

NRG ENERGY, INC.
Form 424B7
November 13, 2006

Table of Contents

Filed Pursuant to Rule 424(b)(3) and 424(b)(7)
Registration No. 333-130549

The filing fee of \$24,147 is calculated in accordance with Rule 457(r) of the Securities Act of 1933. Pursuant to Rule 457(p), the filing fee of \$177,869 transmitted in connection with the prospectus supplement dated July 20, 2006, relating to unsold securities registered pursuant to a Registration Statement on Form S-3 (No. 333-130549), is being carried forward, of which \$87,474 was offset against the registration fee due in connection with the offering described in our prospectus supplement dated August 9, 2006, of which \$44,376 was offset against the registration fee due in connection with the offering described in our prospectus supplement dated August 23, 2006, and an additional \$24,147 is offset against the registration fee due for this offering. No additional registration fee has been paid with respect to this offering.

PROSPECTUS SUPPLEMENT

To Prospectus dated December 21, 2005

4,216,871 Shares

NRG Energy, Inc.

COMMON STOCK

The selling stockholders named in this prospectus supplement are selling to the underwriter an aggregate of 4,216,871 shares of our common stock at a price of \$54.57 per share. We will not receive any of the proceeds from the sale of the shares sold pursuant to this prospectus supplement.

All of the shares offered by the underwriter in this prospectus supplement were purchased from certain selling stockholders that received shares of our common stock in a private placement in connection with our acquisition of Texas Genco.

Pursuant to our previously announced share repurchase program, we may purchase shares of our common stock in the open market or in privately negotiated transactions from time to time. These purchases could have the effect of materially increasing the market price of our common stock above the price that would otherwise prevail.

Our common stock is listed on the New York Stock Exchange under the symbol NRG. The last reported closing price of shares of our common stock on the New York Stock Exchange on November 8, 2006 was \$54.50.

See Risk Factors beginning on page S-5 and in the documents incorporated by reference herein, including our Annual Report on Form 10-K, to read about risks that you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the prospectus to which it relates is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriter has agreed to purchase the common stock from the selling stockholders at a price of \$54.57 per share, which will result in approximately \$230.1 million of proceeds in the aggregate to the selling stockholders. The underwriter may receive a commission from certain investors equivalent to five cents per share. The

underwriter proposes to offer the 4,216,871 shares of common stock from time to time for sale in negotiated transactions or otherwise, at market prices on the New York Stock Exchange prevailing at the time of sale, at prices related to such prevailing market prices or otherwise.

The underwriter expects to deliver the shares to purchasers on or about November 15, 2006.

MORGAN STANLEY

November 9, 2006

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

| | |
|--|------|
| <u>About This Prospectus Supplement</u> | i |
| <u>Where You Can Find More Information</u> | i |
| <u>Incorporation of Documents by Reference</u> | i |
| <u>Cautionary Statement Regarding Forward Looking Statements</u> | ii |
| <u>Market and Industry Data</u> | iii |
| <u>Prospectus Summary</u> | S-1 |
| <u>The Offering</u> | S-4 |
| <u>Risk Factors</u> | S-5 |
| <u>Use of Proceeds</u> | S-7 |
| <u>Price Range of Common Stock and Dividend Policy</u> | S-7 |
| <u>Selling Stockholders</u> | S-8 |
| <u>Material United States Tax Considerations to Non-U.S. Holders</u> | S-9 |
| <u>Plan of Distribution</u> | S-12 |
| <u>Legal Matters</u> | S-14 |

Prospectus

| | |
|---|-----|
| <u>Where You Can Find More Information</u> | ii |
| <u>Incorporation of Certain Documents by Reference</u> | ii |
| <u>Disclosure Regarding Forward Looking Statements</u> | iii |
| <u>NRG Energy, Inc.</u> | 1 |
| <u>Description of Securities We May Offer</u> | 2 |
| <u>Debt Securities and Guarantees</u> | 2 |
| <u>Preferred Stock</u> | 4 |
| <u>Common Stock</u> | 6 |
| <u>Ratio of Earnings to Fixed Charges and Earnings to Combined Fixed Charges and Preference Dividends</u> | 7 |
| <u>Use of Proceeds</u> | 8 |
| <u>Validity of the Securities</u> | 8 |
| <u>Experts</u> | 8 |

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectus are part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, which we refer to as the SEC, using a shelf registration process. This document is in two parts. The first part of this document is this prospectus supplement, which describes, among other things, the terms of this offering of common stock and general information about the selling stockholders and also adds to and updates information contained in the accompanying prospectus. The second part of this document is the accompanying prospectus, which contains more general information, some of which may not apply to the common stock offered pursuant to this prospectus supplement. This prospectus supplement and the accompanying prospectus include important information that you should know before investing.

