



KGen Power Corporation

October 26, 2011

The Board of Directors of KGen Power Corporation wishes to notify shareholders that our colleague, James Jenkins, resigned as a director of the Company effective October 20, 2011. We are grateful to Jim for his service on the Board. While a director, Mr. Jenkins worked tirelessly for the Company, contributing significantly to the Company's recent successful divestitures and other activities that have enhanced shareholder value.

Mr. Jenkins cited the desire to focus on other endeavors as the reason for his decision to leave the Board, and we wish him well. With Mr. Jenkins' resignation, the Board size will be reduced to three members.

If you have any questions or concerns about any of these matters, we encourage you to call Thomas White at (713) 979-1935 or Daniel Hudson at (281) 252-5201.

The Board of KGen Power Corporation

Daniel T. Hudson (Chairman)  
Gerald J. Stalun  
Thomas B. White