Exelon Offer to NRG Shareholders:

The Price Remains Inadequate…
But There is a Basis for More

July 8, 2009

Safe Harbor Statement

Important Information

In connection with its 2009 Annual Meeting of Stockholders (the "2009 Annual Meeting"), NRG Energy, Inc. ("NRG") has filed a definitive proxy statement on Schedule 14A with the Securities and Exchange Commission (the "SEC"). 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 communication, 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. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities of NRG.

Investors and stockholders will be able to obtain free copies of NRG's definitive 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.

NRG and its directors and executive officers will be deemed to be participants in the solicitation of proxies in connection with its 2009 Annual Meeting. Detailed information regarding the names, affiliations and interests of NRG's directors and executive officers is available in the definitive proxy statement for the 2009 Annual Meeting, which was filed with the SEC on June 16, 2009.

Forward-Looking Statements

This communication contains forward-looking statements that may state NRG's or its management's intentions, hopes, beliefs, expectations or predictions for the future. 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.

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 SEC at www.sec.gov. Statements made in connection with the exchange offer are not subject to the safe harbor protections provided to forward-looking statements under the Private Securities Litigation Reform Act of 1995.

Agenda

I. Exelon Revised Offer for NRG:

A. Inadequate Value
B. Growth Prospects
C. Combination Risks and Opportunities

II. NRG Business Update:

A. Operational Performance
B. Commercial Operations
C. Financial Outlook

Exelon's Offer vs. NRG's Value

I. NRG Response to Exelon's Improved Offer

- Exelon's revised offer remains unacceptable as it still does not adequately reflect NRG's value proposition and growth potential relative to Exelon's own prospects
- Exelon's increase is driven by incremental synergies which, if substantiated and fairly shared between the parties, means there is a solid rationale for Exelon to increase its offer again in order to provide appropriate value for NRG's recent developments, particularly Reliant Energy retail and NINA
- If Exelon would make a proposal that properly reflected the obvious value of NRG's growth initiatives, we would be willing to sit down with them and their consultants to firm up their synergies estimate and demonstrate even further the value of NRG

A. Value: Market Premiums - Fact vs Fiction

NRG

Exelon Consultants' Approach[1]:
Indicative Stand-Alone Share Prices

Indicative Premium

Exelon Stand-Alone Stock Price

			Current Stock Price[2]	Halfway Between Index And Current	Based on Competitive Integrated Index[4]
			$50.70	$54.03	$57.35
NRG Stand-Alone Stock Price	Current Stock Price[2]	$23.80	16%	24%	31%
	Halfway Between Index And Current	$20.50	35%	44%	52%
	Based on IPP Index[5]	$17.21	61%	71%	81%

Key Assumption

- Exelon's indicative premium is based on hypothetical stock price performance derived from imperfect peers

Weakness in Approach

- Ignores negative impacts to EXC's earnings and growth outlook
- Ignores all the positive events affecting NRG stock price since Exelon offer
- Ignores NRG's well hedged position and strong liquidity profile versus that of its peers
- Ignores the fact that most IPP peers are more levered than NRG and were therefore more adversely impacted by the credit crisis
- Ignores the fact that NRG has historically (over the last 5 years up to EXC 10/17/09 offer) outperformed IPP index

REALITY:

Actual Premium over July 1, 2009 Closing Price[3]

7.9%

(1) Based off Exelon presentation dated 7/2/09, closing stock prices as of 6/26/09; (2) Closing share price as of 6/26/09; (3) Day prior to Exelon's revised offer;
(4)EXC implied stock price ased on the Competitive Integrateds (AYE, ETR, FPL, PPL, PEG, CEG, EIX, FE) performance from 10/17/08 to 6/26/09;
(5)NRG implied stock price based on the IPP Index (MIR, CPN, DYN, RRI) performance from 10/17/08 to 6/26/09.

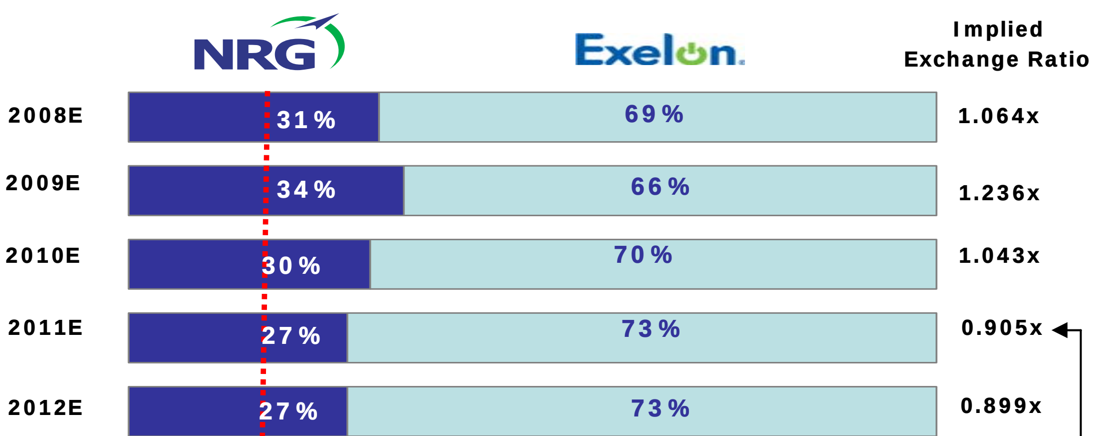
NRG stockholders deserve a real premium that reflects NRG's fundamental value

A. Inadequate Value: Free Cash Flow Contribution

Free Cash Flow dilution to NRG stockholders applies in any year in the short and long term

NRG stockholders would be contributing an average 30% of recurring free cash flows to the combined company for only 18% ownership

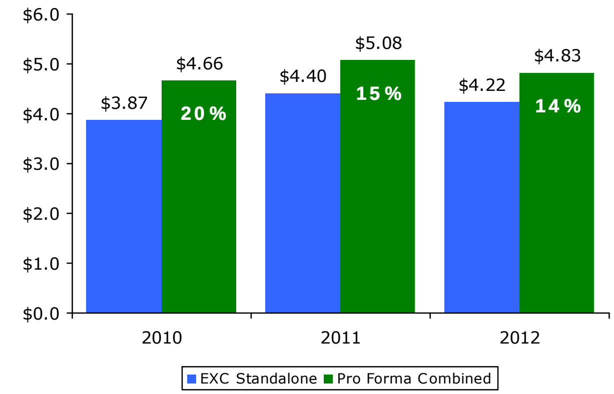
Percent Contribution of Recurring FCF[1,2]



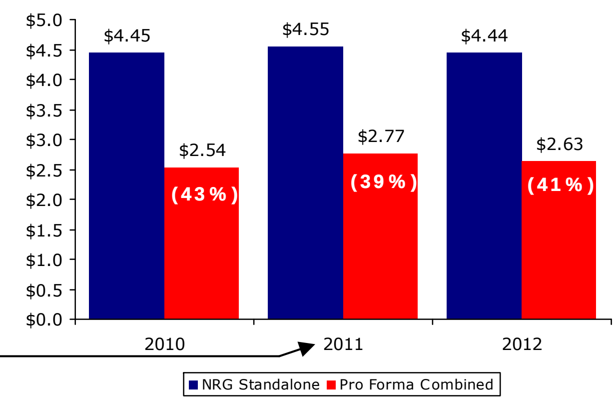
Exelon Exchange Offer of 0.545 = Implied Ownership of 18%

Exelon points to 2011 as the most compelling year for the transaction; we don't believe 2011 is so compelling from NRG shareholders' perspective

EXC Recurring Free Cash Flow per Share[1]



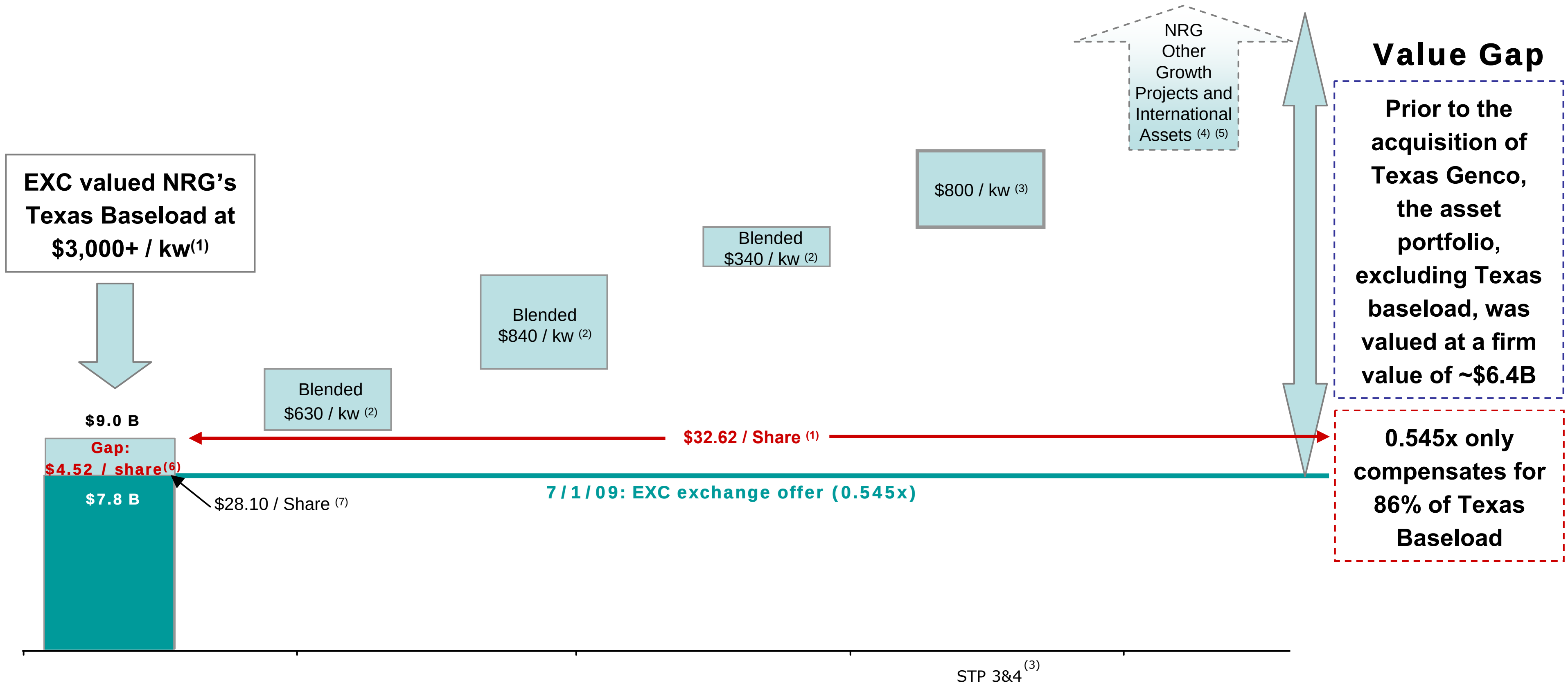
NRG Recurring Free Cash Flow per Share[1]



(1) Source: Sell-side research; (2) 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.

