

NRG Energy, Inc.

Mauricio Gutierrez

Executive Vice President & Chief Operating Officer

2014 Wolfe Research
Power and Gas Deep Dive Conference
April 2, 2014



Safe Harbor



Forward Looking Statements

In addition to historical information, the information presented in this communication includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks and uncertainties and can typically be identified by terminology such as “may,” “should,” “could,” “objective,” “projection,” “forecast,” “goal,” “guidance,” “outlook,” “expect,” “intend,” “seek,” “plan,” “think,” “anticipate,” “estimate,” “predict,” “target,” “potential” or “continue” or the negative of these terms or other comparable terminology. Such forward-looking statements include, but are not limited to, statements about the anticipated benefits of the acquisition of the Edison Mission Energy assets, the Company’s future revenues, income, indebtedness, capital structure, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions.

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, general economic conditions, hazards customary in the power industry, weather conditions, competition in wholesale power markets, the volatility of energy and fuel prices, failure of customers to perform under contracts, changes in the wholesale power markets, changes in government regulation of markets and of environmental emissions, the condition of capital markets generally, our ability to access capital markets, unanticipated outages at our generation facilities, adverse results in current and future litigation, failure to identify or successfully implement acquisitions and repowerings, our ability to implement value enhancing improvements to plant operations and companywide processes, our ability to obtain federal loan guarantees, the inability to maintain or create successful partnering relationships, our ability to operate our businesses efficiently including NRG Yield, our ability to retain retail customers, our ability to realize value through our commercial operations strategy and the creation of NRG Yield, the ability to close the proposed EME transaction, and the ability to realize anticipated benefits of the transaction (including expected cost savings, other synergies and our ability to successfully transact with NRG Yield) or the risk that anticipated benefits may take longer to realize than expected.

NRG undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The adjusted EBITDA and free cash flow forecasts are estimates as of February 28, 2014. These estimates are based on assumptions believed to be reasonable as of that date. NRG disclaims any current intention to update such guidance, except as 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 in this Presentation 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.

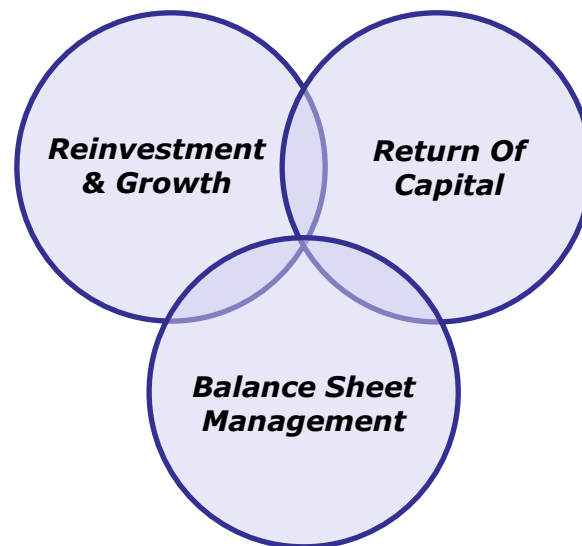
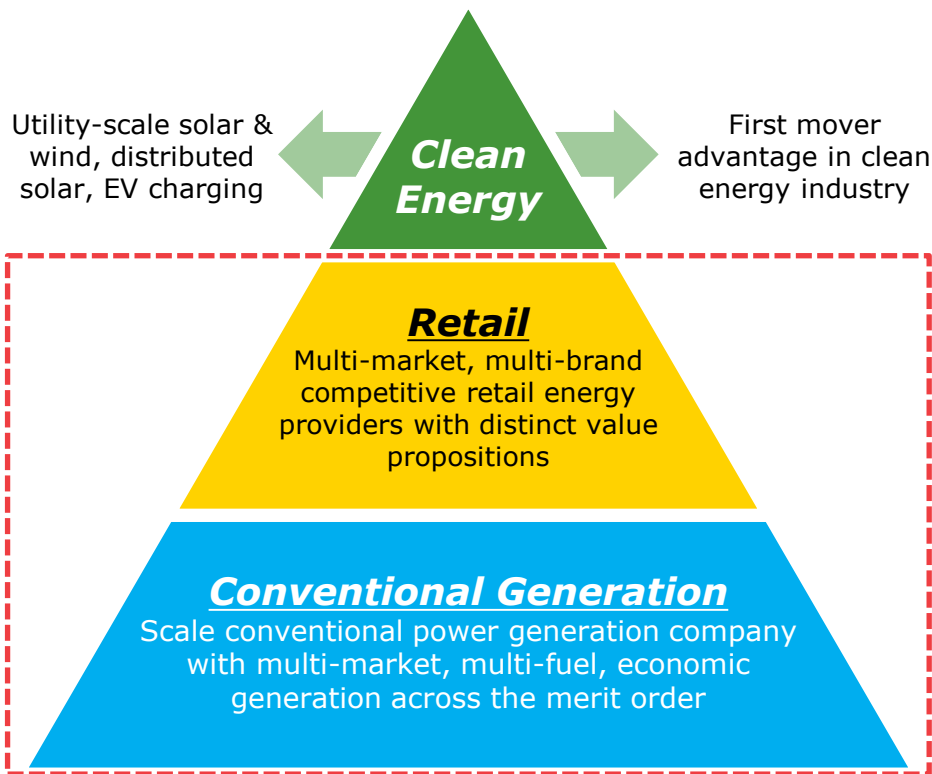




