelon Investor Day Conference, 03/10/09

NOW: Current Hedge Profile⁽¹⁾



S&P & Sell Side Commentary

"Mitigating near-term cash flow volatility is a high level of physical hedges in 2009 and 2010 but this ratio drops off in future years. Because Exelon's merger plan proposes deleveraging from free cash flow sweeps (after capital expenditures and dividends) any decline in net revenues could affect debt reduction targets. We note that the power/commodity forward strips have substantially declined since Exelon made its offer."

-- S&P press release on Exelon's CreditWatch negative status, 04/17/09

"Based on the newly disclosed magnitude of difference between EXC's 2011 financial hedge profile (high end of a 60% to 80% range, or closer to 80%) and what we calculate as closer to a 32% volumetric hedge % for 2011 we believe the company's long-term earnings growth profile has eroded too much. As such, we are downgrading our rating to Hold."

-- Deutsche Bank equity research following EXC analyst conference: EXC 2011 More Exposed to Falling Gas, 3/11/09

(1) Midpoint of expected generation hedged for each year as disclosed in April 15, 2009 Exelon Generation Hedging Program presentation

...While Exelon has far more market exposure than previous thought

Factor 4: Allocation of Capital

THEN: Exelon in its own words

- Committed to returning Exelon's senior unsecured debt to strong investment grade within the next 3 years
- Targeting stronger credit metrics for the combined entity— 25 - 30% FFO/debt
- Pay down debt plan** will include: NRG balance sheet cash, asset sale proceeds, *free cash flow*

-- 10/29/08 Exelon presentation

We believe the market will likely discount NRG's standalone growth prospects given:

- NRG's development model requires external solutions that as a standalone company it cannot implement on its own; and
- The potential cost to finance its development projects and the availability of capital

-- 2/09 Exelon presentation

NOW

NRG raises capital off strength of assets

	Cost to Finance	Type	Amount
GenConn debt	6.79% ¹	Non-recourse	\$543M
Dunkirk	2.30% ²	Recourse	\$58M
DOE guaranteed nuclear debt	4.53% ³	Non-recourse	\$6B ⁽⁴⁾

(1) Represents L+350bps, with the current 7 year swap rate at 3.29%; (2) Represents LC backing cost of 2.00% under our revolver, plus current spread of 30 bps (resets weekly); (3) Represents 30 year treasury + 12.5 bps (4) As per last disclosure dated 3/26/08 for overnight costs - "NRG and Toshiba" presentation, page 11; (5) Cumulative since 2003

NOW

And allocates capital in a balanced fashion:

- Debt repaid (\$2.0B)⁽⁵⁾
- Share buybacks (\$1.9B)⁽⁵⁾
- Growth capex
 - ✓ Texas Genco
 - ✓ West Coast Power
 - ✓ Reliant Energy Retail
 - ✓ Padoma Wind
 - ✓ Long Beach
 - ✓ Cos Cob
 - ✓ Cedar Bayou 4
 - ✓ GenConn

NRG's prudent approach to capital allocation enables us to invest in high value growth while enabling shareholders to derive greater portion of that growth through regular share buybacks

Factor 4: Allocation of Capital -- Reliant Retail Valuation

Adj. EBITDA Run Rate		Purchase Price	
Gross Margin ¹	\$670	Purchase Price	\$288
O&M and G&A	~420	Working Capital Adjustment	82
Reliant Energy adj. EBITDA ²	\$250	Total Purchase Price	\$370

Implied Price Multiple @ \$250M EBITDA = 1.5x			
EBITDA Multiple @	\$1,000	\$1,250	\$1,500
	4.0x	5.0x	6.0x

(1) Excludes forward MtM impacts; (2) Average EBITDA over medium-term

Using an EBITDA multiple of 5x – the ongoing implied equity value of the Reliant acquisition is \$4.50 per share

