

GenOn Energy, Inc.
Form T-3/A
November 06, 2018

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Amendment No. 1

to

FORM T-3

**FOR APPLICATIONS FOR QUALIFICATION OF INDENTURES
UNDER THE TRUST INDENTURE ACT OF 1939**

GENON ENERGY, INC.
(Name of Applicant)*

1601 Bryan Street, Suite 2200,

Dallas, Texas 75201

(Address of Principal Executive Offices)

Securities to be Issued Under the Indenture to be Qualified

Title of Class	Amount
Senior Secured Second Lien Notes Due 2023	Up to \$400,000,000 aggregate principal amount

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Approximate date of proposed public offering:

On, or as soon as practicable following, the effective date (the *Effective Date*) under the Third Amended Joint Chapter 11 Plan of Reorganization of GenOn Energy, Inc. and its Debtor Affiliates (as amended or supplemented, the *Plan of Reorganization*).

Mark A. McFarland
President and Chief Executive Officer

GenOn Energy, Inc.

1601 Bryan Street, Suite 2200,

Dallas, Texas 75201

(Name and Address of Agent for Service)

Copies to:
Gerald T. Nowak
Paul D. Zier
Kirkland & Ellis LLP
300 N. LaSalle
Chicago, Illinois 60654
(312) 862-2000

The Applicants hereby amend this application for qualification on such date or dates as may be necessary to delay its effectiveness until (i) the 20th day after the filing of an amendment which specifically states that it shall supersede this application for qualification, or (ii) such date as the Securities and Exchange Commission, acting pursuant to section 307(c) of the Trust Indenture Act of 1939, may determine upon the written request of the Applicants.

* The Co-Applicants listed on the following page are also included in this Form T-3 as Applicants.

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On the Effective Date, GenOn Energy, Inc. (*GenOn*) will be the issuer of the Senior Secured Second Lien Notes Due 2023 (the *Notes*). The following direct and indirect subsidiaries of GenOn are expected to be guarantors (the *Expected Subsidiary Guarantors* and, together with GenOn, the *Applicants*) of the Notes as of the Effective Date and are co-applicants on this Form T-3. Immediately after the initial issuance of the Notes by GenOn, a newly formed Delaware limited liability company (*Purchaser*) will assume the indebtedness represented by the Notes and all obligations thereunder and will be the issuer along with a Co-Issuer (defined below).

Table of Co-Applicants

Name of Expected Subsidiary Guarantors

GenOn Americas Generation, LLC

GenOn Asset Management, LLC

GenOn Energy Holdings, Inc.

GenOn Energy Management, LLC

GenOn Energy Services, LLC

GenOn Mid-Atlantic Development, LLC

GenOn Northeast Management Company

GenOn Power Operating Services Midwest, Inc.

GenOn REMA Services, Inc.

Hudson Valley Gas Corporation

NRG Americas, Inc.

NRG Bowline LLC

NRG California North LLC

NRG California South GP LLC

NRG California South LP

NRG Canal LLC

NRG Clearfield Pipeline Company LLC

NRG Florida GP, LLC

NRG Florida LP

NRG Lovett LLC

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NRG New York LLC

NRG North America LLC

NRG Northeast Generation, Inc.

NRG Northeast Holdings, Inc.

NRG Potrero LLC

NRG Power Generation Assets LLC

NRG Power Generation LLC

NRG Power Midwest GP LLC

NRG Power Midwest LP

NRG REMA LLC

RRI Energy Communications, Inc.

RRI Energy Services, LLC

GENERAL

1. General Information.

The form of organization of and the state or other sovereign power under the laws of which each Applicant is organized are as follows:

Name	Form of Organization	Jurisdiction
GenOn Energy, Inc.	Corporation (1)	Delaware
GenOn Americas Generation, LLC	Limited liability company	Delaware
GenOn Asset Management, LLC	Limited liability company	Delaware
GenOn Energy Holdings, Inc.	Corporation	Delaware
GenOn Energy Management, LLC	Limited liability company	Delaware
GenOn Energy Services, LLC	Limited liability company	Delaware
GenOn Mid-Atlantic Development, LLC	Limited liability company	Delaware
GenOn Northeast Management Company	Corporation	Pennsylvania
GenOn Power Operating Services Midwest, Inc.	Corporation	Delaware
GenOn REMA Services, Inc.	Corporation	Delaware
Hudson Valley Gas Corporation	Corporation	New York
NRG Americas, Inc.	Corporation	Delaware
NRG Bowline LLC	Limited liability company	Delaware
NRG California North LLC	Limited liability company	Delaware
NRG California South GP LLC	Limited liability company	Delaware
NRG California South LP	Limited Partnership	Delaware
NRG Canal LLC	Limited liability company	Delaware
NRG Clearfield Pipeline Company LLC	Limited liability company	Delaware
NRG Florida GP, LLC	Limited liability company	Delaware
NRG Florida LP	Limited Partnership	Delaware
NRG Lovett LLC	Limited liability company	Delaware
NRG New York LLC	Limited liability company	Delaware
NRG North America LLC	Limited liability company	Delaware
NRG Northeast Generation, Inc.	Corporation	Delaware
NRG Northeast Holdings, Inc.	Corporation	Delaware
NRG Potrero LLC	Limited liability company	Delaware
NRG Power Generation Assets LLC	Limited liability company	Delaware
NRG Power Generation LLC	Limited liability company	Delaware
NRG Power Midwest GP LLC	Limited liability company	Delaware
NRG Power Midwest LP	Limited Partnership	Delaware
NRG REMA LLC	Limited liability company	Delaware
RRI Energy Communications, Inc.	Corporation	Delaware
RRI Energy Services, LLC	Limited liability company	Delaware