NRG Energy's Investment Proposition

Premium Competitive Energy Business Model...

...Augmented by Balanced Capital Allocation



Annual Dividend
of \$0.56/share (~1.8% yield)¹

Free Cash Flow Yield
~12.5%^{1,2}



★ A Diversified Competitive Energy Company Positioned for Future Growth, While Generating Significant Free Cash Flow ★

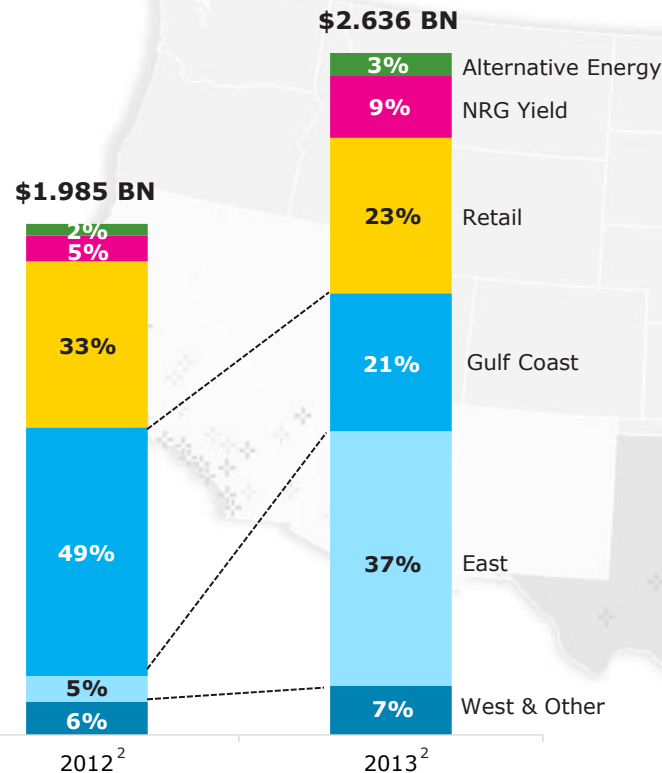
¹ As of 3/28/2014; assumes ~325.2 MM shares outstanding and excludes any impact of shares issued as part of the Edison Mission transaction

² Based on 2013 actual Free Cash Flow Before Growth as previously disclosed in NRG's 4th Quarter 2013 Results Presentation on 2/28/2014

Integrated Platform with Fuel, Merit and Locational Diversity



Adjusted EBITDA By Segment¹



Natural Gas

- ❖ Lowest storage levels since 2004, -1 TCF y/y
- ❖ Insufficient gas delivery capacity in Northeast
- ❖ Increasing commercial and industrial demand

ERCOT

- ❖ Higher price caps (\$7,000 June 1st)
- ❖ ORDC B+ implementation
- ❖ Robust load growth
- ❖ Continued regulatory uncertainty

East

- ❖ Improved price formation across northeast pools with DR setting price
- ❖ Capacity markets: Favorable changes
 - ❖ PJM: limits on imports, limited DR, and capacity auction arbitrage
 - ❖ NY: New capacity zone added (LHV)
 - ❖ NE: Supply constraints (retirements)

West

- ❖ Existing drought conditions
- ❖ Repowering opportunities to backfill upcoming retirements
- ❖ Renewables penetration increases need for ramping capacity



