UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 001-37388

Talen Energy Corporation

(Exact name of registrant as specified in its charter)

Delaware	**47-1197305**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

2929 Allen Pkwy, Suite 2200, Houston, TX 77019
(Address of principal executive offices) (Zip Code)

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

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.001 per share	TLN	The Nasdaq Global Select Market

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. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

☒ Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☐ No ☒

As of August 7, 2025, the registrant had 45,685,316 shares outstanding of common stock, par value $0.001 per share ("common stock").

TALEN ENERGY CORPORATION AND SUBSIDIARIES

QUARTERLY REPORT ON FORM 10-Q

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q (this “Report”) contains forward-looking statements concerning expectations, beliefs, plans, objectives, goals, strategies, and (or) future performance or other events, as well as underlying assumptions and other statements, that are not statements of historical fact. These statements often include words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “target,” “project,” “forecast,” “seek,” “will,” “may,” “should,” “could,” “would,” or similar expressions. Although we believe that the expectations and assumptions reflected in these forward-looking statements are reasonable, there can be no assurance that these expectations and assumptions will prove to be correct. Forward-looking statements are subject to many risks and uncertainties. The results, events, or circumstances reflected in forward-looking statements may not be achieved or occur, and actual results, events, or circumstances may differ materially from those discussed in forward-looking statements.

The risks, uncertainties, and other factors that could cause actual results to differ materially from the forward-looking statements made by us include those discussed in this Report, as well as the items discussed in the sections entitled “Item 1A. Risk Factors” in this Report and our most recent Annual Report on Form 10-K for the year ended December 31, 2024 (our “2024 Annual Report”), as updated by our Quarterly Report on Form 10-Q for the three months ended March 31, 2025 (our “March 31, 2025 Quarterly Report”). Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Report.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Report primarily on our current expectations and assumptions about future events. Furthermore, statements such as “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Report. While we believe such information provides a reasonable basis for these statements, such information may be limited or incomplete, and there can be no assurance that any expectations, assumptions, beliefs, or opinions will prove to be correct. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and readers are cautioned not to unduly rely on these statements.

The forward-looking statements made in this Report relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Report to reflect events or circumstances after the date of this Report or to reflect new information, actual results, revised expectations, or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations described in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments.

MARKET AND INDUSTRY DATA

This Report includes estimates regarding market and industry data. Unless otherwise indicated, information concerning our industry and the markets in which we operate, including our general expectations, market position, market opportunity, and market size, are based on our management’s knowledge and experience in the markets in which we operate, together with currently available information obtained from various sources, including publicly available information, industry reports and publications, surveys, our customers, trade and business organizations, and other contacts in the markets in which we operate. Certain information is based on management estimates, which have been derived from third-party sources, as well as data from our internal research.