Note that certain of the corporations listed above will be converted to limited liability companies following or in connection with the Effective Date.

(1) It is anticipated that on the Effective Date, after GenOn has issued the Notes and transferred all such indebtedness represented by the Notes and the obligations thereunder to Purchaser, GenOn will be liquidated. See Section 3(b) hereto for further detail.

2. Securities Act Exemption Applicable.

The Applicants expect that their Plan of Reorganization, as amended and supplemented to date (the *Plan of Reorganization*) will be supplemented and modified to provide for an issuance of an aggregate principal amount of up to \$400.0 million of Notes to holders of certain Allowed Claims and Allowed Interests (each as defined in the Plan of Reorganization, and collectively referred to as the *Claims*) on the Effective Date pursuant to the terms and conditions of the Plan of Reorganization. The Notes will be issued pursuant to the indenture to be qualified under this Form T-3 (the *Indenture*), a copy of which will be filed by amendment as Exhibit T3C to this application. Copies of the Plan of Reorganization and Disclosure Statement, as amended and supplemented to date are included as Exhibits T3E-1 and T3E-2, respectively, to this application.

Generally, Section 1145(a)(1) of the Bankruptcy Code exempts an offer and sale of securities under a plan of reorganization from registration under the Securities Act of 1933, as amended (the *Securities Act*), and state securities laws if three principal requirements are satisfied: (i) the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, an affiliate participating in a joint plan of reorganization with the debtor or a successor to the debtor under the plan of reorganization; (ii) the recipients of the securities must hold a prepetition or administrative expense claim against the debtor or an interest in the debtor; and (iii) the securities must be issued entirely in exchange for the recipient's claim against or interest in the debtor, or principally in such exchange and partly for cash or property. The Applicants believe that the offer of the Notes under the solicitation of acceptances for the Plan of Reorganization and the exchange of the Claims for Notes, together with certain other consideration, under the Plan of Reorganization will satisfy the requirements of Section 1145(a)(1) of the Bankruptcy Code and, therefore, such offer and exchange is exempt from the registration requirements referred to above.

AFFILIATIONS

3. Affiliates.

(a) The following diagram indicates the relationship of the Applicants to each of their respective affiliates as of the date of this application. Solid connecting lines indicate 100% ownership of voting securities, unless otherwise stated.

(1) For a list of the subsidiaries of NRG Energy, Inc. (**NRG**), see Exhibit 99.1 hereto, which is incorporated herein by reference. The subsidiaries of NRG are affiliates of the Applicants as of the date of this Form T-3 due to their common control under NRG, as the ultimate parent company.

(2) For a list of the subsidiaries of GenOn, see Exhibit 99.2 hereto, which is incorporated herein by reference.

(b) The following diagram indicates the expected relationship of the Applicants to each of their respective affiliates as of the Effective Date. All of the entities appearing below are expected to exist as of the Effective Date. Solid connecting lines indicate 100% ownership of voting securities, unless otherwise stated.

(1) Prior to the Effective Date, a newly formed Delaware grandparent entity (**Grandparent**), Purchaser, a newly formed Delaware intermediate holding company (**Intermediate Holdco**) and another holding company (**Holdco**) will

be formed by the GenOn creditors to acquire all of GenOn's direct subsidiaries and non-stock assets. On the Effective Date, Grandparent, Intermediate HoldCo, and Purchaser will collectively constitute the reorganized GenOn Energy, Inc. (***Reorganized GenOn***).

(2) After the Effective Date, the former GenOn creditors will own 100% of the Class A Stock and the Class B Stock of Grandparent.

