

NRG ENERGY, INC.
Form S-3/A
May 26, 2005

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Pre-Effective Amendment No. 1 to
Form S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

NRG Energy, Inc.

(Exact name of Registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

41-1724239

*(I.R.S. Employer
Identification No.)*

**211 Carnegie Center
Princeton, New Jersey 08540
(609) 524-4500**

*(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)*

**Timothy W.J. O'Brien
Vice President and General Counsel
NRG Energy, Inc.
211 Carnegie Center
Princeton, NJ 08540
Tel.: (609) 524-4500
Fax: (609) 524-4589**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:

**Michael P. Rogan, Esq.
Skadden, Arps, Slate, Meagher & Flom LLP
1440 New York Avenue, NW
Washington, DC 20005-2111
Tel.: (202) 371-7000
Fax: (202) 393-5760**

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. The selling security holders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION. DATED MAY 26, 2005.

NRG Energy, Inc.

420,000 Shares of 4% Convertible Perpetual Preferred Stock

10,500,000 Shares of Common Stock issuable upon conversion of the Preferred Stock

This prospectus relates to the offer and resale, from time to time, of up to 420,000 shares of 4% Convertible Perpetual Preferred Stock, par value \$0.01, and the shares of our common stock, par value \$0.01, issuable upon the conversion of the preferred stock. These shares are being offered to the public market by those individuals named in the section of this prospectus entitled Selling Stockholders, as described under the section of this prospectus entitled Plan of Distribution. We originally issued the preferred stock in a private placement on December 21, 2004. The selling stockholders will receive the proceeds from the sale of the preferred stock and common stock, but we will bear the costs relating to the registration of the preferred stock and common stock.

For a more detailed description of the preferred stock, see Description of the Preferred Stock beginning on page 19.

Our common stock is traded on the New York Stock Exchange under the symbol NRG. At May 25, 2005, the last reported sale price of our common stock was \$34.75 per share. The shares of preferred stock issued in the initial private placement are eligible for trading in the Portalsm Market of the Nasdaq Stock Market, Inc. The preferred stock sold using this prospectus, however, will no longer be eligible for trading in the Portalsm Market of the Nasdaq Stock Market, Inc. We do not intend to list the preferred stock on any national securities exchange or automated quotation system.

An investment in the preferred stock or common stock involves a high degree of risk. You should carefully consider the risk factors beginning on page 6 of this prospectus and any other information in this prospectus before deciding to purchase the preferred stock or common stock.

The securities offered in this prospectus have not been recommended by the Securities and Exchange Commission or any state or foreign securities commission or any regulatory authority. These authorities have not confirmed the accuracy or determined the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus is dated _____, 2005.

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STATEMENT OF COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

CONSENT OF KPMG LLP

CONSENT OF PRICEWATERHOUSECOOPERS LLP

CONSENT OF PRICEWATERHOUSECOOPERS LLP

You should rely on the information contained or incorporated by reference in this prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations, cash flows and prospects may have changed since that date.

You should read the entire prospectus, especially the risks set forth under the heading Risk Factors, and complete your own examination before making an investment decision.

WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy and information statements and other information with the SEC. We have filed a registration statement on Form S-3 with the SEC of which this prospectus is a part. This prospectus does not contain all of the information included in the registration statement, and you should refer to the registration statement and its exhibits and any related prospectus supplement to read that information. References in this prospectus and any related prospectus supplement to any of our contracts or other documents are not necessarily complete, and you should refer to the exhibits attached to or incorporated by reference in the registration statement for copies of the actual contract or document.

You may read and copy the registration statement, the related exhibits and the other material we file with the SEC at the SEC's public reference room at 450 Fifth Street, NW, Washington, DC 20549. You can also request copies of those documents, upon payment of a duplicating fee, by writing to the SEC. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. The SEC also maintains an internet site that contains reports, proxy and information statements and other information regarding issuers that file with the SEC. The site's address is www.sec.gov.