In presenting this information, we have made certain assumptions that we believe to be reasonable based on such data and other similar sources and on our knowledge of, and our experience to date in, the markets in which we operate. While we believe the estimated market and industry data included in this Report is generally reliable, such information is inherently uncertain and imprecise. Market and industry data is subject to change and may be limited by the availability of raw data, the voluntary nature of the data gathering process, and other limitations inherent in any statistical survey of such data. In addition, projections, assumptions, and estimates of the future performance of the markets in which we operate are necessarily subject to uncertainty and risk due to a variety of factors, including those described in “Cautionary Note Regarding Forward-Looking Information” as well as the items discussed in the sections entitled “Item 1A. Risk Factors” in this Report and our 2024 Annual Report, as updated by our March 31, 2025 Quarterly Report. These and other factors could cause results to differ materially from those expressed in the estimates made by third parties and by us. Accordingly, you are cautioned not to place undue reliance on such market and industry data or any other such estimates.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TALEN ENERGY CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
(Millions of Dollars, except share data)	**2025**	**2024**	**2025**	**2024**
Capacity revenues	$ 88	$ 46	$ 137	$ 91
Energy and other revenues	366	367	948	939
Unrealized gain (loss) on derivative instruments (Note 2)	176	76	(65)	(32)
Operating Revenues (Note 3)	**630**	**489**	**1,020**	**998**
Fuel and energy purchases	(150)	(163)	(418)	(313)
Nuclear fuel amortization	(18)	(28)	(44)	(63)
Unrealized gain (loss) on derivative instruments (Note 2)	(84)	15	(25)	(12)
Energy Expenses	**(252)**	**(176)**	**(487)**	**(388)**
Operating Expenses				
Operation, maintenance and development	(192)	(164)	(338)	(318)
General and administrative	(41)	(40)	(75)	(83)
Depreciation, amortization and accretion (Note 7)	(70)	(75)	(144)	(150)
Other operating income (expense), net	(9)	(7)	(16)	(7)
Operating Income (Loss)	**66**	**27**	**(40)**	**52**
Nuclear decommissioning trust funds gain (loss), net (Note 6)	80	27	68	102
Interest expense and other finance charges (Note 10)	(62)	(62)	(136)	(121)
Gain (loss) on sale of assets, net (Note 17)	9	561	11	885
Other non-operating income (expense), net	4	17	7	40
Income (Loss) Before Income Taxes	**97**	**570**	**(90)**	**958**
Income tax benefit (expense) (Note 4)	(25)	(112)	27	(181)
Net Income (Loss)	**72**	**458**	**(63)**	**777**
Less: Net income (loss) attributable to noncontrolling interest	—	4	—	29
Net Income (Loss) Attributable to Stockholders	**$ 72**	**$ 454**	**$ (63)**	**$ 748**
Per Common Share				
Net Income (Loss) Attributable to Stockholders - Basic	$ 1.58	$ 7.90	$ (1.38)	$ 12.87
Net Income (Loss) Attributable to Stockholders - Diluted	$ 1.50	$ 7.60	$ (1.38)	$ 12.41
Weighted-Average Number of Common Shares Outstanding - Basic (in thousands)	45,554	57,434	45,699	58,119
Weighted-Average Number of Common Shares Outstanding - Diluted (in thousands)	47,905	59,775	45,699	60,269

The accompanying Notes to the Interim Financial Statements are an integral part of the financial statements.

TALEN ENERGY CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
(Millions of Dollars)	**2025**	**2024**	**2025**	**2024**
Net Income (Loss)	$ 72	$ 458	$ (63)	$ 777
Other Comprehensive Income (Loss)				
Available-for-sale securities unrealized gain (loss), net (Note 6)	2	2	8	1
Income tax benefit (expense)	(1)	(1)	(3)	—
Gains (losses) arising during the period, net of tax	**1**	**1**	**5**	**1**
Available-for-sale securities unrealized (gain) loss, net (Note 6)	(1)	(5)	(2)	(12)
Postretirement benefit prior service (credits) costs, net (Note 12)	(1)	—	(2)	—
Income tax (benefit) expense	2	2	2	5
Reclassifications from AOCI, net of tax	**—**	**(3)**	**(2)**	**(7)**
Total Other Comprehensive Income (Loss)	**1**	**(2)**	**3**	**(6)**
Comprehensive Income (Loss)	**73**	**456**	**(60)**	**771**
Less: Comprehensive income (loss) attributable to noncontrolling interest	—	4	—	29
Comprehensive Income (Loss) Attributable to Stockholders	**$ 73**	**$ 452**	**$ (60)**	**$ 742**

The accompanying Notes to the Interim Financial Statements are an integral part of the financial statements.

