IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	)	Chapter 11
HERITAGE POWER, LLC, *et al.*,[1]	)	Case No. 23-90032 (CML)
Debtors.	)	(Joint Administration Requested)

DECLARATION OF DAVID FREYSINGER IN SUPPORT OF THE DEBTORS' CHAPTER 11 PETITIONS AND REQUESTS FOR FIRST DAY RELIEF

I, David Freysinger, hereby declare under penalty of perjury:

1. I am the President of Heritage Power, LLC ("Heritage"), a limited liability company organized under the laws of Delaware and one of the above-captioned debtors and debtors in possession (collectively, the "Debtors"). I have more than 22 years of experience in the power industry and I have served in this role since July 2019. Prior to becoming President of Heritage, I was the Chief Executive Officer for the entities that owned the Debtors' assets before the 2019 corporate reorganization in which the Debtors were formed to separately own and operate the power generation assets. Specifically, I became involved in the management of the Debtors' power generation assets during the GenOn Bankruptcy Cases (as defined below) in 2018, first as a senior advisor and later as the Chief Executive Officer. Over the course of my career, I have served as an independent consultant to power industry clients who were engaged in business

[1] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Heritage Power, LLC (9775) ; Blossburg Power, LLC (3538); Brunot Island Power, LLC (8482); Gilbert Power, LLC (2872); Hamilton Power, LLC (6256); Heritage Power Intermediate Holdings, LLC (8767); Heritage Power Marketing, LLC (3891); Hunterstown Power, LLC (4065); Mountain Power, LLC (6709); New Castle Power, LLC (8606); Niles Power, LLC (6766); Orrtanna Power, LLC (8863); Portland Power, LLC (3465); Sayreville Power, LLC (6167); Shawnee Power, LLC (3714); Shawville Power, LLC (8264); Titus Power, LLC (6547); Tolna Power, LLC (8431), and Warren Generation, LLC (8699). The location of the Debtors' service address is: 1360 Post Oak Blvd., Suite 2000, Houston, TX 77056.

restructurings and transactions. I was Executive Vice President, Coal Operations for EquiPower Resources from 2013 through its sale to Dynegy in 2015. Before 2013, I served in a variety of roles with GenOn Energy Services, LLC ("GES") and Reliant Energy, including leadership roles in generation operations and Reliant's Europe operations. During my employment with GES and Reliant Energy, I managed all or some of what is now the Debtors' power generation assets. Earlier in my career, I served in positions for public and private companies in operations, commercial, and finance roles. I earned a Bachelor of Arts degree from Dickinson College and an MBA from the University of Chicago Booth School of Business.

2. I am generally familiar with the Debtors' day-to-day operations, business and financial affairs, and books and records. I submit this declaration (this "Declaration") to assist the United States Bankruptcy Court for the Southern District of Texas (the "Court") and parties in interest in understanding the circumstances compelling the commencement of these chapter 11 cases and in support of the Debtors' chapter 11 petitions and certain motions and applications filed today.

3. Except as otherwise indicated, all facts in this Declaration are based upon my personal knowledge, my discussions with other members of the GES management responsible for managing Heritage and Heritage's advisors, my review of relevant documents and information concerning the Debtors' operations, financial affairs, and restructuring initiatives, or my opinions based upon my experience and knowledge. I am over the age of 21 and authorized to submit this Declaration on behalf of the Debtors. If called upon to testify, I could and would testify competently to the facts set forth in this Declaration.

4. To familiarize the Court with the Debtors, their business, the circumstances leading up to the above-captioned chapter 11 cases (the "Chapter 11 Cases"), and the relief the Debtors

are seeking in a number of first day motions (collectively, the "First Day Motions") filed contemporaneously herewith, I have organized this Declaration into five sections as follows:

- **Part I** provides a general overview of the Debtors' corporate history, capital structure and business operations;
- **Part II** provides an overview of the Debtors' prepetition capital structure;
- **Part III** describes the circumstances leading to the filing of the Chapter 11 Cases;
- **Part IV** provides an overview of the proposed restructuring; and
- **Part V** sets forth the evidentiary support for the relief requested in each of the First Day Motions.

I. General Background.

5. On January 24, 2023 (the "Petition Date"), the Debtors filed the Chapter 11 Cases to commence a comprehensive restructuring of their business. The Debtors have experienced decreasing capacity prices, substantial payment obligations under the Debtors' Shawville heat rate call option (the "Shawville HRCO"), increased maintenance costs, and other significant contractual obligations resulting in a debt load that can no longer be serviced by the diminished forecasted cash flows from the Debtors' business. Absent a deleveraging of the Debtors' capital structure, the Debtors will soon have insufficient cash flow to fund their debt and contractual obligations while funding ordinary course operations. In anticipation of these looming liquidity issues, the Debtors engaged with GenOn Holdings, LLC ("GenOn Holdings," and together with GES, "GenOn")[2] and a group of consenting creditors (the "Consenting Creditors") in negotiations that culminated in the execution of a Restructuring Support Agreement ("RSA"), which is attached hereto as **Exhibit A**. Specifically, the Debtors intend to deleverage their balance sheet through a debt-for-equity swap of substantially all of their first lien secured debt and rejection of burdensome contracts. Accordingly, the First Day Motions seek orders granting various forms of relief

[2] GES is an affiliate of GenOn Holdings.

necessary to ensure a smooth transition into bankruptcy, stabilize the Debtors' business operations, facilitate the efficient administration of the Chapter 11 Cases, and expedite a swift restructuring of the Debtors' balance sheet.

A. Debtors' Corporate History and Structure.

6. The Debtors are a power company with a focus on power generation activities in Pennsylvania, New Jersey and Ohio. The Debtors are a portfolio company indirectly wholly owned by GenOn Holdings. Certain of the Debtors' corporate affiliates were involved in the Chapter 11 bankruptcy cases, styled and captioned, *In re GenOn Energy, Inc., et al.*, Case No. 17-33695-DRJ (the "GenOn Bankruptcy Cases"), in this Court. Specifically, GenOn Energy, Inc. and certain affiliates (the "GenOn Debtors") and NRG REMA LLC and certain affiliates (the "REMA Debtors" and together with the GenOn Debtors, the "Former Debtors") filed bankruptcy petitions for relief on June 14, 2017 and October 16, 2018, respectively and were jointly administered within the GenOn Bankruptcy Cases. The Former Debtors emerged from bankruptcy on December 14, 2018.

7. Following the Former Debtors' emergence from bankruptcy, the Debtors were formed to separately own and operate the power generation assets in Pennsylvania, New Jersey and Ohio. All of the Debtors other than Heritage, Heritage Power Marketing, LLC ("HPM") and Heritage Power Intermediate Holdings, LLC ("Intermediate") are either the current successors to or the current owners or operators of certain power generation assets previously owned or operated by certain of the Former Debtors.

8. As set forth on the corporate structure chart attached hereto as **Exhibit B**, GenOn Holdings owns non-debtor Heritage Power Holdings, LLC, which owns Intermediate, which currently owns, directly or indirectly, each of the remaining Debtor entities. Except for

Intermediate, Heritage and HPM, each of the remaining Debtors own and/or operate separate power generation facilities (collectively, the "Plant Debtors").

9. The Debtors are managed by executive officers that are GenOn employees and serve in similar capacities for GenOn and its other non-Debtor affiliated entities. As of the Petition Date, the Heritage Board is comprised of three managers and one independent manager (collectively, the "Heritage Managers"). Two of the Heritage Managers also serve on the board of GenOn Holdings.[3] Two of the Heritage Managers—Steven J. Pully, the independent manager, and Eugene I. Davis—do not serve in any capacity for GenOn Holdings or its non-Debtor affiliates.[4]

B. Debtors' Operations.

10. In 2022, the Debtors generated approximately $55.8 million in consolidated adjusted EBITDA[5] based on $1.3 million of energy margin, net of hedges, $87.3 million of capacity revenues, and $4.3 million of ancillary & other revenues, offset by O&M and G&A costs of $37.1 million. Additionally in 2022, the Debtors incurred $5.9 million of capital expenditures. The Debtors' power generation in 2022 was approximately 1.8 million megawatt hours.

1. The Plants.

11. The Debtors own or operate sixteen power generation assets primarily fueled by natural gas and/or fuel oil (each a "Plant" and collectively, the "Plants")[6] in Pennsylvania, New

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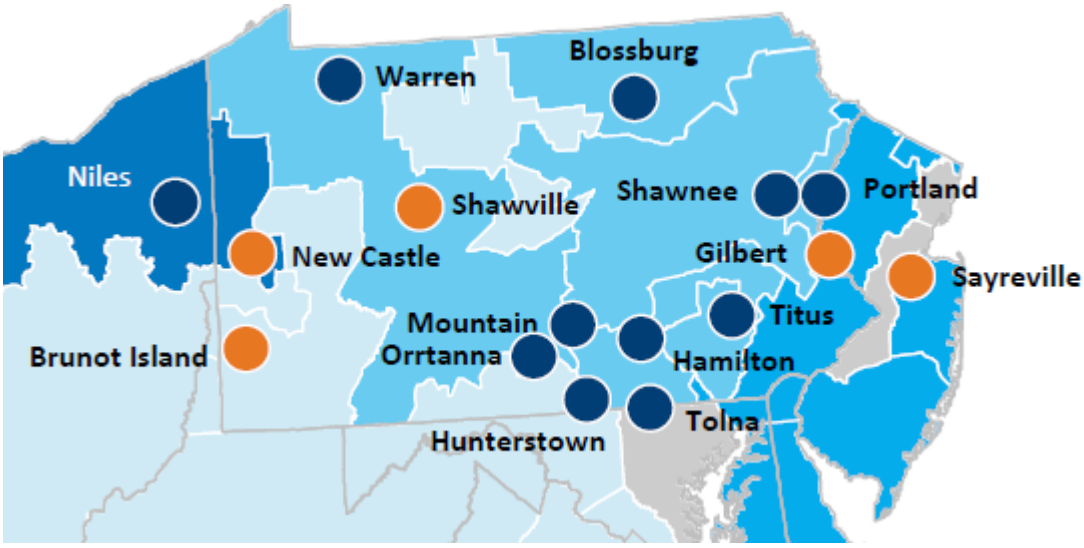
[3] I am one of the Heritage Managers that also serves on the board of GenOn Holdings, Inc. In addition, I am also the Chief Executive Officer of GenOn Holdings, Inc.

[4] I understand that even though Mr. Davis is not an independent manager within the meaning of the corporate organizational documents, Mr. Davis is independent from GenOn Holdings or its affiliates because he has no position or obligations to GenOn Holdings or its non-Debtor affiliates.

[5] Adjusted EBITDA is calculated by taking EBITDA and adjusting it to exclude certain other non-recurring expenses to earnings; 2022 figures are preliminary and exclude any potential impact from any PJM claim(s) discussed below.

[6] Each Plant is owned and/or operated by a separate Plant Debtor.

Jersey and Ohio, with power generation capacity of over 2,350 MW. The location of each of the Plants is reflected on the map below:



Five of the Plants—Shawville (PA), New Castle (PA), Brunot Island (PA), Gilbert (NJ), and Portland (PA)—alone have a capacity of over 1,750 MW, or nearly 75 percent of the Debtors' power generation capacity of all Plants. The Shawville Plant, shown below, has power generation capacity of over 600 MW.

The New Castle Plant, shown below, has power generation capacity of over 325 MW.

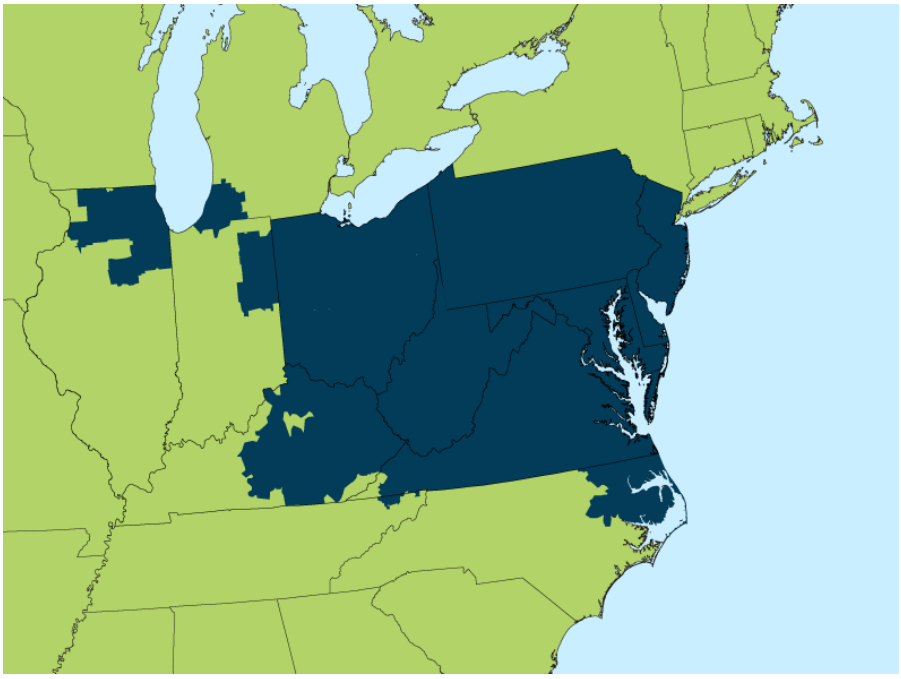
The Debtors also operate two Plants in New Jersey with power generation capacity of over 670 MW and one Plant in Ohio with power generation capacity of over 25 MW. The Debtors own most of the Plants; however, the Shawville Plant is leased.

12. All of the Plants are in the Pennsylvania-New Jersey-Maryland regional transmission organization, PJM Interconnection LLC ("PJM"). PJM is a regional transmission organization ("RTO")[7] that directs the operation of the bulk power system in all or parts of 13

[7] The Federal Energy Regulatory Commission ("FERC") encouraged the voluntary formation of Regional Transmission Organizations ("RTO") to administer the power transmission grid on a regional basis throughout North America (including Canada).

FERC is the federal agency charged with oversight over the interstate transportation of energy, including natural gas, oil, refined petroleum products, and power. Congress established FERC to regulate the rates, terms and conditions of interstate transmission of wholesale sales of power and natural gas under the Federal Power Act and the Natural Gas Act.

states and the District of Columbia (the "PJM Territory"), which is shown in blue on the map below.



The PJM Territory includes approximately 65 million customers and approximately 62,000 miles of transmission lines. PJM operates various markets (collectively, the "PJM Market") subject to market rules contained in its tariff and other governing documents, and approved by FERC. The PJM wholesale energy market procures power to meet customer demand in its day-ahead and real time markets. PJM operates a capacity market, called the Reliability Pricing Model, that procures power supply resources, including power plant generating capacity, to meet predicted energy demand in the future. PJM also operates additional markets and auctions, including for ancillaries and financial transmission rights ("FTRs"), to assist in market function. Heritage, through HPM,[8] is one of approximately 1,100 members in the PJM Market. Substantially all of the Debtors'

[8] HPM is an affiliate member of the PJM Market through its affiliation with GenOn.

operating revenue is generated through the sale of energy, capacity and ancillary services to the PJM Market.

2. Key Operational Arrangements.

13. The Debtors do not have any employees. Instead, the Debtors contract with third parties to provide services necessary to conduct their business operations. The Debtors principally rely on GenOn and Tenaska Power Services Co. (the "Energy Manager") for the continued functioning of their business. Absent the contractual arrangements with GenOn and the Energy Manager, the Debtors would be incapable of operating their facilities and generating revenue.

i. The Shared Services.

14. Historically, the Debtors contracted with GenOn to obtain the necessary management, operations and support services to operate their business. Specifically, beginning July 30, 2019, the Debtors were party to three contracts with GenOn: (a) that certain Management Services Agreement by and among Heritage as Owner, GES as manager, and GenOn Holdings as sponsor (for the limited purposes of Sections 8.3, 9.2, 9.6, 9.10 and 9.11 only) dated as of July 30, 2019 (the "MSA"); (b) that certain Operation and Maintenance Agreement by and between Heritage as owner and GES as the operator dated as of July 30, 2019 (the "O&M Agreement"); and (c) that certain Sponsor EMA Reimbursement Agreement by and among HPM and GenOn Holdings dated as of July 30, 2019 (the "EMA Reimbursement Agreement," and together with the MSA and the O&M Agreement, the "Shared Services Agreements"). Prior to the Petition Date, the Debtors terminated the Shared Services Agreements and replaced them with the TSA (defined below), pursuant to which GES agreed to continue providing services consistent with the Shared Services Agreements to ensure an orderly transition of operations of the Debtors from GenOn to Heritage or its designee. The services provided by GenOn to the Debtors under the TSA (and

previously under the Shared Services Agreements) are integral to the operation of the Debtors' businesses.

15. Pursuant to the MSA, GES provided the Plant Debtors with centralized administrative and back-office services under the MSA including, among other things, legal and regulatory affairs, commercial management and commodity risk management, accounting and financial reporting, treasury and cash management, taxes, insurance, human resources and labor relations, information technology and communications, and compliance and reporting (the "Administrative Services"). Under the MSA, GenOn Holdings provided insurance coverage to the Debtors through inclusion of the Debtors in the larger GenOn insurance portfolio (the "Insurance Services"). Pursuant to the MSA, Heritage retained GES on a prepetition basis to perform the Administrative Services beginning on July 30, 2019. Prior to the termination of the MSA, Heritage's financial obligation to GES under the MSA included: (a) an annual base fee of $106,120.18 payable in advance in monthly installments beginning on the date of execution, plus an annual escalator of 2% per calendar year; and (b) monthly projected Reimbursable Costs (as defined in the MSA).

16. Pursuant to the O&M Agreement, the Plant Debtors received essential operational management and support services through GES's management and support services team, and plant-based employees who manage, operate and maintain the Plants (the "O&M Services," and together with the Administrative Services and Insurance Services, the "Shared Services"). O&M Services included, among other things, management and oversight of plant personnel, technical services oversight, environmental management services, fuel oil and inventory management, and compliance services. Prior to the termination of the O&M Agreement, Heritage's financial obligation to GES under the O&M Agreement included: (a) an annual base fee of $106,120.18

payable in advance in monthly installments beginning on the date of execution, plus an annual escalator of 2% per calendar year; and (b) monthly projected Reimbursable Costs (as defined in the O&M Agreement).

17. Pursuant to the EMA Reimbursement Agreement, GenOn Holdings reimbursed HPM for amounts it pays the Energy Manager for certain fuel-procurement services and energy-management services the Energy Manager provides pursuant to that certain Amended and Restated Energy Management Agreement dated as of December 31, 2019 (as amended, supplemented, or modified from time to time, the "EMA").[9]

18. In order to provide the Debtors with certainty around the performance of the Shared Services for a period of at least six months (including during the Chapter 11 Cases) and to ensure the orderly transition of the Shared Services[10] from GES to the Debtors or their designees, on January 24, 2023, GES, GenOn Holdings (for limited purposes), Heritage and HPM entered into a Transition Services Agreement (the "TSA"). Under the TSA, GES agreed to continue providing the Shared Services to the Debtors for a period ending on the earlier of (x) one (1) month after the consummation of a Change of Control (as defined in the TSA) of Heritage and/or HPM and (y) one (1) month after the termination of the RSA. At all times, Heritage and HPM have the option to terminate the TSA for convenience and obtain the Shared Services from a third-party provider, subject to coordination and agreement with GES as to the orderly winding down of the Shared Services. As a result, the TSA provides the Debtors with certainty that the Shared Services will be provided during the Chapter 11 Cases. In addition, following a Change of Control of Heritage

[9] The original Energy Management Agreement dated May 23, 2018, was amended by the First Amendment to the Energy Management Agreement effective September 27, 2018, and was further amended and novated by the Amendment and Novation Agreement, dated July 30, 2019, by and among HPM, GenOn REMA, LLC, as successor to NRG REMA LLC, and the Energy Manager before it was amended and restated as the EMA.

[10] See Part One of the Services Schedule attached to the TSA for a more detailed description of the Shared Services.

and/or HPM, GenOn will continue to provide the Shared Services (except as such Shared Services that cannot contractually be provided (*i.e.*, certain insurance coverages) or that are mutually agreed to be removed from the TSA by the parties, with any change to the Monthly Fee (as defined below) as may be appropriate and agreed between the parties) and will provide additional services to orderly transition the operations of the Debtors from GenOn to Heritage or its designee (the "Transition Services"), including supporting the transition of Heritage dedicated employees from GES to Heritage or its designee, providing accounting and financial reporting support, and providing continued management of the Debtors' assets, in cooperation with Heritage.[11] Under the TSA, Heritage will continue to reimburse GenOn for salaries of Heritage dedicated employees prior to the transition of those employees to Heritage (or its designee). In addition, GES will pass certain allocated costs on to Heritage in connection with the provision of the Shared Services, capped at $1 million per month less what would have otherwise been reimbursed by GenOn to Heritage under the EMA Reimbursement Agreement (the "Monthly Fee"). Heritage will also reimburse GenOn for third party costs that are directly related to the Transition Services requested by the Debtors to the extent incurred in accordance with the agreed operating budget and the TSA.

ii. The Energy Manager.

19. The Energy Manager provides power marketing and energy management services to the Debtors pursuant to the EMA. Specifically, the Energy Manager coordinates and provides power, capacity and ancillary offers into the PJM Market and provides fuel-procurement and other related services (collectively, the "EMA Services") for the Plants.[12] Substantially all of the

[11] See Part Two of the Services Schedule attached to the TSA for a more detailed description of the Transition Services.

[12] A complete description of the services the Energy Manager provides pursuant to the EMA is located in Article II of the EMA and Exhibits D, E and F attached thereto.

Debtors' operating revenue is generated through the sale of power, capacity and ancillary services to the PJM Market. Additionally, natural gas and fuel oil (together, "Fuel") are the primary fuels used in generating power from the Plants, so the procurement of Fuel for the Plants is essential for the Debtors' power production and, ultimately, revenue generation. Pursuant to the EMA, the Energy Manager coordinates and executes on the natural gas purchases for the Plants from various sellers, either at prevailing market prices reasonably determined by the Energy Manager, taking into account market conditions on the relevant day, the relevant nomination cycle, and applicable transportation and delivery charges, or at the midpoint of a daily price survey for a particular geographical region.

20. The initial term of the EMA began on January 1, 2020 and ended on June 30, 2022. The EMA renews automatically for successive 120-day terms (each a "Renewal Term") following the initial term unless either party provides written notice of termination at least 120 days prior to the end of a Renewal Term. The current Renewal Term began on October 28, 2022 and ends on February 25, 2023, and neither HPM nor the Energy Manager has provided written notice of termination to the other party.

21. The Energy Manager also provides services related to certain hedging arrangements and over-the-counter derivatives transactions (the "Energy Manager Hedging Services," and together with the EMA Services, the "Energy Manager Services"). Specifically, the Energy Manager coordinates and executes on certain third-party hedging transactions in order to mitigate the effects of power and commodity Fuel volatility pursuant to that certain ISDA Master

Agreement dated as of May 23, 2018 (together with all schedules and annexes thereto and confirmations thereunder, and as amended and novated, the "ISDA Master Agreement").[13]

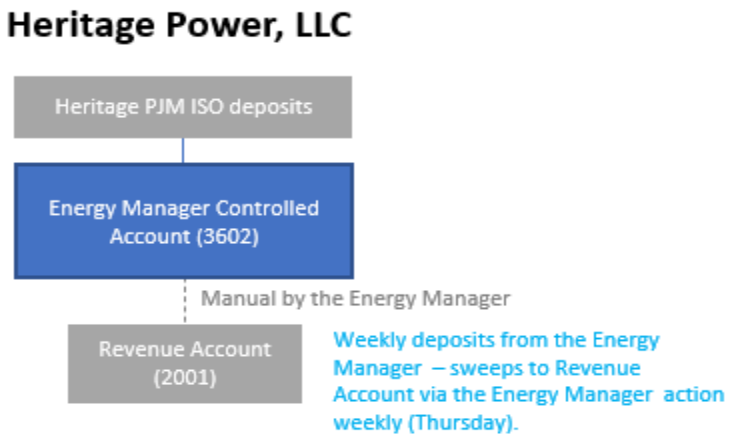
22. Under the ISDA Master Agreement, HPM and the Energy Manager executed a heat rate call option ("HRCO") on July 21, 2021, with an effective date of April 1, 2022, and a termination date of March 31, 2024 (the "New Castle HRCO"). In connection with the New Castle HRCO, the Energy Manager pays the Debtors a monthly option premium of $300,000 and certain additional amounts, if any, (the "New Castle HRCO Premium"). In return, the Energy Manager earns the right to exercise the option, subject to certain terms, generating an exercise payment, if any. The net of the New Castle HRCO Premium and the exercise payment, if any, are deducted or added to the settlement (the "New Castle HRCO Settlement"), which is effectuated through the Energy Manager Controlled Account.[14]

23. The Debtors' obligations for the Energy Manager Services are secured by the Debtors' revenues deposited in an account controlled by the Energy Manager (the "Energy

[13] The original ISDA Master Agreement was between the Energy Manager and NRG REMA, LLC, which was later amended and novated by that certain Amendment and Novation Agreement dated as of July 30, 2019 by and between HPM, GenOn REMA, LLC, as successor to NRG REMA, LLC, and the Energy Manager (the "Novation Agreement").

[14] In November 2021, as a financial accommodation to Heritage, GenOn Holdings agreed to guarantee Heritage's obligations with respect to the New Castle HRCO Premium and agreed to post cash to the Energy Manager to secure the New Castle HRCO Premium. As of the Petition Date, the New Castle HRCO Premium is secured by approximately $14.7 million of cash posted by GenOn Holdings and GenOn Holdings is a guarantor of the remaining approximately $5 million of Heritage's obligations not secured by the posted cash. Additionally, to the extent further credit support is required, the Energy Manager may exercise control over the Energy Manager Controlled Account. However, the Energy Manager cannot transfer funds from the Energy Manager Controlled Account without first making a margin call. Under the RSA, the Debtors and the Consenting Creditors agreed, in connection with the consummation of a chapter 11 plan or a sale of all or substantially all of their assets, to secure the return to GenOn Holdings of its cash posted to secure the New Castle HRCO Premium and to provide any credit support required by Energy Manager under the terms of the New Castle HRCO. In addition, the Debtors agreed to engage with the Energy Manager and use commercially reasonable efforts to obtain an amendment to the New Castle HRCO releasing GenOn Holdings from its obligations thereunder in connection with the consummation of a chapter 11 plan or a sale of all or substantially all of the Debtors' assets. If the Energy Manager is unwilling or unable to consent to this arrangement, then the Debtors have agreed instead to provide GenOn Holdings a contribution claim for any amounts for which GenOn Holdings may be liable under the New Castle HRCO and such contribution claim will be secured by a lien that is *pari passu* with the liens securing the Exit Facility.

Manager Controlled Account").[15] Specifically, the EMA requires a collateral account be established for the benefit of the Energy Manager, which is effectuated by the Energy Manager Controlled Account pursuant to that certain Depositary Agreement among Heritage, the Energy Manager, and the Bank of New York Mellon ("BNY Mellon") as the Depositary Bank dated as of July 30, 2019 (as amended, the "Energy Manager Depositary Agreement,"). The Debtors' revenue is currently deposited into the Energy Manager Controlled Account. Although the Energy Manager Controlled Account is in Heritage's name and Heritage receives reports regarding the balance therein from time to time, Heritage cannot transfer, disburse, or otherwise control the funds in the Energy Manager Controlled Account. Every Tuesday, the Energy Manager evaluates the amount of funds to withhold as collateral for certain fuel sales, hedges settlements, including the New Castle HRCO Settlement, and Energy Manager fees and then transfers remaining funds, if any, in the Energy Manager Controlled Account every Thursday to Heritage's revenue deposit account (the "Revenue Account"). Below is an illustration of the flow of the Debtors' revenues into the Energy Manager Controlled Account and the release of certain funds into the Revenue Account:



[15] Specifically, the obligations under the Transaction Agreements (as defined in the Energy Manager Depositary Agreement) are secured by the Energy Manager Controlled Account.

24. The Energy Manager Depositary Agreement is dependent upon the EMA: it enables the Energy Manager to perform its duties under the EMA by providing financial security and is, therefore, an essential component of the business relationship between the Energy Manager and the Debtors. Accordingly, the Energy Manager Depositary Agreement continues until: (a) the Energy Manager delivers notice to BNY Mellon terminating the Energy Manager Depositary Agreement, (b) termination of the EMA and the ISDA Master Agreement, or (c) resignation or removal of BNY Mellon under the Energy Manager Depositary Agreement.

25. The Energy Manager also provides certain services related to managing the transportation of the Debtors' natural gas. These services are made pursuant to that certain Asset Management Agreement originally dated as of May 23, 2018 (the "AMA"[16] and together with the EMA, the ISDA Master Agreement, the Novation Agreement, the New Castle HRCO, and the Energy Manager Depositary Agreement, the "Energy Manager Agreements"). Under the AMA, the Energy Manager uses the Debtors' rights with various third parties to transport natural gas to the Plants. Under the terms of the RSA, the Debtors intend to continue performing under the Energy Manager Agreements in accordance with their prepetition practices in the ordinary course of business.[17]

II. The Company's Prepetition Capital Structure.

26. As of the date hereof, the Debtors have approximately $686 million in aggregate debt obligations, which includes issued but undrawn letters of credit, and potential hedge liabilities as reflected in the below chart.

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[16] The original Asset Management Agreement was between the Energy Manager and NRG REMA, LLC, which was later amended and novated by the Novation Agreement.

[17] The AMA, however, may be terminated in accordance with its terms to the extent it is no longer required for the Debtors' operations after the rejection of the Shawville FT Agreement, if approved.

Debt	***Maturity***	***Amount Outstanding (in USD millions)***
Prepetition Term Loan Facility	July 2026	$485
Prepetition Revolving Loan Facility (including Prepetition Revolving L/Cs)	July 2024	$43
Prepetition Project L/Cs	July 2023	$46
Potential Hedging Liabilities		$112
Total Debt Obligations		***$686***

A. Prepetition Loan Documents.

27. On July 30, 2019, Heritage as Borrower, along with each of the Debtors in their capacity as Subsidiary Guarantors, and Intermediate as Pledgor, entered into that certain Credit Agreement (as amended, supplemented, or modified, the "Prepetition Credit Agreement"), with, among others, Jefferies Finance LLC, in its capacity as administrative agent (the "Prepetition Administrative Agent"), MUFG Union Bank, N.A., in its capacity as collateral agent (the "Prepetition Collateral Agent") and various financial institutions, including lenders (the "Prepetition Term Loan Lenders").

28. Also, on July 30, 2019, each of the Debtors entered into that certain Pledge and Security Agreement (as amended, supplemented, or modified, the "Prepetition Security Agreement"), with the Prepetition Administrative Agent, and MUFG Union Bank, N.A., both in its capacity as the Prepetition Collateral Agent and in its capacity as the depositary agent. Pursuant to the Prepetition Security Agreement, each of the Debtors granted to the Prepetition Collateral Agent, for the benefit of the Prepetition Lenders (as defined below), security interests in and liens on substantially all of their assets (the "Prepetition Collateral").

29. Also, on July 30, 2019, each of the Debtors entered into that certain Security Deposit Agreement (as amended, supplemented, or modified, the "Prepetition Security Deposit Agreement"), with, among others, the Prepetition Collateral Agent and the Prepetition

Administrative Agent. Pursuant to the Prepetition Security Deposit Agreement, MUFG Union Bank, N.A., as a deposit agent (the "Prepetition Depository Agent"), established and now holds various bank accounts of the Debtors, and the Debtors' rights to withdraw or transfer funds from such bank accounts are subject to the provisions of the Prepetition Security Deposit Agreement.

30. Also, on July 30, 2019, each of the Debtors entered into that certain Collateral Agency and Intercreditor Agreement (as amended, supplemented, or modified, the "Prepetition Intercreditor Agreement," and together with the Prepetition Credit Agreement, the Prepetition Security Agreement and the Prepetition Security Deposit Agreement, the "Prepetition Loan Documents"), with the Prepetition Administrative Agent, the Prepetition Collateral Agent, and the Prepetition Depository Agent. Pursuant to the Prepetition Intercreditor Agreement, the Secured Parties under the Prepetition Intercreditor Agreement, including the Prepetition Lenders and each Secured Commodity Hedge Counterparty (as defined in the Prepetition Intercreditor Agreement), have first liens on the Prepetition Collateral that rank *pari passu* with each other (the "Prepetition Liens").

B. Prepetition Loans and Letters of Credit.

31. The Prepetition Credit Agreement provides for a term loan facility with an aggregate principal amount of $520,000,000 (the "Prepetition Term Loan Facility") provided by the Prepetition Term Loan Lenders. The Prepetition Term Loan Facility matures on July 30, 2026. As of the Petition Date, the outstanding principal amount of the Prepetition Term Loan Facility was approximately $485 million.

32. The Prepetition Credit Agreement also provides for a revolving loan facility (the "Prepetition Revolving Loan Facility") with the revolving loan lenders (the "Prepetition Revolving Loan Lenders"). The Prepetition Revolving Loan Facility includes revolving letters of credit (the "Prepetition Revolving L/Cs") issued by the revolving letter of credit issuers (the "Prepetition

Revolving L/C Issuers"). The Prepetition Revolving Loan Facility, including the Prepetition Revolving L/Cs, has a maximum aggregate principal limit of $45,000,000. The Prepetition Revolving Loan Facility matures on July 30, 2024. As of the Petition Date, the outstanding principal amount of the Prepetition Revolving Loan Facility was approximately $43 million which includes issued but undrawn Prepetition Revolving L/Cs in the amount of approximately $10 million.

33. The Prepetition Credit Agreement also provides for project letters of credit (the "Prepetition Project L/Cs," and together with the Prepetition Revolving L/Cs, the "L/Cs") issued by the project letter of credit issuers (the "Prepetition Project L/C Issuers," and together with the Prepetition Revolving L/C Issuers, the "L/C Issuers," and together with the Prepetition Term Loan Lenders, and the Prepetition Revolving Loan Lenders, the "Prepetition Lenders"). The Prepetition Project L/Cs have a maximum aggregate principal limit of $46,000,000. The Prepetition Project L/Cs mature on July 30, 2023. As of the Petition Date, the issued but undrawn amount of Prepetition Project L/Cs was approximately $46 million.

C. Prepetition HRCOs.

34. To address the pricing fluctuation between the output – *i.e.*, power – and the input – *i.e.*, Fuel – power generation operators enter into various hedging transactions, including HRCOs. With a HRCO, in return for a fixed option premium and payment of certain other amounts like start costs, the hedge counterparty earns the right to exercise the option based on the difference between the variable power price at a specified hub or node, a strike price for the option determined by variable cost of natural gas at a specified index point and a heat rate, and certain other costs. The specified power price hub or node, the natural gas index, and certain other costs are negotiated. HRCOs are typically financially settled and then backed by the physical dispatch of the plant.

35. J. Aron & Company LLC ("J. Aron") and HPM executed that certain ISDA 2002 Master Agreement dated as of July 27, 2021 (including all annexes and schedules thereto, related agreements, and as amended, supplemented, or modified from time to time, the "Shawville ISDA"), establishing the terms governing certain hedging transactions. Under the Shawville ISDA, HPM and J. Aron are parties to the Shawville HRCO entered into on July 28, 2021 with an effective date of April 1, 2022 and a termination date of March 31, 2024. HPM's obligations under the Shawville HRCO are secured by the Prepetition Liens on the Prepetition Collateral pursuant to that certain Accession Agreement dated as of July 27, 2021 executed by HPM, J. Aron, and the Prepetition Collateral Agent.

D. Other Material Obligations.

1. The Shawville Lease

36. Debtor Shawville Power, LLC ("Shawville Power") owns the land under the Shawville Plant and leases the land to PSEGR Shawville Generation, LLC ("PSEGR").[18] PSEGR, in turn, subleases the land and leases the Shawville Plant facility (which it owns), to Shawville Power (the "Shawville Lease"). The primary term of the Shawville Lease ends in November 2026, but was extended to November 24, 2031, pursuant to an amendment dated as of December 16, 2020. There are no cash payments required until November 2026 when a bullet payment of $31.4 million is due under the Shawville Lease. There are semi-annual payments of $9 million that will be due during the extension period of 2027–2031. The Lease requires letter of credit support of $22 million, which increases by an additional $3 million every January through 2026. There are no credit support requirements during the extension period of 2027–2031. The Debtors intend to seek authorization to assume the Shawville Lease in the Chapter 11 Cases.

[18] PSEG has entered into an agreement to sell the Shawville Plant to GES.

2. The Shawville FT Agreement.

37. Eastern Gas Transmission and Storage, Inc. ("EGTS") is the current counterparty with Shawville Power for the firm transportation of natural gas under the rate schedule effective as of April 1, 2022 (the "Shawville FT Agreement"), which increased costs from the prior rate schedule. Pursuant to the Shawville FT Agreement, Shawville Power is obligated to pay for reserved space in the natural gas pipeline for a Maximum Daily Transportation Quantity of 95,000 Dt regardless of whether Shawville Power uses some, all, or none of such reserved space. Stated differently, the "take or pay" provisions require Shawville Power to make certain payments—which are set at the maximum rates set forth in EGTS's FERC Gas Tariff—to EGTS regardless of how much, if any, Shawville Power uses the pipeline to transport natural gas. The Debtors estimate that Shawville Power will owe approximately $8 million per year over the course of the remaining term—through May 31, 2026. The Debtors intend to seek authority to reject the Shawville FT Agreement in the Chapter 11 Cases.

3. Trade Claims.

38. Prior to the Petition Date, the Debtors were generally paying the prepetition obligations owed to their trade vendors as such obligations came due in the ordinary course of business. Excluding amounts paid to the Energy Manager and GenOn, the Debtor paid approximately $50.4 million to their trade vendors in the 12-month period ending November 2022. As of the Petition Date, the Debtors estimate that they owe approximately $1,500,000.00 to their trade vendors for amounts that accrued but had not been paid prior to the Petition Date. The Debtors believe, however, that no undisputed amounts are currently owed for past due or overdue obligations to trade vendors.

