



KGen Power Corporation

March 13, 2009

THOMAS B. WHITE APPOINTED AS CEO OF KGEN POWER CORPORATION

The Board of Directors of KGen Power Corporation is pleased to announce the appointment of Thomas B. White as the new Chief Executive Officer of the Company. Mr. White has been a director of the Company since April 18, 2008, and will continue to serve on the Board.

Since 2006, Mr. White has been a Director at Stark Investments, a multi-strategy asset management firm and a significant investor in the Company where Mr. White oversaw several of the firm's investments in energy assets. Mr. White was also previously an officer and Managing Director of Marathon Capital, LLC, a boutique investment banking firm focusing on the power generation and renewable energy markets; Senior Director, Development, for Duke Energy North America; and Vice President and a founding officer of DukeSolutions, Inc. Mr. White received his Bachelor of Sciences in Mechanical Engineering from the University of Illinois and is a Registered Professional Engineer in the State of Illinois.

In connection with his appointment as CEO, Mr. White will enter into an employment agreement providing for a two and a half year employment term (subject to renewal) with an annual base salary of \$425,000. Under the terms of the employment agreement, Mr. White will be eligible to receive transaction bonuses upon the successful completion of sales of the Company's generation facilities and/or a sale of the Company. In addition, Mr. White will receive 20,000 restricted stock units.

Richard McLean, who has served as Chief Executive Officer and Chief Financial Officer, will be leaving the Company to pursue other opportunities. The Board thanks Mr. McLean for his service.

We encourage you to call Daniel Hudson at (281) 252-5201, or any of the other Directors, with any questions.

The Board of KGen Power Corporation

Daniel Hudson (Chairman)
James P. Jenkins
Gerald J. Stalun
Thomas B. White