To the extent that there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or any document incorporated by reference, on the other hand, the information in this prospectus supplement shall control.

WHERE YOU CAN FIND MORE INFORMATION

NRG files annual, quarterly and special reports, proxy statements and other information with the SEC. You can inspect and copy these reports, proxy statements and other information at the Public Reference Room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the Public Reference Room. NRG's SEC filings will also be available to you on the SEC's website at <http://www.sec.gov> and through the New York Stock Exchange, 20 Broad Street, New York, NY 10005, on which NRG's common stock is listed.

This prospectus supplement and the accompanying prospectus, which forms a part of the registration statement, do not contain all the information that is included in the registration statement. You will find additional information about us in the registration statement. Any statements made in this prospectus supplement or the accompanying prospectus concerning the provisions of legal documents are not necessarily complete and you should read the documents that are filed as exhibits to the registration statement or otherwise filed with the SEC for a more complete understanding of the document or matter.

INCORPORATION OF DOCUMENTS BY REFERENCE

The SEC allows the incorporation by reference of the information filed by NRG with the SEC into this prospectus supplement, which means that important information can be disclosed to you by referring you to those documents and those documents will be considered part of this prospectus supplement. Information that NRG files later with the SEC will automatically update and supersede the previously filed information. The documents listed below and any future filings NRG makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, after the date of this prospectus supplement but before the end of the offerings that may be made under this prospectus supplement, are incorporated by reference herein:

NRG's annual report on Form 10-K for the year ended December 31, 2005 (filed on March 7, 2006) as amended by the Form 10-K/A filed on March 27, 2006.

NRG's quarterly reports on Form 10-Q for the quarter ended March 31, 2006 (filed on May 9, 2006), June 30, 2006 (filed on August 4, 2006) and September 30, 2006 (filed on November 6, 2006).

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NRG's Definitive Proxy Statement on Schedule 14A filed on March 24, 2006.

NRG's current reports on Form 8-K filed on January 4, 2006, Form 8-K filed on January 5, 2006, Form 8-K/A filed on January 5, 2006, Form 8-K filed on January 13, 2006, Form 8-K filed on January 23, 2006, Form 8-K/A filed on January 23, 2006, Form 8-K/A filed on January 26, 2006, Form 8-K filed on January 27, 2006, Form 8-K filed on February 6, 2006, Form 8-K filed on February 8, 2006, Form 8-K filed on March 10, 2006, Form 8-K filed on March 16, 2006, Form 8-K filed on April 6, 2006, Form 8-K filed on May 3, 2006, Form 8-K filed on May 4, 2006, Form 8-K filed on May 31, 2006, Form 8-K filed on August 1, 2006 (only

Table of Contents

with respect to the information deemed filed under Item 8.01), Form 8-K filed on August 10, 2006, Form 8-K filed on August 11, 2006, Form 8-K filed on August 21, 2006, Form 8-K filed on August 25, 2006 and Form 8-K filed on September 26, 2006 (only with respect to the information deemed filed under Item 8.01).

The description of NRG's common stock contained in the Registration Statement on Form 8-A dated December 10, 2003 and amended on March 22, 2004 filed with the SEC to register such securities under the Exchange Act, including any amendment or report filed for the purpose of updating such description.

