



PAC NEWSLETTER

SUMMER 2025

Dear PAC Members,

We are pleased to bring you the latest edition of our NRG PAC newsletter, filled with updates and insights that underscore the pivotal role you play in shaping NRG's future.

First and foremost, thank you. Your generous support for the NRG PAC is essential to our advocacy efforts, empowering us to effectively navigate the legislative landscape at both the state and federal levels.

In this edition, you will find a snapshot of our PAC membership and fundraising progress made so far in the new 2025-2026 election cycle, along with state legislative updates in Texas and Ohio. Please read below to ensure you are informed and equipped with the latest news and activities.

Thank you once again for your unwavering support of NRG PAC. Together, we are driving positive change and securing a bright future for NRG and our customers.

Warm regards,

Eric Blackwell

NRG PAC Manager

Director, Government & Political Affairs

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NRG PAC Board Members

Chris Moser

Senior Vice President, Head of Competitive Markets and Policy, NRG PAC Board Chair

Kimberly Carpenter

Vice President, Business Marketing & Customer Experience

Bill Clayton

Vice President, Customer Care & Retention Sales

David DesRoberts

Vice President, Plant Operations

Bill Evans

Vice President, Business Operations

Tom Hughes

Senior Director, Marketing Planning & Performance

Rebecca Lee

Director, Government Affairs

Keri Murschell

Director, Key Partnership Management & Growth

Ryan Scharfenberg

Treasurer, Accounting, Systems & Integration

NRG PAC Updates

PAC Snapshot



256
PAC Members



151
Director Level and
Above PAC Members



115
Inner Circle Members



5%
Participation Rate
(12% National Average)

STATE LEGISLATIVE UPDATES

Texas

The 89th Texas Regular Legislative Session convened on January 14, 2025. By the time Session began, three issues emerged as priorities within the Texas Legislature regarding electricity: Hurricane Beryl recovery, wildfire mitigation and large load integration. NRG participated in legislative conversations with key Members regarding these topics and more. We preserved retail electric providers' role as the primary source of customer interaction while ensuring utilities had the information and access needed to keep REP customers informed in a timely and accurate manner regarding power outage and restoration. NRG monitored wildfire legislation, which focused on assigning maintenance and accountability to oil and gas operators and/or utilities as well as expanding causes of actions for damages. NRG also participated and served as a reliable resource for the Senate during their composition and amendment of SB 6, the large load bill. We participated in countless hours of negotiations to ensure generators adding generation capacity to the ERCOT grid were fairly assessed and incentivized. We also advocated to keep costs reasonable for residential and small business customers by advocating for the review of the current Four Coincident Peak (4CP) method of allocating transmission costs in ERCOT and determination of a fairer way to allocate costs among customer classes.

Legislation passed on all three of these legislative priorities. In addition, in light of the rising cost of living and declining affordability of retail electric bills, NRG championed legislation to reconstitute the System Benefit Fund, renamed the Consumer Benefit Fund. HB 1359 would have provided retail bill payment assistance for qualifying low income or critical care customers. While we received

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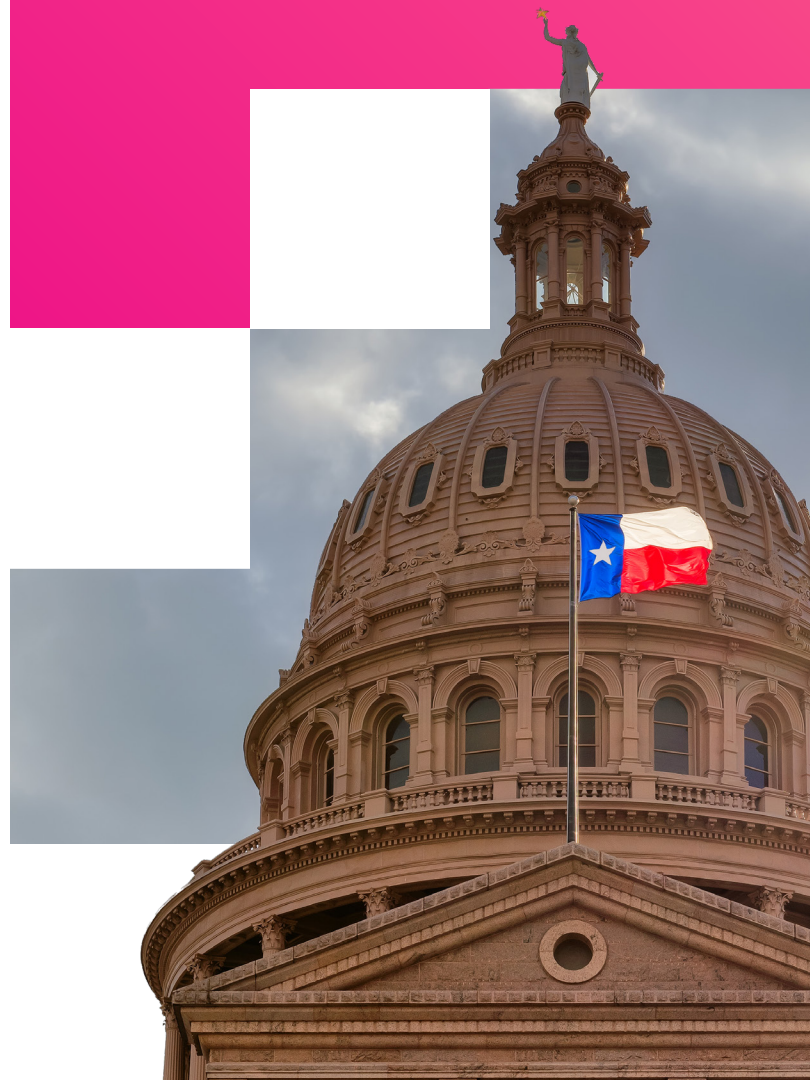
Hurricane Beryl recovery