(3) On the Effective Date, the Notes will be issued by GenOn. Immediately after the initial issuance of the Notes by GenOn, Purchaser will assume the indebtedness represented by the Notes and all obligations thereunder and will be the issuer along with newly formed Delaware corporation established with the sole purpose of being the co-issuer of the notes (the ***Co-Issuer***) in the exit

financing and immediately thereafter such indebtedness represented by the Notes and the obligations thereunder will be assumed by Purchaser such that Purchaser and the Co-Issuer will be the obligors on the Notes and not GenOn, which will be liquidated on the Effective Date.

(4) It is anticipated that upon the consummation of the Plan of Reorganization the subsidiaries of GenOn will continue to be subsidiaries of Reorganized GenOn, except for certain dormant subsidiaries that will be eliminated.

(c) Certain directors and executive officers of the Applicants may be deemed their affiliates by virtue of their respective positions in each entity. See Item 4, Directors and Executive Officers.

(d) Certain persons may be deemed to be affiliates of the Applicants by virtue of their holdings of voting securities of the Applicants. See Item 5, Principal Owners of Voting Securities.

MANAGEMENT AND CONTROL

4. Directors and Executive Officers.

(a) *Directors and Executive Officers of GenOn.* As of the date of this application, the executive officers and directors of GenOn are as set forth below. The mailing address and telephone number of each of them is c/o GenOn Energy, Inc., 1601 Bryan Street, Suite 2200, Dallas, Texas 75201; telephone number (214) 432-2767.

Name	Position
Frederic F. Brace	Director
John Chillemi	Director
Jonathan Foster	Director
Gaetan Frotte	Director
Judith Lagano	Director
Glen Mackey	Director
Mark A. McFarland	Director, President and Chief Executive Officer
Jay A. Bys	Chief Commercial Officer
Mark Gouveia	Senior Vice President, Operations
Scott E. Leonard	Chief Restructuring Officer and Executive Vice President, Finance
Daniel D. McDevitt	General Counsel

It is expected that as of the Effective Date, certain directors and executive officers of Reorganized GenOn will be:

Name	Position
Mark A. McFarland	Director

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David Freysinger	Director and Chief Executive Officer
David Geenberg	Director
Ari Barzideh	Director
Philip E. Brown	Director
Alejandro Mazier	Director
Darren Olagues	Chief Financial Officer
Daniel D. McDevitt	General Counsel

At this time, the names of the other directors, if any, and any additional executive officers of Reorganized GenOn following the Effective Date are not known.

(b) *Directors and Executive Officers of the Expected Subsidiary Guarantors.* As of the date of this application, the executive officers and directors, managers or managing members, as applicable, of the Expected Subsidiary Guarantors are set forth on Exhibit 99.3 hereto, which is incorporated herein by reference. The mailing address and telephone number of each of them is c/o GenOn Energy, Inc., 1601 Bryan Street, Suite 2200, Dallas, Texas 75201; telephone number (214) 432-2767.

5. Principal Owners of Voting Securities.

(a) As of November 1, 2018, NRG owned the one outstanding share of common stock of GenOn, representing 100% of GenOn's voting securities. The mailing address and telephone number of NRG is 804 Carnegie Center, Princeton, New Jersey 08540; telephone number (609) 524-4500. As of the date of this application, no other person owned more than 10% of the voting securities of GenOn.

It is anticipated that, as of the Effective Date, the entities constituting Reorganized GenOn will be independent standalone entities from NRG.

(b) As of November 1, 2018, the ownership of voting securities of each of the Expected Subsidiary Guarantors is set forth in Exhibit 99.4 hereto, which is incorporated herein by reference.

It is anticipated that, as of the Effective Date, the owners of voting securities of the Expected Subsidiary Guarantors will continue as set forth in Exhibit 99.4 hereto, which is incorporated herein by reference.

UNDERWRITERS

6. Underwriters.

(a) In May 2017, Goldman Sachs & Co. LLC (200 West Street, New York, New York 10282) was the underwriter of \$550,000,000 of 10.500% Senior Secured First Lien Notes due 2022, issued by a remote special purpose limited liability company (the *SPV Issuer*) into an escrow account controlled by GenOn and the SPV Issuer. GenOn was to merge with the SPV Issuer and assume the obligation for the notes, but when GenOn filed its voluntary bankruptcy petition on June 14, 2017, the funds held in the escrow account were released to the holders of the notes, which were simultaneously redeemed.

(b) No person is acting as a principal underwriter of the Notes proposed to be offered pursuant to the Indenture.