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and information that we later file with the SEC will automatically update and supersede the information contained or incorporated by reference in this prospectus. Accordingly, we incorporate by reference:

our annual report on Form 10-K for the year ended December 31, 2004;

our quarterly report on Form 10-Q for the quarterly period ended March 31, 2005;

our definitive proxy statement on Schedule 14A filed on April 12, 2005;

our Form 8-A filed on December 10, 2003, as amended on March 22, 2004; and

our current report on Form 8-K filed on February 24, 2005; current report on Form 8-K filed on March 3, 2005; two current reports on Form 8-K filed on March 30, 2005; current report on Form 8-K filed on May 24, 2005; current report on Form 8K/ A filed on May 24, 2005; and current report on Form 8-K/ A filed on May 25, 2005.

All documents which we subsequently file pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 prior to the termination of an offering pursuant to this prospectus shall be deemed to be incorporated by reference into this prospectus from the date of filing of such documents. These documents are or will be available for inspection or copying at the locations identified above.

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We will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon written or oral request, a copy of any and all of the documents that have been or may be incorporated by reference in this prospectus. You should direct requests for documents by writing to:

NRG Energy, Inc.
211 Carnegie Center
Princeton, New Jersey 08540
(609) 524-4500
Attention: General Counsel

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SUMMARY

The following summary does not contain all the information that may be important to you and is qualified in its entirety by the more detailed information appearing elsewhere in this prospectus. You should read the entire prospectus, especially the risks set forth under the heading Risk Factors, and complete your own examination of us and the terms of the preferred stock or common stock before making an investment decision. In this prospectus, unless the context requires otherwise: NRG Energy, NRG, we, us and our refer to NRG Energy, Inc. and its subsidiaries.

Overview of NRG

NRG Energy is a wholesale power generation company, primarily engaged in the ownership and operation of power generation facilities, the transacting in and trading of fuel and transportation services and the marketing and trading of energy, capacity and related products in the United States and internationally. We have a diverse portfolio of electric generation facilities in terms of geography, fuel type and dispatch levels. Our principal domestic generation assets consist of a diversified mix of natural gas-, coal- and oil-fired facilities, representing approximately 40%, 31% and 29% of our total domestic generation capacity, respectively. In addition, 23% of our domestic generating facilities have dual- or multiple-fuel capacity, which may allow plants to dispatch with the lowest cost fuel option.

Our two principal operating objectives are to optimize performance of our entire portfolio, and to protect and enhance the market value of our physical and contractual assets through the execution of asset-based risk management, marketing and trading strategies within well-defined risk and liquidity guidelines. We manage the assets in our core regions on a portfolio basis as integrated businesses in order to serve the requirements of the load-serving entities in our core markets. Our business involves the reinvestment of capital in our existing assets for reasons of repowering, expansion, environmental remediation, operating efficiency, reliability programs, greater fuel optionality, greater merit order diversity, enhanced portfolio effect or for alternative use, among other reasons. Our business also may involve acquisitions intended to complement the asset portfolios in our core regions, and from time to time we may also consider and undertake other merger and acquisition transactions that are consistent with our strategy.

We were incorporated as a Delaware corporation on May 29, 1992. Our common stock is listed on the New York Stock Exchange under the symbol NRG. Our headquarters and principal executive offices are located at 211 Carnegie Center, Princeton, New Jersey 08540. Our telephone number is (609) 524-4500. The address of our website is www.nrgenergy.com. Our recent annual reports, quarterly reports, current reports and other periodic filings are available free of charge through our website. Our Corporate Governance Guidelines and the charters of our Audit, Compensation and Governance and Nominating Committees are also available on our website at www.nrgenergy.com/investor/corpgov.htm. These charters are available in print to any shareholder who requests them.

You can get more information regarding our business by reading our Annual Report on Form 10-K for the fiscal year ended December 31, 2004, and the other reports we file with the Securities and Exchange Commission. See

Where You Can Find More Information.

The Offering

Preferred Stock Offered by the Selling Holders	Up to 420,000 shares of 4% Convertible Perpetual Preferred Stock, par value \$0.01 per share.
Common Stock Offered by the Selling Holders	Up to 10,500,000 shares, based upon an initial conversion price of \$40 per share of common stock. The conversion price is subject to adjustment as described in Description of the Preferred Stock Adjustments of Conversion Rate.