Foundation Built on Diversification Across Regions and Businesses

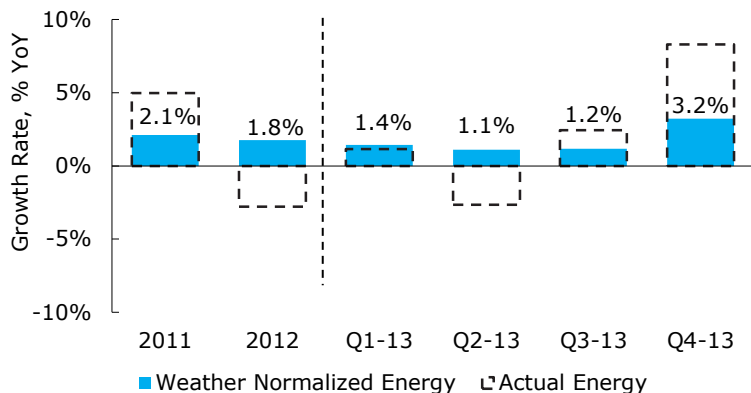


¹ Excludes any impact resulting from the Edison Mission and Dominion Retail acquisitions
² Sum of components may differ from 100% due to rounding; Excludes Corporate

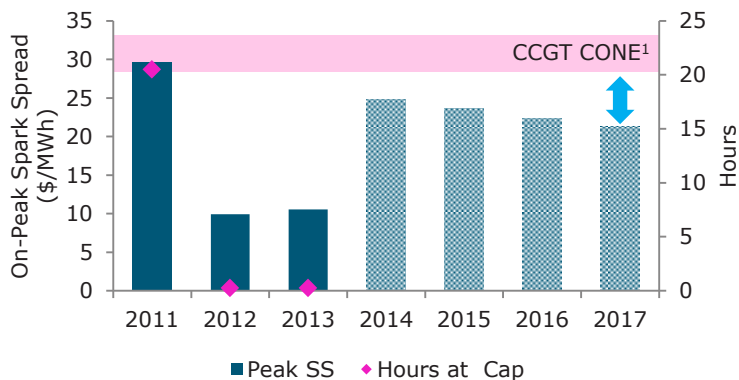
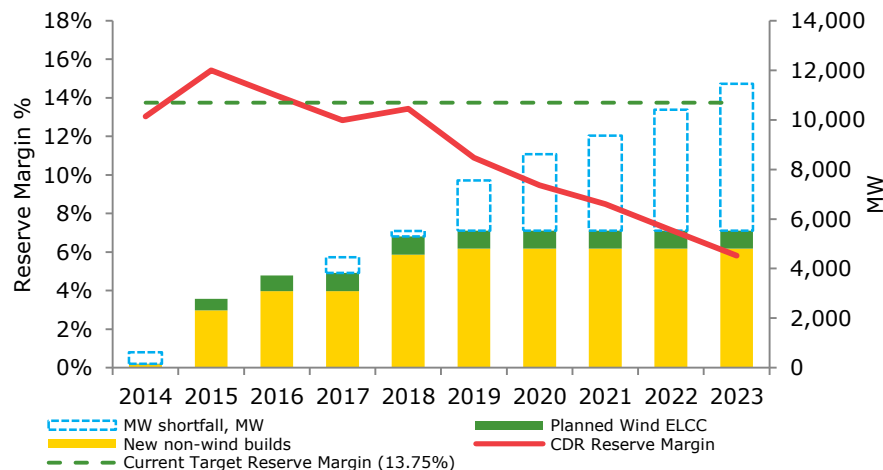


Texas: Power Market Thesis Intact

Strong Fundamentals Not Reflected in Prices



Resulting in Tight Operating Reserve Margins²



- ✦ Energy and load growth in Texas continues to be robust
- ✦ Spark spreads are not sufficient to justify new build economics
- ✦ Even with ERCOT's reduced load growth assumption, reserve margins tighten considerably due to short pipeline of new generation



