

GenOn Energy, Inc.  
Form 10-K  
March 03, 2014

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
x OF 1934  
For the Fiscal Year ended December 31, 2013.

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT  
o OF 1934  
For the Transition period from to .  
GenOn Energy, Inc.  
(Exact name of registrant as specified in its charter)  
75-0655566 (I.R.S. Employer Identification No.)  
Commission File Number: 001-16455

GenOn Americas Generation, LLC  
(Exact name of registrant as specified in its charter)  
51-0390520 (I.R.S. Employer Identification No.)  
Commission File Number: 333-63240

GenOn Mid-Atlantic, LLC  
(Exact name of registrant as specified in its charter)  
58-2574140 (I.R.S. Employer Identification No.)  
Commission File Number: 333-61668

Delaware  
(State or other jurisdiction of incorporation or organization)

211 Carnegie Center Princeton, New Jersey 08540  
(Address of principal executive offices) (Zip Code)  
(609) 524-4500  
(Registrants' telephone number, including area code)  
Securities registered pursuant to Section 12(b) of the Act:  
None  
Securities registered pursuant to Section 12(g) of the Act:  
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined by Rule 405 of the Securities Act.

GenOn Energy, Inc.	<input type="radio"/> Yes <input checked="" type="radio"/> No
GenOn Americas Generation, LLC	<input type="radio"/> Yes <input checked="" type="radio"/> No
GenOn Mid-Atlantic, LLC	<input type="radio"/> Yes <input checked="" type="radio"/> No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.

Edgar Filing: GenOn Energy, Inc. - Form 10-K

GenOn Energy, Inc.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
GenOn Americas Generation, LLC	<input type="checkbox"/> Yes	<input type="checkbox"/> No
GenOn Mid-Atlantic, LLC	<input type="checkbox"/> Yes	<input type="checkbox"/> No

---

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. (As a voluntary filer not subject to filing requirements, the registrant nevertheless filed all reports which would have been required to be filed by Section 15(d) of the Exchange Act during the preceding 12 months had the registrant been required to file reports pursuant to Section 15(d) of the Securities Exchange Act of 1934 solely as a result of having registered debt securities under the Securities Act of 1933.)

GenOn Energy, Inc.	<input type="radio"/> Yes <input type="radio"/> No
GenOn Americas Generation, LLC	<input type="radio"/> Yes <input type="radio"/> No
GenOn Mid-Atlantic, LLC	<input type="radio"/> Yes <input type="radio"/> No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

GenOn Energy, Inc.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
GenOn Americas Generation, LLC	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
GenOn Mid-Atlantic, LLC	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

GenOn Energy, Inc.	<input checked="" type="checkbox"/>
GenOn Americas Generation, LLC	<input checked="" type="checkbox"/>
GenOn Mid-Atlantic, LLC	<input checked="" type="checkbox"/>

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

	Large accelerated filer	Accelerated filer	Non-accelerated filer	Smaller reporting company
GenOn Energy, Inc.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
GenOn Americas Generation, LLC	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
GenOn Mid-Atlantic, LLC	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

GenOn Energy, Inc.	<input type="radio"/> Yes <input checked="" type="radio"/> No
GenOn Americas Generation, LLC	<input type="radio"/> Yes <input checked="" type="radio"/> No
GenOn Mid-Atlantic, LLC	<input type="radio"/> Yes <input checked="" type="radio"/> No

Each Registrant's outstanding equity interests are held by its respective parent and there are no equity interests held by nonaffiliates.

Registrant	Parent
GenOn Energy, Inc.	NRG Energy, Inc.
GenOn Americas Generation, LLC	GenOn Americas, Inc.
GenOn Mid-Atlantic, LLC	GenOn North America, LLC

This combined Form 10-K is separately filed by GenOn Energy, Inc., GenOn Americas Generation, LLC and GenOn Mid-Atlantic, LLC. Information contained in this combined Form 10-K relating to GenOn Energy, Inc., GenOn Americas Generation, LLC and GenOn Mid-Atlantic, LLC is filed by such registrant on its own behalf and each registrant makes no representation as to information relating to registrants other than itself.