A great deal for Exelon stockholders; still negative for NRG stockholders

A. Inadequate Value: Exelon Offer Continues to Represent Severe Discount to NRG's Replacement Cost Value



(1) Implied value of NRG valuing Texas baseload assets at $3000+/kw sourced from Exelon presentation dated February 2, 2009. Per share value assumes 275M shares outstanding.
(2) Replacement cost for assets other than Texas baseload based on independent consultant (Ventyx)
(3) Based on Toshiba's $150 million commitment for STP 3 and 4 for 12% interest in NINA
(4) Future nuclear development, to which Toshiba has committed an additional $150 million, is implied in NRG other Growth Projects and International Assets
(5) Excludes Reliant Energy retail
(6) Gap is equal to the difference between Exelon's implied offer as of 7/1/09 and the implied value of NRG stock price valuing Texas baseload assets at $3,000 / kW
(7) Implied share price of Exelon's offer based on Exelon's closing share price as of 7/1/09

Power sector asset values typically revert towards replacement costs

A. Inadequate Value: NRG Growth - Building Blocks to Success

Cost & Performance Improvements	+	Vertical Integration (Texas Retail)	+	Intrinsic Growth Core Assets	+	Nuclear Renaissance	=	NRG Growth
***FOR*NRG** ▪ Revenue enhancement: Asset reliability and availability ▪ Cost savings: Procurement, corporate ▪ Asset optimization: Inventory and working capital management		**Reliant Energy** ▪ Leading retail electricity brand ▪ Countercyclical business fundamentals ▪ Significant potential synergies ▪ Distributed green opportunities		**Repowering NRG** ▪ 550 MW Cedar Bayou 4 ▪ 500 MW eSolar Solar Thermal ▪ 400 MW GenConn ▪ 150 MW Wind Langford ▪ 120 MW Wind Elbow Creek		**NINA** ▪ STP 3&4 ▪ Follow-on projects ▪ Intellectual property/ development knowhow ▪ Supply chain opportunities		**VALUE GAP**

Value Assigned by Exelon [1]								
$0.00 / NRG share	+	**$1.00 / NRG share**	+	**$0.10 / NRG share**	+	**$0.00 / NRG share**	=	**$1.10 / NRG share**

(1) Per Exelon July presentation, pg. 25

Exelon's offer has a long way to go in terms of adequately acknowledging NRG's growth

B. Growth: Reliant Energy retail Materially Undervalued by Exelon

NRG

Business Overview and Benefits

- **Leading provider of electricity and energy services in ERCOT**
  - Highest ranking in overall residential customer satisfaction among 3 largest retailers
  - Lowest in PUCT complaints
- **Serves two groups of customers totaling nearly 1.8 million customers**
  - Mass: 2nd largest in Texas with ~28% market share – 1.69 million customers
  - C&I: largest in Texas with more than 35 TWh annual sales
- **Complements NRG's merchant generation assets**
  - Optimizes business model by matching generation and load
  - Increases collateral efficiency

Ongoing Retail Valuation
($ millions)

Purchase Price	$288
Working Capital Payment	82
Total Purchase Price	$370
Mid-cycle adjusted EBITDA run rate	$250

Implied equity value/share(1) at EBITDA multiples of:

5x	=	$4.50	While integration is in process
6x	=	$5.50	Once integration is completed

(1) Excludes Reliant Retail purchase price

Countercyclical Value

Reliant projected contribution for eight months of 2009:

Adj. EBITDA > $400M

Leading Retail Franchise + **Leading Wholesale Generation** → **Multiple Expansion** ← **Proven Countercyclical performance**

B. Growth: NINA's Unique Value of Leading the Nuclear Renaissance

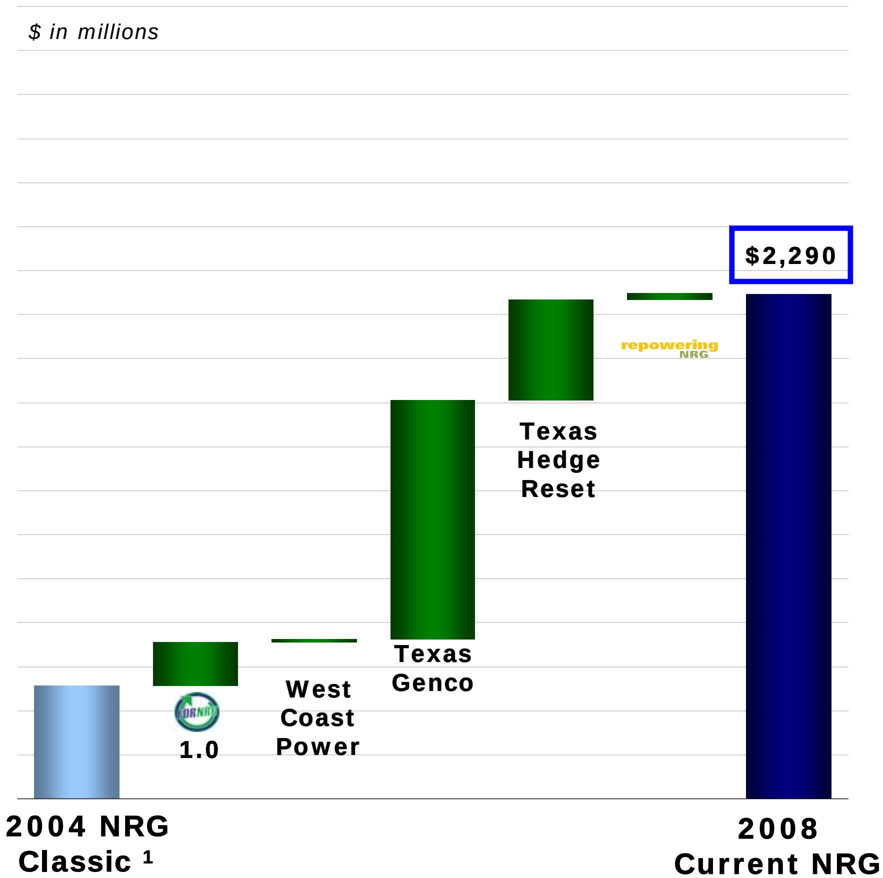
Recent Developments	Comparative Advantage
✓ NRC Schedule for STP 3&4 issued	▪ COL issuance anticipated for 2012
✓ Highly ranked within upper tier of preliminary DOE rankings	▪ DOE in final term sheet negotiations with final four nuclear sites selected; includes NRG's STP 3&4 ▪ $18.5 billion of federal guarantees already authorized ▪ Additional Japanese government support for projects of "strategic industry"
✓ EPC Contract executed	▪ Open book period followed by Fixed Price Turnkey construction period provides price certainty ▪ Contractual terms substantially the same as large fossil project ▪ Triggers two additional EPC contracts with the same terms
✓ $500mm credit facility to be provided by Toshiba	▪ Non-recourse to NRG ▪ Repaid with DOE/ Japanese guaranteed loan proceeds at Full Notice to Proceed (FNTP) ▪ Supports long lead time material purchases during open book phase ▪ Defers NRG significant equipment spend until FNTP

NRG leading position in nuclear is definitely worth more than zero

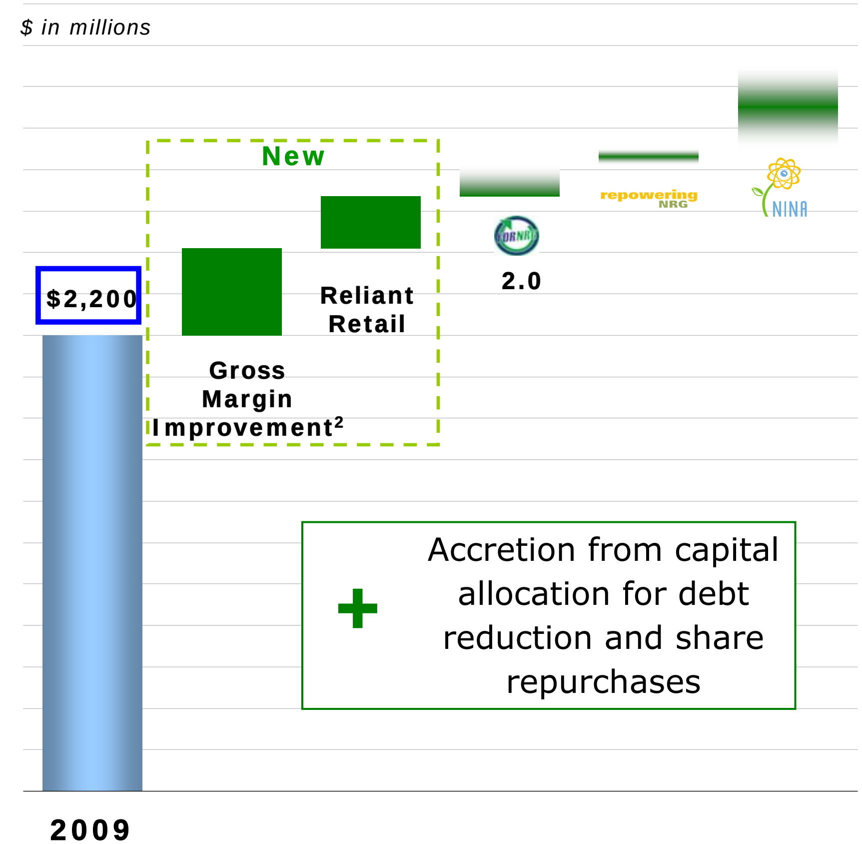
B. Growth: NRG's Future Growth is Based on a Proven History of Delivering on Past Growth…

NRG Growth Path!

The 5-Year Path to 2008 EBITDA



2009 EBITDA and Beyond



1) NRG Classic EBITDA excludes Long Beach Repowering, West Coast Power and *FOR*NRG 1.0; (2) Reflects 2014 using 6/11/09 curve

… for which we believe NRG stockholders should derive and retain the benefits

C. Combination: Synergies – Potentially Positive for Both Companies' Shareholders…

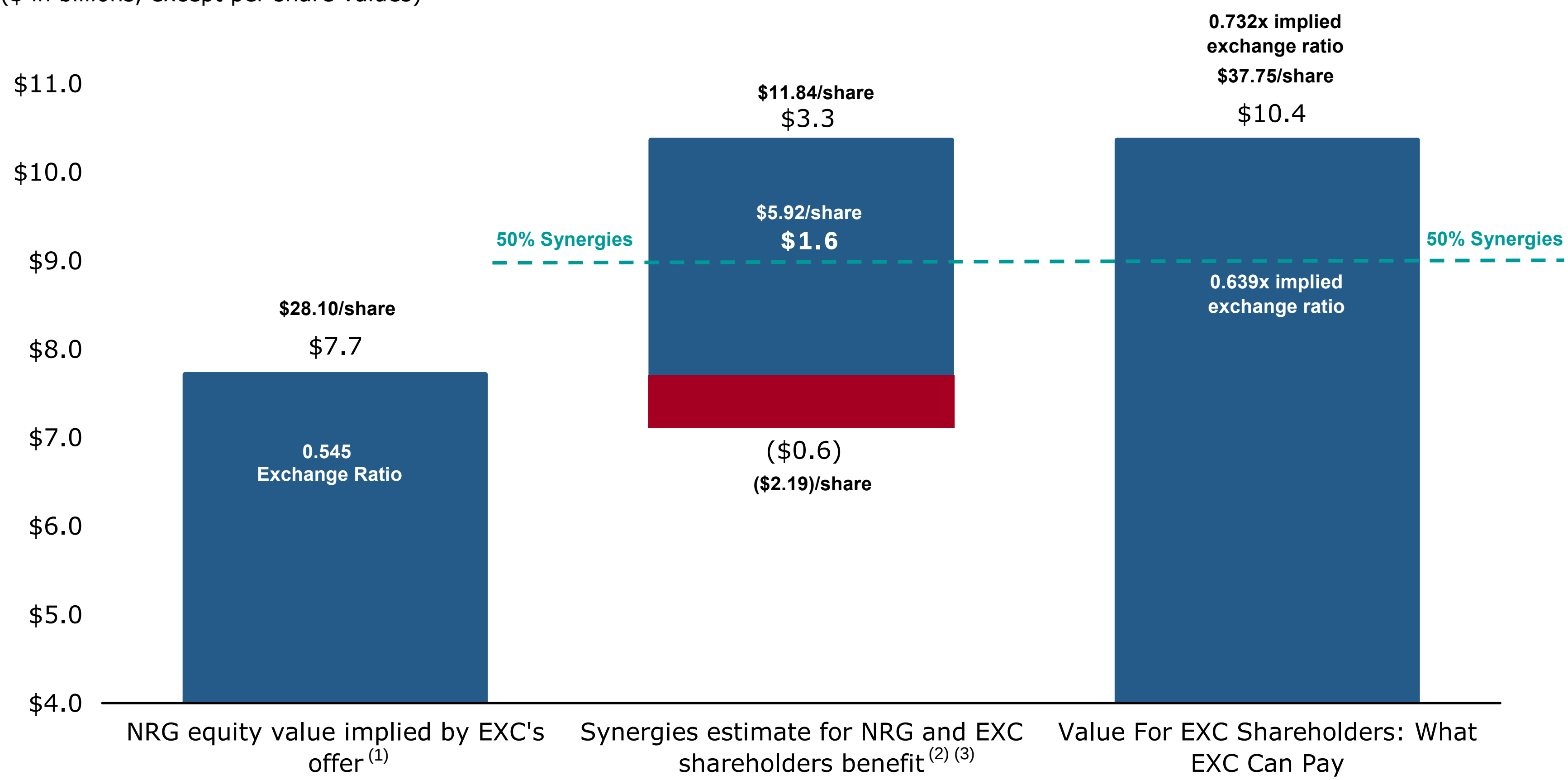
Amounts ($ in millions)

