

Edgar Filing: Talen Energy Corp - Form 8-K

Talen Energy Corp
Form 8-K
June 23, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 17, 2016

Talen Energy Corporation

(Exact name of registrant as specified in its charter)

| | | |
|--|--------------------------|-----------------------------------|
| Delaware | 1-37388 | 47-1197305 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

835 Hamilton Street, Suite 150, Allentown, PA 18101-1179

(Address of principal executive offices)(Zip Code)

Registrant's telephone number, including area code: (888) 211-6011

Talen Energy Supply, LLC

(Exact name of registrant as specified in its charter)

| | | |
|--|--------------------------|-----------------------------------|
| Delaware | 1-32944 | 23-3074920 |
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

835 Hamilton Street, Suite 150, Allentown, PA 18101-1179

(Address of principal executive offices)(Zip Code)

Registrant's telephone number, including area code: (888) 211-6011

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrants under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 5 - Corporate Governance and Management

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Amendment of the Talen Energy Executive Severance Plan

As previously reported, on June 1, 2015, Talen Energy Corporation (the "Company") approved the Talen Energy Executive Severance Plan ("Executive Severance Plan"), which authorizes the provision of severance benefits to certain executives upon qualifying terminations. On June 17, 2016, the Compensation, Governance and Nominating Committee of the Board of Directors of the Company approved the amendment of the Executive Severance Plan in accordance with the terms of the previously announced Agreement and Plan of Merger among the Company, RHP Parent LLC, SPH Parent LLC, CRJ Parent LLC and RJS Merger Sub Inc. dated June 2, 2016. The Executive Severance Plan was amended for the benefit of participants (who do not include the Company's executive officers who are subject to change in control agreements) to provide that (a) a termination by a participant for "Good Reason" will be considered a qualifying termination for all purposes of the Executive Severance Plan, and (b) in the event of a qualifying termination, participants will be entitled to receive a lump-sum cash payment equal to the participant's target bonus under any cash bonus plan or policy in which the participant is eligible to participate, prorated for the portion of the applicable performance period during which the participant is employed by the Company. The full text of the Executive Severance Plan, as amended, is filed as Exhibit 10.1 and is incorporated herein by reference.

Section 9 - Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| | |
|------|-----------|
| | Talen |
| | Energy |
| 10.1 | Executive |
| | Severance |
| | Plan, as |
| | amended |

Forward-Looking Statements

Statements contained herein are “forward looking statements” within the meaning of the federal securities laws. These statements often include such words as "believe," "expect," "anticipate," "intend," "plan," "estimate," "target," "project," "forecast," "seek," "will," "may," "should," "could," "would" or similar expressions. Although the Company believes that the expectations and assumptions reflected in these forward-looking statements are reasonable, these statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. Among the important factors that could cause actual results to differ materially from the forward-looking statements are: adverse economic conditions; changes in commodity prices and related costs; the effectiveness of the Company's risk management techniques, including hedging; accounting interpretations and requirements that may impact reported results; operational, price and credit risks in the wholesale and retail electricity markets; the Company's ability to forecast the actual load needed to perform full-requirements sales contracts; weather conditions affecting generation, customer energy use and operating costs and revenues; disruptions in fuel supply; circumstances that may impact the levels of coal inventory that are held; the performance of transmission facilities and any changes in the structure and operation of, or the pricing limitations imposed by, the RTOs and ISOs that operate those facilities; blackouts due to disruptions in neighboring interconnected systems; competition; federal and state legislation and regulation; costs of complying with environmental and related worker health and safety laws and regulations; the impacts of climate change; the availability and cost of emission allowances; changes in legislative and regulatory policy; security and safety risks associated with nuclear generation; the Company's level of indebtedness; the terms and conditions of debt instruments that may restrict the Company's ability to operate its business; the performance of the Company's subsidiaries and affiliates, on which its cash flow and ability to meet its debt obligations largely depend; the risks inherent with variable rate indebtedness; disruption in financial markets; the Company's ability to access capital markets; acquisition or divestiture activities, and the Company's ability to realize expected synergies and other benefits from such business transactions, including in connection with the completed MACH Gen acquisition; changes in technology; any failure of the Company's facilities to operate as planned, including in connection with scheduled and unscheduled outages; the Company's ability to optimize its competitive power generation operations and the costs associated with any capital expenditures, including the Brunner Island dual-fuel project; significant increases in operation and maintenance expenses; the loss of key personnel, the ability to hire and retain qualified employees and the impact of collective labor bargaining negotiations; war, armed conflicts or terrorist attacks, including cyber-based attacks; risks associated with federal and state tax laws and regulations; any determination that the transaction that formed the Company does not qualify as a tax-free distribution under the Internal Revenue Code; the Company's ability to successfully integrate the RJS Power businesses and to achieve anticipated synergies and cost savings as a result of the spinoff transaction and combination with RJS Power; costs of complying with reporting requirements as a newly public company and any related risks of deficiencies in disclosure controls and internal control over financial reporting as a standalone entity; the ability of affiliates of Riverstone Holdings LLC (“Riverstone”), to exercise influence over matters requiring Board of Directors and/or stockholder approval; and the announced merger transaction involving the Company and affiliates of Riverstone. Any such forward-looking statements should be considered in light of such important factors and in conjunction with the Form 10-K for the year ended December 31, 2015, the Form 10-Q for the quarter ended March 31, 2016 and the other reports on file with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of the Registrants has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TALEN ENERGY CORPORATION

By: /s/ Jeremy R. McGuire
Jeremy R. McGuire
Senior Vice President,
Chief Financial Officer and Chief Accounting Officer

TALEN ENERGY SUPPLY, LLC

By: /s/ Jeremy R. McGuire
Jeremy R. McGuire
Senior Vice President,
Chief Financial Officer and Chief Accounting Officer
Dated: June 23, 2016