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Liquidation preference	\$1,000 per share of preferred stock.
Dividend	<p>Holder of preferred stock are entitled to receive, when, as and if declared by our board of directors, out of funds legally available therefor, cash dividends at the rate of 4% per annum, payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year, commencing March 15, 2005. Dividends on the preferred stock will be cumulative from the date of initial issuance. Accumulated but unpaid dividends cumulate dividends at the annual rate of 4%.</p> <p>For so long as the preferred stock remains outstanding, (1) we will not declare, pay or set apart funds for the payment of any dividend or other distribution with respect to any junior stock or parity stock, and (2) neither we, nor any of our subsidiaries, will, subject to certain exceptions, redeem, purchase or otherwise acquire for consideration junior stock or parity stock through a sinking fund or otherwise, in each case, unless we have paid or set apart funds for the payment of all accumulated and unpaid dividends, including liquidated damages, if any, with respect to the shares of preferred stock and any parity stock for all preceding dividend periods. See Description of the Preferred Stock Dividends.</p> <p>We have not declared or paid dividends on our common stock, and the payment of dividends is limited by our credit agreement. On March 15, 2005, we paid dividends on our preferred stock.</p>
Conversion of preferred stock	<p>The preferred stock is convertible, at the option of the holder, at any time into shares of our common stock at an initial conversion price of \$40.00 per share, which is equal to an approximate conversion rate of 25 shares of our common stock per share of preferred stock.</p> <p>The conversion price may be adjusted for certain reasons, including for any future common stock dividends, but will not be adjusted for accumulated and unpaid dividends or liquidated damages, if any. Upon conversion, holders will not receive any cash payment representing accumulated dividends, if any. Instead, accumulated dividends, if any, will be deemed paid by the issuance of the common stock received by holders on conversion.</p> <p>If a fundamental change occurs, we will adjust the conversion price as described under Description of the Preferred Stock Adjustments to the Conversion Price Adjustment for a Fundamental Change or Public Acquirer Fundamental Change, as applicable.</p> <p>If we declare a cash dividend or cash distribution to holders of our common stock, the conversion price shall be decreased to equal the price determined by multiplying the conversion price in effect immediately prior to the record date for such dividend or distribution by the following fraction:</p> $\frac{\text{(Pre-Dividend Sale Price - Dividend Adjustment Amount)}}{\text{(Pre-Dividend Sale Price)}}$ <p>Pre-Dividend Sale Price means the average common stock price for the three consecutive trading days ending on the trading day</p>

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immediately preceding the record date for such dividend or distribution.

Dividend Adjustment Amount means the full amount of the dividend or distribution to the extent payable in cash applicable to one common share. See Description of the Preferred Stock Adjustments to the Conversion Price.

Optional redemption of preferred stock We may not redeem any shares of preferred stock at any time before December 20, 2009. On or after December 20, 2009, we may redeem some or all of the preferred stock with cash at a redemption price equal to 100% of the liquidation preference, plus accumulated but unpaid dividends, including liquidated damages, if any, to the redemption date. The terms of the indenture governing our senior secured notes and our senior credit facility could restrict our ability to redeem shares of preferred stock for cash.

If full cumulative dividends on the preferred stock have not been paid, the preferred stock may not be redeemed, and we may not purchase or acquire any shares of preferred stock other than pursuant to a purchase or exchange offer made on the same terms to all holders of preferred stock.

The preferred stock is not subject to any mandatory redemption or sinking fund provision.

Fundamental change with respect to preferred stock If we become subject to a fundamental change, each holder of shares of preferred stock will have the right to require us to purchase any or all of its shares with cash at a purchase price equal to 100% of the liquidation preference, plus accumulated and unpaid dividends, including liquidated damages, if any, to the date of purchase. Our ability to purchase all or a portion of preferred stock for cash is subject to our obligation to repay or repurchase any outstanding debt required to be repaid or repurchased in connection with a fundamental change and to any contractual restrictions then contained in our debt.

We will not be required to repurchase any shares of preferred stock if the closing stock price of our common stock for the five trading days within the 10 consecutive trading days ending immediately before the later of the fundamental change or the public announcement thereof equals or exceeds 105% of the applicable conversion price of the preferred stock immediately before the fundamental change or public announcement.

In addition, holders of shares of preferred stock shall not have the right to require us to repurchase shares of preferred stock upon a fundamental change (i) unless such purchase complies with the indenture governing our senior secured notes and our anticipated amended and restated credit facility and (ii) unless and until our board of directors has approved such fundamental change or elected to take a neutral position with respect to such fundamental change.

