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

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

x	ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 For the Fiscal Year ended December 31, 2013.
o	TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT 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.	o Yes	þ No
GenOn Americas Generation, LLC	o Yes	þ No
GenOn Mid-Atlantic, LLC	o Yes	þ 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.

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

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.	o	o	þ	o
GenOn Americas Generation, LLC	o	o	þ	o
GenOn Mid-Atlantic, LLC	o	o	þ	o

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

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

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_2	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	ISO New England Inc.
kWh	Kilowatt-hours
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.
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_x	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	The merger completed on December 14, 2012 pursuant to the NRG Merger Agreement
NRG Merger Agreement	The agreement by and among NRG, GenOn and Plus Merger Corporation (a direct wholly-owned subsidiary of NRG) dated as of July 20, 2012
NRG Merger Exchange Ratio	The right of GenOn Energy, Inc. stockholders to receive 0.1216 shares of common stock of NRG Energy, Inc. in the NRG Merger
NYISO	New York Independent System Operator
NYMEX	New York Mercantile Exchange

NYSPSC	New York State Public Service Commission
OCI	Other comprehensive income
PADEP	Pennsylvania Department of Environmental Protection
Peaking	Units expected to satisfy demand requirements during the periods of greatest or peak load on the system
PG&E	Pacific Gas & Electric

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, Maryland, New Jersey, Ohio, Pennsylvania, 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
PPA	Power Purchase Agreement
Registrants	GenOn, GenOn Americas Generation and GenOn Mid-Atlantic, collectively
REMA	GenOn REMA, LLC and its subsidiaries, which include three generating facilities under operating leases
Repowering	Technologies utilized to replace, rebuild, or redevelop major portions of an existing electrical generating facility, not only to achieve a substantial emission reduction, but also to increase facility capacity, and improve system efficiency
RGGI	Regional Greenhouse Gas Initiative
RMR	Reliability Must-Run
RRI Energy	RRI Energy, Inc.
RTO	Regional Transmission Organization
SCR	Selective Catalytic Reduction
SEC	United States Securities and Exchange Commission
Securities Act	The Securities Act of 1933, as amended
SO_2	Sulfur dioxide
U.S.	United States of America
U.S. GAAP	U.S. Generally accepted accounting principles
VIE	Variable Interest Entity

PART I

Item 1 — Business (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

General

The Registrants are wholesale power generation subsidiaries of NRG, which aspires to be a leader in the way the industry and consumers think about, use, produce and deliver energy and energy services in major competitive power markets in the United States. GenOn is an indirect wholly-owned subsidiary of NRG. GenOn Americas Generation and GenOn Mid-Atlantic are indirect wholly-owned subsidiaries of GenOn. GenOn Mid-Atlantic is a wholly-owned subsidiary of GenOn North America and an indirect wholly-owned subsidiary of GenOn Americas Generation. The Registrants are engaged in the ownership and operation of power generation facilities; the trading of energy, capacity and related products; and the transacting in and trading of fuel and transportation services.

The Registrants’ generation facilities are located in the U.S. and comprise generation facilities across the merit order. The sale of capacity and power from baseload and intermediate generation facilities accounts for a majority of the Registrants’ generation revenues. In addition, the Registrants’ generation portfolio provides each with opportunities to capture additional revenues by selling power during periods of peak demand, offering capacity or similar products, and providing ancillary services to support system reliability.

GenOn previously had the following segments: Eastern PJM, Western PJM/MISO, California, Energy Marketing and Other Operations. GenOn Americas Generation previously had the following segments: Eastern PJM, Northeast, California, Energy Marketing and Other Operations. In the fourth quarter of 2012, in conjunction with the NRG Merger, GenOn and GenOn Americas Generation began reporting the following segments: East, South Central, West and Corporate, with GenOn Mid-Atlantic operating only in the East.

The following table summarizes GenOn's generation portfolio as of December 31, 2013, by operating segment.

	(In MW)			
Generation Type	East	South Central	West	Total
Natural gas	6,389	1,198	4,435	12,022
Coal	5,898	—	—	5,898
Oil	2,077	—	—	2,077
Total generation capacity	14,364	1,198	4,435	19,997

The following table summarizes GenOn Americas Generation's generation portfolio as of December 31, 2013, by operating segment.

	(In MW)		
Generation Type	East	West	Total
Natural gas	2,938	1,029	3,967
Coal	2,433	—	2,433
Oil	1,452	—	1,452
Total generation capacity	6,823	1,029	7,852

The following table summarizes GenOn Mid-Atlantic's generation portfolio as of December 31, 2013.

	(In MW)
Generation Type	East
Natural gas	2,433
Coal	1,942
Oil	308
Total generation capacity	4,683

NRG Merger

On December 14, 2012, NRG completed the acquisition of GenOn. NRG issued, as consideration for the acquisition, 0.1216 shares of NRG common stock for each outstanding share of GenOn, including restricted stock units outstanding on the acquisition date, except for fractional shares which were paid in cash. See Item 15 — Note 3, NRG Merger and Dispositions, to the Consolidated Financial Statements for additional discussion.

The NRG Merger was accounted for by NRG using acquisition accounting and through the application of “push-down” accounting, the purchase price paid by NRG was allocated to the Registrants' assets, liabilities and equity as of the acquisition date. Accordingly, the successor financial statements reflect a new basis of accounting and predecessor and successor period financial results are presented, but not comparable.

The most significant impacts of the new basis of accounting during the successor periods were (i) reduced depreciation expense due to the step-down of depreciable assets, (ii) lower interest expense for the remaining life of long-term debt due to its revaluation and related debt premium amortization along with the repayment of the senior secured term loan due 2017, and (iii) reduced cost of operations due to the amortization of lease obligations and out-of-market contracts.

The results of operations for successor periods included herein reflect certain acquisition-related transaction and integration costs which are not expected to have a continuing impact on the results going forward, and those amounts are included within a separate line within the Registrants' consolidated results of operations.

Competition

Wholesale power generation is a capital-intensive, commodity-driven business with numerous industry participants. The Registrants compete on the basis of the location of their plants and ownership of portfolios of plants in various regions, which increases the stability and reliability of its energy revenues. Wholesale power generation is a regional business that is currently highly fragmented and diverse in terms of industry structure. As such, there is a wide variation in terms of the capabilities, resources, nature and identity of the companies the Registrants compete with depending on the market. Competitors include regulated utilities, other independent power producers, and power marketers or trading companies, including those owned by financial institutions, municipalities and cooperatives.

Competitive Strengths

The Registrants’ power generation assets are diversified by fuel-type, dispatch level and region, which helps mitigate the risks associated with fuel price volatility and market demand cycles. The Registrants' baseload and intermediate facilities provide each with a significant source of cash flow, while the peaking facilities provide the Registrants with opportunities to capture upside potential that can arise from time to time during periods of high demand.

Many of the Registrants’ generation assets are located within densely populated areas, which tend to have more robust wholesale pricing as a result of relatively favorable local supply-demand balance. The Registrants have generation assets located in or near the New York City, Washington, D.C., Baltimore, Pittsburgh, Los Angeles and San Francisco metropolitan areas and New Jersey. These facilities are often ideally situated for repowering or the addition of new capacity, because their location and existing infrastructure provide significant advantages over undeveloped sites.

New and On-going Company Initiatives

Operational Improvement Activities

The Registrants announced their intention to continue operations at the Avon Lake and New Castle facilities, which are currently in operation and had been scheduled for deactivation in April 2015. The Registrants intend to add natural gas capabilities at these facilities, with such capabilities expected to be completed by the summer of 2016.

Coal Operations

The following table summarizes GenOn's U.S. Coal capacity and the corresponding revenues and average natural gas prices and positions resulting from Coal hedge agreements extending beyond December 31, 2013, and through 2018 for the East region:

East	2014	2015	2016	2017	2018	Annual Average for 2014-2018
	(Dollars in millions unless otherwise stated)					
Net Coal Capacity (MW) [a]	5,806	5,317	4,526	4,086	4,086	4,764
Forecasted Coal Capacity (MW) [b]	2,898	2,074	1,577	1,496	1,525	1,914
Total Coal Sales (MW) [c]	2,378	852	433	368	—	806
Percentage Coal Capacity Sold Forward [d]	82 %	41 %	27 %	25 %	— %	42 %
Total Forward Hedged Revenues [e]	$1,247	$434	$235	$166	$—	
Weighted Average Hedged Price ($ per MWh) [e]	$59.88	$58.17	$62.00	$51.27	$—	
Average Equivalent Natural Gas Price ($ per MMBtu)	$5.73	$5.29	$5.46	$4.54	$—	
Gas Price Sensitivity Up $0.50/MMBtu on Coal Units	$81	$100	$84	$88	$104	
Gas Price Sensitivity Down $0.50/MMBtu on Coal Units	$(38)	$(59)	$(48)	$(48)	$(65)	
Heat Rate Sensitivity Up 1 MMBtu/MWh on Coal Units	$72	$113	$88	$89	$90	
Heat Rate Sensitivity Down 1 MMBtu/MWh on Coal Units	$(33)	$(77)	$(61)	$(59)	$(58)	

(a) Net Coal capacity represents nominal summer net MW capacity of power generated as adjusted for the Company's ownership position excluding capacity from inactive/mothballed units, see Item 2 - Properties for units scheduled to be deactivated.

(b) Forecasted generation dispatch output (MWh) based on forward price curves as of December 31, 2013, which is then divided by number of hours in a given year to arrive at MW capacity. The dispatch takes into account planned and unplanned outage assumptions.

(c) Includes amounts under power sales contracts and natural gas hedges. The forward natural gas quantities are reflected in equivalent MWh based on forward market implied heat rate as of December 31, 2013, and then combined with power sales to arrive at equivalent MWh hedged which is then divided by number of hours in given year to arrive at MW hedged. The Coal Sales include swaps and delta of options sold which is subject to change. For detailed information on the Company's hedging methodology through use of derivative instruments, see discussion in Item 15 - Note 5, Accounting for Derivative Instruments and Hedging Activities, to the Consolidated Financial Statements.

(d) Percentage hedged is based on total Coal sales as described in (c) above divided by the forecasted Coal capacity.

(e) Represents all U.S. Coal sales, including energy revenue and demand charges, excluding revenues derived from capacity auctions.

Regulatory Matters

As operators of power plants and participants in wholesale energy markets, certain of the Registrants' entities are subject to regulation by various federal and state government agencies. These include the Commodities Futures Trading Commission and FERC, as well as other public utility commissions in certain states where the Registrants' generating assets are located. In addition, the Registrants are subject to the market rules, procedures and protocols of the various ISO markets in which they participate. The Registrants must also comply with the mandatory reliability requirements imposed by NERC and the regional reliability entities in the regions where they operate.

East Region

New York

Demand Curve Reset — On November 29, 2013, the NYISO filed at FERC its triennial adjustment of its capacity market parameters for the 2014-2017 periods. The NYISO installed capacity requirement is determined by an administratively-set demand curve reflecting, among other things, the estimated net cost of new entry, or CONE, or a proxy generating unit. In its filing, the NYISO proposes to utilize a frame unit, without selective catalytic reduction, or SCR, for the Rest of State region, and a Frame unit with a SCR for Lower Hudson Valley, New York City and Long Island zones as its proxy generating unit. The use of this proxy unit is expected to decrease capacity prices in the New York City and Lower Hudson Valley zones. FERC accepted the filing on January 28, 2014, with a May 1, 2014 effective date for the new demand curves. The Registrants filed for rehearing on certain aspects of FERC's rules.

NYSPSC Order Rescinding Danskammer Retirement — On October 29, 2013, the NYSPSC took emergency action to rescind its approval for the 530 MW Danskammer facility to retire on October 30, 2013. The NYSPSC's stated goal was to allow the facility to return to service in order to constrain rate increases in New York. The NYPSC approved the emergency Order and granted an extension until March 17, 2014 for Helios Capital LLC to file its plan to operate or retire the unit. The return to service of this facility may affect capacity prices received by the Registrants for their resource in the Lower Hudson Valley capacity zone.

Independent Power Producers of New York Complaint — On May 10, 2013, generators in New York filed a complaint at FERC against the NYISO. The generators asked FERC to direct the NYISO to require that capacity from existing generation resources that would have exited the market but for out-of-market payments under RMR type agreements be excluded from the capacity market altogether or be offered at levels no lower than the resources' going-forward costs. The generators point to the recent reliability services agreements entered into between the NYSPSC and generators, including Dunkirk Power, and seek to prevent below-cost offers from artificially suppressing prices in the New York Control Area Installed Capacity Spot Market Auction. A number of New York Transmission Owners protested the filing and the case is pending.

PJM

Maryland Environmental Regulations — MDE has announced that it intends to promulgate more stringent regulations regarding NOx emissions, which could negatively affect some of the Company's coal units in Maryland. Accordingly, on November 29, 2013, NRG submitted a notice of deactivation to retire Chalk Point Units 1 and 2 and Dickerson Units 1, 2, and 3 on May 31, 2017. The deactivation is based on draft environmental regulations that, if adopted, could require uneconomic capital investment and render the units uneconomic to operate going forward.

Import Limits — On November 29, 2013, PJM filed at FERC to add a limit on the amount of capacity from external resources that PJM can reliably import into the PJM Region. If approved by FERC, the capacity import limit may decrease the amount of capacity imports allowed into PJM, as compared to recent auctions. The Registrants support this filing, which is still pending at FERC. The outcome of this proceeding could have a material impact on future PJM capacity prices.

Limited Demand Response Caps & Demand Response Operability Filings — On November 29, 2013, PJM proposed at FERC changes to the way in which it procures demand response resources, including placing a ceiling, or hard cap, on the amount of limited and extended summer demand response resources that can clear the auction, but are available for only part of the delivery year. The PJM proposal also removes the de facto ceiling on the amount of annual demand response resources procured in the auction, which are resources required to participate in the PJM markets on a year-round basis. The intent of these changes is to drive price separation between the three demand response products, and ensure that the annual product receives the highest payment from the market. The Registrants supported the filing at FERC and the matter is still pending rehearing. The eventual outcome of this proceeding could have a material impact on future PJM capacity prices.

Additionally, on December 24, 2013, PJM filed at FERC to implement changes governing demand response resources' participation in the PJM capacity market in an attempt to enhance the operational flexibility of demand response resources during the operating day. The host of changes proposed by PJM included proposals to require most demand response resources to respond in 30 minutes and reduce the minimum call time from two hours to one hour. Approval of these changes would likely limit the amount of demand response resources eligible to participate in the PJM capacity market. The Registrants filed a limited protest that, among other things, sought clarification on the exemptions offered to the 30 minute notification time and challenging the exemption offered to behind-the-meter generation. The matter is pending at FERC and again the outcome of this proceeding could have a material impact on future PJM capacity prices.

MOPR Litigation — On April 12, 2011, FERC issued an order addressing a complaint filed by PJM Power Providers Group seeking to require PJM to address the potential adverse impacts of out-of-market generation on the PJM Reliability Pricing Model, capacity market, as well as PJM's subsequent submission seeking revisions to the capacity market design, in particular the MOPR. In its order, FERC generally strengthened the MOPR and the protections against market price distortion from out-of-market generation. On November 17, 2011, FERC largely denied rehearing of its April 12, 2011 order. Several parties have appealed FERC's decision to federal court, and those appeals have been consolidated in the Third Circuit Court of Appeals. Oral arguments were held on September 10, 2013. The outcome of this proceeding could also have a material impact on the future PJM capacity prices.

MOPR Revisions — On December 7, 2012, PJM filed comprehensive revisions to its MOPR rules at FERC. On May 2, 2013, FERC accepted PJM's proposal in part and rejected it in part. Among other things, FERC approved the portions of the PJM proposal that exempt many new entrants from MOPR rules, including projects proposed by merchant generators, public power entities and certain self-supply entities. This exemption is subject to certain conditions designed to limit the financial incentive of such entities to suppress market prices. However, FERC rejected PJM's proposal to eliminate the unit specific review process, and instead directed PJM to continue allowing units to demonstrate their actual costs and revenues and bid into the auction at that price. On June 3, 2013, NRG filed a request for rehearing of the FERC order and subsequently protested the manner in which PJM proposed to implement the FERC order. These challenges are both pending.