NRG Remains Well-Positioned with Over 11 GW of Generation in the ERCOT Market



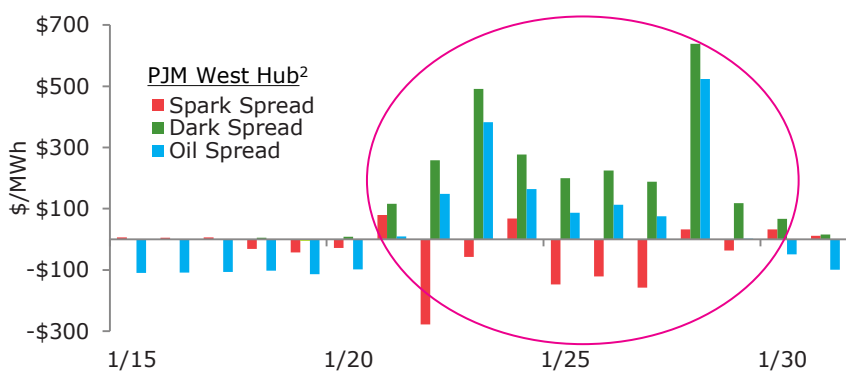
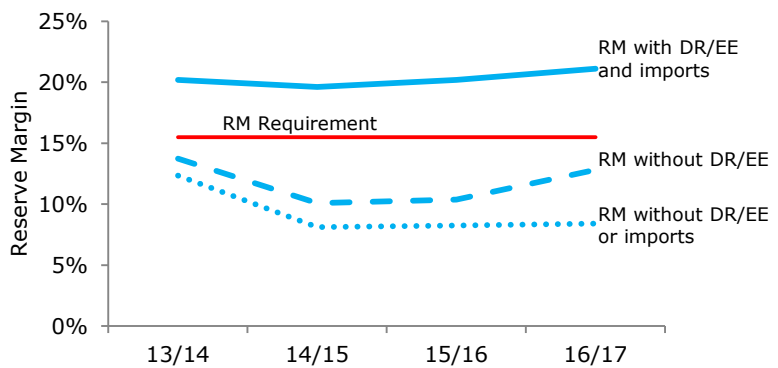
¹ CCGT CONE range is calculated based on overnight capital cost in the range of \$800/kW to \$900/kW. Spark Spreads = (On Peak Power - 7 heat rate x Houston Ship Channel Gas)

² Source: ERCOT February 2014 CDR Report, NRG Estimates



East: Promising Developments

Improving Fundamentals & Increased Volatility¹



Key PJM Capacity Market Developments

Market Driver		Outlook
Demand Response	↑	Proposed new rules expected to result in reduced DR participation in the Base Residual Auction
Imports	↑	Proposed new rules would cap imports into the RTO region of PJM, where the EME assets are located
Retirements	↑	Disciplined bidding in BRA; Significant un-cleared coal generation
Demand Growth	↔	Low growth

- ❖ Winter weather events have driven improved price formation and increased volatility
- ❖ Fuel diversity across the fleet provides opportunities to benefit from dark and oil spread expansion
- ❖ Drivers for the PJM capacity auction are encouraging



★ **Strengthening Fundamentals to Benefit NRG's 20 GW³ Generation Portfolio in the East** ★

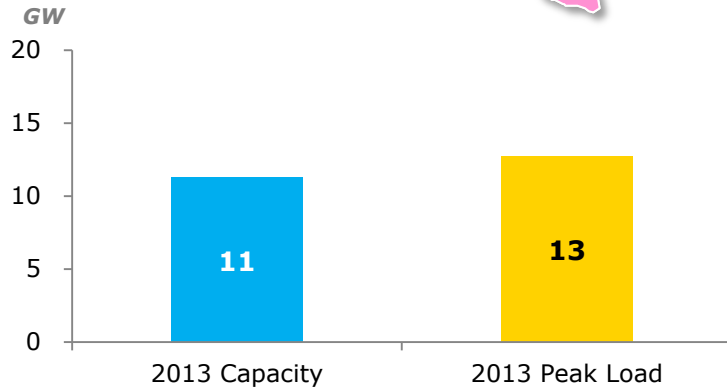
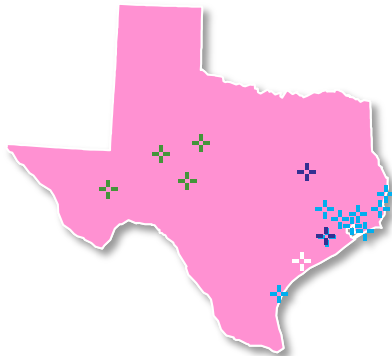
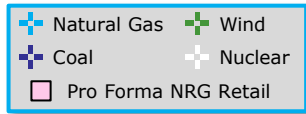
¹ Source: PJM, NRG Estimates
² Spark Spread based on combined cycle 8 HR & TETCO-M3 vs. Peak Day Ahead Clearing Price for PJM West Hub; Dark Spread based on \$45/MWh cost vs. Peak Day Ahead Clearing Price for PJM West Hub; Oil Spread based on 10HR & #6 1% NY Harbor Delivered vs. Peak Day Ahead Clearing Price for PJM West Hub
³ Excludes impact of Edison Mission Transaction



