

MEMORANDUM

To: All Option Members, Member Organizations and ROTs

From: Market Watch

Date: May 29, 2007

**Re: NRG Energy, Inc. (NRG) - 2 for 1 Stock Split**

NRG Energy, Inc. (NRG) has declared a 2 for 1 stock split payable to share holders of record on Tuesday, May 22, 2007. Distribution date for the stock split will be Thursday, May 31, 2007. **Ex-distribution date for the stock split will be Friday, June 1, 2007.**

The Options Clearing Corporation (OCC), pursuant to OCC By-Laws, intends to issue on the distribution date (1) additional NRG option contract for each option contract held. Further, on the ex-distribution date each NRG series will have an adjusted exercise (strike) price equal to 1/2 of the exercise (strike) price for each NRG series existing on the business day preceding the ex-distribution date. For example, beginning on Friday, June 1, 2007 an account holding (2) NRG JUN 25 calls (NRG FE) will hold (4) NRG JUN 12 1/2 calls (NRG FQ). Customers should be advised that (1) contract in the adjusted NRG series will still represent 100 shares of NRG common shares.

**POSITION/EXERCISE LIMITS:**

Position and exercise limits will change from 250,000 to 500,000 contracts until the expiration date of January 17, 2009

**GOOD-TILL-CANCELLED (GTC) ORDERS:**

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the ex-distribution or effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

The resulting list of adjusted strike prices and symbols is as follows:

| NRG Energy, Inc. (NRG)<br>(Before 6/1/2007)<br>(1 Contract) |     |     |       |      | NRG Energy, Inc. (NRG)<br>(Beginning 6/1/2007)<br>(2 Contracts) |     |        |       |      |
|---|-----|-----|-------|------|---|-----|--------|-------|------|
|   |     |     | Calls | Puts |   |     |        | Calls | Puts |
| NRG   | JUN | 25  | FE    | RE   | NRG   | JUN | 12 1/2 | FQ    | RQ   |
| NRG   | JUN | 30  | FF    | RF   | NRG   | JUN | 15     | FC    | RC   |
| NRG   | JUN | 35  | FG    | RG   | NRG   | JUN | 17 1/2 | FR    | RR   |
| NRG   | JUN | 40  | FH    | RH   | NRG   | JUN | 20     | FD    | RD   |
| NRG   | JUN | 45  | FI    | RI   | NRG   | JUN | 22 1/2 | FS    | RS   |
| NRG   | JUN | 50  | FJ    | RJ   | NRG   | JUN | 25     | FE    | RE   |
| NRG   | JUN | 55  | FK    | RK   | NRG   | JUN | 27 1/2 | FT    | RT   |
| NRG   | JUN | 60  | FL    | RL   | NRG   | JUN | 30     | FF    | RF   |
| NRG   | JUN | 65  | FM    | RM   | NRG   | JUN | 32 1/2 | FZ    | RZ   |
| NRG   | JUN | 70  | FN    | RN   | NRG   | JUN | 35     | FG    | RG   |
| NRG   | JUN | 75  | FO    | RO   | NRG   | JUN | 37 1/2 | FU    | RU   |
| NRG   | JUN | 80  | FP    | RP   | NRG   | JUN | 40     | FH    | RH   |
| NRG   | JUN | 85  | FQ    | RQ   | NRG   | JUN | 42 1/2 | FV    | RV   |
| NRG   | JUN | 90  | FR    | RR   | NRG   | JUN | 45     | FI    | RI   |
| NRG   | JUN | 95  | FS    | RS   | NRG   | JUN | 47 1/2 | FW    | RW   |
| NRG   | JUN | 100 | FT    | RT   | NRG   | JUN | 50     | FJ    | RJ   |

NRG Energy, Inc. (NRG)  
(Before 6/1/2007)  
(1 Contract)

|     |     |     | Calls | Puts |
|-----|-----|-----|-------|------|
| NRG | JUL | 65  | GM    | SM   |
| NRG | JUL | 70  | GN    | SN   |
| NRG | JUL | 75  | GO    | SO   |
| NRG | JUL | 80  | GP    | SP   |
| NRG | JUL | 85  | GQ    | SQ   |
| NRG | JUL | 90  | GR    | SR   |
| NRG | JUL | 95  | GS    | SS   |
| NRG | JUL | 100 | GT    | ST   |
| NRG | JUL | 105 | GA    | SA   |