If you make a request for such information in writing or by telephone, NRG will provide you, without charge, a copy of any or all of the information incorporated by reference in this prospectus supplement. Any such request should be directed to:

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

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference and any written communication from us specifying the final terms of the offering. NRG has not, and the selling stockholders 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. NRG is not, and the selling stockholders 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 supplement is accurate as of the date on the front cover of this prospectus supplement only. NRG's business, financial condition, results of operations and prospects may have changed since that date.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This prospectus supplement, and the documents incorporated herein by reference, may contain 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, but are not limited to, the factors described in the Risk Factors contained and incorporated by reference in this prospectus supplement or the accompanying prospectus, including:

Risks and uncertainties related to the capital markets generally, including increases in interest rates;

General economic conditions, changes in the wholesale power markets and fluctuations in the cost of fuel or other raw materials;

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;

NRG's potential inability to enter into contracts to sell power or procure fuel on terms and prices acceptable to it;

The liquidity and competitiveness of wholesale markets for energy commodities;

Government regulation, including compliance with regulatory requirements and changes in market rules, rates, tariffs and environmental laws;

Table of Contents

Price mitigation strategies and other market structures 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;

NRG's ability to realize its significant deferred tax assets, including loss carry forwards;

The effectiveness of NRG's risk management policies and procedures, and the ability of NRG's counterparties to satisfy their financial commitments;

Counterparties' collateral demands and other factors affecting NRG's liquidity position and financial condition;

NRG's ability to implement its recently-announced strategy of developing and building new power generation facilities, including new nuclear units and IGCC units, in a way that benefits investors in its debt and equity securities;

NRG's ability to operate its businesses efficiently, manage capital expenditures and costs tightly (including general and administrative expenses), and generate earnings and cash flow from its asset-based businesses in relation to its debt and other obligations; and

Significant operating and financial restrictions which may be placed on NRG as a result of the financing transactions described elsewhere in this prospectus supplement and instruments governing its existing indebtedness.

MARKET AND INDUSTRY DATA

Certain market and industry data included or incorporated by reference in this prospectus supplement and in the accompanying prospectus has been obtained from third party sources that we believe to be reliable. We have not independently verified such third party information and cannot assure you of its accuracy or completeness. While we are not aware of any misstatements regarding any market, industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the headings "Cautionary Statement Regarding Forward Looking Statements" and "Risk Factors" in this prospectus supplement.

Table of Contents

PROSPECTUS SUMMARY

This summary does not contain all of the information that you should consider before investing in our common stock. You should read the entire prospectus supplement and the accompanying prospectus carefully, including the matters discussed under the captions Risk Factors and the detailed information and financial statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus. When used in this prospectus supplement, the terms NRG, we, our and us, except as otherwise indicated or as the context otherwise indicates, refer to NRG Energy, Inc. and its consolidated subsidiaries.

Our Business

NRG is a wholesale power generation company, primarily engaged in the ownership, development, construction 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-, oil-fired and nuclear facilities, representing approximately 45%, 34%, 16% and 5% of our total domestic generation capacity, respectively. In addition, 15% of our domestic generating facilities have dual or multiple fuel capacity, which allows plants to dispatch with the lowest cost fuel option.

Our Strategy

Our strategy is to optimize the value of our generation assets while using that asset base as a platform for growth and enhanced financial performance which can be sustained and expanded upon in years to come. We plan to maintain and enhance our position as a leading wholesale power generation company in the United States in a cost-effective and risk-mitigating manner in order to serve the bulk power requirements of our customer base and other entities that offer load, or otherwise consume wholesale electricity products and services in bulk. Our strategy includes the following elements:

Increase value from our existing assets. We have a highly diversified portfolio of power generation assets in terms of region, fuel type and dispatch levels. We will continue to focus on extracting value from our portfolio by improving plant performance, reducing costs and harnessing our advantages of scale in the procurement of fuels and other commodities, parts and services, and in so doing to improve our return on invested capital, or ROIC: a strategy that we have branded *FORNRG*, or Focus on ROIC at NRG.

Pursue intrinsic growth opportunities at existing sites in our core regions. We are favorably positioned to pursue growth opportunities through expansion of our existing generating capacity. We intend to invest in our existing assets through plant improvements, repowerings, brownfield development and site expansions to meet anticipated requirements for new capacity in our core markets. In furtherance of this goal, we have initiated a company-wide program, known as Repowering NRG, to develop, finance, construct and operate new and enhanced power generation facilities, with an emphasis on new baseload capacity that is supported by long-term power sales agreements and financed with limited or non-recourse project financing. We expect that these efforts will provide one or more of the following benefits: improved heat rates; lower delivered costs; expanded electricity production capability; an improved ability to dispatch economically across the merit order; increased technological and fuel diversity; and reduced environmental impacts, including facilities that either have zero greenhouse gas emissions or can be equipped to capture and, eventually, to sequester greenhouse gas emissions.