Voting rights Each holder of preferred stock will have one vote for each share held by the holder on all matters voted upon by the holders of our

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common stock, as well as voting rights specifically provided for in our amended and restated certificate of incorporation or as otherwise from time to time required by law. In addition, whenever (1) dividends on the preferred stock or any other class or series of stock ranking on a parity with the preferred stock with respect to the payment of dividends are in arrears for dividend periods, whether or not consecutive, containing in the aggregate a number of days equivalent to six calendar quarters, or (2) we fail to pay the redemption price on the date shares of preferred stock are called for redemption or the purchase price on the purchase date for shares of preferred stock following a change of control, then, in each case, the holders of preferred stock (voting separately as a class with all other series of preferred stock upon which like voting rights have been conferred and are exercisable) will be entitled to vote for the election of two of the authorized number of our directors at the next annual meeting of stockholders and at each subsequent meeting until all dividends accumulated or the redemption price on the preferred stock have been fully paid or set apart for payment. The term of office of all directors elected by the holders of preferred stock will terminate immediately upon the termination of the rights of the holder of preferred stock to vote for directors. Upon election of any additional directors, the number of directors that comprise our board will be increased by the number of such additional directors. Holders of shares of preferred stock will have one vote for each share of preferred stock held.

Ranking

The preferred stock will be, with respect to dividend rights and rights upon liquidation, winding up or dissolution:

junior to all our existing and future debt obligations;

junior to each other class or series of our capital stock other than (1) our common stock and any other class or series of our capital stock the terms of which provide that such class or series will rank junior to the preferred stock and (2) any other class or series of our capital stock the terms of which provide that such class or series will rank on a parity with the preferred stock;

on a parity with any other class or series of our capital stock the terms of which provide that such class or series will rank on a parity with the preferred stock;

senior to our common stock and any other class or series of our capital stock the terms of which provide that such class or series will rank junior to the preferred stock; and

effectively junior to all of our subsidiaries (1) existing and future liabilities and (2) capital stock held by others.

Use of proceeds

All of the shares of preferred stock and common stock offered hereby are being sold by the selling stockholders. We will not receive any proceeds from the sale of preferred stock and common stock in this offering.

Absence of a public market for the preferred stock

The shares of preferred stock issued in the initial private placement are eligible for trading in the Portalsm Market of the Nasdaq Stock

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	Market, Inc. The preferred stock sold using this prospectus, however, will no longer be eligible for trading in the Portal sm Market of the Nasdaq Stock Market, Inc. We do not intend to list the preferred stock on any national securities exchange or automated quotation system.
Listing of our Common Stock	Our common stock is traded on the New York Stock Exchange under the symbol NRG. At May 25, 2005, the last reported sale price of our common stock was \$34.75 per share.
Risk factors	See Risk Factors and the other information in this prospectus and our SEC filings for a discussion of the factors you should carefully consider before deciding to invest in the preferred stock.

Ratio of Earnings to Fixed
Charges and Preference
Dividends

	Ratio
<u>Reorganized NRG</u>	
Quarterly Period Ended March 31, 2005	(1)
Year Ended December 31, 2004	1.77x
December 6, 2003 Through December 31, 2003	1.63x
<u>Predecessor Company</u>	
January 1, 2003 Through December 5, 2003	9.82x(2)
Year Ended December 31, 2002	(3)
Year Ended December 31, 2001	1.26x
Year Ended December 31, 2000	1.81x

(1) For the three months ended March 31, 2005, the deficiency of earnings to fixed charges was \$11,098,000.

(2) For the period January 1, 2003 through December 5, 2003, the earnings include a one time earning of \$4,118,636,000 due to Fresh Start adjustments.

(3) For the year ended December 31, 2002, the deficiency of earnings to fixed charges was \$3,023,467,000.

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RISK FACTORS

*Investing in our preferred stock and common stock involves a high degree of risk. You should carefully consider the risk factors set forth under the section entitled *Risks Related to NRG Energy, Inc.* in our annual report on Form 10-K for the year ended December 31, 2004, which is incorporated by reference into this prospectus. You should also carefully consider the risks described below, together with the other information contained in this prospectus, contained in our SEC filings or derived from your own examination of us and the terms of the preferred stock and common stock, before making your decision to invest in shares of our preferred stock and common stock.*

Risks Related to the Preferred Stock and the Common Stock

The preferred stock ranks junior to all of our liabilities.