Cost Synergy Categories	Exelon: Economist and Consultants' View	NRG Management's Initial View
Corporate / IT	$ 225 - $ 245	Exelon's estimate of total Corporate / IT synergies exceeds NRG's total Corporate / IT spend (approximately $200M)
Fossil	$ 75 - $ 85	Leaving aside the question of whether Exelon can run plants with 350 less O&M personnel, Exelon's implied cost per employee is 74% higher than actual
Trading	$ 65 - $ 75	NRG's total spend on Commercial Operations is less than $40M
Development	$ 20 - $ 30	Exelon's development spend synergy exceeds total NRG discretionary spend budget on development
Nuclear	$ 10 - $ 20	Source of savings not clear as NRG is only a 44% owner, and does not have unilateral control over STP operations
Retail	$ 15 - $ 20	NRG management target is 2x greater than the Exelon consultants' targets, but that is not on EXC combination synergy
Total	**$ 410 - $ 475**	

… but unclear how Exelon extracts this level of synergies out of NRG

C. Combination: Exelon Synergies - Once Firmed Up…

Value for EXC shareholders from EXC Disclosure
($ in billions, except per share values)



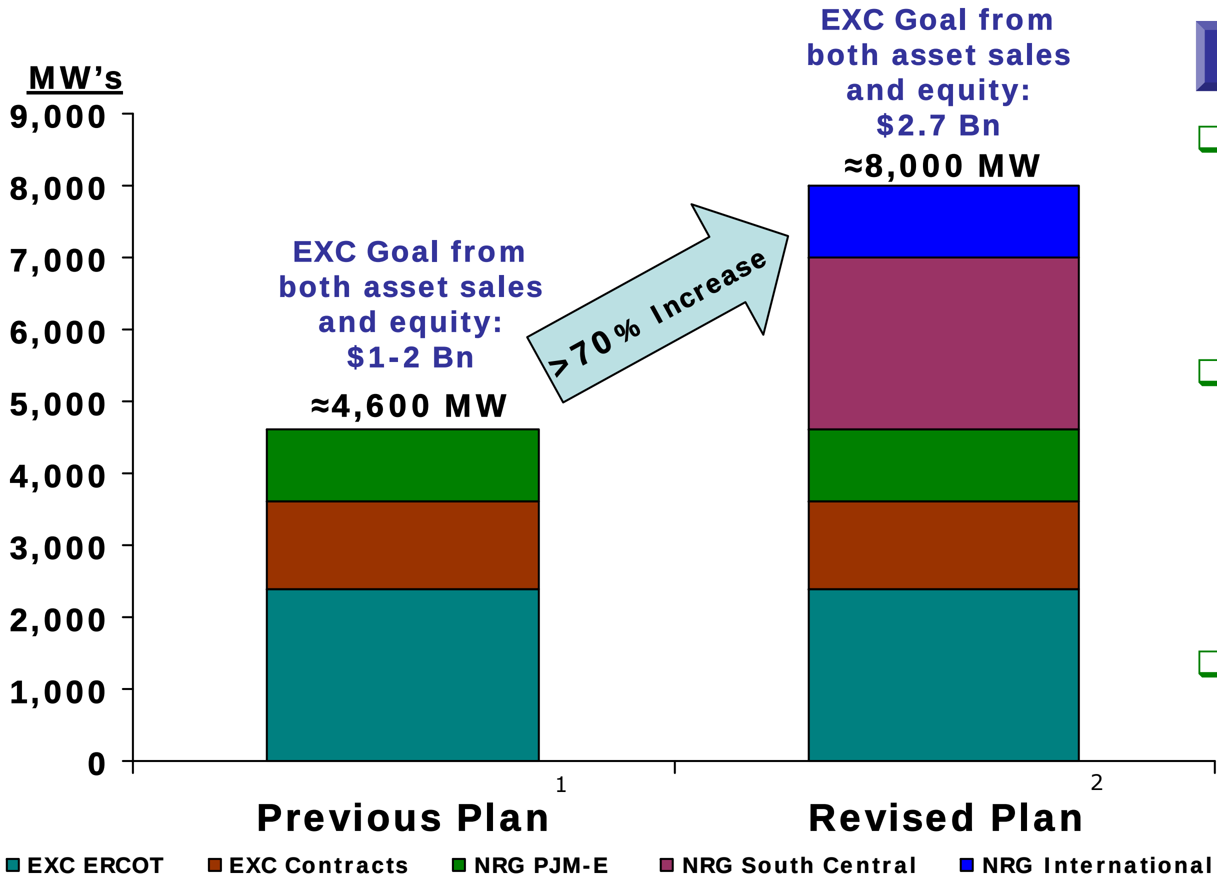
(1) Based on 0.545x exchange ratio and Exelon's 7/1/09 share price of $51.56, 275M NRG shares outstanding.
(2) EXC's announced synergies allocated to NRG per page 10 of EXC's 7/02/09 presentation.
(3) Midpoint of EXC's announced synergies of $3.8BN less $0.6BN announced allocation to NRG less $0.6BN announced transaction fees per page 10 of EXC 7/2/09 presentation.

… A solid rationale for Exelon to pay much more for NRG than 0.545x

C. Combination: Exelon's "Revised" Asset Divestiture Plan

". . . we question whether EXC can achieve an asset divestiture of this scale in these market conditions with these noncore assets"

– Neel Mitra, Simmons & Co. July 7, 2009



1. *Exelon's Amendment No. 4 to Form S-4 filed on May 20, 2009*
2. *Exelon's Amendment No. 4 to Form S-4 filed on May 20, 2009. Additional referenced assets per Exelon's Investor Presentation on July 2,2009. Figures for South Central and International from NRG's 2008 10K Filing.*

The Asset Sale Challenge

- PJM (Indian River, Vienna, Dover)
  - Ongoing environmental matters in Delaware. Significant capex requirement at Indian River
- South Central (Big Cajun, Peakers)
  - Long-term tolling agreements at below market prices
  - Potential obstacles to sell to other incumbents
- International (Gladstone, Schkopau)
  - Not wholly owned assets – partners have effective veto (which they have exercised)

This is Not the Best Market to be a Forced Seller of Assets

Summary

- We believe Exelon's offer, on October 19, 2008, made during the nadir of the financial crisis, grossly undervalued NRG
- Since that time, NRG has created substantial additional shareholder value on an absolute basis and on a comparative (to Exelon) basis, which is not recognized in Exelon's original offer, and has not yet been properly valued in this revised offer
- Over the last 6 years, NRG's Board of Directors, as presently constituted, has been effective in making decisions both about NRG's value-enhancing actions and in giving thorough and reasonable consideration to Exelon's offer

Business Update

II. Midyear Business Update

Operational Performance

- Safety Performance – top quartile YTD
- Texas Baseload Fleet – top decile performance availability and reliability
- *FOR*NRG2.0 2009 Goal – Achieved in June 2009

Commercial Operations

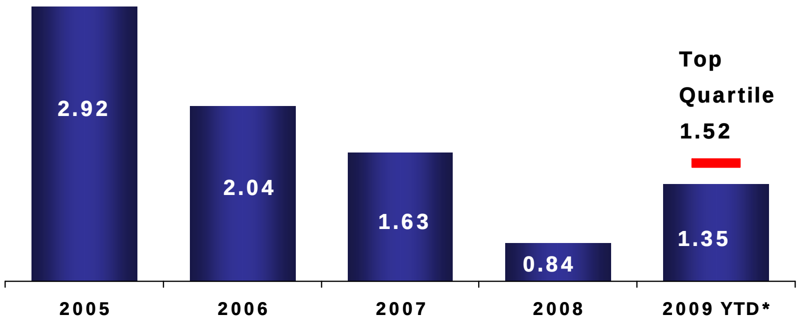
- Integrated Retail Supply into Commercial Operations
- Comprehensive Risk Management framework applied to Retail
- Execution of Hedging including Retail/Wholesale Matching

Financial Outlook

- Adjusted EBITDA Guidance revised upward to $2.5 billion
- Liquidity at June 30, 2009 exceeded $4.0 billion
- Authorized share buyback for 2009 increased to $500 million

A. Operations Update

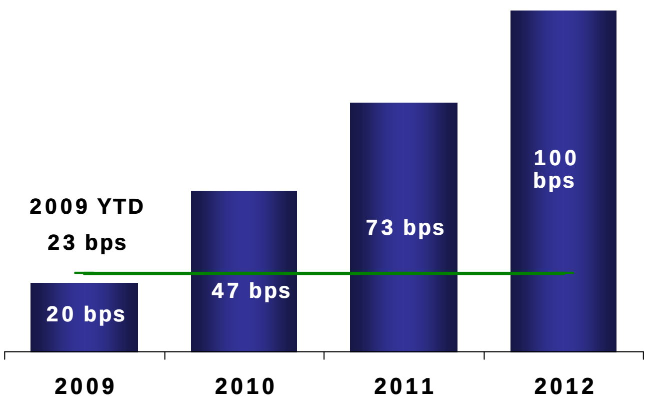
OSHA Recordable Rate - Exceeds Top Quartile



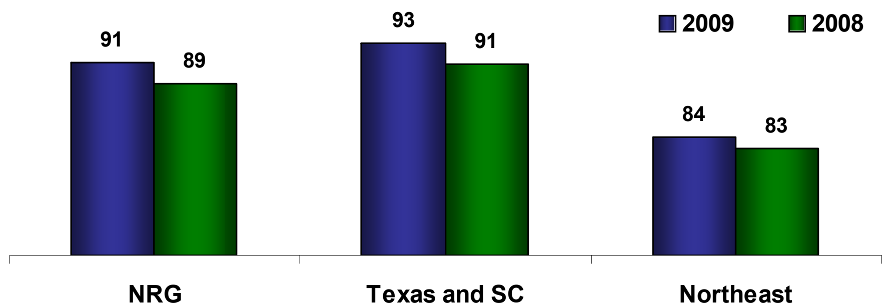
Safety – Continued Strong Performance

- VPP progress at multiple sites
- New company-wide contractor safety policy in effect
- Active senior management involvement in safety