Maintain financial strength and flexibility. We remain focused on increasing cash flow and maintaining appropriate levels of liquidity, debt and equity in order to ensure continued access to capital for investment, to enhance risk-adjusted returns, and to provide flexibility in executing our business strategy. We will continue our focus on maintaining operational and financial controls designed to ensure that our financial position remains strong. At the same time, we expect to continue with our practice of returning excess capital to our debt and equity investors on a regular basis.

Reduce the volatility of our cash flows through asset-based commodity hedging activities. We will continue to execute asset-based risk management, hedging, marketing and trading strategies within well-defined risk and

S-1

Table of Contents

liquidity guidelines in order to manage the value of our physical and contractual assets. Our marketing and hedging philosophy is centered on generating stable returns from our baseload power generation assets while preserving the ability to capitalize on strong spot market conditions and to capture the extrinsic value of our intermediate and peaking facilities and portions of our baseload fleet. We believe that we can successfully execute this strategy by taking advantage of our expertise in marketing power and ancillary services, our knowledge of markets, our balanced financial structure and our diverse portfolio of power generation assets.

Participate in continued industry consolidation. We will continue to pursue selective acquisitions, joint ventures and divestitures to enhance our asset mix and competitive position in our core regions in order to meet the fuel and dispatch requirements in these regions. We intend to concentrate on opportunities that we believe will present attractive risk-adjusted returns. We will also opportunistically pursue other strategic transactions, including mergers, acquisitions or divestitures during the consolidation of the power generation industry in the United States.

Our Competitive Strengths

Scale and diversity of assets. We have one of the largest and most diversified power generation portfolios in the United States with approximately 22,800 MW of generation capacity in 180 generating units at 45 plants as of September 30, 2006. Our power generation assets are diversified by fuel type, dispatch level and region, which help mitigate the risks associated with fuel price volatility and market demand cycles. Our U.S. baseload facilities, which consist of approximately 8,600 MW of generation capacity measured as of September 30, 2006, provide us with a significant source of stable cash flow, while our intermediate and peaking facilities, with approximately 14,200 MW of generation capacity as of September 30, 2006, provide us with opportunities to capture the significant upside potential that can arise from time to time during periods of high demand. In addition, approximately 15% of our domestic generation facilities have dual or multiple fuel capability, which allows most of these plants to dispatch with the lowest cost fuel option.

Reliability of future cash flows. As discussed in greater detail below under The Transactions, we have sold forward or otherwise hedged a significant amount of our expected baseload generation capacity through 2011. The Company has the capacity and intent to enter into hedges in later years when market conditions are favorable. In addition, as of September 30, 2006, we have purchased forward under fixed price contracts (with contractually-specified price escalators) to provide fuel for approximately 79% of our expected baseload coal generation output from 2006 to 2012. These forward positions provide a stable and reliable source of future cash flow for our investors, while preserving a portion of our generation portfolio for opportunistic sales to take advantage of market dynamics.

Favorable market dynamics for baseload solid fuel power plants. In 2006, approximately 71% of the United States generation will be fueled by coal or nuclear fuel. In many of the competitive markets where we operate, the price of power is typically set by the marginal costs of natural gas-fired and oil-fired power plants that currently have substantially higher variable costs than our solid fuel baseload power plants. For example, ERCOT's October 1, 2005 Report on Existing and Potential Electric System Constraints and Needs found that natural gas-fired power plants set the market price of power more than 90% of the time in ERCOT. As a result of our lower marginal cost for baseload coal and nuclear generation assets, we expect these ERCOT assets to generate power nearly 100% of the time they are available.

Locational advantages. Many of our generation assets are located within densely populated areas that are characterized by significant constraints on the transmission of power from generators outside the region. Consequently, these assets are able to benefit from the higher prices that prevail for energy in these markets during periods of transmission constraints. We have generation assets located within New York City, southwestern Connecticut, Houston and the Los Angeles and San Diego load basins, all areas with constraints on the transmission of electricity. This gives us the opportunity to capture additional revenues through offering capacity to retail electric

providers and others, selling power at prevailing market prices during periods of peak demand and providing ancillary services in support of system reliability. These facilities are often ideally situated for repowering or the addition of new capacity, as well, because their location and existing infrastructure give them significant advantages over greenfield sites in their regions.

