

**FINAL INDUCEMENT RESOLUTION
NRG ENERGY, INC. PROJECT**

A special meeting of County of Chautauqua Industrial Development Agency (the "Issuer") was convened in public session in the Conference Room of 200 Harrison Street in the City of Jamestown, Chautauqua County, New York on May 20, 2008 at 10:00 o'clock a.m., local time.

The meeting was called to order by the (Vice) Chairman of the Issuer and, upon roll being called, the following members of the Issuer were:

PRESENT:

Michael Piazza	Chairman
Michael Metzger	Vice Chairman/Treasurer
Richard Star	Secretary Absent
David Bryant	Member Absent
Gregory DeCinque	Member Absent
Kim Peterson	Member
Dennis Rak	Member
Chuck Cornell	Member Absent
Doreen Sixbey	Member

ABSENT: Richard Star, David Bryant, Gregory DeCinque and Chuch Corball

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

William J. Daly	Administrative Director/Chief Executive Officer
Richard E. Dixon	Chief Financial Officer
Gregory Peterson, Esq.	Issuer Counsel
George W. Cregg, Jr., Esq.	Bond Counsel

The following resolution was offered by Doreen Sixbey, seconded by Kim Peterson, to wit:

Resolution No. 05-20-08-02

RESOLUTION FINALIZING THE INDUCEMENT RESOLUTION TOWARD THE
ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS IN AN AMOUNT
SUFFICIENT TO FINANCE A PROJECT FOR THE BENEFIT OF NRG ENERGY, INC.
AND TO TAKE OTHER ACTION RELATING THERETO.

WHEREAS, County of Chautauqua Industrial Development Agency (the "Issuer") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 71 of the 1972 Laws of New York, as amended, constituting Section 895-h of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of civic facilities, among

others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more "projects" (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, NRG Energy, Inc., a Delaware business corporation (the "Company"), has presented an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, requesting that the Issuer consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of a leasehold interest in a parcel of land (the "Addition Parcel") comprising a portion of a larger parcel of land located at 106 Point Drive in the City of Dunkirk, Chautauqua County, New York (the "Existing Land"), together with a license (said license and said leasehold interest being collectively referred to as the "Land") providing access to the Existing Land and an approximately 942,000 square foot existing facility located thereon (the "Existing Facility") for purposes of undertaking and completing the Project, (2) the renovation of the Existing Facility, (3) the construction on the Addition Parcel of an approximately 16,000 square foot addition (the "Addition") to the Existing Facility and (4) the acquisition and installation of certain machinery and equipment (the "Equipment") therein and thereon, all of the foregoing to constitute a four-unit coal fired steam electric power plant (the Land, the Existing Facility, the Addition and the Equipment being collectively referred to as the "Project Facility"); (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be approximately \$70,000,000 and in any event not to exceed \$160,000,000 (the "Obligations"); (C) paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from sales taxes, real property transfer taxes, transfer gains taxes, mortgage recording taxes and real estate taxes (collectively with the Obligations, the "Financial Assistance"); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Issuer; and

WHEREAS, by resolution adopted by the members of the Issuer on December 18, 2007 (the "Preliminary Inducement Resolution"), the members of the Issuer agreed, subject to numerous conditions, to undertake the Project to enter into a preliminary agreement (the "Preliminary Agreement") with the Company relating to the Project, and the granting of the Financial Assistance relating thereto; and

WHEREAS, pursuant to the authorization contained in the Preliminary Inducement Resolution, the Chief Executive Officer of the Issuer (A) caused notice of a public hearing of the Issuer (the "Public Hearing") pursuant to Section 859-a of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), to hear all persons interested in the Project and the Financial Assistance being contemplated by the Issuer with respect to the Project, to be mailed on April 8, 2008 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on April 10, 2008 on a bulletin board located on the 2nd floor of City Hall located in the City of Dunkirk, Chautauqua County, New York, (C) caused notice of the Public Hearing to be published on April 10, 2008 in The Observer, a newspaper of general circulation available to the residents of City of Dunkirk, Chautauqua County, New

York, (D) conducted the Public Hearing on May 16, 2008 at 9:30 a.m., local time at the Clarion Hotel located at 30 Lake Shore Drive East located in the City of Dunkirk, Chautauqua County, New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") which fairly summarized the views presented at said Public Hearing and distributed same to the members of the Issuer and to the County Executive of County of Chautauqua , New York (the "County Executive"); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Issuer on December 18, 2007 (the "Preliminary SEQR Resolution"), the Issuer (A) determined (1) that the Project involves more than one "involved agency", and (2) therefore that the coordinated review procedures outlined in the Regulations are required with respect to the Project and (B) authorized the Administrative Director of the Issuer to contact all other "involved agencies" for the purpose of ascertaining whether such "involved agencies" were interested in undertaking a coordinated review of the Project and, if so, designating a "lead agency" with respect to the Project (as such quoted terms are defined in SEQRA); and

WHEREAS, by resolution adopted by the members of the Issuer on January 15, 2008 (the "Resolution Rescinding Preliminary SEQR Resolution"), the Issuer determined (A) that the Project is exempt from review under SEQRA because it is being undertaken pursuant to a consent decree dated January 11, 2005 and an order of consent (collectively, the "Environmental Orders"), which Environmental Orders are statutorily exempt from the definition of the term "action" pursuant to SEQRA and therefore (B) to rescind the Preliminary SEQR Resolution; and

WHEREAS, having complied with the requirements of Section 859-a of the Act and with the requirements of SEQRA relating to the Project, the Agency now desires to make its final determination whether to proceed with the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF COUNTY OF CHAUTAUQUA INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby determines that the Agency has now fully complied with the requirements of Section 859-a of the Act and the requirements of SEQRA that relate to the Project.

Section 2. Having reviewed the Report, and having considered fully all comments contained therein, the Agency hereby determines to proceed with the Project and the granting of the Financial Assistance described in the notice of Public Hearing.

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Michael Piazza	VOTING	<u>Aye</u>
Michael Metzger	VOTING	<u>Aye</u>
Richard Starr	VOTING	<u>Absent</u>
David Bryant	VOTING	<u>Absent</u>
Gregory DeCinque	VOTING	<u>Absent</u>
Kim Peterson	VOTING	<u>Aye</u>
Dennis Rak	VOTING	<u>Aye</u>
Chuck Cornell	VOTING	<u>Absent</u>
Doreen Sixbey	VOTING	<u>Aye</u>

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF CHAUTAUQUA)

I, the undersigned (Assistant) Secretary of County of Chautauqua Industrial Development Agency (the "Issuer"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Issuer, including the Resolution contained therein, held on May 20, 2008 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Issuer present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this ____ day of May, 2008.



(Assistant) Secretary

(SEAL)