The preferred stock ranks junior to all of our liabilities. In the event of our bankruptcy, liquidation or winding-up, our assets will be available to pay obligations on the preferred stock, including the purchase of your shares of the preferred stock for cash upon a fundamental change, only after all our indebtedness and other liabilities have been paid. In addition, the preferred stock will effectively rank junior to all existing and future liabilities of our subsidiaries and any capital stock of our subsidiaries held by others. The rights of holders of the preferred stock to participate in the distribution of assets of our subsidiaries will rank junior to the prior claims of that subsidiary's creditors and any other equity holders. Consequently, if we are forced to liquidate our assets to pay our creditors, we may not have sufficient assets remaining to pay amounts due on any or all of the preferred stock then outstanding. We and our subsidiaries may incur substantial amounts of additional debt and other obligations that will rank senior to the preferred stock.

We may not be able to pay the purchase price of the preferred stock in cash upon a fundamental change. We also could be prevented from paying dividends on shares of the preferred stock.

In the event of a fundamental change you will have the right to require us to purchase with cash all your shares of preferred stock. However, we may not have sufficient cash to purchase your shares of preferred stock upon a fundamental change or may be otherwise unable to pay the purchase price in cash.

In addition, holders of shares of preferred stock shall not have the right to require us to repurchase shares of preferred stock upon a fundamental change (i) unless such purchase complies with our indenture governing our senior secured notes and our anticipated amended and restated credit facility and (ii) unless and until our board of directors has approved such fundamental change or elected to take a neutral position with respect to such fundamental change. Also, the terms of the indenture governing our senior secured notes, our existing credit facility and our anticipated amended and restated credit facility contain or will contain, as applicable, limitations on our ability to pay the purchase price of the preferred stock in cash. In addition, they contain restrictions that could limit our ability to pay dividends on the shares of preferred stock. Even if the terms of the instruments governing our indebtedness allow us to pay cash dividends and to redeem and purchase the preferred stock in cash, we can only make such payments from legally available funds, as determined by our board of directors, and such funds may not be available to pay cash dividends to you or to redeem or purchase your shares of preferred stock. Dividends on the preferred stock will only be paid when, as and if declared by our board of directors. The board of directors may elect not to declare dividends on the preferred stock.

Further, because we are a holding company, our ability to purchase the preferred stock for cash or to pay dividends on the preferred stock may be limited by restrictions on our ability to obtain funds for such repurchase through dividends from our subsidiaries.

An active trading market for the preferred stock may not develop, and you may be unable to resell your shares of preferred stock at or above the purchase price.

The shares of preferred stock issued in the initial private placement are eligible for trading in the PortalSM Market of the Nasdaq Stock Market, Inc. The preferred stock sold using this prospectus, however, will no longer be eligible for trading in the PortalSM Market of the Nasdaq Stock Market, Inc. We do not intend to list the

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preferred stock on any national securities exchange or automated quotation system. Consequently, a liquid trading market for the preferred stock may not develop and the market price of the preferred stock may be volatile. As a result, you may be unable to sell your shares of preferred stock at a price equal to or greater than that which you paid, if at all.

If you convert your shares of preferred stock into shares of common stock, you will experience immediate dilution.

If you convert your shares of preferred stock into shares of common stock, you will experience immediate dilution because the per share conversion price of the preferred stock immediately after this offering will be higher than the net tangible book value per share of the outstanding common stock. In addition, you will also experience dilution when and if we issue additional shares of common stock, which we may be required to issue pursuant to options, warrants, our stock option plan or other employee or director compensation plans.

The price of our common stock, and therefore of the preferred stock, may fluctuate significantly, which may make it difficult for you to resell the preferred stock, or common stock issuable upon conversion of the preferred stock, when you want or at prices you find attractive.

The price of our common stock on the New York Stock Exchange constantly changes. We expect that the market price of our common stock will continue to fluctuate. Because the preferred stock is convertible into our common stock, volatility or depressed prices for our common stock could have a similar effect on the trading price of the preferred stock. Holders who have received common stock upon conversion will also be subject to the risk of volatility and depressed prices.

