

ORIGINAL

Commissioner	Yes	No	Not Participating
Zay	√		
Deig	√		
Swinger	√		
Veleta	√		
Ziegner	√		

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED JOINT PETITION OF CORNERSTONE)
GENERATION, LLC, TALEN GENERATION, LLC, AND)
LAWRENCEBURG POWER, LLC FOR (1) A FINDING THAT)
TALEN GENERATION, LLC HAS THE NECESSARY)
TECHNICAL, MANAGERIAL, AND FINANCIAL)
CAPABILITIES TO ACQUIRE, OWN, AND OPERATE)
LAWRENCEBURG POWER, LLC, AND THE)
LAWRENCEBURG GENERATING STATION; (2) A FINDING)
THAT TALEN ENERGY CORPORATION’S ACQUISITION)
OF LAWRENCEBURG POWER, LLC, AND)
LAWRENCEBURG GENERATING STATION IS)
CONSISTENT WITH THE PUBLIC INTEREST; (3) A)
DETERMINATION THAT THE COMMISSION SHOULD)
CONTINUE TO DECLINE TO EXERCISE CERTAIN)
ASPECTS OF ITS JURISDICTION OVER LAWRENCEBURG)
POWER, LLC; (4) A FINDING THAT LAWRENCEBURG)
POWER, LLC SHOULD CONTINUE TO BE GRANTED)
AUTHORITY TO OPERATE AS A PUBLIC UTILITY IN)
INDIANA; (5) ACCEPTANCE OF TALEN ENERGY)
CORPORATION’S COMMITMENT TO COMPLY WITH THE)
TERMS AND CONDITIONS OF THE COMMISSION’S)
ORDER IN CAUSE NO. 46133; AND (6) AN UNCONDITIONAL)
RELEASE OF AFFILIATES OF CORNERSTONE)
GENERATION, LLC AND LAWRENCEBURG POWER, LLC)
FROM DUTIES AND OBLIGATIONS IMPOSED BY THE)
ORDER IN CAUSE NO. 46133.)

CAUSE NO. 46361

APPROVED: MAY 27 2026

ORDER OF THE COMMISSION

Presiding Officers:
Anthony F. Swinger, Commissioner
Steve Henke, Administrative Law Judge

On January 30, 2026, Cornerstone Generation, LLC (“Cornerstone”), Talen Generation, LLC (“Talen Generation”), and Lawrenceburg Power, LLC (“Lawrenceburg Power”) (collectively, “Joint Petitioners”) filed their Verified Joint Petition initiating this Cause. Also on January 30, 2026, Joint Petitioners prefiled the case-in-chief testimony of Tyler Kopp, a Partner at Energy Capital Partners (“ECP”), and Terry Nutt, President of Talen Energy Corporation (“TEC”, and together with Talen Generation and TEC’s other subsidiaries, “Talen”); TEC is the parent entity of Talen Generation.

On March 6, 2026, the Indiana Office of Utility Consumer Counselor filed a Notice of Intent Not to File Testimony. On March 11, 2026, Joint Petitioners filed a Notice of Intent Not to File Rebuttal Testimony. On April 1, 2026, Joint Petitioners filed a Request for Administrative Notice of the fact that Cornerstone filed a Capital Funds Agreement with the Commission in Cause No. 46133.

An evidentiary hearing was held at 1:30 p.m. on April 2, 2026, in Room 222 of the PNC Center, 101 West Washington Street, Indianapolis, Indiana. At the hearing, Joint Petitioners presented their evidence without objection.

Based upon the applicable law and evidence of record, the Commission finds:

1. Notice and Jurisdiction. Notice of the hearing in this Cause was given and published by the Commission as required by law. As discussed herein, Lawrenceburg Power intends to continue to engage in activity that would qualify it as a “public utility” under Ind. Code § 8-1-2-1 and as an “energy utility” under Ind. Code § 8-1-2.5-2. Therefore, the Commission has jurisdiction over Lawrenceburg Power.