|     |     |     |    |    |
|-----|-----|-----|----|----|
| NRG | SEP | 35  | IG | UG |
| NRG | SEP | 40  | IH | UH |
| NRG | SEP | 45  | II | UI |
| NRG | SEP | 50  | IJ | UJ |
| NRG | SEP | 55  | IK | UK |
| NRG | SEP | 60  | IL | UL |
| NRG | SEP | 65  | IM | UM |
| NRG | SEP | 70  | IN | UN |
| NRG | SEP | 75  | IO | UO |
| NRG | SEP | 80  | IP | UP |
| NRG | SEP | 85  | IQ | UQ |
| NRG | SEP | 90  | IR | UR |
| NRG | SEP | 95  | IS | US |
| NRG | SEP | 100 | IT | UT |

|     |     |     |    |    |
|-----|-----|-----|----|----|
| NRG | DEC | 60  | LL | XL |
| NRG | DEC | 65  | LM | XM |
| NRG | DEC | 70  | LN | XN |
| NRG | DEC | 75  | LO | XO |
| NRG | DEC | 80  | LP | XP |
| NRG | DEC | 85  | LQ | XQ |
| NRG | DEC | 90  | LR | XR |
| NRG | DEC | 95  | LS | XS |
| NRG | DEC | 100 | LT | XT |
| NRG | DEC | 105 | LA | XA |
| NRG | DEC | 110 | LB | XB |
| NRG | DEC | 115 | LC | XC |

NRG Energy, Inc. (NRG)  
(Beginning 6/1/2007)  
(2 Contracts)

|     |     |        | Calls | Puts |
|-----|-----|--------|-------|------|
| NRG | JUL | 32 1/2 | GZ    | SZ   |
| NRG | JUL | 35     | GG    | SG   |
| NRG | JUL | 37 1/2 | GU    | SU   |
| NRG | JUL | 40     | GH    | SH   |
| NRG | JUL | 42 1/2 | GV    | SV   |
| NRG | JUL | 45     | GI    | SI   |
| NRG | JUL | 47 1/2 | GW    | SW   |
| NRG | JUL | 50     | GJ    | SJ   |
| NRG | JUL | 52 1/2 | GX    | SX   |

|     |     |        |    |    |
|-----|-----|--------|----|----|
| NRG | SEP | 17 1/2 | IR | UR |
| NRG | SEP | 20     | ID | UD |
| NRG | SEP | 22 1/2 | IS | US |
| NRG | SEP | 25     | IE | UE |
| NRG | SEP | 27 1/2 | IT | UT |
| NRG | SEP | 30     | IF | UF |
| NRG | SEP | 32 1/2 | IZ | UZ |
| NRG | SEP | 35     | IG | UG |
| NRG | SEP | 37 1/2 | IU | UU |
| NRG | SEP | 40     | IH | UH |
| NRG | SEP | 42 1/2 | IV | UV |
| NRG | SEP | 45     | II | UI |
| NRG | SEP | 47 1/2 | IW | UW |
| NRG | SEP | 50     | IJ | UJ |

|     |     |        |    |    |
|-----|-----|--------|----|----|
| NRG | DEC | 30     | LF | XF |
| NRG | DEC | 32 1/2 | LZ | XZ |
| NRG | DEC | 35     | LG | XG |
| NRG | DEC | 37 1/2 | LU | XU |
| NRG | DEC | 40     | LH | XH |
| NRG | DEC | 42 1/2 | LV | XV |
| NRG | DEC | 45     | LI | XI |
| NRG | DEC | 47 1/2 | LW | XW |
| NRG | DEC | 50     | LJ | XJ |
| NRG | DEC | 52 1/2 | LX | XX |
| NRG | DEC | 55     | LK | XK |
| NRG | DEC | 57 1/2 | LY | XY |

NRG Energy, Inc. - 2008 Leap (WYI)  
(Before 6/1/2007)  
(1 Contract)

|     |     |    | Calls | Put |
|-----|-----|----|-------|-----|
| WYI | JAN | 10 | AB    | MB  |
| WYI | JAN | 20 | AD    | MD  |
| WYI | JAN | 25 | AE    | ME  |
| WYI | JAN | 30 | AF    | MF  |
| WYI | JAN | 35 | AG    | MG  |
| WYI | JAN | 40 | AH    | MH  |
| WYI | JAN | 45 | AI    | MI  |
| WYI | JAN | 50 | AJ    | MJ  |
| WYI | JAN | 55 | AK    | MK  |
| WYI | JAN | 60 | AL    | ML  |

