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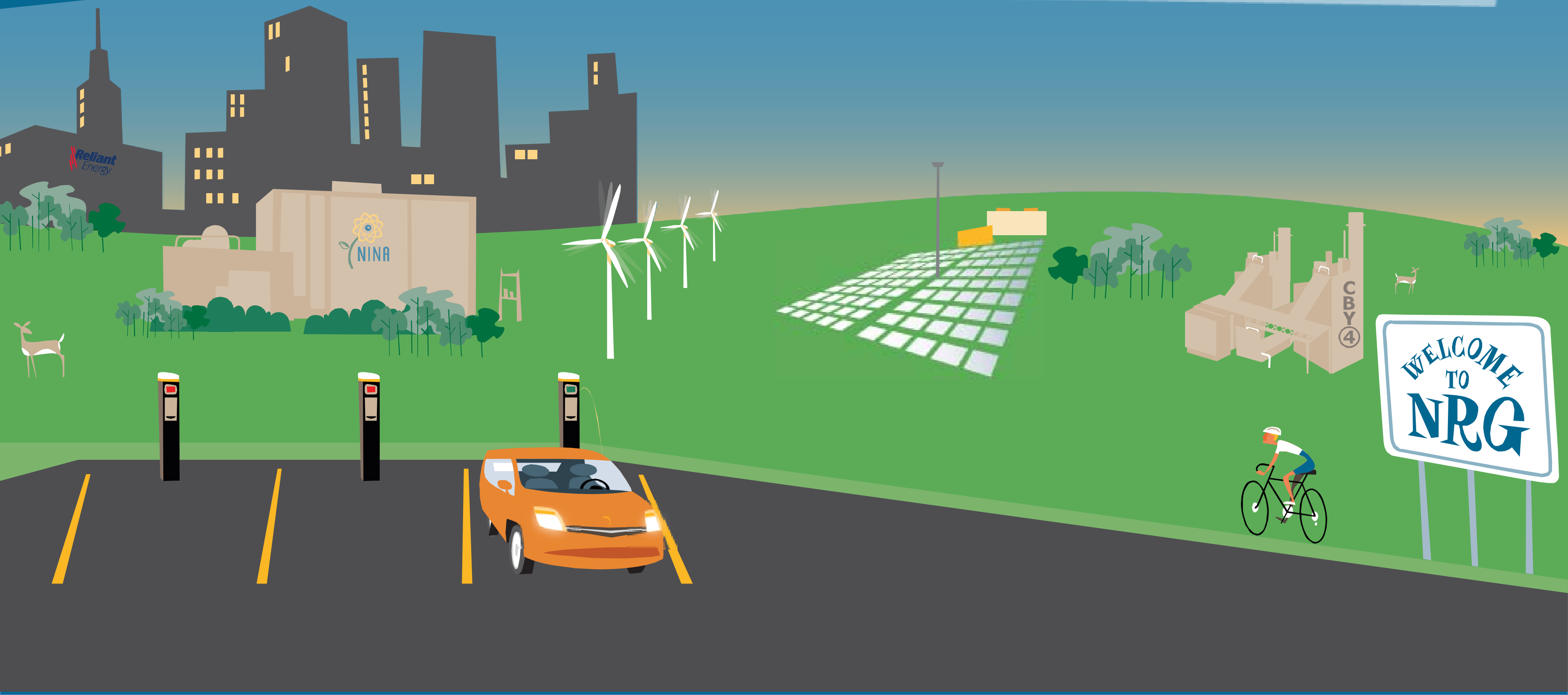

Reg G: 2009 Free Cash Flow – Recurring Operations

$ in millions	**2009**
Adjusted EBITDA, excl. MtM	**$ 2,618**
Interest Payments - cash	(623)
Income Tax - cash	(47)
Collateral	127
Working Capital/Other assets & liabilities	(213)
Adjusted Cash from Operations	**$ 1,862**
Maintenance CapEx	(250)
Preferred Dividends	(33)
Free Cash Flow - Recurring Operations	**$ 1,579**