4. Potential Future Regulatory Obligations.

39. In April of 2022, the Pennsylvania Department of Environmental Protection published regulations to implement Pennsylvania's participation in the Regional Greenhouse Gas Initiative ("RGGI"). RGGI is an effort among certain states to reduce carbon emissions in the power generation industry through a carbon cap and trade program. Several legal challenges to Pennsylvania's RGGI program are pending in the Pennsylvania court system, and one court has issued an injunction temporarily prohibiting Pennsylvania from implementing its RGGI program pending the outcome of the litigation. If implemented, Pennsylvania's RGGI program would require the Debtors to purchase credits for carbon emissions above certain prescribed levels. To the extent implemented, the Debtors believe that the credits will likely be significant costs. Any such implementation date, however, is uncertain at this time.

5. Potential Impact of the December Winter Storm Elliott

40. In late December 2022, the Mid-Atlantic and Northeast United States, including the PJM Territory, experienced a significant winter storm event that caused the most significant temperature drop to below 15 degrees Fahrenheit in recent PJM history ("Winter Storm Elliott"). Winter Storm Elliott caused significant complications for PJM, the PJM generation fleet, gas production fueling parts of the PJM generation fleet, and the Debtors and their Plants.

41. PJM has communicated that they significantly under-forecast load requirements during this period, including for parts of December 23–24, 2022 leading into the four-day Christmas holiday weekend, and was a net exporter of power to neighboring systems during this period, leading PJM to call for generation from additional generation reserves starting on December 23, 2022. As PJM called on these reserves, PJM has stated that a significant portion of the PJM fleet failed to perform, and PJM declared a Maximum Generation Emergency Action ("MGEA"). Under MGEA, PJM was prompted to declare 277 Performance Assessment Intervals

("PAIs") in which generators unable to perform to certain standards are assessed Non-Performance Charges and generators who outperform certain standards are awarded Bonuses per PJM's tariff.

42. Several of the Debtors' Plants were unable to perform or fully perform for all or parts of Winter Storm Elliott, principally due to start failures and mechanical issues. Accordingly, PJM may assert a claim against one or more of the Debtors related to certain of the Debtors' performance during the PAIs during Winter Storm Elliott. The Debtors are continuing to evaluate the ultimate impact of any such claim(s) by PJM on their business and restructuring, including exploring what remedies—contractual or otherwise—may be available to challenge the Debtors' obligations to make these payments.

43. In addition, shortly after Winter Storm Elliott, an announcement was made that FERC, the North American Electric Reliability Corporation ("NERC"), and regional reliability entities will investigate the issues related to Winter Storm Elliott.

III. Circumstances Leading to the Chapter 11 Cases.

A. Factors Causing the Debtors' Liquidity Strain.

44. The Debtors' ordinary course operations historically generated sufficient cash flows, with capacity revenues exceeding plant costs and hedged energy margin adding to profitability. This profile enabled the Debtors to service the debt obligations and weather ordinary market fluctuations.

45. The Debtors, however, face challenges in the current operating environment resulting primarily from decreasing capacity prices, increased maintenance costs and below expectation plant performance, substantial payment obligations under the Debtors' Shawville heat rate call option ("Shawville HRCO"), other significant contractual obligations and the current economy more broadly.

46. In 2022, the Debtors generated approximately $55.8 million in consolidated adjusted EBITDA[19] compared to $63.3 million in 2021. The decrease in adjusted EBITDA is primarily related to a $9.5 million decrease in capacity revenues, a $3.2 million decrease in energy margin, net of hedges partially offset by $4.2 million of lower O&M and G&A costs. Capital expenditures were higher in 2022 by approximately $3.3 million and generation was higher by approximately 0.7 million megawatt hours. The primary driving force for the declining revenues is the significantly lower capacity prices in the PJM Territory. While such capacity prices have been decreasing, the Debtors anticipate significantly lower revenues from further depressed capacity prices in the 2023/2024 year, which begins June 1, 2023. Accordingly, the Debtors project that their cash flow will drop significantly starting in June 2023.

47. The Debtors are facing declining capacity revenues, the principal source of revenues for its operations, driven by decreasing capacity prices. PJM's capacity market, called the Reliability Pricing Model, ensures long-term grid reliability by securing the appropriate amount of power supply resources needed to meet predicted energy demand in the future. Subject to PJM capacity market rules, capacity revenues are paid to power supply resources in return for being available to deliver power when needed. The PJM capacity market rules have changed significantly over the last several auctions with FERC approval of the revised (1) Minimum Offer Price Rule ("MOPR") that had the effect of allowing subsidized resources to offer low into the auction and (2) the Market Seller Offer Cap ("MSOC") rule that capped offers into the auction, which were both widely reported to be depressing prices. The Debtors capacity revenues declined

[19] Adjusted EBITDA is calculated by taking EBITDA and adjusting it to exclude certain other non-recurring expenses to earnings. The 2022 preliminary figures exclude potential impact from any PJM claim(s) discussed above.

from $112.9 million for the 2021/2022 year, which began June 2021, to a projected $69.5 million for 2022/2023 and $37.5 million for 2023/2024.

48. Another factor impacting the Debtors has been higher than expected major maintenance costs and capital expenditures and lower than expected performance at its Plants. Major maintenance typically includes major repairs and replacement of Plant components. Major maintenance and capital expenditure spending increased from $4 million in 2020 to an average of $11 million in 2021 and 2022. The Debtors' Plants' performance, measured by Plant forced outage rates, increased from 7% in 2020 to 10% in 2022.[20]

49. Further, the Debtors have faced increasingly unsustainable payment obligations under the Shawville HRCO. Specifically, the Debtors paid approximately $29 million in obligations under the Shawville HRCO in 2022 and estimate that they will owe approximately $35 million more under the Shawville HRCO during the first quarter of 2023. These elevated payments have been caused by power price differences, including the higher hub power price used in the Shawville HRCO option exercise and the lower Shawville node power price received at the plant.

50. As described above, the Debtors have significant obligations under the Shawville HRCO and the Shawville FT Agreement (collectively, the "Burdensome Contracts"). The Burdensome Contracts further threaten the Debtors' liquidity in exchange for little, if any, benefits. Accordingly, the Debtors intend to seek authority to reject the Burdensome Contracts as part of the Chapter 11 Cases.

[20] Forced outage rate is a measure of the time a plant fails to perform over time the plant does or would be expected to perform when needed in the market.

51. The combination of these factors has strained the Debtors' liquidity and has caused EBITDA to drop year over year and to levels below expectations. This downward trend is expected to continue absent a rightsizing of the Debtors' capital structure and shedding of the burdensome contractual obligations.

B. Restructuring Negotiations and the Path Forward.

52. As a result of the headwinds facing the Debtors' business, in 2022, the Debtors took steps to preserve their liquidity while evaluating options to address potential future financial difficulties. In the early fall of 2022, the Debtors began exploring strategic alternatives to resolve their ongoing balance sheet and liquidity issues and to address their anticipated future strains on cash flow and upcoming maturities on certain debt. Following months of productive discussions, coordination on due diligence efforts and arm's length, good faith negotiations between the parties, the Debtors, GenOn, and an ad hoc committee of Lenders (the "Ad Hoc Committee") holding approximately [80]% of the outstanding prepetition term loans reached an agreement regarding the Debtors' restructuring, which was memorialized in the RSA.

IV. Overview of the Proposed Restructuring.[21]

53. The RSA contemplates a comprehensive and consensual restructuring transaction that will be implemented through a plan of reorganization (the "Plan"), resulting in a substantial deleveraging while maximizing stakeholder recoveries. Under the RSA, holders of the First Lien Claims will receive their pro rata share of: (i) the equity of the reorganized Debtors,[22] subject to dilution on account of New Equity Interests to be issued for participation in the Exit Facility, any

[21] This summary is subject in all respect to the terms of the RSA. Capitalized terms used but not defined in this section have the meanings ascribed to them in the RSA. In the event of any inconsistency or conflict between this summary and the RSA, the terms of the RSA shall control.

[22] For the avoidance of doubt, any allowed damages from the rejection of the Shawville HRCO are First Lien Claims.

backstop compensation associated with the Exit Facility, and any management incentive plan; (ii) the rights to participate in the funding of the Exit Facility; and (iii) any Takeback Debt. Any other secured or priority claims will be paid in full or otherwise rendered unimpaired.[23] Unsecured claims that qualify as Convenience Claims will be paid in the ordinary course of business, while other unsecured claims will receive a pro rata share of a cash pool in the aggregate amount of $1 million. The Consenting Creditors under the RSA will backstop an Exit Facility, which will be used to (i) fund certain amounts payable to GenOn under the RSA, (ii) make distributions to holders that elect the Cash-Out Option, (iii) if elected by the Requisite Consenting Lenders, fund the Litigation Trust, (iv) pay Restructuring Expenses, (v) meet working capital and general corporate needs. The New Castle HRCO will remain in place consistent with the Debtors' intent to continue performing under the Energy Manager Agreements and the Debtors will obtain a refinancing or extension of letters of credit. Further, GenOn will provide the Shared Services and the Transition Services in accordance with the terms of the TSA.

54. If the plan process is not successful, the Debtors will instead pursue a sale of all or substantially all of their assets in accordance with bidding procedures to be filed with the Court. Pursuant to the RSA, the holders of First Lien Claims have agreed to establish a vehicle to act as a stalking horse bidder in any such sale process via the submission of a credit bid.

55. In either a plan or sale scenario, the transactions contemplated by the RSA will deleverage the Debtors' balance sheet by approximately $610 million (less the size of the Exit Facility and any Takeback Debt) and eliminate the Debtors' future obligations under the Burdensome Contracts through rejection. Importantly, the RSA provides for the Plants to remain

[23] For the avoidance of doubt, the Debtors intend to assume the New Castle HRCO, so it will not be treated as an other secured or priority claim.

operational and the approximately 89 employees who work at the Plants to keep their jobs.[24] Implementation of the transactions contemplated by the RSA will position the Debtors for long-term success, preserve the continued generation of power from the Plants, and ensure that the Debtors' vendors have a financially sound go-forward business partner. After an extensive review process, the Debtors have determined that the path forward outlined by the RSA and Plan is the most viable means to maximize value and recoveries for all stakeholders.

V. Evidentiary Support for First Day Motions.

56. The First Day Motions include the following:

- **Joint Administration Motion.** *Debtors' Emergency Motion for Entry of an Order (I) Directing Joint Administration of the Debtors' Chapter 11 Cases, and (II) Granting Related Relief* (the "Joint Administration Motion");
- **Creditor Matrix Motion.** *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to File a Consolidated List of Creditors and a Consolidated List of the 30 Largest Unsecured Creditors, (II) Authorizing the Debtors to Redact Certain Personal Identification Information, (III) Approving the Form and Manner of Notifying Creditors of the Commencement of the Chapter 11 Cases and Other Information, and (IV) Granting Related Relief* (the "Creditor Matrix Motion");
- **Epiq Retention Application.** *Debtors' Emergency* Ex Parte *Application for Entry of an Order Authorizing the Employment and Retention of Epiq Corporate Restructuring, LLC as Claims, Noticing, and Solicitation Agent* (the "Epiq Retention Application");
- **Schedules and SOFAs Motion.** *Debtors' Emergency Motion for Entry of an Order (I) Extending Time to File (A) Schedules of Assets and Liabilities, (B) Schedules of Current Income and Expenditures, (C) Schedules of Executory Contracts and Unexpired Leases, and (D) Statements of Financial Affairs and (II) Granting Related Relief* (the "Schedules and SOFAs Motion");
- **Cash Management Motion.** *Debtors' Emergency Motion for Interim and Final Orders Authorizing (A) Maintenance of the Cash Management System; (B) Maintenance of the Existing Bank Accounts; (C) Energy Manager to Continue Managing the Energy Manager Controlled Accounts; (D) Continued*

[24] Certain of the employees who work at the Plants are subject to certain Collective Bargaining Agreements ("CBAs") with GenOn or one of its affiliates. Under the RSA, these CBAs will be assigned to one or more of the reorganized Debtors upon emergence

Use of Existing Business Forms; and (E) Granting Related Relief (the "Cash Management Motion")*;*

- **Cash Collateral Motion.** *Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing Postpetition Use of Cash Collateral, (II) Granting Adequate Protection, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "Cash Collateral Motion");

- **Taxes Motion.** *Debtors' Emergency Motion for Entry of Final Order (A) Authorizing, but not Directing, the Debtors to Pay Certain Prepetition Taxes and Obligations and (B) Granting Related Relief* (the "Taxes Motion")*;*

- **Utilities Motion.** *Debtors' Emergency Motion for Entry of an Order (A) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Services; (B) Approving the Debtors' Proposed Adequate Assurance of Payment for Post-Petition Services; and (C) Establishing Procedures for Resolving Requests for Additional Adequate Assurance of Payment* (the "Utilities Motion")*;*

- **Hedging Motion.** *Debtors' Emergency Motion for Entry of an Order (I) Authorizing the Debtors to (A) Continue Prepetition Hedging Practices, (B) Commence Postpetition Hedging Practices, (C) Grant Superpriority Claims and Hedging Liens and Authorize Posting of Postpetition Hedging Collateral, and (D) Pay Hedging Obligations, (II) Modifying the Automatic Stay, and (III) Granting Related Relief* (the "Hedging Motion");

- **Lien and 503(b)(9) Claims Motion.** *Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing the Payment of Certain Prepetition Trade Claims, (II) Confirming Administrative Expense Priority of Outstanding Orders, and (III) Granting Related Relief* (the "Lien and 503(b)(9) Claims Motion");

- **TSA Motion.** *Debtors' Emergency Motion for Entry of Interim and Final Orders Authorizing Performance of Obligations Under the Transition Services Agreement with GenOn* (the "TSA Motion").

57. The First Day Motions seek authority to, among other things, use cash collateral, pay claims of certain vendors and suppliers that may be entitled to administrative expense priority, pay certain taxes and fees, and continue the Debtors' cash management system and other operations in the ordinary course of business with as minimal interruption as possible. The Debtors have tailored their requests for immediate relief to those circumstances where the failure to receive such relief would cause immediate and irreparable harm to the Debtors and their estates. An

immediate and orderly transition into Chapter 11 is critical to the viability of the Debtors' operations and any delay in granting the relief in the First Day Motions could hinder the Debtors' operations and cause irreparable harm. The failure to receive the requested relief during the first 21 days of the Chapter 11 Cases would severely disrupt the Debtors' operations at this important juncture.

58. I am familiar with the content and substance contained in each First Day Motion and believe that the relief sought in each motion (a) is necessary to enable the Debtors to operate in Chapter 11 with minimal disruption or loss of productivity and value, (b) constitutes a critical element of the Debtors' successful reorganization, and (c) best serves the Debtors' estates and stakeholders' interests. I have reviewed each of the First Day Motions and the facts set forth therein are true and correct. If asked to testify as to the facts supporting each of the First Day Motions, I would testify to the facts as set forth in the description of the relief requested in and the facts supporting the First Day Motions as set forth in **Exhibit C** attached hereto and incorporated herein by reference.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: January 25, 2023

/s/ *David Freysinger.*
Name: David Freysinger
Title: President
Heritage Power, LLC

Exhibit A

Restructuring Support Agreement

Execution Version

THIS RESTRUCTURING SUPPORT AGREEMENT IS NOT AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF SECTION 1125 OF THE BANKRUPTCY CODE. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED IN THIS AGREEMENT, DEEMED BINDING ON ANY OF THE PARTIES TO THIS AGREEMENT.

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT (including all exhibits, annexes, and schedules attached to this agreement in accordance with Section 14.02, this "Agreement") is made and entered into as of January 24, 2023, by and among the following parties (each of the following described in sub-clauses (i) through (iii) of this preamble, individually, a "Party" and, collectively, the "Parties"):[1]

(i) Heritage Power Intermediate Holdings, LLC ("Heritage") and each of its Affiliates listed on Exhibit A to this Agreement that has executed and delivered a counterpart signature page to this Agreement to counsel to each of the Consenting Creditors and GenOn (the Entities in Exhibit A, collectively, the "Company Parties");

(ii) the undersigned beneficial holders of, or investment advisors, sub-advisors, or managers of discretionary accounts or funds that beneficially hold, Loan Claims that have executed and delivered counterpart signature pages to this Agreement (including the Financial Sponsor) (in each case solely in their capacity as such, the "Initial Consenting Creditors" and, together with each Lender that executes and delivers a Joinder from and after the date hereof, the "Consenting Creditors") to counsel to each of the Company Parties and GenOn;

(iii) GenOn Holdings, Inc., GenOn Energy Services, LLC, and GenOn Holdings, LLC ("Parent Sponsor"), in each case solely in their respective capacities as direct or indirect holders of interests in Heritage Power Holdings, LLC or affiliates of Heritage Power Holdings, LLC, and, in the case of GenOn Energy Services, LLC, as prospective buyer in the Shawville Transaction and, upon the closing thereof, the direct or indirect owner, of the equity interests in PSEGR Shawville, LLC, as the Equity Subsidiary, PSEGR Shawville Generation, LLC, as the Owner Participant, and Shawville Lessor GenCo, LLC, as the Owner Lessor, under the Shawville Lease Documents (GenOn Holdings, Inc., GenOn Energy Services, LLC and Parent Sponsor, together with Parent Sponsor's direct and indirect parent entities and other Affiliates (excluding the Company Parties), "GenOn");

(iv) the Financial Sponsor (as defined herein).

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[1] Capitalized terms have the meanings ascribed to them in Section 1 unless otherwise specified.

RECITALS

WHEREAS, the Company Parties, the Consenting Creditors, and GenOn have in good faith and at arm's length negotiated and agreed upon the material terms of a comprehensive restructuring with respect to the Company Parties' capital structure (the "Restructuring Transactions") in accordance with and subject to the terms and conditions set forth in this Agreement and the term sheet attached as Exhibit B hereto (the "Restructuring Term Sheet");

WHEREAS, the Company Parties intend to implement the Restructuring Transactions set forth in the Restructuring Term Sheet by commencing voluntary cases under chapter 11 of the Bankruptcy Code in the Bankruptcy Court (the "Chapter 11 Cases");

WHEREAS, substantially concurrently with the execution of this Agreement, certain Company Parties and the other applicable parties thereto terminated the Management Services Agreement, O&M Agreement and the Sponsor EMA Reimbursement Agreement and entered into the Transition Services Agreement;

WHEREAS, substantially concurrently with the execution of this Agreement, certain GenOn entities, the Financial Sponsor, and certain of the Consenting Creditors entered into the Claims Preservation Agreement;

WHEREAS, the Parties have agreed to express their mutual support and take certain actions in support of the Restructuring Transactions on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements contained in this Agreement, and for other valuable consideration, the receipt and sufficiency of which are acknowledged, each Party, intending to be legally bound by this Agreement, agrees as follows:

AGREEMENT

Section 1. ***Definitions and Interpretation.***

1.01. Definitions. The following terms shall have the following definitions:

"Ad Hoc Committee" means that certain *ad hoc* committee of holders of Term Loan Claims represented by Milbank LLP and Porter Hedges LLP, as counsel, and Ducera Partners LLC, as financial advisor.

"Administrative Agent" means Jefferies Finance LLC in its capacity as administrative agent under the Credit Agreement, or any successor or replacement agent appointed pursuant to the terms thereof.

"Affiliate" means, with respect to any specified Entity, any other Entity directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Entity. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by," and "under common control with"), as used with respect to any Entity, shall mean the possession, directly or indirectly, of the right or power to direct or cause the direction of the management or policies of such Entity, whether through the ownership of voting securities, by agreement, or otherwise. A Related Fund of any Entity shall be deemed to be the Affiliate of such Entity.

"Agent" means, collectively, the Administrative Agent, the Collateral Agent, the Depositary Agent and each other Entity named as an agent or trustee under the Loan Documents, as the context may require.

"Agreement" has the meaning set forth in the preamble hereto and, for the avoidance of doubt, includes all the exhibits, annexes, and schedules attached hereto in accordance with Section 14.02.

"Agreement Effective Date" means the date on which the conditions set forth in Section 2 have been satisfied or waived in accordance with this Agreement.

"Agreement Effective Period" means, with respect to a Party, the period from the Agreement Effective Date (or, in the case of any Consenting Creditor that becomes a party hereto after the Agreement Effective Date, as of the date and time such Consenting Creditor executes and delivers a Joinder in accordance with the terms hereof) to the Termination Date.

"Alternative Transaction" means any transaction (other than the Plan Transaction and the Sale Transaction) that preserves the economic benefits and rights and other obligations of the Parties in the Restructuring Transactions and the original intent of the Restructuring Transactions (unless any Party consents to different treatment).

"Alternative Transaction Consummation Date" means the date upon which the Alternative Transaction is consummated. If the Alternative Transaction is a chapter 11 plan, then the Alternative Transaction Consummation Date shall be the date on which each of the conditions to the effectiveness of such plan are satisfied or waived according to its terms.

"Alternative Transaction Documents" means all motions, filings, documents and agreements related to the Alternative Transaction (including but not limited to, if the Alternative Transaction is a chapter 11 plan, such plan, the plan supplement, the confirmation order, the disclosure statement and the disclosure statement order, and all motions or pleadings relating thereto).

"Avoidance Actions" means any and all actual or potential avoidance, recovery, subordination, or other Claims, causes of action, or remedies that may be brought by or on behalf of the Company Parties, their estates, or other parties in interest under sections 502, 510, 542, 544, 545, 547 through 553, and 724(a) or other applicable sections of the Bankruptcy Code or under similar or related local, state, federal, or foreign statutes and common law, including fraudulent transfer laws.

"Bankruptcy Code" means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as amended.

"Bankruptcy Court" means the United States Bankruptcy Court presiding over the Chapter 11 Cases, which shall be the United States Bankruptcy Court for the Southern District of Texas, Houston Division.

"BidCo Agreement" has the meaning ascribed to it in the Restructuring Term Sheet.

"Bidding Procedures" means the procedures governing the sale and marketing process for the Sale Transaction.

"Bidding Procedures Motion" means the motion seeking approval of the Bidding Procedures.

"Bidding Procedures Order" means the order of the Bankruptcy Court approving the Bidding Procedures and establishing deadlines for the submission of bids and the auction in accordance with such procedures.

"Business Day" means any day other than a Saturday, Sunday, or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state of New York.

"Cash Collateral Order" means the interim or final, as applicable, order of the Bankruptcy Court setting forth the terms of the use of cash collateral.

"Cause of Action" means any action, Claim, cause of action, Avoidance Action, controversy, demand, right, action, lien, indemnity, equity interest, guaranty, suit, obligation, liability, damage, judgment, account, defense, offset, power, privilege, license, and franchise of any kind or character whatsoever, whether known, unknown, contingent or noncontingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively, in contract or in tort, in law or in equity, or pursuant to any other theory of law.

"Chapter 11 Cases" has the meaning set forth in the recitals to this Agreement.

"Chosen Court" means (a) with respect to any action or proceeding among Company Parties or among Company Parties and Consenting Stakeholders, (i) prior to the Petition Date or after the Transaction Consummation Date, federal courts or state courts located in New York, New York and (ii) at all other times, the Bankruptcy Court and (b) with respect to any action or proceeding among Consenting Stakeholders, federal courts or state courts located in New York, New York.

"Claim" has the meaning ascribed to it in section 101(5) of the Bankruptcy Code.

"Claims Preservation Agreement" means that certain Claims Preservation Agreement by and among (i) certain GenOn entities, (ii) the Financial Sponsor, and (iii) the Consenting Creditors.

"Collateral Agent" means MUFG Bank, N.A., as collateral agent under the Intercreditor Agreement, or any successor or replacement agent appointed pursuant to the terms thereof.

"Company Claims/Interests" means, collectively, any Claim against, or Equity Interest in, a Company Party.

"Company Parties" has the meaning set forth in the preamble to this Agreement.

"Company Party Termination Event" has the meaning set forth in Section 11.02.

"Confidentiality Agreement" means an executed confidentiality agreement, including, but not limited to, with respect to the issuance of a "cleansing letter" or other public disclosure of material non-public information in connection with or related to any potential restructuring.

"Confirmation Order" means the order of the Bankruptcy Court confirming the Plan under section 1129 of the Bankruptcy Code, which Confirmation Order shall be consistent with this Agreement.

"Consenting Creditor" has the meaning set forth in the preamble to this Agreement.

"Consenting Creditor Preserved Claim" means each "Preserved Claim" as defined in the Claims Preservation Agreement.

"Consenting Creditor Released Party" means, each of, and in each case in its capacity as such: (i) the Consenting Creditor (other than the Financial Sponsor); (ii) any current or former Affiliate of each Entity referred to in clause (i) (excluding the Company Parties); and (iii) each Related Party of each Entity referred to in clause (i) through this clause (iii) (excluding the Company Parties).

"Consenting Creditor Released Claims" has the meaning set forth in Section 13 to this Agreement.

"Consenting Creditor Releasing Party" means each of, and in each case in its capacity as such: (i) the Consenting Creditors (other than the Financial Sponsor); (ii) to the maximum extent permitted by Law, each current and former Affiliate of each Entity in clause (i) (excluding the Company Parties); and (iii) to the maximum extent permitted by Law, each Related Party of each Entity in clause (i) through this clause (iii) (excluding the Company Parties).

"Consenting Stakeholder Fees and Expenses" means all accrued reasonable and documented fees and expenses (whether incurred prior to or after the commencement of the Chapter 11 Cases and, with respect to the fees and expenses of Davis Polk & Wardwell LLP and PJT Partners LP, whether or not such fees and expenses have been paid by GenOn) related to any Company Parties or their capital structure, the formulation, development, negotiation, documentation, or implementation of this Agreement, the Restructuring Term Sheet, the Restructuring Transactions contemplated thereby or hereby, the Definitive Documents, and/or any amendments, waivers, consents, supplements, or other modifications to any of the foregoing, in each case, of: (i)(a) Milbank LLP, Porter Hedges LLP, and Ross Aronstam & Moritz LLP, as counsel to the Ad Hoc Committee, and any regulatory counsel or other advisors retained by the Ad Hoc Committee, including any representative of the Ad Hoc Committee contemplated by the Transition Services Agreement, and (b) Ducera Partners LLC, as financial advisor to the Ad Hoc Committee, in accordance with the Ducera Fee Letter, and (ii) solely with respect to reasonable and documented fees and expenses accrued prior to the Transaction Consummation Date, (a) Davis Polk & Wardwell LLP, as counsel to GenOn, (b) PJT Partners LP, as financial advisor to GenOn, and (c) Quinn, Emmanuel Urquhart & Sullivan, LLP, as local counsel to GenOn, in each case, in accordance with the engagement letters and/or fee letters, if applicable, among such counsel or professional and any of the Company Parties or with GenOn (as applicable), including, without limitation, any success or transaction fees of financial advisors (but not legal advisors) contemplated therein.

"Consenting Stakeholders" means the Consenting Creditors and GenOn.

"Credit Agreement" means that certain Credit and Guaranty Agreement dated as of June 30, 2019, by and among Heritage Power, LLC, as borrower, certain subsidiaries thereof as subsidiary guarantors, the various financial institutions and other Persons from time to time party thereto, as the Lenders and Revolving L/C Issuers and the Project L/C Issuers, and Jefferies Finance LLC, as Administrative Agent, as amended, restated, supplemented or otherwise modified from time to time.

"Definitive Documents" means all of the definitive documents implementing the Restructuring Transactions, including those set forth in Section 3.

"Depositary Agent" means MUFG Bank, N.A., as depositary agent under the Intercreditor Agreement, or any successor or replacement agent appointed pursuant to the terms thereof.

"Disclosure Statement" means the disclosure statement with respect to the Plan, including all exhibits, schedules, supplements, modifications, or amendments thereto, which shall be consistent with this Agreement.

"Disclosure Statement Order" means an order of the Bankruptcy Court approving the Disclosure Statement.

"Dominion Agreement" has the meaning ascribed to it in the Restructuring Term Sheet.

"Dominion Rejection Motion" means a motion requesting Bankruptcy Court approval of the rejection of the Dominion Agreement under section 365 of the Bankruptcy Code.

"Ducera Fee Letter" means that certain fee letter by and among Ducera Partners LLC and Heritage.

"Entity" has the meaning set forth in Section 101(15) of the Bankruptcy Code.

"Equity Interests" means any common stock, limited liability company interest, equity security (as defined in section 101(16) of the Bankruptcy Code), equity, ownership, profit interests, unit, or share in a Company Party, including all issued, unissued, authorized, or outstanding shares of capital stock of the Company Parties and any other rights, options, warrants, stock appreciation rights, phantom stock rights, restricted stock units, redemption rights, repurchase rights, convertible, exercisable or exchangeable securities or other agreements, arrangements or commitments of any character relating to, or whose value is related to, any such interest or other ownership interest in any Company Party.

"Exit Facility" has the meaning ascribed to it in the Exit Facility Term Sheet.

"Exit Facility Documents" means the documentation necessary to effectuate the incurrence of the Exit Facility.

"Exit Lenders" has the meaning ascribed to it in the Exit Facility Term Sheet.

"FERC" means the Federal Energy Regulatory Commission.

"Final Order" means, as applicable, an order or judgment of the Bankruptcy Court or other court of competent jurisdiction that has been entered on the docket maintained by the clerk of such court, which has not been reversed, vacated or stayed and as to which (i) the time to appeal, petition for certiorari or move for a new trial, reargument or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for a new trial, reargument or rehearing shall then be pending, or (ii) if an appeal, writ of certiorari, new trial, reargument or rehearing thereof has been sought, such order or judgment shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for a new trial, reargument or rehearing shall have expired; *provided*, however, that no order or judgment shall fail to be a "Final Order" solely because of the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure or any analogous Bankruptcy Rule (or

any analogous rules applicable in another court of competent jurisdiction) or Bankruptcy Code sections 502(j) or 1144 has been or may be filed with respect to such order or judgment.

"Financial Sponsor" means the undersigned affiliates of Strategic Value Partners, LLC in their capacity as Consenting Creditors and/or holders of equity interests in GenOn Holdings, Inc. (as applicable).

"Financing Documents" has the meaning ascribed to such term in the Intercreditor Agreement.

"First Day Pleadings" means the first-day pleadings that the Company Parties determine are necessary or desirable to file with the Bankruptcy Court.

"First Lien Claims" means, collectively, the Loan Claims and any Claims against any Company Party arising under, derived from, or based upon the Shawville HRCO.

"GenOn Participation" means the participation interest of the Parent Sponsor in the Project L/C Loan Commitment under the Credit Agreement.

"Governing Body" means the board of directors, board of managers, manager, general partner, investment committee, special committee, or such similar governing body of an Entity.

"Governmental Authority" means any applicable federal, state, local, or foreign government or any agency, bureau, board, commission, court or arbitral body, department, political subdivision, regulatory or administrative authority, tribunal or other instrumentality thereof, or any self-regulatory organization (other than the Bankruptcy Court).

"Intercreditor Agreement" means that certain Collateral Agency and Intercreditor Agreement dated as of July 30, 2019 among Heritage Power, LLC, Heritage Power Intermediate Holdings, LLC, certain subsidiaries of Heritage Power, LLC, as Loan Parties, Jefferies Finance LLC, as Administrative Agent, MUFG Bank, N.A., as Collateral Agent and Depositary Agent, and each other person that becomes a Secured Party pursuant thereto, as amended, restated, supplemented or otherwise modified from time to time.

"Joinder" means a joinder to this Agreement substantially in the form attached to this Agreement as Exhibit D.

"Law" means any federal, state, local, or foreign law (including common law), statute, code, ordinance, rule, regulation, order, ruling, or judgment, in each case, that is validly adopted, promulgated, issued, or entered by a Governmental Authority of competent jurisdiction (including the Bankruptcy Court).

"Lender" means any Lender under the Credit Agreement that holds a Loan Claim.

"Loan Claims" means any Claim against any Company Party arising under, derived from, or based upon the Credit Agreement.

"Loan Documents" has the meaning ascribed to such term in the Credit Agreement.

"Management Services Agreement" means that certain Management Services Agreement dated as of July 30, 2019 among Heritage Power, LLC, GenOn Energy Services, LLC and the Parent Sponsor, as amended, restated, supplemented or otherwise modified from time to time.

"Milbank Fee Letter" means the amendment and restatement of that certain fee letter, dated October 22, 2022, by and between Milbank LLP and Heritage Power Intermediate Holdings, LLC (on behalf of itself and all of its direct and indirect subsidiaries).

"New Castle HRCO" means that certain 2002 ISDA Master Agreement dated as of May 23, 2018 between Tenaska Power Services Co. and Heritage Power Marketing, LLC (including the Schedule and Credit Support Annex thereto and each Transaction and Confirmation (including the New Castle HRCO Confirmation) entered into thereunder from time to time (in each case (other than New Castle HRCO Confirmation) as defined in the 2002 ISDA Master Agreement)), as amended, restated, supplemented or otherwise modified from time to time.

"New Castle HRCO Amendment" has the meaning ascribed to it in the Restructuring Term Sheet.

"New Castle HRCO Confirmation" has the meaning ascribed to it in the Restructuring Term Sheet.

"New Castle Contribution Agreement" has the meaning ascribed to it in the Restructuring Term Sheet.

"New Equity Interests" has the meaning ascribed to it in the Restructuring Term Sheet.

"New LC Facility" has the meaning ascribed to it in the Restructuring Term Sheet.

"New LC Facility Documents" means the documentation necessary to effectuate the incurrence of the New LC Facility.

"NewCo Facility" has the meaning ascribed to it in the Restructuring Term Sheet.

"Non-RSA Restructuring Proposal" means any inquiry, proposal, offer, bid, term sheet, discussion, or agreement with respect to a sale, disposition, new-money investment, restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, financing, joint venture, partnership, liquidation, tender offer, recapitalization, plan of reorganization, share exchange, business combination, or similar transaction involving any one or more Company Parties or the debt, equity, or other interests in any one or more Company Parties that in each case is an alternative to, or is inconsistent with, any material component of one or more of the Restructuring Transactions. For the avoidance of doubt, a proposal for an Alternative Transaction shall not constitute a Non-RSA Restructuring Proposal.

"O&M Agreement" means that certain Operation and Maintenance Agreement dated as of July 30, 2019 among Heritage Power, LLC and GenOn Energy Services, LLC, as amended, restated, supplemented or otherwise modified from time to time.

"Parent Sponsor" has the meaning set forth in the recitals to this Agreement.

"Parties" has the meaning set forth in the preamble to this Agreement.

"Person" means any natural person, corporation, limited liability company, professional association, limited partnership, general partnership, joint stock company, joint venture, association, company, trust, bank, trust company, land trust, business trust or other organization, whether or not a legal entity, and any Governmental Authority.

"Petition Date" means the date on which the Chapter 11 Cases are commenced.

"PJM" means PJM Interconnection LLC.

"Plan" means the Company Parties' joint chapter 11 plan of reorganization that will effectuate the Plan Transaction on the terms and conditions set forth in this Agreement (including the Restructuring Term Sheet).

"Plan Transaction" a Restructuring Transaction pursuant to which, among other things the Consenting Creditors shall receive equity of a reorganized Company Party pursuant to a Plan on the terms set forth in this Agreement (including the Restructuring Term Sheet).

"Plan Effective Date" means the date upon which each of the conditions to the effectiveness of the Plan are satisfied or waived according to its terms.

"Plan Supplement" means the compilation of certain documents and forms of documents, schedules, and exhibits to the Plan that will be filed, in one or more filings, by the Company Parties with the Bankruptcy Court prior to the hearing held by the Bankruptcy Court to consider confirmation of the Plan, each of which shall be consistent with this Agreement.

"Porter Hedges Fee Letter" means that certain fee letter by and among Porter Hedges LLP and Heritage.

"Purchase Agreement(s)" means the purchase agreement(s) pursuant to which the Company Parties will effectuate the Sale Transaction.

"Qualified Marketmaker" means an entity that (i) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers Company Claims/Interests (or enter with customers into long and short positions in Company Claims/Interests), in its capacity as a dealer or marketmaker in Company Claims/Interests and (ii) is in fact regularly in the business of making a market in claims against issuers or borrowers (including debt securities or other debt).

"Related Fund" means, with respect to any Person, any fund, account, or investment vehicle that is controlled or managed by (i) such Person, (ii) an Affiliate of such Person, or (iii) the same investment manager, advisor or subadvisor as such Person or an Affiliate of such investment manager, advisor, or subadvisor.

"Related Parties" means, with respect to an Entity, each of, and in each case in its capacity as such, such Entity's current and former Affiliates, and such Entity's and such Affiliates' current and former directors, managers, officers, committee members, members of any governing body, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed accounts or funds (including any beneficial holders for the account of whom such funds are managed), predecessors, participants, successors, assigns, subsidiaries, Affiliates, partners, limited partners, general partners, principals, members, management companies,

fund advisors or managers, employees, agents, trustees, advisory board members, financial advisors, attorneys (including any other attorneys or professionals retained by any current or former director or manager in his or her capacity as director or manager of an Entity), accountants, investment bankers, consultants, representatives, and other professionals and advisors and any such person's or Entity's respective heirs, executors, estates, and nominees.

"Releasing Parties" means the Consenting Creditor Releasing Parties and the Sponsor Releasing Parties.

"Released Parties" means the Consenting Creditor Released Parties and the Sponsor Released Parties.

"Released Claim" has the meaning set forth in Section 13 of this Agreement.

"Releases" means the releases contained in Section 13 of this Agreement.

"Releases and Exculpation Provisions" means the releases and exculpation provisions to be included in the Plan as set forth in Exhibit 1 to the Restructuring Term Sheet.

"Required Consenting Creditors" means, as of the relevant date, those Consenting Creditors holding greater than 66.67% of the aggregate outstanding principal amount of the Term Loan Claims that are held by all Consenting Creditors in the aggregate (in each case, excluding the Financial Sponsor).

"Restructuring Transactions" has the meaning set forth in the recitals to this Agreement. For the avoidance of doubt, each of the Plan Transaction and the Sale Transaction and any Alternative Transaction is a Restructuring Transaction.

"RAM Fee Letter" means that certain fee letter by and among Ross Aronstam & Moritz LLP and Heritage.

"Sale Consummation Date" means the date upon which the Sale Transaction is consummated.

"Sale Documents" means all motions, filings, documents and agreements related to the Sale Transaction, including the Purchase Agreement(s), the Bidding Procedures Motion, the Bidding Procedures, the Bidding Procedures Order and the Sale Order.

"Sale Motion" means the motion seeking approval of the Sale Order.

