



November 14, 2012

Closing of Hot Spring and Hinds Transactions Expected by Year-End

The Board of Directors of KGen Power Corporation wishes to update shareholders on the status of the pending sales of our Hot Spring and Hinds power generation facilities to subsidiaries of Entergy Corporation.

On November 14, 2012, the U.S. Department of Justice advised the Company that it does not oppose the closing of the two transactions. Both transactions have already received the necessary regulatory approvals to close, including approvals from the Federal Energy Regulatory Commission and applicable state utility commissions, but remain subject to the satisfaction of various other customary closing conditions.

We expect both transactions to close by the end of the calendar year 2012, but the transactions may close after such time.

We encourage you to call Thomas White at (713) 979-1935 if you have any questions.

The Board of KGen Power Corporation

Daniel Hudson (Chairman)

Gerald J. Stalun

Thomas B. White (President and Chief Executive Officer)