Table of Contents

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. Our website is located at www.nrgenergy.com. The information on, or linked to, our website is not a part of this prospectus supplement.

You can get more information regarding our business by reading our Annual Report on Form 10-K for the fiscal year ended December 31, 2005, and the other reports we file with the SEC. See [Where You Can Find More Information](#) and [Incorporation of Documents by Reference](#).

S-3

Table of Contents

THE OFFERING

| | |
|---|---|
| Common Stock Offered by Selling Stockholders | 4,216,871 Shares |
| Common Stock to be Outstanding After Completion of the Offering | 126,442,942 Shares |
| Use of Proceeds | The proceeds from the sale of shares of our common stock offered pursuant to this prospectus supplement are solely for the account of the selling stockholders. We will not receive any proceeds from the sale of our common stock by the selling stockholders. Please see Use of Proceeds. |
| New York Stock Exchange Symbol | NRG |
| Risk Factors | Before investing in our common stock, you should carefully read and consider the information set forth in Risk Factors beginning on page S-5 of this prospectus supplement and in the documents incorporated by reference herein, including our Annual Report on Form 10-K. |

The number of shares to be outstanding after this offering is based on the number of shares of our common stock outstanding as of November 8, 2006 and excludes 39,281,443 shares of our common stock reserved for issuance with respect to convertible preferred stock and under stock incentive plans or pursuant to individual option grants or stock awards.

Senior Notes Offering

On November 8, 2006, NRG announced that it has priced its public offering of \$1,100.0 million aggregate principal amount of its senior notes at 7.375%. These senior notes will mature on January 15, 2017. As previously announced, NRG will use the net proceeds from the senior notes offering and cash on hand to fund payments to counterparties under certain of its existing long-term hedging agreements pursuant to agreements to reset the hedge price levels to current market prices. NRG expects the senior notes offering to close on November 21, 2006.

Table of Contents

RISK FACTORS

Investing in our common stock involves a high degree of risk. In addition to the risk factors set forth below, please see the risk factors described in our Annual Report on Form 10-K for our most recent fiscal year, which are incorporated by reference into this prospectus. Such risks are not the only risks that we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially adversely affect our business operations. The risks described could affect our business, financial condition or results of operations. In such a case, you may lose all or part of your original investment. You should carefully consider the risks described in our Form 10-K, the risks described below as well as other information and data set forth in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein before making an investment decision with respect to the common stock.

Risks Related to this Offering

The price of our common stock may fluctuate significantly, which may make it difficult for you to resell the common 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. Holders of our common stock will be subject to the risk of volatility and depressed prices.

Our common 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 ability 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;

market activities undertaken in connection with our previously announced capital allocation and share repurchase programs;

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;

changes in 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.

Our ability to pay dividends may be limited.

The terms of our senior secured credit facility and the indentures governing our senior notes restrict our ability to pay dividends to the holders of our common stock. In addition, under the terms of our outstanding preferred stock,

S-5

Table of Contents

we are restricted from paying any cash dividend on our common stock if we are not current in our dividend payments with respect to such preferred 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. Our future dividend policy depends on earnings, financial condition, liquidity, capital requirements and other factors. There is no guarantee that we will pay dividends on shares of our common stock.

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 would 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.

Under our senior secured credit facility, a change of control is an event of default. Upon the occurrence of a change in control, the holders of our senior 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.

Shares eligible for future issuance or sale may cause our common stock price to decline, which may negatively impact your investment.

Issuances or sales of substantial numbers of additional shares of our common stock, including in connection with future acquisitions, if any, or the perception that such issuances or sales could occur, may cause prevailing market prices for shares of 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. As of the date of this prospectus supplement, our amended and restated certificate of incorporation provides that we have authority to issue up to 500,000,000 shares of our common stock. As of November 8, 2006, 126,442,942 shares of our common stock were issued and outstanding and 10,587,700 shares of our common stock that were previously outstanding are now held in treasury following the completion of Phase I of our Capital Allocation Program. Also as of such date, there were 39,281,443 shares of our common stock reserved for issuance with respect to convertible preferred stock and under stock incentive plans or pursuant to individual option grants or stock awards. Future sales or a perception that such sales may occur could reduce the market price for our common stock.

Table of Contents**USE OF PROCEEDS**

We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders.

PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY

Since March 25, 2004, NRG's common stock has been listed for trading on the New York Stock Exchange under the symbol NRG. The following table sets forth the quarterly high and low share price information for the periods indicated:

| | High | Low |
|---|-------------|------------|
| Year ended December 31, 2004 | | |
| Second Quarter | \$ 24.80 | \$ 19.17 |
| Third Quarter | \$ 28.43 | \$ 24.10 |
| Fourth Quarter | \$ 36.18 | \$ 26.00 |
| Year ended December 31, 2005 | | |
| First Quarter | \$ 39.10 | \$ 32.79 |
| Second Quarter | \$ 37.61 | \$ 30.30 |
| Third Quarter | \$ 44.45 | \$ 36.40 |
| Fourth Quarter | \$ 49.44 | \$ 37.60 |
| Year ended December 31, 2006 | | |
| First Quarter | \$ 49.46 | \$ 41.79 |
| Second Quarter | \$ 52.61 | \$ 42.44 |
| Third Quarter | \$ 51.15 | \$ 44.25 |
| Fourth Quarter (through November 8, 2006) | \$ 55.03 | \$ 44.27 |

On November 8, 2006, the closing sale price of NRG's common stock was \$54.50 and, on November 8, 2006, there were 126,442,942 shares of common stock issued and outstanding.

NRG has not declared or paid dividends on its common stock, although we may do so in the future. The terms of our senior secured credit facility and the indentures for our senior notes restrict our ability to pay dividends to the holders of our common stock. In addition, under the terms of our outstanding preferred stock, we are restricted from paying any cash dividend on our common stock if we are not current in our dividend payments with respect to such preferred stock.

Table of Contents**SELLING STOCKHOLDERS**

The following table sets forth information concerning beneficial ownership of our capital stock by the selling stockholders as of November 8, 2006 and after the consummation of this offering. When we refer to the selling stockholders in this prospectus supplement, we mean those persons listed in the table below, as well as the donees, transferees, pledgees or others who may later hold the selling stockholders' interests. The shares of our common stock offered by this prospectus supplement were issued to the selling stockholders in a private placement in connection with our acquisition of Texas Genco LLC.

Unless otherwise indicated, we believe that the beneficial owner has sole voting and investment power over such shares. Unless set forth or incorporated by reference herein, to our knowledge, none of the selling stockholders has, or within the past three years has had, any material relationship with us or any of our predecessors or affiliates.

| Name of Selling Stockholder | Shares Beneficially Owned | | Shares to be Sold in this Offering | Shares Beneficially Owned | |
|---|-------------------------------|------------------------|------------------------------------|----------------------------|---------|
| | Prior to this Offering Number | Percent ⁽¹⁾ | | After this Offering Number | Percent |
| Hellman & Friedman Capital Partners IV, L.P. ⁽²⁾ | 3,207,976 | 2.5% | 3,207,976 | | |
| H&F International Partners IV-A, L.P. ⁽²⁾ | 262,116 | * | 262,116 | | |
| H&F International Partners IV-C, L.P. ⁽²⁾ | 1,179 | * | 1,179 | | |
| H&F Executive Fund IV, L.P. ⁽²⁾ | 84,588 | * | 84,588 | | |
| H&F TGN AIV, L.P. ⁽²⁾ | 661,012 | * | 661,012 | | |
| Total | 4,216,871 | 3.3% | 4,216,871 | | |

* Less than 1%.

(1) Calculated based on Rule 13d-3(d)(1)(i) of the Securities Exchange Act of 1934, as amended, using 126,442,942 shares of common stock outstanding as of November 8, 2006.

(2) As the general partner of each of Hellman & Friedman Capital Partners IV, L.P. (HFCP IV), H&F International Partners IV-A, L.P. (HFIP IV-A), H&F International Partners IV-C, L.P. (HFIP IV-C), H&F Executive Fund IV, L.P. (HFEF IV), H&F TGN AIV, L.P. (HF AIV), and together with HFCP IV, HFIP IV-A, HFIP IV-C and HFEF IV, the H&F Partnerships). H&F Investors IV, LLC (H&F Investors) may be deemed to have beneficial ownership of the shares of our common stock over which any of the H&F Partnerships has voting or dispositive power. Accordingly, H&F Investors may be deemed to have sole voting and dispositive power with respect to, and beneficially own, an aggregate of 4,216,871 shares of our common stock. The investment decisions of H&F Investors are made by the investment committee of H&F Investors. The managing members of H&F Investors and the investment committee have power to vote or to direct the vote of, and to dispose or to direct the disposition of, the shares of our common stock that may be deemed to be beneficially owned by H&F Investors. As a result, each of the managing members of H&F Investors and each of the members of the investment committee may be deemed to beneficially own the shares of our common stock that H&F Investors may be deemed to beneficially own. Each of the managing members of H&F Investors and each of the members of the investment committee, disclaims beneficial ownership of the shares of our common stock that H&F Investors may be deemed to beneficially own, except to the extent of his or her indirect pecuniary interest, if any, therein.