In addition, the Commission’s March 19, 2025 Order in Cause No. 46133 (“46133 Order”) directed Cornerstone to obtain Commission approval before selling or transferring the electric generation facility currently owned and operated by Lawrenceburg Power (“Facility”) pursuant to its authority under Ind. Code ch. 8-1-2.5 and previous orders in Cause Nos. 41757, 43212, 44868, and 46133 related to the ownership and operation of the Facility. Accordingly, the Commission has jurisdiction over the parties and the subject matter of this proceeding.

2. Background. The Commission’s Order in Cause No. 41757 (“41757 Order”), dated December 20, 2000, approved PSEG Lawrenceburg Energy Company LLC (“PSEG Lawrenceburg”) as the original owner of the Facility, which is a gas-fired combined cycle electric generating plant with a summer net capacity of 1,190 megawatts (“MW”) in Lawrenceburg, Indiana. The Facility operates as an Exempt Wholesale Generator pursuant to the Public Utility Holding Company Act of 2005, 42 U.S.C. §§ 16451–16463 within the PJM Interconnection, L.L.C. (“PJM”) footprint. As such, the Commission declined much of its jurisdiction over the Facility as an energy utility pursuant to Ind. Code § 8-1-2.5-5.

The Commission’s 2007 Order in Cause No. 43212 (“43212 Order”) approved PSEG Lawrenceburg’s sale of the Facility to AEP Generating Company (“AEP”) and the request that the Commission continue to decline jurisdiction over the Facility. The 43212 Order approved the sale, unconditionally releasing PSEG Lawrenceburg from all duties and obligations imposed by the 41757 Order; AEP assumed those relevant duties, including the requirement to seek approval before any future transfer of ownership of the Facility.

In the Commission’s January 4, 2017 Order in Cause No. 44868 (the “44868 Order”), the Commission approved AEP’s sale of the Facility to Lightstone Generation, LLC, which contributed its ownership interest in the Facility to Lawrenceburg Power after the sale. The Commission continued to decline its jurisdiction over the Facility as an energy utility, except over the areas of jurisdiction specifically reserved in the 41757 Order.

In 2025, through the 46133 Order, the Commission approved the sale of the Facility to Cornerstone. The Commission continued to decline its jurisdiction over the Facility as an energy utility, except over the areas of jurisdiction specifically reserved in the 41757 Order.

3. Joint Petitioners' Characteristics.

A. Cornerstone and Lawrenceburg Power. Cornerstone is a limited liability company organized and existing under Delaware law and obtained a Foreign Registration Statement from the Indiana Secretary of State. Cornerstone was formed in 2024 to acquire, own, and operate a portfolio of natural gas-fired generation facilities, including the Facility. Cornerstone is owned and controlled by investment funds controlled by ECP ControlCo, LLC, and as such, is an affiliate of ECP, an investor in the energy sector.

Lawrenceburg Power is a limited liability company organized under Delaware law and is authorized to do business in Indiana. Lawrenceburg Power owns and operates the Facility and sells energy, capacity, and ancillary services into the PJM market. Lawrenceburg Power is subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC"). All power sales are made pursuant to market-based rate authority granted by FERC, except for reactive power sales, which are made pursuant to a cost-based rate schedule. Lawrenceburg Power makes no retail sales of electricity in Indiana or elsewhere.

B. Talen Generation. As noted above, Talen Generation is a wholly owned subsidiary of TEC, and both are organized and existing under Delaware law. TEC is a publicly traded independent power producer and energy infrastructure company headquartered in Houston, Texas. Talen Generation has obtained a Foreign Registration Statement from the Indiana Secretary of State.