Four Key Factors, in our view, favor NRG

Factors	Key Questions	Trend Favors
<p>1. Value Equation</p>	<p>Which company over the last six months has executed on its plan to deliver enhanced value to its shareholders?</p>	<p>NRG</p>
<p>2. The Washington Factor</p>	<p>Will climate and other energy legislation likely out of Washington, in aggregate, favor NRG or Exelon?</p>	<p>NRG</p>
<p>3. Hedging Program</p>	<p>Which company's hedge position provides greater protection through the current commodity down-cycle?</p>	<p>NRG</p>
<p>4. Allocation of Capital</p>	<p>In an era where capital is expensive and scarce to everyone, which company is in a better position to deploy capital in a manner that enhances shareholder value?</p>	<p>NRG</p>

Key Takeaways

- ✓ NRG believes in industry consolidation and is a willing buyer or seller at adequate value
- ✓ Exelon's offer is at a discount, not a premium, to NRG's fundamental value, and is highly dilutive to NRG stockholders on a cash basis
- ✓ Exelon has not presented a compelling strategic rationale for combining the two companies and does not address combination risks
- ✓ Transaction contains financing, regulatory and implementation risks for which NRG stockholders are not compensated
- ✓ Fundamental drivers in place for NRG to continue to maximize stockholder value without Exelon
- ✓ No compelling rationale to alter NRG's Board other than to advance acquisition at inadequate price

Exelon's offer is underwhelming from a price, strategic rationale and transaction risks perspective

“Time to up the Ante: Exelon needs to substantially up its merger offer for NRG to close the deal...”

-- Angie Storzynski
Macquarie Research Equity, May 26, 2009



APPENDIX



Washington Legislation – Waxman-Markey Climate Change Bill (H.R. 2454)



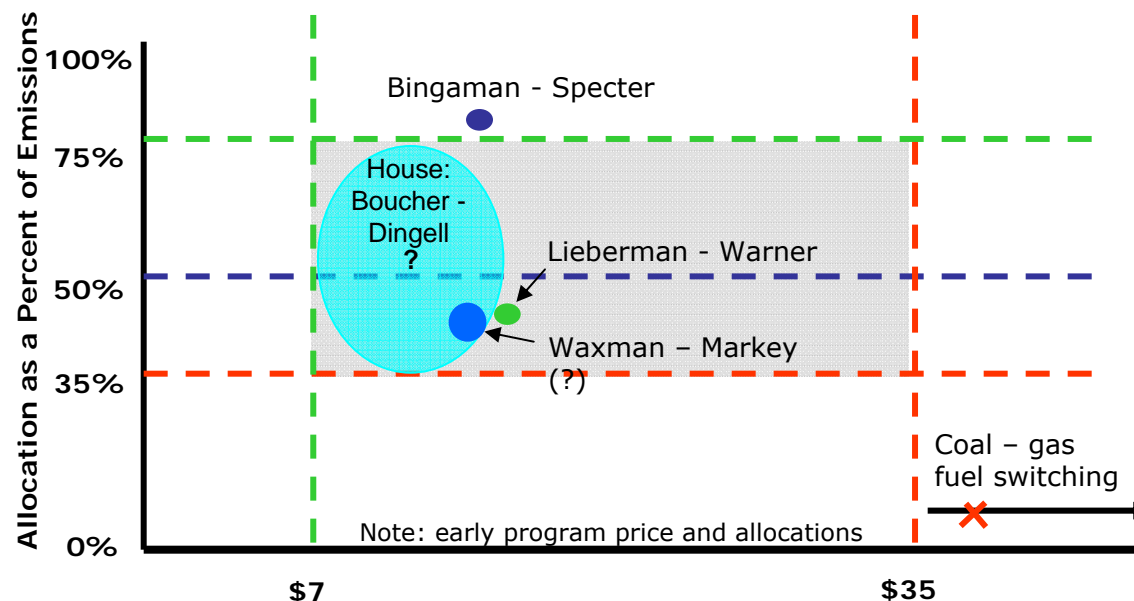
Overview

- Successful “mark-up” by House Energy and Commerce committee
- Other committees are on fast track for approval of basic Energy and Commerce package
- Emissions targets of 2005 base are 97% by 2012, 83% by 2020, 58% by 2030 and 17% by 2050