CAPITAL SECURITIES

7. Capitalization.

(a) The following table sets forth information with respect to each authorized class of securities of GenOn as of November 1, 2018:

Title of Class	Amount Authorized	Amount Outstanding
Common Stock, par value \$0.001 per share	1	1
7.875% Senior Notes due 2017	N/A	\$ 691,000,000
9.500% Senior Notes due 2018	N/A	\$ 649,000,000
9.875% Senior Notes due 2020	N/A	\$ 490,000,000

The holder of common stock of GenOn has one vote on all matters to be voted upon by stockholders with no cumulative voting rights. Holders of the series of notes of GenOn listed above have the voting rights with respect to the respective series of notes set forth under the respective indenture.

At this time, it is not possible to provide the amount of Reorganized GenOn's common stock interests authorized and outstanding following the Effective Date. It is anticipated that, as of the Effective Date, Reorganized GenOn will have issued the Notes.

(b) The information with respect to each authorized class of securities of the Expected Subsidiary Guarantors as of November 1, 2018 is set forth in the capitalization table attached to this Form T-3 as Exhibit 99.3 hereto, which is incorporated herein by reference.

Except as otherwise set forth in such Expected Subsidiary Guarantor's governing document, or with respect to Expected Subsidiary Guarantors, which interests are held by a sole member or sole partner, as applicable, holders of membership interests of each Expected Subsidiary Guarantor that is a limited liability company are entitled to one vote per limited liability company interest, holders of limited partnership interests of each Expected Subsidiary Guarantor that is a partnership are entitled to one vote per partnership interest, and holders of common stock of each Expected Subsidiary Guarantor that is a corporation are entitled to one vote per share and vote as a single class.

INDENTURE SECURITIES

8. Analysis of Indenture Provisions.

The Notes will be subject to the Indenture among GenOn (the *Company*), the guarantors named therein, a trustee to be identified by amendment hereof (the *Trustee*) and a collateral agent. The following is a general description of certain provisions of the Indenture, and the description is qualified in its entirety by reference to the form of Indenture to be filed by amendment as Exhibit T3C therewith. Capitalized terms used below and not defined herein have the meanings ascribed to them in the Indenture.

(a) *Events of Default; Withholding of Notice of Default.*

The occurrence of any of the following events will constitute an Event of Default under the Indenture:

- (i) default for 30 days in the payment when due of interest on the Notes;
- (ii) default in the payment when due of the principal of, or premium, if any, on the Notes;
- (iii) failure by the Company or any Restricted Subsidiaries for 45 days after written notice to the Company by the Trustee or the Holders of at least 25% (with notice to Trustee if sent by Holders) in aggregate principal amount of the Notes then outstanding to comply with any of the agreements in the Indenture;

(iv) the acceleration of the maturity of any Indebtedness for money borrowed (other than the notes of such series) by the Company or any of its Restricted Subsidiaries (other than any Excluded Subsidiaries) having an aggregate principal amount outstanding in excess of \$[●] million, if such acceleration is not rescinded or annulled, or such indebtedness shall not have been discharged, within 15 days after the date of such acceleration;

(v) failure by the Company or any of its Restricted Subsidiaries (other than any Excluded Subsidiaries) to pay final and non-appealable judgments aggregating in excess of \$[●] million, which judgments are not covered by indemnities or third-party insurance, which judgments are not paid, discharged, vacated or stayed for a period of 60 days;

(vi) except as permitted by the Indenture, the Subsidiary Guarantee of any Restricted Subsidiary (other than any Excluded Subsidiaries) shall for any reason cease to be in full force and effect or be declared null and void or any responsible officer of such Guarantor, as the case may be, denies that it has any further liability under its Guarantee or gives notice to such effect, in each case, other than by reason of the termination of the Indenture or the release of any such Guarantee in accordance with the Indenture;

(vii) with respect to any Collateral, individually or in the aggregate, having a fair market value in excess of \$[●] million, any of the Note Security Documents ceases to be in full force and effect, or any of the Note Security Documents ceases to give the holders of the Notes the Liens purported to be created thereby, or any of the Note Security Documents is declared null and void or the Company or any Guarantor denies in writing that it has any further liability under any Note Security Document (in each case other than in accordance with the terms of the Indenture or any of the Note Security Documents);

(viii) the Company or any of its Restricted Subsidiaries (other than its Excluded Subsidiaries):

(1) commences a voluntary case;

(2) consents to the entry of an order for relief against it in an involuntary case;

(3) consents to the appointment of a custodian of it or for all or substantially all of its property;

(4) makes a general assignment for the benefit of its creditors, or;

- (5) generally is not paying its debts as they become due;

- (ix) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:
 - (1) is for relief against the Company or any of its Restricted Subsidiaries (other than its Excluded Subsidiaries);

- (2) appoints a custodian of the Company or any of its Restricted Subsidiaries (other than its Excluded Subsidiaries) for all or substantially all of the property of the Company or any Guarantor; or

- (3) orders the liquidation of the Company or any of its Restricted Subsidiaries (other