4. Relief Requested. On January 15, 2026, Cornerstone, TEC, and certain of their affiliates executed an Agreement and Plan of Merger ("Merger Agreement") whereby certain wholly owned subsidiaries of TEC agreed to acquire all of the issued and outstanding equity interests of Cornerstone and certain of its affiliates pursuant to a series of mergers as set forth in the Merger Agreement (the "Transaction"), subject to regulatory approvals and the terms and conditions of the Merger Agreement. Upon the consummation of the Transaction, Talen Generation will indirectly acquire all ownership interests in Cornerstone and Lawrenceburg Power, as well as other entities, from affiliates of ECP. As a result, Lawrenceburg Power will become a wholly owned, indirect subsidiary of Talen Generation. The Facility will continue to participate in the PJM market following the Transaction.

Joint Petitioners request that the Commission:

- (1) find that Talen Generation has the necessary technical, managerial, and financial capabilities to indirectly acquire, own, and operate Lawrenceburg Power and the Facility;
- (2) grant any approvals that may be necessary for indirect ownership of the Facility to be transferred to Talen Generation, with a finding that such acquisition, ownership, and operation is consistent with the public interest;

- (3) confirm that the Commission will continue to decline to exercise certain aspects of its jurisdiction over Lawrenceburg Power consistent with the 46133 Order;
- (4) confirm that Lawrenceburg Power should continue to be granted authority to operate as a public utility in Indiana;
- (5) accept Talen Generation's commitment to comply with the terms and conditions imposed on Lawrenceburg Power in the 46133 Order; and
- (6) unconditionally release the affiliates of Cornerstone and Lawrenceburg Power (but not Cornerstone and Lawrenceburg Power) from all duties and obligations imposed on them by the 46133 Order.

In addition, to the extent the 46133 Order did not already decline jurisdiction over operating and service agreements entered into regarding the Facility, Joint Petitioners request the Commission decline to exercise jurisdiction over the operating and service agreements regarding Talen (as Talen does not intend to sell power to retail customers and is not affiliated with any Indiana retail utility).

5. Evidence Presented. Mr. Nutt testified that the Facility is a gas-fired combined cycle electric generating plant with a summer net capacity of 1,190 MW located in Lawrenceburg, Indiana. He testified the Facility sells energy, capacity, and ancillary services, and its power sales are generally made on a wholesale basis in PJM subject to the jurisdiction of FERC, except for reactive power sales, which are made pursuant to a cost-based rate schedule. The Facility is currently owned by Lawrenceburg Power. The Transaction involves a series of mergers pursuant to which a subsidiary of TEC, Talen Generation, will acquire upstream ownership entities that are affiliates of ECP. After the closing of the Transaction, Talen Generation will become the indirect owner and operator of the Facility. Mr. Kopp explained that the Facility has changed ownership multiple times (2000, 2007, 2017, and 2025), each time with Commission approval.

Mr. Kopp and Mr. Nutt summarized the relief requested by Joint Petitioners, including that the Commission provide any approvals that may be necessary for the indirect sale of the Facility pursuant to the Transaction, with a finding that such acquisition, ownership, and operation is consistent with the public interest. Mr. Nutt explained that the criteria set forth in the 46133 Order for when a third-party owner and operator may succeed to the declination of jurisdiction are applicable in the current circumstances. Specifically, Mr. Kopp requested that the Commission continue to grant Lawrenceburg Power the authority to operate as a public utility in Indiana, and release and terminate without condition any and all duties, obligations, periodic update, and reporting requirements of the affiliates of Cornerstone and Lawrenceburg Power (but not Cornerstone and Lawrenceburg Power) contained in the 46133 Order.

Mr. Nutt explained that Talen produces and sells electricity, capacity, and ancillary services into wholesale U.S. power markets, with the generation fleet principally located in the Mid-Atlantic, Ohio, and Montana. Talen is not affiliated with any retail customer serving an Indiana electric utility. Mr. Nutt testified that Talen is an independent power producer headquartered in Houston, Texas, and has deep technical, managerial, and financial experience in the energy industry. Talen owns and operates approximately 13.1 gigawatts of power infrastructure, including 2.2 gigawatts of nuclear power and a significant dispatchable generation fleet. Talen's portfolio includes 12 power plants, and the company has 1,900 employees with operations across multiple states. He opined that Talen also has a highly experienced management team, comprised of energy