Key Value Terms

- Implementation in 2012
- Provides 3.5% of allowances for merchant coal generators (implies roughly 40% allocation of NRG coal plant compliance obligation)
 - 1st stage: 2012 - 2026 allocations a fixed proportion of cap (slower decline than Lieberman Warner allocations)
 - 2nd stage: 2026 - 2030 provides for steeper, later phase out of allowances
 - 3rd stage: 2030-forward has no distribution of allowances

Positions of Key Legislative Policy Proposals

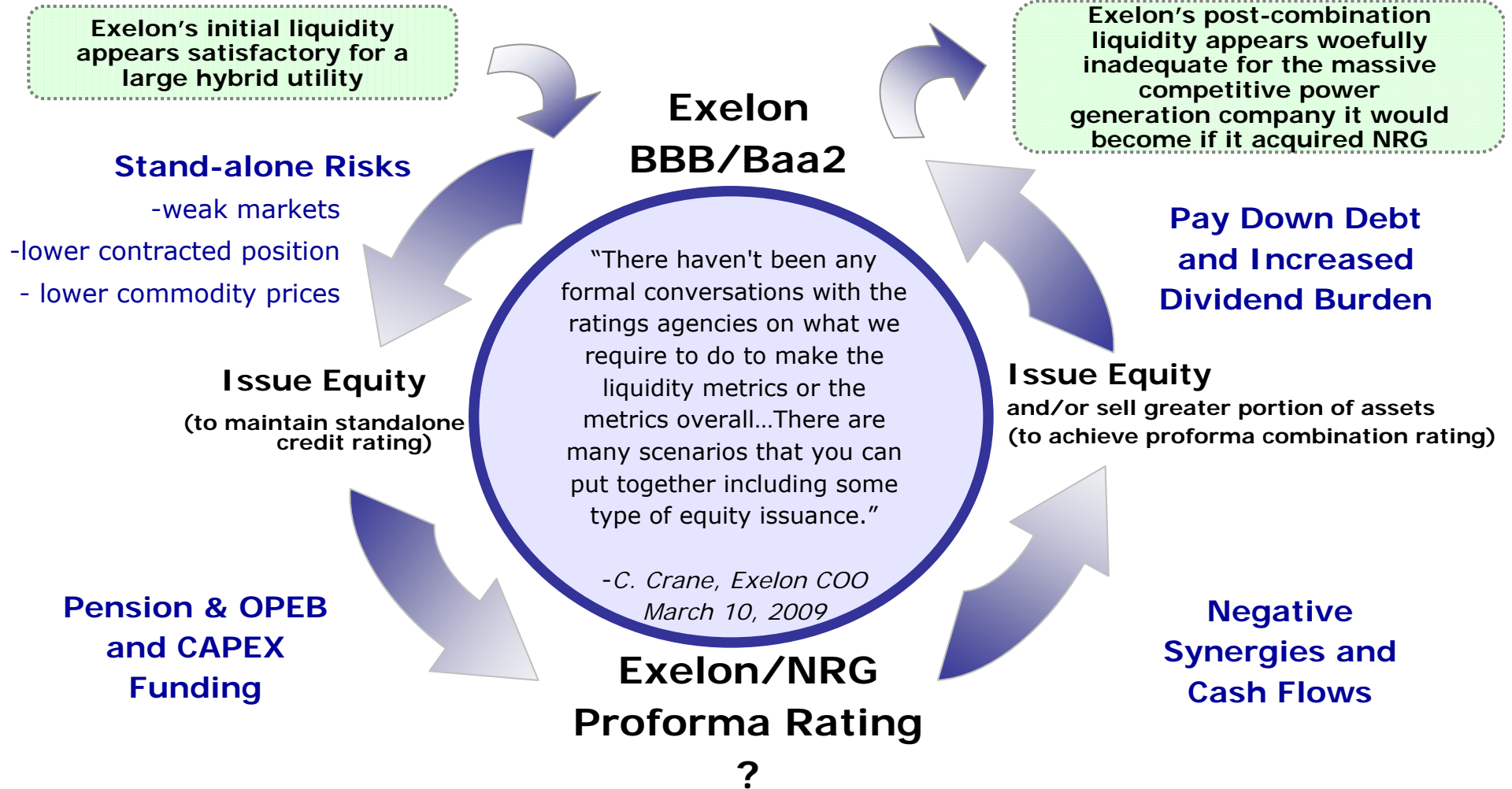


Support and Timing for Approval

- Voted out of Energy & Commerce Committee on May 21, 2009; full House of Representative vote by mid-July
- If House is successful, Senate most likely to pick up legislation in 2010 with significant likelihood of passage
- Key provisions affecting NRG are relatively stable and likely to be included in final bill