"Sale Order" means the order of the Bankruptcy Court authorizing the Company to enter into the Purchase Agreement(s), which shall contain a finding of "good faith" by BidCo and the Consenting Creditors for purposes of section 363(m) of the Bankruptcy Code.

"Sale Transaction" means a Restructuring Transaction pursuant to which the Company Parties consummate a sale of all or substantially all of the Company Parties' assets to (i) BidCo, which shall be formed at the direction of the Required Secured Parties (as defined in the Intercreditor Agreement) through a standalone sale pursuant to section 363 of the Bankruptcy Code via credit bid or (ii) a third-party if any third-party submits a bid at an auction that exceeds the amount of the credit bid on the terms set forth in this Agreement (including the Restructuring Term Sheet).

"Second Day Pleadings" means the second-day pleadings that the Company Parties determine are necessary or desirable to file with the Bankruptcy Court, which shall include the Shawville Lease Documents Assumption Motion.

"Shawville HRCO" means the 2002 ISDA Master Agreement dated as of July 27, 2021 between J. Aron & Company LLC and Heritage Power Marketing, LLC (including the Schedule and Credit Support Annex thereto and each Transaction and Confirmation entered into thereunder from time to time (in each case as defined in the 2002 ISDA Master Agreement)), as amended, restated, supplemented or otherwise modified from time to time.

"Shawville HRCO Rejection Motion" means a motion requesting Bankruptcy Court approval of the rejection of the Shawville HRCO under section 365 of the Bankruptcy Code.

"Shawville Lease Documents" means the Shawville Leases, the Shawville Participation Agreement, and each other document or agreement described in the definition of "Operative Documents" in the Shawville Participation Agreement, in each case as amended, restated, supplemented or otherwise modified from time to time.

"Shawville Lease Documents Amendments" has the meaning set forth in the Restructuring Term Sheet.

"Shawville Lease Documents Assumption Motion" means the motion to assume all Shawville Lease Documents.

"Shawville Lease Documents Assumption Order" means an order of the Bankruptcy Court approving the assumption of all Shawville Lease Documents by the Company Parties party to the applicable Shawville Lease Document.

"Shawville Leases" means (i) that certain Facility Lease Agreement dated as of August 24, 2000 among Shawville Lessor Genco LLC, as Owner Lessor and Shawville Power, LLC, as Facility Lessee, as amended, restated, supplemented or otherwise modified from time to time and (ii) that certain Site Lease and Sublease Agreement dated as of June 24, 2000 among Shawville Power, LLC, as Ground Lessor and Ground Sublesee and Shawville Lessor Genco LLC, as Ground Lessee and Ground Sublessor.

"Shawville Participation Agreement" means that certain Participation Agreement dated as of August 24, 2000 among Shawville Lessor Genco LLC, as Owner Lessor, Shawville Power, LLC, as Facility Lessee, PSEGR Shawville Generation, LLC, as Owner Participant, and the other persons from time to time party thereto, as amended, restated, supplemented or otherwise modified from time to time.

"Shawville Transaction" means the transactions consummated or to be consummated pursuant to that certain Membership Interest Purchase and Sale Agreement dated as of December 2, 2022 among PSEGR PJM, LLC, as Seller, GenOn Energy Services, LLC, as Buyer, and the Parent Sponsor, as Buyer Guarantor, and all other related documents and agreements.

"Sponsor EMA Reimbursement Agreement" means that certain Sponsor EMA Reimbursement Agreement dated as of July 30, 2019 among Heritage Power Marketing, LLC and Parent Sponsor.

"Sponsor Preserved Claims" means each "Preserved Counterclaim" as defined in the Claims

Preservation Agreement.

"Sponsor Released Claims" has the meaning set forth in Section 13 to this Agreement.

"Sponsor Released Party" means, each of, and in each case in its capacity as such: (i) GenOn; (ii) the Financial Sponsor; (iii) any current and former Affiliate of GenOn and the Financial Sponsor (excluding the Company Parties); and (iv) each Related Party of each Entity referred to in clause (i) through this clause (iv) (excluding the Company Parties).

"Sponsor Releasing Party" means each of, and in each case in its capacity as such: (i) GenOn; (ii) the Financial Sponsor; (iii) to the maximum extent permitted by Law, each current or former Affiliate of each Entity in clause (i) and clause (ii) (in each case, excluding all Company Parties); and (iv) to the maximum extent permitted by Law, each Related Party of each Entity in clause (i) through this clause (iv) (in each case, excluding all Company Parties).

"Solicitation Materials" means the Disclosure Statement, ballots, documents, forms, and all other materials provided in connection with the solicitation of the Plan pursuant to sections 1125 and 1126 of the Bankruptcy Code, which shall be consistent with this Agreement.

"Term Loan Claims" has the meaning set forth in the Restructuring Term Sheet.

"Termination Date" means the date on which termination of this Agreement is effective in accordance with Section 11.01, 11.02, 11.03, or 11.04.

"Termination Event" means the occurrence of a termination event arising under Section 11.01, 11.02, 11.03, or 11.04.

"Termination Notice" means a Consenting Creditor Termination Notice, a GenOn Termination Notice, or a Company Termination Notice.

"Tenaska" means Tenaska Power Services Co.

"Transaction Consummation Date" means, as applicable, the Plan Effective Date, the Sale Consummation Date or the Alternative Transaction Consummation Date.

"Transfer" means to, directly or indirectly, sell, assign, grant, transfer, convey, pledge, hypothecate, or otherwise dispose of, but in each case only upon the date of settlement of the Transfer and excluding any pledge or assignment of security interest to secure obligations of a party to a Federal Reserve Bank or any other central bank.

"Transferee" means the recipient of a Transfer.

"Transferee Qualified Marketmaker" has the meaning set forth in Section 8.04(b) of this Agreement.

"Transition Services Agreement" means that certain Transition Services Agreement entered into substantially contemporaneously with this Agreement by and among certain GenOn entities and certain Company Parties.

1.02. Interpretation. For purposes of this Agreement:

(a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neutral gender shall include the masculine, feminine, and the neutral gender;

(b) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(c) unless otherwise specified, any reference in this Agreement to a contract, lease, instrument, release, indenture, or other agreement or document (other than any Definitive Document) being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;

(d) unless otherwise specified, any reference in this Agreement to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, supplemented, or otherwise modified from time to time; notwithstanding the foregoing, any capitalized terms in this Agreement that are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date of this Agreement;

(e) unless otherwise specified, all references in this Agreement to "Sections" are references to Sections of this Agreement;

(f) the words "herein," "hereof," and "hereto" refer to this Agreement in its entirety rather than to any particular portion of this Agreement;

(g) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(h) references to "stockholders," "directors," and/or "officers" shall also include "members" and/or "managers," as applicable, as such terms are defined under the applicable limited liability company Laws;

(i) the use of "include" or "including" is without limitation, whether stated or not; and

(j) the word "or" shall not be exclusive.

Section 2. ***Effectiveness of this Agreement.***

(a) This Agreement shall become effective and binding upon each of the Parties on the date and time by which all of the following conditions have been satisfied or waived in accordance with this Agreement:

(i) each of the Company Parties shall have executed and delivered counterpart signature pages of this Agreement (which signature pages may be delivered by counsel and in electronic form) to counsel of each of the Consenting Stakeholders;

(ii) the Financial Sponsor shall have executed and delivered counterpart signature pages of this Agreement (which signature pages may be delivered by counsel and in electronic form) to counsel of each of the Company Parties, the Consenting Creditors, and GenOn;

(iii) GenOn shall have executed and delivered counterpart signature pages of this Agreement (which signature pages may be delivered by counsel and in electronic form) to counsel of each of the Consenting Creditors, the Company Parties, and the Financial Sponsor;

(iv) Heritage shall have executed and delivered counterpart signature pages of the Ducera Fee Letter, the Milbank Fee Letter the Porter Hedges Fee Letter, and the RAM Fee Letter (which signature pages may be delivered by counsel and in electronic form) to Milbank LLP;

(v) the Company Parties shall have paid in full in cash all accrued and unpaid Consenting Stakeholder Fees and Expenses in accordance with Section 14.18 of this Agreement;

(vi) the Claims Preservation Agreement shall have been executed and become effective in accordance with its terms; and

(vii) the Company Parties shall have given written notice to counsel to each of the Consenting Creditors, the Financial Sponsor, and GenOn that the foregoing conditions set forth in this Section 2 have been satisfied.

(b) With respect to any Consenting Creditor that becomes a party to this Agreement pursuant to Section 8 hereof, this Agreement shall become effective as to such Consenting Creditor at the time it executes and delivers an executed Joinder in accordance with the terms hereof.

Section 3. ***Definitive Documents.***

3.01. The Definitive Documents shall include (as applicable and dependent upon the Restructuring Transaction actually implemented in accordance with the Restructuring Term Sheet):

(a) the Plan and all exhibits, ballots, solicitation procedures, and other documents and instruments related thereto;

(b) the Plan Supplement

(c) the Confirmation Order;

(d) the Disclosure Statement;

(e) the Disclosure Statement Order;

(f) all motions, filings, documents, and agreements related to the Plan Transaction, including without limitation, the Disclosure Statement motion, any documentation relating to the solicitation of the Plan, and the brief in support of confirmation of the Plan;

(g) the First Day Pleadings, Second Day Pleadings, all material pleadings, including the Dominion Rejection Motion, the Shawville HRCO Rejection Motion, and all bar date motions and claims estimation motions, and all orders sought pursuant to any of the foregoing;

(h) Cash Collateral Order;

(i) the Exit Facility Documents;

(j) the New LC Facility Documents;

(k) all motions, filings, documents, and agreements related to the Sale Transaction, including without limitation, the Sale Order, the Bidding Procedures, and the Bidding Procedures Order and the motion seeking approval thereof;

(l) the Purchase Agreement(s);

(m) the New Castle HRCO Amendment;

(n) the New Castle Contribution Agreement;

(o) the Shawville Lease Documents Amendments;

(p) the BidCo Agreement;

(q) such other agreements and documentation reasonably desired or necessary to consummate and document the transactions contemplated by this Agreement, the Restructuring Term Sheet, the Plan, or the Sale Transaction.

3.01. The Definitive Documents that are not executed or in a form attached to this Agreement as of the Agreement Effective Date remain subject to good faith negotiation and completion. The Definitive Documents that are not executed or in a form attached to this Agreement as of the Agreement Effective Date, and any amendments, supplements, or modifications to any Definitive Documents, shall be consistent in all respects with this Agreement (including the Restructuring Term Sheet) and otherwise be in form and substance reasonably acceptable to the Company Parties and the Required Consenting Creditors; *provided* that each Definitive Document shall be in form and substance acceptable to the Required Consenting Creditors to the extent such Definitive Document (A) modifies or affects the release provisions related to the Consenting Creditors set forth in this Agreement or in any Plan and Confirmation Order or (B) affects or otherwise impacts any right (economic or otherwise), obligation or term relating to the Consenting Creditors pursuant to or identified in this Agreement or the Restructuring Term Sheet. In addition, (i) the Definitive Documents set forth in clauses (a) through (e), clause (h) (with respect to any termination events or conditions thereto) and clauses (m) through (p) of Section 3.01 and each other Definitive Document to which GenOn and/or the Financial Sponsor is a party shall be in form and substance reasonably acceptable to GenOn and the Financial Sponsor, (ii) notwithstanding anything to the contrary in the foregoing clause (i), each Definitive Document shall be in form and substance acceptable to each of GenOn and the Financial Sponsor (other than in its Consenting Creditor capacity) to the extent such Definitive Document (A) modifies or affects the release provisions related to GenOn or the Financial Sponsor, as applicable, set forth in this Agreement or in any Plan and Confirmation Order or (B) affects or otherwise impacts any right (economic or otherwise), obligation or term in favor of or relating to GenOn or the Financial Sponsor (other than in its Consenting Creditor capacity) pursuant to or identified in this Agreement or the Restructuring Term Sheet, and (iii) to the extent any provision of any Definitive Document disproportionately affects the rights (economic or otherwise) or obligations of any Consenting Creditor (including the Financial Sponsor in its Consenting Creditor capacity) compared to the rights (economic

or otherwise) or obligations of any other Consenting Creditor (after taking into account each Consenting Creditor's respective holdings of Loan Claims), such provision shall be acceptable to such materially, disproportionately, and adversely affected Consenting Creditor. For the avoidance of doubt, the Claims Preservation Agreement is not a Definitive Document and may only be modified in accordance with its terms.

Section 4. ***Commitments of the Consenting Creditors.***

4.01. Affirmative Commitments. During the Agreement Effective Period, each Consenting Creditor severally, and not jointly, agrees in respect of all of its Company Claims/Interests (subject to Section 4.04) to:

(a) act in good faith to support the Restructuring Transactions as contemplated by this Agreement and the Restructuring Term Sheet, including, to the extent solicited, to vote and exercise any powers or rights available to it (including in any creditors' meeting or in any process requiring voting or approval to which such Consenting Creditor is legally entitled to participate), in each case in favor of any matter requiring approval to the extent necessary to implement the Restructuring Transactions (whether the Plan Transaction or the Sale Transaction) and within the timeframe outlined herein and in the Definitive Documents and not change or withdraw (or cause to be changed or withdrawn) any such vote; *provided, however,* that no Consenting Creditor shall be obligated to waive (to the extent waivable by such Consenting Creditor) any condition to the consummation of any part of the Restructuring Transactions;

(b) use commercially reasonable efforts to cooperate with and assist the Company Parties in obtaining additional support for the Restructuring Transactions from the Company Parties' other stakeholders;

(c) provide any consents under the Credit Agreement, the Intercreditor Agreement or any other applicable agreement or document, and give any notices, orders, instructions, or directions to the Agent that are necessary or reasonably requested by the Company Parties to facilitate the consummation of the Restructuring Transactions in accordance with this Agreement and the other Definitive Documents;

(d) use commercially reasonable efforts to oppose, if requested by the Company Parties or GenOn, the efforts of any person or Entity (including any other Party) with respect to any action contemplated in Section 4.02 or any other action that would have the direct or indirect effect of adversely impacting the consummation of the Restructuring Transactions;

(e) negotiate in good faith regarding the terms of any postpetition financing that is reasonably determined to be necessary by the Company Parties (in consultation with the Consenting Creditors); *provided* that no Consenting Creditor shall be required under this Agreement to consent to any third-party postpetition financing;

(f) negotiate in good faith and, to the extent applicable, use reasonable best efforts to execute and implement, as expeditiously as is practicable and in a manner consistent with this Agreement, the Definitive Documents;

(g) act in good faith and take all actions reasonably necessary to consummate the Restructuring Transactions prior to the date that is eleven (11) months from the Petition Date; and

(h) to the extent any legal, financial, tax, or structural impediment arises that would prevent, hinder, impede, or delay the consummation of the Restructuring Transactions, negotiate in good faith and use commercially reasonable best efforts to agree on appropriate additional or alternative provisions to address such impediment (including, other than in connection with Section 13.06(i), replacing any Agent) (provided that such provisions do not have an adverse impact on the consideration or economic treatment provided to the Consenting Creditors in this Agreement or other material terms contemplated by this Agreement).

4.02. Negative Commitments. During the Agreement Effective Period, each Consenting Creditor, as applicable, severally, and not jointly, agrees in respect of all of its Company Claims/Interests that (subject to Section 4.04) it shall not, directly or indirectly, and shall not direct any other Entity to:

(a) take any action that is inconsistent with this Agreement or the Restructuring Transactions or that would reasonably be expected to interfere with, delay or impede the solicitation, implementation, or consummation of the Plan and the Restructuring Transactions;

(b) seek, solicit, pursue, propose, file, support, or vote for any Non-RSA Restructuring Proposal or otherwise take any action that would prevent, hinder, impede, or delay the consummation of the Restructuring Transactions;

(c) file or join in any motion, objection, pleading, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is inconsistent with this Agreement, the Plan or the Restructuring Transactions;

(d) take (directly or indirectly), or direct the Agent to take, any action to enforce or exercise any right or remedy for the enforcement, collection, or recovery of any of the Company Claims/Interests, including rights or remedies arising from or asserting or bringing any claims under or with respect to the Credit Agreement to the extent inconsistent with this Agreement; *provided* that nothing in this Agreement shall prevent any Consenting Creditor from filing a proof of claim in the Chapter 11 Cases with respect to its respective Company Claims/Interests;

(e) initiate, or have initiated on its behalf, any litigation or proceeding of any kind against the Company Parties or the other Parties (other than to enforce this Agreement, any other agreement among the applicable Parties or any Definitive Document or as otherwise explicitly permitted under this Agreement); or

(f) object to, join in any objection to, delay, impede, or take any other action to interfere with the Company Parties' ownership and possession of their assets, wherever located, or interfere with the automatic stay arising under section 362 of the Bankruptcy Code.

4.03. Commitments with Respect to Chapter 11 Cases. Subject to Section 4.04, Section 11.07, and the other terms and conditions hereof, during the Agreement Effective Period, each Consenting Creditor, severally and not jointly, agrees that it shall:

(a) timely vote each of its Company Claims/Interests to accept the Plan by timely delivering its duly executed and completed ballot(s) accepting the Plan following the commencement of the solicitation of the Plan and its actual receipt of the Solicitation Materials and the ballot;

(b) not change, withdraw, amend, or revoke (or cause to be changed, withdrawn, amended, or revoked) any vote or election referred to in clause (a) above;

(c) consent to, support and participate in all of the releases and exculpation provisions contained described in the Restructuring Term Sheet and, to the extent it is permitted to elect whether to opt in or out of the releases and or exculpation provisions set forth in the Restructuring Term Sheet, elect to opt in or not to opt out (as applicable) of such release and exculpation provisions by timely delivering its duly executed and completed ballot(s) designating that it opts in or does not opt out (as applicable) of the releases and exculpations;

(d) not directly or indirectly, through any Person, seek, solicit, propose, support, assist, engage in negotiations in connection with or participate in the formulation, preparation, filing, or prosecution of any Non-RSA Restructuring Proposal or object to, join in any objection to, or take any other action that would reasonably be expected to prevent, interfere with, delay, or impede the solicitation of votes on the Plan, approval of the Disclosure Statement, or the confirmation and consummation of the Plan and the Restructuring Transactions;

(e) use commercially reasonable efforts to support and take all actions reasonably requested by the Company Parties to facilitate the consummation of the Restructuring Transactions in accordance with this Agreement;

(f) use commercially reasonable efforts to support and take all actions reasonably requested by the Company Parties to facilitate the solicitation of votes on the Plan, approval of the Disclosure Statement, and confirmation and consummation of the Plan; and

(g) not object to, join in any objection to, delay, impede, or take any other action to interfere with any motion or other pleading or document filed by the Company Parties or any other Party in the Bankruptcy Court that is consistent with this Agreement.

4.04. Additional Provisions Regarding the Consenting Creditors' Commitments. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement shall:

(a) be construed to impair the rights of any Consenting Creditor from appearing as a party in interest in any matter to be adjudicated in the Chapter 11 Cases, so long as such appearance and the positions advocated in connection therewith are consistent with this Agreement and do not delay, interfere with, or impede the Restructuring Transactions;

(b) limit or impair the ability of a Consenting Creditor to purchase, Transfer or enter into any transactions regarding Company Claims/Interests, subject to Section 8 hereof;

(c) except as otherwise provided herein, constitute a waiver under, or amendment of, the Credit Agreement or otherwise limit or impair any right or remedy of any Consenting Creditor under the Credit Agreement, or any other applicable agreement, instrument, or document that gives rise to a Consenting Creditor's Company Claims/Interests;

(d) affect the ability of any Consenting Creditor to consult with any other Consenting Stakeholder, the Company Parties, or any other party in interest, including any official committee and/or the United States Trustee (solely to the extent such consultation is consistent with this Agreement and does not delay, interfere with, or impede the Restructuring Transactions);

(e) impair or waive the rights of any Consenting Creditor to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions;

(f) prevent any Consenting Creditor from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement;

(g) require any Consenting Creditor to (i) incur any financial or other liability other than as expressly described in or contemplated by this Agreement, (ii) indemnify or otherwise incur any liability to any Agent (excluding any indemnification or other liability contained in the Loan Documents as of the date hereof), (iii) take, or refrain from taking, any action where to do so would (in each case as reasonably determined by the Consenting Creditor after consultation with counsel, which may be internal counsel) breach (a) any law or regulation, (b) any order or direction of any relevant court or governmental body, or (c) the terms of any non-disclosure agreement to which they are subject, in each case, provided that such breach cannot be avoided or removed by taking reasonable steps which would not otherwise cause any material advantage to such Consenting Creditor, or (iv) fail to comply with any antitrust or regulatory obligations;

(h) prevent any Consenting Creditor from (i) defending against or responding to any pleading filed with the Bankruptcy Court or any other court seeking to challenge the validity, enforceability, perfection or priority of, or any action seeking avoidance, claw-back, recharacterization or subordination of, any portion of its Company Claims/Interests or any liens or collateral securing its Company Claims or (ii) taking or directing any action relating to the maintenance, protection, or preservation of any collateral; or

(i) prevent any Consenting Creditor from enforcing or exercising any rights, remedies, conditions, consents or approval requirements under any of the Definitive Documents.

Section 5. ***Commitments of GenOn.***

5.01. Affirmative Commitments. During the Agreement Effective Period (subject to Section 5.04), GenOn agrees to:

(a) act in good faith to support the Restructuring Transactions as contemplated by this Agreement and the Restructuring Term Sheet, *provided, however,* that GenOn shall not be obligated to waive (to the extent waivable by GenOn) any condition to the consummation of any part of the Restructuring Transactions;

(b) use commercially reasonable efforts to cooperate with and assist the Company Parties in obtaining additional support for the Restructuring Transactions from the Company Parties' other stakeholders;

(c) use commercially reasonable efforts to oppose, if requested by the Company Parties or Required Consenting Creditors, the efforts of any person or Entity (including any other Party) with respect to any action contemplated in Section 5.02 or any other action that would have the direct or indirect effect of adversely impacting the consummation of the Restructuring Transactions;

(d) negotiate in good faith and, to the extent applicable, use reasonable best efforts to execute and implement, as expeditiously as is practicable and in a manner consistent with this Agreement, the Definitive Documents;

(e) act in good faith and take all actions reasonably necessary to consummate the Restructuring Transactions prior to the date that is eleven (11) months from the Petition Date; and

(f) to the extent any legal, financial, tax, or structural impediment arises that would prevent, hinder, impede, or delay the consummation of the Restructuring Transactions, negotiate in good faith and use commercially reasonable best efforts to agree on appropriate additional or alternative provisions to address such impediment (provided that such provisions do not have an adverse impact on the consideration or economic treatment provided to GenOn in this Agreement or other material terms contemplated by this Agreement).

5.02. Negative Commitments. During the Agreement Effective Period (subject to Section 5.04), GenOn shall not, directly or indirectly, and shall not direct any other Entity to:

(a) take any action that is inconsistent with this Agreement or the Restructuring Transactions or that would reasonably be expected to interfere with, delay or impede the solicitation, implementation, or consummation of the Plan and the Restructuring Transactions;

(b) seek, solicit, pursue, propose, file, support, or vote for any Non-RSA Restructuring Proposal or otherwise take any action that would prevent, hinder, impede, or delay the consummation of the Restructuring Transactions;

(c) file or join in any motion, objection, pleading, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is inconsistent with this Agreement, the Plan or the Restructuring Transactions;

(d) initiate, or have initiated on its behalf, any litigation or proceeding of any kind against the Company Parties or the other Parties (other than to enforce this Agreement, any other agreement among the applicable Parties or any Definitive Document or as otherwise permitted under this Agreement);

(e) file or otherwise support, encourage, seek, solicit, pursue, initiate, assist, join or participate in any challenge to the validity, enforceability, perfection or priority of, or any action seeking avoidance, claw-back, recharacterization or subordination of, any portion of the Loan Claims or any liens or collateral securing such Loan Claims; or

(f) object to, join in any objection to, delay, impede, or take any other action to interfere with the Company Parties' ownership and possession of their assets, wherever located, or interfere with the automatic stay arising under section 362 of the Bankruptcy Code.

5.03. Commitments with Respect to Chapter 11 Cases. Subject to Section 5.04 and the other terms and conditions hereof, during the Agreement Effective Period, GenOn agrees to:

(a) consent to, support and participate in all of the releases and exculpation provisions contained herein or described in the Restructuring Term Sheet and, to the extent it is permitted to elect whether to opt in or out of the release and exculpation provisions set forth in the Restructuring Term Sheet, elect to opt in or not to opt out (as applicable) of such release and exculpation provisions by timely delivering its duly executed and completed ballot(s) designating that it opts in or does not opt out (as applicable) of the releases and exculpations;

(b) not directly or indirectly, through any Person, seek, solicit, propose, support, assist, engage in negotiations in connection with or participate in the formulation, preparation, filing, or prosecution of any Non-RSA Restructuring Proposal or object to, join in any objection to, or take any other action that would reasonably be expected to prevent, interfere with, delay, or impede the solicitation of votes on the Plan, approval of the Disclosure Statement, or the confirmation and consummation of the Plan and the Restructuring Transactions;

(c) use commercially reasonable efforts to support and take all actions reasonably requested by the Company Parties or the Required Consenting Creditors to facilitate the consummation of the Restructuring Transactions in accordance with this Agreement;

(d) use commercially reasonable efforts to support and take all actions reasonably requested by the Company Parties or the Required Consenting Creditors to facilitate the solicitation of votes on the Plan, approval of the Disclosure Statement, and confirmation and consummation of the Plan; and

(e) not object to, join in any objection to, delay, impede or take any other action to interfere with any motion or other pleading or document filed by the Company Parties or any other Party in the Bankruptcy Court that is consistent with this Agreement.

5.04. Additional Provisions Regarding GenOn's Commitments. Notwithstanding anything contained in this Agreement to the contrary, nothing in this Agreement shall:

(a) be construed to impair the rights of GenOn from appearing as a party in interest in any matter to be adjudicated in the Chapter 11 Cases, so long as such appearance and the positions advocated in connection therewith are consistent with this Agreement and do not delay, interfere with, or impede the Restructuring Transactions;

(b) limit or impair the ability of GenOn to purchase, Transfer or enter into any transactions regarding Company Claims/Interests, subject to Section 8 hereof;

(c) except as otherwise provided herein, constitute a waiver under, or amendment of, the Credit Agreement or otherwise limit or impair any right or remedy of GenOn under the Credit Agreement, or any other applicable agreement, instrument, or document that gives rise to any Company Claims/Interests of GenOn;

(d) except as otherwise provided herein, constitute a waiver under, or amendment of, the Shawville Lease Documents or the Transition Services Agreement or otherwise limit or impair any right or remedy of GenOn under the Shawville Lease Documents, the Transition Services Agreement or any other applicable agreement, instrument, or document that gives rise to any Company Claims/Interests of GenOn;

(e) affect the ability of GenOn to consult with any other Consenting Stakeholder, the Company Parties, or any other party in interest, including any official committee and/or the United States Trustee (solely to the extent such consultation is consistent with this Agreement and does not delay, interfere with or impede the Restructuring Transactions);

(f) impair or waive the rights of GenOn to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions;

(g) require GenOn to (i) incur any financial or other liability other than as expressly described in or contemplated by this Agreement, (ii) take, or refrain from taking, any action where to do so (in each case as reasonably determined by GenOn after consultation with counsel, which may be internal counsel) would breach (a) any law or regulation, (b) any order or direction of any relevant court or governmental body, or (c) the terms of any non-disclosure agreement to which they are subject, in each case, provided that such breach cannot be avoided or removed by taking reasonable steps which would not otherwise cause any material advantage to GenOn, or (iii) fail to comply with any antitrust or regulatory obligations;

(h) prevent GenOn from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement; or

(i) prevent GenOn from enforcing or exercising any rights, remedies, conditions, consents or approval requirements under any of the Definitive Documents.

Section 6. ***Commitments of the Company Parties.***

6.01. Affirmative Commitments. Subject to Section 6.03, during the Agreement Effective Period, each of the Company Parties agrees to:

(a) support, act in good faith and take all commercially reasonable actions necessary or desirable to implement and consummate the Restructuring Transactions in accordance with this Agreement; *provided, however,* that no Company Party shall be obligated to waive (to the extent waivable by such Company Party) any condition to the consummation of any part of the Restructuring Transactions;

(b) to the extent any legal, financial, tax, or structural impediment arises that would prevent, hinder, impede, or delay the consummation of the Restructuring Transactions contemplated in this Agreement, support and take all commercially reasonable steps necessary or desirable to address or resolve any such impediment (including replacing any Agent);

(c) oppose the efforts of any person or Entity (including any other Party) with respect to any action contemplated in Section 6.02 or any other action that would have the direct or indirect effect of impacting any right (economic or otherwise) or benefit that any Consenting Creditor, the Financial Sponsor, or GenOn has received or is contemplated to receive under this Agreement or any Definitive Document;

(d) use commercially reasonable efforts to obtain any and all necessary or required regulatory and/or third-party approvals and consents for the consummation and implementation of the Restructuring Transactions;

(e) negotiate in good faith and use commercially reasonable efforts to finalize, execute, deliver and implement the Definitive Documents;

(f) take all steps reasonably necessary or desirable to obtain entry of the Shawville Lease Documents Assumption Order at the second day hearing (provided that this deadline can be extended with the consent of GenOn);

(g) use commercially reasonable efforts and negotiate in good faith to finalize, execute, deliver and implement the New Castle HRCO Amendment, the Shawville Lease Documents Amendments and the New LC Facility;

(h) provide counsel for each of the Consenting Stakeholders a reasonable opportunity (no less than two (2) Business Days in advance of filing or such shorter period as may be necessary in light of exigent circumstances) to review draft copies of all Definitive Documents that the Company Parties intend to file with the Bankruptcy Court;

(i) oppose and object to the efforts of any person seeking to object to, delay, impede, or take any other action to interfere with the acceptance, implementation, or consummation of the Restructuring Transactions (including, if applicable, the filing of timely filed objections or written responses) to the extent such opposition or objection is reasonably necessary to facilitate or prevent delay to implementation of the Restructuring Transactions;

(j) timely object to any pleading filed with the Bankruptcy Court or any other court of competent jurisdiction seeking to challenge the validity, enforceability, perfection or priority of, or any action seeking avoidance, claw-back, recharacterization or subordination of, any portion of the Loan Claims or any liens or collateral securing such Loan Claims;

(k) consult and negotiate in good faith with the Consenting Stakeholders and each of their respective advisors regarding the preparation and execution of the Definitive Documents and the implementation of the Restructuring Transactions;

(l) inform counsel to the Consenting Stakeholders in writing (email being sufficient) as soon as reasonably practicable after becoming aware of: (i) any matter or circumstance which they know to be a material impediment to the implementation or consummation of the Restructuring Transactions; (ii) any notice of any commencement of any material involuntary insolvency proceedings or material legal suit, investigation, or enforcement action from or by any person in respect of any Company Party; (iii) any material breach of any of the terms, conditions, representations, warranties or covenants set forth in this Agreement (including a breach by any Company Party); or (iv) the occurrence of a Termination Event;

(m) if a Company Party receives a Non-RSA Restructuring Proposal in the form of a term sheet or other written offer or proposal, the Company Parties shall (i) inform counsel to each of the Consenting Stakeholders in writing (email being sufficient) within two (2) Business Days of receiving such proposal, with such notice to include the material terms thereof (including the identity of the Person(s) involved) and the action taken or proposed to be taken by the Company Parties in response thereto, (ii) provide counsel to each of the Consenting Stakeholders, upon reasonable request, with updates as to the status and progress of such Non-RSA Restructuring Proposal, and (iii) use commercially reasonable efforts to respond promptly to reasonable information requests and questions from counsel to the Consenting Stakeholders relating to such Non-RSA Restructuring Proposal;

(n) operate their business and conduct their operations in the ordinary course in a manner consistent with past practices and in compliance with Law (taking into account the Restructuring Transactions and the pendency of the Chapter 11 Cases) and use commercially reasonable efforts to preserve intact their current business organizations and preserve their relationships with employees, customers, suppliers, and others having business dealings with the Company Parties;

(o) (i) maintain their cash management arrangements in a manner materially consistent with that described in the applicable "first-day" order and (ii) comply with the relevant covenants contained in the Credit Agreement regarding the maintenance and insurance of collateral securing Loan Claims;

(p) so long as compliance with such request is not unreasonably burdensome and does not violate any applicable Law, provide the Consenting Stakeholders with (i) information requested regarding the Company Parties and (ii) access to management and advisors of the Company Parties upon reasonable prior notice to the Company Parties' advisors and, in the case of each of clauses (i) and (ii), solely for the purposes of evaluating the Company Parties' assets, liabilities, operations, businesses, finances, strategies, prospects and affairs. For purposes of this clause (p), the Consenting Creditors agree (i) to make all information requests and requests for access to management in writing only to such person or persons designated by the Company Parties to receive such requests, or, if such person or persons have not been so designated, to counsel to the Company Parties, (ii) the Company Parties may limit the disclosure of trade secret or proprietary information to the legal and financial advisors to the Ad Hoc Committee on a professional eyes' only basis (*provided* that the Company Parties shall not unreasonably withhold, condition, or delay any request to remove any such professional eyes' only designation); and (iii) that the Consenting Creditors shall receive such information subject to an acceptable Confidentiality Agreement and nothing in this clause (p) shall require the "cleansing" or public disclosure of any such information unless agreed by the Company Parties (such agreement not to be unreasonably withheld, conditioned, or delayed); provided that (i) trade secret or proprietary information shall not be subject to "cleansing" or public disclosure under any circumstances unless agreed by the Company Parties in their sole discretion and (ii) the Company Parties shall not be required to cleanse or publicly disclose any information if cleansing or publicly disclosing such information would violate applicable Law;

(q) use commercially reasonable efforts, consistent with the Restructuring Transactions, to (i) maintain their physical assets, properties and facilities in their current working order, condition and repair as of the date hereof, ordinary wear and tear excepted, (ii) maintain their books and records on a basis consistent with prior practice, (iii) bill for products sold or services rendered and pay accounts payable in a manner generally consistent with past practice, but taking into account the Restructuring Transactions and the filing of the Chapter 11 Cases; and (iv) maintain all insurance policies, or suitable replacements therefor, in full force and effect through the close of business on the Transaction Consummation Date;

(r) use commercially reasonable efforts to maintain their good standing under the Laws of the state or other jurisdiction in which they are incorporated, organized or formed;

(s) in the event that the Restructuring Transactions are to be implemented through a Sale Transaction pursuant to the terms hereof, pursue a sale process in accordance with the terms of the Bidding Procedures and the terms hereof;

(t) use commercially reasonable efforts to seek a waiver of any stay of the Confirmation Order or the Sale Order provided by the Bankruptcy Rules, and timely oppose any request for a stay pending appeal with respect to any such order;

(u) use commercially reasonable efforts to comply in all material respects with the terms and conditions of any debtor-in-possession financing that remains outstanding with respect to any Company Party;

(v) timely file a formal objection (in consultation with counsel to each of the Consenting Stakeholders) to any motion filed with the Bankruptcy Court by a third party seeking the entry of an order (i) directing the appointment of a trustee or examiner, (ii) converting any of the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, (iii) dismissing any of the Chapter 11 Cases; (iv) seeking the entry of an order modifying or terminating the Company Parties' exclusive right to file and/or solicit acceptances of a chapter 11 plan; or (v) that is inconsistent with or that would, if entered, adversely affect or otherwise impact any right (economic or otherwise), obligation or term in favor of any Consenting Creditor, the Financial Sponsor, or GenOn in this Agreement or any Definitive Document;

(w) act in good faith and take all actions reasonably necessary to consummate the Restructuring Transactions prior to the date that is eleven (11) months from the Petition Date; and

(x) use commercially reasonable efforts to seek additional support for the Restructuring Transactions from their other material stakeholders.

6.02. Negative Commitments. Except as set forth in Section 6.03, during the Agreement Effective Period, each of the Company Parties shall not, without the prior written consent of each of the Consenting Stakeholders, directly or indirectly:

(a) take any action that is materially inconsistent with this Agreement, the Definitive Documents (to the extent such document is operative) or the Restructuring Transactions or take any other action that would reasonably be expected to interfere with, delay, or impede solicitation, implementation, or consummation of, the Restructuring Transactions;

(b) modify any Definitive Document (to the extent such document is operative), in whole or in part, in a manner that is materially inconsistent with this Agreement;

(c) without the prior written consent of the Required Consenting Creditors, (i) use, sell, or lease any material assets outside the ordinary course of business or seek the approval of the Bankruptcy Court to do any of the foregoing, (ii)(x) reject any material agreement pursuant to section 365 of the Bankruptcy Code (except to the extent such rejection is contemplated by this Agreement) or enter into any new material agreement or amendment to a material agreement (except to the extent contemplated by this Agreement) or (y) grant any material consent or waiver relating to any material agreement (except to the extent contemplated by this Agreement), (iii) enter into any voluntary material agreement with any Governmental Authority, (iv) settle or agree to the amount, priority, or treatment of any claim or liability with an amount exceeding $100,000 except to the extent authorized by the terms of any order of the Bankruptcy Court (including any orders entered with respect to the First Day Pleadings or Second Day Pleadings), and, for the avoidance of doubt, excluding payments made on account of postpetition obligations or performance on contracts or leases postpetition (including, for the avoidance of doubt, payments made pursuant to the Transition Services Agreement), (v) grant any lien on or encumber any material asset (other than involuntary liens or liens that arise by operation of law), or (vi) enter into, adopt or amend any employment or compensation-related agreement or collective bargaining agreement outside of the ordinary course of business, in each case except as contemplated by this Agreement;

(d) file any motion, pleading, order or any Definitive Documents with the Bankruptcy Court or any other court (including any modification or amendment thereof) that in whole or in part, is materially inconsistent with this Agreement, the Plan or the Definitive Documents; or

(e) (i) file or support any motion or application or commence a proceeding (including seeking formal or informal discovery) that would adversely materially affect or otherwise materially impact any right (economic or otherwise), obligation or term in favor of any Consenting Creditor, the Financial Sponsor, or GenOn in this Agreement or any Definitive Document; (ii) file or make a filing in support of any motion or application or commence a proceeding (including seeking formal or informal discovery) seeking to pursue or pursuing claims or causes of action against any Consenting Creditor, the Financial Sponsor, or GenOn; (iii) file, pursue, or initiate any challenge to the validity, enforceability, perfection or priority of, or any action seeking avoidance, claw-back, recharacterization or subordination of, any portion of the Loan Claims or any liens or collateral securing such Loan Claims, or (iv) support, solicit, assist, join, or participate with any Person in connection with any of the actions described in clauses (i),(ii), or (iii).

