

GenOn Energy, Inc.  
Form 10-Q  
August 09, 2013

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

FORM 10-Q

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

For the Quarterly Period Ended: June 30, 2013

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

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) (609) 524-4500  
(Registrants' telephone number, including area code)

211 Carnegie Center, Princeton, New Jersey 08540  
(Address of principal executive offices) (Zip Code)

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 Exchange Act solely as a result of having registered debt securities under the Securities Act of 1933.)

GenOn Energy, Inc.  Yes  No  
GenOn Americas Generation, LLC  Yes  No  
GenOn Mid-Atlantic, LLC  Yes  No

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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.  Yes  No  
 GenOn Americas Generation, LLC  Yes  No  
 GenOn Mid-Atlantic, LLC  Yes  No

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

(Do not check if a smaller reporting company)

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

GenOn Energy, Inc.  Yes  No  
 GenOn Americas Generation, LLC  Yes  No  
 GenOn Mid-Atlantic, LLC  Yes  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	NRG Americas, Inc.
GenOn Mid-Atlantic, LLC	NRG North America LLC

This combined Form 10-Q is separately filed by GenOn Energy, Inc., GenOn Americas Generation, LLC and GenOn Mid-Atlantic, LLC. Information contained in this combined Form 10-Q 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.

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

TABLE OF CONTENTS	
CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION	<u>2</u>
GLOSSARY OF TERMS	<u>3</u>
<b>PART I — FINANCIAL INFORMATION</b>	<u>5</u>
<u>Item 1 — CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES</u>	<u>5</u>
<u>Item 2 — MANAGEMENT'S NARRATIVE ANALYSIS OF THE RESULTS OF OPERATIONS AND FINANCIAL CONDITION</u>	<u>41</u>
<u>Item 3 — QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	<u>54</u>
<u>Item 4 — CONTROLS AND PROCEDURES</u>	<u>54</u>
<b>PART II — OTHER INFORMATION</b>	<u>55</u>
<u>ITEM 1 — LEGAL PROCEEDINGS</u>	<u>55</u>
<u>ITEM 1A — RISK FACTORS</u>	<u>55</u>
<u>ITEM 2 — UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS</u>	<u>55</u>
<u>ITEM 3 — DEFAULTS UPON SENIOR SECURITIES</u>	<u>55</u>
<u>ITEM 4 — MINE SAFETY DISCLOSURES</u>	<u>55</u>
<u>ITEM 5 — OTHER INFORMATION</u>	<u>55</u>
<u>ITEM 6 — EXHIBITS</u>	<u>56</u>
<u>SIGNATURES</u>	<u>57</u>

## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING INFORMATION

(GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. The words "believes," "projects," "anticipates," "plans," "expects," "intends," "estimates" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Registrants' actual results, performance and achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These factors, risks and uncertainties include the factors described under Item 1A - Risk Factors, in Part I, Item 1A of the Registrants' Annual Report on Form 10-K for the year ended December 31, 2012, including, but not limited to, the following:

- General economic conditions, changes in the wholesale power markets and fluctuations in the cost of fuel;
- Volatile power supply costs and demand for power;
- Hazards customary to the power production industry and power generation operations such as fuel and electricity price volatility, unusual weather conditions, catastrophic weather-related or other damage to facilities, unscheduled generation outages, maintenance or repairs, unanticipated changes to fuel supply costs or availability due to higher demand, shortages, transportation problems or other developments, environmental incidents, or electric transmission or gas pipeline system constraints and the possibility that the Registrants may not have adequate insurance to cover losses as a result of such hazards;
- The effectiveness of the Registrants' risk management policies and procedures, and the ability of the Registrants' counterparties to satisfy their financial commitments;
- Counterparties' collateral demands and other factors affecting the Registrants' liquidity position and financial condition;
- The Registrants' ability to operate their businesses efficiently, manage capital expenditures and costs tightly, and generate earnings and cash flows from their asset-based businesses in relation to their debt and other obligations;
- The Registrants' ability to enter into contracts to sell power and procure fuel on acceptable terms and prices;
- The liquidity and competitiveness of wholesale markets for energy commodities;
- Government regulation, including compliance with regulatory requirements and changes in market rules, rates, tariffs and environmental laws;
- Price mitigation strategies and other market structures employed by ISOs or RTOs;
- The Registrants' ability to borrow additional funds and access capital markets, as well as GenOn's substantial indebtedness and the possibility that the Registrants may incur additional indebtedness going forward;
- Operating and financial restrictions placed on the Registrants and their subsidiaries that are contained in the indentures governing GenOn's outstanding notes, and in debt and other agreements of certain of the Registrants' subsidiaries and project affiliates generally;
- The Registrants' ability to implement their strategy of developing and building new power generation facilities;
- The Registrants' ability to implement their strategy of finding ways to meet the challenges of climate change, clean air and protecting natural resources while taking advantage of business opportunities;
- The Registrants' ability to implement their strategy of increasing the return on invested capital through operational performance improvements and a range of initiatives at plants and corporate offices to reduce costs or generate revenues;
- The Registrants' ability to successfully evaluate investments in new business and growth initiatives;
- The Registrants' ability to successfully integrate and manage any acquired businesses;
- The Registrants' ability to integrate the businesses and realize cost savings related to the NRG Merger; and
- The Registrants' ability to develop and maintain successful partnering relationships.