Key Carbon Policy and Design Features-- Key components provide fair allocation and transition plan

Strategic Rationale - Exelon: Caught in a Rating Agency Vicious Cycle

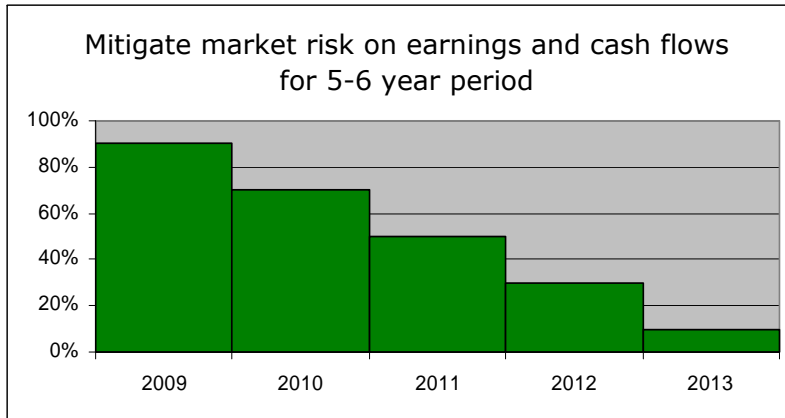


Exelon seeks to maintain an investment grade rating primarily for the benefit of its utility business, not for the benefit of its much larger competitive power generation business

Strategic Rationale– Commercial Hedging and Collateral Uncertainty

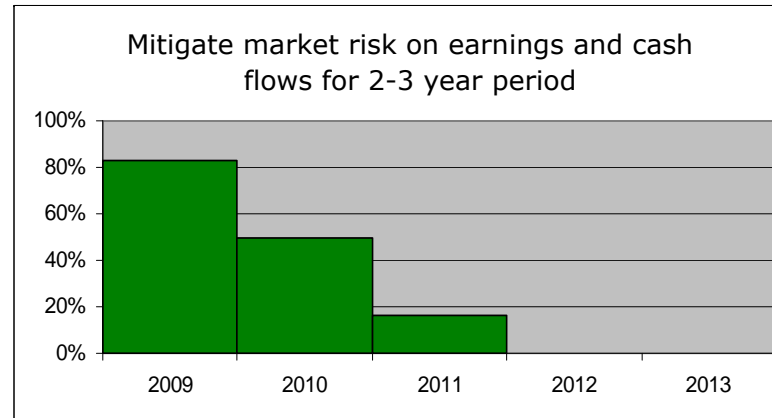


Ratable 5-Year Hedge Strategy:



Source: NRG estimates and market data

Ratable 3-Year Hedge Strategy:



Source: NRG estimates, market data, and EXC Conference Call on March 15, 2009

Exelon has not provided their planned hedging and collateral management strategy for the combined portfolio