industry veterans who bring deep experience across key areas, including finance and accounting. Talen has been publicly listed on the Nasdaq stock exchange since July 2024 and is subject to the requirements of the Sarbanes-Oxley Act of 2002 for 2025. Talen's market capitalization was approximately \$17 billion as of December 31, 2025, and its total assets were \$7.1 billion and \$6.1 billion as of December 31, 2023 and 2024, respectively. Therefore, Mr. Nutt concluded, Talen has the experience and resources to own and operate the Facility in a reliable, safe, environmentally compliant, and efficient manner. In addition, he stated that Lawrenceburg Power does not have direct employees and he expects the same contracted individuals to continue to operate the Facility after the Transaction is consummated.

Mr. Kopp and Mr. Nutt stated the Transaction will not affect retail electric rates, will not harm wholesale customers (who will be held harmless from costs of the Transaction), will not negatively impact competition or regulation, and will not involve cross-subsidization, pledge or encumbrance of utility assets for the benefit of an associated company. Mr. Kopp and Mr. Nutt concluded the Transaction is consistent with the public interest.

Mr. Kopp and Mr. Nutt addressed how the Transaction is consistent with Indiana's "Five Pillars" of reliability, affordability, resiliency, stability, and environmental sustainability established by Ind. Code § 8-1-2-0.6. Mr. Nutt stated that the Facility will continue to operate normally with no disruption to the grid; the Transaction will have no rate impacts; and the Facility will continue to operate lawfully. Mr. Nutt reiterated that the Facility's generating capacity and energy will be maintained. He stated TEC has the capabilities to operate the Facility reliably and safely; the Facility will continue to provide stability and resilience benefits to the grid; affordability will not be adversely impacted because retail customers will be unaffected by the Transaction, wholesale customers will be held harmless from the costs of the Transaction, and wholesale rates will continue to be market-based; and Talen will continue to operate the Facility in an environmentally compliant manner.

Mr. Nutt noted that upon consummation of the Transaction set forth in the Merger Agreement, Talen Generation will indirectly acquire all membership interests in Lawrenceburg Power from affiliates of ECP. He opined that the Transaction will not result in any adverse effect on competition, rates, or regulation, nor will it result in any cross-subsidization, pledge, or encumbrance of utility assets for the benefit of an associated company. To the extent the 46133 Order did not already decline jurisdiction over operating and service agreements entered into with respect to the Facility, Mr. Nutt testified that Joint Petitioners request the Commission decline to exercise its jurisdiction over the operating and service agreements as they pertain to Talen. Mr. Nutt stated that declination of Commission jurisdiction is appropriate because Talen does not intend to sell power to retail customers and Talen is not affiliated with any Indiana retail utility. Mr. Nutt explained that Lawrenceburg Power does not have direct employees and expects the same individuals to continue to operate the Facility after the Transaction is consummated.

Mr. Nutt testified that Talen Generation intends to comply with all conditions imposed by the 46133 Order. Further, he stated, Talen is not seeking to modify any of these conditions imposed by the Order through the Transaction or through the relief sought in this Cause.

Mr. Nutt testified that the Transaction is in the public interest and that TEC owns and operates 12 plants with a solid track record of safe, compliant, and efficient operations. TEC also has experience successfully integrating newly acquired assets. Mr. Nutt stated that TEC will ensure that the Facility will continue to have the resources and oversight necessary to meet the standards for safety, reliability, and capital improvements required for electric power generation facilities. He explained that there will be no negative impact on Indiana retail rates or jobs from this Transaction.

Finally, Mr. Nutt testified that Lawrenceburg Power's capacity and energy will continue to be sold in the region, thus continuing to benefit the region's capacity and energy needs. He also stated that the Transaction will ensure the continued investment in the Facility. He noted that Talen can provide access to new long-term capital and add to the knowledge and expertise from its experience in investing in and operating critical infrastructure.