Our stock price can fluctuate as a result of a variety of factors, many of which are beyond our control. These factors include:

- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- changes in accounting standards, policies, guidance, interpretations or principles;
- our inability to raise additional capital;
- sales of common stock by us or members of our management team;
- quarterly variations in our operating results;
- operating results that vary from the expectations of management, securities analysts and investors;
- changes in expectations as to our future financial performance, including financial estimates by securities analysts and investors;
- developments generally affecting our industry;
- announcements by us or our competitors of significant contracts, acquisitions, joint marketing relationships, joint ventures or capital commitments;
- announcements by third parties of significant claims or proceedings against us;
- our dividend policy;
- future sales of our equity or equity-linked securities; and
- general domestic and international economic conditions.

In addition, the stock market in general has experienced extreme volatility that has often been unrelated to the operating performance of a particular company. These broad market fluctuations may adversely affect the market price of our common stock.

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Our ability to pay dividends may be limited.

We are restricted by the terms of our senior credit facility and the indenture governing our senior secured notes in our ability to pay dividends to the holders of our common stock. In the future, we may agree to further restrictions on our ability to pay dividends. In addition, to maintain our credit ratings, we may be limited in our ability to pay dividends so that we can maintain an appropriate level of debt.

The additional shares of our common stock payable on our preferred stock in connection with certain fundamental changes may not adequately compensate holders of the preferred stock for the lost option time value of the shares of our preferred stock as a result of such fundamental change.

If a fundamental change occurs, we will, in certain circumstances, increase the conversion rate of our preferred stock by a number of additional shares of common stock. The number of additional shares of our common stock will be determined based on the date on which the fundamental change becomes effective, and the price paid per share of common stock in the fundamental change transaction as described under Description of the Preferred Stock Adjustments to the Conversion Price Adjustment for a Fundamental Change. While the increase in the conversion rate upon conversion is designed to compensate you for the lost option time value of your shares of preferred stock as a result of the fundamental change, the increase is only an approximation of this lost value and may not adequately compensate you for your loss. If the price paid per share of common stock in the fundamental change transaction is less than the price per share of the common stock at the date of issuance of our preferred stock or above a specified price, there will be no increase in the conversion rate. In addition, in certain circumstances, upon a fundamental change arising from our acquisition by a public company, we may elect to adjust the conversion rate as described under Description of the Preferred Stock Adjustments to the Conversion Price Public Acquirer Fundamental Change and, if we so elect, holders of shares of our preferred stock will not be entitled to the increase in the conversion rate described above.

We may issue additional series of preferred stock that rank equally to the preferred stock as to dividend payments and liquidation preference.

Our amended and restated certificate of incorporation and the certificate of designation for the preferred stock do not prohibit us from issuing additional series of preferred stock that would rank equally to the preferred stock as to dividend payments and liquidation preference. Including the 420,000 shares of the preferred stock subject to this prospectus, our amended and restated certificate of incorporation provides that we have the authority to issue 10,000,000 shares of preferred stock. The issuances of other series of preferred stock could have the effect of reducing the amounts available to the preferred stock in the event of our liquidation. It may also reduce dividend payments on the preferred stock if we do not have sufficient funds to pay dividends on all preferred stock outstanding and outstanding parity preferred stock.

Future issuances of preferred stock may adversely affect the market price for our common stock.

Additional issuances and sales of preferred stock, or the perception that such issuances and sales could occur, may cause prevailing market prices for our common stock to decline and may adversely affect our ability to raise additional capital in the financial markets at a time and price favorable to us.

We may not have sufficient earnings and profits in order for distributions on the preferred stock to be treated as dividends.

The dividends paid by us may exceed our current and accumulated earnings and profits, as calculated for U.S. federal income tax purposes. This will result in the amount of the dividends that exceeds such earnings and profits being treated first as a return of capital to the extent of the holder's adjusted tax basis in the preferred stock, and the excess as capital gain. Such treatment will generally be unfavorable for corporate holders and may also be unfavorable to certain other holders.