Forward-looking statements speak only as of the date they were made, and the Registrants undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors that could cause the Registrants' actual results to differ materially from those contemplated in any forward-looking statements included in this Quarterly Report on Form 10-Q should not be

construed as exhaustive.

2

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GLOSSARY OF TERMS

When the following terms and abbreviations appear in the text of this report, they have the meanings indicated below:  
2012 Form 10-K

Ancillary Services	The Registrants' Annual Report on Form 10-K for the year ended December 31, 2012 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
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
CAA	Clean Air Act
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
Clean Water Act	Federal Water Pollution Control Act
Deactivation	Includes retirement, mothballing and long-term protective layup. In each instance, the deactivated unit cannot be currently called upon to generate electricity.
EPA	United States Environmental Protection Agency
Exchange Act	The Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
FERC	Federal Energy Regulatory Commission
GenOn	GenOn Energy, Inc. and, except where the context indicates otherwise, its subsidiaries
GenOn Americas Generation	GenOn Americas Generation, LLC and, except where the context indicates otherwise, its subsidiaries
GenOn Energy Holdings	GenOn Energy Holdings, Inc. 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
ISO	Independent System Operator, also referred to as Regional Transmission Organization, or RTO
LIBOR	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.
MATS	Mercury and Air Toxics Standards promulgated by the EPA
MC Asset Recovery	MC Asset Recovery, LLC
MDE	Maryland Department of the Environment
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 agreements by and among Mirant Corporation, RRI Energy, Inc. and RRI Energy Holdings, Inc. dated as of April 11, 2010

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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
MW	Megawatt
MWh	Saleable megawatt hours net of internal/parasitic load megawatt-hours
NAAQS	National Ambient Air Quality Standards

Net Exposure	Counterparty credit exposure to GenOn, GenOn Americas Generation or GenOn Mid-Atlantic, as applicable, net of collateral
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 Americas	NRG Americas, Inc. (formerly known as GenOn Americas, Inc.)
NRG Marsh Landing	NRG Marsh Landing, LLC (formerly known as GenOn Marsh Landing, LLC)
NRG Merger	The merger completed on December 14, 2012 pursuant to the NRG Merger Agreement
NRG Merger Agreement	Agreement and Plan of Merger by and among NRG Energy, Inc., Plus Merger Corporation and GenOn Energy, Inc. dated as of July 20, 2012
NSR	New Source Review
OCI	Other comprehensive income
PADEP	Pennsylvania Department of Environmental Protection
PJM	PJM Interconnection, LLC
PJM market	The wholesale and retail electric market operated by PJM primarily in all or parts of Delaware, the District of Columbia, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia and West Virginia
Plan	The plan of reorganization that was approved in conjunction with Mirant Corporation's emergence from bankruptcy protection on January 3, 2006
Registrants	GenOn, GenOn Americas Generation and GenOn Mid-Atlantic, collectively
Retirement	The unit has been removed from service and is unavailable for service and not expected to return to service in the future.
RGGI	Regional Greenhouse Gas Initiative
RMR	Reliability Must-Run
RTO	Regional Transmission Organization
Securities Act	The Securities Act of 1933, as amended
SO <sub>2</sub>	Sulfur dioxide
U.S.	United States of America
U.S. GAAP	Accounting principles generally accepted in the United States