New Jersey and Maryland's Generator Contracting Programs — In 2011, the New Jersey Board of Public Utilities, or NJBPU, awarded three Standard Offer Capacity Agreements, or SOCAs as part of New Jersey's Long-Term Capacity Agreement Pilot Program. The stated goal of the program was to encourage the construction of new generation capacity in New Jersey. One of the SOCAs was awarded to an NRG affiliate, which has since been terminated. In late 2011, the MD PSC awarded a similar contract to another generation developer.

The constitutionality of the SOCAs awarded by the NJBPU to NRG and other entities were challenged in the U.S. District Court for the District of New Jersey. On October 11, 2013, the New Jersey Federal Court held that the SOCAs violated the Supremacy Clause of the U.S. Constitution because they intruded on the authority Congress had granted to FERC under the Federal Power Act to set wholesale energy prices, which authority FERC had expressed through the PJM capacity auction. Additionally, the Court found that the SOCA poses an obstacle to FERC’s implementation of the PJM capacity auction. Based on these findings, the New Jersey Federal Court found the SOCAs to be null and void.

In a similar challenge lodged in the U.S. District Court for the District of Maryland against the Maryland contract, the Maryland Court ruled on September 30, 2013, the Maryland contract violated the Supremacy Clause of the U.S. Constitution and was preempted. The Court based this holding on its finding that the compensation under the Maryland contract amounted to the MD PSC effectively setting the wholesale price when Congress had vested that authority in FERC, thus preempting state regulatory action to establish the wholesale price.

Both the New Jersey and Maryland decisions have been appealed to the United States Court of Appeals for the Third Circuit and the United States Court of Appeals for the Fourth Circuit, respectively. On January 24, 2014, NRG filed an amicus brief in the Third Circuit case in support of the petitioners and challenging the District Court holdings that the contracts violated the U.S. Constitution. On February 11, 2014, NRG filed a similar amicus brief in the Fourth Circuit.

New England (GenOn and GenOn Americas Generation)

Performance Incentive Proposal — On January 17, 2014, ISO-NE filed at FERC to fundamentally revamp its forward capacity market, or FCM, by making a resource’s forward capacity market compensation dependent on resource output during short intervals of operating reserve scarcity. The ISO-NE proposal would replace the existing shortage event penalty structure with a new performance incentive, or PI, mechanism, resulting in capacity payments to resources that would be the combination of two components: (1) a base capacity payment and (2) a performance payment or charge. The performance payment or charge would be entirely dependent upon the resource’s delivery of energy or operating reserves during scarcity conditions, and could be larger than the base payment.

NEPOOL, the ISO-NE stakeholder group, filed an alternative proposal to ISO-NE’s PI proposal at FERC, under which the market rules would be revised to maintain the FCM capacity product as a tool to ensure resource adequacy, and would place real-time performance incentive-related improvements directly into the energy and reserve markets. The Company supports the NEPOOL alternative. The matter is pending at FERC.

FCM Rules for 2014 Forward Capacity Auction — On January 24, 2014, FERC accepted ISO-NE’s proposal to revamp its Insufficient Supply and Insufficient Competition rules, which resulted in a declaration of the Insufficient Competition condition and a $7.025/kW-month price to all existing resources. Rehearing of the order remains pending.

South Central Region (GenOn)

On July 5, 2013, AmerenEnergy Resources Generating Company, or Ameren, filed a complaint against MISO pertaining to the compensation for generators asked by MISO to provide service past their retirement date due to reliability concerns. Ameren asked FERC to require MISO to provide such generators their full cost of service as compensation and not merely cover the generator's incremental costs of operation going-forward costs. GenOn supports the Ameren complaint. The matter remains pending.

Environmental Matters

The Registrants are subject to a wide range of environmental regulations in the development, ownership, construction and operation of projects. These laws and regulations generally require that governmental permits and approvals be obtained before construction and maintained during operation of power plants. Environmental regulations have become increasingly stringent and the Registrants expect this trend to continue. The electric generation industry is likely to face new requirements to address various emissions, including greenhouse gases, as well as combustion byproducts, water discharge and use, and threatened and endangered species. In general, future laws and regulations are expected to require the addition of emissions controls or other environmental quality equipment or the imposition of certain restrictions on the operations of the Registrants' facilities, which could have a material effect on the Registrants' operations. Complying with environmental requirements involves significant capital and operating expenses. The Registrants decide to invest capital for environmental controls based on the relative certainty of the requirements, an evaluation of compliance options, and the expected economic returns on capital.

See Item 15- Note 19, Regulatory Matters, Note 20, Environmental Matters, and Note 21, Guarantees, to the Consolidated Financial Statements.

Environmental Capital Expenditures

Based on current rules, technology and plans based on proposed rules, GenOn estimates that environmental capital expenditures from 2014 through 2018 required to meet GenOn's regulatory environmental laws will be approximately $120 million for GenOn, which includes $12 million for GenOn Americas Generation, which was adjusted for the sale of Kendall on January 31, 2014. The estimate for GenOn Americas Generation includes $6 million for GenOn Mid-Atlantic. These costs are primarily associated with controls to satisfy MATS at Conemaugh and NO_x controls for Sayreville and Gilbert. In addition, although GenOn expects to place Shawville in long-term protective layup and reactivation remains a technical possibility, GenOn does not expect to make any further investment in environmental controls for this facility. Reactivation after a long-term protective layup would likely involve numerous new permits and substantial additional investment. The Registrants continue to explore cost effective compliance alternatives to further reduce costs.

See Item 15- Note 8, Retirements, Mothballing or Long-Term Protective Layup of Generating Facilities, to the Consolidated Financial Statements.

East Region

RGGI — In 2013, each of the RGGI member states finalized a rule that collectively reduced the CO_2 emissions cap from 165 million tons to 91 million tons in 2014 with a 2.5% reduction each year from 2015 to 2020. The Registrants expect earnings at their plants in Massachusetts, New York, and particularly those in Maryland, to be negatively affected. The extent to which they would be negatively affected depends on the price of the CO_2 emissions allowances, which in turn will be significantly influenced by future natural gas prices, power prices, generation resource mix, dispatch order, and any nuclear plant retirements.

Employees

As of December 31, 2013, GenOn had 2,255 employees of which 675 employees were part of GenOn Americas Generation and 464 employees were part of GenOn Mid-Atlantic, approximately 54.6%, 67.5% and 70.0%, respectively, of whom were covered by bargaining agreements. During 2013, the Registrants did not experience any labor stoppages or labor disputes at any of their facilities.

Available Information

The Registrants’ annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to section 13(a) or 15(d) of the Exchange Act are available free of charge through NRG's website, www.nrgenergy.com, as soon as reasonably practicable after they are electronically filed with, or furnished to the SEC.

Item 1A — Risk Factors

The Registrants are subject to the following factors that could have a material adverse effect on their future performance, results of operations, financial condition and cash flows. In addition, such factors could affect their ability to service indebtedness and other obligations, to raise capital and could affect their future growth opportunities. Also, see Cautionary Statement Regarding Forward-Looking Information and Item 7 — Management's Narrative Analysis of the Results of Operations and Financial Condition of this Form 10-K.

Risks Related to the Operation of the Registrants' Businesses

GenOn is a wholly-owned subsidiary of NRG and is highly dependent on NRG for services under a master services agreement.

GenOn relies on NRG for its administrative and management functions and services including human resources-related functions, accounting, tax administration, information systems, legal services, treasury and planning, operations and asset management, risk and commercial operations, and other support services under a management services agreement. GenOn anticipates continuing to rely upon NRG to provide many of these services. If NRG terminates the management services agreement or defaults in the performance of its obligations under the agreement, GenOn may be unable to contract with a substitute service provider on similar terms or at all, and the costs of substituting service providers may be substantial. In addition, in light of NRG's familiarity with GenOn's assets, a substitute service provider may not be able to provide the same level of service due to lack of preexisting synergies. If GenOn cannot locate a service provider that is able to provide it with substantially similar services as NRG does under the management services agreement on similar terms, it would likely have a material adverse effect on GenOn's business, financial condition, results of operation and cash flows.

The interests of NRG as GenOn's equity holder may conflict with the interests of holders of debt.

GenOn is owned and controlled by NRG. The interests of NRG may not in all cases be aligned with the interests of the holders of GenOn's debt or the debt and lease obligations of GenOn's subsidiaries. If GenOn encounters financial difficulties or becomes unable to pay its debts as they mature, NRG does not have any liability for any obligations under the GenOn notes or the notes and lease obligations of the GenOn subsidiaries. In addition, NRG may have an interest in pursuing acquisitions, divestitures, financings or other transactions that, in its judgment, could enhance its equity investments, even though such transactions might involve risks to GenOn's business or the holders of GenOn's and its subsidiaries' debt. Furthermore, NRG may own businesses that directly or indirectly compete with GenOn. NRG also may pursue acquisition opportunities that may be complementary to NRG's business, and as a result, those acquisition opportunities may not be available to GenOn.

The Registrants' financial results are unpredictable because most of their generating facilities operate without long-term power sales agreements, and their revenues and results of operations depend on market and competitive forces that are beyond their control.

The Registrants provide energy, capacity, ancillary and other energy services from their generating facilities in a variety of markets and to bi-lateral counterparties, including participating in wholesale energy markets, entering into tolling agreements, sales of resource adequacy and participation in capacity auctions. The Registrants revenues from selling capacity are a significant part of their overall revenues. The Registrants are not guaranteed recovery of their costs or any return on their capital investments through mandated rates.

The market for wholesale electric energy and energy services reflects various market conditions beyond the Registrants' control, including the balance of supply and demand, transmission congestion, competitors' marginal and long-term costs of production, the price of fuel, and the effect of market regulation. The price at which the Registrants can sell their output may fluctuate on a day-to-day basis, and their ability to transact may be affected by the overall liquidity in the markets in which the Registrants operate. These markets remain subject to regulations that limit their ability to raise prices during periods of shortage to the degree that would occur in a fully deregulated market. In addition, unlike most other commodities, electric energy can be stored only on a very limited basis and generally must be produced at the time of use. As a result, the wholesale power markets are subject to substantial price fluctuations over relatively short periods of time and can be unpredictable.

The Registrants' revenues, results of operations and cash flows are influenced by factors that are beyond their control, including those set forth above, as well as:

- the failure of market regulators to develop and maintain efficient mechanisms to compensate merchant generators for the value of providing capacity needed to meet demand;
- actions by regulators, ISOs, RTOs and other bodies that may artificially modify supply and demand levels and prevent capacity and energy prices from rising to the level necessary for recovery of the Registrants' costs, investment and an adequate return on investment;

- legal and political challenges to or changes in the rules used to calculate capacity payments in the markets in which the Registrants operate or the establishment of bifurcated markets, incentives, other market design changes or bidding requirements that give preferential treatment to new generating facilities over existing generating facilities or otherwise reduce capacity payments to existing generating facilities;
- the ability of wholesale purchasers of power to make timely payment for energy or capacity, which may be adversely affected by factors such as retail rate caps, refusals by regulators to allow utilities to recover fully their wholesale power costs and investments through rates, catastrophic losses and losses from investments by utilities in unregulated businesses;
- increases in prevailing market prices for fuel oil, coal, natural gas and emission allowances that may not be reflected in prices the Registrants receive for sales of energy;
- increases in electricity supply as a result of actions of the Registrants' current competitors or new market entrants, including the development of new generating facilities or alternative energy sources that may be able to produce electricity less expensively than the Registrants' generating facilities and improvements in transmission that allow additional supply to reach their markets;
- increases in credit standards, margin requirements, market volatility or other market conditions that could increase the Registrants' obligations to post collateral beyond amounts that are expected, including additional collateral costs associated with OTC hedging activities as a result of future OTC regulations adopted pursuant to the Dodd-Frank Act;
- decreases in energy consumption resulting from demand-side management programs such as automated demand response, which may alter the amount and timing of consumer energy use;
- the competitive advantages of certain competitors, including continued operation of older power facilities in strategic locations after recovery of historic capital costs from ratepayers;
- existing or future regulation of the markets in which the Registrants operate by the FERC, ISOs and RTOs, including any price limitations and other mechanisms to address some of the price volatility or illiquidity in these markets or the physical stability of the system;
- the Registrants' obligation under any default sharing mechanisms in RTO and ISO markets, such mechanisms exist to spread the risk of defaults by transmission owning companies or other RTO members across all market participants;
- regulatory policies of state agencies that affect the willingness of the Registrants' customers to enter into long-term contracts generally, and contracts for capacity in particular;
- access to contractors and equipment;
- changes in the rate of growth in electricity usage as a result of such factors as national and regional economic conditions and implementation of conservation programs;
- seasonal variations in energy and natural gas prices, and capacity payments; and
- seasonal fluctuations in weather, in particular abnormal weather conditions.

As discussed above, the market for wholesale electric energy and energy services reflects various market conditions beyond the Registrants' control, including the balance of supply and demand, the Registrants' competitors' marginal and long-term costs of production, and the effect of market regulation. The Registrants cannot ensure that higher earnings or price increases will result from industry retirements of coal-fired generating facilities or that higher earnings from their remaining facilities will offset or more than offset reduced earnings from facility deactivations.

Changes in the wholesale energy markets or in the Registrants generating facility operations could result in impairments or other charges.

If the ongoing evaluation of the Registrants' business results in decisions to deactivate or dispose of additional facilities, the Registrants could have impairments or other charges. These evaluations involve significant judgments about the future. Actual future market prices, project costs and other factors could be materially different from current estimates.

The Registrants are exposed to the risk of fuel cost volatility because they must pre-purchase coal and oil.

Most of the Registrants' fuel contracts are at fixed prices with terms of two years or less. Although the Registrants purchase coal and oil based on expected requirements, they still face the risks of fuel price volatility if they require more or less fuel than expected.

12

The Registrants' cost of fuel may not reflect changes in energy and fuel prices in part because they must pre-purchase inventories of coal and oil for reliability and dispatch requirements, and thus the price of fuel may have been determined at an earlier date than the price of energy generated from the fuel. Similarly, the price the Registrants can obtain from the sale of energy may not rise at the same rate, or may not rise at all, to match a rise in fuel costs.

The Registrants are exposed to the risk of their fuel providers and fuel transportation providers failing to perform.

The Registrants purchase most of their coal from a limited number of suppliers. Because of a variety of operational issues, the Registrants' coal suppliers may not provide the contractual quantities on the dates specified within the agreements, or the deliveries may be carried over to future periods. Also, interruptions to planned or contracted deliveries to the Registrants' generating facilities can result from a lack of, or constraints in, coal transportation because of rail, river or road system disruptions, adverse weather conditions and other factors.

If the Registrants' coal suppliers do not perform in accordance with the agreements, the Registrants may have to procure higher priced coal in the market to meet their needs, or higher priced power in the market to meet their obligations. In addition, generally the Registrants coal suppliers do not have investment grade credit ratings nor do they post collateral with the Registrants and, accordingly, the Registrants may have limited ability to collect damages in the event of default by such suppliers.

For the Registrants' oil-fired generating facilities, the Registrants typically purchase fuel from a limited number of suppliers. If the Registrants' oil suppliers do not perform in accordance with the agreements, the Registrants may have to procure higher priced oil in the market to meet their needs, or higher priced power in the market to meet their obligations. For the Registrants' gas-fired generating facilities, any curtailments or interruptions on transporting pipelines could result in curtailment of operations or increased fuel supply costs.

Operation of the Registrants' generating facilities involve risks that could result in disruption, curtailment or inefficiencies in their operations.

The operation of the Registrants' generating facilities involves various operating risks, including, but not limited to:

- the output and efficiency levels at which those generating facilities perform;
- interruptions in fuel supply and quality of available fuel;
- disruptions in the delivery of electricity;
- adverse zoning;
- breakdowns or equipment failures (whether a result of age or otherwise);
- violations of permit requirements or changes in the terms of, or revocation of, permits;
- releases of pollutants to air, soil, surface water or groundwater;
- ability to transport and dispose of coal ash at reasonable prices;
- curtailments or other interruptions in natural gas supply;
- shortages of equipment or spare parts;
- labor disputes, including strikes, work stoppages and slowdowns;
- the aging workforce at many of the Registrants' facilities;
- operator errors;
- curtailment of operations because of transmission constraints;
- failures in the electricity transmission system, which may cause large energy blackouts;
- implementation of unproven technologies in connection with environmental improvements; and
- catastrophic events such as fires, explosions, floods, earthquakes, hurricanes or other similar occurrences.