6.03. Additional Provisions Regarding the Company Parties' Commitments.

(a) Subject to Section 6.03(b), unless otherwise consented to by the Required Consenting Creditors, during the Agreement Effective Period, the Company Parties shall not, and the Company Parties shall instruct, direct and use reasonable commercial efforts to cause any person acting on the Company Parties' behalf not to, directly or indirectly, initiate, solicit, engage in or participate in any discussions, inquiries or negotiations in connection with any proposal or offer relating to a Non-RSA Restructuring Proposal, afford access to the business properties, assets, books or records of or provide any non-public information relating to the Company Parties to, otherwise cooperate in any way with, or knowingly assist, participate in, facilitate, or encourage any effort by any Entity or person with respect to any Non-RSA Restructuring Proposal that such Entity or person is seeking to make or has made.

(b) Notwithstanding anything to the contrary in this Agreement (including, without limitation, Section 6.03(a)), nothing in this Agreement shall require a Company Party or the Governing Body of a Company Party to take or refrain from taking any action with respect to the Restructuring Transactions (including terminating this Agreement under Section 11) to the extent the Governing Body of such Company Party determines in good faith, after consultation with outside counsel, that taking or refraining from taking such action, as applicable, would be inconsistent with its or their fiduciary obligations under applicable Law or a violation of applicable Law. If the Governing Body of such Company Party determines to take any action or refrain from taking any action with respect to the Restructuring Transactions in reliance on this Section 6.03(b), such Company Party shall promptly (in any event within two (2) Business Days of such determination) provide written notice of such determination to counsel of each of the Consenting Stakeholders.

(c) Notwithstanding anything to the contrary in this Agreement (including without limitation Section 6.03(a)), if during the Agreement Effective Period, any Company Party receives a Non-RSA Restructuring Proposal from any Entity or person not solicited by any Company Party or any person acting on any Company Party's behalf in violation of Section 6.03(a), with respect to which the Governing Body of such Company Party has determined in good faith, after consulting with the Company Party's outside legal counsel, and taking into consideration all factors, including, without limitation, the likelihood of consummation of such Non-RSA Restructuring Proposal, any costs or risks of a delay in emergence from the Chapter 11 Cases, and the interests of all creditors, that the failure of the Governing Body to consider such Non-RSA Restructuring Proposal would be inconsistent with the Governing Body's fiduciary obligations under applicable Laws or a violation of Law, each Company Party and its respective directors, managers, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives (including any Governing Body

members) shall have the right to: (i) consider, respond to, facilitate, and negotiate such Non-RSA Restructuring Proposal; (ii) provide access to non-public information concerning any Company Party to any Entity or Person proposing such Non-RSA Restructuring Proposal and enter into any Confidentiality Agreement with such Entity or Person in connection therewith; (iii) maintain or continue discussions or negotiations with respect to such Non-RSA Restructuring Proposal; (iv) otherwise cooperate with, assist, or participate in any inquiries, proposals, discussions, or negotiations of such Non-RSA Restructuring Proposal, and (v) enter into or continue discussions or negotiations with holders of Claims/Interests in a Company Party (excluding any Consenting Stakeholder), any other party in interest in the Chapter 11 Cases (including any official committee and the office of the United States Trustee), or any other Entity or Person that is not a Party hereto regarding the Restructuring Transactions or a Non-RSA Restructuring Proposal.

(d) During the Agreement Effective Period, if, after complying with their obligations in Section 6.03(c), any of the Company Parties or any person acting on any Company Party's behalf determines to make (i) a written proposal or counterproposal to any Entity relating to a Non-RSA Restructuring Proposal or (ii) a public announcement or statement (including through a filing with the Bankruptcy Court) regarding a Non-RSA Restructuring Proposal or any Company Party's intention to pursue a Non-RSA Restructuring Proposal or not pursue the Restructuring Transactions, the Company Parties shall notify the Consenting Creditors and GenOn at least two (2) Business Days in advance of commencing such action, which notice shall specify the identity of the person making such Non-RSA Restructuring Proposal and all of the material terms and conditions of such Non-RSA Restructuring Proposal and attach the most current version of any proposed transaction agreement (and any related agreements) providing for such Non-RSA Restructuring Proposal.

(e) Nothing in this Agreement shall: (i) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the implementation of the Restructuring Transactions; (ii) affect the ability of any Company Party to consult with any Consenting Stakeholder or any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee) so long as doing so is not inconsistent with the terms hereof; or (iii) prevent any Company Party from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement.

Section 7. ***Restructuring Transactions and Related Obligations.***

7.01. Statement of Intention. It is the intention of the Parties to pursue the consummation of a Restructuring Transaction in the following manner: (a) *first*, the Company Parties will pursue, and the Consenting Stakeholders will use commercially reasonable efforts to support, the confirmation of the Plan and the consummation of the Plan Transaction in accordance with the terms and conditions set forth in this Agreement; (b) *second*, if the Bankruptcy Court denies confirmation of the Plan or if the Plan Transaction otherwise fails, then the Company Parties will pursue, and the Consenting Stakeholders will support, the consummation of the Sale Transaction in accordance with the terms and conditions set forth in this Agreement (including the procedures and obligations in Section 7.02); and *third*, if the Bankruptcy Court denies entry of the Sale Order or if the Sale Transaction otherwise fails, the Parties will negotiate in good faith an Alternative Transaction in accordance with the terms and conditions set forth in this Agreement (including the procedures and obligations set forth in Section 7.03) that preserves the economic benefits, rights and obligations of the Parties in the Restructuring Transactions and the original intent of the Restructuring Transactions (unless any Party consents to different treatment).

7.02. Appeals; Plan Transaction. If the Bankruptcy Court denies confirmation of the Plan, or otherwise enters an order regarding facts and issues relevant to the Plan, in each case, which has the effect of rendering confirmation of the Plan substantially impracticable, or if the Bankruptcy Court confirms the Plan but confirmation is subsequently reversed on appeal, then (a)(i) the Company Parties shall, if the Company Parties determine that an appeal would be prudent after consultation with the Required Consenting Creditors and GenOn, timely appeal such denial of confirmation or such reversal on appeal (as applicable); and (ii) the Consenting Creditors, GenOn, and the Financial Sponsor shall use commercially reasonable efforts to support any such appeal by the Company Parties; and (b) if such appeal is not timely filed or is denied (i) the Company Parties shall take all commercially reasonable actions necessary to implement and consummate the Sale Transaction in accordance with this Agreement; (ii) the Consenting Creditors will take all commercially reasonable actions necessary to establish BidCo, direct BidCo to enter into the BidCo Agreement subject to the terms and conditions set forth in the BidCo Term Sheet, and otherwise use commercially reasonable efforts to support and take all actions necessary and/or reasonably requested by the Company Parties to facilitate the consummation of the Sale Transaction in accordance with this Agreement, and (iii) GenOn and the Financial Sponsor will support and take all actions necessary and/or reasonably requested by the Company Parties to facilitate the consummation of the Sale Transaction in accordance with this Agreement.

7.03. Appeals; Sale Transaction. If the Parties pursue the Sale Transaction and the Bankruptcy Court denies entry of the Sale Order or if the Bankruptcy Court enters the Sale Order but the Sale Order is subsequently reversed on appeal, then (i) the Company Parties shall, if the Company Parties determine that an appeal would be prudent after consultation with the Required Consenting Creditors and GenOn, timely appeal such denial or such reversal on appeal (as applicable); (ii) the Consenting Creditors, GenOn, and the Financial Sponsor shall use commercially reasonable efforts to support any such appeal by the Company Parties; and (iii) the Consenting Creditors and GenOn shall negotiate in good faith for a period of two (2) months (concurrent to such an appeal if pursued) an Alternative Transaction that preserves the economic benefits and rights of the Parties in the Restructuring Transaction and the original intent of the Restructuring Transactions (unless any Party consents to different treatment). Any such Alternative Transaction shall be acceptable to the Company Parties, the Required Consenting Creditors, the Financial Sponsor, and GenOn. In the event such Parties agree to the terms of an acceptable Alternative Transaction, the Company Parties shall pursue, and the Consenting Creditors shall support, in each case subject to the terms and obligations set forth in this Agreement, the pursuit and consummation of the Alternative Transaction (regardless of whether or not the consummation of the Alternative Transaction occurs after the end of the two-month good faith negotiation period). Notwithstanding anything to the contrary herein, if the Bankruptcy Court denies entry of the Sale Order because the First Lien Claims and the liens securing such claims have not yet been allowed in the Chapter 11 Cases (including because any "challenge period" in the Cash Collateral Order has not yet expired), the Company Parties and the Consenting Creditors shall again take all commercially reasonable actions necessary to implement and consummate the Sale Transaction set forth in Section 7.02 following the allowance of such First Lien Claims and such liens.

Section 8. ***Transfer of Company Claims/Interests and Joinders.***

8.01. Except solely to the extent provided in Section 8.02, 8.04, or 8.10 of this Agreement, this Agreement shall not limit, restrict, or otherwise affect in any way a Party's right, authority, or power to Transfer any Company Claims/Interests, including any right, title, or interest in a Company Claim/Interest.

8.02. Transfer Restrictions. During the Agreement Effective Period, and subject to the terms and conditions of this Agreement, each Consenting Creditor agrees, solely with respect to itself, as expressly identified and limited on its signature page or Joinder, and not in any other manner or with respect to any Affiliates, not to Transfer any right, title, or interest in a Company Claim/Interest, unless (a) the Transferee is a Party to this Agreement, or (b) if the Transferee is not already a Party to this Agreement, the Transferee agrees in writing to be bound by the terms of this Agreement by executing a Joinder in the form attached to this Agreement and delivering an executed copy thereof to counsel to the Company Parties, counsel to the Ad Hoc Committee, and counsel to GenOn within five (5) Business Days of such Transfer. Any such Joinder shall be delivered to counsel to the Company Parties and counsel to the Ad Hoc Committee in unredacted form (to be held on a confidential, professional eyes' only basis) and otherwise may contain redactions of all amounts or percentages of any Company Claims/Interests. Any Transfer in violation of this Section 8.02 or Sections 8.04 or 8.10 shall be void *ab initio* and the Company Parties and each Consenting Stakeholder shall have the right to enforce the voiding of such transfer.

8.03. General Exception. Notwithstanding anything in this Agreement to the contrary, this Section 8 shall not apply to (i) the grant of any lien or encumbrance on any right, title, or interest in a Company Claim/Interest in favor of a bank or broker-dealer holding custody of any such right, title, or interest in the Company Claim/Interest in the ordinary course of business that is released upon the Transfer of any such right, title, or interest, or (ii) any Consenting Creditor's pledge or encumbrance of its right, title, or interest in or to any Company Claim/Interest in connection with its regular course debt financing arrangements.

8.04. Qualified Marketmaker Exceptions.

(a) Notwithstanding Section 8.02, a Consenting Creditor may Transfer any right, title, or interest in its Company Claims/Interests to an entity that is acting in its capacity as a Qualified Marketmaker without the requirement that the Qualified Marketmaker execute a Joinder or be a Party to this Agreement, on the condition that (i) such Consenting Creditor provides prompt notice of any such Transfer no later than the date of such Transfer to counsel to the Company Parties, counsel to the Ad Hoc Committee, and counsel to GenOn in accordance with Section 14.10, (ii) any subsequent Transfer by such Qualified Marketmaker of the right, title, or interest in such Company Claim/Interest is to a Transferee that (A) is a Party to this Agreement at the time of such Transfer or (B) becomes a Party to this Agreement on or before the date of such Transfer by executing a Joinder pursuant to Section 8.02(b), and (iii) the Transferee is unaffiliated with such Qualified Marketmaker (and the Transfer documentation between the transferor Consenting Creditor and such Qualified Marketmaker shall contain a requirement that provides as such).

(b) Notwithstanding Section 8.04(a), a Qualified Marketmaker may Transfer any right, title, or interest in any Company Claims/Interests that it acquires from a Party to this Agreement to another Qualified Marketmaker (the "Transferee Qualified Marketmaker") without the requirement that the Transferee Qualified Marketmaker execute a Joinder or be a Party to this Agreement, on the condition that the Transferee Qualified Marketmaker agrees that any subsequent Transfer by such Transferee Qualified Marketmaker of the right, title, or interest in such Company Claims/Interests will be to a Transferee that (A) is a Party to this Agreement at the time of such Transfer or (B) becomes a Party to this Agreement by the date of settlement of such Transfer by executing a Joinder pursuant to Section 8.02(b) (and the Transfer documentation between the transferor Qualified Marketmaker and such Transferee Qualified Marketmaker shall contain a requirement that provides as such).

(c) At the time of a Transfer by any Consenting Creditor to this Agreement of any Company Claims/Interests to the Qualified Marketmaker:

(i) if such Company Claims/Interests may be voted in favor of the Plan, the Party transferring its Company Claims/Interests must first vote such Company Claims/Interests in accordance with the requirements of this Agreement; and

(ii) to the extent that a Qualified Marketmaker that is not otherwise a Party to this Agreement is eligible and entitled to vote the Company Claims/Interests acquired pursuant to Section 8.04(a) above, is not otherwise precluded from voting such Company Claims/Interests in favor of the Plan, and receives a separate ballot for such Company Claims/Interests, such Qualified Marketmaker shall, before the expiration of the Plan voting deadline established by the Bankruptcy Court, vote such Company Claims/Interests in favor of the Plan as contemplated hereunder.

(d) Notwithstanding Section 8.02, to the extent that a Party to this Agreement is acting in its capacity as a Qualified Marketmaker, it may Transfer any right, title or interest in any Company Claim/Interest that it acquires from a holder of such Company Claims/Interests that is not a Party to this Agreement without the requirement that the transferee execute a Joinder or be a Party hereto.

8.05. Joinder. A Transferee that becomes a Party to this Agreement as provided in Section 8.02(b) shall deliver a copy of the executed Joinder in accordance with Section 8.02; *provided*, *however*, failure to deliver a copy of such Joinder after the execution thereof by the Parties shall not affect the Party's or Transferee's obligations under this Agreement with respect to such Company Claims/Interests or render the Transfer void *ab initio* with respect to such Company Claims/Interests. The Joinder shall be treated as confidential information and shall not be disclosed without prior written reasonable consent of the Transferee.

8.06. Effect of Delivery of Joinder. By executing and delivering a Joinder as provided under Section 8.02 or 8.04, a Transferee:

(a) becomes and shall be treated for all purposes under this Agreement as a Party to this Agreement with respect to the Transferred Company Claims/Interests and with respect to all other Company Claims/Interests that the Transferee holds and subsequently acquires, subject to Section 8.03 and Section 8.04(d);

(b) agrees to be bound by all of the terms of this Agreement (as such terms may be amended from time to time in accordance with the terms hereof); and

(c) is deemed, without further action, to make to the other Parties hereto the representations and warranties that the Parties to this Agreement make in 9 of this Agreement, in each case as of the date of the Joinder.

8.07. Effect of Transfer. A Party to this Agreement that Transfers any right, title, or interest in any Company Claims/Interests in accordance with the terms of this Section 8 shall be deemed to relinquish its rights and be released from its obligations under this Agreement solely to the extent of such Transferred Company Claims/Interests; *provided, however,* that in no event shall such Transfer relieve any Party from liability for its breach or non-performance of its obligations under this Agreement prior to such Transfer.

8.08. Additional Claims. Subject to Section 8.10, this Agreement shall not limit, restrict, or otherwise affect in any way a Party's right, authority, or power to acquire any Company Claims/Interests in addition to the Party's Company Claims/Interests as of the date hereof, and such acquired Company Claims/Interests shall automatically and immediately upon acquisition by a Party be deemed to be subject to the terms of this Agreement, except as set forth in Section 8.04 above (regardless of when or whether notice of such acquisition is given to counsel to the Company Parties, as described below). During the Agreement Effective Period, to the extent any Party to this Agreement acquires additional Company Claims/Interests, such Party shall provide notice of any such acquisition to counsel to the Company Parties and counsel to the Ad Hoc Committee, including the amount and type of Company Claims/Interests acquired on a confidential, professional eyes only basis, within five (5) Business Days after such acquisition; *provided* that such notice may deemed to be provided by the filing of a statement with the Bankruptcy Court as required by Rule 2019 of the Federal Rules of Bankruptcy Procedure.

8.09. No Obligation. This Section 8 shall not by its terms impose any obligation on any Company Party to issue any "cleansing letter" or otherwise publicly disclose information for the purpose of enabling a Consenting Stakeholder to Transfer any of its Company Claims/Interests. Notwithstanding anything to the contrary in this Agreement, if a Company Party and another Party have entered into a Confidentiality Agreement, the terms of such Confidentiality Agreement shall continue to apply and remain in full force and effect according to its terms, and this Agreement does not supersede any rights or obligations of the Company Parties otherwise arising under such Confidentiality Agreements.

8.10. Regulatory Cooperation. Each Consenting Creditor hereby agrees that it shall not acquire any First Lien Claims after the Agreement Effective Date (or, in the case of a Consenting Creditor that becomes a Party after the Agreement Effective Date, on or after the date such Consenting Creditor becomes a Party by executing and delivering a Joinder) to the extent that such Consenting Creditor and its Affiliates would collectively hold more than $50 million of First Lien Claims after giving effect to such acquisition, unless (i)(a) such Consenting Creditor and its Affiliates collectively held immediately prior to giving effect to such acquisition more than $50 million of First Lien Claims or (ii) the Required Consenting Creditors consent to such acquisition in consultation with the Company Parties.

Section 9. ***Representations and Warranties of Consenting Creditors, Company Parties, and GenOn.***

9.01. Each Consenting Creditor severally, and not jointly, represents and warrants that, as of the date such Consenting Creditor executes and delivers this Agreement and as of the Agreement Effective Date (or, in the case of a Consenting Creditor that becomes a party hereto after the Agreement Effective Date, as of the date such Consenting Creditor becomes a Party to this Agreement by executing and delivering a Joinder) and as of the Transaction Consummation Date:

(a) it is the beneficial or record owner of the aggregate principal amount of the Company Claims/Interests or is the nominee, investment manager, or advisor for beneficial holders of the Company Claims/Interests reflected in, and, having made reasonable inquiry, is not the beneficial or record owner of any Company Claims/Interests other than those reflected in, such Consenting Creditor's signature page to this Agreement or a Joinder, as applicable (as may be updated pursuant to Section 8);

(b) except as otherwise disclosed in its signature page to this Agreement or a Joinder, it has the full power and authority to act on behalf of, vote and consent to matters concerning, such Company Claims/Interests; and

(c) such Company Claims/Interests are free and clear of any pledge, lien, security interest, charge, claim, equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition, transfer, or encumbrances of any kind, that would adversely affect in any way such Consenting Creditor's ability to perform any of its obligations under this Agreement at the time such obligations are required to be performed.

9.02. Each Company Party and GenOn, jointly and severally, represents and warrants that, to the best of its knowledge, all documents, certificates or other writings delivered to the members of the Ad Hoc Committee or its advisors by or on behalf of any Company Party or GenOn in connection with an actual or potential restructuring of the Company Parties, did not, taken as a whole and as of the date such documents, certificates or other writings were delivered, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not materially misleading; *provided* that with respect to any projected financial information, forecasts, estimates, or forward-looking information, the Company Parties represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 10. ***Mutual Representations, Warranties, and Covenants.*** Each of the Parties, severally, and not jointly, represents, warrants and covenants to each other Party that, as of the date such Party executes and delivers this Agreement and as of the Agreement Effective Date (or, in the case of a Consenting Creditor that becomes a party hereto after the Agreement Effective Date, as of the date such Consenting Creditor becomes a Party to this Agreement by executing and delivering a Joinder) and as of the Transaction Consummation Date:

(a) it is validly existing and in good standing under the Laws of the state of its organization, incorporation or formation, and this Agreement is a legal, valid, and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(b) except as expressly provided in this Agreement, the Plan, or the Bankruptcy Code, if applicable, no consent or approval is required by any other Entity or Person in order for it to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement;

(c) the entry into and performance by it of, and the transactions contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its articles of association, memorandum of association, or other constitutional documents;

(d) it has all requisite corporate or similar power and authority to enter into, execute, and deliver this Agreement and it has (or will have, at the relevant time) all requisite corporate or similar power and authority to effectuate the Restructuring Transactions and carry out the transactions contemplated by, and perform its respective obligations under, this Agreement;

(e) it has not assigned, conveyed, sold, hypothecated or otherwise transferred all, any part of or any interest in any claim or Cause of Action that would be released pursuant to the releases set forth in the Releases and Exculpation Provisions and Section 13 hereof in favor of the Released Parties; and

(f) it is not a party to any restructuring or similar agreement with other Parties to this Agreement that relates to the Company Parties and has not been disclosed to all Parties to this Agreement.

Section 11. ***Termination Events*.**

11.01. Consenting Creditor Termination Events. Subject to Section 11.07(b), this Agreement may be terminated by the Required Consenting Creditors by delivering to counsel to the other Parties a written notice (a "Consenting Creditor Termination Notice") upon and at any time following the occurrence of any of the following events (unless waived in writing by the Required Consenting Creditors):

(a) the breach in any material respect by a Company Party, GenOn, or the Financial Sponsor of any of its commitments set forth in this Agreement that would have, or could reasonably be expected to have, a material adverse effect on the Restructuring Transactions, which breach remains uncured (to the extent curable) for ten (10) Business Days after delivery of the Consenting Creditor Termination Notice detailing any such breach;

(b) the Company Parties fail to pay any Consenting Stakeholder Fees and Expenses for the advisors to the Ad Hoc Committee in accordance with the terms of this Agreement, the Cash Collateral Order or any order approving postpetition financing (unless such failure to pay was required by the Bankruptcy Court), which breach remains uncured for three (3) Business Days after delivery of the Consenting Creditor Termination Notice detailing any such breach;

(c) any representation or warranty made by the Company Parties or GenOn under Section 9.02 of this Agreement shall have been untrue or inaccurate;

(d) any of the Company Parties consummate a Non-RSA Restructuring Proposal that prevents the consummation of the Restructuring Transactions;

(e) (i) any Company Party fails to deliver a notice required by Section 6.03(b) or (ii) takes or refrains from taking any action in reliance on Section 6.03(b) to the extent such action or inaction would have (without giving effect to Section 6.03(b)) given rise to a Consenting Creditor Termination Event under any other clause in this Section 11.01 (subject to any applicable cure period set forth therein);

(f) any of the Company Parties or any person acting on any Company Party's behalf makes a public announcement or statement (including through a filing with the Bankruptcy Court) regarding any Company Party's intention to pursue a Non-RSA Restructuring Proposal or not pursue the Restructuring Transactions;

(g) the issuance by any Governmental Authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling, judgment or order that (i) enjoins the consummation of, or has a material adverse effect on the ability of the Company Parties to

consummate, the Plan Transaction, the Sale Transaction and all other transactions that could preserve the economic benefits and rights of the Parties in the Restructuring Transaction and the original intent of the Restructuring Transactions and (ii) such ruling, judgment or order has been issued at the request of or with the acquiescence of any Company Party, GenOn, or the Financial Sponsor, or, in all other cases, remains in effect for twenty (20) Business Days after delivery of a Consenting Creditor Termination Notice identifying any such issuance; *provided* that this termination right may not be exercised by any Consenting Creditor that sought or requested such ruling or order or failed to oppose such ruling or order;

(h) the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Company Party, the Financial Sponsor, or GenOn seeking an order (without the prior written consent of the Required Consenting Creditors) (i) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code or dismissing any of the Chapter 11 Cases, or (ii) appointing an examiner with expanded powers, trustee or a receiver; *provided* that this termination right may not be exercised by any Consenting Creditor that sought, requested or supported such order or failed to oppose such ruling or order;

(i) any Company Party, GenOn, or the Financial Sponsor files or in a filing otherwise supports, seeks, solicits, pursues, initiates, assists, joins or participates in any challenge to the validity, enforceability, perfection or priority of, or any action seeking avoidance, claw-back, recharacterization or subordination of, any portion of the Loan Claims or any liens or collateral securing such Loan Claim;

(j) the Bankruptcy Court enters an order invalidating, avoiding, disallowing, subordinating or recharacterizing a material portion of the Loan Claims or any material liens or collateral securing such Loan Claims;

(k) any Company Party files a motion seeking to obtain debtor-in-possession financing other than as contemplated by the Restructuring Term Sheet, unless otherwise agreed to by the Required Consenting Creditors;

(l) the termination of any Company Party's authorization to use cash collateral in accordance with the terms of the Cash Collateral Order, and no replacement order or authorization shall have been entered or obtained within three (3) Business Days of such termination;

(m) any material breach by GenOn or the Financial Sponsor of the Claims Preservation Agreement or the entry of an order or other ruling by a court of competent jurisdiction finding such agreement to be unenforceable in any material respect, which breach remains uncured (to the extent curable) for five (5) Business Days after delivery of the Consenting Creditor Termination Notice detailing any such breach;

(n) any of the Definitive Documents, after completion, (i) contain terms, conditions, representations, warranties or covenants that are materially inconsistent with this Agreement (including the Restructuring Term Sheet), (ii) shall have been materially and adversely amended or modified, or (iii) shall have been withdrawn, in each case, without the consent of the Required Consenting Creditors, in each case, unless cured (to the extent curable) within five (5) Business Days after delivery of the Consenting Creditor Termination Notice detailing any event described in this clause (n);

(o) the Transition Services Agreement shall have been (i) materially breached by any GenOn entity or (ii) amended or modified or subject to any waiver by any Company Party, in each

case, without the prior written consent of the Required Consenting Creditors, unless cured (to the extent curable) within seven (7) Business Days after delivery of the Consenting Creditor Termination Notice detailing any event set forth in this clause (o);

(p) in the case of any cash collateral order or any order approving postpetition financing, such order shall have been materially stayed, reversed, vacated or adversely modified, without the prior written consent of the Required Consenting Creditors, and no replacement order that is reasonably acceptable to the Required Consenting Creditors shall have been entered, or such cash collateral order or order approving postpetition financing (as applicable) has not been unstayed, unmodified or otherwise reentered or reeffectuated, within five (5) Business Days after delivery of the Consenting Creditor Termination Notice detailing any event set forth in this clause (p);

(q) prior to the Petition Date, any Company Party (i) voluntarily commences any case or files any petition seeking winding up, dissolution, liquidation, administration, moratorium, receivership or other relief under any federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect, except as contemplated by this Agreement or (ii) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator or similar official with respect to any Company Party or for a substantial part of such Company Party's assets;

(r) the occurrence of each of the following events (it being understood and agreed that each of the following clauses (i), (ii), and (iii) must occur in order to constitute a Consenting Creditor Termination Event): (i) the Bankruptcy Court denies confirmation of the Plan and such denial has not been overturned on any appeal initiated in accordance with Section 8.01; (ii) the Bankruptcy Court denies the Sale Motion (unless the denial was because the First Lien Claims and the liens securing such claims have not yet been allowed in the Chapter 11 Cases) and such denial has not been overturned on appeal initiated in accordance with Section 8.02; and (iii)(A) if the Parties agree to pursue an Alternative Transaction, the Bankruptcy Court denies any motion or order authorizing the consummation of the Alterative Transaction and such denial is affirmed by a Final Order or (B) if the Parties do not agree to pursue an Alternative Transaction, the period of two (2) months set forth in Section 8.02 requiring that each Party negotiate in good faith an Alternative Transaction has expired without the applicable Parties reaching an agreement on an Alternative Transaction;

(s) the failure of the Company Parties to (i) obtain entry of the Confirmation Order, the Sale Order or any order approving an Alternative Transaction within nine (9) months of the Petition Date or (ii) consummate the Restructuring Transactions within eleven (11) months of the Petition Date; *provided* that this Consenting Creditor Termination Event may not be exercised if the failure to consummate the Restructuring Transactions within eleven (11) months of the Petition Date is primarily the result of (A) any act, omission or delay on the part of a Consenting Creditor in violation of its obligations under this Agreement or (B) any delay in obtaining necessary FERC regulatory approvals that is caused by a Consenting Creditor;

(t) any Company Party shall have terminated the Ducera Fee Letter, the Milbank Fee Letter, the Porter Hedges Fee Letter, or the RAM Fee Letter;

(u) GenOn or any Company Party terminates any of its obligations under this Agreement;

(v) the Company Parties fail to file (i) the Dominion Rejection Motion at or prior to 11:59 p.m. Central Time on the tenth date after the Petition Date or (ii) the Shawville HRCO Rejection Motion at or prior to 11:59 p.m. Central Time on the third Business Day after the Petition Date;

(w) the Bankruptcy Court has not entered an interim Cash Collateral Order in form and substance reasonably acceptable to the Required Consenting Creditors within seven (7) days of the Petition Date; *provided* that if the schedule of the Bankruptcy Court was the cause of the failure to enter such an interim Cash Collateral Order, no Consenting Creditor Termination Event shall occur under this clause (w) so long as the interim Cash Collateral Order is entered within a period of time equal to the delay caused by the Bankruptcy Court's schedule (but in any event, no later than fourteen (14) days after the Petition Date); *provided further* that no Consenting Creditor Termination Event under this clause (w) shall occur if a breach by a Consenting Creditor or a delay caused by a Consenting Creditor was the cause of the failure to enter such interim Cash Collateral Order;

(x) the Bankruptcy Court has not entered a final Cash Collateral Order in form and substance reasonably acceptable to the Required Consenting Creditors within sixty (60) days of the Petition Date; provided that if the schedule of the Bankruptcy Court was the cause of the failure to enter such a final Cash Collateral Order, no Consenting Creditor Termination Event shall occur under this clause (x) so long as the final Cash Collateral Order is entered within a period of time equal to the delay caused by the Bankruptcy Court's schedule (but in any event, no later than seventy-five (75) days after the Petition Date); provided further that no Consenting Creditor Termination Event under this clause (x) shall occur if a breach by a Consenting Creditor or a delay caused by a Consenting Creditor was the cause of the failure to enter such final Cash Collateral Order; or

(y) unless the Shawville HRCO is accelerated, terminated, or liquidated at or prior to 11:59 p.m. Central Time on the third Business Day after the Petition Date, the Bankruptcy Court (i) denies the Shawville HRCO Rejection Motion or (ii) approves the rejection of the Shawville HRCO and the effective date of such rejection is not on or prior to the third Business Day after the Petition Date.

11.02. GenOn Termination Events. This Agreement may be terminated by GenOn by the delivery to counsel to the other Parties a written notice (each, a "GenOn Termination Notice") upon and at any time following the occurrence of any of the following events (unless waived in writing by GenOn):

(a) the breach in any material respect by a Company Party or Consenting Creditor of any of its commitments set forth in this Agreement that would have, or could reasonably be expected to have, a material adverse effect on the Restructuring Transactions, which breach remains uncured (to the extent curable) for ten (10) Business Days after delivery of the GenOn Termination Notice detailing any such breach;

(b) any of the Company Parties consummates a Non-RSA Restructuring Proposal that prevents the consummation of the Restructuring Transactions;

(c) the issuance by any Governmental Authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling, judgment or order that (i)enjoins the consummation of, or has a material adverse effect on the ability of the Company Parties to consummate, the Plan Transaction, the Sale Transaction and all other transactions that could preserve the economic benefits and rights of the Parties in the Restructuring Transaction and the original intent of the Restructuring Transactions and (ii) such ruling, judgment or order has been issued at the request

of or with the acquiescence of any Company Party or Consenting Creditor or, in all other cases, remains in effect for twenty (20) Business Days after delivery of a Consenting Creditor Termination Notice identifying any such issuance; *provided* that this termination right may not be exercised if GenOn sought or requested such ruling or order or failed to oppose such ruling or order;

(d) the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Company Party or Consenting Creditor seeking an order (without the prior written consent of GenOn) (i) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code or dismissing any of the Chapter 11 Cases or (ii) appointing an examiner with expanded powers, a trustee or a receiver; *provided* that this termination right may not be exercised if GenOn sought, requested or supported such order or failed to oppose such ruling or order;

(e) any material breach by a Consenting Creditor or Permitted Entity (as defined in the Claims Preservation Agreement) of the Claims Preservation Agreement or the entry of an order or other ruling by a court of competent jurisdiction finding such agreement to be unenforceable in any material respect, which breach remains uncured (to the extent curable) for five (5) Business Days after delivery of the GenOn Termination Notice detailing any such breach;

(f) any of the Definitive Documents, after completion, (i) contain terms, conditions, representations, warranties or covenants that are materially inconsistent with this Agreement (including the Restructuring Term Sheet), (ii) shall have been materially and adversely amended or modified, or (iii) shall have been withdrawn, in each case, without the consent of GenOn, in each case, unless cured (to the extent curable) within five (5) Business Days after delivery of the GenOn Termination Notice detailing any such event;

(g) prior to the Petition Date, any Company Party (i) voluntarily commences any case or files any petition seeking winding up, dissolution, liquidation, administration, moratorium, receivership or other relief under any federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect, except as contemplated by this Agreement or (ii) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator or similar official with respect to any Company Party or for a substantial part of such Company Party's assets;

(h) the occurrence of each of the following events (it being understood and agreed that each of the following clauses (i), (ii), and (iii) must occur in order to constitute a GenOn Termination Event): (i) the Bankruptcy Court denies confirmation of the Plan and such denial has not been overturned on any appeal initiated in accordance with Section 8.01; (ii) the Bankruptcy Court denies the Sale Motion (unless the denial was because the First Lien Claims and the liens securing such claims have not yet been allowed in the Chapter 11 Cases) and such denial has not been overturned on appeal initiated in accordance with Section 8.02; and (iii)(A) if the Parties agree to pursue an Alternative Transaction, the Bankruptcy Court denies any motion or order authorizing the consummation of the Alterative Transaction and such denial is affirmed by a Final Order or (B) if the Parties do not agree to pursue an Alternative Transaction, the period of two (2) months set forth in Section 8.02 requiring that each Party negotiate in good faith an Alternative Transaction has expired without the applicable Parties reaching an agreement on an Alternative Transaction;

(i) the failure of the Company Parties to (i) obtain entry of the Confirmation Order, the Sale Order or any order approving an Alternative Transaction within nine (9) months of the Petition Date or (ii) consummate the Restructuring Transactions within eleven (11) months of the Petition Date;

provided that this GenOn Termination Event may not be exercised if the failure to consummate the Restructuring Transactions within eleven (11) months of the Petition Date is primarily the result of (A) any act, omission or delay on the part of GenOn in violation of its obligations under this Agreement or (B) any delay in obtaining necessary FERC regulatory approvals that is caused by GenOn; or

(j) any Definitive Document, without each respective Party's express written agreement (i) modifies or affects the release provisions related to GenOn or the Financial Sponsor as identified in the Restructuring Term Sheet or (ii) modifies or affects the rights or obligations of GenOn, the Financial Sponsor, or any of their Affiliates (other than the Company Parties) pursuant to or identified in this Agreement or the Restructuring Term Sheet or implemented pursuant to the Restructuring Transactions.

11.03. Company Party Termination Events. This Agreement may be terminated by a Company Party by delivering to counsel to the other Parties a written notice (a "Company Termination Notice") upon and at any time following the occurrence of the following events (unless waived in writing by the Company Party):

(a) the breach by a Consenting Creditor or GenOn of any of the covenants of such Party set forth in this Agreement that would have, or could reasonably be expected to have, a material adverse effect on the Restructuring Transactions, which breach remains uncured (to the extent curable) for thirty (30) Business Days after delivery of the Company Termination Notice detailing any such breach;

(b) the Company Parties deliver a notice to the Consenting Creditors in accordance with Section 6.03(c);

(c) the issuance by any Governmental Authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling, judgment or order that (i) enjoins the consummation of the Plan Transaction, the Sale Transaction and all other transaction that could preserve the economic benefits and rights of the Parties in the Restructuring Transaction and the original intent of the Restructuring Transactions and (ii) such ruling, judgment or order remains in effect for twenty (20) Business Days after delivery of a Consenting Creditor Termination Notice identifying any such issuance; *provided* that this termination right may not be exercised if a Company Party sought or requested such ruling or order; or

(d) the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Consenting Creditor or GenOn seeking an order converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code; *provided* that this termination right may not be exercised if a Company Party sought, requested or supported such order.

11.04. Individual Termination. This Agreement may be terminated by any individual Consenting Creditor by delivering to counsel to the other Parties a written notice following any failure of the Company Parties to consummate the Restructuring Transactions within eleven (11) months of the Petition Date; *provided* that, in each case, if such failure is the result of any act, omission, or delay on the part of any Consenting Creditor in violation of its obligations under this Agreement, then this termination right may not be exercised by any Consenting Creditor.

11.05. Mutual Termination. This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual written agreement among all of the following: (a) the Required Consenting Creditors; (b) GenOn; (c) the Financial Sponsor, and (d) each Company Party.

11.06. Automatic Termination. This Agreement shall terminate automatically as to all Parties without any further required action or notice immediately upon the earlier of (a) the Transaction Consummation Date and (b) entry of a final non-appealable judgment or order by the Bankruptcy Court or other court of competent jurisdiction declaring this Agreement to be unenforceable.

11.07. Effect of Termination.

(a) After the occurrence of the Termination Date as to a Party, this Agreement shall be of no further force and effect as to such Party and each Party shall (a) be released from its commitments, undertakings, and agreements under or related to this Agreement, (b) have the rights and remedies that it would have had, had it not entered into this Agreement, and (c) be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Company Claims/Interests held by such Party; *provided, however,* that, notwithstanding the foregoing or anything else to the contrary in this or any other document or agreement, in no event shall such termination relieve any Party from (i) liability for its breach or non-performance of its obligations under this Agreement prior to the Termination Date as to such Party or (ii) obligations under this Agreement which by their terms expressly survive termination of this Agreement. Upon the occurrence of a Termination Date prior to the Confirmation Order being entered by the Bankruptcy Court, any and all consents or ballots tendered by the Parties subject to such termination before such Termination Date shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions and this Agreement or otherwise. Nothing in this Agreement shall be construed as prohibiting a Company Party or any of the Consenting Stakeholders from contesting whether any such termination is in accordance with its terms or to seek enforcement of any rights under this Agreement that arose or existed before a Termination Date. Except as expressly provided in this Agreement, nothing in this Agreement is intended to, or does, in any manner waive, limit, impair, or restrict (a) any right of any Company Party or the ability of any Company Party to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Consenting Stakeholder, and (b) any right of any Consenting Stakeholder, or the ability of any Consenting Stakeholder, to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Company Party or Consenting Stakeholder. No purported termination of this Agreement shall be effective under this Section 11 or otherwise if the Party seeking to terminate this Agreement is in material breach of this Agreement.