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Our corporate documents and Delaware law contain provisions that could discourage, delay or prevent a change in control of our company even if some stockholders might consider such a development favorable, which may adversely affect the price of our common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated by-laws may discourage, delay or prevent a merger or acquisition involving us that our stockholders may consider favorable. For example, our amended and restated certificate of incorporation authorizes our board of directors to issue shares of preferred stock to which special rights are attached, including voting and dividend rights. With these rights, preferred stockholders could make it more difficult for a third party to acquire us. In addition, our amended and restated certificate of incorporation provides for a staggered board of directors, whereby directors serve for three-year terms, with approximately one third of the directors coming up for reelection each year. Having a staggered board of directors will make it more difficult for a third party to obtain control of our board of directors through a proxy contest, which may be a necessary step in an acquisition of us that is not favored by our board of directors.

We are also subject to the anti-takeover provisions of Section 203 of the Delaware General Corporation Law. Under these provisions, if anyone becomes an interested stockholder, we may not enter into a business combination with that person for three years without special approval, which could discourage a third party from making a takeover offer and could delay or prevent a change of control. For purposes of Section 203, interested stockholder means, generally, someone owning 15% or more of our outstanding voting stock or an affiliate of ours that owned 15% or more of our outstanding voting stock during the past three years, subject to certain exceptions as described in Section 203.

Upon any change in control, the lenders under our existing credit facility will have the right to require us to repay all of our outstanding obligations under the facility. Upon the occurrence of a change in control, the holders of our senior secured notes will have the right, subject to certain conditions, to require us to repurchase their notes at a price equal to 101% of their principal amount plus accrued and unpaid interest and liquidated damages, if any, to the date of repurchase.

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FORWARD-LOOKING STATEMENTS

This prospectus includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. The words believes, projects, anticipates, plans, expects, intends, estimates, and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance and achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statement. These factors, risks and uncertainties include the factors described under Risk Factors on page 6 herein or in our SEC filings, including under the section entitled Risks Related to NRG Energy, Inc. in our annual report on Form 10-K for the year ended December 31, 2004, and the following:

Our ability to successfully and timely close transactions to sell certain of our assets;

Hazards customary to the power production industry and power generation operations such as fuel and electricity price volatility, unusual weather conditions, catastrophic weather-related or other damage to facilities, unscheduled generation outages, maintenance or repairs, unanticipated changes to fossil fuel supply costs or availability due to higher demand, shortages, transportation problems or other developments, environmental incidents, or electric transmission or gas pipeline system constraints and the possibility that we may not have adequate insurance to cover losses as a result of such hazards;

Our potential inability to enter into contracts to sell power and procure fuel on terms and prices acceptable to us;

The liquidity and competitiveness of wholesale markets for energy commodities;

Changes in government regulation, including possible changes of market rules, market structures and design, rates, tariffs, environmental laws and regulations and regulatory compliance requirements;

Price mitigation strategies and other market structures or designs employed by independent system operators, or ISOs, or regional transmission organizations, or RTOs, that result in a failure to adequately compensate our generation units for all of their costs;

Our ability to borrow additional funds and access capital markets, as well as our substantial indebtedness and the possibility that we may incur additional indebtedness going forward; and

Significant operating and financial restrictions placed on us contained in the indenture governing our 8% second priority senior secured notes due 2013, our amended and restated credit facility as well as in debt and other agreements of certain of our subsidiaries and project affiliates generally.

Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors that could cause our actual results to differ materially from those contemplated in any forward-looking statements included in this prospectus should not be construed as exhaustive.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES AND PREFERENCE DIVIDENDS**

The ratios of earnings to fixed charges and preference dividends for the periods indicated are stated below. For this purpose, earnings include pre-tax income (loss) before adjustments for minority interest in our consolidated subsidiaries and income or loss from equity investees, plus fixed charges and distributed income of equity investees, reduced by interest capitalized. Fixed charges include interest, whether expensed or capitalized, amortization of debt expense and the portion of rental expense that is representative of the interest factor in these rentals. Preference dividends equals the amount of pre-tax earnings that is required to pay the dividends on outstanding preference securities.

Period	Ratio
<u>Reorganized NRG</u>	
Quarterly Period Ended March 31, 2005	(1)
Year Ended December 31, 2004	1.77x
December 6, 2003 Through December 31, 2003	1.63x
<u>Predecessor Company</u>	
January 1, 2003 Through December 5, 2003	9.82x(2)
Year Ended December 31, 2002	(3)
Year Ended December 31, 2001	1.26x
Year Ended December 31, 2000	1.81x

(1) For the three months ended March 31, 2005, the deficiency of earnings to fixed charges was \$11,098,000.