NRG's Competitive Retail Platform

Texas

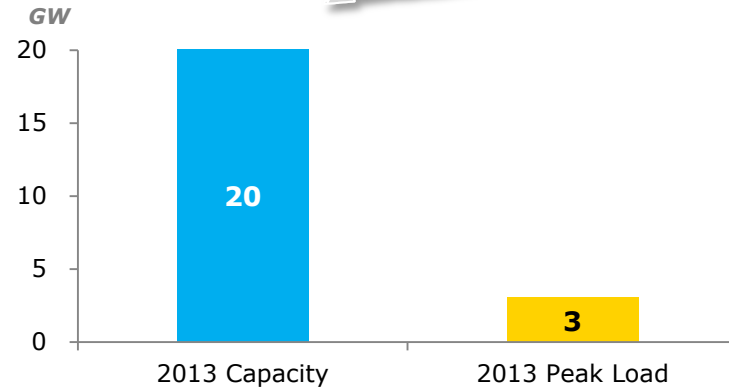
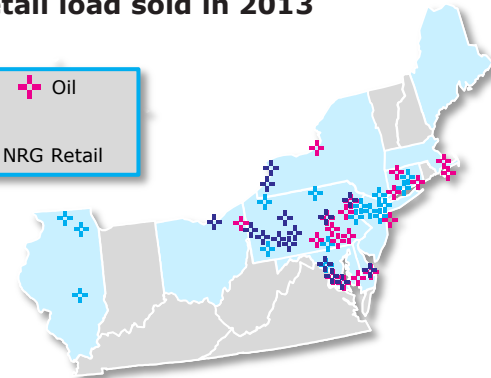
- ~11 GW capacity
- ~51 TWh of retail load sold in 2013



Total Capacity

East

- ~20 GW capacity¹
- ~9 TWh of retail load sold in 2013



Pro Forma Peak Load²



★ Dominion Retail Acquisition Enhances NRG's Integrated Platform and Expands Total Customer Count To ~2.8 MM ★

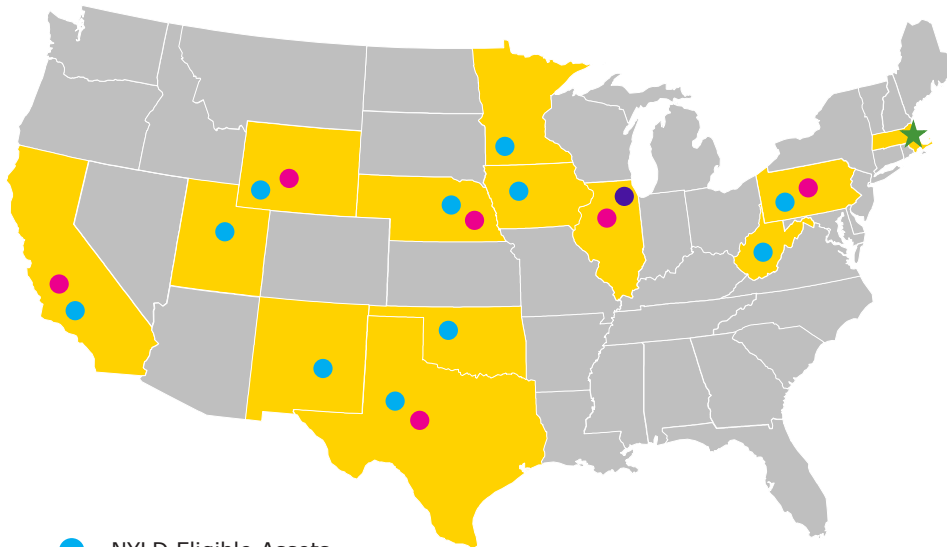


Source: NRG 10-K filing as of 12/31/2013;
¹ Excludes any impact from the Edison Mission transaction
² Based on 2013 estimated peak load pro forma adjusted for acquisition of Dominion's retail electric business