These factors could result in a material decrease, or the elimination of, the revenues generated by the Registrants' facilities or a material increase in the Registrants' costs of operations.

The Registrants operate in a limited number of markets and a significant portion of revenues are derived from the PJM market. The effect of adverse developments in the markets, especially the PJM market, may be greater on the Registrants than on more geographically diversified competitors.

As of December 31, 2013, GenOn's generating capacity is 57% in PJM, 25% in CAISO, 10% in NYISO and ISO-NE, 6% in the Southeast and 2% in MISO, and GenOn Americas Generation's generating capacity is 53% in PJM, 23% in CAISO and 24% in NYISO and ISO-NE. As of December 31, 2013, all of GenOn Mid-Atlantic's generating capacity is in PJM. Approximately 78% of GenOn's gross margin during 2013 was attributable to the East operating segment. Adverse developments in these regions, especially in the PJM market, may adversely affect the Registrants. Further, the effect of such adverse regional developments may be greater on the Registrants than on more geographically diversified competitors.

The Registrants are exposed to possible losses that may occur from the failure of a counterparty to perform according to the terms of a contractual arrangement, particularly in connection with GenOn Mid-Atlantic's non-collateralized power hedges with financial institutions.

Non-collateralized power hedges with financial institutions represent 24% of the net notional power position for GenOn, 35% of the net notional power position for GenOn Americas Generation and 35% of the net notional power position for GenOn Mid-Atlantic at December 31, 2013. Such hedges are senior unsecured obligations of GenOn Mid-Atlantic and the counterparties, and do not require either party to post cash collateral for initial margin or for securing exposure as a result of changes in power or natural gas prices. Deterioration in the financial condition of such counterparties could result in their failure to pay amounts owed to GenOn Mid-Atlantic or to perform obligations or services owed to GenOn Mid-Atlantic beyond collateral posted.

Policies at the national, regional and state levels to regulate GHG emissions, as well as climate change, could adversely impact the Registrants' results of operations, financial condition and cash flows.

The impact of further legislation or regulation of GHGs on the Registrants' financial performance will depend on a number of factors, including the level of GHG standards, the extent to which mitigation is required, the applicability of offsets, and the extent to which the Registrants would be entitled to receive CO_2 emissions credits without having to purchase them in an auction or on the open market.

The Registrants operate generating units in Maryland, Massachusetts, and New York that are subject to RGGI, which is a regional cap and trade system. In February 2013, RGGI, Inc. released a model rule that when adopted by the member states will reduce the number of allowances available and potentially increase the price of each allowance. Each of these states has finalized a rule that reduces the number of allowances, which the Registrants believe would increase the price of each allowance. These new rules could adversely impact the Registrants' results of operations, financial condition and cash flows.

The California CO_2 cap and trade program for electric generating units greater than 25 MW commenced in 2013. The impact on the Registrants depends on the cost of the allowances and the ability to pass these costs through to customers.

GHG emissions from power plants are regulated under various section of the Clean Air Act. In 2012, EPA proposed stringent standards for GHG emissions from certain new fossil-fueled electric generating units (simple-cycle CTs are not covered). The proposed standard is in effect until the rule is finalized or re-proposed. EPA has released a pre-publication version of its re-proposed rule for new units, which the Registrants expect will be published in the first quarter of 2014. The re-proposal is expected to include simple cycle CTs that exceed a certain capacity factor and is expected to create a different but still stringent standard for coal-fired units. EPA intends to issue another rule in 2014 that will require states to develop CO_2 standards that would apply to existing fossil-fueled generating facilities. This rule could adversely impact the Registrants' results of operations, financial condition and cash flows.

Hazards customary to the power production industry include the potential for unusual weather conditions, which could affect fuel pricing and availability, the Registrants' route to market or access to customers, i.e., transmission and distribution lines, or critical plant assets. To the extent that climate change contributes to the frequency or intensity of weather related events, the Registrants' operations and planning process could be affected.

Changes in technology may significantly affect the Registrants' generating business by making their generating facilities less competitive.

The Registrants generate electricity using fossil fuels at large central facilities. This method results in economies of scale and lower costs than newer technologies such as fuel cells, microturbines, windmills and photovoltaic solar cells. It is possible that advances in those technologies, or governmental incentives for renewable energies, will reduce their costs to levels that are equal to or below that of most central station electricity production.

The expected decommissioning and/or site remediation obligations of certain of the Registrants' generating facilities may negatively affect their cash flows.

Some of the Registrants' generating facilities and related properties are subject to decommissioning and/or site remediation obligations that may require material expenditures. Furthermore, laws and regulations may change to impose material additional decommissioning and remediation obligations on the Registrants in the future.

Terrorist attacks and/or cyber-attacks may result in the Registrants' inability to operate and fulfill their obligations, and could result in material repair costs.

As power generators, the Registrants face heightened risk of terrorism, including cyber terrorism, either by a direct act against one or more of their generating facilities or an act against the transmission and distribution infrastructure that is used to transport the power. Although the entire industry is exposed to these risks, the Registrants' generating facilities and the transmission and distribution infrastructure located in the PJM market are particularly at risk because of the proximity to major population centers, including governmental and commerce centers.

The Registrants rely on information technology networks and systems to operate their generating facilities, engage in asset management activities, and process, transmit and store electronic information. Security breaches of this information technology infrastructure, including cyber-attacks and cyber terrorism, could lead to system disruptions, generating facility shutdowns or unauthorized disclosure of confidential information related to their employees, vendors and counterparties. Confidential information includes banking, vendor, counterparty and personal identity information.

Systemic damage to one or more of the Registrants' generating facilities and/or to the transmission and distribution infrastructure could result in the inability to operate in one or all of the markets the Registrants serve for an extended period of time. If the Registrants' generating facilities are shut down, they would be unable to respond to the ISOs and RTOs or fulfill their obligations under various energy and/or capacity arrangements, resulting in lost revenues and potential fines, penalties and other liabilities. Pervasive cyber-attacks across the industry could affect the ability of ISOs and RTOs to function in some regions. The cost to restore the Registrants' generating facilities after such an occurrence could be material.

The Registrants' operations are subject to hazards customary to the power generating industry. The Registrants may not have adequate insurance to cover all of these hazards.

Power generation involves hazardous activities, including acquiring, transporting and unloading fuel, operating large pieces of high-speed rotating equipment and delivering electricity to transmission and distribution systems. In addition to natural risks (such as earthquake, flood, storm surge, lightning, hurricane, tornado and wind), hazards (such as fire, explosion, collapse and machinery failure) are inherent risks in the Registrants' operations. The Registrants are also susceptible to terrorist attacks, including cyber-attacks, against their generating facilities or the transmission and distribution infrastructure that is used to transport their power. These hazards can cause significant injury to personnel or loss of life, severe damage to and destruction of property, plant and equipment, contamination of, or damage to, the environment and suspension of operations. The occurrence of any one of these events may result in one or more of the Registrants being named as a defendant in lawsuits asserting claims for substantial damages, environmental cleanup costs, personal injury and fines and/or penalties. The Registrants do not maintain specialized insurance for possible liability resulting from a cyber-attack on their systems that may shut down all or part of the transmission and distribution system. However, the Registrants maintain an amount of insurance protection that they consider adequate and customary for merchant power producers. The Registrants cannot assure that their insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which they may be subject.

Lawsuits, regulatory proceedings and tax proceedings could adversely affect the Registrants' future financial results.

From time to time, the Registrants are named as a party to, or their property is the subject of, lawsuits, regulatory proceedings or tax proceedings. The Registrants are currently involved in various proceedings which involve highly subjective matters with complex factual and legal questions. Their outcome is uncertain. Any claim that is successfully asserted against the Registrants could require significant expenditures by them. Even if the Registrants prevail, any proceedings could be costly and time-consuming, could divert the attention of management and key personnel from their business operations and could result in adverse changes in their insurance costs.

Risks Related to Economic and Financial Market Conditions

The Registrants are exposed to systemic risk of the financial markets and institutions and the risk of non-performance of the individual lenders under GenOn's undrawn credit facilities.

Maintaining sufficient liquidity in the Registrants' business for maintenance and operating expenditures, capital expenditures and collateral is crucial in order to mitigate the risk of future financial distress to the Registrants. Accordingly, GenOn maintains a revolving credit facility with NRG to manage its expected liquidity needs and contingencies.

A negative market perception of the Registrants' value could impair their ability to issue or refinance debt.

A sustained downturn in general economic conditions, including low power and commodity prices, could result in an actual or perceived weakness in the Registrants' overall financial health.

A negative market perception of the Registrants' value could result in their inability to obtain and maintain an appropriate credit rating. In this event, they may be unable to access debt markets or refinance future debt maturities, or they may be required to post additional collateral to operate their business.

As financial institutions consolidate and operate under more restrictive capital constraints and regulations, including the Dodd-Frank Act, there could be less liquidity in the energy and commodity markets for hedge transactions and fewer creditworthy counterparties.

The Registrants hedge economically a substantial portion of their PJM coal-fired generation and certain of their other generation. A significant portion of their hedges are financial swap transactions between GenOn Mid-Atlantic and financial counterparties that are senior unsecured obligations of such parties and do not require either party to post cash collateral, either for initial margin or for securing exposure as a result of changes in power or natural gas prices. Global financial institutions have been active participants in these energy and commodity markets. As global financial institutions consolidate and operate under more restrictive capital constraints and regulations, including the Dodd-Frank Act, there could be less liquidity in the energy and commodity markets, which could have a material adverse effect on the Registrants' ability to hedge economically and transact with creditworthy counterparties.

The Registrants' business is subject to substantial governmental regulation and may be adversely affected by legislative or regulatory changes, as well as liability under, or any future inability to comply with, existing or future regulations or requirements.

The CFTC, among other things, has regulatory authority over the trading of physical commodities, futures and other derivatives under the Commodity Exchange Act. On July 21, 2010, President Obama signed the Dodd-Frank Act, which, among other things, aims to improve transparency and accountability in the futures and derivatives markets. The Dodd-Frank Act increased the CFTC's regulatory authority on matters related to futures and over-the-counter derivatives trading, including, but not limited to, trading practices, trade clearance, transaction reporting and recordkeeping, position limits, and market participant capital and margin requirements. The Dodd-Frank Act further defined several new categories of regulated market participants, including swap dealers and major swap participants, both of which must meet extensive compliance requirements. The Registrants have reached the conclusion that they are neither a swap dealer nor a major swap participant and have taken and will continue to take measures to otherwise comply with the Dodd-Frank Act.

The Registrants continuously monitors the ongoing efforts of the CFTC to implement the Dodd-Frank Act and to otherwise revise the rules and regulations applicable to the futures and over-the-counter derivatives markets. The CFTC’s remaining efforts in this regard concern, among other things, the implementation of the Volcker rule and of other new rules relating to margin collateral and position limits for futures and other derivatives. Such changes could negatively impact the Registrants’ ability to hedge their portfolio in an efficient, cost-effective manner by, among other things, potentially limiting the Registrants’ ability to utilize liens as collateral for derivatives transactions and decreasing liquidity in the forward commodity and derivatives markets. The Registrants expects that, in 2014, the CFTC will further clarify the scope of the Dodd-Frank Act and issue additional final rules.

Many of the factors that cause changes in commodity prices are outside the Registrants' control and may materially increase their cost of producing power or lower the price at which they are able to sell their power.

The Registrants' generating business is subject to changes in power prices and fuel and emission costs, and these commodity prices are influenced by many factors outside the Registrants' control, including weather, seasonal variation in supply and demand, market liquidity, transmission and transportation inefficiencies, availability of competitively priced alternative energy sources, demand for energy commodities, production of natural gas, coal and crude oil, natural disasters, wars, embargoes and other catastrophic events, and federal, state and environmental regulation and legislation. In addition, significant fluctuations in the price of natural gas may cause significant fluctuations in the price of electricity. Significant fluctuations in commodity prices may affect the financial results and financial position by increasing the cost of producing power and decreasing the amounts the Registrants receive from the sale of power.

The Registrants' hedging activities will not fully protect them from fluctuations in commodity prices.

The Registrants engage in hedging activities related to sales of electricity and purchases of fuel and emission allowances. The income and losses from these activities are recorded as operating revenues and cost of operations. The Registrants may use forward contracts and other derivative financial instruments to manage market risk and exposure to volatility in prices of electricity, coal, natural gas, emissions and oil. The effectiveness of these hedges is dependent upon the correlation between the forward contracts and the other derivative financial instruments used as a hedge and the market risk of the asset or assets being hedged. The Registrants cannot provide assurance that these strategies will be successful in managing their price risks, or that they will not result in net losses to the Registrants as a result of future volatility in electricity, fuel and emission markets. Actual power prices and fuel costs may differ from expectations.

The Registrants hedging activities include natural gas derivative financial instruments that they use to hedge economically power prices for their baseload generation. The effectiveness of these hedges is dependent upon the correlation between power and natural gas prices in the markets where the Registrants operate. If those prices are not sufficiently correlated, the Registrants' financial results and financial position could be adversely affected.

Additionally, GenOn and GenOn Americas Generation expect to have an open position in the market, within their established guidelines, resulting from their fuel and emissions management activities. To the extent open positions exist, fluctuating commodity prices can affect their financial results and financial position, either favorably or unfavorably. As a result of these and other factors, the Registrants cannot predict the outcome that risk management decisions may have on their business, operating results or financial position. Although management devotes considerable attention to these issues, their outcome is uncertain.

The Registrants' policies and procedures cannot eliminate the risks associated with their hedging activities.

The risk management procedures the Registrants have in place may not always be followed or may not always work as planned. If any of the employees were able to violate the system of internal controls, including the risk management policy, and engage in unauthorized hedging and related activities, it could result in significant penalties and financial losses. In addition, risk management tools and metrics such as value at risk, gross margin at risk, and stress testing are partially based on historic price movements. If price movements significantly or persistently deviate from historical behavior, risk limits may not fully protect the Registrants from significant losses.

The Registrants' hedging and GenOn Americas Generation's fuel oil management activities may increase the volatility of the U.S. GAAP financial results.

Derivatives from the Registrants' hedging and GenOn Americas Generation's fuel oil management activities are recorded on the balance sheets at fair value pursuant to the accounting guidance for derivative financial instruments. None of the Registrants' derivatives that are recorded at fair value are designated as hedges under this guidance, and changes in their fair values currently are recognized in earnings as unrealized gains or losses. As a result, the Registrants' U.S. GAAP financial results-including gross margin, operating income and balance sheet ratios-will, at times, be volatile and subject to fluctuations in value primarily because of changes in forward electricity and fuel prices.

Risks Related to Governmental Regulation and Laws

The Registrants costs of compliance with environmental laws are significant and can affect their future operations and financial results.

The Registrants are subject to extensive and evolving environmental laws, particularly in regard to their coal-fired facilities. Environmental laws, particularly with respect to air emissions, disposal of ash, wastewater discharge and cooling water systems, are generally becoming more stringent, which may require the Registrants to install controls or restrict their operations. Failure to comply with environmental requirements could require the Registrants to shut down or reduce production at their facilities or create liabilities. The Registrants incur significant costs in complying with these regulations and, if they fail to comply, could incur significant penalties. The Registrants' cost estimates for environmental compliance are based on existing regulations or their view of reasonably likely regulations, and their assessment of the costs of labor and materials and the state of evolving technologies. The Registrants' decision to make these investments is often subject to future market conditions. Changes to the preceding factors, new or revised environmental regulations, litigation and new legislation and/or regulations, as well as other factors, could cause their actual costs to vary outside the range of their estimates, further constrain their operations, increase their environmental compliance costs and/or make it uneconomical to operate some of their facilities.

Federal, state and regional initiatives to regulate greenhouse gas emissions could have a material impact on the Registrants' financial performance and condition. The actual impact will depend on a number of factors, including the overall level of greenhouse gas reductions required under any such regulations, the final form of the regulations or legislation, and the price and availability of emission allowances if allowances are a part of any final regulatory framework.

