

NRG ENERGY INC
Form 10-Q/A
December 10, 2003

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-Q/A

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
 Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarter Ended: September 30, 2003

Commission File Number: 001-15891

NRG Energy, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

41-1724239
(I.R.S. Employer
Identification No.)

901 Marquette Avenue, Suite 2300
Minneapolis, Minnesota
(Address of principal executive offices)

55402
(Zip Code)

(612) 373-5300

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12 b-2 of the Exchange Act).

Yes No

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15 (d) of the Securities and Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

As of November 13, 2003, there were 3 shares of Class A common stock and 1 share of Common stock outstanding, all of which were owned by Xcel Energy Wholesale Group Inc.

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This Quarterly Report on Form 10-Q/A is being filed as Amendment No. 1 to the Registrants Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, filed on November 13, 2003 to reclassify out of reorganization items to legal settlement a \$396 million charge recorded during the third quarter of 2003 in the Consolidated Statements of Operations related to the resolution of the FirstEnergy Arbitration Claim.

Additional disclosure changes have also been made to reflect the corresponding changes that result from the above noted reclassification adjustment. The adjustment is a reclassification only and has no effect on the results of operations or total stockholders deficit as previously reported. Additionally, Note 20 has been included to provide disclosures regarding NRG Energy's bankruptcy proceedings through the date of the filing of this Form 10-Q/A.

NRG ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

Three Months Ended September 30,		Nine Months Ended September 30,	
2003	2002	2003	2002
(Restated)	(Restated)	(Restated)	(Restated)

(In thousands)

Operating Revenues and Equity Earnings

Revenues from majority-owned operations							
\$608,009	\$627,352	\$1,616,869	\$1,602,859				
Equity in earnings of unconsolidated affiliates							
63,272	25,920	155,758	68,916				

Total operating revenues and equity earnings							
671,281	653,272	1,772,627	1,671,775				

Operating Costs and Expenses

Cost of majority-owned operations							
401,290	424,251	1,186,241	1,064,021				
Depreciation and amortization							
64,476	64,141	203,050	176,686				
General, administrative and development							
36,609	65,463	128,010	171,855				
Write downs and (gains) losses on sales of equity method investments							
(12,310)	117,869	136,717	127,715				
Legal settlement							
396,000	396,000						
Reorganization items							
20,698	27,032						
Restructuring and impairment charges							
6,252	2,487,746	298,019	2,533,670				

Total operating costs and expenses
 913,015 3,159,470 2,375,069 4,073,947

Operating (Loss)
 (241,734) (2,506,198) (602,442) (2,402,172)

Other Income (Expense)

Minority interest in earnings of consolidated subsidiaries
 (1,166) (637) (2,415) (1,317)
 Other income (expense), net
 6,090 7,464 7,316 14,441
 Restructuring interest income
 478 608
 Interest expense
 (42,367) (66,470) (317,984) (289,346)

Total other expense
 (36,965) (59,643) (312,475) (276,222)

Loss From Continuing Operations Before Income Taxes
 (278,699) (2,565,841) (914,917) (2,678,394)

Income Tax Expense (Benefit)

4,991 (96,905) 44,864 (150,755)

Loss From Continuing Operations

(283,690) (2,468,936) (959,781) (2,527,639)

(Loss)/ Income on Discontinued Operations, Net of Income Taxes

(1,104) (586,458) 53,954 (595,570)

Net Loss

\$(284,794) \$(3,055,394) \$(905,827) \$(3,123,209)

See notes to consolidated financial statements.