Edison Mission Energy: A Strategic Recap



Edison Mission Portfolio



- NYLD Eligible Assets
- Midwest Generation
- Gas, Oil & Wind
- ★ Edison Mission Marketing & Trading

Key Benefits

- ✦ **Grows** NRG's **clean energy platform** by over 1.7 GW, making NRG the 3rd largest US-based renewable energy generator
- ✦ **Adds** approximately 1.6 GW of assets eligible for drop-down to **NRG Yield**, including ~1.1 GW of wind capacity and the 500 MW Walnut Creek facility
- ✦ **Enhances** NRG's **conventional generation portfolio** through increased geographic diversification and dispatch-level diversity
- ✦ Provides opportunity to **leverage key competencies** built from successful **GenOn** transaction in order to create additional synergy value



★ EME Enhances Two Pillars (Conventional Generation and Clean Energy) of Our Competitive Energy Platform ★

Economies of Scale: Leveraging NRG's Platform



Realizing Value of the EME Merchant Assets...

Corporate Costs	<ul style="list-style-type: none"> Annual estimated corporate G&A savings of ~\$70 MM¹
Midwest Gen	<ul style="list-style-type: none"> 4.3 GW of PRB generation Up to \$350 MM obligation for environmental capex
Gas Fleet ²	<ul style="list-style-type: none"> 1.0 GW of gas-fired generation in CA 44% contracted with average PPA life of ~3 years
Wind Fleet	<ul style="list-style-type: none"> ~350 MW of merchant, short-term contracted, and tax equity wind Geographically diversified
EMMT	<ul style="list-style-type: none"> Average Trading Revenue of ~\$70 MM over past 5 years³

...By Leveraging Core Competencies

- ✦ Alignment of corporate functions
- ✦ Cost enhancements / performance improvements
- ✦ Fuel additions / repowerings
- ✦ Reduction in maintenance CapEx
- ✦ Improved environmental compliance program

...And Proven Transmission Trading Platform

- ✦ Transmission and basis trading
- ✦ Third-party asset management



Enhancing Value By Leveraging GenOn Experience
and Successfully Integrating EME Operations