Illustrative example – Assumptions: Combined Base Load Generation of 200 TWhrs | Hedge Price – Average NYMEX Henry Hub Gas Prices during the hedging period * Heat Rate 8.0 mmbtu/MWhr | Collateral calculation as of June 30, 2008



Collateral required of \$15 billion



Collateral required of \$10 billion

NRG views these as significant risks:

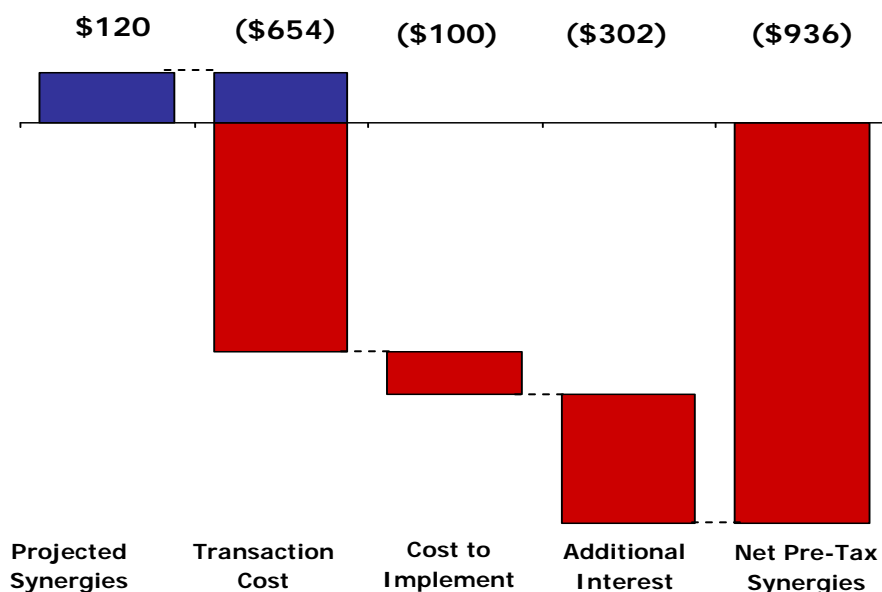
- Collateral requirements for the combined company will be measured in the billions during periods of high prices and volatility
- Exelon's existing collateral structure and strategy is grossly undersized to handle hedging needs of the combined portfolio

Applying any hedging strategy to the combined company's portfolio requires a well thought out and robust collateral support structure

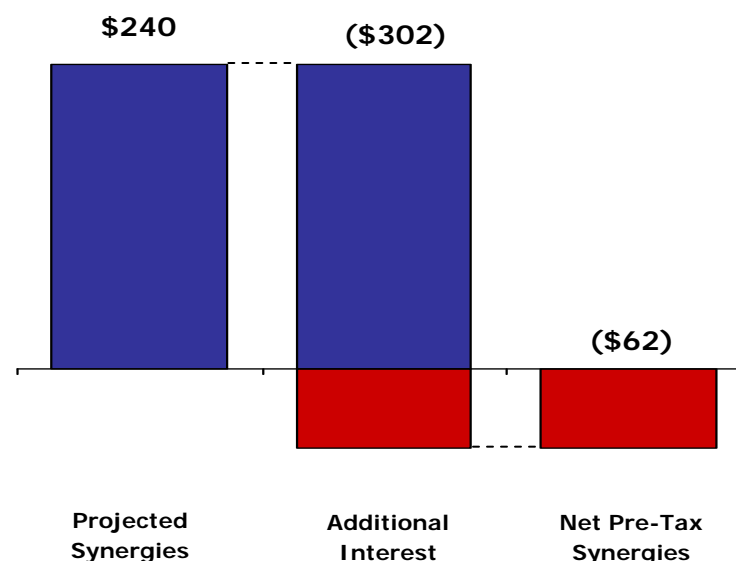
Strategic Rationale– Synergies, as Estimated by EXC, Would be Offset by Transaction Costs



