



**NRG Energy Inc.**

# 2020/2021 PJM Capacity Auction Results

May 23, 2017



# Safe Harbor

## **Forward Looking Statements**

This presentation contains 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. Forward-looking 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, our strategic growth strategies, 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 be correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated herein include, among others, GenOn’s and certain of its subsidiaries’ ability to continue as a going concern, general economic conditions, hazards customary in the power production industry and power generation operations, weather conditions (including wind and solar 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, the effectiveness of our risk management policies and procedures, changes in government regulations, the condition of capital markets generally, our ability to borrow funds and access capital markets, unanticipated outages at our generation facilities, adverse results in current and future litigation, failure to identify, execute or successfully implement acquisitions, repowerings or asset sales, our ability to implement value enhancing improvements to plant operations and companywide processes, our ability to proceed with projects under development or the inability to complete the construction of such projects on schedule or within budget, risks related to project siting, financing, construction, permitting, government approvals and the negotiation of project development agreements, our ability to progress development pipeline projects, 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 successfully integrate businesses of acquired companies, our ability to realize anticipated benefits of transactions (including expected cost savings and other synergies) or the risk that anticipated benefits may take longer to realize than expected, our ability to close the Drop Down transactions with NRG Yield, and our ability to execute our capital allocation plan. Debt and share repurchases may be made from time to time subject to market conditions and other factors, including as permitted by United States securities laws. Furthermore, any common stock dividend is subject to available capital and market conditions.

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 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 and GenOn’s future results included in NRG’s and GenOn’s filings with the Securities and Exchange Commission at [www.sec.gov](http://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 Private Securities Litigation Reform Act.



# PJM Capacity Clears: NRG Consolidated

PJM Region	Planning Year	Average Price (\$/MW-day) <sup>1</sup>	MWs Cleared	Average Price (\$/MW-day) <sup>1</sup>	MWs Cleared
		<b>Base Product</b>		<b>Capacity Performance Product</b>	
<b>ComEd</b>	2017-2018	\$145.51	539	\$151.50	3,227
	2018-2019	\$25.36	225	\$215.00	3,509
	2019-2020	\$182.77	65	\$202.77	3,738
	2020-2021			\$188.12	3,315
<b>MAAC</b>	2017-2018	\$147.38	574	\$151.50	1,753
	2018-2019	\$149.98	10	\$164.77	2,229
	2019-2020	\$80.00	10	\$100.00	2,093
	2020-2021			\$86.04	2,307
<b>EMAAC</b>	2017-2018	\$97.69	391	\$151.50	204
	2018-2019	\$210.63	91	\$225.42	424
	2019-2020	\$99.77	103	\$119.77	414
	2020-2021			\$187.87	496
<b>DPL South</b>	2017-2018	\$150.03	133	\$151.50	358
	2018-2019	\$210.63	98	\$225.42	459
	2019-2020	NA	NA	\$119.77	481
	2020-2021			\$187.87	519
<b>PEPCO</b>	2017-2018	\$118.97	1,908	\$151.50	2,501
	2018-2019	\$149.98	58	\$164.77	3,870
	2019-2020	NA	NA	\$100.00	3,879
	2020-2021			\$86.04	3,891
<b>ATSI</b>	2017-2018	\$141.79	271	\$151.50	647
	2018-2019	\$149.98	57	\$164.77	681
	2019-2020	\$80.00	2	\$100.00	550
	2020-2021			\$76.53	230
<b>RTO</b>	2017-2018	\$126.41	1,188	\$151.50	449
	2018-2019	\$182.04	199	\$279.35	495
	2019-2020	\$80.00	191	NA	NA
	2020-2021			\$76.53	307
<b>Net Total</b>	2017-2018	\$127.26	5,005	\$151.50	9,140
	2018-2019	\$136.09	738	\$189.32	11,666
	2019-2020	\$103.42	370	\$136.03	11,154
	2020-2021			\$125.50	11,065

PJM Capacity Revenue by Delivery Year			
(\$ MM)	NRG	GenOn	Total
<b>17/18</b>	\$286	\$452	\$738
<b>18/19</b>	\$354	\$489	\$843
<b>19/20</b>	\$309	\$260	\$569
<b>20/21</b>	\$268	\$239	\$507

PJM Capacity Revenue by Calendar Year			
(\$ MM)	NRG	GenOn	Total
<b>2017</b>	\$247	\$410	\$658
<b>2018</b>	\$326	\$473	\$799
<b>2019</b>	\$327	\$354	\$682
<b>2020</b>	\$286	\$248	\$534

#### Assumptions:

- Data as of 5/23/2017
- Includes imports
- Results normalized for asset sales
- Excludes NRG Yield Assets
- Represents merchant wholesale generation

<sup>1</sup> Average Price (\$/MW-day) can vary from stated BRA cleared auction price due to MWs purchased or sold in incremental auctions