***FOR*NRG 2.0 - 2009 Goal Achieved**



Baseload EAF* – Consistent Improvement



Record Availability and Reliability

- Texas baseload EAF and EFOR at top decile levels
- Nuclear performance: 100% EAF, 0% EFOR
- NRG Coal fleet EFOR improved by 23% vs YTD Q2 in 2008
- Cedar Bayou 4 since June 25: NCF 82.6%, EAF 98.7%

Managing spending in a challenging generating environment

- Reduced major and normal maintenance by $14M through May
- Working with vendors to capture commodity/labor cost reductions in procurement spending

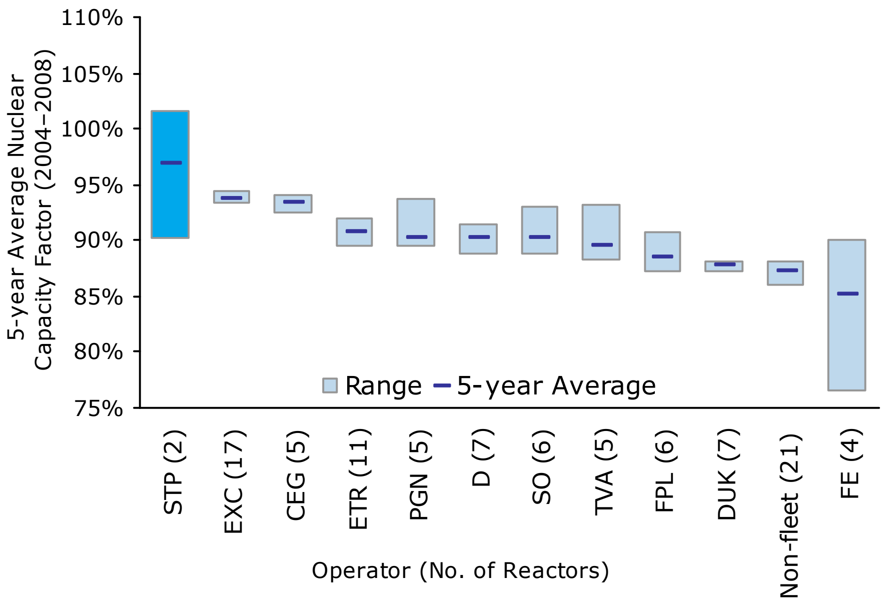
2009 ROIC improvement target of 20 bps surpassed in Q2

- $17M in recurring free cash flow benefits year-to-date
- Reductions in invested capital leads to efficient deployment of cash

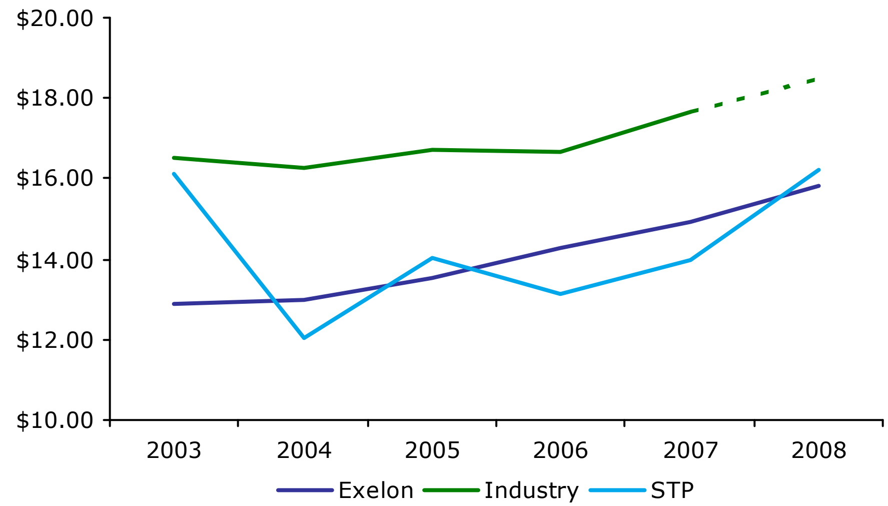
* Preliminary Estimate YTD through June 2009

A. STPNOC STP 1&2 Nuclear Operations vs. Peers

Operational Prowess



Nuclear Annual Avg. Production Cost ($/MWh)



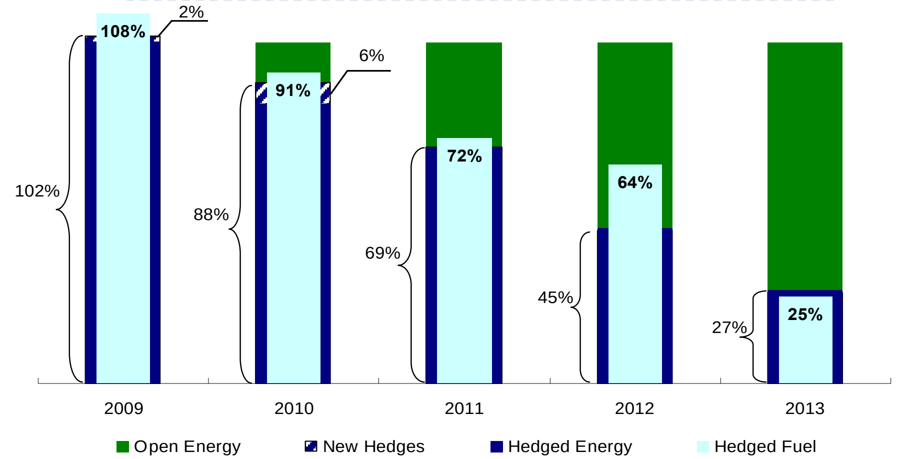
STP 1&2 2009 Highlights

- ✓ Combined Net Capacity Factor 100%
- ✓ Combined generation 11.6 GWh (100%)
  - Top two unit site in the U.S.
- ✓ EFOR of 0%
- ✓ Zero restricted duty accidents

Source: Exelon July 2009 presentation pg. 19 and NRG

B. Managing Commodity Price Risk

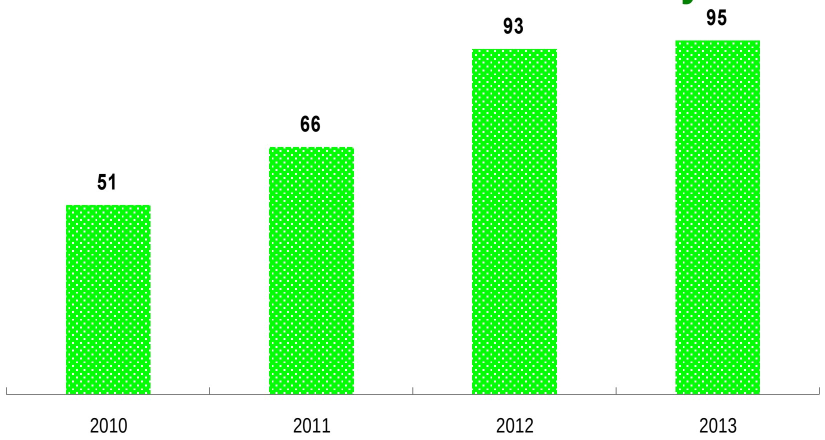
Baseload Hedge Position[1,2]



[1] Portfolio as of 7/01/2009; 2009 values reflect positions from August 09 through December 09 only

[2] "New Hedges" represents hedged positions added since Q1'09 (as of 4/09/2009)

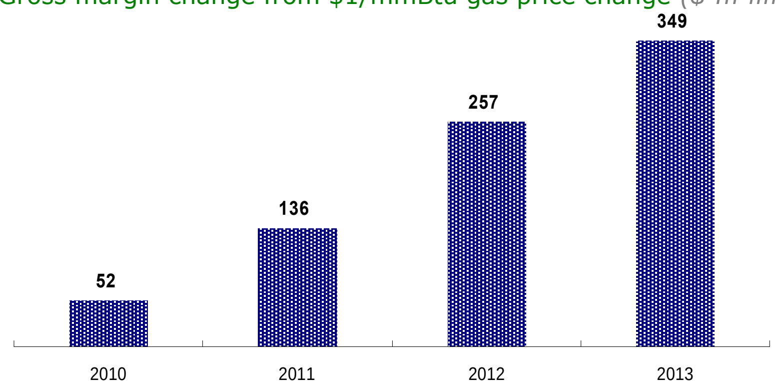
Baseload Heat Rate Sensitivity[4]



[4] $1/mmBtu move in gas is 'equally probable' to 0.25 mmBtu/MWh move in heat rate. Sensitivity was based on portfolio as of 7/01/2009

Baseload Gas Price Sensitivity[3]

Gross margin change from $1/mmBtu gas price change *($ In millions)*



(3) As of 7/1/2009. Baseload gas price and heat rate sensitivity for 2009 is immaterial.

- ✓ Integrated retail supply function into Commercial Operations
- ✓ Matching of generation and load portfolios
- ✓ Added power/gas hedges in 2010

★ Opportunistic and collateral efficient hedging ★

C. Reliant Energy retail Update

Financial Outlook

- ✓ May / June business results exceed $200 million in adjusted EBITDA
- ✓ Adjusted EBITDA May to December 2009 expected to exceed $400M

Business Outlook

- ✓ C&I sales channels restarted and generating profitable growth
- ✓ C&I margins improving
- ✓ Restarted mass sales channels at full force
- ✓ Managing mass business to reduce customer attrition

Integration and Risk Management

- ✓ Leading retail franchise backed by Texas generation assets
- ✓ Skilled retail workforce supported by experienced NRG Com Ops and Risk team
- ✓ Risk management of supply and load integrated
- ✓ NRG liquidity and generation assets facilitates a more balanced book
- ✓ Increased collateral efficiency allows for a more competitive product offering for the sales team

Retail and Wholesale Combination Drives Incremental Value to Texas Portfolio

C. 2009 Guidance

$ in millions		7/8/2009		4/30/2009
Updated Adjusted EBITDA Guidance, excl. MtM	**$**	**2,500**	**$**	**2,175**
Interest Payments		(631)		(566)
Income Tax		(100)		(100)
Anticipated Permanent Retail Collateral		(300)		-
Collateral Payments/working capital/other		(94)		(34)
Cash from Operations	**$**	**1,375**	**$**	**1,475**
Maintenance CapEx		(264)		(262)
Preferred Dividends		(33)		(33)
Anticipated Permanent Retail Collateral		300		-
Free Cash Flow - Recurring Ops	**$**	**1,378**	**$**	**1,180**
Environmental CapEx		(261)		(249)
Reliant Integration Capital		(31)		-
Repowering NRG:				
Gross Investments		(447)		(471)
Estimated Project Funding		290		317
Total, Net of Project Funding	$	(157)	$	(154)

Note: Adjusted EBITDA Guidance excludes Exelon defense costs and Reliant retail transaction and integration expenses

Recurring Free Cash Flow Yield

23%

Note: Cash Flow Yield based on common stock share price of $22.08 as of July 7, 2009

