



## **FIRSTENERGY GENERATION ENTERS INTO STALKING HORSE AGREEMENT TO SELL ITS WEST LORAIN FACILITY AND RELATED ASSETS TO STARWOOD ENERGY**

**AKRON, Ohio, November 19, 2018** – FirstEnergy Generation, LLC (“FG”) announced today that it has agreed to sell its West Lorain Facility and related assets to Vermillion Power, LLC, an affiliate of Starwood Energy Group Global, LLC (“Starwood”), for a purchase price of \$144 million in cash plus customary closing adjustments .

The West Lorain Facility is a 545 MW, periodic-start, combustion-turbine generation station located on 500 acres in Lorain, Ohio near Lake Erie. The West Lorain Facility was constructed in 1973 as a combined-cycle electric generating system with two combustion turbines (Units 1A and 1B), two heat recovery steam generators, and a steam turbine generator. In 2001, five additional combustion turbines were installed (Units 2–6) and placed in operation. The plant currently operates on fuel oil, but is also capable of operating on natural gas.

The sale will be accomplished pursuant to a court-supervised bankruptcy auction process in order to maximize the value of the assets being sold. FG has filed a motion with the Bankruptcy Court overseeing its chapter 11 cases for approval of auction and bid procedures that will permit other interested parties to submit competitive bids for the West Lorain Facility and related assets. In the event that no higher or better bids are received by FG, Starwood will acquire the business, subject to the satisfaction of customary conditions to closing.

The sale is subject to receipt of customary approvals, including approval of the Federal Energy Regulatory Commission and Hart-Scott-Rodino. If approved, the companies expect to close the transaction in the first half of 2019.

FirstEnergy Solutions Corp. (“FES”), its subsidiaries (including FG) and FirstEnergy Nuclear Operating Company on March 31, 2018, filed petitions under Chapter 11 of the Federal Bankruptcy Code to facilitate an orderly financial restructuring. The case is proceeding in U.S. Bankruptcy Court for the Northern District of Ohio, in Akron. Additional information can be found at <https://cases.primeclerk.com/FES>.

Akin Gump Strauss Hauer & Feld LLP is serving as legal counsel and Lazard is serving as investment banker to FES with respect to this sale and during FES’s chapter 11 restructuring. King & Spalding LLP served as legal counsel to Starwood.

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### **About Starwood Energy Group Global, LLC**

Starwood Energy Group is a private investment firm based in Greenwich, CT that specializes in energy infrastructure investments. Through its general opportunity funds and other affiliated investment vehicles, Starwood Energy Group has raised equity commitments in excess of \$3 billion and has executed transactions totaling more than \$7 billion in enterprise value. The Starwood Energy Group team brings extensive development, construction, operations, acquisition and financing expertise to its investments, with a focus on the natural gas and renewable power generation, and transmission sectors. Starwood Energy Group is an affiliate of Starwood Capital Group Global, L.P. Additional information about Starwood Energy Group as well as Starwood Capital Group can be found at [www.starwoodenergygroup.com](http://www.starwoodenergygroup.com).