## PART I - FINANCIAL INFORMATION

## ITEM 1 - CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

## GENON ENERGY, INC. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	Successor Three months ended June 30, 2013 (In millions)	Predecessor Three months ended June 30, 2012 (In millions)	Successor Six months ended June 30, 2013 (In millions)	Predecessor Six months ended June 30, 2012 (In millions)
Operating Revenues				
Operating revenues	\$716	\$521	\$1,140	\$1,242
Operating revenues — affiliate	9	—	15	—
Total operating revenues	725	521	1,155	1,242
Operating Costs and Expenses				
Cost of operations	285	506	635	1,034
Cost of operations — affiliate	170	—	310	—
Depreciation and amortization	62	90	121	178
Selling, general and administrative	21	64	54	114
Selling, general and administrative — affiliate	19	—	36	—
Acquisition-related transaction and integration costs	22	—	41	—
Total operating costs and expenses	579	660	1,197	1,326
Operating Income/(Loss)	146	(139)	(42)	(84)
Other Expense				
Other income, net	—	—	2	2
Interest expense	(56)	(85)	(103)	(174)
Loss on debt extinguishment	(11)	—	(11)	—
Total other expense	(67)	(85)	(112)	(172)
Income/(Loss) Before Income Taxes	79	(224)	(154)	(256)
Income tax (benefit)/expense	(6)	4	(6)	4
Net Income/(Loss)	\$85	\$(228)	\$(148)	\$(260)

See accompanying notes to condensed consolidated financial statements.

GENON ENERGY, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)  
 (Unaudited)

	Successor Three months ended June 30, 2013 (In millions)	Predecessor Three months ended June 30, 2012 (In millions)	Successor Six months ended June 30, 2013 (In millions)	Predecessor Six months ended June 30, 2012 (In millions)
Net Income/(Loss)	\$85	\$(228 )	\$(148 )	\$(260 )
Other comprehensive loss net of reclassifications, net of tax of \$0:				
Unrealized gain/(loss) on derivatives	16	(16 )	17	(12 )
Defined benefit plans	29	1	30	2
Other, net	—	1	—	1
Other comprehensive income/(loss)	45	(14 )	47	(9 )
Comprehensive income/(loss)	\$130	\$(242 )	\$(101 )	\$(269 )

See accompanying notes to condensed consolidated financial statements.

GENON ENERGY, INC. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2013 (unaudited) (In millions)	December 31, 2012
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$248	\$825
Funds deposited by counterparties	134	140
Restricted cash	34	18
Accounts receivable — trade	186	138
Inventory	437	430
Derivative instruments	518	596
Derivative instruments — affiliate	5	8
Cash collateral paid in support of energy risk management activities	49	148
Prepayments and other current assets	181	215
Total current assets	1,792	2,518
Property, plant and equipment, net of accumulated depreciation of \$129 and \$9	3,953	3,919
Other Assets		
Intangible assets, net of accumulated amortization of \$18 and \$1	67	68
Derivative instruments	342	511
Derivative instruments — affiliate	1	1
Deferred income taxes	197	209
Other non-current assets	190	235
Total other assets	797	1,024
Total Assets	\$6,542	\$7,461
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
Current Liabilities		
Current portion of long-term debt and capital leases	\$41	\$32
Accounts payable	134	189
Accounts payable — affiliate	53	6
Derivative instruments	177	237
Derivative instruments — affiliate	11	8
Deferred income taxes	197	209
Cash collateral received in support of energy risk management activities	134	140
Accrued expenses and other current liabilities	266	338
Total current liabilities	1,013	1,159
Other Liabilities		
Long-term debt and capital leases	3,623	4,170
Derivative instruments	70	123
Derivative instruments — affiliate	2	1
Out-of-market contracts	1,041	1,077
Other non-current liabilities	552	591
Total non-current liabilities	5,288	5,962
Total Liabilities	6,301	7,121
Commitments and Contingencies		
Stockholder's Equity	—	—

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Common stock: \$0.001 par value, 1 share authorized and issued at June 30, 2013  
and December 31, 2012

Additional paid-in capital	412	410	
Accumulated deficit	(220	) (72	)
Accumulated other comprehensive income	49	2	
Total Stockholder's Equity	241	340	
Total Liabilities and Stockholder's Equity	\$6,542	\$7,461	

See accompanying notes to condensed consolidated financial statements.