Recurring Free Cash Flow Per Share

$5.13

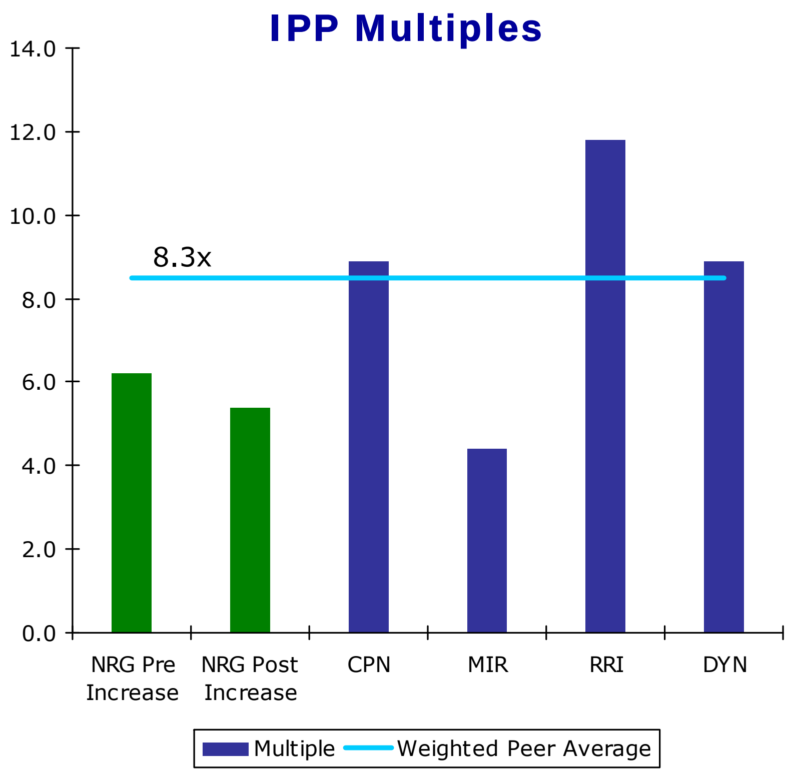
Note: Calculated by adding back preferred dividends and dividing by the weighted average number of common diluted shares of 275 million

Record Financial Performance in 2009

C. Financial Summary: First Half of 2009

- ☑ Adjusted EBITDA Guidance increased to $2.5 billion
  - ✓ Over $200 million of EBITDA generated from Reliant Energy retail in first two months
  - ✓ Hedging program insulates Wholesale business
- ☑ Liquidity Increased $1.0 billion to more than $4.0 billion
  - ✓ Bond proceeds of $678 million
  - ✓ MIBRAG proceeds of $258 million
  - ✓ Funded Reliant Acquisition
- ☑ Capital Allocation Plan Expanded
  - ✓ Board authorized additional $170 million of share repurchases during 2009
  - ✓ Total 2009 Share Repurchase Plan = $500 million

C. 2009E IPP EBITDA Multiples



	NRG Pre Increase	NRG Post Increase	Weighted Peer Average
2009E EBITDA[1]	$2,175	$2,500	$1,131
Enterprise Value[2]	$13,109	$13,109	$9,315
EBITDA Multiple	6.0x	5.2x	8.3x

	NRG Old Multiple	NRG Sell-Side Implied Multiple[3]	NRG Peer Multiple
2009E NRG EBITDA		$2,500	
Multiple	6.0x	7.2x	8.3x
Aggregate Value	$15,000	$18,000	$20,750
Calculated Equity Value	$7,983	$10,983	$13,733
Implied Share Price	$28.93	$39.81	$49.78

- ✓ *"Exelon acknowledges that the value of NRG has increased through the acquisition of Reliant's retail business, though downplays the benefit,"* Angie Storozynski of Macquarie Research, 7/2/09
- ✓ *"Jefferies believes that on a stand-alone basis there is a valuation gap between NRG and other merchant generators,"* Paul Fremont of Jefferies & Co., 7/2/09

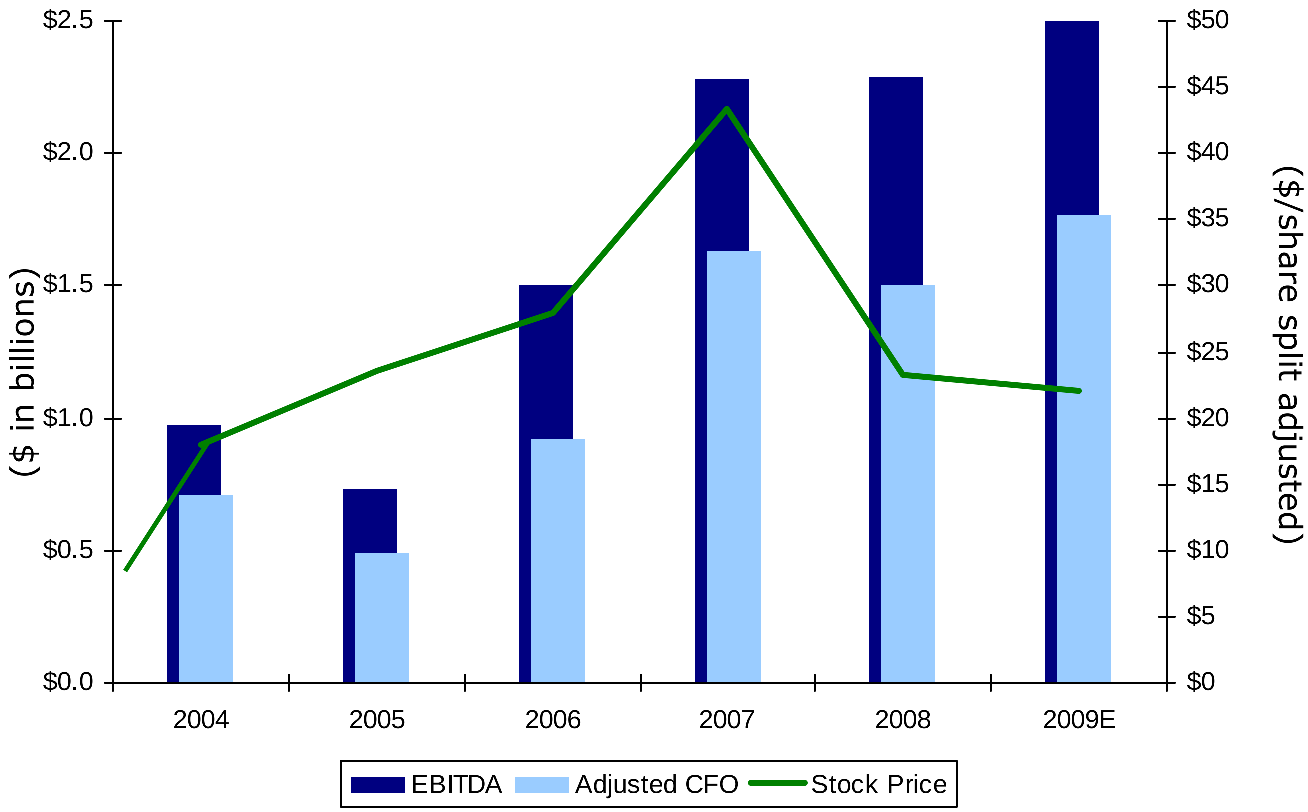
(1) EBITDA estimate source FactSet; (2) Enterprise Value calculated using 7/7/09 closing stock prices; (3) Implied multiple is calculated using an average of 6 research analysts' price targets to determine NRG's Enterprise Value divided by the 2009 EBITDA estimates

As a result of the increased guidance, NRG's EBITDA multiple is further disconnected from other IPPs

Closing Remarks

NRG: A Track Record of Growth and Financial Success

Financial Performance Focused on Cash Generation …



Recurring Free Cash Flow Yield

23%

Note: Cash Flow Yield based on common stock share price of $22.08 as of July 7, 2009

… with substantial benefits realized by shareholders until the market dislocation last Fall

Notes: Adjusted CFO excludes collateral movements, working capital movements and include discontinued operations; 2006 adjusted for the hedge reset. Yearly stock prices represent year-end prices, 2009 closing stock price of $22.08 on 7/7/09.

At NRG, growth is accompanied by delivery in financial performance

APPENDIX

Waxman-Markey Summary and Implications

Waxman-Markey Summary

- Passed in the House of Representatives on June 26th by a vote of 219-212
- Emissions targets of 2005 base are 97% by 2012, 83% by 2020, 58% by 2030 and 17% by 2050
- Allocations:
  - Formula allocates about 40% of historical emissions to merchant coal in first year
  - Declines to 30% by 2025 and 0% by 2030
  - *Allocations are based on each year's actual emissions* (see below for implications for EXC)
- Massive support for low-carbon development (including new nuclear)
- 20% national renewable energy standard (RES) by 2025
- EPA estimates $13 / metric ton initial allowance price -- ~$10 less than expectations last year

Impact on NRG (existing portfolio)

- Provides near-neutral impact in early years and slight negative towards end of next decade
- Meaningful impact in post 2025... however, NINA projects and other low/no carbon development capable of fully offsetting
- Bill's support for low-carbon development (including nuclear and coal with CCS) allows NRG to decarbonize faster
- RES impact is already largely felt in Texas and heat rates have already compensated for expected renewables plus transmission

Impact on Exelon

- In W-M – unlike in previous bills – merchant coal plants receive annual allocations tied to their emissions in that year, rather than a fixed base period's emissions
  - Analysts and EXC themselves agree that this will lead coal plants to include only the 60% of their allowance costs for which they do not receive allocations in their wholesale market bids
  - Implies about a 25 -35%[1] reduction in carbon uplift for EXC, due to the high % of time EXC plants face power prices set by coal "on the margin"
- Strong renewable energy standard would likely bring significant wind generation from high quality wind resources in the Dakotas to EXC's Illinois region
- This will likely suppress heat rates and nuclear revenues further, due to historical lack of meaningful state RPS

*1. In a 70% coal on margin region, uplift without this provision would be expected to be: (1MT/MWH * 70%) + (0.5MT/MWH* 30%) =* ***.85***
*With this provision, uplift would be (0.6 MT/MWH * 70%) + (0.5MT/MWH * 30%) =* ***.57;*** *See Bernstein, 5/22/09*

House Bill was more favorable to NRG's and less of a benefit to Exelon's standalone prospects

Will Waxman-Markey Pass in the Senate?

"Rowe's assessment of the likelihood of passage was...less than a 50/50 chance of passage by the Senate"
- Sanford Bernstein 6/10/2009

Arguments for Passage in Senate

- Momentum from passage by the House
- Strong support from President Obama, who has started actively campaigning for passage
- Support from Senate leadership

Arguments Against Passage in Senate

- Votes not near there yet: according to *Energy and Environment Daily*, there are currently 35 "yes" votes and 10 "probably yes" votes of the needed 60
- Republicans see this as a major campaign issue in 2010, and are likely to close ranks
- Senate dynamics are more challenging than House: about ¼ of "yes" votes in House were from New York and California
- Of the 60 Democrats, many come from states with pressure to vote "no" (see chart on right)
- If passed, will likely be more "moderate" than House, eg. further downward pressure on price, more $ for nuclear and other low/no carbon resources

Pressure On Democrats to Defect on Climate Change Bill

No Pressure	Slight Pressure	Moderate Pressure	Significant Pressure
Akaka	Baucus*	Brown	Bayh
Bingaman	Begich*	Casey	Byrd
Cantwell	Bennet	Hagan	Conrad
Cardin	Boxer	Specter	Dorgan
Carper	Burris	Warner	Johnson
Dodd	Durbin	Webb	Landrieu
Feingold	Feinstein		Lincoln
Harkin	Gillibrand		Pryor
Inouye	McCaskill		Rockefeller
Kaufman	Merkley		
Kennedy	Nelson - FL		
Kerry	Nelson - NE*		
Klobuchar	Schumer		
Kohl	Tester*		
Lautenberg	Udall - CO		
Leahy	Wyden		
Levin			
Lieberman			
Menendez			
Mikulski			
Murray			
Reed			
Reid			
Sanders			
Shaheen			
Stabenow			
Udall - NM			
Whitehouse			

Significant pressure = from states where W-M lost in House (among majority of reps) and where all or most Democrats voted "no"

Moderate pressure = from state where W-M lost in House and where at least one Democrat defected

Slight pressure with asterix = from States with no House democrats

From Real Clear Politics 6/29/2009: "Climate Bill Faces Long Odds in Senate"

Passage in the Senate is in no way certain – NRG believes it's 50/50 at best

Multiple Risks to Exelon's Carbon Value Proposition

❖ **Exelon shows attractive carbon upside to shareholders …**

❖ **… but their scenarios don't consider a broad enough set of outcomes**
- Carbon bill passage is not a given
- If passed, it will include a renewable standard, bringing wind from Dakotas into Chicago
- If not passed, there will still likely be a renewable standard (see current Senate energy bill)
- Year-to-year updating of allocations to merchant coal lowers carbon uplift
- EPA price scenarios much lower than what Exelon portrays
- And..