The Registrants are required to surrender emission allowances equal to emissions of specific substances to operate their facilities. Surrender requirements may require purchase of allowances, which may be unavailable or only available at costs that would make it uneconomical to operate their facilities.

Certain environmental laws, including the Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980 and comparable state laws, impose strict and, in many circumstances, joint and several liability for costs of remediating contamination. Some of the Registrants' facilities have areas with known soil and/or groundwater contamination. The Registrants could be required to spend significant sums to remediate contamination, regardless of whether they caused such contamination, (a) if there are releases or discoveries of hazardous substances at their generating facilities, at disposal sites they currently use or have used, or at other locations for which they may be liable, or (b) if parties contractually responsible to them for contamination fail to or are unable to respond when claims or obligations regarding such contamination arise.

Under current and forecasted market conditions, capital expenditures required by GenOn's permit for the Shawville facility are not economic.

GenOn's NPDES permit requires installation of cooling towers or reduction in plant operation by July 2015 at its leased Shawville facility. Accordingly, GenOn plans to place the coal-fired units at the Shawville facility, which is leased, in a long-term protective layup in April 2015. Under the lease agreement for Shawville, GenOn's obligations generally are to pay the required rent and to maintain the leased assets in accordance with the lease documentation, including in compliance with prudent competitive electric generating industry practice and applicable laws. GenOn will continue to evaluate its options under the lease, including termination of the lease for economic obsolescence and/or keeping the facility in long-term protective layup during the term of the lease. In the event of an early termination, GenOn would seek a termination for obsolescence under the lease agreement and could be required to make a termination payment equal to the difference between the termination value and the proceeds received in connection with the sale of the facility to a third-party, together with such other amounts, if any, required under the lease. At December 31, 2013, the total notional minimum lease payments for the remaining terms of the lease aggregated $184 million and the termination value for the lease was $221 million.

The Registrants' coal-fired generating units produce certain byproducts that involve extensive handling and disposal costs and are subject to government regulation. Changes in these regulations, or their administration, by legislatures, state and federal regulatory agencies, or other bodies may affect the costs of handling and disposing of these byproducts.

As a result of the coal combustion process, the Registrants produce significant quantities of ash at their coal-fired generating units that must be disposed of at sites permitted to handle ash. One of the Registrants' landfills in Maryland has reached design capacity and it is expected that another site in Maryland may reach full capacity in the next few years. As a result, the Registrants are developing new ash management facilities and have constructed a facility to prepare ash from certain of the Maryland facilities for beneficial uses. However, the costs associated with developing new ash management facilities could be material, and the amount of time to complete such developments could extend beyond the time when new facilities are needed. Likewise, the new facility for preparing ash for beneficial uses may not operate as expected; or the ash may not be marketed and sold as expected. Additionally, costs associated with third-party ash handling and disposal are material and could have an adverse effect on the Registrants' financial performance and condition.

The Registrants also produce gypsum as a byproduct of the SO_2 scrubbing process at their coal-fired generating facilities, much of which is sold to third parties for use in drywall production. Should their ability to sell such gypsum to third parties be restricted as a result of the lack of demand or otherwise, their gypsum disposal costs could rise materially.

The EPA has proposed two alternatives for regulating byproducts such as ash and gypsum. One of these alternatives would regulate these byproducts as "special wastes" in a manner similar to the regulation of hazardous wastes. If these byproducts are regulated as special wastes, the cost of disposing of these byproducts would increase materially and may limit the Registrants' ability to recycle them for beneficial use.

The Registrants' business is subject to complex government regulations. Changes in these regulations, or their administration, by legislatures, state and federal regulatory agencies, or other bodies may affect the prices at which the Registrants are able to sell the electricity they produce, the costs of operating their generating facilities or their ability to operate their facilities.

The majority of the Registrants' generation is sold at market prices under market-based rate authority granted by the FERC. If certain conditions are not met, the FERC has the authority to withhold or rescind market-based rate authority and require sales to be made based on cost-of-service rates. A loss of the Registrants' market-based rate authority could have a materially negative impact on their generating business.

Even when market-based rate authority has been granted, the FERC may impose various forms of market mitigation measures, including price caps and operating restrictions, when it determines that potential market power might exist and that the public interest requires such potential market power to be mitigated. In addition to direct regulation by the FERC, most of the Registrants' facilities are subject to rules and terms of participation imposed and administered by various ISOs and RTOs. Although these entities are themselves ultimately regulated by the FERC, they can impose rules, restrictions and terms of service that are quasi-regulatory in nature and can have a material adverse impact on the Registrants' business. For example, ISOs and RTOs may impose bidding and scheduling rules, both to curb the potential exercise of market power and to ensure market functions. Such actions may materially affect the Registrants' ability to sell and the price they receive for their energy, capacity and ancillary services.

To conduct the Registrants' business, they must obtain and periodically renew licenses, permits and approvals for their facilities. These licenses, permits and approvals can be in addition to any required environmental permits. No assurance can be provided that they will be able to obtain and comply with all necessary licenses, permits and approvals for these facilities.

Conflicts may occur between reliability needs and environmental rules, particularly with increasingly stringent environmental restrictions. Without a consent decree or adjustments to permit requirements, which require long lead times to obtain, the Registrants remain subject to environmental penalties or liabilities that may occur as a result of operating in compliance with reliability requirements. Further, the Registrants could be subject to citizen suits in these types of circumstances, even if they have received a consent decree or permit adjustment exempting them from environmental requirements.

The Registrants cannot predict whether the federal or state legislatures will adopt legislation relating to the restructuring of the energy industry. There are proposals in many jurisdictions that would either roll back or advance the movement toward competitive markets for the supply of electricity, at both the wholesale and retail levels. In addition, any future legislation favoring large, vertically integrated utilities and a concentration of ownership of such utilities could affect the Registrants' ability to compete successfully, and their business and results of operations could be adversely affected. Similarly, any regulations or laws that favor new generation over existing generation could adversely affect their business.

Risks Related to Level of Indebtedness

The Registrants' substantial indebtedness and operating lease obligations could limit their ability to react to changes in the economy or the industry and prevent them from meeting or refinancing their obligations.

At December 31, 2013, GenOn's consolidated indebtedness was $3.1 billion, GenOn Americas Generation's consolidated indebtedness was $948 million and GenOn Mid-Atlantic's consolidated indebtedness was $10 million. In addition, the present values of lease payments under the respective GenOn Mid-Atlantic and REMA operating leases were approximately $1.1 billion and $592 million, respectively (assuming a 10% and 9% discount rate, respectively) and the termination values of the respective GenOn Mid-Atlantic and REMA operating leases were $1.2 billion and $698 million, respectively.

The Registrants' substantial indebtedness and operating lease obligations could have important consequences for their liquidity, results of operations, financial position and prospects, including their ability to grow in accordance with their strategies. These consequences include the following:

- they may limit their ability to obtain additional debt for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes;
- a substantial portion of their cash flows from operations must be dedicated to the payment of rent and principal and interest on their indebtedness and will not be available for other purposes, including for working capital, capital expenditures, acquisitions and other general corporate purposes;
- the debt service requirements of their indebtedness and their lease obligations could make it difficult for them to satisfy or refinance their financial obligations;
- certain of the Registrants' borrowings, including borrowings under the NRG credit agreement, are at variable rates of interest, exposing the Registrants to the risk of increased interest rates;
- they may limit their flexibility in planning for and reacting to changes in the industry;
- they may place the Registrants at a competitive disadvantage compared to other, less leveraged competitors;
- GenOn's and GenOn Americas Generation's credit agreement with NRG contains restrictive covenants that limit their ability to engage in activities that may be in their long-term best interest; and
- the Registrants may be more vulnerable in a downturn in general economic conditions or in their business and they may be unable to carry out capital expenditures that are important to their long-term growth or necessary to comply with environmental regulations.

GenOn and its subsidiaries that are holding companies, including GenOn Americas Generation, may not have access to sufficient cash to meet their obligations if their subsidiaries, in particular GenOn Mid-Atlantic, are unable to make distributions.

GenOn and certain of its subsidiaries, including GenOn Americas Generation and GenOn Americas, are holding companies and, as a result, are dependent upon dividends, distributions and other payments from their operating subsidiaries to generate the funds necessary to meet their obligations. In particular, a substantial portion of the cash from their operations is generated by GenOn Mid-Atlantic. The ability of certain of their subsidiaries to pay dividends and make distributions is restricted under the terms of their debt or other agreements, including the operating leases of GenOn Mid-Atlantic and REMA. Under their respective operating leases, GenOn Mid-Atlantic and REMA are not permitted to make any distributions and other restricted payments unless: (a) they satisfy the fixed charge coverage ratio for the most recently ended period of four fiscal quarters; (b) they are projected to satisfy the fixed charge coverage ratio for each of the two following periods of four fiscal quarters, commencing with the fiscal quarter in which such payment is proposed to be made; and (c) no significant lease default or event of default has occurred and is continuing. In the event of a default under the respective operating leases or if the respective restricted payment tests are not satisfied, GenOn Mid-Atlantic and REMA would not be able to distribute cash. At December 31, 2013, GenOn Mid-Atlantic and REMA did not satisfy the restricted payments test.

Each of GenOn and GenOn Americas Generation may be unable to generate sufficient cash to service their debt and leases and to post required amounts of cash collateral necessary to hedge economically market risk.

The ability of each of GenOn or GenOn Americas Generation to pay principal and interest on their debt and the rent on their leases depends on their future operating performance. If their cash flows and capital resources are insufficient to allow them to make scheduled payments on their debt, GenOn or GenOn Americas Generation may have to reduce or delay capital expenditures, sell assets, restructure or refinance. There can be no assurance that the terms of their debt or leases will allow these alternative measures, that the financial markets will be available to them on acceptable terms or that such measures would satisfy their scheduled debt service and lease rent obligations. If either GenOn or GenOn Americas Generation do not comply with the payment and other material covenants under their debt and lease agreements, they could default under their debt or leases.

Their asset management activities may require them to post collateral either in the form of cash or letters of credit. At December 31, 2013, GenOn and GenOn Americas Generation had posted no cash collateral. At December 31, 2013, GenOn had no of letters of credit issued under the NRG credit agreement to support its asset management activities, trading activities, rent reserve requirements and other commercial arrangements. Although the Registrants seek to structure transactions in a way that reduces their potential liquidity needs for collateral, they may be unable to execute their hedging strategy successfully if they are unable to post the amount of collateral required to enter into and support hedging contracts.

GenOn and GenOn Americas Generation are active participants in energy exchange and clearing markets, which require a per-contract initial margin to be posted. The initial margins are determined by the exchanges through the use of proprietary models that rely on a variety of inputs and factors, including market conditions. They have limited notice of any changes to the margin rates. Consequently, they are exposed to changes in the per unit margin rates required by the exchanges and could be required to post additional collateral on short notice.

The terms of the Registrants' credit facilities and leases restrict their current and future operations, particularly their ability to respond to changes or take certain actions.

The Registrants' credit facilities and leases contain a number of restrictive covenants that impose significant operating and financial restrictions on them and may limit their ability to engage in acts that may be in their long-term best interest, including restrictions on their ability to:

- incur additional indebtedness;
- pay dividends or make other distributions;
- prepay, redeem or repurchase certain debt;
- make loans and investments;
- sell assets;
- incur liens;
- enter into transactions with affiliates;
- enter into sale-leaseback transactions; and
- consolidate, merge or sell all or substantially all of their assets.

Cautionary Statement Regarding Forward Looking Information

This Annual Report on Form 10-K includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. The words "believe", "project", "anticipate", "plan", "expect", "intend", "estimate" 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 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 and increased regulation of carbon dioxide and other greenhouse gas emissions;
- Price mitigation strategies and other market structures employed by ISOs or RTOs that result in a failure to adequately compensate the Registrants’ generation units for all of their costs;
- 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; 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 Annual Report on Form 10-K should not be construed as exhaustive.

Item 1B — Unresolved Staff Comments

None.

22

Item 2 — Properties (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)
Listed below are descriptions of Registrants' interests in facilities, operations and/or projects owned or leased as of December 31, 2013. The MW figures provided represent nominal summer net megawatt capacity of power generated as adjusted for the Registrants' ownership position excluding capacity from inactive/mothballed units as of December 31, 2013. The following table summarizes the Registrants' power production and cogeneration facilities by region:

Name and Location of Facility	Power Market	% Owned		Net Generation Capacity (MW) [a]	Primary Fuel-type
East Region:					
Chalk Point, Aquasco, MD [b]	PJM	100.00		667	Coal
Chalk Point, Aquasco, MD	PJM	100.00		1,690	Natural Gas
Dickerson, MD [b]	PJM	100.00	(c)	537	Coal
Dickerson, MD	PJM	100.00	(c)	312	Natural Gas
Morgantown, Newburg, MD	PJM	100.00	(c)	1,229	Coal
Morgantown, Newburg, MD	PJM	100.00	(c)	248	Oil
	Total GenOn Mid-Atlantic:			4,683	
East Region:					
Bowline, West Haverstraw, NY	NYISO	100.00		758	Natural Gas
Canal, Sandwich, MA	ISO-NE	100.00		1,112	Oil
Kendall, Cambridge, MA	ISO-NE	100.00		256	Natural Gas
Martha's Vineyard, MA	ISO-NE	100.00		14	Oil
West Region:					
Pittsburg, CA	CAISO	100.00		1,029	Natural Gas
Total GenOn Americas Generation:				7,852	
East Region:					
Aurora, IL	PJM	100.00		878	Natural Gas
Avon Lake, OH [d]	PJM	100.00		732	Coal
Avon Lake, OH	PJM	100.00		21	Oil
Blossburg, PA	PJM	100.00		19	Natural Gas
Brunot Island, Pittsburgh, PA	PJM	100.00		259	Natural Gas
Cheswick, Springdale, PA	PJM	100.00		565	Coal
Conemaugh, New Florence, PA [e]	PJM	16.45		280	Coal
Conemaugh, New Florence, PA [e]	PJM	16.45		2	Oil
Gilbert, Milford, NJ [f]	PJM	100.00		536	Natural Gas
Glen Gardner, NJ [f]	PJM	100.00		160	Natural Gas
Hamilton, East Berlin, PA	PJM	100.00		20	Oil
Hunterstown CCGT, Gettysburg, PA	PJM	100.00		810	Natural Gas
Hunterstown CTS, Gettysburg, PA	PJM	100.00		60	Natural Gas
Keystone, Shelocta, PA [e]	PJM	16.67		283	Coal
Keystone, Shelocta, PA [e]	PJM	16.67		2	Oil
Mountain, Mount Holly Springs, PA	PJM	100.00		40	Oil
New Castle, West Pittsburg, PA [d]	PJM	100.00		325	Coal
New Castle, West Pittsburg, PA	PJM	100.00		3	Oil
Niles, OH	PJM	100.00		25	Oil
Orrtana, PA	PJM	100.00		20	Oil
Osceola, Holopaw, FL	FRCC	100.00		463	Natural Gas
Portland, Mount Bethel, PA [f]	PJM	100.00		158	Coal

23

Portland, Mount Bethel, PA	PJM	100.00	169	Oil
Sayreville, NJ	PJM	100.00	224	Natural Gas
Seward, New Florence, PA	PJM	100.00	525	Coal
Shawnee, East Stroudsburg, PA	PJM	100.00	20	Oil
Shawville, PA [e] [g]	PJM	100.00	597	Coal
Shawville, PA [e]	PJM	100.00	6	Oil
Titus, Birdsboro, PA	PJM	100.00	31	Oil
Tolna, Stewartstown, PA	PJM	100.00	39	Oil
Warren, PA	PJM	100.00	57	Natural Gas
Werner, South Amboy, NJ [f]	PJM	100.00	212	Oil
South Central Region:				
Choctaw, French Camp, MS	SERC-Entergy	100.00	800	Natural Gas
Sabine, Orange, TX [h]	SERC-Entergy	50.00	54	Natural Gas
Shelby County, Neoga, IL	MISO	100.00	344	Natural Gas
West Region:				
Coolwater, Dagget, CA	CAISO	100.00	636	Natural Gas
Ellwood, Goleta, CA	CAISO	100.00	54	Natural Gas
Etiwanda, Rancho Cucamonga, CA	CAISO	100.00	640	Natural Gas
Mandalay, Oxnard, CA	CAISO	100.00	560	Natural Gas
Ormond Beach, Oxnard, CA	CAISO	100.00	1,516	Natural Gas
	Total GenOn:		19,997	

(a) Net generation capacity is approximate and actual capacity can vary depending on factors including weather conditions, operational conditions, and other factors.