7

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GENON ENERGY, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
 (Unaudited)

	Successor Six months ended June 30, 2013 (In millions)	Predecessor Six months ended June 30, 2012 (In millions)
Cash Flows from Operating Activities		
Net loss	\$(148 )	\$(260 )
Adjustments to reconcile net loss to net cash provided/(used) by operating activities:		
Depreciation and amortization	121	178
Amortization of financing costs and debt discount/premiums	(43 )	8
Amortization of acquired and out-of-market contracts	(36 )	(22 )
Amortization of unearned equity compensation	7	9
Adjustment to loss on debt extinguishment	(28 )	—
Loss/(gain) on disposals and sales of assets	1	(8 )
Changes in derivative instruments	159	42
Excess materials and supplies inventory reserve	—	35
Lower of cost or market inventory adjustments	—	65
Advance settlement of out-of-market contract obligation	—	(20 )
Potomac River settlement reversal	—	(31 )
Large scale remediation and settlement costs	—	(3 )
Other, net	—	2
Changes in collateral deposits supporting energy risk management activities	99	9
Changes in other working capital	(22 )	(203 )
Net Cash Provided/(Used) by Operating Activities	110	(199 )
Cash Flows from Investing Activities		
Capital expenditures	(190 )	(342 )
Proceeds from sale of assets, net	1	14
(Increase)/decrease in restricted cash, net	(16 )	167
Purchase of emission allowances, net of proceeds	(14 )	—
Net Cash Used by Investing Activities	(219 )	(161 )
Cash Flows from Financing Activities		
Proceeds from issuance of long-term debt	110	148
Payments for short and long-term debt	(578 )	(6 )
Net Cash (Used)/Provided by Financing Activities	(468 )	142
Net Decrease in Cash and Cash Equivalents	(577 )	(218 )
Cash and Cash Equivalents at Beginning of Period	825	1,539
Cash and Cash Equivalents at End of Period	\$248	\$1,321

See accompanying notes to condensed consolidated financial statements.

GENON AMERICAS GENERATION, LLC AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
 (Unaudited)

	Successor Three months ended June 30, 2013 (In millions)	Predecessor Three months ended June 30, 2012 (In millions)	Successor Six months ended June 30, 2013 (In millions)	Predecessor Six months ended June 30, 2012 (In millions)
Operating Revenues				
Operating revenues	\$666	\$489	\$1,065	\$1,171
Operating revenues — affiliate	(28 )	65	105	35
Total operating revenues	638	554	1,170	1,206
Operating Costs and Expenses				
Cost of operations	160	277	379	537
Cost of operations — affiliate	376	267	704	533
Depreciation and amortization	20	41	41	81
Selling, general and administrative	1	5	2	10
Selling, general and administrative — affiliate	22	23	42	39
Total operating costs and expenses	579	613	1,168	1,200
Operating Income/(Loss)	59	(59 )	2	6
Other Expense				
Interest expense	(17 )	(18 )	(33 )	(36 )
Interest expense — affiliate	(1 )	(2 )	(3 )	(3 )
Total other expense	(18 )	(20 )	(36 )	(39 )
Income/(Loss) Before Income Taxes	41	(79 )	(34 )	(33 )
Income tax	—	—	—	—
Net Income/(Loss)	\$41	\$(79 )	\$(34 )	\$(33 )

See accompanying notes to condensed consolidated financial statements.