(b) Upon the delivery of a Termination Notice by one or more Parties (the "Terminating Party"), the other Parties shall have the opportunity to contest in good faith whether a Termination Event has occurred or is continuing by delivering to counsel to the Terminating Party a written notice (a "Dispute Notice") within three (3) Business Days of receipt of the Termination Notice (the "Dispute Notice Period"). The Dispute Notice shall contain reasonable detail regarding the basis for contesting the occurrence or continuation of the Termination Event. During the Dispute Notice Period, any Party shall be permitted to request an emergency hearing before the Bankruptcy Court (which they shall seek on an expedited basis) solely to determine whether a Termination Event has occurred. If any Party seeks such an expedited hearing, until the Bankruptcy court has entered an order ruling on whether a

Termination Event has occurred, this Agreement shall not terminate and all Parties shall continue to comply with the terms of this Agreement.

Section 12. ***Amendments and Waivers.***

(a) This Agreement may not be modified, amended, or supplemented, and no condition or requirement of this Agreement may be waived, in any manner except in accordance with this Section 12. Any proposed modification, amendment, waiver, or supplement that does not comply with this Section 12 shall be ineffective and void *ab initio*.

(b) This Agreement may be modified, amended, or supplemented, or a condition or requirement of this Agreement may be waived, only if in a writing signed by (i) each Company Party, (ii) the Required Consenting Creditors, (iii) the Financial Sponsor, and (iv) GenOn; *provided* that any modification, amendment or supplement to (a) this Section 12 shall require the written consent of all Parties or (b) Section 11.04 hereof shall require the written consent of each Consenting Creditor.

(c) Notwithstanding anything in this Agreement to the contrary, following the execution of any Definitive Document, any amendments, supplements, or modifications to such Definitive Document shall be in accordance with the terms of such Definitive Document and no longer be subject to the consent or approval rights set forth herein.

(d) The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as (i) a further or continuing waiver of such breach, (ii) a waiver of any other or subsequent breach, or (iii) a waiver of any provision of this Agreement by another Party. No failure on the part of any Party to exercise, and no delay in exercising, any right, power, or remedy under this Agreement shall operate as a waiver of any such right, power, or remedy or any provision of this Agreement, nor shall any single or partial exercise of such right, power, or remedy by such Party preclude any other or further exercise of such right, power, or remedy or the exercise of any other right, power, or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by Law.

Section 13. ***Mutual Releases***

(a) Releases by the Consenting Creditor Releasing Parties.

(i) Except as expressly set forth in this Agreement, effective on the Petition Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Sponsor Released Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each and all of the Consenting Creditor Releasing Parties, in each case on behalf of themselves and their respective successors, assigns, and representatives, from any and all Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted or assertable on behalf of any of the Company Parties, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Company Parties (including the management, ownership or operation thereof), their capital structure, the Company Parties' restructuring efforts, any intercompany transaction between or among a Company Party and another Company Party, the formulation, preparation, dissemination, negotiation, or filing of this Agreement, the Definitive Documents, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in

connection with this Agreement, the Definitive Documents or the Restructuring Transactions, the pursuit of consummation of the Restructuring Transactions or any other transaction related thereto, the administration and implementation of the Restructuring Transactions (whether as a Plan Transaction, a Sale Transaction, an Alternative Transaction or otherwise), the business or contractual arrangements between any Company Party and any GenOn Released Party and any and all other payments made, investments undertaken, or value transfers of any kind, in each case that flowed from any Company Party to any GenOn Released Party, the Shawville Lease Documents, Shawville Transaction, Credit Agreement and the other Loan Documents, the GenOn Participation, the New Castle HRCO and the New Castle HRCO Amendment, Management Services Agreement, the O&M Agreement, the Sponsor EMA Reimbursement Agreement, the Transition Services Agreement and the New Castle Contribution Agreement and any transactions related thereto, or upon any other act or omission, transaction, agreement, event, or other occurrence related to the Company Parties (the "Consenting Creditor Released Claims") taking place on or before the Petition Date; *provided* that, notwithstanding the foregoing or any other provision hereof, the Consenting Creditor Released Claims shall not include the Consenting Creditor Preserved Claims (which are expressly preserved and not released or in any way affected or prejudiced hereby), or any claims or Causes of Action related to the enforcement of this Agreement or any Definitive Document. For the avoidance of doubt and without limiting the scope of the foregoing, the Consenting Creditor Released Claims shall include all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever that arise from or relate to, in whole or in part, any claim to characterize any of the Shawville Leases as anything other than a true lease of real property or the Shawville Lease Documents and any transaction related thereto as anything other than a true sale transaction and a true lease transaction, and any claim by any party to characterize any Shawville Lease as anything other than a true lease of real property at any time including in any future bankruptcy or any other context, and any other claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities that are inconsistent with the agreements in the following clause (iii).

(ii) Except as expressly set forth in this Agreement, effective on the Transaction Consummation Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Sponsor Released Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each and all of the Consenting Creditor Releasing Parties, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Cause of Action, from any and all Consenting Creditor Released Claims taking place on or before the Transaction Consummation Date; provided that, for the avoidance of doubt, the Consenting Creditor Released Claims shall not include the Consenting Creditor Preserved Claims.

(iii) Effective on the Petition Date, the Consenting Creditor Released Parties acknowledge that the Shawville Leases are true leases and agree not to commence or continue any claim or cause of action, or otherwise take any position in any judicial proceeding, administrative proceeding, or other proceeding, the Bankruptcy Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere, in each case that is in any way inconsistent with the position that each Shawville Lease is a true lease.

(b) Releases by the Sponsor Releasing Parties.

(i) Except as expressly set forth in this Agreement, effective on the Petition Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Consenting Creditor Released Party is hereby conclusively, absolutely, unconditionally, irrevocably,

and forever released and discharged by each and all of the Sponsor Releasing Parties, in each case on behalf of themselves and their respective successors, assigns, and representatives, from any and all Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted or assertable on behalf of any of the Company Parties, that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Company Parties (including the management, ownership or operation thereof); their capital structure, the Company Parties' restructuring efforts, any intercompany transaction between or among a Company Party and another Company Party, the formulation, preparation, dissemination, negotiation, or filing of this Agreement, the Definitive Documents, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with this Agreement, the Definitive Documents or the Restructuring Transactions, the pursuit of consummation of the Restructuring Transactions or any other transaction related thereto, the administration and implementation of the Restructuring Transactions (whether as a Plan Transaction, a Sale Transaction, an Alternative Transaction or otherwise), the business or contractual arrangements between any Company Party and any GenOn Released Party and any and all other payments made, investments undertaken, or value transfers of any kind, in each case that flowed from any Company Party to any GenOn Released Party or Consenting Creditor Released Party, the Shawville Lease Documents, Shawville Transaction, Credit Agreement and the other Loan Documents, the GenOn Participation, the New Castle HRCO and the New Castle HRCO Amendment, Management Services Agreement, the O&M Agreement, the Sponsor EMA Reimbursement Agreement, the Transition Services Agreement and the New Castle Contribution Agreement and any transactions related thereto, or upon any other act or omission, transaction, agreement, event, or other occurrence related to the Company Parties (the "Sponsor Released Claims" and, together with the Consenting Creditor Released Claims, the "Released Claims") taking place on or before the Petition Date; *provided* that, notwithstanding the foregoing or any other provision hereof, the Sponsor Released Claims shall not include the Sponsor Preserved Claims (which are expressly preserved and not released or in any way affected or prejudiced hereby), or any claims or Causes of Action related to the enforcement of this Agreement or any Definitive Document.

(ii) Except as expressly set forth in this Agreement, effective on the Transaction Consummation Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Consenting Creditor Released Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each and all of the Sponsor Releasing Parties, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Cause of Action, from any and all Sponsor Released Claims taking place on or before the Transaction Consummation Date; provided that, for the avoidance of doubt, the Sponsor Released Claims shall not include the Sponsor Preserved Claims.

(c) No Additional Representations and Warranties. Each of the Parties agrees and acknowledges that, except as expressly provided in this Agreement or any Definitive Document, no other Party, in any capacity, has warranted or otherwise made any representations concerning any Released Claim (including any representation or warranty concerning the existence, non-existence, validity, or invalidity of any Released Claim). Notwithstanding the foregoing, nothing contained in this Agreement is intended to impair or otherwise derogate from any of the representations, warranties, or covenants expressly set forth in this Agreement or any of the Definitive Documents.

13.02. Releases of Unknown Claims. Each of the Releasing Parties in each of the Releases contained in this Agreement expressly acknowledges that although ordinarily a general release may not extend to Released Claims which the Releasing Party does not know or suspect to exist in its favor, which if known by it may have materially affected its settlement with the party released, they have carefully considered and taken into account in determining to enter into the above Releases the possible existence of such unknown losses or claims. Without limiting the generality of the foregoing, each Releasing Party expressly waives and relinquishes any and all rights such Party may have or conferred upon it under any federal, state, or local statute, rule, regulation, or principle of common law or equity which provides that a release does not extend to claims which the claimant does not know or suspect to exist in its favor at the time of providing the Release or which may in any way limit the effect or scope of the Releases with respect to Released Claims which such Party did not know or suspect to exist in such Party's favor at the time of providing the Release, which in each case if known by it may have materially affected its settlement with any Released Party. Each of the Releasing Parties expressly acknowledges that the Releases and covenants not to sue contained in this Agreement are effective regardless of whether those released matters or Released Claims are presently known or unknown, suspected or unsuspected, or foreseen or unforeseen.

13.03. Turnover of Subsequently Recovered Assets. In the event that any Releasing Party (including any successor or assignee thereof and, except as provided in Section 13.04, including through any third party, trustee, debtor in possession, creditor, estate, creditors' committee, or similar Entity) is successful in pursuing or receives, directly or indirectly, any funds, property, or other value on account of any Claim, Cause of Action, or litigation against any Released Party that was released pursuant to the Release (or would have been released pursuant to the Release if the party bringing such claim were a Releasing Party), such Releasing Party (i) shall not commingle any such recovery with any of its other assets and (ii) agrees that it shall promptly turnover and assign any such recoveries to, and hold them in trust for, such Released Party.

13.04. Certain Limitations on Releases. For the avoidance of doubt, notwithstanding anything to the contrary herein, nothing in this Agreement or the Releases shall or shall be deemed to result in a release or the waiving or limiting by (a) the Company Parties, or any officer, director, member of any Governing Body, or employee thereof of (i) any indemnification against any Company Party, any of their insurance carriers, or any other Entity, (ii) any rights as beneficiaries of any insurance policies, (iii) wages, salaries, compensation, or benefits, (iv) intercompany claims, or (v) any Company Interests or (b) any Party or other Entity of (i) any obligations under this Agreement or obligations under the Plan, the Claims Preservation Agreement, the Confirmation Order, any Restructuring Transaction, any Definitive Document, or any other document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan or the Sale Transaction, or any Claim or obligation arising under the Plan, (ii) any Cause of Action that could be brought by or on behalf of any estate of any Company Party, including by any representative of any such estate, (iii) any Cause of Action arising from gross negligence, actual fraud or willful misconduct of any other Person or Entity, or (iv) any Consenting Creditor Preserved Claims or Sponsor Preserved Claims, which Consenting Creditor Preserved Claims and Sponsor Preserved Claims the Parties agree shall not be affected or prejudiced in any way by the Releases or covenants not to sue contained herein.

13.05. Covenant Not to Sue. Each of the Releasing Parties hereby further agrees and covenants not to, and shall not, commence or prosecute, or assist or otherwise aid any other Entity in the commencement or prosecution of, whether directly, derivatively or otherwise, any Released Claims that were released pursuant to the Release.

13.06. Agent Direction.

(i) Promptly following the Petition Date, the Initial Consenting Creditors shall direct the Administrative Agent and the Collateral Agent to provide the releases set forth in Section 13(a)(i) and Section 13(a)(ii). Delivery of a copy of this Agreement by or on behalf of the Initial Consenting Creditors to the Administrative Agent and the Collateral Agent along with a direction by the Consenting Creditors for the applicable Agent to provide the releases set forth in Section 13(a)(i) and Section 13(a)(ii) shall constitute the direction required hereunder. For the avoidance of doubt, if the Administrative Agent or the Collateral Agent refuses to provide any of the releases set forth in Section 13(a)(i) and Section 13(a)(ii) following the direction required hereunder or require any Consenting Creditor to indemnify the Administrative Agent or the Collateral Agent in connection therewith, the Initial Consenting Creditors shall have no further obligations or liability under this clause (i).

(ii) Each Consenting Creditor covenants and agrees that it shall not direct the Administrative Agent or Collateral Agent to bring or pursue any Consenting Creditor Released Claim or any Causes of Action that would have been released if the Administrative Agent or Collateral Agent (as applicable) had complied with the direction described in the foregoing clause (i) (whether or not the Administrative Agent or Collateral Agent actually provided the release pursuant to such direction as set forth in the foregoing clause (i)). If, notwithstanding the prior sentence, the Administrative or Collateral Agent brings or pursues any such Cause of Action and is successful in pursuing or receives, directly or indirectly, any funds, property, or other value on account of any such Cause of Action that is distributed to a Consenting Creditor, such Consenting Creditor shall promptly turnover and assign any such recoveries to, and hold them in trust for, GenOn or Financial Sponsor (as applicable).

Section 14. ***Miscellaneous.***

14.01. Acknowledgement. Notwithstanding any other provision of this Agreement, this Agreement is not and shall not be deemed to be an offer with respect to any securities or solicitation of votes for the acceptance of a plan of reorganization for purposes of sections 1125 and 1126 of the Bankruptcy Code or otherwise. Any such offer or solicitation will be made only in compliance with all applicable securities Laws, provisions of the Bankruptcy Code, and/or other applicable Law.

14.02. Exhibits Incorporated by Reference; Conflicts. Each of the exhibits, annexes, signatures pages, and schedules attached to this Agreement (together with any exhibits, annexes or schedules thereto), including the Restructuring Term Sheet, is expressly incorporated and made a part of this Agreement, and all references to this Agreement shall include such exhibits, annexes, and schedules (it being understood and agreed that any actions and obligations required to be taken by any Party that are included in the exhibits attached to this Agreement, but not in this Agreement are to be considered "covenants" of such Party and therefore covenants of this Agreement, notwithstanding the failure of any specific provision in any of the exhibits to be re-copied into this Agreement). In the event of any inconsistency between this Agreement (without reference to the exhibits, annexes, and schedules attached to this Agreement) and the exhibits, annexes, and schedules attached to this Agreement, this Agreement (without reference to the exhibits, annexes, and schedules thereto) shall govern, provided, that in the event of any inconsistency between this Agreement and the Restructuring Term Sheet, the terms and conditions set forth in the Restructuring Term Sheet shall govern until such time as the Plan has been confirmed, at which time, the terms and conditions set forth in the Plan, to the extent intended to supersede the Restructuring Term Sheet, shall govern.

14.03. Further Assurances. Subject to the other terms of this Agreement, the Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters specified in this Agreement, as may be reasonably appropriate or necessary, or as may be required by order of the Bankruptcy Court, from time to time, to effectuate the Restructuring Transactions, as applicable.

14.04. Complete Agreement. Except as otherwise explicitly provided in this Agreement, this Agreement, as well as other agreements of the Parties executed substantially contemporaneously herewith concerning a restructuring of the Company Parties, constitutes the entire agreement among the Parties with respect to the subject matter of this Agreement and supersedes all prior agreements, oral or written, among the Parties with respect thereto, other than any Confidentiality Agreement, the BidCo Agreement, and the Claims Preservation Agreement. The Parties acknowledge and agree that they are not relying on any representations or warranties other than as set forth in this Agreement.

14.05. GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN NEW YORK, WITHOUT GIVING EFFECT TO ITS CONFLICT OF LAWS PRINCIPLES. Each Party to this Agreement agrees that it shall bring any action or proceeding in respect of any claim arising out of or related to this Agreement, to the extent possible, in the Chosen Court, and solely in connection with claims arising out of or related to this Agreement (for the avoidance of doubt, excluding any Consenting Creditor Preserved Claims): (a) irrevocably submits to the exclusive jurisdiction of the Chosen Court; (b) waives any objection to laying venue in any such action or proceeding in the Chosen Court; (c) waives any objection that the Chosen Court is an inconvenient forum or does not have jurisdiction over any Party to this Agreement; and (d) waives any right to seek to transfer any such action or proceeding to any other court.

14.06. TRIAL BY JURY WAIVER. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

14.07. Execution of Agreement. This Agreement may be executed and delivered in any number of counterparts and by way of electronic signature and delivery, each such counterpart, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each Person executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

14.08. Rules of Construction. This Agreement is the product of negotiations among the Company Parties and the Consenting Stakeholders, and in the enforcement or interpretation of this Agreement, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion of this Agreement, shall not be effective in regard to the interpretation of this Agreement. The Company Parties, the Consenting Stakeholders, and the Financial Sponsor were each represented by counsel during the negotiations and drafting of this Agreement and continue to be represented by counsel.

14.09. Successors and Assigns; Third Parties. Subject to Section 8, neither this Agreement nor any of the rights or obligations hereunder may be assigned by any Party hereto without the prior

written consent of the other Parties hereto, and then only to a Person who has agreed to be bound by the provisions of this Agreement. This Agreement is intended to and shall bind and inure to the benefit of the Parties and their respective permitted successors and permitted assigns, as applicable. There are no third-party beneficiaries under this Agreement except for the Released Parties (solely with respect to Section 13). Except as set forth in Section 8, the rights or obligations of any Party under this Agreement may not be assigned, delegated, or transferred to any other Entity except as expressly permitted by this Agreement.

14.10. Notices. All notices hereunder shall be deemed given if in writing and delivered, by electronic mail, courier, or registered or certified mail (return receipt requested), to the following addresses (or at such other addresses as shall be specified by like notice):

(a) if to a Company Party, to:

Heritage Power, LLC
1360 Post Oak Boulevard, Suite 2000
Houston, TX 77056
Attn: Darren Olagues
Email: Darren@GenOn.com

with copies to:

Haynes and Boone, LLP
Attn: Charles A. Beckham, Jr. and Kelli S. Norfleet
1221 McKinney Street
Suite 4000
Houston, TX 77010
Email: Charles.beckham@haynesboone.com; kelli.norfleet@haynesboone.com

(b) if to a Consenting Creditor, to:

the address listed on such Consenting Creditor's signature page hereto or in any Joinder

with copies to:

Milbank LLP
Attn: Abhilash M. Raval; Michael Price; Andrew Harmeyer
55 Hudson Yards
New York, NY 10001
E-mail: araval@milbank.com; mprice@milbank.com; aharmeyer@milbank.com

(c) if to the Financial Sponsor, to:

Strategic Value Partners
100 West Putnam Avenue

Greenwich, CT 06830
Attn: Michael Schwartz; Nathaniel Sokol
Email: mschwartz@svpglobal.com; NSokol@svpglobal.com

with copies to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10028
Attn: Damian Schaible; Eli Vonnegut; Jacob Weiner
Email: damian.schaible@davispolk.com; eli.vonnegut@davispolk.com;
jacob.weiner@davispolk.com

(d) if to GenOn, to:

GenOn Holdings, LLC
1360 Post Oak Boulevard, Suite 2000
Houston, TX 77056
Attn: Holly Anderson
Email: holly.anderson@genon.com

with copies to:

Davis Polk & Wardwell LLP
450 Lexington Avenue
New York, NY 10028
Attn: Damian Schaible; Eli Vonnegut; Jacob Weiner
Email: damian.schaible@davispolk.com; eli.vonnegut@davispolk.com;
jacob.weiner@davispolk.com

Any notice given by delivery, mail, or courier shall be effective when received.

14.11. Independent Due Diligence and Decision Making. Each Consenting Stakeholder and the Financial Sponsor confirm that its decision to execute this Agreement has been based upon its independent investigation of the operations, businesses, financial and other conditions, and prospects of the Company Parties. Each Consenting Stakeholder and the Financial Sponsor acknowledge and agree that it is not relying on any representations or warranties other than as set forth in this Agreement.

14.12. Admissibility. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating to this Agreement shall not be admissible into evidence in any proceeding other than a proceeding to enforce its terms or the payment of damages or any other remedy to which a Party may be entitled under this Agreement.

14.13. Specific Performance. It is understood and agreed by the Parties that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof, and that money damages would be an insufficient remedy for any breach of this Agreement by any Party. Each non-breaching Party shall be entitled to seek specific performance and injunctive or other equitable relief (without the posting of any bond or other security and without proof

of actual damages) as a remedy of any such breach, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any and all of its obligations hereunder in addition to any other remedy, including money damages, to which they are entitled at law or in equity.

14.14. Several, Not Joint, Claims. Except where otherwise specified, the agreements, representations, warranties, and obligations of the Parties under this Agreement are, in all respects, several and not joint.

14.15. Severability and Construction. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect if essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable.

14.16. Remedies Cumulative. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at Law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.

14.17. Email Consents. Where a written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this Agreement, including a written approval by the Company Parties, the Required Consenting Creditors, the Financial Sponsor, or GenOn, such written consent, acceptance, approval, or waiver shall be deemed to have occurred if, by agreement between counsel to the Parties submitting and receiving such consent, acceptance, approval, or waiver, it is conveyed in writing (including electronic mail) between each such counsel without representations or warranties of any kind on behalf of such counsel.

14.18. Fees and Expenses. As a condition precedent to the Agreement Effective Date, the Company Parties shall pay in full in cash all Consenting Stakeholder Fees and Expenses accrued and not yet paid by the Company Parties to the extent invoiced at least one day prior to the Agreement Effective Date. Regardless of whether the Restructuring Transactions are or have been consummated, and subject to the terms of the Transition Services Agreement or any applicable fee letter, engagement letter, or reimbursement letter and the Cash Collateral Order, the Company Parties shall promptly pay in full in cash all Consenting Stakeholder Fees and Expenses; *provided* that the Company Parties shall not be responsible for any Consenting Stakeholder Fees and Expenses incurred after termination of this Agreement (except as otherwise required pursuant to any order of the Bankruptcy Court). The Company Parties agree that such payments shall be made without any requirement to satisfy any guidelines of the Office of the United States Trustee and without the need for further notice, application to or approval from the Bankruptcy Court. Any invoices delivered pursuant to this Section 14.18 shall be in summary format, without the need to provide attorney or other professional time entries, and may be redacted as necessary to maintain attorney-client privilege. The Cash Collateral Order, the Plan, the Confirmation Order, the Sale Order and/or other Definitive Documents or Alternative Transaction Documents shall contain appropriate provisions to give effect to the obligations provided for in this Section 14.18. Any amendment or modification to any fee letter or engagement letter of any financial advisor, to the extent giving rise to a claim to reimbursement or payment from any Company Party, shall require the prior written consent of the Required Consenting Creditors.

14.19. Survival. Notwithstanding (a) any Transfer of any Company Claims/Interests in accordance with Section 8 or (b) the termination of this Agreement pursuant to Section 11, the

agreements and obligations of the Parties in Section 1.02, Section 9.02, Section 11.07, Section 12, Section 13, and Section 14, any defined terms used in any of the foregoing Sections (solely to the extent used therein) and the Confidentiality Agreements and the Claims Preservation Agreement shall survive such Transfer and/or termination and shall continue in full force and effect in accordance with the terms hereof and thereof.

14.20. Enforceability of Agreement. If the Chapter 11 Cases are commenced, each of the Parties waives any right to assert that the exercise of termination rights under this Agreement is subject to the automatic stay provisions of the Bankruptcy Code, and expressly stipulates and consents hereunder to the prospective modification of the automatic stay provisions of the Bankruptcy Code for purposes of exercising termination rights under this Agreement, to the extent the Bankruptcy Court determines that such relief is required. Notwithstanding anything herein to the contrary, upon the commencement of any Chapter 11 Cases and for the duration thereof, unless and until there is (and to the extent there is) an unstayed order of the Bankruptcy Court providing that the giving of notice under and termination of this Agreement in accordance with its terms is not prohibited by the automatic stay imposed by section 362 of the Bankruptcy Code, the occurrence of a Termination Event or a breach that would give rise to a Termination Event following the delivery of notice shall result in the automatic termination of this Agreement with respect to each Party for which this Agreement would terminate if the Parties having the right to terminate this Agreement (the "Requisite Notice Parties") were permitted to provide notice of such occurrence or breach in accordance with this Agreement, upon the date that is five (5) days following such occurrence or breach, unless the Requisite Notice Parties waive such Termination Event in writing.

14.21. Relationship Among Parties. It is understood and agreed that no Consenting Stakeholder owes any duty of trust or confidence of any kind or form to any other Party as a result of entering into this Agreement. In this regard, it is understood and agreed that any Consenting Stakeholder may trade in Company Claims/Interests without the consent of any Party, subject to the terms of this Agreement; *provided, however,* that no Consenting Stakeholder shall have any responsibility for any such trading to any other Person by virtue of this Agreement. No prior history, pattern, or practice of sharing confidences among or between the Parties shall in any way affect or negate this understanding and agreement. No Consenting Stakeholder shall, as a result of its entering into and performing its obligations under this Agreement, be deemed to be part of a "group" (as that term is used in Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder) with any other Party.

14.22. Regulatory Matters. The Company Parties shall (a) upon the reasonable request of the Consenting Creditors, furnish to counsel to the Ad Hoc Committee copies of any notices or written communications to any Company Party received from PJM, the Federal Energy Regulatory Commission, or any other Governmental Authority related to this Agreement, the Restructuring Transactions, any PJM capacity performance penalties related to December 2022 performance, or any other material penalty related to activities taking place on or after January 1, 2023, and (b) provide the Ad Hoc Committee and its legal and financial advisors a reasonable opportunity to review in advance (to the extent reasonably practicable) any material proposed filing or other communications by any Company Party to any Governmental Authority related to this Agreement, the Restructuring Transactions, any PJM capacity performance penalties related to December 2022 performance, or any other material penalty related to activities taking place on or after January 1, 2023, which proposed filing or other communications shall be reasonably acceptable to the Required Consenting Creditors.

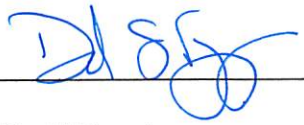
14.23. Publicity. The Company Parties shall submit drafts to counsel to the each of the Consenting Stakeholders of any press releases or other public statements that constitute disclosure of the existence or terms of this Agreement or any amendment to the terms of this Agreement at least two (2) Business Days prior to making any such disclosure (*provided, however,* that if delivery of such document at least two (2) Business Days in advance of such disclosure is impossible or impracticable under the circumstances, such document shall be delivered as soon as otherwise practicable), and shall afford them a reasonable opportunity under the circumstances to comment on such documents and disclosures and shall incorporate any such reasonable comments in good faith. Except as required by Law or otherwise permitted under the terms of any other agreement between the Company Parties and any Consenting Stakeholders, no Party or its advisors shall (a) use the name of any Consenting Stakeholders in any public manner (including in any press release) with respect to this Agreement, the Restructuring or any of the Definitive Documents or (b) disclose to any Person (including, for the avoidance of doubt, any other Party) the principal amount or percentage of any Company Claims/Interests held by any individual Consenting Creditor, in each case, without such Consenting Creditor's prior written consent (it being understood and agreed that each Consenting Creditor's signature page to this Agreement and any Joinder shall be provided on an unredacted basis to counsel to the Company Parties and counsel to the Ad Hoc Committee on a confidential, professional eyes' only basis, and shall otherwise be redacted to remove the name of such Consenting Creditor and the amount and/or percentage of Company Claims/Interests held by such Consenting Stakeholder); *provided, however*, that (i) if such disclosure is required by Law, subpoena, or other legal process or regulation, the disclosing Party shall afford the relevant Consenting Stakeholder a reasonable opportunity to review and comment in advance of such disclosure and shall take all reasonable measures to limit such disclosure, and (ii) the foregoing shall not prohibit the disclosure of the aggregate percentage or aggregate principal amount of Company Claims/Interests held by all the Consenting Creditors. Notwithstanding the provisions in this Section 14.23, (x) any Party may disclose the identities of the other parties in any action to enforce this Agreement or in any action for damages as a result of any breaches hereof, and (y) any Party may disclose, to the extent expressly consented to in writing by a Consenting Creditor, such Consenting Creditor's identity and individual holdings.

14.24. No Recourse. This Agreement may only be enforced against the named parties hereto (and then only to the extent of the specific obligations undertaken by such parties in this Agreement). All claims or causes of action (whether in contract, tort, equity or any other theory) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement, may be made only against the Persons that are expressly identified as parties hereto (and then only to the extent of the specific obligations undertaken by such parties herein). No past, present or future direct or indirect director, manager, officer, employee, incorporator, member, partner, stockholder, equity holder, trustee, affiliate, controlling person, agent, attorney or other representative of any party hereto (including any person negotiating or executing this Agreement on behalf of a party hereto), nor any past, present or future direct or indirect director, manager, officer, employee, incorporator, member, partner, stockholder, equity holder, trustee, affiliate, controlling person, agent, attorney or other representative of any of the foregoing (other than any of the foregoing that is a party hereto) (any such Person, a "No Recourse Party"), shall have any liability with respect to this Agreement or with respect to any proceeding (whether in contract, tort, equity or any other theory that seeks to "pierce the corporate veil" or impose liability of an entity against its owners or affiliates or otherwise) that may arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

Company Parties' Signature Page to the Restructuring Support Agreement

Heritage Power Intermediate Holdings, LLC
Heritage Power, LLC
Hunterstown Power, LLC
Shawnee Power, LLC
Orrtanna Power, LLC
Titus Power, LLC
Blossburg Power, LLC
Hamilton Power, LLC
Niles Power, LLC
Tolna Power, LLC
Warren Generation, LLC
Heritage Power Marketing, LLC
New Castle Power, LLC
Brunot Island Power, LLC
Portland Power, LLC
Mountain Power, LLC
Shawville Power, LLC
Gilbert Power, LLC
Sayreville Power, LLC

By: 

Name: David Freysinger

Authorized Signatory

GenOn's Signature Page to
the Restructuring Support Agreement

GENON HOLDINGS, INC.

By:_____
Name: Darren Olagues
Authorized Signatory

GENON HOLDINGS, LLC

By:_____
Name: Darren Olagues
Authorized Signatory

GENON ENERGY SERVICES, LLC

By:_____
Name: Darren Olagues
Authorized Signatory

Consenting Creditors Signature Pages to the Restructuring Support Agreement

[On file with the Company Parties]

EXHIBIT A

Company Parties

Heritage Power Intermediate Holdings, LLC
Heritage Power, LLC
Hunterstown Power, LLC
Shawnee Power, LLC
Orrtanna Power, LLC
Titus Power, LLC
Blossburg Power, LLC
Hamilton Power, LLC
Niles Power, LLC
Tolna Power, LLC
Warren Generation, LLC
Heritage Power Marketing, LLC
New Castle Power, LLC
Brunot Island Power, LLC
Portland Power, LLC
Mountain Power, LLC
Shawville Power, LLC
Gilbert Power, LLC
Sayreville Power, LLC

EXHIBIT B

Restructuring Term Sheet

Execution Version

HERITAGE POWER INTERMEDIATE HOLDINGS, LLC, ET AL.

RESTRUCTURING TERM SHEET

This restructuring term sheet (this "**Term Sheet**") presents the principal terms of a proposed financial restructuring (the "**Restructuring**") of the existing indebtedness of Heritage Power Intermediate Holdings, LLC ("**Parent**"), Heritage Power, LLC ("**Heritage Power**"), and each of their respective direct or indirect subsidiaries (collectively with Parent and Heritage Power, the "**Company**" or the "**Debtors**"), which Restructuring shall be consummated through cases commenced under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**"). This is the Term Sheet referred to in, and appended to, the Restructuring Support Agreement dated as of January 24, 2023, by and among the Company and the other parties signatory thereto (as amended, supplemented, or otherwise modified from time to time, the "**RSA**"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in **Annex 1** hereto or the RSA.

THIS TERM SHEET DOES NOT CONSTITUTE (NOR SHALL IT BE CONSTRUED AS) AN OFFER WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OR REJECTIONS AS TO ANY EXCHANGE OR PLAN OF REORGANIZATION, IT BEING UNDERSTOOD THAT SUCH A SOLICITATION, IF ANY, SHALL BE MADE ONLY IN COMPLIANCE WITH SECTION 4(A)(2) OF THE SECURITIES ACT OF 1933 AND/OR SECTION 1145 OF THE BANKRUPTCY CODE AND APPLICABLE PROVISIONS OF SECURITIES, BANKRUPTCY, AND/OR OTHER APPLICABLE STATUTES, RULES, AND LAWS.

THIS TERM SHEET DOES NOT ADDRESS ALL MATERIAL TERMS THAT WOULD BE REQUIRED IN CONNECTION WITH ANY POTENTIAL RESTRUCTURING AND ANY AGREEMENT IS SUBJECT TO THE EXECUTION OF DEFINITIVE DOCUMENTATION CONSISTENT WITH THIS TERM SHEET AND OTHERWISE ACCEPTABLE TO THE PARTIES TO THE RSA CONSISTENT WITH THEIR RESPECTIVE CONSENT AND APPROVAL RIGHTS SET FORTH IN THE RSA. THIS TERM SHEET HAS BEEN PRODUCED FOR DISCUSSION AND SETTLEMENT PURPOSES ONLY AND IS SUBJECT TO RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND OTHER SIMILAR APPLICABLE STATE AND FEDERAL STATUTES, RULES, AND LAWS.