❖ **…Even if Exelon gets carbon windfall, will regulators let them keep it?**
- Carbon increases regulator concern over high Exelon earnings even as consumers pay higher prices due to carbon, RES and new transmission
- Risk of clawback increases as carbon prices increase

❖ **What could regulators do?**
- Re-regulate affiliated generation used to serve hybrid utilities' LDCs
- Negotiate a long-term contract that "splits the difference" between re-regulation and market
- Propose a windfall profits tax or other mechanism to "claw back" carbon (and PJM energy/capacity market) uplift
- *Current state budget problems make these scenarios more likely*

Even if legislation becomes a reality, there is no certainty in Exelon's ability to realize significant economic benefits

NRG Path for Cost Certainty on New Nuclear

NINA

NRG

What Exelon Said[(1)]

Nuclear new build estimates— Overnight $/kW[1]

FPL	$3,170-$4,630/kW
Progress (Levy County)	$4,345/kW
Brattle Group	$4,038/kW
Exelon (Victoria County)	$4,148/kW
U.S. Consensus	**$4,000-4,500/kW**

VS.

NRG	$3,200/kW[2]

Sources: NEI Whitepaper "The Cost of New Generating Capacity in Perspective" February 2009, Brattle Group IRP for Connecticut - January 2008 , NRG 6/4/09 Presentation at Macquarie Global Infrastructure Conference

1. Amounts shown in 2008$, assuming 2% inflation over 2007$ for FPL and Progress. Exelon estimate includes initial fuel load cost.
2. NRG Investor Presentation, June 17, 2009

Main EXC Misunderstanding on NRG Nuclear

Exelon's examples cited for comparison of overnight costs are **not comparable** to NRG estimate

- All projects are First of a Kind Engineering with unproven records of construction or operation vs that of NRG's ABWR technology that has been completed in Japan built 4x on time and on budget
- At least 2 of the 4 sites are Greenfield which have significant infrastructure costs vs that of NRG's Brownfield site which has been designed and carries infrastructure for 2 additional units

(1) From Exelon July 2009 presentation, pg. 26

NRG has leading position for nuclear for minimal capital at risk due to: 1) pre-certified and fully engineered design; 2) selection by DOE as one of four for loan guaranty; 3) support funding for "strategic industry" from Japanese government due to strategic Japanese partnerships; and 4) EPC fixed price turnkey contract

Exelon Nuclear Uprates vs. NRG's Advanced Nuclear Project (STP 3&4)

	Exelon Uprates[1]	NRG STP 3&4
Peak New MWs	1,326	1,080
MW Years (MWs available each year times number of years)	35,026	66,420
Overnight Cost ($M)	$3,500 (100%)	$4,000 (40%)
Average Cost per kw ($)	$2,600	$3,700
Cost per KW Year ($)	**$99**	**$60**
Recourse Capital ($M)	$3,500	$600[2]
Recourse Capital per kw ($)	**$2,600**	**$550**
Recourse Capital per kw Year	**$99**	**$9**

Source: Exelon Corporation SEC filings and NRG estimates.
(1) Total uprates presented reflects Exelon's share of uprates in case of units jointly owned by others.
(2) Based on $1.2 bn total equity required for 60% of STP 3&4 with $300 MM of equity coming from both Toshiba and New Partner.

Getting More "Bang-for-the Buck"
STP 3&4 has far less recourse capital at risk, and substantially more years of operations at full capacity

Creating Cost Certainty – Overnight Reference

- Significant risk mitigation by selecting ABWR technology which has been built four times
  - Provides history of full engineering and nearly all quantities required for construction are known
- NRG will have a closed book, fixed price contract at financial closing, at which point escalation risk will cease
- Similarly, NRG intends to hedge its foreign exchange exposure as it makes its financial commitments

Relative Cost Comparison	ABWR Cost ($ / kw)		FPL Midpoint ($ / kw)
Base Cost (including G&A, Fee and Contingency)			
U.S. Sourced Quantities	$470		
Foreign Sourced Quantities	$770		
Site and Structural Improvements	$340		
Labor	$1,320		
Total EPC Cost	**$2,900**		**$3,013**
Owner's Cost (Excluding IDC)	$300		$592
Total Cost Excluding IDC	**$3,200**		**$3,605**
Transmission Cost	$0		$220
Total Cost Including Transmission	**$3,200**		**$3,825**
Risks	**Low**	**High**	
Cost Escalation Provided by FPL (through 2020)			$2,680
Potential Cost Variance for NRG[1]	($335)	$470	
Price Range (before IDC)	**$2,865**	**$3,670**	**$6,505**

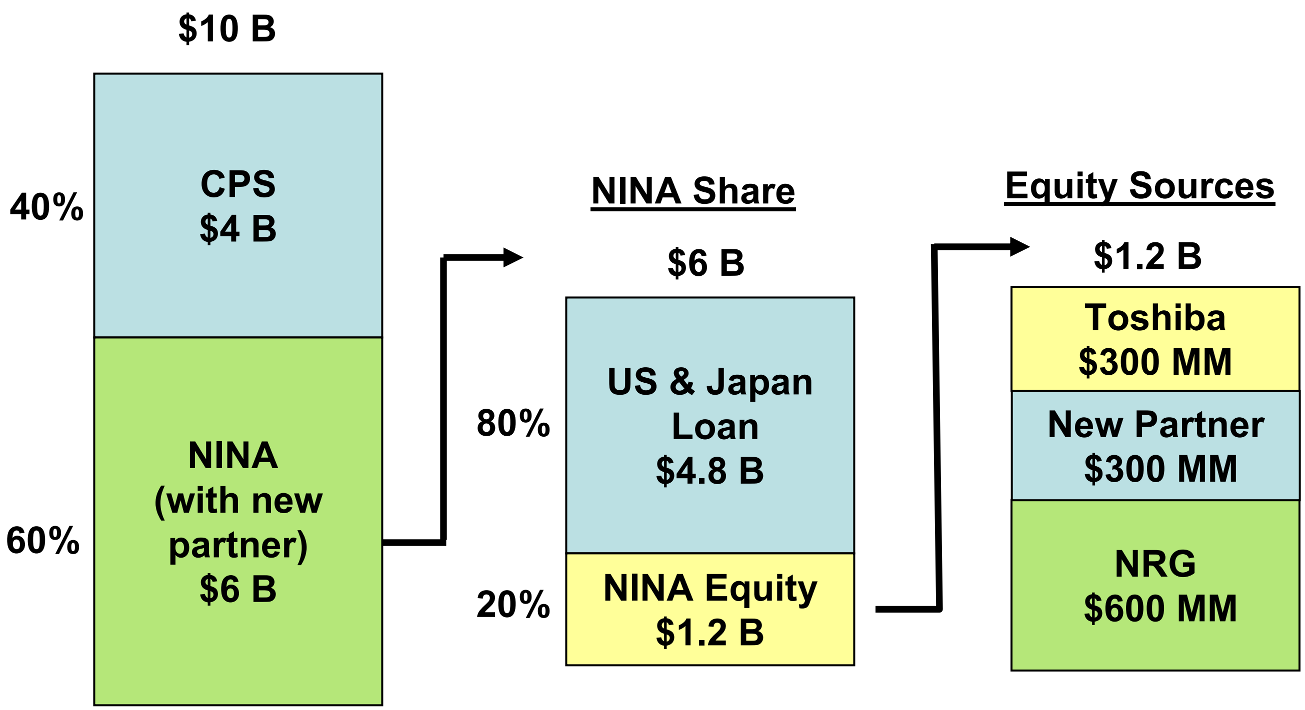
Source: NRG estimates and Nucleonics Week dated 2/21/08

[1] Variance includes labor productivity, material price escalation until finance close and foreign exchange currency risk until hedged

NRG's choice of ABWR, with a fixed price contract, creates significantly more price certainty than other developers

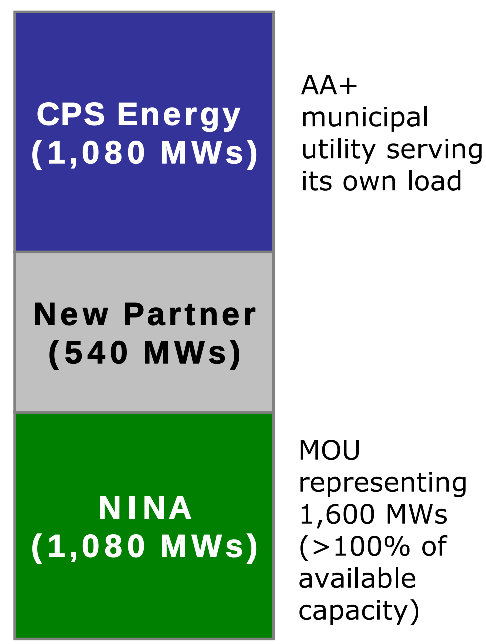
The Right Way to Develop Nuclear is OFF the Balance Sheet, Not ON it

Representative Project Cost and Sources of Funds (1)



(1) Excludes $500 million non-recourse facility from Toshiba for long lead materials

The Right Strategy: Offtake Certainty



- Mix of industrials and load serving entities
- Average credit rating is single-A
- Several additional counterparties have also shown interest in capacity

Maximize economic value for shareholders with minimum capital at risk

EPC Contract Executed

- EPC Contract executed by all parties on February 24, 2009
- Key features include:
  - Open book period followed by Fixed Price Turnkey construction period
  - Contractual terms substantially the same as large fossil project
  - Subcontract between Fluor and Toshiba completed
- Other benefits upon execution
  - Triggers $500mm long lead material credit facility
  - Triggers two additional EPC contracts with the same terms
- Other milestones
  - Dec 2009 - Confirm guaranteed construction period (FNTP to Substantial Completion)
  - Dec 2009 - Determine Guaranteed Net Output
  - Dec 2010 - Engineering ~85% complete

STP 3&4's EPC contract sets the standard for risk sharing between project developers and vendors

Nuclear Supply Chain

The lack of a mature supply chain in the US and limited capacity of supply globally for critical components is a significant challenge for most new nuclear technologies, except the ABWR

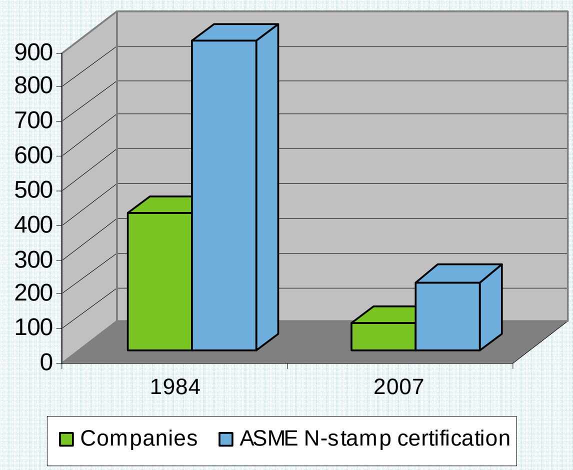
The Global supply chain for critical components has limited capacity. In the US a limited number of suppliers are certified to supply new plants