(b) On November 29, 2013, NRG submitted a notice of deactivation to retire Chalk Point Units 1 and 2 and Dickerson Units 1, 2, and 3 on May 31, 2017. The deactivation is based on draft environmental regulations that, if adopted, could require uneconomic capital investment and render the units uneconomic to operate going forward.

(c) GenOn Mid-Atlantic leases 100% interests in the Dickerson and Morgantown coal generation units through facility lease agreements expiring in 2029 and 2034, respectively. GenOn Mid-Atlantic owns 312 MW and 248 MW of peaking capacity at the Dickerson and Morgantown generating facilities, respectively. GenOn Mid-Atlantic operates the Dickerson and Morgantown facilities.

(d) NRG has announced its intention to continue operations at the Avon Lake and New Castle facilities, which are currently in operation and had been scheduled for deactivation in April 2015. NRG intends to add natural gas capabilities at these facilities, which is expected to be completed by the summer of 2016.

(e) GenOn leases 100%, 16.67% and 16.45% interests in three Pennsylvania facilities (Shawville, Keystone and Conemaugh, respectively) through facility lease agreements expiring in 2026, 2034 and 2034, respectively. GenOn operates the Shawville, Keystone and Conemaugh facilities. The table includes GenOn's net share of the capacity of these facilities.

(f) GenOn intends to deactivate net generation capacity at the following facilities:

Facility	Expected Deactivation Date	Net Generation Capacity (MW)
Gilbert	May 2015	98
Glen Gardner	May 2015	160
Portland	June 2014	158
Werner	May 2015	210

(g) GenOn expects to place the coal-fired units at the Shawville generating facility (597 MW of the 603 MW) in long-term protective layup in April 2015.

(h) GenOn owns a 50% equity interest in the Sabine facility located in east Texas having a net generating capacity of 110 MW. An unaffiliated party owns the other 50% and an affiliated party to the other owner operates the facility. The table includes GenOn's net share of the capacity of this facility.

Other Properties

The Registrants own or lease oil and gas pipelines that serve its generating facilities. GenOn leases other offices. The Registrants believe that their properties are adequate for their present needs. Except for the Conemaugh, Keystone and Sabine facilities, the Registrants’ interest as of December 31, 2013 is 100% for each property. The Registrants have satisfactory title, rights and possession to their owned facilities, subject to exceptions, which, in their opinion, would not have a material adverse effect on the use or value of the facilities.

Item 3 — Legal Proceedings (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)
See Item 15 — Note 18, Commitments and Contingencies, to the Consolidated Financial Statements for discussion of the material legal proceedings to which the Registrants are a party.
Item 4 — Mine Safety Disclosures (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)
Not applicable.

PART II

Item 5 — Market for Registrants' Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

As a result of the NRG Merger, GenOn is a wholly-owned subsidiary of NRG. All of GenOn’s common stock is held by its parent, NRG, and GenOn’s common stock is not publicly traded. GenOn Americas Generation and GenOn Mid Atlantic are indirect wholly-owned subsidiaries of NRG. All of GenOn Americas Generation’s membership interests are held by its parent, GenOn Americas. All of GenOn Mid Atlantic’s membership interests are held by its parent, GenOn North America. GenOn Americas Generation’s and GenOn Mid Atlantic’s membership interests are not publicly traded.

Item 6 — Selected Financial Data (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

Item 6 has been omitted from this report pursuant to the reduced disclosure format permitted by General Instruction I to Form 10-K.

Item 7 — Management's Narrative Analysis of the Results of Operations and Financial Condition (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

Reference is made to the Registrants’ Consolidated Statements of Operations to this Annual Report on Form 10-K, which presents the results of the Registrants’ operations for the year ended 2013, the periods from December 15, 2012 through December 31, 2012 and from January 1, 2012 through December 14, 2012 and the year ended December 31, 2011, and also refer to Item 1 to this Form 10-K for additional discussion about the Registrants’ business.

NRG Merger

On July 20, 2012, GenOn entered into the NRG Merger Agreement with NRG and a direct wholly-owned subsidiary of NRG. Upon the terms and subject to the conditions set forth in the NRG Merger Agreement, which was approved by the boards of directors of GenOn and NRG, a wholly-owned subsidiary of NRG merged with and into GenOn, with GenOn continuing as the surviving corporation and a wholly-owned subsidiary of NRG.

On December 14, 2012, NRG completed the acquisition of GenOn. NRG issued, as consideration for the acquisition, 0.1216 shares of NRG common stock for each outstanding share of GenOn, including restricted stock units outstanding, on the acquisition date, except for fractional shares which were paid in cash. See Item 15 — Note 3, NRG Merger and Dispositions, to the Consolidated Financial Statements.

The NRG Merger was accounted for by NRG using acquisition accounting and through the application of "push-down" accounting, the purchase price paid by NRG was allocated to the Registrants' assets, liabilities and equity as of the acquisition date based upon preliminary estimates. Accordingly, the successor financial statements reflect a new basis of accounting and predecessor and successor period financial results are presented, but not comparable.

The most significant impacts of the new basis of accounting during the successor periods were (i) reduced depreciation expense due to the step-down of depreciable assets, (ii) lower interest expense for the remaining life of long-term debt due to its revaluation and related debt premium amortization along with the repayment of the senior secured term loan due 2017, and (iii) reduced cost of operations due to the amortization of lease obligations and out-of-market contracts.

The results of operations for successor periods included herein reflect certain acquisition-related transaction and integration costs which are not expected to have a continuing impact on the results going forward, and those amounts are included within a separate line within the Registrants' consolidated results of operations.

Predecessor and Successor Reporting

As a result of the impact of pushdown accounting, the financial statements and certain note presentations separate each of the Registrants' presentations into two distinct periods, the period before the consummation of the NRG Merger (labeled predecessor) and the period after that date (labeled successor), to indicate the application of different basis of accounting between the periods presented.

Environmental Matters, Regulatory Matters and Legal Proceedings

Details of environmental matters are presented in Item 15 — Note 20, Environmental Matters, to the Consolidated Financial Statements. Details of regulatory matters are presented in Item 15 — Note 19, Regulatory Matters, to the Consolidated Financial Statements. Details of legal proceedings are presented in Item 15 — Note 18, Commitments and Contingencies, to the Consolidated Financial Statements. Some of this information relates to costs that may be material to the Registrants’ financial results.

Consolidated Results of Operations
GenOn
2013 Compared to 2012
The following table provides selected financial information for GenOn:

	Successor		Predecessor	
(In millions except otherwise noted)	Year Ended December 31, 2013	December 15, 2012 through December 31, 2012	January 1, 2012 through December 14, 2012	Change % [a]
Operating Revenues				
Energy revenue [b]	$1,960	$59	$1,766	7%
Capacity revenue [b]	936	30	818	10%
Mark-to-market for economic hedging activities	(356)	(16)	(157)	106%
Contract amortization	—	—	(10)	(100)%
Other revenues [c]	64	—	147	(56)%
Total operating revenues	2,604	73	2,564	(1)%
Operating Costs and Expenses				
Generation cost of sales [b]	1,142	41	1,219	(9)%
Mark-to-market for economic hedging activities	(29)	(7)	(16)	26%
Contract and emissions credit amortization	(14)	(4)	(23)	(48)%
Other cost of operations	809	36	893	(13)%
Total cost of operations	1,908	66	2,073	(11)%
Depreciation and amortization	249	10	339	(29)%
Impairment losses	—	—	47	(100)%
Selling, general and administrative	214	8	166	23%
Acquisition-related transaction and integration costs	70	53	11	
Total operating costs and expenses	2,441	137	2,636	(12)%
Operating Income/(Loss)	163	(64)	(72)	N/A
Other Income/(Expense)				
Other income, net	1	—	3	N/A
Interest expense	(205)	(8)	(330)	(39)%
Equity in earnings of unconsolidated affiliates	4	—	—	N/A
Loss on debt extinguishment	(11)	—	—	N/A
Total other expense	(211)	(8)	(327)	(37)%
Loss before income tax expense	(48)	(72)	(399)	(90)%
Income tax(benefit)/expense	(6)	—	15	(140)%
Net Loss	$(42)	$(72)	$(414)	(91)%
Business Metrics				
Average natural gas price — Henry Hub ($/MMBtu)	3.65	2.79	2.79	(35)%
MWh sold (in thousands)	28,649	985	30,389	
MWh generated (in thousands)		993	31,688	

(a) This column represents the difference between (a) the 2013 successor period and (b) the mathematical combination of the 2012 successor period and the 2012 predecessor period and (c) divided by the combination of the 2012 predecessor and successor periods.
(b) Includes realized gains and losses from financially settled transactions.
(c) Includes unrealized trading gains and losses.

N/A - Not Applicable

Generation Gross Margin

(In millions)	Successor Year Ended December 31, 2013	Successor December 15, 2012 through December 31, 2012	Predecessor January 1, 2012 through December 14, 2012	Change % [(a)]
Energy revenue	$1,960	$59	$1,766	7 %
Capacity revenue	936	30	818	10 %
Other revenues	64	—	147	(56)%
Generation revenue	2,960	89	2,731	5 %
Generation cost of sales	1,142	41	1,219	(9)%
Generation gross margin	$1,818	$48	$1,512	17 %

(a) This column represents the difference between (a) the 2013 successor period and (b) the mathematical combination of the 2012 successor period and the 2012 predecessor period and (c) divided by the combination of the 2012 predecessor and successor periods.

Generation gross margin was $1,818 million for the year ended December 31, 2013, $48 million for the period from December 15, 2012 through December 31, 2012 and $1,512 million for the period from January 1, 2012 through December 14, 2012. The changes during the period relate to:

	(In millions)
Higher gross margin due to a 10% increase in realized energy prices and a 5% decrease in fuel prices, partially offset by a small decrease in generation.	$240
Higher gross margin due to a 22% increase in capacity volumes, primarily in PJM, and a 15% increase in capacity prices.	198
Lower gross margin due to the expiration of the RMR contracts in Western PJM and the deactivation of Contra Costa and lower prices and volumes on Resource Adequacy contracts in California	(132)
Changes in unrealized commercial optimization activities as well as trading activity and natural gas purchases that transitioned to NRG in the current year.	(62)
Higher gross margin as Marsh Landing reached commercial operations in May 2013 and was subsequently sold to NRG Yield LLC in July 2013	22
Other	(8)
	$258

Mark-to-market for Economic Hedging Activities

Mark-to-market for economic hedging activities includes asset-backed hedges that have not been designated as cash flow hedges. The breakdown of gains and losses included in operating revenues and operating costs and expenses are as follows:

(In millions)	Successor Year Ended December 31, 2013	Successor December 15, 2012 through December 31, 2012	Predecessor January 1, 2012 through December 14, 2012
Mark-to-market results in operating revenues			
Reversal of previously recognized unrealized gains on settled positions related to economic hedges	$(409)	$(13)	$(456)
Net unrealized gains/(losses) on open positions related to economic hedges	53	(3)	299
Total mark-to-market losses in operating revenues	$(356)	$(16)	$(157)
Mark-to-market results in operating costs and expenses			

Reversal of previously recognized unrealized losses on settled positions related to economic hedges	42	9	149
Net unrealized losses on open positions related to economic hedges	(13)	(2)	(133)
Total mark-to-market gains in operating costs and expenses	$29	$7	$16

Mark-to-market results consist of unrealized gains and losses. The settlement of these transactions is reflected in the same caption as the items being hedged.

For the year ended December 31, 2013, the $356 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period slightly offset by an increase in the value of forward sales of electricity and natural gas contracts as a result of decreases in forward power and natural gas prices. The $29 million gain in operating costs and expenses from economic hedge positions was driven by the reversal of previously recognized unrealized loss from fuel contracts that settled during the period partially offset by a decrease in the value of forward purchases of fuel contracts as a result of decreases in forward fuel prices.

For the period from December 15, 2012 through December 31, 2012, the $16 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period and a decrease in the value of forward sales of electricity and natural gas contracts as a result of increases in forward power and natural gas prices. The $7 million gain in operating costs and expenses from economic hedge positions was primarily driven by the reversal of previously recognized unrealized losses from fuel contracts that settled during the period. The gain was partially offset by a decrease in the value of forward purchases of fuel contracts as a result of decreases in forward coal prices.

For the period from January 1, 2012 through December 14, 2012, the $157 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period. The loss was partially offset by an increase in the value of forward sales of electricity and natural gas contracts as a result of decreases in forward power and natural gas prices. The $16 million gain in operating costs and expenses from economic hedge positions was driven by the reversal of previously recognized unrealized losses from fuel contracts that settled during the period. The gain was partially offset by a decrease in the value of forward purchases of fuel contracts, primarily as a result of decreases in forward coal prices.

In accordance with ASC 815, the following table represents the results of GenOn's financial and physical trading of energy commodities. The realized and unrealized financial and physical trading results are included in other operating revenues. GenOn's trading activities are subject to limits within the risk management policy.

	Successor		Predecessor
(In millions)	Year Ended December 31, 2013	December 15, 2012 through December 31, 2012	January 1, 2012 through December 14, 2012
Trading gains/(losses)			
Realized	$10	$3	$7
Unrealized	—	(4)	(2)
Total trading gains/(losses)	$10	$(1)	$5

Other Cost of Operations

Other cost of operations were $809 million for the year ended December 31, 2013, $36 million for the period from December 15, 2012 through December 31, 2012 and $893 million for the period from January 1, 2012 through December 14, 2012. The changes during the period relate to:

	(In millions)
Decrease due to the revaluation of operating lease liabilities in acquisition accounting in December 2012	$(56)
Decrease as prior year included inventory reserves for units already deactivated or scheduled to be deactivated	(35)
Reversal of liability in prior year for Potomac River in connection with deactivation	31
Decrease in other costs primarily related to timing of maintenance and outage work, as well as certain allocated costs classified in general and administrative expense	(60)
	$(120)

Depreciation and Amortization

Depreciation and amortization expense was $249 million for the year ended December 31, 2013, $10 million for the period from December 15, 2012 through December 31, 2012 and $339 million for the period from January 1, 2012 through December 14, 2012. The current year expense reflects the revaluation of the property, plant and equipment recorded in acquisition accounting in December 2012.

Impairment Losses

Impairment losses of $47 million in the 2012 predecessor period reflect the impairment of property, plant and equipment at the Portland and Titus generating facilities in 2012.

Loss on Debt Extinguishment

A loss on debt extinguishment of $11 million was recorded in 2013, related to the redemption of the 2014 GenOn Senior Notes and consisted of a make whole premium payment offset by the write-off of the remaining unamortized premium.

Interest Expense

Interest expense was $205 million for the year ended December 31, 2013, $8 million for the period from December 15, 2012 through December 31, 2012 and $330 million for the period from January 1, 2012 through December 14, 2012. The changes in the period were due to:

	(In millions)	
Amortization of adjustments to fair value of debt	$(72	)
Decrease for GenOn senior term loan	(39	)
Decrease for GenOn Senior unsecured notes, 2014	(23	)
Decrease for lower bank fees	(14	)
Increase for lower capitalized interest	17	
Other	(2	)
	$(133	)

GenOn Americas Generation

2013 Compared to 2012

The following table provides selected financial information for GenOn Americas Generation:

	Successor		Predecessor	
(In millions except otherwise noted)	Year Ended December 31, 2013	December 15, 2012 through December 31, 2012	January 1, 2012 through December 14, 2012	Change % [(a)]
Operating Revenues				
Energy revenue [(b)]	$1,899	$59	$1,718	7 %
Capacity revenue [(b)]	869	28	739	13 %
Mark-to-market for economic hedging activities	(302)	(12)	(151)	85 %
Other revenues [(c)]	95	2	288	(67)%
Total operating revenues	2,561	77	2,594	(4)%
Operating Costs and Expenses				
Generation cost of sales [(b)]	1,870	59	1,944	(7)%
Mark-to-market for economic hedging activities	(31)	(4)	(19)	35 %
Contract and emissions credit amortization	20	—	22	(9)%
Other cost of operations	387	14	424	(12)%
Total cost of operations	2,246	69	2,371	(8)%
Depreciation and amortization	95	5	155	(41)%
Selling, general and administrative	89	3	73	17 %
Total operating costs and expenses	2,430	77	2,599	(9)%
Operating Income/(Loss)	131	—	(5)	N/A
Other Income/(Expense)				
Other expense, net	1	—	—	N/A
Interest expense	(73)	(3)	(75)	(6)%
Total other expense	(72)	(3)	(75)	(8)%
Income/(Loss) before income tax expense	59	(3)	(80)	N/A
Income tax	—	—	—	N/A
Net Income/(Loss)	$59	$(3)	$(80)	N/A
Business Metrics				
Average natural gas price — Henry Hub ($/MMBtu)	3.65	2.79	2.79	(35)%
MWh sold (in thousands)	8,884	421	12,730	
MWh generated (in thousands)	10,056	423	13,014	

(a) This column represents the difference between (a) the 2013 successor period and (b) the mathematical combination of the 2012 successor period and the 2012 predecessor period and (c) divided by the combination of the 2012 predecessor and successor periods.