Appendix: Full Year 2005 – March 31, 2010 YTD Free Cash Flow reconciliation

The following table summarizes the calculation of free cash flow and provides a reconciliation to cash flow from (used by) operations

	2005	2006	2007	2008	2009	YTD 2010
Cash Flow from Operations	**$ 68**	**$408**	**$1,517**	**$1,479**	**$2,106**	**$114**
Hedge Reset	-	1,361	-	-	-	-
Reclassifying of payment of Financing Element of Acquired Derivatives	-	(296)	-	(43)	(79)	13
Cash receipts from termination of hedges associated with CSRA unwind	-	-	-	-	(165)	-
Adjusted Cash Flow from Operations	**68**	**1,473**	**1,517**	**1,436**	**1,862**	**127**
Margin	405	(454)	125	417	(127)	172
Option Premiums Collected	-	-	(8)	(268)	282	(92)
Maintenance CapEx	(88)	(210)	(210)	(182)	(250)	(69)
Preferred Dividends	(20)	(50)	(55)	(55)	(33)	(2)
Adjusted Free Cash Flow	**$ 365**	**$759**	**$1,369**	**$1,348**	**$1,734**	**$136**

Note: Option premium collections were a driver of margin movements and therefore excluded from the Adjusted Free Cash Flow calculation

Appendix: Full Year 2005 Regional EBITDA Reconciliation

The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income/(loss)

(dollars in millions)	Total
Net Income (Loss)	**84**
Plus:	
Income Tax	47
Interest Expense	174
Amortization of Finance Costs	5
Amortization of Debt (Discount)/Premium	5
Refinancing Expense	65
Depreciation Expense	162
Amortization of Power Contracts	(9)
Amortization of Emission Credits	15
EBITDA	**548**
(Income) Loss from Discontinued Operations	(12)
Write-Down and (Gain)/Losses on Sales of Equity Method Investments	31
Corporate Relocation charges	6
Impairment charges	6
Gain on Settlement	(7)
Gain on sale of land	(4)
TermoRio legal matters	(11)
Gain on Crockett contingency	(3)
Adjusted EBITDA	**554**
Less: MtM Forward Positions	(119)
Add: Prior Period MtM	58
Adjusted EBITDA, excluding MtM	**731**

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Appendix: 2006 Regional EBITDA Reconciliation

The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income/(loss)

(dollars in millions)	Total
Net Income (Loss)	**621**
Plus:	
Income Tax	**322**
Interest Expense	**560**
Amortization of Finance Costs	**24**
Amortization of Debt (Discount)/Premium	**6**
Refinancing Expense	**187**
Depreciation Expense	**590**
Amortization of Power Contracts	**(1,701)**
Amortization of Fuel Contracts	**85**
Amortization of Emission Credits	**47**
EBITDA	**741**
Net (Income) Loss from Discontinued Operations	**(78)**
Write-Down and (Gain)/Losses on Sales of Equity Method Investments	**(8)**
Legal Settlement	**(74)**
Acquisition Integration Costs	**14**
Audrain Asset Sale Adjustment	**(3)**
Station Service Reserve Reversal	**(15)**
Gain on Dissolution of Pike	**(13)**
Property Tax refund Prior Years	**(9)**
Reclassify Emission Credit Sale	**-**
Hedge Reset	**1,202**
Mirant Defense	**6**
Adjusted EBITDA	**1,763**
Less: MtM forward position accruals	**143**
Add: Prior period MtM reversals	**(116)**
Less: Hedge Ineffectiveness	**28**
Adjusted EBITDA, excluding MtM	**1,476**