The registrants have not incorporated by reference any information into this Form 10-K from any annual report to securities holders, proxy statement or prospectus filed pursuant to 424(b) or (c) of the Securities Act.

NOTE: WHEREAS GENON ENERGY, INC., GENON AMERICAS GENERATION, LLC AND GENON MID-ATLANTIC, LLC MEET THE CONDITIONS SET FORTH IN GENERAL INSTRUCTION I(1)(a) AND (b) OF FORM 10-K, THIS COMBINED FORM 10-K IS BEING FILED WITH THE REDUCED DISCLOSURE FORMAT PURSUANT TO GENERAL INSTRUCTION I(2).

---

TABLE OF CONTENTS

<u>Glossary of Terms</u>	<u>2</u>
<u>PART I</u>	<u>5</u>
<u>Item 1 — Business</u>	<u>5</u>
<u>Item 1A — Risk Factors Related to the Registrants</u>	<u>11</u>
<u>Item 1B — Unresolved Staff Comments</u>	<u>22</u>
<u>Item 2 — Properties</u>	<u>23</u>
<u>Item 3 — Legal Proceedings</u>	<u>25</u>
<u>Item 4 — Mine Safety Disclosures</u>	<u>25</u>
<u>PART II</u>	<u>26</u>
<u>Item 5 — Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	<u>26</u>
<u>Item 6 — Selected Financial Data</u>	<u>26</u>
<u>Item 7 — Management's Narrative Analysis of the Results of Operations and Financial Condition</u>	<u>27</u>
<u>Item 7A — Quantitative and Qualitative Disclosures About Market Risk</u>	<u>40</u>
<u>Item 8 — Financial Statements and Supplementary Data</u>	<u>42</u>
<u>Item 9 — Changes in and Disagreements With Accountants on Accounting and Financial Disclosure</u>	<u>43</u>
<u>Item 9A — Controls and Procedures</u>	<u>43</u>
<u>Item 9B — Other Information</u>	<u>43</u>
<u>PART III</u>	<u>44</u>
<u>Item 10 — Directors, Executive Officers and Corporate Governance</u>	<u>44</u>
<u>Item 11 — Executive Compensation</u>	<u>44</u>
<u>Item 12 — Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	<u>44</u>
<u>Item 13 — Certain Relationships and Related Transactions, and Director Independence</u>	<u>44</u>
<u>Item 14 — Principal Accounting Fees and Services</u>	<u>44</u>
<u>PART IV</u>	<u>45</u>
<u>Item 15 — Exhibits, Financial Statement Schedules</u>	<u>45</u>
<u>EXHIBIT INDEX</u>	<u>144</u>

## Glossary of Terms

When the following terms and abbreviations appear in the text of this report, they have the meanings indicated below:

Ancillary Services	Services that ensure reliability and support the transmission of electricity from generation sites to customer loads. Such services include regulation service, reserves and voltage support
ARO	Asset retirement obligation
ASC	The FASB Accounting Standards Codification, which the FASB established as the source of authoritative U.S. GAAP
ASU	Accounting Standards Updates – updates to the ASC
Bankruptcy Court	United States, Bankruptcy Court for the Northern District of Texas, Fort Worth Division
Baseload	Units expected to satisfy minimum baseload requirements of the system and produce electricity at an essentially constant rate and run continuously
CAA	Federal Clean Air Act
CAIR	Clean Air Interstate Rule
CAISO	California Independent System Operator
CCGT	Combined Cycle Gas Turbine
CenterPoint	CenterPoint Energy, Inc. and its subsidiaries, on and after August 31, 2002, and Reliant Energy, Incorporated and its subsidiaries, prior to August 31, 2002
CFTC	U.S. Commodity Futures Trading Commission
Clean Water Act	Federal Water Pollution Control Act
CO <sub>2</sub>	Carbon dioxide
CSAPR	Cross-State Air Pollution Rule
Deactivation	Includes retirement, mothballing and long-term protective layup. In each instance, the deactivated unit cannot be currently called upon to generate electricity.
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act
EPA	United States Environmental Protection Agency
EPC	Engineering, Procurement and Construction
Exchange Act	The Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
GenOn	GenOn Energy, Inc. (formerly known as RRI Energy, Inc.) and, except where the context indicates otherwise, its subsidiaries
GenOn Americas	GenOn Americas, Inc.
GenOn Americas Generation	GenOn Americas Generation, LLC and, except where the context indicates otherwise, its subsidiaries
GenOn Energy Holdings	GenOn Energy Holdings, Inc. (formerly known as Mirant Corporation) and, except where the context indicates otherwise, its subsidiaries
GenOn Mid-Atlantic	GenOn Mid-Atlantic, LLC and, except where the context indicates otherwise, its subsidiaries, which include the coal generation units at two generating facilities under operating leases
GenOn North America	GenOn North America, LLC
GenOn Plans	Collectively, the NRG GenOn LTIP, The GenOn Energy, Inc. 2002 Long-Term Incentive Plan, the GenOn Energy, Inc. 2002 Stock Plan and the Mirant Corporation 2005 Omnibus Incentive Compensation Plan
IRC	Internal Revenue Code of 1986, as amended
IRC §	IRC section
ISO	Independent System Operator, also referred to as RTO

ISO-NE  
kWh  
LIBOR

ISO New England Inc.  
Kilowatt-hours  
London Inter-Bank Offered Rate

Long-term protective layup	A descriptive term for GenOn's plans with respect to the Shawville coal-fired units, including retiring the units from service in accordance with the PJM tariff, maintenance of the units in accordance with the lease requirements and continued payment of the lease rent. Although the units are not decommissioned and reactivation remains a technical possibility, GenOn does not expect to make any further investment in environmental controls for the units. Further, reactivation after the long-term protective layup would likely involve numerous new permits and substantial additional investment.
Marsh Landing	NRG Marsh Landing, LLC (formerly known as GenOn Marsh Landing, LLC)
MC Asset Recovery	MC Asset Recovery, LLC
MDE	Maryland Department of the Environment
Merit Order	A term used for the ranking of power stations in order of ascending marginal cost
Mirant	GenOn Energy Holdings, Inc. (formerly known as Mirant Corporation) and, except where the context indicates otherwise, its subsidiaries
Mirant/RRI Merger	The merger completed on December 3, 2010 pursuant to the Mirant/RRI Merger Agreement
Mirant/RRI Merger Agreement	The agreement by and among Mirant Corporation, RRI Energy, Inc. and RRI Energy Holdings, Inc. dated as of April 11, 2010
Mirant Debtors	GenOn Energy Holdings, Inc. (formerly known as Mirant Corporation) and certain of its subsidiaries
MISO	Midcontinent Independent System Operator, Inc.
MMBtu	Million British Thermal Units
Mothballed	The unit has been removed from service and is unavailable for service, but has been laid up in a manner such that it can be brought back into service with an appropriate amount of notification, typically weeks or months
MW	Megawatts
MWh	Saleable megawatt hours net of internal/parasitic load megawatt-hours
Net Exposure	Counterparty credit exposure to GenOn, GenOn Americas Generation or GenOn Mid-Atlantic, as applicable, net of collateral
Net Generation	The net amount of electricity produced, expressed in kWhs or MWhs, that is the total amount of electricity generated (gross) minus the amount of electricity used during generation.
NERC	North American Electric Reliability Corporation
NJDEP	New Jersey Department of Environmental Protection
NOL	Net Operating Loss
NOV	Notice of violation
NO <sub>x</sub>	Nitrogen oxide
NPDES	National pollutant discharge elimination system
NPNS	Normal Purchase Normal Sale
NRG	NRG Energy, Inc. and, except where the context indicates otherwise, its subsidiaries
NRG GenOn LTIP	NRG 2010 Stock Plan for GenOn employees
NRG Merger	