(2) For the period January 1, 2003 through December 5, 2003, the earnings include a one time earning of \$4,118,636,000 due to Fresh Start adjustments.

(3) For the year ended December 31, 2002, the deficiency of earnings to fixed charges was \$3,023,467,000.

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USE OF PROCEEDS

All of the shares of preferred stock and common stock offered hereby are being sold by the selling stockholders. We will not receive any proceeds from the sale of preferred stock and common stock in this offering.

Table of Contents**SELLING STOCKHOLDERS**

Information about the selling stockholders may change over time. Any changed information will be set forth in a post-effective amendment or, if permissible, a prospectus supplement to the extent we are advised of such changes. From time to time, additional information concerning ownership of the shares may rest with certain holders thereof not named in the table below and of whom we are unaware. All information in the following tables and related footnotes has been supplied to us by the selling stockholders, and we have relied on their representations.

The following table and accompanying notes set forth certain information provided to us by the selling stockholders. Under this prospectus, the selling stockholders and any of their respective transferees, assignees, donees, distributees, pledgees, or other successors-in-interest may offer and sell from time to time up to an aggregate of 420,000 shares of preferred stock, or 10,500,000 shares of our common stock issuable upon conversion of the preferred stock. The shares listed below are being registered to permit public sales of these securities by the selling stockholders, and the selling stockholders may offer all, some or none of their securities.

The number of shares of preferred stock and common stock that may be actually purchased by certain selling stockholders and the number of shares of preferred stock and common stock that may be actually sold by each selling stockholder will be determined by such selling stockholder. Because certain selling stockholders may purchase all, some or none of the shares of preferred stock or common stock that can be purchased upon conversion of the preferred stock and each selling stockholder may sell all, some or none of the shares of preferred stock and common stock that each holds, and because the offering contemplated by this prospectus is not currently being underwritten, no estimate can be given as to the number of shares of preferred stock and common stock that will be held by the selling stockholders upon termination of the offering. In addition, the selling stockholders listed below may have acquired, sold or transferred, in transactions exempt from the registration requirements of the Securities Act, some or all of their shares of preferred stock and common stock since the date as of which the information in the tables is presented.

The following table sets forth information regarding the beneficial ownership of shares of common stock by the selling stockholders as of the date of this prospectus, and the number of shares of preferred stock and common stock covered by this prospectus. Except as otherwise noted below, none of the selling stockholders has held any position or office, or has had any other material relationship with us or any of our affiliates within the past three years.

The information set forth in the following table regarding the beneficial ownership after resale of shares is based on the assumption that each selling stockholder will sell all of the shares of preferred stock and common stock owned by the selling stockholder and covered by the prospectus. If all of the shares of our preferred stock and common stock listed below are sold pursuant to this prospectus, then the selling stockholders will sell 420,000 shares of Preferred Stock, or 10,500,000 shares of our common stock.

Name	Ownership Before Offering		Securities Offered by This Prospectus		Ownership After Offering		
	Preferred	Common	Preferred	Common	Preferred	Common	% of Common(1)
AM International E MAC 63 Ltd.	790	19,750	790	19,750	0	0	0
AM Master Fund I, LP	6,916	172,900	6,916	172,900	0	0	0
Barclays Global Investors Diversified Alpha Plus Funds	549	13,725	549	13,725	0	0	0
Basso Holdings Ltd.	600	15,000	600	15,000	0	0	0
Basso Multi-Strategy Holding Fund Ltd.	1,400	35,000	1,400	35,000	0	0	0
BBT Fund, LP	2,250	56,250	2,250	56,250	0	0	0
Bear, Stearns & Co. Inc.	500	12,500	500	12,500	0	0	0
	1,255	31,375	1,255	31,375	0	0	0

Boston Income Portfolio
c/o Eaton Vance Mgt.
Citigroup Global Markets
Inc.(2)

4,994	124,850	4,994	124,850	0	0	0
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Name	Ownership Before Offering		Securities Offered by This Prospectus		Ownership After Offering		
	Preferred	Common	Preferred	Common	Preferred	Common	% of Common(1)