Overview	
Debtors	Parent and all of its direct and indirect subsidiaries.
Overview of Restructuring	This Term Sheet sets forth certain materials terms of the Plan Transaction and the Sale Transaction and is qualified in all respects by, and subject to, the terms and conditions set forth in Section 7 of the RSA. The Restructuring will be consummated through the commencement of the Chapter 11 Cases in the Bankruptcy Court for the Southern District of Texas to implement the Plan described herein on a pre-arranged basis. The Parties will support and seek the consummation of the Plan Transaction, which contemplates the confirmation of a Plan on the terms and conditions set forth in the RSA and the Term Sheet. If the Bankruptcy Court denies confirmation of the Plan Transaction, subject to the terms of Section 7 of the RSA, the Parties will seek to consummate the Sale Transaction, which contemplates a sale of all or substantially all of the Debtors' assets to BidCo (as defined below), a special purpose vehicle for the benefit of the holders of First Lien

	Claims to be formed by the Collateral Agent at the direction of the Required Secured Parties (as defined in the Intercreditor Agreement).
Use of Cash Collateral; DIP Financing	On the Petition Date, the Debtors shall file a motion requesting that the Bankruptcy Court authorize the use of Cash collateral on an interim and, later, final basis. If, at any time, the Debtors reasonably determine, in consultation with the Consenting Creditors, that they require a DIP Facility, they shall request a DIP Facility from the Consenting Creditors. In such an event, the Consenting Creditors, severally and not jointly, on a pro rata basis relative to their holdings of First Lien Claims, shall offer to provide a DIP Facility to the Debtors that (i) has a principal amount of at least $20 million but not more than $30 million, (ii) matures upon any termination of the RSA, and (iii) is otherwise on terms and conditions reasonably acceptable to the Required Consenting Creditors (the "**Consenting Creditor DIP Facility**"). In no event shall (i) the Debtors file a motion seeking to obtain a DIP Facility secured by a lien or security interest senior to or *pari passu* with any lien or security interest securing the Loan Claims without the consent of the Required Consenting Creditors or (ii) any Consenting Creditor be required to consent to any DIP Facility other than the Consenting Creditor DIP Facility. The Financial Sponsor shall have the right to participate, on a proportionate basis with the members of the Ad Hoc Committee based on their relative holdings of First Lien Claims, in the funding of any DIP Facility provided to the Debtors by any of the members of the Ad Hoc Committee and in any backstop of any such facility pursuant to a separate backstop agreement. The Financial Sponsor shall receive the same economics and other rights as every other member of the Ad Hoc Committee with respect to its participation in any such DIP financing or backstop.
Plan Transaction	
Claims and Interests to be Restructured:	First Lien Credit Agreement Claims: Consisting of Claims arising under the Credit Agreement, which consist of: • all Claims arising from the term loans incurred under the Credit Agreement, which shall be Allowed in an aggregate amount equal to (i) no less than $[484,600,000] representing total principal outstanding *plus* (ii) all unpaid prepetition interest, fees, expenses, and other amounts accruing under the Credit Agreement on account of such loans (the "**Term Loan Claims**"); • all Claims arising from the revolving loans drawn under the Credit Agreement, which shall be Allowed in an aggregate amount equal to (i) no less than $[32,270,394.71] representing total principal outstanding *plus* (ii) all unpaid prepetition interest, fees, expenses, and other amounts accruing under the Credit Agreement on account of such loans (the "**Revolving Loan Claims**"); and • reimbursement or other Claims, if any, in respect of letters of credit issued under the Credit Agreement (including all unpaid prepetition interest, fees, expenses, and other amounts accruing under the Credit Agreement on account of such letters of credit, the "**L/C Reimbursement Claims**"). Shawville HRCO Claims: Claims arising under the Shawville HRCO (including all unpaid prepetition interest, fees, expenses, and other amounts arising thereunder on account of such obligations, the "**Shawville HRCO Obligations**" and, collectively with the Term Loan Claims, the Revolving Loan Claims, and the L/C Reimbursement Claims, the "**First Lien Claims**")

	New Castle HRCO Claims: Claims arising under the New Castle HRCO (including all unpaid prepetition interest, fees, expenses, and other amounts arising thereunder on account of such obligations, the "**New Castle HRCO Obligations**"). General Unsecured Claims: Consisting of any prepetition Claim, including First Lien Deficiency Claims, against any Debtor that is not an Administrative Expense Claim, Priority Tax Claim, DIP Claim, Other Secured Claim, Other Priority Claim, First Lien Secured Claim, Convenience Claim, Intercompany Claim, or a Claim that is secured, subordinated, or entitled to priority under the Bankruptcy Code (the "**General Unsecured Claims**"). Existing Equity Interests: Consisting of any Interests in Parent ("**Existing Equity Interests**").	
Treatment of Claims and Interests		
Overview	The Claims against and Interests in the Debtors shall be subject to the classification and treatment set forth below.	
Type of Claim or Interest	**Treatment**	**Impairment / Voting**
Administrative Expense Claims and Priority Tax Claims	Except to the extent that a holder of an Allowed Administrative Expense Claim (other than an Allowed DIP Claim) or an Allowed Priority Tax Claim agrees to less favorable treatment, each holder of an Allowed Administrative Expense Claim (other than an Allowed DIP Claim) or an Allowed Priority Tax Claim shall receive, in full and final satisfaction of such Claim, Cash in an amount equal to such Allowed Claim, payable on the later of the Plan Effective Date and the date that is ten (10) Business Days after the date on which such Claim becomes Allowed, in each case, or as soon as reasonably practicable thereafter.	*N/A*
DIP Claims	If the Debtors enter into a DIP Facility, treatment of DIP Claims shall be as agreed among the Debtors and the Required Consenting Creditors in a manner consistent with the provisions of the Bankruptcy Code and the orders of the Bankruptcy Court approving and effectuating such DIP Facility.	*N/A*
Other Secured Claims	Except to the extent that a holder of an Allowed Other Secured Claim agrees to less favorable treatment, in full and final satisfaction of such Allowed Claim, at the option of the Debtors or the Reorganized Debtors (with the consent of the Required Consenting Creditors), (i) each such holder shall receive payment in full in Cash of such Allowed Claim, payable on the later of the Plan Effective Date and the date that is ten (10) Business Days after the date on which such Other Secured Claim becomes an Allowed Other Secured Claim, in each case, or as soon as reasonably practicable thereafter, (ii) such holder's Allowed Other Secured Claim shall be reinstated, or (iii) such holder shall receive such other treatment so as to render such holder's Allowed Other Secured Claim Unimpaired pursuant to section 1124 of the Bankruptcy Code.	*Unimpaired – Presumed to Accept.*

Other Priority Claims	Except to the extent that a holder of an Allowed Other Priority Claim agrees to less favorable treatment, in full and final satisfaction of such Allowed Other Priority Claim, each holder of an Allowed Other Priority Claim shall, at the option of the Debtors or the Reorganized Debtors (with the consent of the Required Consenting Creditors), (i) be paid in full in Cash or (ii) otherwise receive treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code, payable on the later of the Plan Effective Date and the date that is ten (10) Business Days after the date on which such Other Priority Claim becomes an Allowed Other Priority Claim, in each case, or as soon as reasonably practicable thereafter.	*Unimpaired – Presumed to Accept.*
First Lien Secured Claims	On the Plan Effective Date, each holder of an Allowed First Lien Secured Claim shall receive, unless it timely elects the Cash-Out Option, in full and final satisfaction of such Allowed First Lien Secured Claim, its Pro Rata share of (i) the New Equity Interests (subject to dilution by any New Equity Interests issued on account of participation in the Exit Facility, any backstop compensation associated with the Exit Facility, and any MIP), (ii) the rights to participate in the funding of the Exit Facility, and (iii) any Takeback Debt (collectively, the "**First Lien Distribution**"). Each holder of an Allowed First Lien Secured Claim other than a Consenting Creditor may elect (the "**Cash-Out Option**") to forgo its First Lien Distribution and instead receive Cash in an amount equal to the Cash-Out Percentage of its Allowed First Lien Secured Claim (such amount, such holder's "**Cash-Out Amount**"), subject to the Cash-Out Cap. In the event that the Cash-Out Cap is reached, each holder of an Allowed First Lien Secured Claim that elected the Cash-Out Option shall instead receive (i) its pro rata share (calculated as the proportion of its Allowed First Lien Secured Claim to the aggregate amount of Allowed First Lien Secured Claims held by all holders that have elected the Cash-Out Option) of a pool of Cash equal to the amount of the Cash-Out Cap (such pro rata share, such holder's "**Capped Cash-Out Amount**") plus (ii) its True-Up Percentage of the First Lien Distribution that it would have otherwise been entitled to absent its election of the Cash-Out Option. A holder's "**True-Up Percentage**" shall be calculated as: (x) 100% less (y) a percentage equal to such holder's Capped Cash-Out Amount divided by its Cash-Out Amount.	*Impaired – Entitled to Vote.*
Convenience Claims	On the Plan Effective Date, each holder of a Convenience Claim shall be paid in the ordinary course of business (but subject to all defenses and disputes the Debtors or the Reorganized Debtors may assert as to the validity or amount of such Claims) or shall receive such other treatment as may be required to deem such Convenience Claim Unimpaired under the Bankruptcy Code.	*Unimpaired – Presumed to Accept.*
General Unsecured Claims	Except to the extent that a holder of an Allowed General Unsecured Claim agrees to less favorable treatment, in full and final satisfaction of such Allowed General Unsecured Claim, each holder of an Allowed General Unsecured Claim shall receive its Pro Rata share of the GUC	*Impaired – Entitled to Vote.*

	Distribution, payable on the later of the Plan Effective Date and the date that is ten (10) Business Days after the date on which such General Unsecured Claim becomes an Allowed General Unsecured Claim, in each case, or as soon as reasonably practicable thereafter. For the avoidance of doubt, this class shall include the First Lien Deficiency Claims, and any Claim resulting from the rejection of the Dominion Agreement, among other General Unsecured Claims.	
Intercompany Claims	On the Plan Effective Date, all Intercompany Claims shall be adjusted, reinstated, or cancelled, to the extent reasonably determined to be appropriate by the Reorganized Debtors with the consent of the Required Consenting Creditors.	*Unimpaired – Presumed to Accept.*
Subordinated Claims	On the Plan Effective Date, all Subordinated Claims, if any, will be canceled, released, extinguished, and discharged, and will be of no further force or effect. Holders of Subordinated Claims shall receive no recovery or distribution on account of such Claims.	*Impaired – Deemed to Reject.*
Intercompany Interests	On the Plan Effective Date, all Intercompany Interests (which shall include all Interests other than the equity in Parent) shall be adjusted, reinstated, or cancelled, to the extent reasonably determined to be appropriate by the Reorganized Debtors with the consent of the Required Consenting Creditors.	*Unimpaired – Presumed to Accept.*
Existing Equity Interests	On the Plan Effective Date, all Existing Equity Interests shall be cancelled, released, extinguished, and discharged, and will be of no further force or effect. The holder of Existing Equity Interests shall receive no recovery or distribution on account of the Existing Equity Interests.	*Impaired – Deemed to Reject.*
Other Material Terms for Plan Transaction		
Exit Term Loan Facility	On the Plan Effective Date, the Debtors shall enter into an exit financing facility (the "**Exit Facility**") with an available principal amount equal to (a) the GenOn Transition and Releases Fee, *plus* (b) additional amounts, as determined by the Required Consenting Creditors, to fund other intended uses of proceeds, which may include, among other things: (i) funding distributions to holders that elect the Cash-Out Option, (ii) if elected by the Required Consenting Creditors, funding the Litigation Trust, (iii) paying Consenting Stakeholder Fees and Expenses (other than those paid in connection with the GenOn Transition and Releases Fee), and (iv) working capital and general corporate purposes. The Exit Facility shall be backstopped, pursuant to a separate backstop agreement, by electing members of the Ad Hoc Committee and by the Financial Sponsor. The Exit Facility shall contain the following terms and such other terms and conditions as are acceptable to the Debtors and the Required Consenting Creditors: (i) The Exit Facility shall consist of term loans secured by first-priority liens on collateral acceptable to the Required Consenting Creditors. (ii) The Exit Facility shall be senior in right of payment and collateral to that of any Takeback Debt, which priority shall be governed, to the extent of any Takeback Debt, by an intercreditor agreement in form and substance acceptable to the Required Consenting Creditors.	

	(iii) Holders of Allowed First Lien Secured Claims that fund the Exit Facility shall be entitled to receive a pro rata share of a percentage of New Equity Interests to be determined by the Required Consenting Creditors (subject to dilution by any New Equity Interests issued on account of backstop compensation associated with the Exit Facility and any MIP). For the avoidance of doubt, the Financial Sponsor shall have the right to participate in the funding of the Exit Facility and in any backstop of the Exit Facility on a ratable basis with the members of the Ad Hoc Committee based on the Financial Sponsor's holdings of First Lien Claims. The Financial Sponsor shall receive the same economics and other rights, on a ratable basis, as the other members of the Ad Hoc Committee with respect to its participation in any such Exit Facility and backstop.
GenOn Exit Facility Payment	Immediately following the Plan Effective Date, in exchange for good and valuable consideration, including the release and discharge of certain claims and cause of action against the Debtors, the provision of operation, maintenance, management, administrative and other services in the Chapter 11 Cases, and the provision of additional services to orderly transition the operations of the Debtors from GenOn to the Debtors or their designees, a Cash payment from the proceeds of the Exit Facility shall be made to GenOn in the amount of the GenOn Transition and Releases Fee, subject to reduction as set forth herein (the "**GenOn Exit Facility Payment**"). GenOn shall provide, at least three Business Days prior to the Plan Effective Date, a notice specifying the aggregate amount of the asserted GenOn Transition and Releases Fee alongside a reasonably detailed calculation of the GenOn Transition and Releases Fee utilizing the categories set forth in the definition thereof. The terms of the Exit Facility will provide that no payments shall be made to the Litigation Trust or any other person with the proceeds of the Exit Facility until the GenOn Exit Facility Payment is made. Notwithstanding anything to the contrary in this Term Sheet or the RSA, to the extent the RSA has not terminated before the Plan Effective Date, the occurrence of the Plan Effective Date shall not relieve the Debtors or the Reorganized Debtors (as applicable) of the obligation to make the GenOn Exit Facility Payment.
Critical Vendors	On the Petition Date, the Debtors shall file a motion in the Bankruptcy Court requesting approval to pay the prepetition claims of critical vendors, subject to the consent of the Required Consenting Creditors.
Releases	The Plan shall include the release provisions set forth in Exhibit 1 attached hereto.
Exculpation, Discharge and Injunction	The Plan and the Confirmation Order shall contain customary chapter 11 exculpation, discharge and injunction provisions.
Exemption from SEC Registration	To the extent the New Equity Interests are securities, the issuance of the New Equity Interests shall be exempt from registration with the SEC under section 1145 of the Bankruptcy Code. To the extent section 1145 is unavailable, such securities (if securities) shall be exempt from SEC registration as a private placement pursuant to section 4(a)(2) of the Securities Act of 1933, as amended, and/or the safe harbor of Regulation D promulgated thereunder, or such other exemption as may be available from any applicable registration requirements.

Professional Fee Escrow	A customary professional fee escrow shall be maintained for the benefit of professionals retained pursuant to section 327, 328, or 363 of the Bankruptcy Code by the Debtors or any official committee appointed in the Chapter 11 Cases.
Conditions Precedent to Plan Effective Date	The occurrence of the Plan Effective Date shall be subject to the following conditions precedent, among others; provided that any condition can be waived with the prior written consent of the Debtors, the Required Consenting Creditors and, only with respect to clauses (a), (b), (c), (d), (e), (f), and (j) below, GenOn: (a) the RSA shall not have been terminated and remains in full force and effect; (b) the final version of the Plan supplement and all of the schedules, documents, and exhibits contained therein, and all other schedules, documents, supplements and exhibits to the Plan, shall have been filed; (c) the Bankruptcy Court shall have entered the Confirmation Order and the Confirmation Order shall not have been reversed or vacated and shall not be subject to stay; (d) the Definitive Documents shall be consistent with the RSA and otherwise approved by the parties thereto consistent with their respective consent and approval rights as set forth in the RSA; (e) all actions, documents, and agreements necessary to implement and consummate the Plan Transaction shall have been effected and executed; (f) all documentation related to the Exit Facility shall have been executed and delivered by each party thereto, and any conditions precedent related thereto shall have been satisfied or waived in accordance with the terms of such documentation; (g) all conditions precedent to the issuance of the New Equity Interests, other than the occurrence of the Plan Effective Date, shall have been satisfied or waived by the Required Consenting Creditors; (h) the organizational documents and bylaws for Reorganized Parent shall have been adopted; (i) the Claims Preservation Agreement shall not have been terminated and remains in full force and effect, and there shall have been no material breach thereof by either GenOn or the Financial Sponsor; (j) all Consenting Stakeholder Fees and Expenses invoiced at least three (3) Business Days prior to the Plan Effective Date shall have been paid in full in Cash; and (k) all governmental and third-party approvals and consents, including any antitrust or FERC regulatory approval, necessary in connection with the transactions contemplated by the RSA shall have been obtained, not be subject to unfulfilled conditions, and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent or otherwise impose materially adverse conditions on such transactions.
Sale Transaction	
Sale Transaction	On and subject to the terms and conditions set forth in Section 7 of the RSA, the Parties will seek to consummate the Sale Transaction. The Sale Transaction will be a standalone sale by the Debtors of all or substantially all of their assets, free and clear of all liens, Claims, encumbrances and interests (except certain permitted encumbrances as

	determined by the Required Consenting Creditors in their sole discretion or, if the purchaser is not BidCo, by the Debtors and any purchaser), and the assumption and assignment of executory contracts and unexpired leases as expressly set forth in the RSA or this Term Sheet and otherwise selected by the Required Consenting Creditors in their sole discretion (or, if the purchaser is not BidCo, by the Debtors and the purchaser), pursuant to sections 105, 363 and 365 of the Bankruptcy Code. The Sale Transaction shall be conducted in accordance with the Bidding Procedures approved by the Bankruptcy Court. Prior to the filing of the Bidding Procedures Motion, the Consenting Creditors will provide the Debtors with a term sheet that includes a credit bid (the "**Credit Bid**") of some or all of the First Lien Claims for all or substantially all of the Debtors' assets (other than any assets identified for exclusion by the Required Consenting Creditors, in their sole discretion, in due diligence prior to execution of a definitive purchase agreement) (the "**Purchased Assets**"). The Credit Bid will provide for the transfer of the Purchased Assets to a special purpose vehicle ("**BidCo**") to be formed by the Collateral Agent at the direction of the Required Secured Parties (as defined in the Intercreditor Agreement) to receive the Purchased Assets on behalf of the holders of First Lien Claims, free and clear of all liens, Claims, encumbrances and interests (except to the extent provided in the RSA or this Term Sheet or as otherwise determined by the Required Consenting Creditors in their sole discretion).[1] The Credit Bid will be subject to an overbid process pursuant to the Bidding Procedures. If any overbid is submitted by any person or Entity other than BidCo and such overbid is the winning bid, each Consenting Creditor shall be severally, and not jointly, responsible for paying its *pro rata* share (determined based on the amount of First Lien Claims it holds relative to the amount of First Lien Claims held by all Consenting Creditors as of the Sale Consummation Date) of the GenOn Over-Bid Fee to GenOn from the proceeds it receives from such winning bid. Contemporaneous with the formation of BidCo by the Collateral Agent, the Consenting Creditors will direct BidCo to enter into the BidCo Agreement (the "**Initial Direction**"). The BidCo Agreement will require the payment to GenOn of the GenOn BidCo Facility Payment within three (3) Business Days of the consummation of the Sale Transaction. For the avoidance of doubt, each holder of First Lien Claims (including the Financial Sponsor) shall be entitled to receive its Pro Rata share of (i) the equity interests of BidCo (subject to dilution by any equity interests issued on account of participation in the BidCo Facility, any backstop compensation associated with the BidCo Facility, and any MIP), (ii) the rights to participate in the funding of the BidCo Facility, and (iii) any Takeback Debt. The BidCo Agreement will also require BidCo to make the payment of the GenOn BidCo Facility Payment to GenOn before any holder of First Lien Claims receives any distribution from BidCo and before the funding of the Litigation Trust. The Consenting Creditors covenant and agree that, prior to any termination of the RSA, they (i) will not, and they will direct the Collateral Agent not to, authorize a credit bid or other purchase of Heritage assets that results in a transfer of such assets to a person or vehicle other than BidCo or its direct or indirect owned subsidiaries and (ii) will not authorize such purchase unless and until BidCo has executed the BidCo Agreement (together with the Initial Direction, the "**Consenting Creditor Obligations**"). The Consenting Creditors shall indemnify the Agents pursuant to an indemnity with the same scope as the indemnity previously provided under the Credit Agreement or any other

[1] BidCo may establish one or more subsidiaries to receive transfers of the Purchased Assets.

	applicable Loan Document (but shall not be required to provide any additional indemnity to the Agents), shall have no obligations or liability in relation to BidCo or the BidCo Agreement other than the Consenting Creditor Obligations, and shall have no liability to any person or Entity to the extent that any Agent declines to accept any direction or acts without direction. The Consenting Creditors shall not be required to contribute any Claims or Interests to BidCo.
Assignment of Certain Executory Contracts and Leases; Entry into Other Agreements	The Credit Bid will require (A) contemporaneously with the Sale Consummation Date, to the extent the New Castle HRCO does not terminate, accelerate, or liquidate prior to such date, the assumption and assignment of the New Castle HRCO and the entry by the Marketing BidCo Subsidiary into either the New Castle HRCO Amendment or, if Tenaska does not consent to such amendment, the New Castle Contribution Agreement in connection therewith; (B) effective on the Sale Consummation Date, the assumption and assignment of the Shawville Lease Documents and the entry into the Shawville Lease Documents Amendments in connection therewith; (C) effective as of the Sale Consummation Date the assumption and assignment of the Transition Services Agreement; and (D) that the Credit Bid otherwise be in compliance with the terms of the RSA. For the avoidance of doubt, the acquisition of the Purchased Assets pursuant to the Credit Bid will result in (i)(x) the New Castle HRCO, to the extent assumed, remaining in full force and effect against the Marketing BidCo Subsidiary and (y) the Shawville Lease Documents remaining in full force and effect against the BidCo Subsidiary that owns the land underlying the Shawville Facility (the "**Shawville BidCo Subsidiary**"), in each case, after giving effect to the consummation of the Sale Transaction, and (ii) the entry into (x) the Shawville Lease Documents Amendments by the Shawville BidCo Subsidiary and (y) either the New Castle HRCO Amendment or New Castle Contribution Agreement by the Marketing BidCo Subsidiary in connection therewith.
BidCo Facility	On or prior to the Sale Consummation Date for a Sale Transaction in which BidCo is the winning bidder, the BidCo shall enter into a financing facility (the "**BidCo Facility**") with an available principal amount equal to (a) the GenOn Transition and Releases Fee, *plus* (b) additional amounts, as determined by the Required Consenting Creditors, to fund other intended uses of proceeds, which may include, among other things: (i) if elected by the Required Consenting Creditors, funding the Litigation Trust, (ii) paying Consenting Stakeholder Fees and Expenses (other than those paid in connection with the GenOn Transition and Releases Fee), and (iii) working capital and general corporate purposes. The BidCo Facility shall be backstopped, pursuant to a separate backstop agreement, by electing members of the Ad Hoc Committee and the Financial Sponsor (if the Financial Sponsor so elects). The BidCo Facility shall contain the following terms and such other terms as are acceptable to the Debtors and the Required Consenting Creditors: (i) The BidCo Facility shall consist of term loans secured by first-priority liens on collateral acceptable to the Required Consenting Creditors; (ii) The BidCo Facility shall be senior in right of payment and collateral to that of any Takeback Debt, which priority shall be governed, to the extent of any Takeback Debt, by an intercreditor agreement in form and substance acceptable to the Required Consenting Creditors; and (iii) All lenders (including the Financial Sponsor) under the BidCo Facility shall be entitled to a pro rata share of a percentage of the equity interests in BidCo to be determined by the Required Consenting Creditors (subject to dilution by

	equity interests in BidCo issued on account of backstop compensation associated with the BidCo Facility and any MIP). For the avoidance of doubt, the Financial Sponsor shall have the right to participate in the funding of the BidCo Facility and in any backstop of the BidCo Facility on a ratable basis with the members of the Ad Hoc Committee based on the Financial Sponsor's holdings of First Lien Claims. The Financial Sponsor shall receive the same economics and other rights, on a ratable basis, as the other members of the Ad Hoc Committee with respect to any such BidCo Facility and backstop.
GenOn BidCo Facility Payment	Immediately following the Sale Consummation Date for a Sale Transaction in which BidCo is the winning bidder, in exchange for good and valuable consideration, including the release and discharge of certain claims and cause of action against Heritage, the provision of operation, maintenance, management, administrative and other services in the Chapter 11 Cases, and the provision of additional services to orderly transition the operations of the Debtors from GenOn to the Debtors or their designees, a Cash payment from the proceeds of the BidCo Facility shall be made to GenOn in the amount of the GenOn Transition and Releases Fee, subject to reduction as set forth herein (the "**GenOn BidCo Facility Payment**"). GenOn shall provide, at least three (3) Business Days prior to the Sale Consummation Date, a notice specifying the aggregate amount of the asserted GenOn Transition and Releases Fee alongside a reasonably detailed calculation of the GenOn Transition and Releases Fee utilizing the categories set forth in the definition thereof. The terms of the BidCo Facility will provide that no payments shall be made to the Litigation Trust or any other person with the proceeds of the BidCo Facility until the GenOn BidCo Facility Payment is made. Notwithstanding anything to the contrary in this Term Sheet or the RSA, to the extent the RSA has not terminated before the Sale Consummation Date, the occurrence of the Sale Consummation Date shall not relieve BidCo of the obligation to make the GenOn BidCo Facility Payment.
Conditions Precedent to Sale Consummation Date:	The occurrence of the Sale Consummation Date shall be subject to the following conditions precedent, among others; provided that any condition can be waived with the prior written consent of the Debtors, the Required Consenting Creditors and, only with respect to clauses (a), (b), (c), (d), (e) and (g) below, GenOn: (a) the RSA shall not have been terminated and remains in full force and effect; (b) the Bankruptcy Court shall have entered the Sale Order and the Sale Order shall not have been reversed or vacated and shall not be subject to stay; (c) the Definitive Documents shall be consistent with the RSA and otherwise approved by the parties thereto consistent with their respective consent and approval rights as set forth in the RSA; (d) all actions, documents, and agreements necessary to implement and consummate the Sale Transaction shall have been effected and executed; (e) all documentation related to the BidCo Facility shall have been executed and delivered by each party thereto, and any conditions precedent related thereto shall have been satisfied or waived in accordance with the terms of such documentation; (f) the Claims Preservation Agreement shall not have been terminated and remains in full force and effect, and there shall have been no material breach thereof by either GenOn or the Financial Sponsor;

	(g) all Consenting Stakeholder Fees and Expenses invoiced at least three Business Days prior to the Sale Consummation Date shall have been paid in full in Cash; and (h) all governmental and third-party approvals and consents, including any antitrust or FERC regulatory approval, necessary in connection with the transactions contemplated by the RSA shall have been obtained, not be subject to unfulfilled conditions, and be in full force and effect, and all applicable waiting periods shall have expired without any action being taken or threatened by any competent authority that would restrain, prevent or otherwise impose materially adverse conditions on such transactions.
Other Relevant Terms (Applies to Plan Transaction and Sale Transaction)	
GenOn Payment Reduction	If a payment is made prepetition in satisfaction of Shawville HRCO Obligations that are due and payable on or after January 20, 2023, the GenOn Exit Facility Payment or GenOn BidCo Facility Payment, as applicable, shall be reduced, dollar for dollar, in an amount equal to 65% of the amount of such payment of Shawville HRCO Obligations (the "**GenOn Payment Reduction**").
Shawville HRCO	As soon as reasonably practicable and no later than 11:59 p.m. Central Time on the third Business Day after the Petition Date, the Debtors shall file a motion with the Bankruptcy Court to reject the Shawville HRCO pursuant to section 365 of the Bankruptcy Code. Unless the Shawville HRCO is accelerated, terminated, or liquidated at or prior to 11:59 p.m. Central Time on the third Business Day after the Petition Date, the effective date of such rejection pursuant to an order of the Bankruptcy Court shall be within three (3) Business Days of the Petition Date.
New Castle HRCO	On the Plan Effective Date or the Sale Consummation Date, the New Castle HRCO will be assumed pursuant to Section 365 of the Bankruptcy Code (unless the New Castle HRCO is accelerated, terminated or liquidated by Tenaska Power Services Co. ("**Tenaska**") prior to assumption). In any Plan Transaction or Sale Transaction, the New Castle HRCO shall remain in full force and effect (unless so terminated). The Debtors shall engage with Tenaska and use commercially reasonable efforts to execute the New Castle HRCO Amendment on the Transaction Consummation Date. If Tenaska is unwilling or unable to consent to the execution of the New Castle HRCO Amendment on the terms set forth herein, then Heritage Power Marketing, LLC, as reorganized, in the event of a Plan Transaction, or the Marketing BidCo Subsidiary, in the event of a Sale Transaction, will execute the New Castle Contribution Agreement on the Transaction Consummation Date. In the Plan Transaction, the New Castle HRCO Amendment or the New Castle Contribution Agreement, as applicable, will be part of the Plan Supplement and executed contemporaneous with the Debtors' Plan Effective Date. In the Sale Transaction, the BidCo Agreement will obligate BidCo to direct the Marketing BidCo Subsidiary to execute the New Castle HRCO Amendment or the New Castle Contribution Agreement, as applicable. If the New Castle HRCO is accelerated, terminated, or liquidated by Tenaska after the Petition Date but prior to the Transaction Consummation Date, any payments by GenOn to Tenaska, its affiliates or any other person pursuant to the New Castle HRCO on account

	of such acceleration, termination, or liquidation (which amount shall include any collateral or other credit support provided by GenOn in support of the obligations under the New Castle HRCO that is applied to pay any obligation to Tenaska) shall be reimbursed to GenOn as set forth herein (the "**New Castle Reimbursable Amounts**").
New LC Facility	At the election of the Required Consenting Creditors, the Debtors shall refinance or replace the Project Letters of Credit (as defined in the Credit Agreement) with a new letter of credit facility that does not include any GenOn participation or credit support (the "**New LC Facility**"). If GenOn is required to make any payment to Macquarie Bank Limited ("**Macquarie**") or any of its affiliates or any other person pursuant to the GenOn Participation on account of a drawing of a letter of credit occurring after the Petition Date, and if, and only if, such payment is the result of a letter of credit being drawn due to the maturity of the Project L/C facility under the Credit Agreement or the delivery of a notice of non-renewal by the applicable L/C issuer, then the Debtors, the Reorganized Debtors, or BidCo (as applicable) shall reimburse GenOn for such payment as set forth herein (the "**L/C Reimbursement Payments**"). If GenOn makes any payment to Macquarie or any of its affiliates or any other person pursuant to the GenOn Participation on account of a drawing of a letter of credit occurring after the Transaction Consummation Date, then the Reorganized Debtors or BidCo (as applicable) shall reimburse GenOn for such payment as set forth herein.
Shawville Lease Documents	The Debtors will use commercially reasonable efforts to assume the Shawville Lease Documents at the second day hearing (provided that such deadline may be extended with the consent of GenOn to a date no later than the Plan confirmation date or the Sale Consummation Date (as applicable)). On or prior to the consummation of the Plan Transaction or the Sale Transaction, the applicable Debtors will execute certain amendments to the Shawville Lease Documents (the "**Shawville Lease Documents Amendments**"), which will (i)(a) amend (1) the Shawville Participation Agreement to (A) remove the reference to Section 5.8 from the first paragraph of Section 5 thereof and (B) permit the incurrence of debt and the granting of liens in connection with the Exit Facility or BidCo Facility, as applicable, and any Takeback Debt, and (2) the Facility Lease to extend certain cure periods and amend certain default provisions as to be agreed among GenOn, the Company, and the Required Consenting Creditors, and (ii) otherwise be in form and substance reasonably acceptable to GenOn, the Company, and the Required Consenting Creditors.
Takeback Debt	If elected by the Required Consenting Creditors: (i) in the event of a Plan Transaction, one or more of the Reorganized Debtors shall issue Takeback Debt, solely for the purpose of distributions on account of Allowed First Lien Secured Claims; and (ii) in the event of a Sale Transaction, BidCo shall issue Takeback Debt to its equity holders in proportion to their First Lien Claims that were credit bid.
Rejection of Dominion Agreement	Within 10 days of the Petition Date, the Debtors shall file a motion pursuant to section 365 of the Bankruptcy Code to reject the Dominion Agreement.
Other Executory Contracts and Unexpired Leases	Except as otherwise provided herein, no executory contract or unexpired lease shall be rejected without the express written consent of the Required Consenting Creditors.

Litigation Trust	If elected by the Required Consenting Creditors in their sole discretion, prior to or on the Transaction Consummation Date, a litigation trust (the "**Litigation Trust**") shall be created for the benefit of the Lenders under the Credit Agreement (including the Financial Sponsor) to receive an assignment from the Administrative Agent of the Preserved Claims. Any such assignment shall be deemed to be effective and valid pursuant to the Confirmation Order or the Sale Order, as applicable. The organization and governance of the Litigation Trust, including the identity of the trustee thereof, shall be determined by the Required Consenting Creditors in their sole discretion (provided that all organizational and governance terms comply in all respects with the terms of the Claims Preservation Agreement, including but not limited to the restrictions on issuance and assignability of interests in the Litigation Trust). The Litigation Trust, via its trustee, shall have the authority to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw, or litigate to judgment the Preserved Claims, in each case, subject to governance provisions to be determined by the Required Consenting Creditors in their sole discretion. For the avoidance of doubt, no Persons other than the Required Consenting Creditors shall have discretion to direct or otherwise affect the Litigation Trust or its trustee. Whether a Plan Transaction or Sale Transaction is consummated, solely for purposes of preserving all rights relating to the Preserved Claims, and notwithstanding the occurrence of the Transaction Consummation Date, (i) the Credit Agreement shall remain in effect subject to the discharge and injunction provisions of the Confirmation Order or the "liability," "free and clear" and "no successor" liability provisions of the Sale Order, as applicable, and (ii) the Amended and Restated Limited Liability Company Agreement of Shawville Power, LLC shall remain in effect. To the extent the Financial Sponsor holds any Loan Claims or interests in BidCo or Reorganized Heritage, as applicable, its treatment and its rights associated with such Loan Claims and interests shall be the same, on a proportionate basis, as that of any member of the Ad Hoc Committee.
Governance	Board designation rights, protective provisions, transfer rights and restrictions, registration rights, preemptive rights, information rights, and any other corporate governance for the Reorganized Debtors or BidCo, as applicable, including charters, bylaws, a shareholder rights agreement, operating agreements, or other organization or formation documents, as applicable, shall be on the terms acceptable to the Required Consenting Creditors.
Tax Structure	For U.S. federal income tax purposes, the Plan Transaction or Sale Transaction shall be treated as including a taxable transfer of the assets of each of the Debtors. The Required Consenting Creditors shall determine the tax characterization of the Reorganized Debtors or BidCo, as applicable, *provided* that, other than an election to treat a Debtor as a partnership or disregarded entity (as applicable) for U.S. federal income tax purposes, in no event shall any U.S. federal income tax entity classification election with respect to any of the Debtors be made with an effective date falling on or prior to the Plan Effective Date or the Sale Consummation Date without the prior consent of GenOn, which consent may be granted or withheld in the sole discretion of GenOn. Consistent with the foregoing, the Parties shall work together in good faith to structure and implement the Plan Transaction or Sale Transaction, as applicable, in a tax efficient manner; provided that such tax structure shall be reasonably acceptable to the Required Consenting Creditors and, to the extent such tax structure would have an adverse tax impact on GenOn (other than any tax impact arising solely from treating any part of the Plan Transaction or Sale Transaction as a taxable transfer of the assets of each of the Debtors), reasonably acceptable to GenOn.

Settlements of Claims	Any settlement of any Claim or agreement by a holder of a Claim to accept less favorable treatment shall require the prior written consent of the Required Consenting Creditors.
CP or Other Penalties	The Debtors shall not take any action to waive or settle any of their respective rights with respect to any potential or pending challenge, dispute, or process relating to any PJM capacity performance penalties related to December 2022 performance or any other material penalty or similar amount assessed or that may be assessed by PJM or any Governmental Authority absent the prior written consent of the Required Consenting Creditors. Any and all such rights shall be expressly preserved and, in the event of a Plan Transaction, vest in the Reorganized Debtors under the Confirmation Order, or, in the event of a Sale Transaction, be transferred to BidCo or one or more BidCo Subsidiaries under the Sale Order.
Employees	Certain employees currently employed by GenOn that are dedicated to providing services at any power generation facilities operated by the Debtors shall become employees of the Reorganized Debtors (or their designee) or BidCo and its affiliates (or their designee), as applicable. Such employee transfers may occur prior to or after the Plan Effective Date or Sale Consummation Date as set forth in the Transition Services Agreement. If requested by the Required Consenting Creditors, management personnel of the Company shall continue to serve in their current management positions for the duration of the period during which the Transition Services Agreement is in effect, subject to payment of agreed amounts as set forth in the Transition Services Agreement.
Transition Services Agreement	On the Transaction Consummation Date, the Transition Services Agreement shall be assumed under section 365 of the Bankruptcy Code.
Replacement Operator	The Confirmation Order or the Sale Order, as applicable, shall provide for the approval by the Bankruptcy Court of the Replacement Operator.
Management Incentive Program	Following the Transaction Consummation Date, the new board of directors of the Reorganized Debtors or BidCo, as applicable (the "New Board"), may implement a management incentive plan pursuant to which equity-based awards may be made to employees, directors, and consultants of the Reorganized Debtors or Bidco, as applicable, the terms of which, including with respect to amount, form, structure, participation, and vesting, shall be determined by the New Board (the "MIP"). The percentage of any New Equity Interests or equity in BidCo, as applicable, reserved for issuance under any MIP shall be determined by the Required Consenting Creditors in their sole discretion.
Retention of Jurisdiction	The Plan shall provide that the Bankruptcy Court shall retain jurisdiction as agreed among the Debtors, the Required Consenting Creditors and GenOn.

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ANNEX 1

Defined Terms	
"**Accepting Class**"	A class of Claims or Interests that votes to accept the Plan in accordance with section 1126 of the Bankruptcy Code.
"**Ad Hoc Committee**"	That certain *ad hoc* committee of holders of Term Loan Claims represented by Milbank LLP, Porter Hedges LLP, and Ross Aronstam & Moritz LLP as counsel, and Ducera Partners LLC, as financial advisor.
"**Administrative Expense Claim**"	Any right to payment constituting a cost or expense of administration incurred during the Chapter 11 Cases of a kind specified under section 503(b) of the Bankruptcy Code and entitled to priority under sections 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including (i) the actual, necessary costs and expenses incurred after the Petition Date and through the Plan Effective Date of preserving the Debtors' estates and (ii) DIP Claims (if any).
"**Allowed**"	With reference to any Claim or Interest, (i) any Claim or Interest arising on or before the Plan Effective Date (a) as to which a proof of claim has been timely filed in the Chapter 11 Cases, which has not been withdrawn, and as to which no objection has been filed by the applicable deadlines set forth in the Plan, the Bankruptcy Code, the Bankruptcy Rules, or as determined by the Bankruptcy Court, or (b) that is allowed or determined by a Final Order of a court of competent jurisdiction, (ii) any Claim or Interest that is agreed to, compromised, settled, or otherwise resolved pursuant to the authority of the Debtors or the Reorganized Debtors, as applicable, with the prior written consent of the Required Consenting Creditors, or (iii) any Claim or Interest expressly allowed in the Plan or by Final Order of the Bankruptcy Court; *provided*, *however*, that notwithstanding the foregoing, the Reorganized Debtors shall retain all claims and defenses with respect to Allowed Claims that are reinstated or otherwise Unimpaired pursuant to the Plan.
"**Asset Purchase Agreement**"	An asset purchase agreement with respect to the Sale Transaction containing terms and conditions acceptable to the Required Consenting Creditors.
"**Bankruptcy Court**"	The United States Bankruptcy Court for the Southern District of Texas, Houston Division.
"**Bankruptcy Rules**"	Federal Rules of Bankruptcy Procedure.
"**BidCo Agreement**"	As defined in the BidCo Term Sheet attached to the RSA as Exhibit C.
"**Business Day**"	Any day other than a Saturday, a Sunday, or any other day on which banking institutions in New York, NY are authorized or required by law or executive order to close.
"**Cash**"	Legal tender of the United States of America.

Defined Terms	
"**Cash-Out Cap**"	$25 million or such other amount determined in the sole discretion of the Required Consenting Creditors.
"**Cash-Out Percentage**"	20% or such other percentage determined in the sole discretion of the Required Consenting Creditors.
"**Chapter 11 Cases**"	The jointly administered cases under chapter 11 of the Bankruptcy Code commenced by the Debtors on the Petition Date in the Bankruptcy Court.
"**Claim**"	A "claim," as defined in section 101(5) of the Bankruptcy Code, as against any Debtor.
"**Convenience Claim**"	All Allowed General Unsecured Claims of a single holder that are either (i) the Convenience Claim Threshold Amount or less in the aggregate or (ii) greater than the Convenience Claim Threshold Amount in the aggregate but as to which the holder thereof has elected to voluntarily reduce such Claims to the Convenience Claim Threshold Amount in the aggregate.
"**Convenience Claim Threshold Amount**"	An amount to be determined by the Required Consenting Creditors, in their sole discretion, in consultation with the Debtors.
"**Credit Agreement**"	That certain Credit and Guaranty Agreement, dated as of June 30, 2019, as amended, amended and restated, supplemented, or modified from time to time, by and among Heritage Power, LLC, as borrower, certain of its subsidiaries, as Subsidiary Guarantors, the various financial institutions and other persons from time to time party thereto, as the Lenders, the Revolving L/C Issuers, or the Project L/C Issuers, and Jefferies Finance LLC, as Administrative Agent.
"**DIP Facility**"	Debtor-in-possession financing facility incurred by any Debtor.
"**DIP Claim**"	All Claims held by any agents, lenders, or other creditor parties under any DIP Facility.
"**Dominion Agreement**"	That certain Service Agreement Applicable to Transportation of Natural Gas Under Rate Schedule FT, dated as of September 29, 2017, by and between Dominion Energy Transmission, Inc. and NRG REMA LLC (as predecessor to the applicable Debtor) (as may be amended, amended and restated, supplemented, or modified from time to time).
"**Eligible Credit Support**"	As defined in the New Castle HRCO.
"**Facility Lease**"	That certain Facility Lease Agreement, dated as of August 24, 2000, between Shawville Lessor GenCo LLC, as Owner Lessor, and Reliant Energy Mid-Atlantic Power Holdings, LLC (as predecessor to Shawville Power, LLC), as Facility Lessee (as may be amended, amended and restated, supplemented, or modified from time to time).