NRG ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited)

September 30, December 31,
2003 2002

(In thousands)

ASSETS

Current Assets

Cash and cash equivalents
\$292,644 \$381,514
Restricted cash
487,644 277,489
Accounts receivable trade, less
allowance for doubtful accounts of
\$11,069 and \$18,163
383,631 273,944
Current portion of notes receivable
affiliates
2,442
Current portion of notes receivable
1,639 3,000
Income tax receivable
19,092 4,320
Inventory
255,803 265,585
Derivative instruments valuation
543 28,791
Prepayments and other current assets
166,952 138,567
Current assets discontinued operations
35,842 119,509

Total current assets
1,643,790 1,495,161

Property, Plant and Equipment

In service
6,364,407 6,499,685
Under construction
460,989 623,750

Total property, plant and equipment

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6,825,396 7,123,435
Less accumulated depreciation
(771,613) (602,712)

Net property, plant and equipment
6,053,783 6,520,723

Other Assets

Equity investments in affiliates
954,602 884,263
Notes receivable, less current portion
affiliates
168,185 206,308
Notes receivable, less current portion
813,006 778,945
Intangible assets, net of accumulated
amortization of \$25,126 and \$22,110
72,424 76,639
Debt issuance costs, net of accumulated
amortization of \$62,143 and \$49,670
140,119 136,346
Derivative instruments valuation
80,543 90,766
Other assets, net of accumulated
amortization of \$4,095 and \$4,250
34,866 24,810
Non-current assets discontinued
operations
213,454 678,822

Total other assets
2,477,199 2,876,899

Total Assets
\$10,174,772 \$10,892,783

See notes to consolidated financial statements.

NRG ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)
(Unaudited)

September 30, December 31,
2003 2002

(In thousands)

LIABILITIES AND STOCKHOLDER'S DEFICIT

Liabilities Not Subject to Compromise

Current Liabilities

Current portion of long-term debt		
\$1,444,450	\$7,026,771	
Revolving line of credit		
1,000,000		
Project-level, non-recourse debt		
18,991	30,064	
Accounts payable - trade		
307,641	556,712	
Accounts payable - affiliate		
28,948	50,659	
Accrued property, sales and other taxes		
27,227	24,420	
Accrued salaries, benefits and related costs		
20,768	21,018	
Accrued interest		
46,103	289,553	
Derivative instruments valuation		
649	13,439	
Other current liabilities		
81,190	110,645	
Current liabilities - discontinued operations		
113,339	694,464	

Total current liabilities
2,089,306 9,817,745

Other Liabilities

Long-term debt		
1,188,599	1,184,287	
Deferred income taxes		
178,197	91,634	
Postretirement and other benefit obligations		
45,852	67,495	

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Derivative instruments valuation
69,731 91,039
Other long-term obligations
143,053 154,710
Minority interest
32,151 29,625
Non-current liabilities discontinued
operations
22,773 152,447

Total liabilities not subject to compromise
3,769,662 11,588,982

Liabilities Subject to Compromise

Financing debt
6,409,964
Accounts payable trade
157,855
Accounts payable affiliate
68,989
Accrued liabilities
1,071,527
Other liabilities
68,882
Liabilities discontinued operations
159,110

Total liabilities subject to compromise
7,936,327

Commitments and Contingencies

Stockholder s Deficit Class A common
stock; \$.01 par value; 100 shares
authorized; 3 shares at September 30, 2003
and at December 31, 2002 issued and
outstanding

Common stock; \$.01 par value; 100 shares
authorized, 1 share at September 30, 2003
and at December 31, 2002 issued and
outstanding

Additional paid-in capital
2,227,692 2,227,692
Retained deficit
(3,734,760) (2,828,933)

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Accumulated other comprehensive loss
(24,149) (94,958)

Total stockholder's deficit
(1,531,217) (696,199)

**Total Liabilities and Stockholder's
Deficit**
\$10,174,772 \$10,892,783

See notes to consolidated financial statements.

NRG ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS (DEFICIT)/EQUITY

**For the Three Months Ended September 30, 2003 and September 30, 2002
(Unaudited)**

	Class A Common	Common	Additional Paid-in Capital	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
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(In thousands)

Balances at June 30, 2002

\$	\$	\$2,227,692	\$567,534	\$(9,306)	\$2,785,920	
Net Loss						
		(3,055,394)	(3,055,394)			
Foreign currency translation adjustments and other						
		(34,598)	(34,598)			
Deferred unrealized loss on derivatives, net						
		(22,588)	(22,588)			

Comprehensive loss for the three months ended September 30, 2002
(3,112,580)

Balances at September 30, 2002, as restated

\$ \$