(b) Includes realized gains and losses from financially settled transactions.

(c) Includes unrealized trading gains and losses.

N/A - Not Applicable

Generation Gross Margin

(In millions)	Successor Year Ended December 31, 2013	Successor December 15, 2012 through December 31, 2012	Predecessor January 1, 2012 through December 14, 2012	Change % [a]
Energy revenue	$1,899	$59	$1,718	7 %
Capacity revenue	869	28	739	13 %
Other revenues	95	2	288	(67)%
Generation revenue	2,863	89	2,745	1 %
Generation cost of sales	1,870	59	1,944	(7)%
Generation gross margin	$993	$30	$801	19 %

(a) This column represents the difference between (a) the 2013 successor period and (b) the mathematical combination of the 2012 successor period and the 2012 predecessor period and (c) divided by the combination of the 2012 predecessor and successor periods.

Generation gross margin was $993 million for the year ended December 31, 2013, $30 million for the period from December 15, 2012 through December 31, 2012 and $801 million for the period from January 1, 2012 through December 14, 2012. The changes during the period relate to:

	(In millions)
Higher gross margin due primarily to a 33% increase in realized energy prices and increased generation at Bowline, offset by a 30% decrease in generation resulting from the deactivation of Potomac River and lower generation at Morgantown and Chalk Point	$80
Higher gross margin due primarily to higher capacity revenues, which increased 23% in volume and 10% in price, slightly offset by a decrease in contract capacity revenues due to the deactivation of Contra Costa	74
Primarily reflects prior year trading activities and natural gas purchases that were transitioned to NRG or affiliated companies in the current year	13
Other	(5)
	$162

Mark-to-market for Economic Hedging Activities

Mark-to-market for economic hedging activities includes asset-backed hedges that have not been designated as cash flow hedges. The breakdown of gains and losses included in operating revenues and operating costs and expenses are as follows:

(In millions)	Successor Year Ended December 31, 2013	Successor December 15, 2012 through December 31, 2012	Predecessor January 1, 2012 through December 14, 2012
Mark-to-market results in operating revenues			
Reversal of previously recognized unrealized gains on settled positions related to economic hedges	$(336)	$(8)	$(368)
Net unrealized gains/(losses) on open positions related to economic hedges	34	(4)	217
Total mark-to-market losses in operating revenues	(302)	(12)	(151)
Mark-to-market results in operating costs and expenses			
Reversal of previously recognized unrealized losses on settled positions related to economic hedges	40	6	127

Net unrealized losses on open positions related to economic hedges	(9)	(2)	(108)
Total mark-to-market gains in operating costs and expenses	$31	$4	$19

Mark-to-market results consist of unrealized gains and losses. The settlement of these transactions is reflected in the same caption as the items being hedged.

For the year ended December 31, 2013, the $302 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period slightly offset by an increase in the value of forward sales of electricity and natural gas contracts as a result of decreases in forward power and natural gas prices. The $31 million gain in operating costs and expenses from economic hedge positions was driven by the reversal of previously recognized unrealized loss from fuel contracts that settled during the period partially offset by a decrease in the value of forward purchases of fuel contracts as a result of decreases in forward fuel prices.

For the period from December 15, 2012 through December 31, 2012, the $12 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period and a decrease in the value of forward sales of electricity and natural gas contracts as a result of increases in forward power and natural gas prices. The $4 million gain in operating costs and expenses from economic hedge positions was primarily driven by the reversal of previously recognized unrealized losses from fuel contracts that settled during the period. The gain was partially offset by a decrease in the value of forward purchases of fuel contracts as a result of decreases in forward coal prices.

For the period from January 1, 2012 through December 14, 2012, the $151 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period. The loss was partially offset by an increase in the value of forward sales of electricity and natural gas contracts as a result of decreases in forward power and natural gas prices. The $19 million gain in operating costs and expenses from economic hedge positions was driven by the reversal of previously recognized unrealized losses from fuel contracts that settled during the period. The gain was partially offset by a decrease in the value of forward purchases of fuel contracts, primarily as a result of decreases in forward coal prices.

In accordance with ASC 815, the following table represents the results of GenOn Americas Generation's financial and physical trading of energy commodities. The realized and unrealized financial and physical trading results are included in other operating revenues. GenOn Americas Generation's trading activities are subject to limits within the risk management policy.

	Successor		Predecessors
(In millions)	Year Ended December 31, 2013	December 15, 2012 through December 31, 2012	January 1, 2012 through December 14, 2012
Trading gains/(losses)			
Realized	$10	$3	$7
Unrealized	—	(4)	(2)
Total trading gains/(losses)	$10	$(1)	$5

Other Cost of Operations

Other cost of operations were $387 million for the year ended December 31, 2013, $14 million for the period from December 15, 2012 through December 31, 2012 and $424 million for the period from January 1, 2012 through December 14, 2012. The changes during the period relate to:

	(In millions)
Decrease due to the revaluation of operating lease liabilities in acquisition accounting in December 2012	$(51)
Reversal of liability in prior year for Potomac in connection with its deactivation	31
Decrease in other costs primarily related to timing of maintenance and outage work, as well as certain allocated costs classified in general and administrative expense	(31)
	$(51)

Depreciation and Amortization

Depreciation and amortization expense was $95 million for the year ended December 31, 2013, $5 million for the period from December 15, 2012 through December 31, 2012 and $155 million for the period from January 1, 2012 through December 14, 2012. The current year expense reflects the revaluation of the property, plant and equipment recorded in acquisition accounting in December 2012.

GenOn Mid-Atlantic

2013 Compared to 2012

The following table provides selected financial information for GenOn Mid-Atlantic:

(In millions except otherwise noted)	Successor		Predecessor	
	Year Ended December 31, 2013	December 15, 2012 through December 31, 2012	January 1, 2012 through December 14, 2012	Change % [a]
Operating Revenues				
Energy revenue [b]	$863	$30	$897	(7)%
Capacity revenue [b]	305	10	197	47%
Mark-to-market for economic hedging activities	(292)	(12)	(120)	121%
Other revenues	3	—	15	(80)%
Total operating revenues	879	28	989	(14)%
Operating Costs and Expenses				
Generation cost of sales [b]	340	15	465	(29)%
Mark-to-market for economic hedging activities	(31)	(5)	(5)	N/A
Contract and emissions credit amortization	18	—	20	(10)%
Other cost of operations	277	11	314	(15)%
Total cost of operations	604	21	794	(26)%
Depreciation and amortization	77	4	114	(35)%
Selling, general and administrative	66	2	46	38%
Total operating costs and expenses	747	27	954	(24)%
Operating Income	132	1	35	N/A
Other Income/(Expense)				
Interest expense	(4)	—	(4)	—%
Total other expense	(4)	—	(4)	—%
Income before income tax expense	128	1	31	N/A
Income tax	—	—	—	N/A
Net Income	$128	$1	$31	N/A
Business Metrics				
Average natural gas price — Henry Hub ($/MMBtu)	3.65	2.79	2.79	(35)%
MWh sold (in thousands)	6,903	387	10,948	
MWh generated (in thousands)	7,950	387	10,948	

(a) This column represents the difference between (a) the 2013 successor period and (b) the mathematical combination of the 2012 successor period and the 2012 predecessor period and (c) divided by the combination of the 2012 predecessor and successor periods.

(b) Includes realized gains and losses from financially settled transactions.

N/A - Not Applicable

35

Generation Gross Margin

(In millions)	Successor Year Ended December 31, 2013	Successor December 15, 2012 through December 31, 2012	Predecessor January 1, 2012 through December 14, 2012	Change % [(a)]
Energy revenue	$863	$30	$897	(7)%
Capacity revenue	305	10	197	47%
Other revenues	3	—	15	(80)%
Generation revenue	1,171	40	1,109	2%
Generation cost of sales	340	15	465	(29)%
Generation gross margin	$831	$25	$644	24%

(a) This column represents the difference between (a) the 2013 successor period and (b) the mathematical combination of the 2012 successor period and the 2012 predecessor period and (c) divided by the combination of the 2012 predecessor and successor periods.

Generation gross margin was $831 million for the year ended December 31, 2013, $25 million for the period from December 15, 2012 through December 31, 2012 and $644 million for the period from January 1, 2012 through December 14, 2012. The change during the period due to:

	(In millions)
Higher capacity revenues due to a 10% increase incapacity prices and a 34% increase in volume as Morgantown covered certain capacity obligations at Potomac River, which was deactivated	$98
Higher gross margin due to a 33% increase in realized energy prices and increased generation at Bowline, offset by a 30% decrease in generation resulting from the deactivation of Potomac River and lower generation at Morgantown and Chalk Point.	72
Other	(8)
	$162

Mark-to-market for Economic Hedging Activities

Mark-to-market for economic hedging activities includes asset-backed hedges that have not been designated as cash flow hedges. The breakdown of gains and losses included in operating revenues and operating costs and expenses are as follows:

(In millions)	Successor Year Ended December 31, 2013	Successor December 15, 2012 through December 31, 2012	Predecessor January 1, 2012 through December 14, 2012
Mark-to-market results in operating revenues			
Reversal of previously recognized unrealized gains on settled positions related to economic hedges	$(336)	$(8)	$(355)
Net unrealized gains/(losses) on open positions related to economic hedges	44	(4)	235
Total mark-to-market losses in operating revenues	(292)	(12)	(120)
Mark-to-market results in operating costs and expenses			
Reversal of previously recognized unrealized losses on settled positions related to economic hedges	40	6	109
Net unrealized losses on open positions related to economic hedges	(9)	(1)	(104)
Total mark-to-market gains in operating costs and expenses	$31	$5	$5

Mark-to-market results consist of unrealized gains and losses. The settlement of these transactions is reflected in the same caption as the items being hedged.

For the year ended December 31, 2013, the $292 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period slightly offset by an increase in the value of forward sales of electricity and natural gas contracts as a result of decreases in forward power and natural gas prices. The $31 million gain in operating costs and expenses from economic hedge positions was driven by the reversal of previously recognized unrealized loss from fuel contracts that settled during the period partially offset by a decrease in the value of forward purchases of fuel contracts as a result of decreases in forward fuel prices.

For the period from December 15, 2012 through December 31, 2012, the $12 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period and a decrease in the value of forward sales of electricity and natural gas contracts as a result of increases in forward power and natural gas prices. The $5 million gain in operating costs and expenses from economic hedge positions was primarily driven by the reversal of previously recognized unrealized losses from fuel contracts that settled during the period. The gain was partially offset by a decrease in the value of forward purchases of fuel contracts as a result of decreases in forward coal prices.

For the period from January 1, 2012 through December 14, 2012, the $120 million loss in operating revenues from economic hedge positions was driven by the reversal of previously recognized unrealized gains from electricity and natural gas contracts that settled during the period. The loss was partially offset by an increase in the value of forward sales of electricity and natural gas contracts as a result of decreases in forward power and natural gas prices. The $5 million gain in operating costs and expenses from economic hedge positions was driven by the reversal of previously recognized unrealized losses from fuel contracts that settled during the period. The gain was partially offset by a decrease in the value of forward purchases of fuel contracts, primarily as a result of decreases in forward coal prices.

Other Cost of Operations

Other cost of operations were $277 million for the year ended December 31, 2013, $11 million for the period from December 15, 2012 through December 31, 2012 and $314 million for the period from January 1, 2012 through December 14, 2012. The changes during the period were due to:

	(In millions)
Decrease due to the reevaluation of operating lease liabilities in acquisition accounting in December 2012	$(51)
Decrease in other costs primarily related to timing of maintenance and outage work, as well as certain allocated costs classified in general and administrative expense	(28)
Reversal of liability in prior year for Potomac River in connection with its deactivation	31
	$(48)

Depreciation and Amortization

Depreciation and amortization expense was $77 million for the year ended December 31, 2013, $4 million for the period from December 15, 2012 through December 31, 2012 and $114 million for the period from January 1, 2012 through December 14, 2012. The current year expense reflects the revaluation of the property, plant and equipment recorded in acquisition accounting in December 2012.

Liquidity and Capital Resources

Liquidity Position

As of December 31, 2013, and 2012, the Registrants' liquidity was comprised of the following:

	As of December 31,	
	2013	2012
	(In millions)	
Cash and cash equivalents (GenOn excluding GenOn Mid-Atlantic and REMA)	$566	$662
Cash and cash equivalents (GenOn Mid-Atlantic) [1]	64	135
Cash and cash equivalents (REMA) [1]	130	28
Restricted cash	—	18
Total	760	843
Credit facility availability	151	239
Total liquidity	$911	$1,082

(1) At December 31, 2013, GenOn Mid-Atlantic and REMA did not satisfy the restricted payment tests and therefore, could not use such funds to distribute cash and make other restricted payments.

Management believes that the Registrants' liquidity position and cash flows from operations will be adequate to finance operating, maintenance and capital expenditures, to fund debt service obligations and other liquidity commitments. Management continues to regularly monitor the Company's ability to finance the needs of its operating, financing and investing activity within the dictates of prudent balance sheet management. See additional information related to the Registrants' debt in Item 15 - Note 10, Debt and Capital Leases, to the Consolidated Financial Statements.

Credit Ratings

Credit rating agencies rate a firm's public debt securities. These ratings are utilized by the debt markets in evaluating a firm's credit risk. Ratings influence the price paid to issue new debt securities by indicating to the market the Registrants' ability to pay principal and interest. Rating agencies evaluate a firm's industry, cash flow, leverage, liquidity, and hedge profile, among other factors, in their credit analysis of a firm's credit risk.

The following table summarizes the Registrants' credit ratings as of December 31, 2013:

	S&P	Moody's[(a)]
GenOn 7.875% Senior Notes, due 2017	B	B3
GenOn 9.500% Senior Notes, due 2018	B	B3
GenOn 9.875% Senior Notes, due 2020	B	B3
GenOn Americas Generation 8.500% Senior Notes, due 2021	BB-	B3
GenOn Americas Generation 9.125% Senior Notes, due 2031	BB-	B3

(a) On January 24, 2014, Moody's placed GenOn's ratings under review for downgrade

Source of Liquidity

The principal sources of liquidity for the Registrants' future operating and capital expenditures are expected to be derived existing cash on hand and cash flows from operations. The Registrants' operating cash flows may be effected by, among other things, demand for electricity, the difference between the cost of fuel used to generate electricity and the market value of the electricity generated, commodity prices (including prices for electricity, emissions allowances, natural gas, coal and oil), operations and maintenance expenses in the ordinary course, planned and unplanned outages, terms with trade creditors, cash requirements for capital expenditures relating to certain facilities (including those necessary to comply with environmental regulations) and the potential impact of future environmental regulations.

Uses of Liquidity

The Registrants' requirements for liquidity and capital resources, other than for operating its facilities, can generally be categorized by the following: (i) debt service obligations, as described more fully in Item 15 — Note 10, Debt and Capital Leases, to the Consolidated Financial Statements; (ii) capital expenditures, including maintenance and environmental and (iii) payments under the GenOn Mid-Atlantic and REMA operating leases.