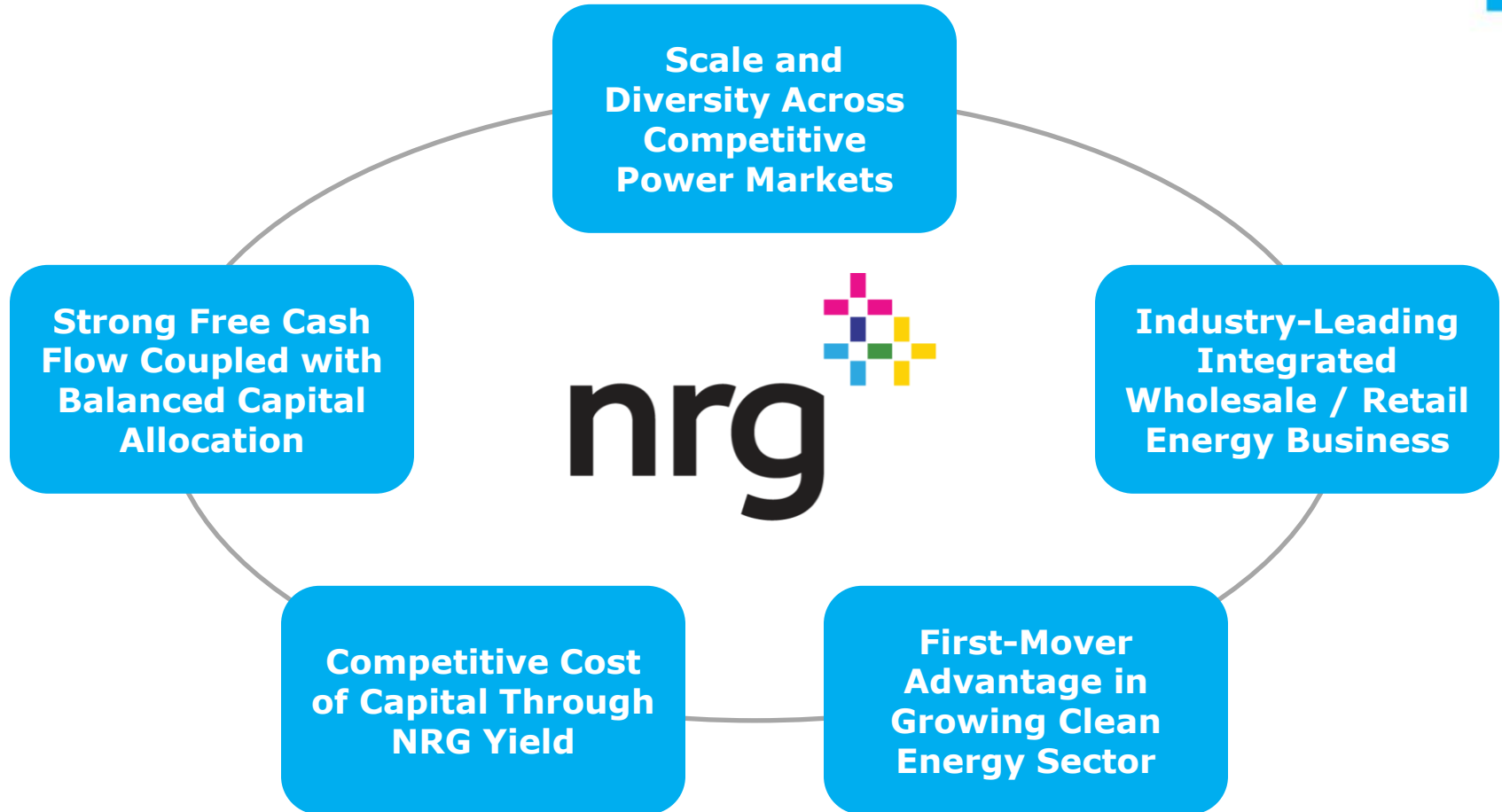


¹ Based on guidance as previously disclosed on 1/7/2014

² Pro forma for close of Chevron swap transaction; Contract life weighted by MW

³ Source: EME's Presentation to Unsecured Noteholders on 1/9/2013

NRG Investment Highlights



Appendix Reg. G Schedules

Reg. G: Full-Year 2013 Free Cash Flow Before Growth Investments

<i>\$ millions</i>	Dec 31, 2013	Dec 31, 2012	Variance
Adjusted EBITDAR	\$ 2,746	\$ 1,988	\$ 758
Less: GenOn operating lease expense ¹	(110)	(3)	(107)
Adjusted EBITDA²	\$ 2,636	\$ 1,985	\$ 651
Interest payments	(935)	(707)	(228)
Income tax	60	(17)	77
Collateral/working capital/other	(491)	(112)	(379)
Cash flow from operations	\$ 1,270	\$ 1,149	\$ 121
Reclassifying of net receipts (payments) for settlement of acquired derivatives that include financing elements	267	(68)	335
Merger and integration costs	141	46	95
Collateral	47	(82)	129
Adjusted Cash flow from operations	\$ 1,725	\$ 1,045	\$ 680
Maintenance CapEx, net ³	(325)	(215)	(110)
Environmental CapEx, net	(104)	(5)	(99)
Preferred dividends	(9)	(9)	-
Distributions to non-controlling interests	(5)	-	(5)
Free cash flow - before growth investments	\$ 1,282	\$ 816	\$ 466

Note: see Appendix slide 28 in NRG's 4th quarter 2013 earnings presentation from February 28, 2014 for a Capital Expenditure reconciliation

¹ Amounts include final purchase accounting adjustments for the GenOn transaction

² December 31, 2012 Adjusted EBITDA was revised to reflect new Adjusted EBITDA methodology as disclosed in the February 27, 2013 earnings presentation

³ December 31, 2013 maintenance CapEx, net excludes merger and integration CapEx of \$31 MM