Wildfire mitigation



Large load integration



STATE LEGISLATIVE UPDATES

over 100 votes for the measure in the House, the bill never received a hearing in the Senate due to a lack of Republican support in the Chamber. Furthermore, NRG supported SB 2322, which would have provided an exemption for the compelling factor test within the Job, Energy, Technology and Innovation Act, an economic development incentive program that provides school property tax abatements to qualifying entities. Time ran out, and it died on the House Calendar. Fortunately, the 89th Legislature decided to fully fund the Texas Energy Fund by appropriating the final \$5 billion to the fund for low interest loans and completion bonuses for dispatchable generation built in the near future.

In addition, numerous bills were filed regarding home services. In fact, "Right to Repair" and "automatic renewal ban" legislation were filed in various forms. NRG worked to ensure relevant legislation would add minimal regulatory burden on our warranty and home service subsidiaries by advocating for various exemptions within legislation that passed. In most instances, home service businesses were already regulated by a state agency in Texas; and many of the provisions proposed in legislation sought to increase or double regulation. NRG was successful in our advocacy

and prevented our businesses from unfair penalties or over-regulation. The 89th Regular Legislature concluded June 2, 2025.

The interim period between regular legislative sessions will be used to study specific topics in the form of interim charges and corresponding committee hearings. NRG will continue to stay engaged in relevant discussions. To that end, Governor Greg Abbott announced a special session to begin July 21, 2025. The following issues will be considered during the special session: THC ban/regulation; real property recoding requirements; water project regulations; human trafficking prosecution; regulation of cement kiln operations near semiconductors; judicial pay, mid-cycle redistricting and Central Texas flood mitigation. Regardless, NRG will remain engaged with Legislators in case our business operations are included in any of the filed legislation, though it seems unlikely.

Ohio

The first five months of the 2025 legislative session ushered in major energy reforms and pro-energy market policies, due to extraordinary coordination between the House and Senate. The single-minded coordination on energy policy by the Ohio General Assembly, was made possible by the election of Matt Huffman as Speaker of the House. Huffman was the former Senate President in 2024, and term limited under Ohio law. Huffman's political savvy cleared the way for the election of his hand-picked successor in the senate, Senate President Rob McColley.



STATE LEGISLATIVE UPDATES

Huffman and McColley were receptive to pro-energy market policies and, with the support of competitive suppliers and independent power producers, passed House Bill 15. HB 15 contained a series of utility reforms, such as doing away with a regulatory provision that allowed utilities to seek rate increases without the full scrutiny of a rate case. HB 15 also ended subsidies for two 1950-era coal power plants. HB 15 also created pro-market provisions for the competitive suppliers, such as allowing new customers to sign up for service with a government I.D. as opposed to a utility account number and requiring default service for non-shopping customers be bid to all interested suppliers to ensure consumers benefit from the lowest cost for electricity. HB 15 also did away with certain taxes to encourage new generation and administrative reforms that expedite the approval of new generation projects.

NRG Government Affairs played a pivotal role in the passage of HB 15. In addition to direct lobbying of key legislators, NRG's committee testimony generated **positive press** for the company.

HB 15 was enacted on May 15, 2025, and goes into effect on August 14, 2025. As is the norm with an omnibus energy bill, technical drafting errors occur. HB 15 contained a few drafting errors; one in particular made bypassable charges for shopping customers non-bypassable. In essence shopping customers would pay twice for certain services. The Senate and House sent the technical corrections to HB 15 in the budget bill to the governor, and he line-item vetoed the technical correction making all utility charges



non-bypassable for shopping customers. Apparently, the public utilities commission thought the language as drafted in the budget bill was too broad and would have led to unintended charges being bypassable by shopping customers.

NRG Government Affairs, our trade association and other suppliers are engaged with legislative leaders to determine next steps in response to the governor's veto. Options include veto override (requires a two-third majority) and running a new bill to make the transmission charges for customers avoidable. NRG Government Affairs remains engaged to generate a positive outcome for NRG.

Disclaimer: Contributions to NRG PAC are not deductible for Federal income tax purposes. NRG PAC is funded by voluntary contributions. You have the right to refuse to contribute without reprisal. Contributions will be used for political purposes. Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation, and name of employer of individuals whose contributions exceed \$200 in a calendar year. The recommended contribution amount is only a suggestion. You may give more or less than the suggested amount. NRG will not favor or disadvantage anyone by reason of the amount of their contribution or their decision not to contribute.

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