Pre-Tax Synergy Estimate Year 1
Cash Impact to Combined Company
in millions



Pre-Tax Run Rate Synergies Year 2 +
Annual Cash Impact to Combined Company
in millions

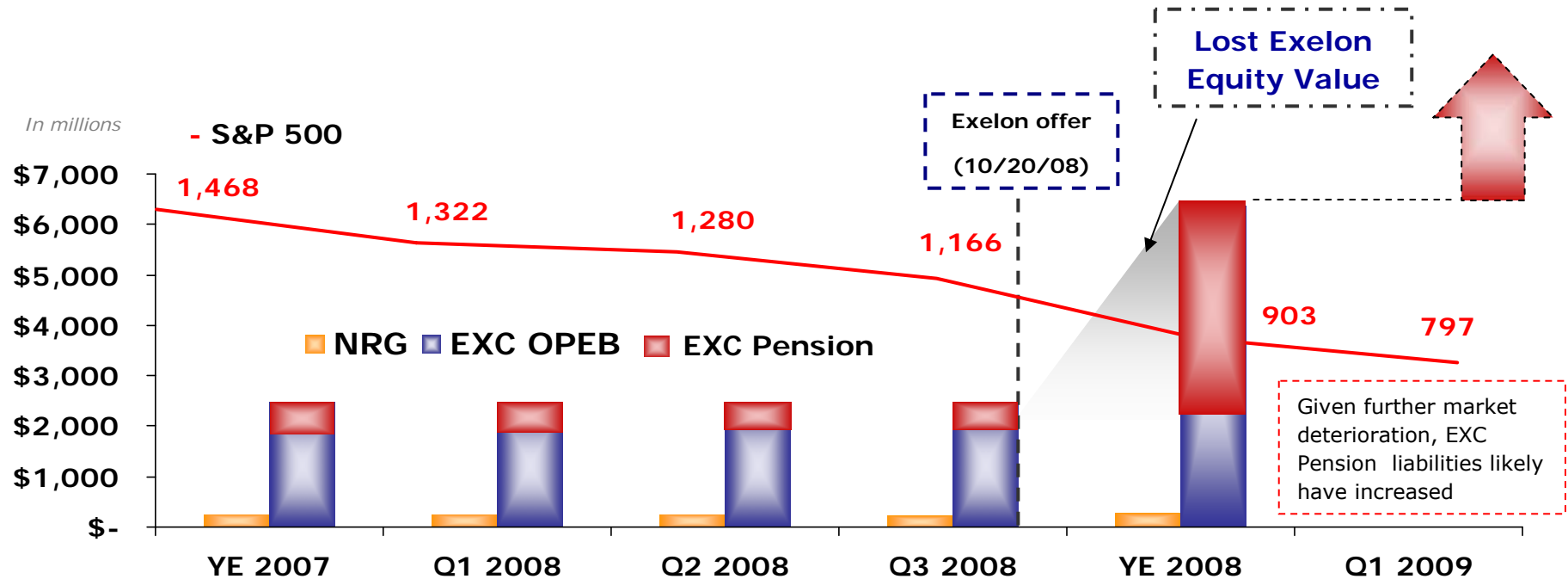


Note: Estimated synergies are midpoint of Exelon's range of \$180 - \$300mm per year; with one half of synergies realized in Year One, all synergies realized by Year Two. Transaction Costs, refinancing interest rate of 10% and costs to implement synergies derived from Exelon estimates disclosed in their EEI presentation of 11/11/08. Assumption that additional interest costs apply to \$4.7B of refinanced notes and \$2.4B of Term B Loans using 4/17/09 3M LIBOR

Assuming Exelon eventually obtains the financing needed to close the transaction, higher interest rates and transaction costs are likely to more than offset projected G&A synergies