Capital Expenditures

The following tables and descriptions summarize the Registrant's capital expenditures, excluding accruals, for maintenance, environmental, and growth for the year ended December 31, 2013, and the estimated capital expenditure forecast for 2014.

	Maintenance	Environmental	Growth	Total
	(in millions)			
2013:				
GenOn	147	63	91	301
GenOn Americas Generation	53	2	—	55
GenOn Mid-Atlantic	44	—	—	44
2014 Forecast:				
GenOn	99	84	117	300
GenOn Americas Generation	47	8	44	99
GenOn Mid-Atlantic	37	6	44	87

The following table summarizes the Registrants' estimated environmental capital expenditures for the referenced periods by region:

	GenOn	GenOn Americas Generation	GenOn Mid-Atlantic
2014	$84	$8	$6
2015	27	1	—
2016	4	3	—
2017	1	—	—
2018	4	—	—
Total	$120	$12	$6

Operating Leases

GenOn Mid-Atlantic leases 100% interest in both the Dickerson and Morgantown coal units and associated property through 2029 and 2034, respectively, and has an option to extend the leases. Any extensions of the respective leases would be for less than 75% of the economic useful life of the facility, as measured from the beginning of the original lease term through the end of the proposed remaining lease term. The leases are accounted for as operating leases. Although there is variability in the scheduled payment amounts over the lease term, rent expense is recognized for these leases on a straight-line basis. The scheduled payment amounts for the leases are $131 million and $110 million for 2014 and 2015, respectively. At December 31, 2013, the total notional minimum lease payments for the remaining term of the leases aggregated $1.3 billion and the aggregate termination value for the leases was approximately $1.2 billion and generally decreases over time. In addition, the present value of lease payments at December 31, 2013 was approximately $1.1 billion (assuming a 10% discount rate). NRG provides letters of credit in support of GenOn Mid-Atlantic's lease obligations in an aggregate amount equal to the greatest of the next six months scheduled rent payments, 50% of the next 12 months scheduled rent payments or $75 million.

REMA leases 16.45% and 16.67% interests in the Conemaugh and Keystone coal facilities, respectively through 2034 and expects to make payments through 2029. REMA also leases a 100% interest in the Shawville coal facility through 2026 and expects to make payments through that date. At the expiration of these leases, there are several renewal options related to fair value. The leases are accounted for as operating leases. The scheduled payment amounts for the REMA leases are $63 million and $56 million for 2014 and 2015, respectively. At December 31, 2013, the total notional minimum lease payments for the remaining term of the leases aggregated $698 million and the aggregate termination value for the leases was approximately $698 million and generally decreases over time. In addition, the present value of lease payments at December 31, 2011 was approximately $592 million (assuming a 9.4% discount rate). NRG provides letters of credit in support of REMA's lease obligations to post rent reserves in an aggregate amount equal to the greater of the next six months scheduled rent payment or 50% of the next 12 months scheduled rent payments.

Item 7A — Quantitative and Qualitative Disclosures About Market Risk (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

The Registrants are exposed to several market risks in their normal business activities. Market risk is the potential loss that may result from market changes associated with the Registrants' merchant power generation or with an existing or forecasted financial or commodity transaction. The types of risks the Registrants are exposed to are commodity price risk, interest rate risk and credit and performance risk. In order to manage commodity price and interest rate risks, the Registrants use various fixed-price forward purchase and sales contracts, futures and option contracts traded on NYMEX, and swaps and options traded in the over-the-counter financial markets to:

- Manage and hedge fixed-price purchase and sales commitments;
- Manage and hedge exposure to variable rate debt obligations;
- Reduce exposure to the volatility of cash market prices; and
- Hedge fuel requirements for the Registrants' generating facilities.

Commodity Price Risk

Commodity price risks result from exposures to changes in spot prices, forward prices, volatilities, and correlations between various commodities, such as natural gas, electricity, coal, oil, and emission credits. The Registrants manage the commodity price risk of their merchant generation operations by entering into various derivative or non-derivative instruments to hedge the variability in future cash flows from forecasted sales and purchases of electricity and fuel. These instruments include forwards, futures, swaps, and option contracts traded on various exchanges, such as NYMEX and Intercontinental Exchange, or ICE, as well as over-the-counter markets. The portion of forecasted transactions hedged may vary based upon management's assessment of market, weather, operation and other factors. While some of the contracts the Registrants use to manage risk represent commodities or instruments for which prices are available from external sources, other commodities and certain contracts are not actively traded and are valued using other pricing sources and modeling techniques to determine expected future market prices, contract quantities, or both. The Registrants use their best estimates to determine the fair value of those derivative contracts. However, it is likely that future market prices could vary from those used in recording mark-to-market derivative instrument valuation, and such variations could be material.

Interest Rate Risk

As of December 31, 2013, GenOn's debt fair value was $3.1 billion and the carrying value was $3.1 billion. GenOn estimates that a 1% decrease in market interest rates would have increased the fair value of its long-term debt by $221 million. As of December 31, 2013, GenOn Americas Generation's debt fair value was $883 million and the carrying value was $938 million. GenOn Americas Generation estimates that a 1% decrease in market interest rates would have increased the fair value of its long-term debt by $120 million.

Counterparty Credit Risk

Credit risk relates to the risk of loss resulting from non-performance or non-payment by counterparties pursuant to the terms of their contractual obligations. The Registrants monitor and manage credit risk through credit policies that include: (i) an established credit approval process; (ii) a daily monitoring of counterparties' credit limits; (iii) the use of credit mitigation measures such as margin, collateral, prepayment arrangements, or volumetric limits; (iv) the use of payment netting agreements; and (v) the use of master netting agreements that allow for the netting of positive and negative exposures of various contracts associated with a single counterparty. Risks surrounding counterparty performance and credit could ultimately impact the amount and timing of expected cash flows. The Registrants seek to mitigate counterparty risk by having a diversified portfolio of counterparties. The Registrants also have credit protection within various agreements to call on additional collateral support if and when necessary. Cash margin is collected and held at the Registrants to cover the credit risk of the counterparty until positions settle.

As of December 31, 2013, counterparty credit exposure to a significant portion of GenOn's counterparties was $538 million and GenOn held no collateral (cash or letters of credit) against those positions, resulting in a net exposure of $538 million. Approximately 99% of GenOn's exposure before collateral is expected to roll off by the end of 2015. GenOn Americas Generation's counterparty credit exposure to a significant portion of counterparties was $527 million and GenOn Americas Generation held no collateral (cash or letters of credit) against those positions, resulting in a net exposure of $527 million. Approximately 100% of GenOn Americas Generation's exposure before collateral is expected to roll off by the end of 2015. GenOn Mid-Atlantic's counterparty credit exposure to a significant portion of counterparties was $361 million and GenOn Mid-Atlantic held no collateral (cash or letters of credit) against those positions, resulting in a net exposure of $361 million. Approximately 100% of GenOn Mid-Atlantic's exposure before collateral is expected to roll off by the end of 2015.

The following tables highlight the credit quality and the net counterparty credit exposure by industry sector. Net counterparty credit exposure is defined as the aggregate net asset position for the Registrants with counterparties where netting is permitted under the enabling agreement and includes all cash flow, mark-to-market and NPNS, and non-derivative transactions. As of December 31, 2013, the exposure is shown net of collateral held and includes amounts net of receivables or payables.

GenOn

Category	Net Exposure [(a)] (% of Total)	
Financial institutions	68	%
Utilities, energy merchants, marketers and other	12	%
ISOs	20	%
Total	100	%

Category	Net Exposure [(a)] (% of Total)	
Investment grade	98	%
Non-rated	2	%
Total	100	%

(a) Counterparty credit exposure excludes transportation contracts because of the unavailability of market prices.

GenOn has counterparty credit risk exposure to certain counterparties representing more than 10% of total net exposure discussed above and the aggregate of such counterparties was $326 million. Changes in hedge positions and market prices will affect credit exposure and counterparty concentration. Given the credit quality, diversification and term of the exposure in the portfolio, GenOn does not anticipate a material impact on its financial position or results of operations from nonperformance by any of its counterparties.

GenOn Americas Generation

Category	Net Exposure [(a)] (% of Total)	
Financial institutions	69	%
Utilities, energy merchants, marketers and other	11	%
ISOs	20	%
Total	100	%

Category	Net Exposure [(a)] (% of Total)	
Investment grade	98	%
Non-rated	2	%
Total	100	%

(a) Counterparty credit exposure excludes transportation contracts because of the unavailability of market prices.

GenOn Americas Generation has counterparty credit risk exposure to certain counterparties representing more than 10% of total net exposure discussed above and the aggregate of such counterparties was $377 million. Changes in hedge positions and market prices will affect credit exposure and counterparty concentration. Given the credit quality, diversification and term of the exposure in the portfolio, GenOn Americas Generation does not anticipate a material impact on its financial position or results of operations from nonperformance by any of its counterparties.

GenOn Mid-Atlantic

Category	Net Exposure [a] (% of Total)	
Financial institutions	100	%

Category	Net Exposure [a] (% of Total)	
Investment grade	100	%

(a) Counterparty credit exposure excludes transportation contracts because of the unavailability of market prices.

GenOn Mid-Atlantic has counterparty credit risk exposure to certain counterparties representing more than 10% of total net exposure discussed above and the aggregate of such counterparties was $335 million. Changes in hedge positions and market prices will affect credit exposure and counterparty concentration. Given the credit quality, diversification and term of the exposure in the portfolio, GenOn Mid-Atlantic does not anticipate a material impact on its financial position or results of operations from nonperformance by any of its counterparties.

Credit Risk Related Contingent Features

Certain of the Registrants' hedging agreements contain provisions that require the Registrants to post additional collateral if the counterparty determines that there has been deterioration in credit quality, generally termed "adequate assurance" under the agreements, or require the Registrants to post additional collateral if there were a one notch downgrade in the Registrants' credit rating. The collateral required for contracts that have adequate assurance clauses that are in net liability positions as of December 31, 2013, was $33 million for GenOn and GenOn Americas Generation. The collateral required for contracts with credit rating contingent features that are in a net liability position as of December 31, 2013, was $0.5 million for GenOn and GenOn Americas Generation. In addition, GenOn and GenOn Americas Generation are parties to certain marginable agreements under which they have net liability positions, but the counterparties have not called for collateral due, which is approximately $4 million as of December 31, 2013. As of December 31, 2013, GenOn Mid-Atlantic did not have any financial instruments with credit risk related contingent features.

Item 8 — Financial Statements and Supplementary Data (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

The financial statements and schedules of the Registrants are listed in Part IV, Item 15 of this Form 10-K.

Item 9 — Changes in and Disagreements with Accountants on Accounting and Financial Disclosure (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

None.

Item 9A — Controls and Procedures (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures and Internal Control Over Financial Reporting

Under the supervision and with the participation of the Registrants' management, including principal executive officer, principal financial officer and principal accounting officer, the Registrants conducted an evaluation of the effectiveness of the design and operation of disclosure controls and procedures, as such term is defined in Rules 13a-15(e) or 15d-15(e) of the Exchange Act. Based on this evaluation, the Registrants' principal executive officer, principal financial officer and principal accounting officer concluded that the disclosure controls and procedures were effective as of the end of the period covered by this annual report on Form 10-K. Management's reports on the Registrants' internal control over financial reporting are incorporated under the caption "Management's Report on Internal Control over Financial Reporting" of the Registrants' Annual Report on Form 10-K for the fiscal year ended December 31, 2013.

Changes in Internal Control over Financial Reporting

There were no changes in the Registrants' internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that occurred in the fourth quarter of 2013 that materially affected, or are reasonably likely to materially affect, the Registrants' internal control over financial reporting.

Inherent Limitations over Internal Controls

The Registrants' internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with U.S. GAAP. The Registrants' internal control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the Registrants' assets;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with U.S. GAAP, and that the Registrants' receipts and expenditures are being made only in accordance with authorizations of management and directors; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Registrants' assets that could have a material effect on the consolidated financial statements.

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations, including the possibility of human error and circumvention by collusion or overriding of controls. Accordingly, even an effective internal control system may not prevent or detect material misstatements on a timely basis. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Item 9B — Other Information (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

None.

PART III

Item 10 — Directors, Executive Officers and Corporate Governance

Item 10 has been omitted from this report for the Registrants pursuant to the reduced disclosure format permitted by General Instruction I to Form 10-K.

Item 11 — Executive Compensation

Item 11 has been omitted from this report for the Registrants pursuant to the reduced disclosure format permitted by General Instruction I to Form 10-K.

Item 12 — Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Item 12 has been omitted from this report for the Registrants pursuant to the reduced disclosure format permitted by General Instruction I to Form 10-K.

Item 13 — Certain Relationships and Related Transactions, and Director Independence

Item 13 has been omitted from this report for the Registrants pursuant to the reduced disclosure format permitted by General Instruction I to Form 10-K.

Item 14 — Principal Accounting Fees and Services (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

KPMG LLP conducts an integrated audit of NRG and its subsidiaries. Professional audit services and other services rendered by KPMG LLP subsequent to December 14, 2012 were allocated to the Registrants through the Services Agreement with NRG as described in Note 18, Commitments and Contingencies, to the Registrants' consolidated financial statements. Prior to the NRG Merger, the GenOn Audit Committee pre-approved all audit services and permissible non-audit services provided by the independent auditor. As provided in the NRG Audit Committee Charter, the NRG Audit Committee pre-approved all audit services and permissible non-audit services provided by the independent auditor from the time of the NRG Merger and for the remainder of fiscal year 2012 as well as fiscal 2013.

The following table shows the aggregate fees related to the audit and other services provided by KPMG LLP for fiscal years 2013 and 2012. Amounts in the table for periods prior to the consummation of the NRG Merger on December 14, 2012 reflect amounts paid by the Registrants to KPMG LLP.

	2013	2012
	(in thousands)	
Audit Fees[a]	$3,450	$4,840
Audit-Related Fees[b]	—	197
Total	$3,450	$5,037

(a) Includes fees and expenses related to the audits of the Registrants' consolidated financial statements for 2013 and 2012 and the effectiveness of GenOn's internal controls over financial reporting for 2012. This category also includes the review of financial statements included in the Registrants' Quarterly Reports on Form 10-Q, the audits of various subsidiary financial statements required by statute or regulation, and services that are normally provided by the independent auditors in connection with regulatory filings or engagements, consultations provided on audit and accounting matters that arose during, or as a result of, the audits or the reviews of interim financial statements, and the preparation of any written communications on internal control matters.

(b) Consists of accounting consulting, assurance and related services that are reasonably related to the performance of the audit or review of the Registrants'

financial statements, which during 2012 related to the NRG Merger, and are not reported above under "Audit Fees."

PART IV

Item 15 — Exhibits, Financial Statement Schedules (GenOn, GenOn Americas Generation and GenOn Mid-Atlantic)

(a)(1) Financial Statements

The following consolidated financial statements of GenOn Energy, Inc., GenOn Americas Generation, LLC and GenOn Mid-Atlantic, LLC and related notes thereto, together with the reports thereon of KPMG LLP, are included herein:

GenOn Energy, Inc.
Consolidated Statements of Operations
Consolidated Statements of Comprehensive Loss
Consolidated Balance Sheets
Consolidated Statements of Cash Flows
Consolidated Statement of Stockholder's Equity
GenOn Americas Generation, LLC
Consolidated Statements of Operations
Consolidated Balance Sheets
Consolidated Statements of Cash Flows
Consolidated Statement of Member's Equity
GenOn Mid-Atlantic, LLC
Consolidated Statements of Operations
Consolidated Balance Sheets
Consolidated Statements of Cash Flows
Consolidated Statement of Member's Equity
Combined Notes to Consolidated Financial Statements

(a)(2) Financial Statement Schedules

The following Consolidated Financial Statement Schedules of GenOn Energy, Inc., GenOn Americas Generation, LLC and GenOn Mid-Atlantic, LLC are filed as part of Item 15(d) of this report and should be read in conjunction with the Consolidated Financial Statements.

Schedule I — GenOn Energy, Inc. Financial Statements
Schedule I — GenOn Americas Generation, LLC Financial Statements
Schedule II — Valuation and Qualifying Accounts

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore, have been omitted.

(a)(3) Exhibits: See Exhibit Index submitted as a separate section of this report.

(b) Exhibits

See Exhibit Index submitted as a separate section of this report.