Defined Terms	
"**Final Order**"	An order or judgment of a court of competent jurisdiction that has been entered on the docket maintained by the clerk of such court, which has not been reversed, vacated, or stayed and as to which (i) the time to appeal, petition for certiorari, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for a new trial, reargument, or rehearing shall then be pending, or (ii) if an appeal, writ of certiorari, new trial, reargument, or rehearing thereof has been sought, such order or judgment shall have been affirmed by the highest court to which such order was appealed, or certiorari shall have been denied, or a new trial, reargument, or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari, or move for a new trial, reargument, or rehearing shall have expired; *provided, however*, that no order or judgment shall fail to be a "Final Order" solely because of the possibility that a motion under Rules 59 or 60 of the Federal Rules of Civil Procedure or any analogous Bankruptcy Rule (or any analogous rules applicable in another court of competent jurisdiction) or sections 502(j) or 1144 of the Bankruptcy Code has been or may be filed with respect to such order or judgment.
"**First Lien Secured Claim**"	Any Claim arising on account of a First Lien Claim other than a First Lien Deficiency Claim.
"**First Lien Deficiency Claim**"	Any Claim arising on account of a First Lien Claim to the extent such Claim is not a Secured Claim.
"**GenOn Participation**"	GenOn's participation interest in Macquarie's Project L/C Loan Commitment (as defined in the Credit Agreement) under the Credit Agreement in the amount of $[•].
"**GenOn Transition and Releases Fee**"	An amount equal to the sum of: (i) $25,000,000 (which amount shall be reduced, dollar for dollar, by any GenOn Payment Reduction); plus (ii) Consenting Stakeholder Fees and Expenses incurred by GenOn; plus (iii) an amount equal to the New Castle Reimbursable Amounts; plus (iv) an amount equal to the L/C Reimbursement Payments arising prior to the Transaction Consummation Date; minus (v) amount equal to all cash received by GenOn from the Debtors during or after the Chapter 11 Cases (excluding, for the avoidance of doubt, any cash received by GenOn from the Debtors pursuant to the Transition Services Agreement or the Shawville Lease Documents) and that has been retained by GenOn and not avoided or in any way required to be disgorged or subject to any action seeking such avoidance or disgorgement.
"**GenOn Over-Bid Fee**"	An amount equal to the sum of:

Defined Terms	
	(i) $25,000,000 (which amount shall be reduced, dollar for dollar, by any GenOn Payment Reduction); plus (ii) Consenting Stakeholder Fees and Expenses incurred by GenOn; plus (iii) an amount equal to the New Castle Reimbursable Amounts; plus (iv) an amount equal to the L/C Reimbursement Payments arising prior to the Transaction Consummation Date; minus (v) amount equal to all cash received by GenOn from the Debtors during or after the Chapter 11 Cases (excluding, for the avoidance of doubt, any cash received by GenOn from the Debtors pursuant to the Transition Services Agreement or the Shawville Lease Documents) and that has been retained by GenOn and not avoided or in any way required to be disgorged or subject to any action seeking such avoidance or disgorgement.
"**GUC Distribution**"	A Cash pool of $1 million or such other amount determined by the Required Consenting Creditors, in their sole discretion, in consultation with the Debtors.
"**Intercompany Claim**"	Any Claim against a Debtor held by another Debtor.
"**Intercompany Interest**"	Any Interest in a Debtor held by another Debtor.
"**Interest**"	Any equity interest (as defined in section 101(16) of the Bankruptcy Code) in any Debtor, including all ordinary shares, units, common stock, preferred stock, membership interest, partnership interest, or other instrument, evidencing any fixed or contingent ownership interest in such Debtor, whether or not transferable, including any option, warrant, or other right, contractual or otherwise, to acquire any such interest, that existed immediately before the Plan Effective Date.
"**Marketing BidCo Subsidiary**"	BidCo Subsidiary that is the transferee of the assets of Heritage Power Marketing, LLC (or such other entity or entities as agreed by Tenaska and GenOn, with the consent of the Required Consenting Creditors).
"**New Castle HRCO Amendment**"	A proposed amendment to the New Castle HRCO that (i)(A) removes GenOn as a party to the New Castle HRCO and the Transaction (as defined in the New Castle HRCO) set forth therein, (B) removes GenOn as a Credit Support Provider (as defined in the New Castle HRCO) under the New Castle HRCO, and (C) otherwise relieves GenOn of all obligations under the New Castle HRCO and (ii) requires Tenaska to return to GenOn all Eligible Credit Support provided by GenOn and any other cash, collateral or other credit support provided by GenOn with respect to the New Castle HRCO.
"**New Castle Contribution Agreement**"	An agreement between the Parent Sponsor, Heritage Power Marketing, LLC or the Marketing BidCo Subsidiary (as applicable) and any other applicable Company Parties or BidCo Subsidiaries that:

Defined Terms	
	(i) requires that Heritage Power Marketing, LLC or Marketing BidCo Subsidiary (as applicable) or any other Company Party or BidCo Subsidiaries provide all required Eligible Credit Support or other cash, collateral, or other credit support required by Tenaska pursuant to the HRCO; (ii) if Tenaska consents, allows for the return to GenOn of all Eligible Credit Support provided by GenOn and any other cash, collateral or other credit support provided by GenOn with respect to the New Castle HRCO (and replaces such credit support as set forth in clause (i)); and (iii) provides that the Reorganized Debtors or BidCo and its subsidiaries, as applicable, shall grant a reimbursement right with respect to any amount paid by GenOn to Tenaska, its affiliates or any other person under the New Castle HRCO after the Transaction Consummation Date (including on account of any of GenOn's Eligible Credit Support or other cash, collateral, or other credit support provided by GenOn pursuant to the New Castle HRCO that is liquidated in favor of Tenaska following the Transaction Consummation Date), which right shall be supported by a lien that is *pari passu* with the liens securing the Exit Facility or BidCo Facility, as applicable, on the same collateral and subject to an intercreditor agreement in form and substance acceptable to the Required Consenting Creditors.
"**New Equity Interests**"	Equity interests of Reorganized Parent issued pursuant to the Plan.
"**Other Priority Claim**"	Any Claim other than an Administrative Expense Claim or a Priority Tax Claim that is entitled to priority of payment as specified in section 507(a) of the Bankruptcy Code.
"**Other Secured Claim**"	A Secured Claim other than a Priority Tax Claim, a DIP Claim, or First Lien Secured Claim.
"**PJM**"	PJM Interconnection LLC (PJM).
"**Priority Tax Claim**"	Any Secured Claim or unsecured Claim of a governmental unit of the kind entitled to priority of payment as specified in sections 502(i) and 507(a)(8) of the Bankruptcy Code.
"**Pro Rata**"	The proportion that an Allowed Claim or Interest in a particular class bears to the aggregate amount of Allowed Claims or Interests in that class.
"**Replacement Operator**"	One or more operators or service providers selected by the Required Consenting Creditors in their sole discretion.
"**Reorganized Debtors**"	The Debtors as reorganized on the Plan Effective Date in accordance with the Plan.
"**Reorganized Parent**"	Parent as reorganized on the Plan Effective Date in accordance with the Plan.
"**SEC**"	U.S. Securities and Exchange Commission.

Defined Terms	
"**Secured Claim**"	A Claim (i) secured by a lien on collateral to the extent of the value of such collateral as (a) set forth in the Plan, (b) agreed to by the holder of such Claim and the Debtors, or (c) determined by a Final Order in accordance with section 506(a) of the Bankruptcy Code, or (ii) secured by the amount of any right of setoff of the holder thereof in accordance with section 553 of the Bankruptcy Code.
"**Shawville Facility**"	An approximately 603 MW (summer rating) gas-fired generation facility located in Bradford Township, Clearfield County, Pennsylvania that is leased by Shawville Power, LLC.
"**Subordinated Claim**"	A Claim that is subordinated under section 510 of the Bankruptcy Code.
"**Takeback Debt**"	Takeback debt issued at the election of, and on terms to be determined by, the Required Consenting Creditors.
"**Unimpaired**"	With respect to a Claim, Interest, or a class of Claims or Interests, not "impaired" within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy Code.

Exhibit 1

Releases

Defined Terms	
"Released Parties"	Means, collectively, and in each case in its capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each Agent; (d) each of the Consenting Creditors; (e) each holder of a First Lien Claim; (f) GenOn; (g) Financial Sponsor; (h) each current and former Affiliate of each Entity in clause (a) through the following clause (i); and (i) each Related Party of each Entity in clause (a) through this clause (i); provided that in each case, an Entity shall not be a Released Party if it: (x) elects to opt out of the releases contained in the Plan; or (y) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in the Plan that is not resolved before the confirmation of the Plan.
"Releasing Parties"	Means, collectively, and in each case in its capacity as such, (a) each Debtor; (b) each Reorganized Debtor; (c) each Agent; (d) each of the Consenting Creditors; (e) each holder of a First Lien Claim; (f) GenOn; (g) Financial Sponsor; (h) each holder of a Claim or Interest; (i) each current and former Affiliate of each Entity in clause (a) through the following clause (j); and (j) each Related Party of each Entity in clause (a) through this clause (j); provided that in each case, an Entity shall not be a Released Party if it: (x) elects to opt out of the releases contained in the Plan; or (y) timely files with the Bankruptcy Court on the docket of the Chapter 11 Cases an objection to the releases contained in the Plan that is not resolved before the confirmation of the Plan.
"Consenting Creditor Preserved Claims"	Shall have the meaning ascribed to it in the RSA
"Sponsor Preserved Claims"	Shall have the meaning ascribed to it in the RSA

Releases by the Debtors.

Notwithstanding anything contained in the Plan to the contrary, pursuant to section 1123(b) of the Bankruptcy Code, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, on and after the Plan Effective Date, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by the Debtors, the Reorganized Debtors, and their estates, in each case on behalf of themselves and their respective successors, assigns, and representatives, from any and all Claims and Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their estates that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership or operation thereof), their capital structure, the Debtors' restructuring efforts, the filing of the Chapter 11 Cases, any intercompany transaction between or among a Debtor and another Debtor, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Definitive Documents, or any Restructuring Transaction, contract, instrument release, or other agreement or document created or entered into in connection with the Definitive Documents or the Restructuring Transactions (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), the pursuit of consummation of the Restructuring Transactions or any other transaction related thereto, the administration and implementation of the Restructuring Transactions (whether as a Plan Transaction, a Sale Transaction, an Alternative Transaction or otherwise), any security of the Debtors or the Reorganized Debtors, the distribution of property under the Plan or any other related agreement, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the assertion or enforcement of rights and remedies against the Debtors, and any and all other payments made, investments undertaken, or value transfers of any kind, in each case that flowed from the Debtor to any Released Party, the Shawville Lease Documents, Shawville Transaction, Credit Agreement and the other Loan Documents, the GenOn Participation, the New Castle HRCO and the New Castle HRCO Amendment, Management Services Agreement, the O&M Agreement, the Sponsor EMA Reimbursement Agreement, the Transition Services Agreement and the New Castle Contribution Agreement and any transactions related thereto, or upon any other act or omission, transaction, agreement, event, or other occurrence related or relating to any of the foregoing taking place on or before the Plan Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes actual fraud, gross neligence or willful misconduct, each solely to the extent as determined by a Final Order of a court of competent jurisdiction. For the avoidance of doubt and without limiting the scope of the foregoing, the Released Claims shall include all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever that arise from or relate to, in whole or in part, any claim to characterize any of the Shawville Leases as anything other than a true lease of real property or the Shawville Lease Documents and any transaction related thereto as anything other than a true sale transaction and a true lease transaction, and any claim by any party to characterize any Shawville Lease as anything other than a true lease of real property at any time including in any future bankruptcy or any other context, and any other claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities that are inconsistent with the statement below:

The Shawville Leases are true leases and Debtors or Reorganized Debtors, as applicable, agree not to commence or continue any claim or cause of action, or otherwise take any position in any judicial proceeding, administrative proceeding, or other proceeding, the Bankruptcy Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere, in each case that is in any way inconsistent with the position that each Shawville Lease is a true lease.

Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Plan Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the Exit Facility and the Takeback Debt, or any Claim or obligation arising under the Plan. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtors' release, which includes by reference each of the related provisions and definitions contained in the Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtors' release is: (a) in exchange for the good and valuable consideration provided by the Released Parties, including, without limitation, the Released Parties' contributions to facilitating the Restructuring Transactions and implementing the Plan; (b) a good faith settlement and compromise of the Claims released by the Debtors' release; (c) in the best interests of the Debtors and all holders of Claims or Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any of the Debtors, the Reorganized Debtors, or the Debtors' estates asserting any Claim or Cause of Action released pursuant to the Debtors' release.

Releases by Holders of Claims and Interests.

Except as otherwise expressly set forth in this Plan or the Confirmation Order, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, on and after the Plan Effective Date, each Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each Releasing Party, the Reorganized Debtors, and their estates, in each case on behalf of themselves and their respective successors, assigns, and representatives, from any and all Claims and Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their estates that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership or operation thereof), their capital structure, the Debtors' restructuring efforts, the filing of the Chapter 11 Cases, any intercompany transaction between or among a Debtor and another Debtor, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Definitive Documents, or any Restructuring Transaction, contract, instrument release, or other agreement or document created or entered into in connection with the Definitive Documents or the Restructuring Transactions (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document or other agreement contemplated by the Plan or the reliance by any Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), the pursuit of consummation of the Restructuring Transactions or any other transaction related thereto, the administration and implementation of the Restructuring Transactions (whether as a Plan Transaction, a Sale Transaction, an Alternative Transaction or otherwise), any security of the Debtors or the Reorganized Debtors, the distribution of property under the Plan or any other related agreement, the subject matter of, or the transactions or events giving rise to, any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Released Party, the assertion or enforcement of rights and remedies against the Debtors, and any and all other payments made, investments undertaken, or value transfers of any kind, in each case that flowed from the Debtor to any Released Party, the Shawville Lease Documents, Shawville Transaction, Credit Agreement and the other Loan Documents, the GenOn Participation, the New Castle HRCO and the New Castle HRCO Amendment, Management Services Agreement, the O&M Agreement, the Sponsor EMA Reimbursement Agreement, the Transition Services Agreement and the New Castle Contribution Agreement and any transactions related thereto, or upon any other act or omission, transaction, agreement, event, or other occurrence related or relating to any of the foregoing taking place on or before the Plan Effective Date, other than claims or liabilities arising out of or relating to any act or omission of a Released Party that constitutes actual fraud, gross negligence or willful misconduct, each solely to the extent as determined by a Final Order of a court of competent jurisdiction, provided that, notwithstanding the foregoing or any other provision hereof, the Consenting Creditor Preserved Claims and the Sponsor Preserved Claims are expressly preserved and not released or in any way affected or prejudiced hereby. For the avoidance of doubt and without limiting the scope of the foregoing, the Released Claims shall include all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever that arise from or relate to, in whole or in part, any claim to characterize any of the Shawville Leases as anything other than a true lease of real property or the Shawville Lease Documents and any transaction related thereto as anything other than a true sale transaction and a true lease transaction, and any claim by any party to characterize any Shawville Lease as anything other than a true lease of real property at any time including in any future bankruptcy or any other context, and any other claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities that are inconsistent with the statement below:

The Shawville Leases are true leases and Debtors or Reorganized Debtors, as applicable, agree not to commence or continue any claim or cause of action, or otherwise take any position in any judicial proceeding, administrative proceeding, or other proceeding, the Bankruptcy Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere, in each case that is in any way inconsistent with the position that each Shawville Lease is a true lease.

Notwithstanding anything to the contrary in the foregoing, the releases set forth above do not release any post-Plan Effective Date obligations of any party or Entity under the Plan, the Confirmation Order, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement the Plan, including the Exit Facility and the Takeback Debt, or any Claim or obligation arising under the Plan. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the third-party releases, which includes by reference each of the related provisions and definitions contained in the Plan, and, further, shall constitute the Bankruptcy Court's finding that the third-party releases are: (a) consensual; (b) essential to the confirmation of the Plan; (c) given in exchange for the good and valuable consideration provided by the Released Parties; (d) a good faith settlement and compromise of the Claims released by the third-party releases; (e) in the best interests of the Debtors and their estates; (f) fair, equitable, and reasonable; (g) given and made after due notice and opportunity for hearing; and (h) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the third-party releases.

EXHIBIT C

BidCo Term Sheet

Execution Version

BidCo Term Sheet

This BidCo Term Sheet ("BidCo Term Sheet") presents certain material terms applicable to a Sale Transaction contemplated by that certain Restructuring Support Agreement, dated January 24, 2023 (as amended, supplemented, or otherwise modified from time to time, the "RSA"), by and among GenOn, the Financial Sponsor, the Consenting Creditors, and the Company Parties (each as defined in the RSA). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the RSA or the Term Sheet appended thereto, as applicable. In the event of any inconsistency between the RSA (without reference to this BidCo Term Sheet) and this BidCo Term Sheet, the RSA shall govern.

Overview	BidCo shall be a special purpose vehicle established for the benefit of the holders of First Lien Claims to be formed by the Collateral Agent at the direction of the Required Secured Parties (as defined in the Intercreditor Agreement). Contemporaneous with the formation of BidCo by the Collateral Agent, the Consenting Creditors will direct BidCo (or direct the Collateral Agent to direct Bidco, as applicable) to enter into an agreement (the "BidCo Agreement") that includes the terms of this BidCo Term Sheet and is otherwise consistent with the terms of the RSA, including the consent and approval rights set forth therein (such direction, the "Initial Direction"). The Consenting Creditors covenant and agree that, prior to any termination of the RSA, they (i) will not, and they will direct the Collateral Agent not to, authorize a credit bid or other purchase of Heritage assets that results in a transfer of such assets to a person or vehicle other than BidCo or its direct or indirect wholly owned subsidiaries (collectively, the "BidCo Subsidiaries") and (ii) will not authorize such purchase unless and until BidCo has executed the BidCo Agreement (together with the Initial Direction, the "Consenting Creditor Obligations"). The Consenting Creditors shall indemnify the Agents pursuant to an indemnity with the same scope as the indemnity previously provided under the Credit Agreement or any other applicable Loan Document (but shall not be required to provide any additional indemnity to the Agents), shall have no obligations or liability in relation to BidCo or the BidCo Agreement other than the Consenting Creditor Obligations, and shall have no liability to any person or Entity to the extent that any Agent declines to accept any direction or acts without direction. The Consenting Creditors shall not be required to contribute any Claims or Interests to BidCo.
Payment of the GenOn BidCo Facility Payment	The GenOn BidCo Facility Payment shall be paid by BidCo to GenOn no later than three (3) business days after the consummation of the sale of material assets of the Debtors to BidCo (including any sale that constitutes the "Sale Transaction" under the RSA). GenOn shall provide, at least three (3) Business Days prior to the Sale Consummation Date, a notice specifying the aggregate amount of the asserted GenOn Transition and Releases Fee alongside a reasonably detailed calculation of the GenOn Transition and Releases Fee utilizing the categories set forth in the definition thereof.
Priority of the GenOn BidCo Facility Payment	The GenOn BidCo Facility Payment shall be paid by BidCo to GenOn before any holder of First Lien Claims receives any distribution from BidCo and before the funding of the Litigation Trust.
Guaranty	Prior to or contemporaneously with the consummation of the Sale Transaction pursuant to the Credit Bid, BidCo shall cause each of the BidCo Subsidiaries to jointly and severally guarantee the obligations of BidCo under the BidCo Agreement.

BidCo Covenants	BidCo shall covenant and agree under the BidCo Agreement that: (a) it will do or cause to be done all things reasonably necessary to preserve, renew and keep in full force and effect its valid legal existence; (b) any bid or offer to purchase Heritage's assets by BidCo will require (A) contemporaneously with the Sale Consummation Date, to the extent the New Castle HRCO does not terminate, accelerate, or liquidate prior to such date, the assumption and assignment of the New Castle HRCO Documents and the entry into either the New Castle HRCO Amendment or, if Tenaska does not consent to such amendment, the entry into the New Castle Contribution Agreement in connection therewith, (B) effective on the Sale Consummation Date, the assumption and assignment of the Shawville Lease Documents and the entry into the Shawville Lease Documents Amendments in connection therewith, and (C) that the bid or offer otherwise be in compliance with the terms of the RSA; and (c) after the consummation of the Sale Transaction pursuant to the Credit Bid, it will: (i) enter into an agreement to reimburse GenOn for all L/C Reimbursement Payments arising on or after the Sale Consummation Date (if any), on terms reasonably acceptable to GenOn, BidCo, and the Required Consenting Creditors; (ii) enter into the New Castle HRCO Amendment or, alternatively, the New Castle Contribution Agreement, subject to the terms and conditions set forth in the Term Sheet and the RSA; (iii) direct the applicable Heritage Entities or their designees to assume certain collective bargaining agreements of GenOn (other than any obligations regarding pensions or OPEB thereunder) and receive the transfer of certain plant level GenOn employees from GenOn in accordance with the Transition Services Agreement and the RSA; and (iv) provide, and direct each BidCo Subsidiary to provide, the releases and stipulations in the form attached hereto as Exhibit A (the immediately preceding clauses (i)-(iv), the "Post-Closing Conditions").
Termination	The BidCo Agreement and the obligations of all Parties hereunder may be terminated by mutual written agreement of each of GenOn, Financial Sponsor, BidCo and the Required Consenting Creditors. The BidCo Agreement shall terminate automatically upon the earliest to occur of (i) the payment of the GenOn BidCo Facility Payment by BidCo to GenOn and the satisfaction or waiver by GenOn of the Post-Closing Conditions and (ii) any termination of the RSA by the Required Consenting Creditors or GenOn pursuant to the terms thereof.
Obligations Regarding the Dominion Agreement	In the event that (i) in the course of seeking confirmation of a Plan under the Plan Transaction, (a) the Bankruptcy Court determines that the Dominion Agreement cannot be rejected in accordance with Section 365 of the Bankruptcy Code and (b) the Consenting Stakeholders therefore agree to pursue a Sale Transaction in accordance with the RSA, and (ii) the entry of the Sale Order is denied by the Bankruptcy Court (and such denial of

	the Sale Order is not overturned on appeal (if any appeal is pursued in accordance with Section 7 of the RSA)), the Consenting Creditors, GenOn and Financial Sponsor agree to pursue an Alternative Transaction in the form of a chapter 11 plan (or such other transaction structure if agreed by the Required Consenting Creditors, GenOn and Financial Sponsor) that does not require the rejection of the Dominion Agreement as a condition precedent to the effectiveness of such transaction and is otherwise acceptable to the Company Parties, the Required Consenting Creditors, the Financial Sponsor, and GenOn. For the avoidance of doubt, in such circumstance, the GenOn Transition and Releases Fee shall not in any way be reduced as a result of the additional cost to the Debtors or Reorganized Heritage to the extent they are required or elect to perform under the Dominion Agreement.

Execution Version

Exhibit A

Releases

Defined Terms	
"Sponsor Released Party"	means, each of, and in each case in its capacity as such: (i) GenOn; (ii) the Financial Sponsor; (iii) any current and former Affiliate of GenOn and the Financial Sponsor (excluding the Company Parties); and (iv) each Related Party of each Entity referred to in clause (i) through this clause (iv) (excluding the Company Parties).
"BidCo Releasing Party"	means each of, and in each case in its capacity as such: (i) BidCo; (ii) each BidCo Subsidiary; (iii) to the maximum extent permitted by Law, each current or former Affiliate of each Entity in clause (i) and clause (ii); and (iv) to the maximum extent permitted by Law, each Related Party of each Entity in clause (i) through this clause (iv).
Any other capitalized term	Shall have the meaning ascribed to it in the RSA or the Restructuring Term Sheet, as applicable

Release

In exchange for good and valuable consideration, the adequacy of which is hereby confirmed, on and after the date hereof, each Sponsor Released Party is, and is deemed to be, hereby conclusively, absolutely, unconditionally, irrevocably, and forever released and discharged by each BidCo Releasing Party, in each case on behalf of themselves and their respective successors, assigns, and representatives, from any and all Claims and Causes of Action, whether known or unknown, foreseen or unforeseen, matured or unmatured, existing or hereafter arising, in law, equity, contract, tort, or otherwise, including any derivative claims asserted or assertable on behalf of any of the Debtors, the Reorganized Debtors, or their estates that such Entity would have been legally entitled to assert (whether individually or collectively), based on or relating to, or in any manner arising from, in whole or in part, the Debtors (including the management, ownership or operation thereof), their capital structure, the Debtors' restructuring efforts, the filing of the Chapter 11 Cases, any intercompany transaction between or among a Debtor and another Debtor, the formulation, preparation, dissemination, negotiation, or filing of the RSA, the Definitive Documents, or any Restructuring Transaction, contract, instrument release, or other agreement or document created or entered into in connection with the Definitive Documents or the Restructuring Transactions (including any legal opinion requested by any Entity regarding any transaction, contract, instrument, document or other agreement contemplated by the Plan or the reliance by any Sponsor Released Party on the Plan or the Confirmation Order in lieu of such legal opinion), the pursuit of consummation of the Restructuring Transactions or any other transaction related thereto, the administration and implementation of the Restructuring Transactions (whether as a Plan Transaction, a Sale Transaction, an Alternative Transaction or otherwise), any security of the Debtors or the Reorganized Debtors, the distribution of property under the Plan or any other related agreement, the subject matter of, or the transactions or events giving rise to,

any Claim or Interest that is treated in the Plan, the business or contractual arrangements between any Debtor and any Sponsor Released Party, the assertion or enforcement of rights and remedies against the Debtors, and any and all other payments made, investments undertaken, or value transfers of any kind, in each case that flowed from a Debtor to any Sponsor Released Party, the Shawville Lease Documents, Shawville Transaction, Credit Agreement and the other Loan Documents, the GenOn Participation, the New Castle HRCO and the New Castle HRCO Amendment, Management Services Agreement, the O&M Agreement, the Sponsor EMA Reimbursement Agreement, the Transition Services Agreement and the New Castle Contribution Agreement and any transactions related thereto, or upon any other act or omission, transaction, agreement, event, or other occurrence related or relating to any of the foregoing taking place on or before the date hereof, other than claims or liabilities arising out of or relating to any act or omission of a Sponsor Released Party that constitutes actual fraud, gross negligence or willful misconduct, each solely to the extent as determined by a Final Order of a court of competent jurisdiction, provided that, notwithstanding the foregoing or any other provision hereof, the Consenting Creditor Preserved Claims and the Sponsor Preserved Claims are expressly preserved and not released or in any way affected or prejudiced hereby, nor are any claims or Causes of Action related to the enforcement of this agreement or any Definitive Document. For the avoidance of doubt and without limiting the scope of the foregoing, the Claims and Causes of Action released hereunder shall include all claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities whatsoever that arise from or relate to, in whole or in part, any claim to characterize any of the Shawville Leases as anything other than a true lease of real property or the Shawville Lease Documents and any transaction related thereto as anything other than a true sale transaction and a true lease transaction, and any claim by any party to characterize any Shawville Lease as anything other than a true lease of real property at any time including in any future bankruptcy or any other context, and any other claims, interests, obligations, rights, suits, damages, causes of action, remedies, and liabilities that are inconsistent with the statement below:

The Shawville Leases are true leases and the BidCo Releasing Parties, as applicable, agree not to commence or continue any claim or cause of action, or otherwise take any position in any judicial proceeding, administrative proceeding, or other proceeding, the Bankruptcy Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere, in each case that is in any way inconsistent with the position that each Shawville Lease is a true lease.

EXHIBIT D

Form of Joinder

JOINDER

With respect to the Restructuring Support Agreement, dated as of [•], as the same has been or may be hereafter amended, restated, or otherwise modified from time to time in accordance with the provisions thereof (the "**Agreement**"), the undersigned (the "**Joinder Party**"):

(1) becomes and shall be treated for all purposes under the Agreement as a Consenting Creditor with respect to (i) all Company Claims/Interests that the Joinder Party holds and (ii) the Transferred Company Claims/Interests (if applicable) to the same extent the transferor was bound by the Agreement;

(2) agrees to be subject to and bound by all of the terms of the Agreement, a copy of which is attached to this Joinder as **Annex 1** (as such terms may be amended from time to time in accordance with the terms thereof) and by the vote of the transferor with respect to any Transferred Company Claims/Interests (subject to the terms of the Agreement), if the transferor of the Company Claims/Interests voted on the Plan before the effectiveness of the Transfer of the Company Claims/Interests to be Transferred in connection with the execution of this Joinder;

(3) agrees to be subject to and bound by the Claims Preservation Agreement (as may be amended from time to time in accordance with its terms) and be treated for all purposes under that agreement as a "Participating Lender" as defined therein;

(4) agrees to be subject to and bound by the Claims Preservation Agreement (as may be amended from time to time in accordance with its terms) and be treated for all purposes under that agreement as a "Participating Lender" as defined therein; and

(5) is deemed, without further action, to make to the other Parties as of the date hereof the representations and warranties that the Consenting Creditors make in Section 9 and Section 10 of the Agreement.

The Joinder shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to any conflicts of law provisions which would require the application of the law of any other jurisdiction.

Capitalized terms used in this Joinder but not otherwise defined shall have the respective meanings set forth in the Agreement. The Agreement shall control over any provision in this Joinder that is inconsistent with the Agreement.

Date Executed:

_____

Name:
Title:

Address:

E-mail address(es):

Aggregate Amounts Beneficially Owned or Managed on Account of:	
Loan Claims	

Exhibit B

Corporate Organizational Chart

Heritage Portfolio Org Chart

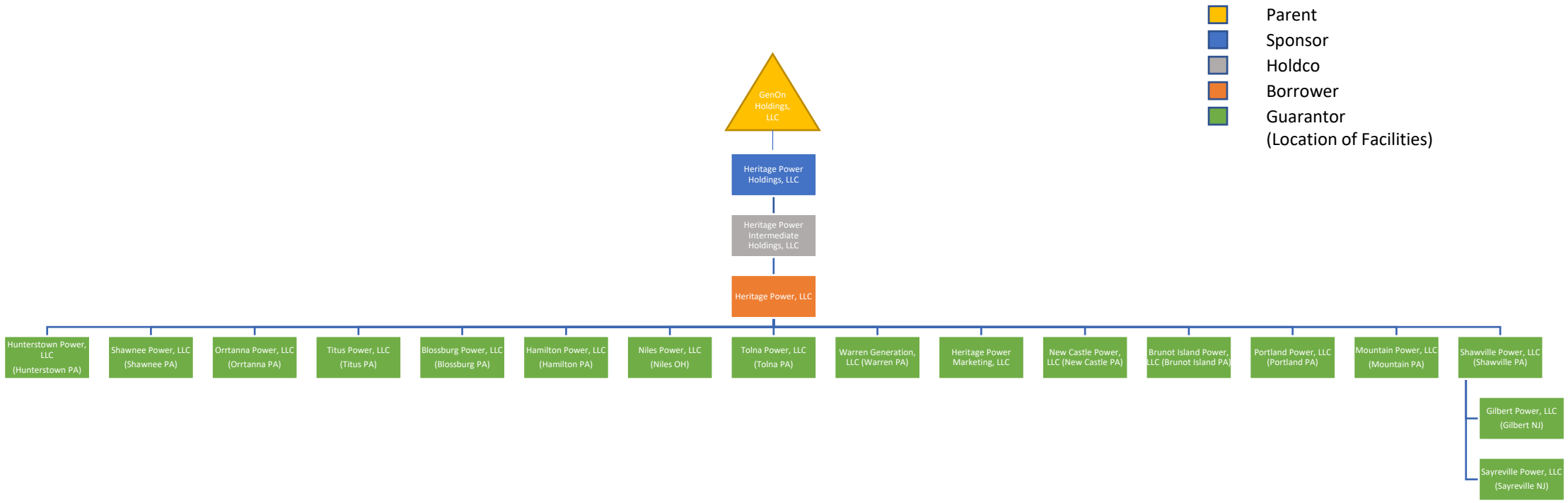

Exhibit C

Evidentiary Support for First Day Motions

Evidentiary Support for First Day Motions

I, David Freysinger, have reviewed each of the First Day Motions, which are described below. If asked to testify as to the facts supporting each of the First Day Motions, I would testify as set forth in this Declaration that this exhibit is attached to and, additionally as set forth below.[1]

Procedural Motions

1. The Debtors have filed several administrative or procedural First Day Motions. I understand that the procedural First Day Motions relate to the administration of the Chapter 11 Cases and compliance with certain laws, rules, and procedures but generally do not involve any substantive relief.

A. Joint Administration Motion

2. The Debtors have filed an administrative or procedural First Day Motion requesting joint administration of the Chapter 11 Cases for procedural purposes only. Given the integrated nature of the Debtors' operations, joint administration of the Chapter 11 Cases will provide significant administrative convenience without harming the substantive rights of any party in interest. Many of the motions, hearings, and orders in the Chapter 11 Cases will affect each Debtor entity. Entry of the order directing joint administration of the Chapter 11 Cases will reduce fees and costs by avoiding duplicative filings. Joint administration will also allow the U.S. Trustee and all parties in interest to monitor the Chapter 11 Cases with greater ease and efficiency. Moreover, joint administration will not adversely affect the Debtors' respective constituencies because the Joint Administration Motion seeks only administrative, not substantive, consolidation of the Debtors' estates. Parties in interest will not be harmed by the relief requested; instead, parties in

[1] Capitalized terms used but not immediately or previously defined shall have the meanings assigned to them below.

interest will benefit from the cost reductions associated with the joint administration of the Chapter 11 Cases.

3. I believe that the relief requested in the Joint Administration Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest and will facilitate the Debtors' ability to operate their businesses in Chapter 11 without disruption. Moreover, immediate relief is necessary given the number of filings that would be required for each Debtor absent immediate relief.

B. Creditor Matrix Motion

4. The Debtors have filed an administrative or procedural First Day Motion requesting that the Court enter an order (i) authorizing the Debtors to file a consolidated creditor matrix and list of the 30 largest general unsecured creditors in lieu of submitting separate mailing matrices and creditor lists for each Debtor; (ii) authorizing the Debtors to redact certain personal identification information; (iii) approving the form and manner of notice of commencement of these chapter 11 cases and the scheduling of the meeting of creditors under section 341 of the Bankruptcy Code; and (iv) granting related relief.

5. Permitting the Debtors to maintain one consolidated list of creditors (the "Creditor Matrix"), in lieu of each Debtor filing a creditor matrix, is warranted under the circumstances of these cases. Because the Debtors have a significant number of creditors and other parties in interest, converting the Debtors' computerized information to a format compatible with the matrix requirements would be a burdensome task and would greatly increase the risk of error with respect to information already on computer systems maintained by the Debtors or their agents.

6. Compiling separate top twenty (20) creditor lists for each individual Debtor would consume a substantial amount of the Debtors' time and resources. Further, the Debtors believe a

single, consolidated list of the Debtors' 30 largest unsecured, non-insider creditors (the "Top 30 List") will aid the U.S. Trustee in its efforts to communicate with these creditors. Accordingly, filing only the Top 30 List is appropriate in these Chapter 11 Cases.

7. The Creditor Matrix and the Debtors' schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases, and statements of financial affairs (collectively, the "Schedules and Statements") may contain the identity and home addresses of individual creditors, including directors and officers, and other parties in interest; such information can be used to perpetrate identity theft or locate survivors of domestic violence, harassment, or stalking. The Debtors, therefore, propose to provide an unredacted version of the Creditor Matrix, Schedules and Statements, and any other applicable filings redacted pursuant to the proposed order to (a) the Court, (b) the United States Trustee for the Southern District of Texas (the "U.S. Trustee"), (c) counsel to any official committee of unsecured creditors that is appointed in these Chapter 11 Cases, and (d) any party in interest, upon a request to the Debtors (email being sufficient) or to the Court that is reasonably related to the Chapter 11 Cases.

8. The Debtors believe that using Epiq Corporate Restructuring, LLC ("Epiq") to undertake all mailings directed by the Court or the U.S. Trustee, or as required by any applicable law or rules to any applicable parties will maximize efficiency in administering the Chapter 11 Cases and will ease administrative burdens that would otherwise fall upon the Court and the U.S. Trustee. Additionally, Epiq will assist the Debtors in preparing creditor lists and mailing initial notices; therefore, there are efficiencies in authorizing Epiq to mail the notice of commencement of the Chapter 11 Cases. Accordingly, the Debtors respectfully submit that Kroll should undertake such mailings.

9. I believe that the relief requested in the Creditor Matrix Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest and will facilitate the Debtors' ability to operate their businesses in Chapter 11 without disruption. Moreover, immediate relief is necessary given the number of notices that will be required to be sent to numerous creditors and parties in interest in the early days of the Chapter 11 Cases.

C. Notice and Claims Agent Application

10. The Debtors seek entry of an order (a) appointing Epiq as the claims and noticing agent in the Chapter 11 Cases effective as of the Petition Date, including assuming full responsibility for the distribution of notices and the maintenance, processing, and docketing of proofs of claim filed in the Debtors' Chapter 11 Cases and (b) granting related relief. Although the Debtors have not yet filed the Schedules and Statements, the Debtors anticipate that there will be a significant number of parties to be noticed in the Chapter 11 Cases.

11. Given the number of anticipated claimants and the complexity of the Debtors' business, the Debtors submit that the appointment of Epiq as Claims and Noticing Agent is in the best interest of the Debtors' estates and their creditors, because the distribution of notices and the processing of claims will be expedited, and the Clerk's Office will be relieved of the administrative burden of processing what may be an overwhelming number of claims.

12. I believe that the appointment of Epiq as the claims and noticing agent in the Chapter 11 Cases is in the best interest of the Debtors' estates, their creditors, and all other parties in interest and will facilitate the Debtors' ability to operate their businesses in Chapter 11 without disruption. The Debtors selected Epiq as the claims and noticing agent in the Chapter 11 Cases only after first soliciting and reviewing engagement proposals from several other reputable claims and noticing agents to ensure selection through a competitive process. I believe that, based on all

engagement proposals obtained and reviewed by the Debtors, Epiq's rates are reasonable given Epiq's quality of services and expertise. Further, immediate relief is necessary given the number of notices that will be required to be sent to numerous creditors and parties in interest in the early days of the Chapter 11 Cases.