Non-US Sourced

- Digital I&C
- NSSS Components
  - Reactor Pressure Vessel
  - Steam Generators
  - Reactor coolant pumps
- Turbine Generator
  - Shaft Forgings
- Plant Simulator

US Sourced

- Large-bore (>12in) seamless alloy steel pipe
- ASME N-stamp pumps and valves



TOSHIBA

Manufactures in owned facilities:

- I&C
- Reactor Pressure Vessel (RPV) Internals
- Steam Generators
- Reactor coolant pumps
- Turbine Generator
- Plant Simulator

With its long standing partner IHI

- Reactor Pressure Vessels

Toshiba investment in JSW's expansion

- Steam Turbine and RPV Ultra-Heavy forgings (sole source globally)

The ABWR is the only new nuclear technology that benefits from an existing supply chain

Labor – Quality and Availability

Training and Recruiting

- Increase in refining, petrochemical, and power projects has catalyzed recruitment and vocational training initiatives
- STPNOC, partnered with training schools, has initiated nuclear specific training programs

Location

- Texas projects are “open shop” which have proven to have higher productivity (2x’s NE) and lower cost
  - Gulf Coast productivity is maintaining its typical high rate
- Fluor is one of the largest big project constructors on Gulf Coast with significant experience in modularization
  - Combination of Toshiba and Fluor capabilities in modularization will ensure smooth transfer of knowledge of Japanese nuclear modularization techniques
- Location of STP 3&4 (1.5 hours from Houston) is ideal for attracting craft labor

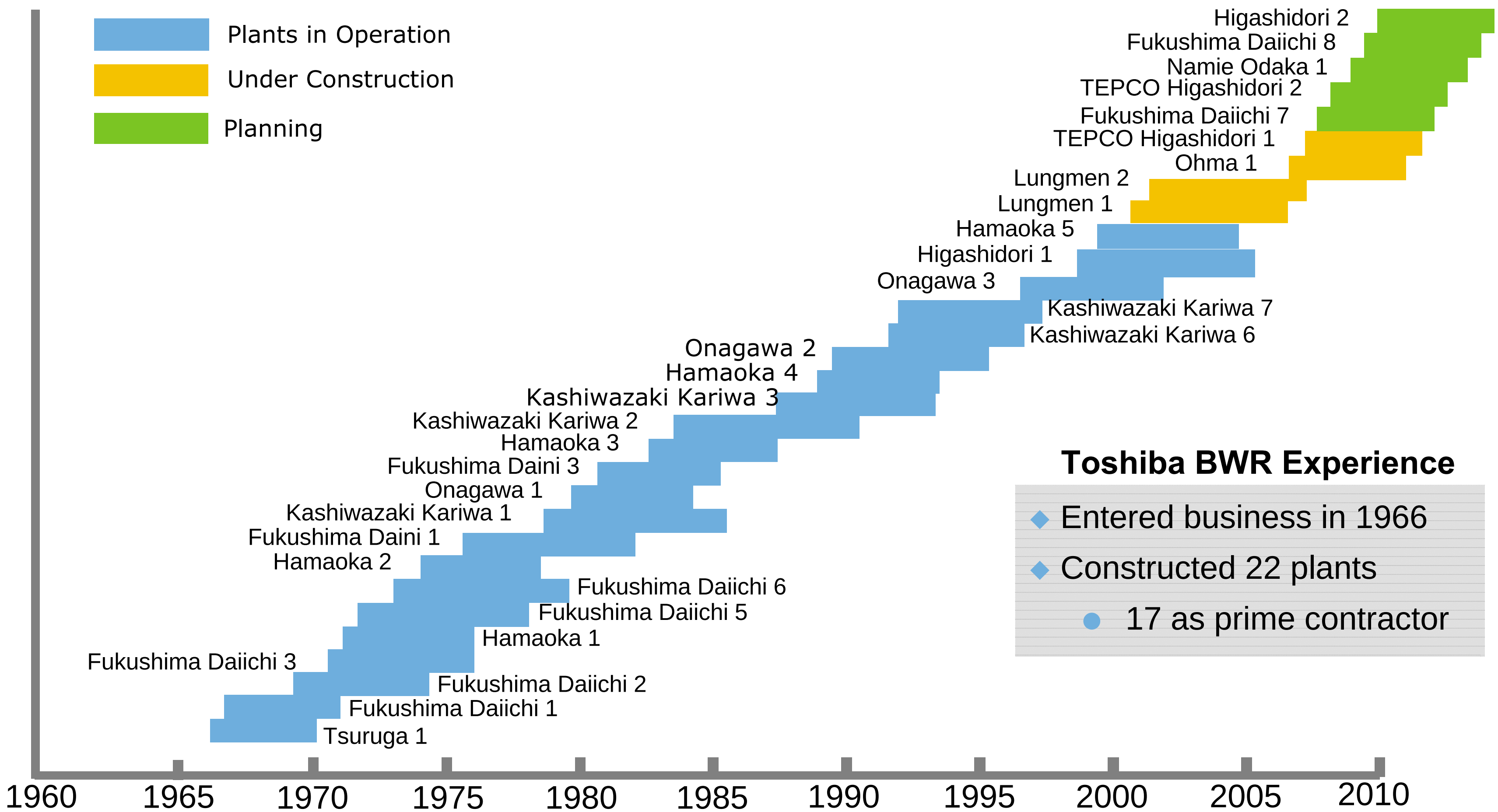
Timing

- STP 3&4 will be ramping up craft in 2011/2012 as trained craft are rolling off Gulf Coast projects
  - Texas coal project under construction: Luminant Oak Grove, LMS Sandy Creek, CPS- Spruce Project
  - Large oil & gas projects: 20+ million hour Chevron Pascagoula and Motiva Texas City, other

Productivity

- Productivity will be set as part of the fixed price under the EPC Contract
  - Minor exception for nuclear island productivity: 2-3% sensitivity to capital costs

Toshiba's BWR and ABWR Experience



Toshiba BWR Experience

- Entered business in 1966
- Constructed 22 plants
  - 17 as prime contractor

Toshiba, as prime contractor on 17 BWRs, including two ABWRs, has built the most BWR plants in the world and built the ABWRs in the shortest period of time

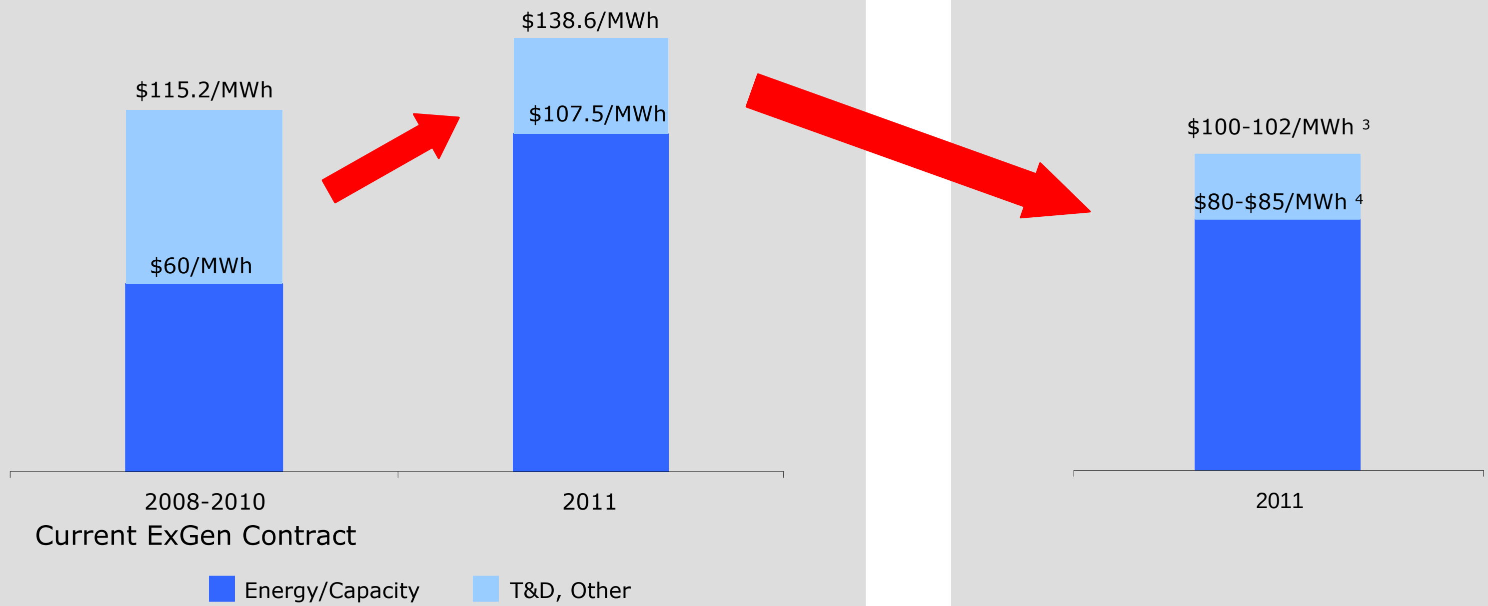
STPNOC: Industry Leader

- Productivity
  - Top decile marginal cost per EUCG
  - Low Fuel cost
  - One of the lowest reported production cost (1.35¢/kwh)
  - Highest producing two-unit nuclear plant (out of 33) three years in a row
  - Highest producing single unit in 2006 (unit 2)
- Safety
  - The only U.S. plant with three safety trains per unit
  - Strenuous and continuous training program
  - Exposure limits twice as strict as required
- Security
  - Design, strength of structures
  - Multiple layers, types of defenses
  - Upgrades since 9/11
- Innovation
  - In cooperation with NRC, piloted risk analysis of plant components
  - Piloted post-9/11 security requirements
  - Two Best of The Best Awards—Only repeat-winner plant
  - Six Top Industry Practice Awards—Most for any plant

STPNOC is a top nuclear power operator with a performance record equal to top fleet operators

Analyzing Key Exelon "Growth" Driver(1)

Exelon's "prediction"[2] of average PECO Rates | **What actually happened…really**



Exelon provided "illustrative" guidance on PECO energy & capacity rates increasing to $107.50 / MWH in 2011 based on PPL's auction results(1)

1. Exelon February investor presentation, page 9
2. Exelon EEI Conference November 2008 page 73. Exelon estimate on energy and capacity
3. Exelon Press release. ExGen winning offers. 6/17/09.
4. NRG estimates for energy and capacity

PECO roll off uplift has not lived up to November expectation

RPM Capacity Auction results in PJM: "norm" for RTO?

- RPM Capacity auction results for 2012/2013 implies a $280mm or $2.18/share negative impact on Exelon's capacity gross margin[1]
  - Locational price signal sent to incentivize new generation where needed. Higher cleared prices in PJM East, lower in PJM West.
  - RTO clears as the lowest priced zone, as it has been four out of six times in PJM base residual auctions.