(c) Not applicable

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Registrants' management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of the Registrants' management, including their principal executive officer, principal financial officer and principal accounting officer, the Registrants conducted an evaluation of the effectiveness of their internal control over financial reporting based on the framework in Internal Control — Integrated Framework (1992) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the Registrants' evaluation under the framework in Internal Control — Integrated Framework (1992), the Registrants' management concluded that their internal control over financial reporting was effective as of December 31, 2013.

The effectiveness of the Registrants' internal control over financial reporting as of December 31, 2013, has been audited by KPMG LLP, the Registrants' independent registered public accounting firm, as stated in its report which is included in this Form 10-K.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
GenOn Energy, Inc.:

We have audited the accompanying consolidated balance sheets of GenOn Energy, Inc. and subsidiaries as of December 31, 2013 and 2012, and the related consolidated statements of operations, comprehensive income/ (loss), cash flows, and stockholder's equity for the year ended December 31, 2013 and the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor). In connection with our audits of the consolidated financial statements, we also have audited financial statement schedules "Schedule I. Condensed Financial Information of Registrant and Schedule II. Valuation and Qualifying Accounts for the year ended December 31, 2013 and the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor)." These consolidated financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedules based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of GenOn Energy, Inc. and subsidiaries as of December 31, 2013 and 2012 (Successor), and the results of their operations and their cash flows for the year ended December 31, 2013 and for the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor) in conformity with U.S generally accepted accounting principles. Also in our opinion, the related financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ KPMG LLP
KPMG LLP

Philadelphia, Pennsylvania
February 28, 2014

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
GenOn Americas Generation, LLC:
We have audited the accompanying consolidated balance sheets of GenOn Americas Generation, LLC and subsidiaries as of December 31, 2013 and 2012, and the related consolidated statements of operations, cash flows, and member's equity for the year ended December 31, 2013 and the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor). In connection with our audits of the consolidated financial statements, we also have audited financial statement schedules "Schedule I. Condensed Financial Information of Registrant and Schedule II. Valuation and Qualifying Accounts for the year ended December 31, 2013 and the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor)." These consolidated financial statements and financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedules based on our audits.
We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of GenOn Americas Generation, LLC and subsidiaries as of December 31, 2013 and 2012 (Successor), and the results of their operations and their cash flows for the year ended December 31, 2013 and for the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor) in conformity with U.S generally accepted accounting principles. Also in our opinion, the related financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ KPMG LLP
KPMG LLP

Philadelphia, Pennsylvania
February 28, 2014

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
GenOn Mid-Atlantic, LLC:

We have audited the accompanying consolidated balance sheets of GenOn Mid-Atlantic, LLC and subsidiaries as of December 31, 2013 and 2012, and the related consolidated statements of operations, cash flows, and member's equity for the year ended December 31, 2013 and the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor). In connection with our audits of the consolidated financial statements, we also have audited financial statement schedule "Schedule II. Valuation and Qualifying Accounts for the year ended December 31, 2013 and the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor)." These consolidated financial statements and financial statement schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of GenOn Mid-Atlantic, LLC and subsidiaries as of December 31, 2013 and 2012 (Successor), and the results of their operations and their cash flows for the year ended December 31, 2013 and for the periods from December 15, 2012 through December 31, 2012 (Successor) and January 1, 2012 through December 14, 2012 and for the year ended December 31, 2011 (Predecessor) in conformity with U.S generally accepted accounting principles. Also in our opinion, the related financial statement schedules, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

/s/ KPMG LLP
KPMG LLP

Philadelphia, Pennsylvania
February 28, 2014

GENON ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Successor		Predecessor	
	For the Year Ended December 31, 2013	December 15, 2012 through December 31, 2012	January 1, 2012 through December 14, 2012	For the Year Ended December 31, 2011
	(In millions)		(In millions)	
Operating Revenues				
Operating revenue	$2,556	$73	$2,564	$3,614
Operating revenues - affiliate	48	—	—	—
Total operating revenues	2,604	73	2,564	3,614
Operating Costs and Expenses				
Cost of operations	1,715	66	2,073	2,642
Cost of operations - affiliate	193	—	—	—
Depreciation and amortization	249	10	339	375
Impairment losses	—	—	47	133
Selling, general and administrative	203	8	166	255
Selling, general and administrative - affiliate	11	—	—	—
Acquisition-related transaction and integration costs	70	53	11	—
Total operating costs and expenses	2,441	137	2,636	3,405
Operating Income/(Loss)	163	(64)	(72)	209
Other Income/(Expense)				
Equity in earnings of unconsolidated affiliates	4	—	—	—
Other income, net	1	—	3	4
Interest expense	(193)	(8)	(330)	(379)
Interest expense - affiliate	(12)	—	—	—
Loss on debt extinguishment and refinancing expense	(11)	—	—	(23)
Total other expense	(211)	(8)	(327)	(398)
Loss Before Income Taxes	(48)	(72)	(399)	(189)
Income tax(benefit)/expense	(6)	—	15	—
Net Loss	$(42)	$(72)	$(414)	$(189)

See notes to Consolidated Financial Statements.

GENON ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)

	Successor		Predecessor	
	For the Year Ended December 31, 2013	December 15, 2012 through December 31, 2012	January 1, 2012 through December 14, 2012	For the Year Ended December 31, 2011
	(In millions)		(In millions)	
Net Loss	$(42)	$(72)	$(414)	$(189)
Other Comprehensive Income/(Loss), net of reclassifications, net of tax of $0:				
Unrealized (loss)/gain on derivatives	(1)	1	(18)	(55)
Available-for-sale securities	—	—	—	(1)
Defined benefit plans	101	1	(8)	(89)
Other, net	—	—	1	—
Other Comprehensive Income/(Loss)	100	2	(25)	(145)
Comprehensive Income/(Loss)	$58	$(70)	$(439)	$(334)

See notes to Consolidated Financial Statements.

51

GENON ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of December 31,	
	2013	2012
	(In millions)	
ASSETS		
Current Assets		
Cash and cash equivalents	$760	$825
Funds deposited by counterparties	56	140
Restricted cash	—	18
Accounts receivable — trade	178	138
Inventory	443	422
Derivative instruments	464	596
Derivative instruments — affiliate	5	8
Cash collateral paid in support of energy risk management activities	62	148
Prepayments and other current assets	194	261
Total current assets	2,162	2,556
Property, Plant and Equipment		
In service	3,311	3,138
Under construction	113	693
Total property, plant and equipment	3,424	3,831
Less accumulated depreciation	(248)	(1)
Net property, plant and equipment	3,176	3,830
Other Assets		
Intangible assets, net of accumulated amortization of $34 and $1	65	78
Derivative instruments	181	511
Derivative instruments — affiliate	1	1
Deferred income taxes	—	209
Other non-current assets	149	234
Total other assets	396	1,033
Total Assets	$5,734	$7,419

See notes to Consolidated Financial Statements.

52

GENON ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (Continued)

	As of December 31,	
	2013	2012
	(In millions)	
LIABILITIES AND STOCKHOLDER'S EQUITY		
Current Liabilities		
Current portion of long-term debt and capital leases	$5	$32
Accounts payable	187	190
Accounts payable — affiliate	72	6
Derivative instruments	160	237
Derivative instruments — affiliate	3	8
Deferred income taxes	—	209
Cash collateral received in support of energy risk management activities	56	140
Accrued payroll	103	155
Accrued taxes	39	62
Accrued interest expense	44	46
Accrued expenses and other current liabilities	80	75
Total current liabilities	749	1,160
Other Liabilities		
Long-term debt and capital leases	3,128	4,170
Postretirement and other benefit obligations	185	324
Derivative instruments	18	123
Derivative instruments — affiliate	—	1
Out-of-market contracts	1,045	1,124
Other non-current liabilities	296	310
Total non-current liabilities	4,672	6,052
Total Liabilities	5,421	7,212
Commitments and Contingencies		
Stockholder's Equity		
Common stock: $0.001 par value, 1 share authorized and issued at December 31, 2012 and 2013	—	—
Additional paid-in capital	325	277
Accumulated deficit	(114)	(72)
Accumulated other comprehensive income	102	2
Total Stockholder's Equity	313	207
Total Liabilities and Stockholder's Equity	$5,734	$7,419

See notes to Consolidated Financial Statements.

GENON ENERGY, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Successor		Predecessor	
	For the Year Ended December 31, 2013	December 15, 2012 through December 31, 2012	January 1, 2012 through December 14, 2012	For the Year Ended December 31, 2011
	(In millions)		(In millions)	
Cash Flows from Operating Activities				
Net loss	$(42)	$(72)	$(414)	$(189)
Adjustments to reconcile net loss to net cash provided/(used) by operating activities:				
Depreciation and amortization	249	10	339	375
Amortization of financing costs and debt discount/premiums	(72)	(4)	16	15
Loss on debt extinguishment	(28)	—	—	23
Amortization of out-of-market contracts and emission allowances	(45)	(2)	(45)	(33)
Amortization of unearned equity compensation	9	6	19	14
Gain on disposals and sales of assets	—	—	(9)	(6)
Impairment losses	—	—	47	133
Changes in derivative instruments	310	13	143	(224)
Changes in collateral deposits supporting energy risk management activities	—	—	—	—
Postretirement benefits curtailment (gain) loss	—	—	2	—
Excess materials and supplies inventory reserve	—	—	35	—
Lower of cost or market inventory adjustments	—	—	108	13
Advance settlement of out-of-market contract obligation	—	—	(20)	—
Potomac River settlement obligation and reversal	—	—	(32)	—
Large scale remediation and settlement costs	—	—	(3)	59
Other, net	86	—	3	(5)
Cash provided/(used) by changes in other working capital, net of acquisition and disposition effects:				
Accounts receivable - trade	(59)	(10)	164	204
Inventory	(25)	(1)	(56)	(21)
Prepayments and other current assets	61	(27)	(31)	(38)
Accounts payable	118	(67)	(111)	(183)
Accrued expenses and other current liabilities	(71)	18	36	14
Other assets and liabilities	41	(16)	17	(8)
Net Cash Provided/(Used) by Operating Activities	532	(152)	208	143
Cash Flows from Investing Activities				
	175	—	—	—

Net proceeds from sale of NRG Marsh Landing				
Capital expenditures	(301)	(12)	(557)	(450)
Proceeds from sale of assets, net	—	—	14	18
(Increase)/decrease in restricted cash, net	18	6	189	1,424
Other	(21)	—	2	(21)
Net Cash (Used)/Provided by Investing Activities	(129)	(6)	(352)	971
Cash Flows from Financing Activities				
Payment for treasury stock	—	—	—	—
Proceeds from issuance of long-term debt	110	—	283	107
Payment of debt issuance costs	—	—	—	(2)
Payments for short and long-term debt	(578)	—	(695)	(2,078)
Proceeds from exercises of stock options	—	—	—	3
Net Cash (Used)/Provided by Financing Activities	(468)	—	(412)	(1,970)
Net (Decrease)/Increase in Cash and Cash Equivalents	(65)	(158)	(556)	(856)
Cash and Cash Equivalents at Beginning of Period	825	983	1,539	2,395
Cash and Cash Equivalents at End of Period	$760	$825	$983	$1,539
Supplemental Disclosures				
Interest paid, net of amount capitalized	$259	$51	$279	$382
Income taxes (received)/paid, net	$(75)	$—	$11	$(9)

See notes to Consolidated Financial Statements.

GENON ENERGY, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDER'S EQUITY

	Common Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income/(Loss)	Total Stockholder's Equity
	(In millions)				
Predecessor					
Balances as of December 31, 2010	$1	$7,432	$(1,974)	$ (25)	$ 5,434
Net loss	—	—	(189)	—	(189)
Other comprehensive loss	—	—	—	(145)	(145)
Equity-based compensation	—	17	—	—	17
Balances as of December 31, 2011	$1	$7,449	$(2,163)	$ (170)	$ 5,117
Net loss	—	—	(414)	—	(414)
Other comprehensive loss	—	—	—	(25)	(25)
Equity-based compensation	—	14	—	—	14
Balances as of December 14, 2012[(a)]	$1	$7,463	$(2,577)	$ (195)	$ 4,692
Successor					
Balances as of December 15, 2012[(a)]	$—	$277	$—	$ —	$ 277
Net loss	—	—	(72)	—	(72)
Other comprehensive income	—	—	—	2	2
Balances as of December 31, 2012	$—	$277	$(72)	$ 2	$ 207
Net income	—	—	(42)	—	(42)
Other comprehensive loss	—	—	—	100	100
Sale of Marsh Landing to NRG	—	48	—	—	48
Balances as of December 31, 2013	$—	$325	$(114)	$ 102	$ 313

(a) The differences in equity balances at December 14, 2012 and December 15, 2012 are due to the application of pushdown accounting reflecting the NRG Merger.

See notes to Consolidated Financial Statements.

GENON AMERICAS GENERATION, LLC AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Successor		Predecessor	
	For the Year Ended December 31,	December 15, 2012 through	January 1, 2012 through	For the Year Ended December 31,
	2013	December 31, 2012	December 14, 2012	2011
	(In millions)		(In millions)	
Operating Revenues				
Operating revenues	$2,428	$74	$2,405	$3,015
Operating revenues - affiliate	133	3	189	(77)
Total operating revenues	2,561	77	2,594	2,938
Operating Costs and Expenses				
Cost of operations	890	28	1,064	1,038
Cost of operations - affiliate	1,356	41	1,307	1,374
Depreciation and amortization	95	5	155	177
Impairment losses	—	—	—	128
Selling, general and administrative	15	1	11	12
Selling, general and administrative - affiliate	74	2	62	76
Total operating costs and expenses	2,430	77	2,599	2,805
Operating Income/(Loss)	131	—	(5)	133
Other Income/(Expense)				
Other expense, net	1	—	—	(1)
Interest expense	(66)	(3)	(70)	(88)
Interest expense — affiliate	(7)	—	(5)	(5)
Loss on debt extinguishment and refinancing expense	—	—	—	(23)
Total other expense	(72)	(3)	(75)	(117)
Income/(Loss) Before Income Taxes	59	(3)	(80)	16
Income tax	—	—	—	—
Net Income/(Loss)	$59	$(3)	$(80)	$16

See notes to Consolidated Financial Statements.

GENON AMERICAS GENERATION, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of December 31, 2013	2012
	(In millions)	
ASSETS		
Current Assets		
Cash and cash equivalents	$63	$148
Accounts receivable — trade, less allowance for doubtful accounts of $2 and $0	151	125
Note receivable — affiliate	299	198
Inventory	270	223
Derivative instruments	462	596
Derivative instruments — affiliate	84	60
Cash collateral paid in support of energy risk management activities	50	91
Prepayments and other current assets	105	99
Total current assets	1,484	1,540
Property, Plant and Equipment		
In service	1,287	1,213
Under construction	3	9
Total property, plant and equipment	1,290	1,222
Less accumulated depreciation	(96)	(1)
Net property, plant and equipment	1,194	1,221
Other Assets		
Intangible assets, net of accumulated amortization of $34 and $1	64	76
Derivative instruments	181	511
Derivative instruments — affiliate	8	25
Other non-current assets	32	13
Total other assets	285	625
Total Assets	$2,963	$3,386

See notes to Consolidated Financial Statements.

57

GENON AMERICAS GENERATION, LLC AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)

	As of December 31,	
	2013	2012
	(In millions)	
LIABILITIES AND MEMBER'S EQUITY		
Current Liabilities		
Current portion of long-term debt and capital leases	$5	$5
Accounts payable	90	69
Accounts payable — affiliate	86	71
Derivative instruments	160	228
Derivative instruments — affiliate	107	134
Cash collateral received in support of energy risk management activities	56	140
Accrued expenses and other current liabilities	93	87
Total current liabilities	597	734
Other Liabilities		
Long-term debt and capital leases	943	955
Derivative instruments	18	82
Derivative instruments — affiliate	23	51
Out-of-market contracts	575	603
Other non-current liabilities	116	120
Total non-current liabilities	1,675	1,811
Total Liabilities	2,272	2,545
Commitments and Contingencies		
Member’s Equity		
Member’s interest	691	841
Total Member’s Equity	691	841
Total Liabilities and Member’s Equity	$	