NRG Energy, Inc. - 2008 Leap (WYI)  
(Beginning 6/1/2007)  
(2 Contracts)

|     |     |        | Calls | Put |
|-----|-----|--------|-------|-----|
| WYI | JAN | 5      | AA    | MA  |
| WYI | JAN | 10     | AB    | MB  |
| WYI | JAN | 12 1/2 | AQ    | MQ  |
| WYI | JAN | 15     | AC    | MC  |
| WYI | JAN | 17 1/2 | AR    | MR  |
| WYI | JAN | 20     | AD    | MD  |
| WYI | JAN | 22 1/2 | AS    | MS  |
| WYI | JAN | 25     | AE    | ME  |
| WYI | JAN | 27 1/2 | AT    | MT  |
| WYI | JAN | 30     | AF    | MF  |

NRG Energy, Inc. - 2008 Leap (WYI)  
(Before 6/1/2007)  
(1 Contract)

|     |     |     | Calls | Put |
|-----|-----|-----|-------|-----|
| WYI | JAN | 65  | AM    | MM  |
| WYI | JAN | 70  | AN    | MN  |
| WYI | JAN | 75  | AO    | MO  |
| WYI | JAN | 80  | AP    | MP  |
| WYI | JAN | 85  | AQ    | MQ  |
| WYI | JAN | 90  | AR    | MR  |
| WYI | JAN | 95  | AS    | MS  |
| WYI | JAN | 100 | AT    | MT  |
| WYI | JAN | 105 | AA    | MA  |
| WYI | JAN | 110 | AY    | MY  |
| WYI | JAN | 115 | AC    | MC  |
| WYI | JAN | 120 | AZ    | MZ  |

NRG Energy, Inc. - 2008 Leap (WYI)  
(Beginning 6/1/2007)  
(2 Contracts)

|     |     |        | Calls | Put |
|-----|-----|--------|-------|-----|
| WYI | JAN | 32 1/2 | AZ    | MZ  |
| WYI | JAN | 35     | AG    | MG  |
| WYI | JAN | 37 1/2 | AU    | MU  |
| WYI | JAN | 40     | AH    | MH  |
| WYI | JAN | 42 1/2 | AV    | MV  |
| WYI | JAN | 45     | AI    | MI  |
| WYI | JAN | 47 1/2 | AW    | MW  |
| WYI | JAN | 50     | AJ    | MJ  |
| WYI | JAN | 52 1/2 | AX    | MX  |
| WYI | JAN | 55     | AK    | MK  |
| WYI | JAN | 57 1/2 | AY    | MY  |
| WYI | JAN | 60     | AL    | ML  |

NRG Energy, Inc. - 2009 Leap (OBD)  
(Before 6/1/2007)  
(1 Contract)

|     |     |     | Calls | Put |
|-----|-----|-----|-------|-----|
| OBD | JAN | 10  | AB    | MB  |
| OBD | JAN | 20  | AD    | MD  |
| OBD | JAN | 30  | AF    | MF  |
| OBD | JAN | 40  | AH    | MH  |
| OBD | JAN | 45  | AI    | MI  |
| OBD | JAN | 50  | AJ    | MJ  |
| OBD | JAN | 60  | AL    | ML  |
| OBD | JAN | 70  | AN    | MN  |
| OBD | JAN | 80  | AP    | MP  |
| OBD | JAN | 85  | AQ    | MQ  |
| OBD | JAN | 90  | AR    | MR  |
| OBD | JAN | 95  | AS    | MS  |
| OBD | JAN | 100 | AT    | MT  |
| OBD | JAN | 110 | AU    | MU  |
| OBD | JAN | 120 | AW    | MW  |

NRG Energy, Inc. - 2009 Leap (OBD)  
(Beginning 6/1/2007)  
(2 Contracts)

|     |     |        | Calls | Put |
|-----|-----|--------|-------|-----|
| OBD | JAN | 5      | AA    | MA  |
| OBD | JAN | 10     | AB    | MB  |
| OBD | JAN | 15     | AC    | MC  |
| OBD | JAN | 20     | AD    | MD  |
| OBD | JAN | 22 1/2 | AS    | MS  |
| OBD | JAN | 25     | AE    | ME  |
| OBD | JAN | 30     | AF    | MF  |
| OBD | JAN | 35     | AG    | MG  |
| OBD | JAN | 40     | AH    | MH  |
| OBD | JAN | 42 1/2 | AV    | MV  |
| OBD | JAN | 45     | AI    | MI  |
| OBD | JAN | 47 1/2 | AW    | MW  |
| OBD | JAN | 50     | AJ    | MJ  |
| OBD | JAN | 55     | AK    | MK  |
| OBD | JAN | 60     | AL    | ML  |

**Any additional NRG series that are added prior to the ex-date will also be adjusted in the manner described above.**

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2,  
or (215) 496-5380.