TALEN ENERGY CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(Millions of Dollars, except share data)	June 30, 2025	December 31, 2024
Assets		
Cash and cash equivalents	$ 122	$ 328
Restricted cash and cash equivalents (Note 16)	13	37
Accounts receivable (Note 3)	226	123
Inventory, net (Note 5)	224	302
Derivative instruments (Notes 2 and 11)	80	66
Other current assets	165	184
Total current assets	**830**	**1,040**
Property, plant and equipment, net (Note 7)	3,089	3,154
Nuclear decommissioning trust funds (Notes 6 and 11)	1,790	1,724
Derivative instruments (Notes 2 and 11)	—	5
Other noncurrent assets	118	183
Total Assets	**$ 5,827**	**$ 6,106**
Liabilities and Equity		
Revolving credit facilities (Notes 10 and 11)	$ 70	$ —
Long-term debt, due within one year (Notes 10 and 11)	17	17
Accrued interest	30	18
Accounts payable and other accrued liabilities	226	266
Derivative instruments (Notes 2 and 11)	32	—
Other current liabilities	77	154
Total current liabilities	**452**	**455**
Long-term debt (Notes 10 and 11)	2,972	2,987
Derivative instruments (Notes 2 and 11)	62	7
Postretirement benefit obligations	282	305
Asset retirement obligations and accrued environmental costs (Note 8)	478	468
Deferred income taxes	297	362
Other noncurrent liabilities	38	135
Total Liabilities	**$ 4,581**	**$ 4,719**
Commitments and Contingencies (Note 9)		
Stockholders' Equity (Note 15)		
Common stock ($0.001 par value, 350,000,000 shares authorized) [(a)]	$ —	$ —
Additional paid-in capital	1,711	1,725
Accumulated retained earnings (deficit)	(456)	(326)
Accumulated other comprehensive income (loss)	(9)	(12)
Total Stockholders' Equity	**$ 1,246**	**$ 1,387**
Total Liabilities and Stockholders' Equity	**$ 5,827**	**$ 6,106**

(a) 45,659,227 and 45,961,910 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively.

The accompanying Notes to the Interim Financial Statements are an integral part of the financial statements.

TALEN ENERGY CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(Millions of Dollars)	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Operating Activities		
Net Income (Loss)	$ (63)	$ 777
Non-cash reconciliation adjustments:		
Depreciation, amortization and accretion (Note 16)	141	144
Unrealized (gains) losses on derivative instruments (Note 2)	103	36
Deferred income taxes	(66)	94
Nuclear fuel amortization (Note 7)	44	63
Nuclear decommissioning trust funds (gain) loss, net (excluding interest and fees) (Note 6)	(44)	(80)
(Gain) loss on AWS Data Campus Sale and ERCOT Sale (Note 17)	—	(886)
Other (Note 16)	34	(58)
Changes in assets and liabilities:		
Accounts receivable	(103)	(14)
Inventory, net	78	90
Other assets	15	34
Accounts payable and accrued liabilities	(57)	(114)
Accrued interest	12	(1)
Collateral received (posted), net	(58)	35
Other liabilities	(101)	30
Net cash provided by (used in) operating activities	**(65)**	**150**
Investing Activities		
Nuclear decommissioning trust funds investment purchases (Note 6)	(1,201)	(1,110)
Nuclear decommissioning trust funds investment sale proceeds (Note 6)	1,186	1,095
Property, plant and equipment expenditures (Note 7)	(51)	(45)
Nuclear fuel expenditures (Note 7)	(50)	(44)
Proceeds from AWS Data Campus Sale and ERCOT Sale (Note 17)	—	1,089
Other	2	(6)
Net cash provided by (used in) investing activities	**(114)**	**979**
Financing Activities		
Share repurchases (Note 15)	(103)	(654)
Revolving credit facility borrowings (Note 10)	75	—
Revolving credit facility repayments (Note 10)	(5)	—
Debt repayments (Note 10)	(9)	—
Deferred financing costs	(9)	—
Cumulus Digital TLF repayment	—	(182)
Repurchase of noncontrolling interest	—	(39)
Cash settlement of restricted stock units	—	(28)
Other	—	(12)
Net cash provided by (used in) financing activities	**(51)**	**(915)**
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents	(230)	214
Beginning of period cash and cash equivalents and restricted cash and cash equivalents	365	901
End of period cash and cash equivalents and restricted cash and cash equivalents	**$ 135**	**$ 1,115**

See Note 16 for supplemental cash flow information.