D. Schedules and Statements Extension Motion

13. Pursuant to the Schedules and Statements Extension Motion, the Debtors seek entry of an order extending the deadline by which the Debtors must file the Schedules and Statements by an additional 45 days to and including March, 22, 2023, for a total of 59 days from the Petition Date, without prejudice to the Debtors' ability to request additional extensions.

14. Although the Debtors have commenced the task of gathering the information necessary for preparing and finalizing the Schedules and Statements, given the sheer volume of such information, coupled with the size and complexity of the Debtors' business, and the critical matters that the Debtors' management and professionals were required to address prior to the commencement of the Chapter 11 Cases, the Debtors were not in a position to complete the Schedules and Statements as of the Petition Date. Additionally, I do not believe the Debtors will be able to properly and accurately complete the Schedules and Statements within 14 days of the Petition Date. The additional time will enable the Debtors to work with their financial advisors, attorneys, and, to the extent necessary, the U.S. Trustee to ensure the Schedules and Statements are complete and accurate when filed.

15. I believe that the relief requested in the Schedules and Statements Extension Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest and will facilitate the Debtors' ability to operate their businesses in Chapter 11 without disruption.

Moreover, immediate relief is necessary given the quickly approaching deadline for the Debtors to file the Schedules and Statements under the applicable rules.

Operational Motions

16. The Debtors also filed several substantive First Day Motions. I understand that the substantive First Day Motions relate to the Debtors' ability to operate their business as a Chapter 11 debtors-in-possession while complying with certain laws, rules, and procedures.

E. Cash Management Motion

17. In the Cash Management Motion, the Debtors seek entry of an order (a) authorizing the Debtors to: (i) continue to use their centralized cash management system (the "Cash Management System"), which is shown in the diagram attached to the Cash Management Motion as Exhibit C; (ii) maintain the Debtors' existing fourteen bank accounts (collectively, the "Bank Accounts") identified on the list attached to the Cash Management Motion as Exhibit D; (iii) allow the Energy Manager to continue to manage the Energy Manager Controlled Account including effecting setoffs in accordance with prepetition practices in the ordinary course of business; (iv) continue to use existing Business Forms; (v) in their discretion, (A) pay any Bank Fees, and (B) close or otherwise modify the terms of certain of the Bank Accounts and open new debtor in possession accounts as may be necessary to facilitate these Chapter 11 Cases and operations, or as may otherwise be necessary to comply with the requirements of any order entered in the Chapter 11 Cases; and (vi) deposit funds in and withdraw funds from all Bank Accounts, including, but not limited to, checks, wire transfers, automated clearinghouse transfers, electronic funds transfers, and other debits and to treat the Bank Accounts for all purposes as debtor-in-possession accounts without complying with all of the requirements under the prepetition agreements governing the Cash Management System; and (b) granting related relief.

18. Two of the Bank Accounts are maintained at The Bank of New York Mellon ("BNY Mellon"), and the remaining twelve Bank Accounts are held at MUFG Union Bank, N.A. ("Union Bank" and together with BNY Mellon, the "Banks"). Seven of the Bank Accounts are for specific purposes and generally not used by the Debtors as of the Petition Date. Only four of the remaining seven Bank Accounts have material balances as of the Petition Date.[2]

19. The Debtors implemented the Cash Management System pursuant to the terms of the Prepetition Security Deposit Agreement, which restricts the Debtors' rights to withdraw or transfer funds from such bank accounts, all as more fully described above. Substantially all of the Debtors' operating revenue is generated through the sale of power, capacity and ancillary services to the PJM Market, with such revenues deposited into the Energy Manager Controlled Account at BNY Mellon.

20. Once the Debtors' funds are released and transferred from the Energy Manager Controlled Account to the Revenue Account, which is described in more detail above, funds in the Revenue Account are transferred to Heritage's deposit account for operations (the "Operating Account"). The Operating Account is used to pay the Debtors' expenses and may be used to transfer funds to Heritage's deposit account for discretionary expenses (the "Discretionary Liquidity Account"). Funds are also transferred pursuant to certain priority provisions in the Security Deposit Agreement (the "Waterfall") from the Revenue Account to: (i) Heritage's deposit account (the "Interest Payment Account"), which is used to make regular interest payments under the Prepetition Loan Documents; (ii) Heritage's deposit account, which is used to make principal payments due and owing under the Prepetition Loan Documents (the "Principal Payment

[2] To the extent Heritage does not currently use certain Bank Accounts, such accounts are maintained because they are required under the Security Deposit Agreement.

Account"); (iii) Heritage's deposit account, which is used to hold funds that can be used to satisfy the Debtors' debt service obligations under the Prepetition Loan Documents (the "Debt Service Reserve Account"); (iv) Heritage's deposit account, which holds funds to be used for certain maintenance purposes (the "Maintenance Reserve Account") and (v) Heritage's deposit account (the "Redemption Account"), which is used for certain required debt prepayments (each prepayment, a "Redemption"). Pursuant to the Waterfall in the Security Deposit Agreement, funds may flow from certain of the other Bank Accounts to the Redemption Account for Redemptions.

21. The Cash Management System ensures the Debtors' ability to monitor and control their cash position effectively and efficiently. The Cash Management System is managed on a day-to-day basis by the financial personnel at the Debtors' offices in Houston, Texas. The Cash Management System provides numerous benefits, including the ability to (a) track and control corporate funds, (b) ensure cash availability and prompt payment of corporate- and vendor-related expenses, and (c) reduce administrative costs by facilitating the efficient movement of funds. All of the Bank Accounts are owned by Heritage to administer the financial transactions of the Debtors' operations based on their prepetition needs. A diagram reflecting the primary flows of the Cash Management System with account-specific information is attached to the Cash Management Motion as Exhibit C.

22. I understand that twelve of the Debtors' fourteen Bank Accounts are maintained at an authorized depository under the Operating Guidelines and Reporting Requirements for Debtors in Possession and Trustees (the "UST Operating Guidelines") published by the Office of the United States Trustee for Region 7 (the "U.S. Trustee"). The total aggregate balance of the Debtors' Bank Accounts held at an authorized depository is approximately $20 million. The total

aggregate balance of the Debtors' Bank Accounts not held at an authorized depository is approximately $32.8 million.

23. In the ordinary course of business, the Banks charge, and the Debtors pay, certain service charges and other fees, costs, and expenses (collectively, the "Bank Fees"). The Bank Fees are *de minimis*. The Debtors request authorization to pay the full amount of the Bank Fees for prepetition transactions that are charged postpetition and to continue to pay the Bank Fees in the ordinary course of business postpetition. The Debtors also request that the Banks be authorized to charge-back returned items to the Bank Accounts, whether such items are dated before, on, or after the Petition Date, in the ordinary course of business and consistent with prior practice.

24. To minimize expenses to their estates and avoid unnecessarily confusing their employees, customers, and suppliers, the Debtors believe it is appropriate to continue to use all correspondence and other business forms (including, without limitation, letterhead, purchase orders, and invoices) (collectively, the "Business Forms") as such forms were in existence immediately before the Petition Date—without reference to the Debtors' status as debtors in possession—rather than requiring the Debtors to incur the expense and delay of ordering entirely new business forms. All checks issued by the Debtors are printed by a third-party processor in the ordinary course of the Debtors' business. Specifically, Heritage submits a request to BNY Mellon who in turn employs a third-party to generate a check for Heritage. With respect to checks, the Debtors, as debtors-in-possession, will direct BNY Mellon that future checks reference the Debtors' status as debtors in possession and bankruptcy case number as soon as it is reasonably practicable to do so, but seek authority to continue using their existing process for issuing checks until such references are incorporated.

25. To enable the Debtors to carry out the relief requested, the Debtors request relief from compliance with certain provisions of the Security Deposit Agreement related to, among other things, the Waterfall and the necessity of submitting a withdrawal certificate to Union Bank for certain transfers of funds (the "Transfer Restrictions") subject to agreement by all of the parties to the Security Deposit Agreement (the "SDA Parties"). The added steps of submitting withdrawal certificates to Union Bank to transfer certain funds is unnecessary given the reporting transparency and additional rights and protective measures available to the SDA Parties during the Chapter 11 Cases. Moreover, the Debtors expect that many of the Bank Accounts are unnecessary to the Debtors' operations during the Chapter 11 Cases. The Debtors also request that the Court authorize the Banks to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession without interruption, in the usual and ordinary course, subject to elimination of the Transfer Restrictions by agreement with the SDA Parties, and to receive, process, honor, and pay any and all checks and drafts drawn on, or electronic transfer requests made on, the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be, in accordance with the orders of this Court.

26. I believe that the relief requested in the Cash Management Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest and will facilitate the Debtors' ability to operate their businesses in Chapter 11 without disruption. Moreover, the Debtors believe an immediate and orderly transition into Chapter 11 is critical to the viability of their operations and that any delay in granting the relief requested could hinder the Debtors' operations.

F. Cash Collateral Motion

27. In the Cash Collateral Motion,[3] the Debtors seek entry of an order: (a) authorizing the Debtors to use the cash collateral of the Prepetition Lenders (the "Cash Collateral"); (b) granting adequate protection to the Secured Parties; (c) scheduling a final hearing to consider entry of a final cash collateral order; and (d) granting related relief.

28. The Debtors require immediate access to Cash Collateral. More specifically, the Debtors, in consultation with their proposed restructuring advisor, Alvarez & Marsal North America, LLC, reviewed and analyzed the Debtors' projected cash needs and prepared a budget outlining the Debtors' postpetition cash needs. The Debtors believe that the Budget, which contains line items for cash flows anticipated to be received and disbursed, is an accurate reflection of their operating requirements over the identified period and the anticipated administrative expenses of the Chapter 11 Cases. The Debtors believe that the Budget is reasonable and appropriate under the circumstances and includes all reasonable, necessary, and foreseeable expenses to be incurred during the period set forth in the Budget. Based on this forecast, the Debtors determined that they would require access to Cash Collateral to provide sufficient liquidity to administer the Debtors' estates during the Chapter 11 Cases.

29. As reflected in the Budget, as of the Petition Date, the Debtors have approximately $27 million in cash on hand, and I understand that none of that cash is unencumbered. Accordingly, the Debtors have no unencumbered cash to support their ordinary course business operations, let alone the added costs of administering the Chapter 11 Cases. The Debtors need such liquidity to, among other things, make payments that are essential or appropriate for the continued management, operation, and preservation of the Debtors' businesses and assets. In

[3] Capitalized terms used in this section and not otherwise defined in the Declaration shall have the meanings ascribed to them in the Cash Collateral Motion.

addition, the Debtors require access to Cash Collateral to fund the costs of the Chapter 11 Cases, as well as their ordinary course working capital needs and capital expenditures. The Debtors' ability to continue making such payments during the Chapter 11 Cases is essential to the Debtors' continued operation and the preservation of their assets during the pendency of these cases.

30. Using Cash Collateral to fund the continued operation of the Debtors' businesses will facilitate the preservation of the Prepetition Collateral while maximizing the value of the Debtors' enterprise to the benefit of all stakeholders. Following arm's-length negotiations, the Debtors and the Secured Parties have agreed upon the terms of the proposed Order attached to the Cash Collateral Motion, including adequate protection to protect the Prepetition Collateral during the pendency of the Chapter 11 Cases. The Debtors anticipate that cash on hand and revenue earned from postpetition operations will be sufficient to fund all payments contemplated by the Debtors' first day motions and the Debtors' postpetition operating and restructuring-related expenses.

31. Absent entry of the Orders, the Debtors would be unable to generate revenue, operate their business, or make payments that are essential or appropriate for the continued management, operation, and preservation of the Debtors' business and assets.

32. In sum, without the immediate relief requested by this motion, the Debtors face a material risk of substantial, irreparable, and ongoing harm because they will likely have to suspend their business operations. Access to Cash Collateral will ensure the Debtors have sufficient funds to preserve and maximize the value of their estates, and responsibly administer the Chapter 11 Cases throughout the period that the Debtors expect will be necessary to implement and effectuate their restructuring.

G. Taxes Motion

33. In the Tax Motion, the Debtors seek the entry of an order: (a) authorizing, but not directing, the Debtors to pay certain taxes, as well as certain other obligations including regulatory fees; (b) authorizing, but not directing, the Debtors to pay any Taxes that arise or accrue in the ordinary course of business on a postpetition basis in each case, solely to the extent that such Taxes become payable in accordance with applicable law; (c) authorizing all banks and other financial institutions to receive, process, honor, and pay checks presented for payment and electronic payment requests relating to the foregoing; and (d) granting related relief.

34. In the ordinary course of business, the Debtors: (a) incur certain tax liabilities, including Sales and Use Taxes, Property Taxes, and Regulatory Assessments and Other Taxes (each as defined below, and collectively, the "Taxes")[4] necessary to operate their business and (b) remit such Taxes to applicable taxing and other regulatory authorities (collectively, the "Authorities").

35. The Debtors pay the Taxes monthly, quarterly or annually to the respective Authorities, in each case as required by applicable laws and regulations. As of the Petition Date, the Debtors believe that they are substantially current in the payment of assessed and undisputed Taxes. Certain Taxes attributable to the prepetition period, however, have accrued and will not come due until after the Petition Date.

36. The Taxes incurred by the Debtors fall into the following general categories:

> Sales and Use Taxes: In the ordinary course of business, the Debtors incur, collect, and remit sales taxes to the Authorities in connection with the Debtors' sale of power and related energy products (the "Sales Taxes"). Sales Taxes are essentially general consumption taxes charged by the Debtors at the point of purchase for certain goods and services, which are usually set by the applicable Authority as a percentage of the price of the goods or services purchased. Additionally, the Debtors incur use taxes in connection

[4] Each of the Debtors are disregarded entities for federal income tax purposes. Accordingly, no relief is being sought related to federal income tax obligations.

with their purchase of inventory, supplies, and goods from vendors that may not operate or be registered to collect taxes in the state where the goods are to be delivered or the services are to be performed and, thus, do not charge the Debtors sales tax in connection with such purchases (the "Use Taxes" and, together with the Sales Taxes, the "Sales and Use Taxes"). The Debtors pay Use Taxes on such purchases to the applicable Authorities. The Debtors' customary practice has been to pay the Sales and Use Taxes based on valuations received from vendors. Based on such valuations, the Debtors remit Sales and Use Taxes when invoices from vendors are received. The Debtors estimate that, as of the Petition Date, the Sales and Use Taxes do not exceed $15,000.00.

Property Taxes: The Debtors pay real and personal property taxes (the "Property Taxes") to certain of the Authorities within those jurisdictions where the Debtors own real property and/or personal property, on certain of their assets, as provided by applicable law. The Debtors remit the Property Taxes to the relevant Authorities on a monthly, quarterly, or annual basis, depending on the jurisdiction. The Debtors estimate that, as of the Petition Date, Property Taxes do not exceed approximately $195,000.00.

Regulatory Assessments and Other Taxes: In the ordinary course of business, the Debtors collect, withhold, or incur certain other taxes, fees, and charges, including, but not limited to, permitting fees, licensing fees, levies, inspection fees, and other miscellaneous fees and taxes (the "Regulatory Assessments and Other Taxes"). The Debtors remit the Regulatory Assessments and Other Taxes to the relevant Authorities on a monthly, quarterly, or annual basis, depending on the jurisdiction. The Debtors believe the Regulatory Assessments and Other Taxes are comprised entirely of current obligations.[5]

37. Many Authorities impose personal liability on directors and/or responsible officers of entities responsible for collecting or paying certain taxes or fees to the extent that such taxes or fees are not remitted, as set forth below. The dedicated and active participation of the Debtors' directors, officers and other employees is not only integral to the Debtors' continued, uninterrupted operations, but also essential to the orderly administration of these Chapter 11 Cases. The threat of a lawsuit or criminal prosecution, and any ensuing liability, would distract the Debtors and their personnel from carrying out their duties in these Chapter 11 Cases to the detriment of all parties in interest. Although the Debtors believe that all Taxes for which the Debtors' directors and/or

[5] A small amount of Regulatory Assessments and Other Taxes that does not exceed $100,000 during the preceding 12-month period are paid using GES employee's P-cards and reimbursed by the Debtors under certain arrangements with GES and certain of its affiliates.

responsible officers may be personally liable are described herein, it is possible that other prepetition obligations similar in nature (and in threat of personal liability) may be uncovered by the Debtors subsequent to the filing of this Motion. To the extent that such prepetition obligations exist, the Debtors will consider such obligations as "Taxes" and are requesting the authority to pay such Taxes as they may arise in the ordinary course of their business.

38. I believe that payment of the prepetition Taxes and Fees is an exercise of sound business judgment and necessary to ensure continued, uninterrupted operation of their businesses and permit a successful reorganization. Nonpayment of these obligations may cause Taxing Authorities to take precipitous action, including, but not limited to, asserting liens or seeking to lift the automatic stay, which would disrupt the Debtors' day-to-day operations and could potentially impose significant costs on the Debtors' estates. Moreover, significant disruptions of the Debtors' operations threaten to irreparably impair the Debtors' ability to conduct a successful reorganization process and thereby maximize the value of the Debtors' estates for the benefit of creditors. Accordingly, I believe that the relief requested in the Tax Motion is immediately necessary to avoid irreparable harm and is in the best interests of the Debtors' estates, creditors, and all other parties in interest.

H. Utilities Motion

39. In the Utilities Motion, the Debtors seek entry of an order: (a) prohibiting the Utility Providers (as defined below) from (i) altering, refusing, or discontinuing utility services to, or discriminating against, the Debtors on account of any outstanding amounts for services rendered prepetition or (ii) drawing upon any existing security deposit, surety bond, or other form of security to secure future payment for utility services; (b) determining that adequate assurance of payment for postpetition utility services has been furnished to the Utility Providers providing services to

the Debtors; and (c) establishing exclusive procedures for resolving future requests by any Utility Provider for additional adequate assurance of payment.

40. In conjunction with the operation of their business, the Debtors receive traditional utility services from various utility providers (each, a "Utility Provider" and collectively, the "Utility Providers") set forth on Exhibit B attached to the Utilities Motion. The Utility Providers provide, among other things, electricity, telecommunications, water, and sewer and other similar services (collectively, the "Utility Services").

41. It is my understanding that the average monthly amount owed to the Utility Companies in the aggregate is approximately $146,756 per month based on the amounts paid by the Debtors in the preceding 12-month period. It is my understanding that the Debtors owe certain amounts to Utility Companies as of the Petition Date for prepetition Utility Services. Due to the timing of the Petition Date in relation to the Utility Companies' billing cycles, certain Utility Services may have been invoiced but not yet paid, and other Utility Services may have been provided but not yet invoiced.

42. Uninterrupted Utility Services are essential to the Debtors' business. If the Utility Companies refuse or discontinue service, even for a brief period, the Debtors' business operations would be severely disrupted. If such disruption occurs, the impact on the Debtors' businesses and revenue would be extremely harmful and would jeopardize the Debtors' reorganization efforts. It is critical that Utility Services continue uninterrupted and that the relief in the Utilities Motion be granted.

43. I anticipate that the Debtors will have sufficient liquidity to allow them to satisfy administrative expenses, and the Debtors intend to pay all obligations owed to the Utility Companies when due in the ordinary course of business. Nevertheless, I understand that certain

provisions of the Bankruptcy Code require the Debtors to provide the Utility Providers with "assurance of payment" to include, among other things, a cash deposit. Accordingly, the Debtors propose to deposit, within 20 days of the Petition Date, an amount equal to the estimated cost for two weeks of Utility Services, calculated based on the historical data for 2021 and 2022 (the "Adequate Assurance Deposit") into one segregated bank account designated for the Adequate Assurance Deposit (the "Adequate Assurance Deposit Account") for the benefit of all Utility Providers. Thereafter, the Debtors propose to adjust the amount in the Adequate Assurance Deposit Account to reflect several factors, including: (a) the termination of Utility Services by the Debtors regardless of any Additional Assurance Requests (as defined below) and (b) agreements reached with Utility Providers. These adjustments will permit the Debtors to maintain the Adequate Assurance Deposit Account with an amount that consistently provides the Utility Providers with a half-month deposit on account of such services.

44. I believe that the Adequate Assurance Deposit and maintenance of the Adequate Assurance Deposit Account, in conjunction with the Debtors' ability to pay for future utility services in the ordinary course of business (together, the "Proposed Adequate Assurance"), provides protection well in excess of that required to grant adequate assurance to the Utility Providers and will, therefore, be sufficient to ensure that Utility Providers are paid in full for postpetition Utility Services. However, if any Utility Provider believes additional assurance is required, it may request such additional adequate assurance (an "Additional Assurance Request") pursuant to the procedures described in the Utilities Motion (the "Adequate Assurance Procedures").

45. I believe that the Adequate Assurance Procedures provide a fair, reasonable, and orderly mechanism for the Utility Providers to seek additional adequate assurance, while temporarily maintaining the status quo for the benefit of all stakeholders.

46. Separate negotiations with each of the Utility Companies would be time-consuming and unnecessarily divert the Debtors' personnel from other critical tasks related to the operation of their business and the restructuring. During the first days of the Chapter 11 Cases, it would be difficult, costly, and would divert the Debtors' limited personnel resources to engage in separate negotiations with each Utility Company. If individual negotiations were required and the Debtors were to fail to reach early agreements with each Utility Company, the Debtors would likely have to file further motions seeking expedited determinations as to adequate assurance or risk service termination.

47. Based on the foregoing reasons, I believe that the relief requested in the Utilities Motion is immediately necessary to avoid irreparable harm and is in the best interests of the Debtors' estates, creditors, and all other parties in interest. Moreover, the Debtors believe an immediate and orderly transition into Chapter 11 is critical to the viability of their operations and that any delay in granting the relief requested could hinder the Debtors' operations.

I. Hedging Motion

48. In the Hedging Motion, the Debtors seek entry of an order: (a) authorizing, but not directing, the Debtors to (i) continue the Prepetition Hedging Practices (as defined below), (ii) commence Postpetition Hedging Practices (as defined below), (iii) grant Superpriority Claims and Hedging Liens (each as defined below) and permit pledging of Postpetition Hedging Collateral (as defined below) to secure the Postpetition Hedging Obligations (each as defined below), and (iv) pay Prepetition Hedging Obligations (as defined below), whether they arose prepetition or

postpetition, in the ordinary course of business; (b) modifying the automatic stay; and (c) granting related relief.

49. The Debtors' revenue and operations are exposed to the prevailing market prices of power, natural gas, emissions, and fuel oil. To ensure surety of cash flow, the Debtors engage in hedging arrangements to mitigate the effects of price volatility typically using HRCOs (the "Hedging Arrangements"). The Debtors also participate in auctions for the purchase and sale of the FTRs (such FTRs executed before the Petition Date, the "Prepetition FTRs"). The Debtors have also considered engaging in, and in some instances have engaged in, other customary commercial hedging activities, including, but not limited to, spark spread hedging, bilateral swap agreements, power basis swaps, buying and selling emissions allowances, and entering into hedges for fuel oil and natural gas prices (collectively, "Other Hedging Practices," and together with the Hedging Arrangements and FTRs, the "Prepetition Hedging Practices").[6] The Debtors primarily conducted their Prepetition Hedging Practices through HPM and the Energy Manager. I believe the Debtors are current on their obligations to the counterparties other than J. Aron (the "Prepetition Hedging Counterparties") under the Prepetition Hedging Practices (the "Prepetition Hedging Obligations").[7]

50. Hedging in the power industry generally involves the utilization of various types of contracts and agreements to limit exposure to volatility in the prices of power and certain commodities. These financial and physical hedges, upon settlement, can normalize a company's future cash flows. For the volume of production that remains unhedged, a company will bear the

[6] The Debtors were not engaged in the Other Hedging Practices as of the Petition Date but are seeking authority to engage in the Other Hedging Practices on a postpetition basis as they deem prudent in their business judgment.

[7] The Debtors are seeking authority to reject the Shawville HRCO and the Shawville ISDA; therefore, the Debtors are not seeking to continue the Prepetition Hedging Arrangement with J. Aron pursuant to the Hedging Motion.

impact of price fluctuations. Importantly, because hedging agreements expire after a specified period of time, no company can hedge all of its production indefinitely. Instead, as hedges roll off, a company must decide whether to enter into new hedges under prevailing market conditions. Companies can also negotiate extensions to certain hedges on an ongoing basis.

51. The Debtors' Prepetition Hedging Practices consisted primarily of HRCOs that the Debtors can use to protect against fluctuations in power prices and production costs, including natural gas as fuel, for their power generation (the "Prepetition Hedging Arrangements"). These Prepetition Hedging Arrangements take the form of contracts with unaffiliated third parties, including the Energy Manager. The Prepetition Hedging Arrangements are typically settled monthly during the term of the applicable arrangement for the prior monthly period. The Debtors are not aware of any outstanding Prepetition Hedging Obligations owed to the Energy Manager. The Energy Manager, however, may have Prepetition Hedging Obligations that have not yet been calculated or settled, and the Energy Manager would otherwise be entitled to calculate, settle and setoff in the ordinary course.

52. HRCOs can be structured to hedge the price of power at centralized hubs. This arrangement still leaves the Debtors exposed to pricing at actual plant nodal delivery points. To hedge at the delivery points, the Debtors participate in auctions for the purchase and sale of the FTRs. FTRs are financial contracts that entitle the holder to a stream of revenues or charges based on the hourly congestion price differences across a transmission path in PJM's day-ahead market. PJM has credit requirements for market participants to reduce the risk of default. To participate in PJM's markets for the auctions of financial transmission rights and other related products, the Debtors may be required to provide cash collateral and/or letters of credit in an aggregate amount to cover the Debtors' potential exposure for non-payment associated with its activities. The

Debtors participate in the PJM FTR auctions through the Energy Manager. Currently, the Prepetition FTRs are in place for a certain amount of the Debtors' generation for January, February, March, April and May of 2023.[8]

53. Power producers also engage in Other Hedging Practices to address risk and uncertainty of cash flows, such as spark spread hedging, bilateral swap agreements, power basis swaps, buying and selling emissions allowances, and entering into hedges for fuel oil, natural gas prices and other commercial hedging activities. The ability and desirability of such Other Hedging Practices is dependent on a variety of factors related to macro-economic trends in the industry and specific strategies and circumstances of the company. While the Debtors may not currently be parties to these types of transactions, the Debtors have considered and may consider undertaking such transactions in the ordinary course of their operations. The Other Hedging Practices will be undertaken to mitigate the effects of price volatility in furtherance of ensuring cash flow stability, and not for the purpose of speculation.

54. The Debtors have decided to continue their Prepetition Hedging Practices on a postpetition basis to mitigate commercial risk to their business, including engaging in Other Hedging Practices (collectively, the "Postpetition Hedging Practices," and collectively with the Prepetition Hedging Practices, the "Hedging Practices"). In particular, the Debtors propose to conduct the Postpetition Hedging Practices generally consistent with their prepetition practices with the Prepetition Hedging Counterparties, participate in FTR auctions conducted by PJM, and enter into new Hedging Arrangements with additional parties in the ordinary course of business (collectively, the "Postpetition Hedging Counterparties," and together with the Prepetition

[8] The Energy Manager holds approximately $250,000 of the Debtors' cash as credit support for these FTRs.

Hedging Counterparty, the "Hedging Counterparties") on terms to be mutually agreed between the Debtors and the Postpetition Hedging Counterparties.

55. The Debtors are seeking authority (but not direction) to ensure payment of the obligations under the Postpetition Hedging Practices (the "Postpetition Hedging Obligations," and collectively, with the Prepetition Hedging Obligations, the "Hedging Obligations"), including payments and posting of cash, by:

- providing the Postpetition Hedging Counterparties superpriority administrative claims on account of the Postpetition Hedging Obligations under section 364(c)(1) of the Bankruptcy Code (the "Superpriority Claims")
- granting the Postpetition Hedging Counterparties liens in the Debtors' assets securing the Postpetition Hedging Obligations (the "Hedging Liens"); and
- seeking authority to pledge additional collateral to Postpetition Hedging Counterparties, as applicable, in the ordinary course of business (the "Postpetition Hedging Collateral").

56. Subject to any other motions filed, the Debtors intend to generally honor their obligations under the Prepetition Hedging Practices.[9] The Debtors are concerned, however, that because certain of the Hedging Counterparties may believe they are entitled to certain safe-harbor provisions with respect to the automatic stay (described in more detail below), these Hedging Counterparties may seek to terminate arrangements and contracts entered into as part of the Prepetition Hedging Practices or take other adverse actions against the Debtors or their non-Debtor affiliates. The Debtors intend through the Hedging Motion to provide assurances to the Hedging Counterparties that the Debtors may continue activity without further order from the Court. Accordingly, I believe that the relief requested in the Hedging Motion is in the best interest of the

[9] For the avoidance of doubt, the Debtors are not seeking authority to continue to perform under the Prepetition Hedging Arrangement with J. Aron.

Debtors' estates, their creditors, and all other parties in interest and will facilitate the Debtors' ability to operate their businesses in Chapter 11 without disruption.

J. Lien and 503(b)(9) Claims Motion

57. The Debtors seek entry of interim and final orders: (a) authorizing the Debtors to pay prepetition amounts on a postpetition basis in the ordinary course of business on account of Lien Claims and 503(b)(9) Claims (each as defined herein and collectively, the "Prepetition Trade Claims");[10] (b) confirming the administrative expense priority status and allowed administrative treatment of the Debtors' outstanding orders and undisputed obligations for the postpetition delivery and performance of goods and services and authorizing payment of such obligations in the ordinary course of business; and (c) granting related relief. The Debtors do not seek to accelerate payment of amounts that would not otherwise come due in the ordinary course of business.

58. In the ordinary course of business, the Debtors routinely engage third parties such as contractors, repair technicians, suppliers, and other service providers to provide materials and/or services (collectively, the "Materials and Services") to the Debtors for their business operations.

59. The Debtors routinely engage third parties (the "Lien Claimants"), including contractors, repair technicians, suppliers, and other service providers to provide the Materials and Services to the Debtors in the ordinary course of business including, among other things: (i) storage and/or transportation of certain materials, and (ii) maintenance of and parts for the Plants. I understand from the Debtors' attorneys that failure to timely pay amounts owed to the Lien Claimants (the "Lien Claims") could result in, among other things, Lien Claimants asserting and

[10] Notwithstanding anything herein to the contrary, no claims related to taxes owed by or utilities provided to the Debtors are included in the Prepetition Trade Claims or any relief sought in this Motion. The Debtors have contemporaneously filed other motions seeking relief related to taxes owed by or utilities provided to the Debtors.

perfecting liens, including mechanic's liens, construction liens, and other similar liens, against certain of the Debtors' assets under applicable state law, which could disrupt the Debtors' ordinary-course operations.

60. The Debtors have received certain goods or materials from various vendors within the 20 days before the Petition Date (the "503(b)(9) Claimants" and together with the Lien Claimants, the "Prepetition Trade Claimants" and each a "Prepetition Trade Claimant")). I understand from the Debtors' attorneys that the 503(b)(9) Claimants must be paid in full for the Debtors to confirm a Chapter 11 plan.

61. The Debtors require timely, and sometimes immediate, access to the Materials and Services provided by certain of the Lien Claimants while operating, maintaining, or repairing the Facilities. In some instances, certain of the Lien Claimants may be the sole suppliers of a particular good or service that is vital to the Debtors' business. Accordingly, the Debtors are highly dependent on maintaining ongoing relationships with such vendors and service providers to ensure the continuity of their operations and to avoid the risk of material harm to their businesses.

62. The Debtors also regularly hire certain of the Lien Claimants to make improvements and repairs to their properties and certain equipment used in the Debtors' operations. Such properties and equipment include the Plants themselves as well as highly technical and specialized equipment, the operation of which is an integral component of the Debtors' ongoing businesses. Simply put, countless aspects of the Debtors' operations depend on continuing business relationships with, and services provided by, the Lien Claimants

63. In the 12 months preceding the Petition Date, the Debtors paid approximately $20,800,000 to the Lien Claimants. As of the Petition Date, the Debtors estimate that they owe

approximately $1,430,000 on account of Materials and Services provided by the Lien Claimants,[11] approximately $840,000 of which will become due and owing within the first 21 days of these Chapter 11 Cases.

64. Certain of the Debtors' relationships with the 503(b)(9) Claimants are not governed by enforceable long-term contracts, because the Debtors often obtain supplies on an order-by-order basis. Accordingly, I understand from the Debtors' attorneys that a 503(b)(9) Claimant may refuse to supply new orders without payment of its prepetition claims or might reduce existing trade credit—or demand payment in cash on delivery—further exacerbating the Debtors' limited liquidity.

65. As of the Petition Date, the Debtors owe approximately $780,000 on account of goods delivered within the 20 days prior to the Petition Date, the value of which may be entitled to administrative priority under section 503(b)(9) of the Bankruptcy Code, most of which will become due and owing in the early days of the Chapter 11 Cases.

66. Before the Petition Date, the Debtors may have ordered Materials and Services that will not be delivered until after the Petition Date (the "Outstanding Orders"). I understand from the Debtors' attorneys that to avoid becoming general unsecured creditors of the Debtors' estates with respect to such goods, certain suppliers may refuse to ship or transport such goods (or may recall such shipments) with respect to such Outstanding Orders unless the Debtors issue substitute purchase orders postpetition.

67. In light of the above, the Debtors seek entry of interim and final orders granting them authority to make payments, in their sole discretion and business judgment, to the Prepetition Trade Claims in an amount not to exceed an aggregate amount of $1,560,000 on an interim basis

[11] The estimated amounts owed as of Petition Date exclude those amounts that are included below for 503(b)(9) Claimants (as defined below) that would otherwise qualify as Lien Claims.

and $2,210,000 on a final basis, which amounts represent the Debtors' best estimates as to what amounts must be paid to continue an uninterrupted supply of the Materials and Services. The Debtors further request that the Court grant the Debtors the authority to allocate the foregoing amounts at their discretion, without prejudice to seek additional relief, and to condition payment on the receipt of goods and services consistent with Customary Trade Terms that align with the parties' ordinary course practice or as otherwise agreed by the Debtors in their reasonable business judgment.

68. I believe that the relief requested in the Critical Vendors Motion is in the best interest of the Debtors' estates, their creditors, and all other parties in interest and will facilitate the Debtors' ability to operate their businesses in chapter 11 without disruption. Moreover, the Debtors believe an immediate and orderly transition into Chapter 11 is critical to the viability of their operations and that any delay in granting the relief requested could hinder the Debtors' operations.

K. TSA Motion

69. In the TSA Motion, the Debtors seek entry of an order: (a) authorizing, but not directing, the Debtors to perform their obligations under the TSA, including paying all amounts that will become due and owing under the TSA in the ordinary course of business during these Chapter 11 Cases, and (b) granting related relief.

70. In the ordinary course of business, the Debtors receive significant managerial, operational, and administrative services from GES, which are critical to the Debtors' business operations. The Debtors do not employ their own workforce to perform such services. Instead, pursuant to the TSA (and historically under the Shared Services Agreements), GES and its employees perform services that the Debtors are currently incapable of performing on their own,

including without limitation the services outlined in the Services Schedule attached to the TSA. The Debtors heavily rely on their receipt of the Shared Services, and the Debtors would be incapable of running their business operations if such services were discontinued. Accordingly, the Debtors' continued receipt of services pursuant to the TSA is critical to maintaining the Debtors' business operations following the commencement of the Chapter 11 Cases, maximizing the value of the Debtors' estates for the benefit of all stakeholders, and ensure a smooth transition of the Debtors to new ownership in accordance with the terms of the RSA.

71. I believe the Debtors' performance under the TSA is an exercise of sound business judgment because the TSA is critical to the Debtors' ongoing management and operations and are thus necessary for the Debtors to continue operating their businesses during the pendency of these Chapter 11 Cases as they pursue confirmation of a plan of reorganization.

72. I believe that GES is the contractor most qualified to provide Shared Services to the Debtors because, among other things, GES has several years of experience providing such services to the Debtors. The TSA was negotiated at arms' length and in good faith as part of the overall restructuring agreement reflected in the RSA, and the consideration due to GES thereunder is economically advantageous to the Debtors in light of the scope of the services provided.

73. The Debtors do not have a workforce capable of providing Shared Services, which is also why the Transition Services are necessary. Thus, I believe that replacing GES as manager and operator of the Debtors' businesses would be costly and would not result in additional value to the estates. Rather, the time and money the Debtors and their advisors would necessarily spend negotiating new contracts for a third party to provide Shared Services would be detrimental to the estates by distracting key personnel of the Debtors from other matters requiring their attention. Further, it is unlikely that any third party capable of providing Shared Services to the Debtors is

as qualified as GES, and negotiating new contracts for a third party to provide such services is not guaranteed to result in a lower cost to the estates. Accordingly, I believe the Debtors' performance under the TSA is a sound exercise of the Debtors' business judgment.

74. If the Debtors are not authorized to performing under the TSA, the Debtors would be forced to cease operations as they seek to attract, hire, train, and retain an entirely new workforce and replicate all of the services provided currently by GES or arrange for the provision of such services from a new third-party provider. I believe such an exercise would be impractical, difficult, disruptive, and cost-prohibitive for the Debtors, particularly during the early stage of these Chapter 11 Cases.

75. Absent the services being provided under the TSA, the Debtors would be incapable of operating their businesses in any form, let alone in a "business-as-usual" manner. Moreover, if the Debtors do not to perform under the TSA, such failure could result in operational failure as the Debtors do not have a workforce capable of performing the Shared Services, all of which are critical to the Debtors' day-to-day business operations. This outcome would, among other things: (i) have a devastating impact on the Debtors' ability to continue as a going concern, (ii) prevent the Debtors from stabilizing their business operations, (iii) force the Debtors to expend significant amounts of time and estate funds to replicate the services currently provided by GES, (iv) severely impede the Debtors' restructuring goals, and (v) lead to a substantial loss of value to the Debtors' estates.

76. Based on the foregoing reasons, I believe that the relief requested in the TSA Motion is immediately necessary to avoid irreparable harm and is in the best interests of the Debtors' estates, creditors, and all other parties in interest. Moreover, the Debtors believe an

immediate and orderly transition into Chapter 11 is critical to the viability of their operations and that any delay in granting the relief requested could hinder the Debtors' operations.