

## Celebration of Petra Nova Carbon Capture/Enhanced Oil Recovery System Operations

**--System has already prevented more than 300,000 tons of carbon dioxide from entering the atmosphere since beginning operations--**



PETRA NOVA Carbon Capture

April 17, 2017

### PRESS RELEASE

April 17, 2017 – Secretary of Energy Rick Perry and Governor of Texas Greg Abbott joined the chief executive officers of the Petra Nova carbon capture and enhanced oil recovery system partners – NRG Energy (NYSE: NRG), JX Nippon Oil & Gas Exploration Corporation (JX Nippon), and Hilcorp Energy Company (Hilcorp) - to celebrate the operations of the carbon capture and enhanced oil recovery system.

Petra Nova, a 50-50 joint venture by NRG and JX Nippon, is the world's largest carbon capture system retrofitted onto an existing coal plant. It was constructed on-time and on-budget and commenced operations at the end of 2016. The project has delivered more than 300,000 tons of carbon dioxide (CO<sub>2</sub>) to the West Ranch oil field. The CO<sub>2</sub> is injected into the oil reservoir to increase oil production in an established process known as Enhanced Oil Recovery (EOR).

"I commend all those who contributed to this major achievement," said Secretary Perry. "While the Petra Nova project will certainly benefit Texas, it also demonstrates that clean coal technologies can have a meaningful and positive impact on the Nation's energy security and economic growth."

"Everything is bigger in Texas so it is fitting that the largest post-combustion, carbon-capture facility in the world is right here in the Lone Star State," said Governor Abbott. "Texas has become a global leader in innovation thanks to the pioneering spirits of companies like NRG and JX Nippon who are fueling the next generation of energy production through projects like Petra Nova."

"Petra Nova demonstrates our leadership on energy innovation at commercial-scale," said Mauricio Gutierrez, President and CEO of NRG Energy. "We have built the largest carbon capture system on an existing coal-fired power plant in the United States on-time and on-budget. This further shows what can be achieved when collaboration and competitive markets come together to make our existing domestic energy infrastructure more secure and sustainable."

"JX Nippon is very pleased that the construction of Petra Nova's Carbon Capture System (CCS) was completed on-schedule and on-budget," said Shunsaku Miyake, President and CEO of JX Nippon. "Also JX Nippon is delighted to say that shipping of oil produced through enhanced oil recovery by means of CO<sub>2</sub> injection, is currently proceeding smoothly. This project enables us not only to decrease greenhouse gas from the coal-fired power plant, but also, at the same time to dramatically boost oil production. It is a great honor for us, as a Japanese company, to participate in this innovative project in Texas and we are grateful to Petra Nova Team for this incredible opportunity."

"We are excited to be a part of this project," said Jeffery D. Hildebrand, Chairman and CEO, Hilcorp Energy Company. "The CO<sub>2</sub> delivered from Petra Nova to West Ranch will provide employment and long term economic opportunity for both the local economy and the State of Texas. We are proud of the fact that West Ranch has one of the most extensive monitoring programs for an enhanced oil recovery project in the United States, making sure that this project not only provides greater energy security for our nation and an economic benefit to the region but also is done in a safe and environmentally responsible manner."

Petra Nova captures more than 90% of CO<sub>2</sub> from a 240 MW equivalent slipstream of flue gas off an existing coal-fueled electrical generating unit at the WA Parish power plant in Fort Bend County, southwest of Houston. The project can capture more than 5,000 tons of CO<sub>2</sub> per day, or the equivalent of taking more than 350,000 cars off the road.

Hilcorp, the operator of West Ranch oilfield, uses the captured CO<sub>2</sub> to boost production at West Ranch oilfield, jointly owned by NRG, JX Nippon and Hilcorp. Both Hilcorp and the University of Texas Bureau of Economic Geology are monitoring the movement of CO<sub>2</sub> deep in the oil reservoir. Over the next few years, oil production at the field is currently estimated to increase from approximately 300 barrels per day before beginning EOR operations to up to 15,000 barrels per day using captured CO<sub>2</sub>.

### About NRG

NRG is the leading integrated power company in the U.S., built on the strength of the nation's largest and most diverse competitive electric generation portfolio and leading retail electricity platform. A Fortune 200 company, NRG creates value through best in class operations, reliable and efficient electric generation, and a retail platform serving residential and commercial businesses. Working with electricity customers, large and small, we continually innovate, embrace and implement sustainable solutions for producing and managing energy. We aim to be pioneers in developing smarter energy choices and delivering exceptional service as our retail electricity providers serve almost 3 million residential and commercial customers throughout the country. More information is available at [www.nrg.com](http://www.nrg.com). Connect with NRG Energy on Facebook and follow us on Twitter @nrgenergy.

### About JX Nippon

JX Nippon Oil & Gas Exploration Corporation is a core business company in the JXTG Group, which was established in April 2017 through a business integration of the JX Group and the TonenGeneral Group. The JXTG Group is the leading "integrated energy, resources and materials business group" in Japan. JX Nippon Oil & Gas Exploration Corporation engages in oil and natural gas exploration and production (E&P) business around the world. In the U.S., JX Nippon owns assets in the Gulf of Mexico, ranging from the continental shelf to deep water area. In addition, JX Nippon participates in the Syncrude Project in Canada, which produces synthetic crude oil from oil sand, and manages the project at Houston office. More information is available at [www.nex.jx-group.co.jp/english](http://www.nex.jx-group.co.jp/english).

### About Hilcorp

Hilcorp, founded in 1989, is one of the largest privately-held independent oil and natural gas exploration and production companies in the United States. Hilcorp is consistently ranked as one of the top places to work in America by multiple regional and national publications. Headquartered in Houston, TX, with over 1,500 employees, Hilcorp has operations across the United States including the Gulf Coast of Texas and Louisiana, Wyoming, Northeast U.S. and both the Cook Inlet and North Slope of Alaska. More information is available at [www.hilcorp.com](http://www.hilcorp.com).

● **Contact:**

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■ **NRG Media**

Dave Knox, 832-357-5735

■ **NRG Investors**

Kevin Cole, CFA, 609-524-4526

Lindsey Puchyr, 609-524-4527

■ **JX Nippon**

Hidetoshi Ishikawa, Manager, Administration & Public Relations Group

+81-3-6257-6000

Akiko Fujita, Assistant Manager, Administration & Public Relations Group

+81-3-6257-6000