GENON AMERICAS GENERATION, LLC AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2013 (unaudited) (In millions)	December 31, 2012
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$75	\$148
Accounts receivable — trade	160	125
Note receivable — affiliate	301	198
Inventory	222	226
Derivative instruments	517	596
Derivative instruments — affiliate	77	60
Cash collateral paid in support of energy risk management activities	37	91
Prepayments and other current assets	111	61
Total current assets	1,500	1,505
Property, plant and equipment, net of accumulated depreciation of \$46 and \$4	1,272	1,267
Other Assets		
Intangible assets, net of accumulated amortization of \$17 and \$1	66	66
Derivative instruments	342	511
Derivative instruments — affiliate	16	25
Other non-current assets	47	13
Total other assets	471	615
Total Assets	\$3,243	\$3,387
<b>LIABILITIES AND MEMBER'S EQUITY</b>		
Current Liabilities		
Current portion of long-term debt and capital leases	\$5	\$5
Accounts payable	58	69
Accounts payable — affiliate	148	71
Derivative instruments	161	228
Derivative instruments — affiliate	126	134
Cash collateral received in support of energy risk management activities	134	140
Accrued expenses and other current liabilities	69	72
Total current liabilities	701	719
Other Liabilities		
Long-term debt and capital leases	949	955
Derivative instruments	51	82
Derivative instruments — affiliate	39	51
Out-of-market contracts	542	554
Other non-current liabilities	101	103
Total non-current liabilities	1,682	1,745
Total Liabilities	2,383	2,464
Commitments and Contingencies		
Member's Equity		
Member's interest	860	923
Total Member's Equity	860	923
Total Liabilities and Member's Equity	\$3,243	\$3,387

See accompanying notes to condensed consolidated financial statements.

10

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GENON AMERICAS GENERATION, LLC AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Unaudited)

	Successor Six months ended June 30, 2013 (In millions)	Predecessor Six months ended June 30, 2012 (In millions)
Cash Flows from Operating Activities		
Net loss	\$(34 )	\$(33 )
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	41	81
Amortization of debt premiums	(4 )	—
Amortization of out-of-market contracts	(12 )	—
Loss/(gain) on disposals and sales of assets	4	(1 )
Changes in derivative instruments	122	58
Excess materials and supplies inventory reserve	—	6
Lower of cost or market inventory adjustments	—	34
Potomac River settlement reversal	—	(31 )
Large scale remediation and settlement costs	—	(3 )
Changes in collateral deposits supporting energy risk management activities	48	230
Changes in other working capital	(51 )	(123 )
Net Cash Provided by Operating Activities	114	218
Cash Flows from Investing Activities		
Capital expenditures	(35 )	(151 )
Decrease in restricted cash, net	—	166
(Increase)/decrease in note receivable — affiliate	(103 )	13
Purchase of emission allowances, net of proceeds	(14 )	—
Net Cash (Used)/Provided by Investing Activities	(152 )	28
Cash Flows from Financing Activities		
Payments for short and long-term debt	(2 )	(2 )
Increase of note payable — affiliate	—	32
Capital contributions	37	—
Distributions to member	(70 )	(100 )
Net Cash Used by Financing Activities	(35 )	(70 )
Net (Decrease)/Increase in Cash and Cash Equivalents	(73 )	176
Cash and Cash Equivalents at Beginning of Period	148	267
Cash and Cash Equivalents at End of Period	\$75	\$443

See accompanying notes to condensed consolidated financial statements.

GENON MID-ATLANTIC, LLC AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)

	Successor Three months ended June 30, 2013 (In millions)	Predecessor Three months ended June 30, 2012 (In millions)	Successor Six months ended June 30, 2013 (In millions)	Predecessor Six months ended June 30, 2012 (In millions)	
Operating Revenues					
Operating revenues	\$46	\$8	\$6	\$135	
Operating revenues — affiliate	197	200	335	393	
Total operating revenues	243	208	341	528	
Operating Costs and Expenses					
Cost of operations	57	43	108	107	
Cost of operations — affiliate	90	173	177	315	
Depreciation and amortization	14	30	30	59	
Selling, general and administrative — affiliate	17	18	33	30	
Total operating costs and expenses	178	264	348	511	
Operating Income/(Loss)	65	(56	) (7	) 17	
Other Expense					
Interest expense	—	(1	) —	(1	)
Interest expense — affiliate	(1	) (1	) (2	) (2	)
Total other expense	(1	) (2	) (2	) (3	)
Income/(Loss) Before Income Taxes	64	(58	) (9	) 14	
Income tax	—	—	—	—	