6. Commission Discussion and Findings. Joint Petitioners request approval for the indirect ownership of the Facility to be transferred to Talen Generation, with a finding that such acquisition, ownership, and operation is consistent with the public interest, and continuation of the Commission's declination of jurisdiction over Lawrenceburg Power described in the 41757, 43212, 44868, and 46133 Orders. In addition, Joint Petitioners request the Commission confirm Lawrenceburg Power should continue to be granted the authority to operate as a public utility in Indiana; accept Talen's commitment to comply with the terms and conditions imposed on Lawrenceburg Power in the 46133 Order; and unconditionally release the affiliates of Cornerstone and Lawrenceburg Power (but not Cornerstone or Lawrenceburg Power, as they will be owned by Talen upon consummation of the Transaction) from all duties and obligations imposed on them by the 46133 Order. With respect to the declination of jurisdiction request, Joint Petitioners ask that the Commission continue to decline all of its jurisdiction over Lawrenceburg Power except that specifically reserved by the Commission in an Order in this Cause and/or addressed in conditions or commitments contained in an Order in this Cause, including declination of Commission jurisdiction over non-retail rates, financing, affiliate agreements (provided Lawrenceburg Power remains unaffiliated with any Indiana retail electricity suppliers), operating agreements, reporting requirements, location of books and records, etc.

In the 46133 Order, the Commission reserved its jurisdiction over any future transfer of the Facility and found that a third-party owner and operator may succeed in the declination of jurisdiction, provided:

(1) the Commission determines that the successor has the necessary technical, financial, and managerial capability to own and operate the Facility; and

(2) the successor agrees to the same terms and conditions imposed on Cornerstone as set forth in the Order.

The evidence in this case shows that Talen and its affiliates have the necessary technical, financial, and managerial capability to own and operate the Facility. Talen and its affiliates have extensive experience in owning and operating numerous generating facilities in the United States. The evidence also shows that through Talen, Lawrenceburg Power will have access to the capital necessary to support its continuing operations. The Transaction will support system reliability and

integrity and continue to be managed locally. The evidence demonstrates that the public interest will be served by Commission approval of the Transaction and the Transaction is consistent with Indiana's Five Pillars: the Transaction will maintain the Facility's generating capacity and energy; Talen and Cornerstone have the capabilities to operate the Facility reliably and safely; the Facility will continue to provide stability and resiliency benefits to the grid; affordability will not be adversely impacted because there are no retail customers, wholesale customers will be held harmless from the costs of the Transaction, and wholesale rates will continue to be market-based; and Talen and Cornerstone will operate the Facility in compliance with applicable environmental laws and permits. Finally, the evidence also demonstrates that Talen has committed to the terms and conditions of the 46133 Order as described and discussed above, including the financial assurance condition. The Commission accepts Talen's commitment to abide by these terms and conditions.

Therefore, the Commission approves the indirect sale of Lawrenceburg Power and the Facility to Talen pursuant to the Transaction. Upon completion of the Transaction, the Commission will continue to decline jurisdiction over Lawrenceburg Power as granted by the 46133 Order, except for aspects of jurisdiction specifically reserved by the Commission in this Order or addressed in the 46133 Order conditions. These conditions include the following:

- (1) Joint Petitioners will not sell electricity generated by the Facility to any retail customer;
- (2) Joint Petitioners will operate the Facility in a manner consistent with good utility practice;
- (3) Joint Petitioners will not exercise any of the rights, powers, or privileges of an Indiana public utility in the operation of the Facility (*e.g.*, eminent domain power, public right of way use, etc.);
- (4) Joint Petitioners' costs will not be recovered through a rate base, rate of return, or other process associated with public utility rates;
- (5) Joint Petitioners' wholesale rates and charges for the sale of energy will be subject to FERC jurisdiction, and must be just, reasonable, and in conformity with FERC standards;
- (6) Joint Petitioners will operate the Facility with the appropriate air, water, and other permits required by law;
- (7) Joint Petitioners will not engage in retail electric sale in Indiana;
- (8) Joint Petitioners will seek Commission approval before transferring ownership of the Facility;
- (9) Joint Petitioners will file an Annual Report with the Commission under Ind. Code § 8-1-2-49;
- (10) Joint Petitioners will provide information as requested by the Commission;
- (11) Joint Petitioners will obtain approval from the Commission before acting to increase, decrease, or otherwise materially change the Facility's capacity or operation; and
- (12) Lawrenceburg Power, Cornerstone, or Talen Generation will establish and maintain an independent financial instrument to ensure funds for returning the site of the Facility to its original condition in the event of abandonment, financial failure, or bankruptcy.