Exelon View

"The results of the recent RPM capacity auction are not anticipated to reflect a new 'norm' due to an anticipated market response to low clearing prices and rule changes for demand response bidding"

Exelon Investor Presentation, July 2009 Pg. 41

Street View

"Demand response was NOT the primary cause of the price decline in RTO"

"Next year we expect persistency of high prices in PJM East and low prices in PJM West"

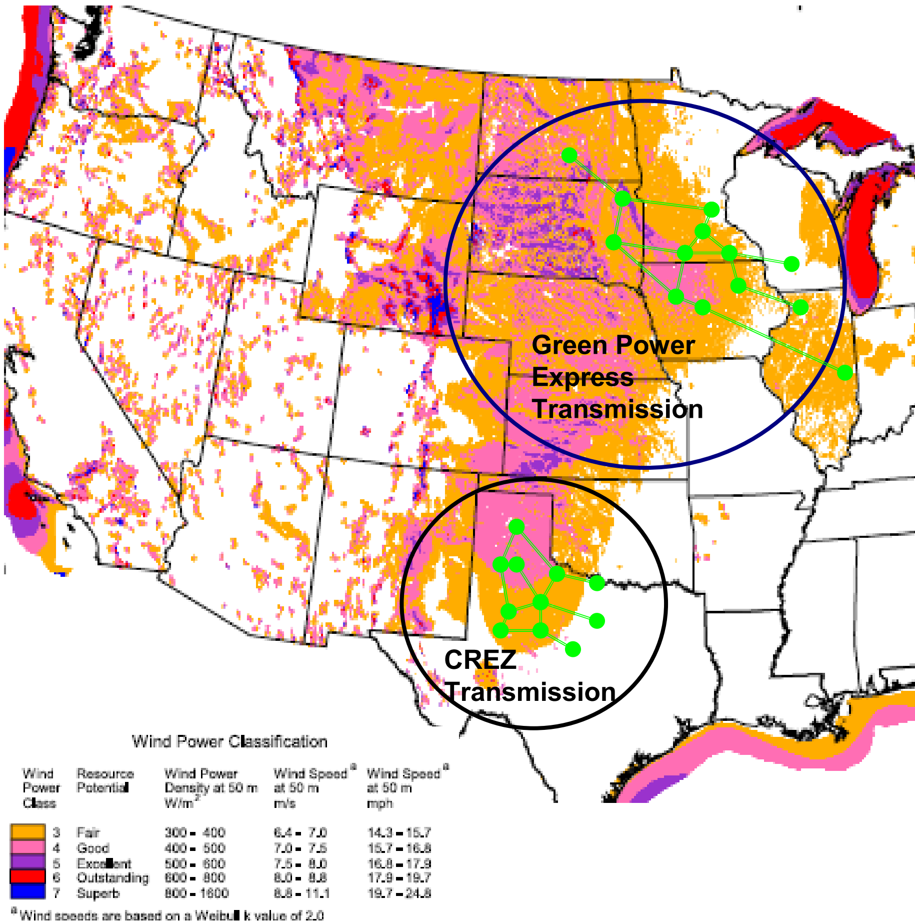
"Several generators now argue to investors that upcoming PJM straw proposals will "correct" the situation…We believe many analysts and generators do not fully understand why the RTO price was so low, and view demand response the primary reason for the decline…we disagree."

-- Brian Chin, Citigroup June 28, 2009

[1] Unforced Capacity MW from Exelon July 2009 Investor presentation (pg. 41), adjusted by pool wide EFORd of 6.44% for 2012/2013 and 6.21% for 2011/2012 per PJM auction report. Capacity clearing prices per PJM RPM auction results. Share price impact based on 7.9x market implied EV/EBITDA multiple (based on 10/17/08 enterprise value and Wall Street EBITDA estimates) and 8% discount rate based on average of Wall Street estimates

We believe prices will be lower in PJM West and higher in PJM East

Federal Renewable Standards could require 80-100 GW of renewable generation in the Midwest and PJM regions



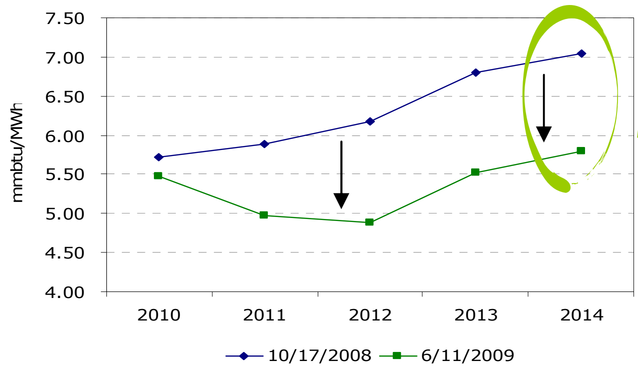
Exelon Comments	NRG Perspective
Federal Renewable Energy Standards (RES) will result in incremental wind build in Texas to support REC purchases in other markets	• PJM/MISO could require 80-100[1] GW of new wind generation to meet PJM/MISO state compliance requirements (IL 25% by 2025; PA 20% by 2020; MN 25% by 2025). • It is unrealistic to assume ERCOT will provide all RECS required in MISO/PJM given the size of CREZ and current renewable penetration in Texas.
<u>ERCOT Wind</u>: Wind and transmission build-out to meet federal RPS confined to Texas.	▪ CREZ proposes 18 GW of transmission resources. ▪ A full wind build-out in ERCOT alone cannot meet required US Federal compliance targets ▪ Current wind penetration already high in Texas and market impact already observed
<u>Upper Midwest Wind</u>: Dependent on not yet approved transmission buildout and price will be spread over a broader area.	▪ Conditional FERC approval reached by Green Power Express project allowing interconnection of 12 GW of wind power into Midwest ▪ 100+GW in PJM/MISO interconnection queue ▪ Midwest Class 5+ wind resources to produce more REC's per dollar of wind investment ▪ PJM and MISO are far from meeting RPS compliance requirements; Only 2% of average demand - just beginning to see market impact
<u>Mid-Atlantic Wind:</u> Limited wind resources – REC's purchased from other areas	▪ Sourcing to come primarily from Midwest wind interconnecting into Mid-Atlantic via large PJM transmission backbone projects like PATH, TRAIL, etc.

[1]2008 PJM and MISO demand grown at 1%/year to 1350 TWh/year, 20% RES requirement = 270 TWh of REC volume to meet 20% RPS requirement; To meet 270 tWh need 90 GW of wind turbines @ 35% capacity factor (90 GW*35 %*8760 hours/year=270 TWh/year)

Federal RES is so big that it will require development of our the best wind resources in the Midwest to comply

EXC Markets: Exelon Gross Margin Appears to be Under Severe Pressure

Heat Rate Impact



Exelon appears to be forward hedging into sharply declining heat rate market

Gross Margin and Terminal Value Impact(1) on Share Price

($1,090M)(2)

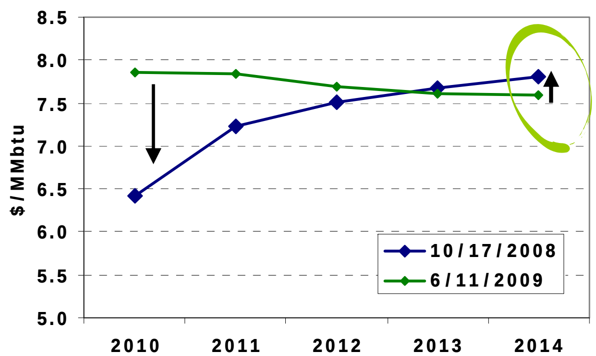
$236M(3)

($282M)(4)

Decrease to EXC Share Price(1)

($8.80)/share

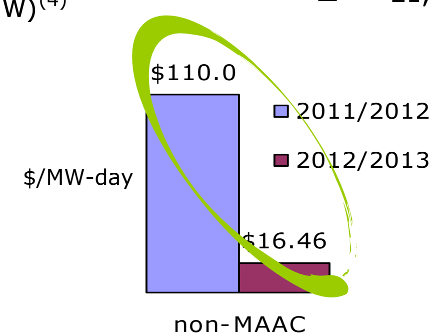
Natural Gas Impact



Increasing long-term natural gas prices. 2014 Henry Hub up $0.20

Capacity Auction Impact

Exelon Unforced Capacity, UCAP (MW)(4) = 21,700

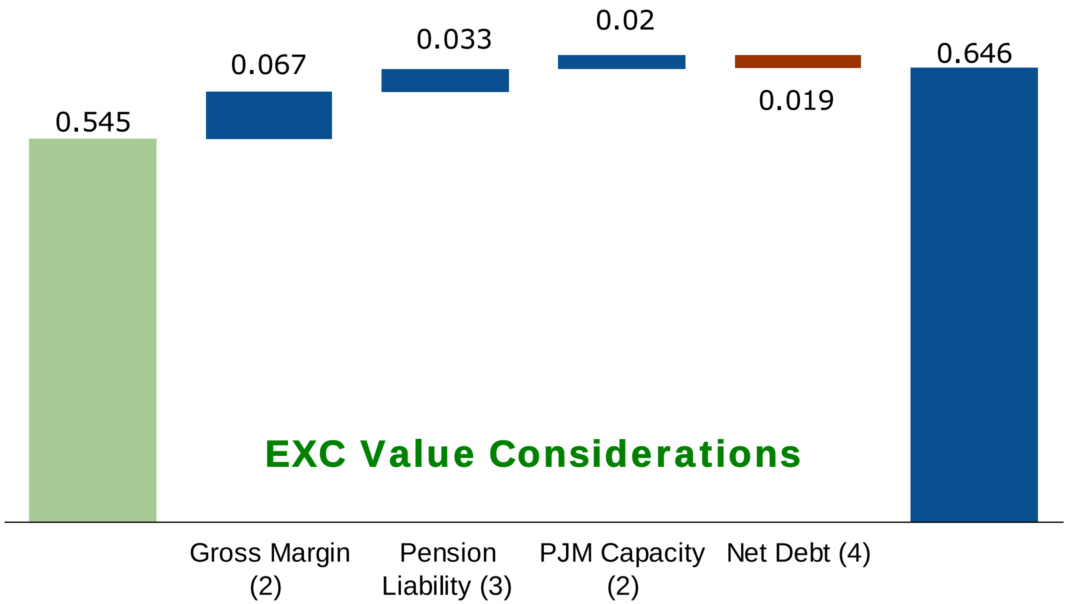


(1) Assumes 2014 terminal year using 6/11/09 curve. Share price impact based on 7.9x market implied EV/EBITDA multiple and 8% discount rate; (2) Heat Rate sensitivity : (0.93) mmbtu/mwh weighted average implied market Heat Rate change (10/17/08-6/11/09) * $7.80 mmbtu 6/11/09 NYMEX NG price * 150 Twh's per Exelon Fact Book = $(1,090)MM; (3) Gas Sensitivity: $0.20/mmbtu change in natural gas * 7.88 mmbtu/mwh 10/17/08 Weighted average implied market Heat Rate * 150 Twh's = $236MM; (4) Unforced Capacity MW (non-MAAC, MAAC, EMAAC) from Exelon 3/10/2009 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. Capacity clearing prices per PJM RPM auction results.

EXC seeks to offset its weakening market prospects through NRG's portfolio at an inadequate price

Negative Impact of Market and Portfolio Changes on Exchange Ratio– Exelon Gross Margin Impacts

Implied Changes in Exchange Ratio[1]



Market and other changes affecting Exelon since 10/17/08 would imply a 19% increase in the Exchange Offer ratio

Source: NRG analysis, based on Exelon disclosure before and after 10/17/08.

Notes: (1) Represents selected factors that impact the Exchange Ratio for illustrative purposes and is not representative of all factors that could impact the Exchange Ratio offer. The exchange ratios are not indicative, nor are they meant to imply, an exchange ratio that the NRG Board would accept or reject

(2) Assumes 8% discount rate (average of Wall Street analyst estimates) and 7.9x market implied EV/EBITDA multiple (based on 10/17/08 enterprise value and Wall Street EBITDA estimates)

(3) Exelon's net Pension and OPEB liability increased by $3,791 million from $2,472 million from Exelon's 9/30/08 10Q to $6,309 million from the 3/31/09 10Q

(4) Exelon's net debt decreased by $1.5 billion, caused by an increase in debt of $500mm and cash increase of $2.0 billion from the difference between the 9/30/08 10Q and 3/31/09 10Q

NRG