

Homer City Generation Further Extends Forbearance Agreement with Noteholders

Indiana, PA – November 21, 2016 – Homer City Generation, L.P. (“Homer City” or “the Company”), a Delaware limited partnership that operates three coal-fired electric generating units with an aggregate net capacity of 1,884 MW, today announced that it has further extended its previously announced forbearance agreement with certain holders of its outstanding secured notes to the earlier of 11:59 p.m. (Eastern Standard Time) on November 30, 2016, or the occurrence of certain events specified in the forbearance agreement, unless further extended by the parties.

As previously announced, Homer City is in discussions with certain noteholders regarding a comprehensive financial restructuring with the intent to significantly deleverage its balance sheet and provide for an orderly transition of its ownership. Homer City continues to expect to operate its facilities and meet its obligations in the ordinary course.

Under the terms of the forbearance agreement, over 75% of the holders of the Company’s outstanding 8.137% Senior Secured Notes due 2019 and 8.734% Senior Secured Notes due 2026 (collectively, the “Notes”) agreed to forbear from exercising any and all remedies available to them as a result of the Company not making the payment due on the Notes on October 3, 2016.

About Homer City Generation, L.P.

Homer City Generation, L.P. is a Delaware limited partnership engaged in the business of operating and selling energy and capacity from its three coal-fired electric generating units and related facilities located near Pittsburgh, Pennsylvania, with an aggregate net capacity of 1,884 MW. The plant sells its power into wholesale electricity generation markets in PJM Interconnection and NYISO.

Forward-Looking Statements

This press release contains forward-looking statements. All statements relating to the Company’s plans, objectives and expectations regarding its operations and potential restructuring are forward-looking statements. These forward-looking statements are based on the Company’s current expectations and projections and its management’s beliefs and assumptions. All of these forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from the disclosed expectations.

Media Contacts

Michael Freitag / Aaron Palash
Joele Frank, Wilkinson Brimmer Katcher
(212) 355-4449