Pursuant to an Investor Rights Agreement among us, the selling stockholders and certain other stockholders, we agreed to register the common stock received by the selling stockholders in a private placement in connection with our acquisition of Texas Genco and to indemnify the selling stockholders against certain liabilities related to the selling of the common stock, including liabilities arising under the Securities Act. Under the Investor Rights Agreement, we also agreed to pay the costs and fees of registering the shares of common stock; however, the selling stockholders will pay any brokerage commissions or underwriting discounts relating to the sale of the shares of common stock.

S-8

Table of Contents

MATERIAL UNITED STATES TAX CONSIDERATIONS TO NON-U.S. HOLDERS

The following is a general discussion of the material U.S. federal income and estate tax considerations applicable to non-U.S. holders with respect to their ownership and disposition of shares of our common stock. This discussion is for general information only and is not tax advice. Accordingly, all prospective non-U.S. holders of our common stock should consult their own tax advisors with respect to the U.S. federal, state, local and non-U.S. tax consequences of the acquisition, ownership and disposition of our common stock. A non-U.S. holder means a beneficial owner of our common stock who is not for U.S. federal income tax purposes:

an individual citizen or resident of the United States,

a corporation, partnership, or any other organization taxable for U.S. federal income tax purposes as a corporation or partnership created or organized in the United States or under the laws of the United States, any state thereof, or the District of Columbia,

an estate the income of which is included in gross income for U.S. federal income tax purposes regardless of its source, or

a trust if (1) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) a valid election is in place to treat the trust as a U.S. person.

This discussion is based on current provisions of the United States Internal Revenue Code of 1986, as amended, existing and proposed United States Treasury Regulations promulgated thereunder, current administrative rulings and judicial decisions, all of which are in effect as of the date of this prospectus and all of which are subject to change, potentially with retroactive effect, or to differing interpretation. Any change, which may or may not be retroactive, could alter the tax consequences to non-U.S. holders described in this prospectus. We assume in this discussion that a non-U.S. holder holds shares of our common stock as a capital asset (generally property held for investment).

This discussion does not address all aspects of U.S. federal income and estate taxation that may be relevant to a particular non-U.S. holder in light of that non-U.S. holder's individual circumstances nor does it address any aspects of U.S. state, local or non-U.S. taxes. This discussion also does not consider any specific facts or circumstances that may apply to a non-U.S. holder and does not address the special tax rules applicable to particular non-U.S. holders, including but not limited to:

banks, insurance companies, or other financial institutions;

tax-exempt organizations;

controlled foreign corporations or passive foreign investment companies;

brokers or dealers in securities or currencies;

pass-through entities (e.g. partnerships) or persons who hold our common stock through pass-through entities;

regulated investment companies;

pension plans;

owners of more than 5% of our common stock;

persons that hold our common stock as part of a straddle, hedge, conversion transaction, synthetic security or other integrated investment; and

certain U.S. expatriates.

In addition, if a partnership holds our common stock, the tax treatment of a partner generally will depend on the status of the partner and upon the activities of the partnership. Accordingly, partnerships that are prospective investors in our common stock, and partners in such partnerships, should consult their tax advisors.

S-9

Table of Contents

There can be no assurance that the Internal Revenue Service, or the IRS, will not challenge one of the tax consequences described herein, and we have not obtained, nor do we intend to obtain, an opinion of counsel with respect to the U.S. federal income or estate tax consequences to a non-U.S. holder of the purchase, ownership, or disposition of our common stock. We urge prospective investors to consult with their own tax advisors regarding the U.S. federal, state, local and non-U.S. income and other tax considerations of acquiring, holding and disposing of shares of our common stock.

Distributions on Our Common Stock