Reg. G



Appendix Table A-1: Full-Year 2013 Regional Adjusted EBITDA Reconciliation

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

(\$ in millions)	Retail	Texas	South Central	East	West	Other Conventional	NRG Yield	Alt. Energy	Corp.	Total
Net Income/(Loss) Attributable to NRG Energy, Inc	562	(177)	13	(139)	78	(56)	96	(108)	(655)	(386)
Plus:										
Net Income Attributable to Non-Controlling Interest	-	-	-	-	-	-	13	27	(6)	34
Interest Expense, net	2	1	18	57	13	-	34	55	656	836
Loss on Debt Extinguishment	-	-	-	-	-	-	-	-	50	50
Income Tax	-	-	-	-	-	(29)	8	-	(261)	(282)
Depreciation Amortization and ARO Expense	143	460	99	329	60	4	51	109	21	1,276
Amortization of Contracts	55	39	(22)	(46)	(4)	-	2	-	-	24
EBITDA	762	323	108	201	147	(81)	204	83	(195)	1,552
Adjustment to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates	-	-	2	-	18	16	40	3	-	79
Integration & Transaction Costs	-	-	-	-	-	-	-	-	128	128
Deactivation costs	-	-	-	19	4	-	-	-	-	23
Legal Settlement	3	-	-	-	-	-	-	-	-	3
Asset and Investment Write-offs	-	2	-	460	-	93	-	4	7	566
MtM losses/(gains) on economic hedges	(151)	177	(67)	324	(2)	-	-	1	3	285
Adjusted EBITDA	614	502	43	1,004	167	28	244	91	(57)	2,636

Reg. G



Appendix Table A-2: Full-Year 2012 Regional Adjusted EBITDA Reconciliation

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

(\$ in millions)	Retail	Texas	South Central	East	West	Other Conventional	NRG Yield	Alt. Energy	Corp.	Total
Net Income/(Loss) Attributable to NRG Energy, Inc	541	(94)	2	(55)	59	21	13	(57)	(135)	295
Plus:										
Net Income Attributable to Non-Controlling Interest	-	-	-	-	-	-	-	20	-	20
Interest Expense, net	4	-	18	18	1	-	27	26	558	652
Loss on Debt Extinguishment	-	-	-	-	-	-	-	-	51	51
Income Tax	-	-	-	-	-	3	10	-	(340)	(327)
Depreciation Amortization and ARO Expense	162	461	93	140	16	2	25	49	12	960
Amortization of Contracts	115	41	(20)	(1)	-	-	1	-	-	136
EBITDA	822	408	93	102	76	26	76	38	146	1,787
Adjustment to reflect NRG share of Adjusted EBITDA in unconsolidated affiliates	-	-	2	-	2	17	25	9	-	55
Merger and Transaction Costs	-	-	-	-	-	-	-	-	112	112
Deactivation Costs	-	-	-	3	-	-	-	-	-	3
Bargain Purchase Gain	-	-	-	-	-	-	-	-	(296)	(296)
Asset Write Off and Impairment	-	8	9	-	-	-	-	-	5	22
Legal Settlement	-	-	14	-	20	-	-	-	-	34
MtM losses/(gains) on economic hedges	(166)	464	(17)	(3)	(10)	-	-	-	-	268
Adjusted EBITDA	656	880	101	102	88	43	101	47	(33)	1,985



¹ Revised to reflect new Adjusted EBITDA methodology disclosed in the February 27, 2013 earnings presentation

Reg. G



- EBITDA and Adjusted EBITDA are non-GAAP 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 (including loss on debt extinguishment), 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 or cash income tax payments;
 - 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. See the statements of cash flow included in the financial statements that are a part of this news release.
- Adjusted EBITDA is presented as a further supplemental measure of operating performance. Adjusted EBITDA represents EBITDA adjusted for mark-to-market gains or losses, asset write offs and impairments; and 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 cash flow from operating activities is a non-GAAP measure NRG provides to show cash from operations with the reclassification of net payments of derivative contracts acquired in business combinations from financing to operating cash flow, as well as the add back of merger and integration related costs. The Company provides the reader with this alternative view of operating cash flow because the cash settlement of these derivative contracts materially impact operating revenues and cost of sales, while GAAP requires NRG to treat them as if there was a financing activity associated with the contracts as of the acquisition dates. The Company adds back merger and integration related costs as they are one time and unique in nature and do not reflect ongoing cash from operations and they are fully disclosed to investors.
- Free cash flow (before growth investments) is adjusted cash flow from operations less maintenance and environmental capital expenditures, net of funding, and preferred stock dividends 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 free cash flow before growth investments as a measure of cash available for discretionary expenditures.
- Cash available for distribution is adjusted EBITDA plus cash dividends from unconsolidated affiliates, less maintenance capital expenditures, pro-rata adjusted EBITDA from unconsolidated affiliates, cash interest paid, income taxes paid, principal amortization of indebtedness and changes in others assets. Management believes cash available for distribution is a relevant supplemental measure of the Company's ability to earn and distribute cash returns to investors.