Strategic Rationale: Unfunded Pension and OPEB Has Created a Significant Issue for Exelon, but Not for NRG

Post-exchange offer, pension and OPEB liabilities increased significantly, to the detriment of all equity holders



Source: Exelon's SEC filings and 3/10/09 Investor Day Conference

Post-exchange offer, Exelon has lost significant equity value to increased pension and OPEB liabilities, while NRG's exposure remains minimal

Strategic Rationale – Risk Summary: Exelon Adds Risk Across the Board



Normal Business Risk	≠				<table border="1"> <thead> <tr> <th data-bbox="730 500 1087 626">Normal Business Risk</th> <th data-bbox="1087 500 1409 626">Contest Risk</th> <th data-bbox="1409 500 1661 626">Implementation Risk</th> <th data-bbox="1661 500 1980 626">Combination Risk</th> </tr> </thead> <tbody> <tr> <td data-bbox="730 626 1087 711">Ongoing</td> <td colspan="2" data-bbox="1087 626 1409 711">2009 - 2010</td> <td data-bbox="1409 626 1980 711">2010 - 2011</td> </tr> <tr> <td data-bbox="730 711 1087 1256"> <ul style="list-style-type: none"> ▪ Operating risk ▪ Commodity risk ▪ Financial risk <div style="margin-left: 20px;"> <p style="font-size: 2em;">}</p> <p style="color: blue;">All Actively Managed and Largely Mitigated</p> </div> </td> <td data-bbox="1087 711 1409 1256"> <ul style="list-style-type: none"> ▪ Recessionary impact on IL and PA ▪ Nuclear operating and decommissioning risk ▪ Political/Regulatory risk </td> <td data-bbox="1409 711 1661 1256"> <ul style="list-style-type: none"> ▪ Distraction ▪ Retention and recruiting ▪ Economic waste ▪ Opportunity cost of missed partnerships and acquisitions </td> <td data-bbox="1661 711 1980 1256"> <ul style="list-style-type: none"> ▪ Financing ▪ Rating Agencies ▪ Regulatory Approvals ▪ Integration ▪ Management Experience ▪ Ratings Downgrade Risk ▪ Regulatory "Claw back" risk </td> </tr> </tbody> </table>				Normal Business Risk	Contest Risk	Implementation Risk	Combination Risk	Ongoing	2009 - 2010		2010 - 2011	<ul style="list-style-type: none"> ▪ Operating risk ▪ Commodity risk ▪ Financial risk <div style="margin-left: 20px;"> <p style="font-size: 2em;">}</p> <p style="color: blue;">All Actively Managed and Largely Mitigated</p> </div>	<ul style="list-style-type: none"> ▪ Recessionary impact on IL and PA ▪ Nuclear operating and decommissioning risk ▪ Political/Regulatory risk 	<ul style="list-style-type: none"> ▪ Distraction ▪ Retention and recruiting ▪ Economic waste ▪ Opportunity cost of missed partnerships and acquisitions 	<ul style="list-style-type: none"> ▪ Financing ▪ Rating Agencies ▪ Regulatory Approvals ▪ Integration ▪ Management Experience ▪ Ratings Downgrade Risk ▪ Regulatory "Claw back" risk
Normal Business Risk	Contest Risk	Implementation Risk	Combination Risk																	
Ongoing	2009 - 2010		2010 - 2011																	
<ul style="list-style-type: none"> ▪ Operating risk ▪ Commodity risk ▪ Financial risk <div style="margin-left: 20px;"> <p style="font-size: 2em;">}</p> <p style="color: blue;">All Actively Managed and Largely Mitigated</p> </div>	<ul style="list-style-type: none"> ▪ Recessionary impact on IL and PA ▪ Nuclear operating and decommissioning risk ▪ Political/Regulatory risk 	<ul style="list-style-type: none"> ▪ Distraction ▪ Retention and recruiting ▪ Economic waste ▪ Opportunity cost of missed partnerships and acquisitions 	<ul style="list-style-type: none"> ▪ Financing ▪ Rating Agencies ▪ Regulatory Approvals ▪ Integration ▪ Management Experience ▪ Ratings Downgrade Risk ▪ Regulatory "Claw back" risk 																	
Ongoing	2009 - 2010		2010 - 2011																	
<ul style="list-style-type: none"> ▪ Operating risk ▪ Commodity risk ▪ Financial risk <div style="margin-left: 20px;"> <p style="font-size: 2em;">}</p> <p style="color: blue;">All Actively Managed and Largely Mitigated</p> </div>	<ul style="list-style-type: none"> ▪ Recessionary impact on IL and PA ▪ Nuclear operating and decommissioning risk ▪ Political/Regulatory risk 	<ul style="list-style-type: none"> ▪ Distraction ▪ Retention and recruiting ▪ Economic waste ▪ Opportunity cost of missed partnerships and acquisitions 	<ul style="list-style-type: none"> ▪ Financing ▪ Rating Agencies ▪ Regulatory Approvals ▪ Integration ▪ Management Experience ▪ Ratings Downgrade Risk ▪ Regulatory "Claw back" risk 																	