The Commission's declination of jurisdiction extends to operating and service agreements, affiliate agreements (if Lawrenceburg Power remains unaffiliated with any Indiana retail electric suppliers), reporting requirements, location of books and records, and non-retail rates. The Commission finds that it is in the public interest to decline jurisdiction over Talen in its ownership of Cornerstone and Lawrenceburg Power, and its indirect ownership and operation of the Facility as discussed in this Order.

Regarding the independent financial instrument to ensure funding to return the site to its original condition in the event of abandonment, financial failure, or bankruptcy—at Talen's, Cornerstone's, or Lawrenceburg Power's discretion—the financial instrument may be established by one of the following:

- (1) Surety bond,
- (2) Letter of credit,
- (3) A certificate of insurance,
- (4) Financial test,
- (5) Corporate guarantee, or
- (6) Other financial guarantees approved by the Commission.

On October 9, 2025, Cornerstone and Lawrenceburg Power submitted a Capital Funds Agreement, as required by the 46133 Order.¹ Consistent with the 46133 Order, Talen, Cornerstone, or Lawrenceburg Power must file a revised cost estimate and financial instrument under this Cause to account for inflation every five years beginning no later than December 31, 2030. The Commission may modify this requirement.

The Commission further finds that upon conclusion of the Transaction, the affiliates of Cornerstone and Lawrenceburg Power that no longer directly or indirectly own Cornerstone and Lawrenceburg Power shall be fully released, without condition, from all duties and obligations imposed upon them by the 46133 Order, including the financial assurance and decommissioning obligations, without any further action from the Commission. Finally, the Commission confirms Lawrenceburg Power's continued authority to operate as a public utility in Indiana.

IT IS THEREFORE ORDERED BY THE INDIANA UTILITY REGULATORY COMMISSION that:

1. The sale and transfer of Lawrenceburg Power to Talen Generation, indirectly through the mergers of certain upstream entities affiliated with ECP, is approved.
2. Upon conclusion of the indirect sale of Lawrenceburg Power (and indirectly the sale of the Facility to Talen), the Commission's jurisdiction over Lawrenceburg Power and Cornerstone shall continue to be declined in accordance with the 46133 Order, subject to the terms and conditions described in this Order.

¹ Joint Petitioners requested administrative notice of this fact on April 1, 2026, and provided a copy of the Submission of Capital Funds Agreement with their request. No party objected. The Commission grants their request under 170 I.A.C. 1-1.1-21.5(b).

3. Beginning no later than December 31, 2030, and every five years thereafter unless and until modified by the Commission, Talen, Cornerstone, or Lawrenceburg Power shall file a revised cost estimate and financial instrument under this Cause.

4. Upon completion of the indirect sale of Lawrenceburg Power (and indirectly the sale of the Facility to Talen), the affiliates of Cornerstone and Lawrenceburg Power that no longer directly or indirectly own Cornerstone or Lawrenceburg Power shall be fully released, without condition, from all duties and obligations contained in the 46133 Order as described above.

5. This Order shall be effective on and after its date of approval.

ZAY, DEIG, SWINGER, VELETA, AND ZIEGNER CONCUR:

APPROVED: MAY 27 2026

**I hereby certify that the above is a true
and correct copy of the Order as approved.**

_____ on behalf of
Dana Kosco
Secretary of the Commission