# PJM Capacity Clears: GenOn

PJM Region	Planning Year	Average Price (\$/MW-day) <sup>1</sup>	MWs Cleared	Average Price (\$/MW-day) <sup>1</sup>	MWs Cleared
		<b>Base Product</b>		<b>Capacity Performance Product</b>	
<b>ComEd</b>	2017-2018	NA	NA	NA	NA
	2018-2019	NA	NA	NA	NA
	2019-2020	NA	NA	NA	NA
	2020-2021			NA	NA
<b>MAAC</b>	2017-2018	\$148.27	558	\$151.50	1,647
	2018-2019	\$149.98	9	\$164.77	2,122
	2019-2020	\$80.00	9	\$100.00	1,988
	2020-2021			\$86.04	2,216
<b>EMAAC</b>	2017-2018	\$97.69	391	\$151.50	204
	2018-2019	\$210.63	91	\$225.42	424
	2019-2020	\$99.77	103	\$119.77	414
	2020-2021			\$187.87	496
<b>DPL South</b>	2017-2018	NA	NA	NA	NA
	2018-2019	NA	NA	NA	NA
	2019-2020	NA	NA	NA	NA
	2020-2021			NA	NA
<b>PEPCO</b>	2017-2018	\$119.31	1,828	\$151.50	2,501
	2018-2019	\$149.98	58	\$164.77	3,801
	2019-2020	NA	NA	\$100.00	3,814
	2020-2021			\$86.04	3,824
<b>ATSI</b>	2017-2018	\$141.79	271	\$151.50	647
	2018-2019	\$149.98	57	\$164.77	681
	2019-2020	\$80.00	2	\$100.00	550
	2020-2021			\$76.53	230
<b>RTO</b>	2017-2018	\$127.30	281	\$151.50	440
	2018-2019	\$182.04	199	\$164.77	495
	2019-2020	\$80.00	191	NA	NA
	2020-2021			\$76.53	307
<b>Net Total</b>	2017-2018	\$124.13	3,329	\$151.50	5,439
	2018-2019	\$178.69	414	\$168.19	7,522
	2019-2020	\$86.67	305	\$101.21	6,766
	2020-2021			\$92.45	7,073

## PJM Capacity Revenue by Delivery Year

	GenOn
(\$ MM)	
<b>17/18</b>	\$452
<b>18/19</b>	\$489
<b>19/20</b>	\$260
<b>20/21</b>	\$239

## PJM Capacity Revenue by Calendar Year

	GenOn
(\$ MM)	
<b>2017</b>	\$410
<b>2018</b>	\$473
<b>2019</b>	\$354
<b>2020</b>	\$248

### Assumptions:

- Data as of 5/23/2017
- Includes imports
- Results normalized for asset sales
- Represents merchant wholesale generation

<sup>1</sup> Average Price (\$/MW-day) can vary from stated BRA cleared auction price due to MWs purchased or sold in incremental auctions



# PJM Asset List: Merchant Wholesale Generation

## Net Generating Capacity by LDA

### RTO (824 MW)

Name	Location	Capacity	Entity	Ownership %
Cheswick	Springdale, PA	565	GenOn	100.0%
Brunot Island	Pittsburgh, PA	259	GenOn	100.0%

### ATSI (1,012 MW)

Name	Location	Capacity	Entity	Ownership %
Avon Lake	Avon Lake, OH	659	GenOn	100.0%
Niles	Niles, OH	25	GenOn	100.0%
New Castle	West Pittsburgh, PA	328	GenOn	100.0%

### COMED (4,336 MW)

Name	Location	Capacity	Entity	Ownership %
Fisk	Chicago, IL	172	NRG	100.0%
Joliet	Joliet, IL	1,326	NRG	100.0%
Powerton	Pekin, IL	1,538	NRG	100.0%
Waukegan	Waukegan, IL	790	NRG	100.0%
Will County	Romeoville, IL	510	NRG	100.0%

### DPL (593 MW)

Name	Location	Capacity	Entity	Ownership %
Indian River	Millsboro, DE	426	NRG	100.0%
Vienna	Vienna, MD	167	NRG	100.0%

### EMAAC (655 MW)

Name	Location	Capacity	Entity	Ownership %
Gilbert	Milford, NJ	438	GenOn	100.0%
Sayreville	Sayreville, NJ	217	GenOn	100.0%

### MAAC (2,581 MW)

Name	Location	Capacity	Entity	Ownership %
Blossburg	Blossburg, PA	19	GenOn	100.0%
Conemaugh	New Florence, PA	282	GenOn	16.45%
Conemaugh	New Florence, PA	63	NRG	3.72%
Hamilton	East Berlin, PA	20	GenOn	100.0%
Hunterstown CCGT	Gettysburg, PA	810	GenOn	100.0%
Keystone	Shelocta, PA	285	GenOn	16.67%
Keystone	Shelocta, PA	63	NRG	3.70%
Mountain	Mount Holly Springs, PA	40	GenOn	100.0%
Orrtanna	Orrtanna, PA	20	GenOn	100.0%
Portland	Portland, PA	169	GenOn	100.0%
Shawnee	East Stoudsburg, PA	20	GenOn	100.0%
Shawville	Shawville, PA	603	GenOn	100.0%
Titus	Birdsboro, PA	31	GenOn	100.0%
Tolna	Stewartstown, PA	39	GenOn	100.0%
Warren	Warren, PA	57	GenOn	100.0%
Hunterstown CTs	Gettysburg, PA	60	GenOn	100.0%

### PEPCO (4,683)

Name	Location	Capacity	Entity	Ownership %
Chalk Point	Prince Georges County, MD	2,279	GenOn	100.0%
Dickerson	Montgomery County, MD	849	GenOn	100.0%
Morgantown	Charles County, MD	1,477	GenOn	100.0%
SMECO	Prince Georges County, MD	78	NRG	100.0%

#### Assumptions:

- Data reflects physical location of generating unit; reflects nameplate capacity, including conversions
- Excludes NYLD assets Dover 104 MW in DPL and Paxton Creek 12 MW in MAAC
- Data as of 5/23/2017