The proposed transaction presents near-term implementation and additional ongoing business risks, for which EXC has disclosed no mitigation plan and has provided no compensation to NRG stockholders

Reg. G



- EBITDA is a nonGAAP financial measure. This measurement is not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The presentation of adjusted EBITDA should not be construed as an inference that NRG's future results will be unaffected by unusual or non-recurring items.
- EBITDA represents net income before interest, taxes, depreciation and amortization. EBITDA is presented because NRG considers it an important supplemental measure of its performance and believes debt-holders frequently use EBITDA to analyze operating performance and debt service capacity. EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our operating results as reported under GAAP. Some of these limitations are:
 - ❖ EBITDA does not reflect cash expenditures, or future requirements for capital expenditures, or contractual commitments;
 - ❖ EBITDA does not reflect changes in, or cash requirements for, working capital needs;
 - ❖ EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on debts;
 - ❖ Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and
 - ❖ Other companies in this industry may calculate EBITDA differently than NRG does, limiting its usefulness as a comparative measure.
- Because of these limitations, EBITDA should not be considered as a measure of discretionary cash available to use to invest in the growth of NRG's business. NRG compensates for these limitations by relying primarily on our GAAP results and using EBITDA and adjusted EBITDA only supplementally.
- Adjusted EBITDA is presented as a further supplemental measure of operating performance. Adjusted EBITDA represents EBITDA adjusted for the hedge reset, integration, impairment and corporate relocation charges, discontinued operations, legal settlements and write downs and gains or losses on the sales of equity method investments and other assets; factors which we do not consider indicative of future operating performance. The reader is encouraged to evaluate each adjustment and the reasons NRG considers it appropriate for supplemental analysis. As an analytical tool, adjusted EBITDA is subject to all of the limitations applicable to EBITDA. In addition, in evaluating adjusted EBITDA, the reader should be aware that in the future NRG may incur expenses similar to the adjustments in this news release. Adjusted EBITDA, excluding mark-to-market (MtM) adjustments, is provided to further supplement adjusted EBITDA by excluding the impact of unrealized MtM adjustments included in EBITDA for hedge contracts that are economic hedges but do not qualify for hedge accounting treatment in accordance with SFAS No. 133 *Accounting for Derivative Instruments and Hedging Activities*, as well as the ineffectiveness impact of economic hedge contracts that qualify for hedge accounting treatment. Adjusted EBITDA, excluding MtM adjustments, is a supplemental measure provided to illustrate the impact of MtM movements on adjusted EBITDA resulting from commodity price movements for economic hedge contracts while the underlying hedged commodity has not been subject to MtM adjustments.
- EBITDA run rate is provided on a projected annual basis, and a reconciliation to Net Income is not accessible on this basis.