Appendix: 2007 Regional Adjusted EBITDA Reconciliation

The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income

(Amounts in millions)		**Total**
Net Income/(Loss)	$	586
Plus:		
Income Tax		377
Interest Expense		656
Amortization of Finance Costs		25
Amortization of Debt (Discount)/Premium		7
Refinancing Expense		35
Depreciation Expense		658
ARO Accretion Expense		6
Amortization of Power Contracts		(242)
Amortization of Fuel Contracts		47
Amortization of Emission Allowances		40
EBITDA		2,195
Income from Discontinued Operations		(17)
Station Service Reversal		(18)
Fixed Asset Write-offs		3
Gain on Sale of Equity Method Investment		(1)
Loss/(Gain) on Sale of Assets		(17)
Adjusted EBITDA		2,145
Less MTM Forward Position Accruals		20
Add. Prior Period MtM Reversals		128
Less: Hedge Ineffectiveness		13
Adjusted EBITDA, excluding MtM	$	2,240

Appendix: 2008 Regional Adjusted EBITDA Reconciliation

The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income

(Amounts in millions)	**Total**
Net Income/(Loss)	$ 1,188
Plus:	
Income Tax	713
Interest Expense	591
Amortization of Finance Costs	22
Amortization of Debt (Discount)/Premium	7
Depreciation Expense	649
ARO Accretion Expense	9
Amortization of Power Contracts	(278)
Amortization of Fuel Contracts	(13)
Amortization of Emission Allowances	40
EBITDA	2,928
Exelon Defense Costs	8
Income from Discontinued Operations	(172)
Adjusted EBITDA	2,764
Less MTM Forward Position Accruals	536
Add. Prior Period MtM Reversals	38
Less: Hedge Ineffectiveness	(25)
Adjusted EBITDA, excluding MtM	$ 2,291

Appendix: 2009 Regional Adjusted EBITDA Reconciliation

The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income

($ in millions)	**Total**
Net Income/(Loss)	942
Plus:	
Income Tax	728
Interest Expense	609
Amortization of Finance Costs	31
Amortization of Debt (Discount)/Premium	14
Depreciation Expense	818
ARO Accretion Expense	8
Amortization of Power Contracts	179
Amortization of Fuel Contracts	(42)
Amortization of Emission Allowances	38
EBITDA	3,325
Early Termination of CSRA	85
Exelon Defense Cost	31
Integration Cost	54
FX Loss on MIBRAG Sale Proceeds	20
Settlement of Pre-Existing Relationship with Reliant Energy	(31)
Gain on Sale of Equity Method Investment	(128)
Adjusted EBITDA	3,356
Less: MTM Forward Position Accruals	105
Add: Prior Period MtM Reversals	(588)
Less:Hedge Ineffectiveness	45
Adjusted EBITDA, excluding MtM	2,618

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Appendix: First quarter 2010 Regional Adjusted EBITDA Reconciliation

The following table summarizes the calculation of adjusted EBITDA and provides a reconciliation to net income

($ in millions)	**Total**
Net Income / (Loss)	58
Plus:	
Income Tax	65
Interest Expense	144
Amortization of Finance Costs	6
Amortization of Debt (Discount)/Premium	3
Depreciation Expense	202
ARO Accretion Expense	(2)
Amortization of Power Contracts	62
Amortization of Fuel Contracts	(12)
Amortization of Emission Allowances	12
EBITDA	538
Less: MTM Forward Position Accruals	(111)
Add: Prior Period MtM Reversals	(50)
Less: Hedge Ineffectiveness	(2)
Adjusted EBITDA, excluding MtM	601

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- EBITDA, adjusted EBITDA, free cash flow and adjusted cash flow from operations are nonGAAP financial measures. These measurements are 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 debt;
  - 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 discontinued operations, legal settlements and write downs and gains or losses on the sales of equity method investments and other assets, Exelon defense costs and Texas retail acquisition, settlement of pre-existing relationships and integration costs; 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.

- Free cash flow is cash flow from operations less capital expenditures, preferred stock dividends and repowering capital expenditures net of project funding and is used by NRG predominantly as a forecasting tool to estimate cash available for debt reduction and other capital allocation alternatives. The reader is encouraged to evaluate each of these adjustments and the reasons NRG considers them appropriate for supplemental analysis. Because we have mandatory debt service requirements (and other non-discretionary expenditures) investors should not rely on adjusted cash flow from operating activities or free cash flow as a measure of cash available for discretionary expenditures.

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