The accompanying Notes to the Interim Financial Statements are an integral part of the financial statements.

TALEN ENERGY CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (UNAUDITED)

(Millions of Dollars, except share data)	Common stock shares (a)	Additional paid-in capital	Accumulated earnings (deficit)	AOCI	Treasury Stock	Non controlling Interest	Total Equity
December 31, 2024	**45,962**	**$ 1,725**	**$ (326)**	**$ (12)**	**$ —**	**$ —**	**$ 1,387**
Net income (loss)	—	—	(135)	—	—	—	(135)
Other comprehensive income (loss)	—	—	—	2	—	—	2
Share repurchases	(452)	—	—	—	(85)	—	(85)
Retirement of treasury stock	—	(18)	(67)	—	85	—	—
Stock-based compensation	—	11	—	—	—	—	11
March 31, 2025	**45,510**	**$ 1,718**	**$ (528)**	**$ (10)**	**$ —**	**$ —**	**$ 1,180**
Net income (loss)	—	—	72	—	—	—	72
Other comprehensive income (loss)	—	—	—	1	—	—	1
Stock-based compensation	149	(7)	—	—	—	—	(7)
June 30, 2025	**45,659**	**$ 1,711**	**$ (456)**	**$ (9)**	**$ —**	**$ —**	**$ 1,246**

(a) Shares in thousands.

The accompanying Notes to the Interim Financial Statements are an integral part of the financial statements.

TALEN ENERGY CORPORATION AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (UNAUDITED)

(Millions of Dollars, except share data)	Common stock shares (a)	Additional paid-in capital	Accumulated earnings (deficit)	AOCI	Treasury stock	Non controlling Interest	Total Equity
December 31, 2023	**59,029**	**$ 2,346**	**$ 134**	**$ (23)**	**$ —**	**$ 77**	**$ 2,534**
Net income (loss)	—	—	294	—	—	25	319
Other comprehensive income (loss)	—	—	—	(4)	—	—	(4)
Share repurchases	(493)	—	—	—	(39)	—	(39)
Purchase of noncontrolling interest [b]	—	(15)	—	—	—	(24)	(39)
Cash distributions	—	—	—	—	—	(1)	(1)
Non-cash distributions [c]	—	—	—	—	—	(12)	(12)
Stock-based compensation	—	8	—	—	—	—	8
March 31, 2024	**58,536**	**$ 2,339**	**$ 428**	**$ (27)**	**$ (39)**	**$ 65**	**$ 2,766**
Net income (loss)	—	—	454	—	—	4	458
Other comprehensive income (loss)	—	—	—	(2)	—	—	(2)
Share repurchases	(5,281)	—	—	—	(622)	—	(622)
Retirement of treasury stock	—	(227)	(434)	—	661	—	—
Cash settlement of restricted stock units	—	(28)	—	—	—	—	(28)
Non-cash distributions [c]	—	—	—	—	—	(8)	(8)
Stock-based compensation	—	8	—	—	—	—	8
June 30, 2024	**53,255**	**$ 2,092**	**$ 448**	**$ (29)**	**$ —**	**$ 61**	**$ 2,572**

(a) Shares in thousands.
(b) Relates to the purchase of remaining equity in Cumulus Digital held by Orion Energy Partners and two former member of Talen senior management.
(c) Relates to distributions of Bitcoin to TeraWulf.

The accompanying Notes to the Interim Financial Statements are an integral part of the financial statements.

TALEN ENERGY CORPORATION AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Capitalized terms and abbreviations appearing in these notes to the Interim Financial Statements are defined in the glossary. Dollars are in millions, unless otherwise noted.

"TEC" refers to Talen Energy Corporation. "TES" refers to Talen Energy Supply, LLC. The terms "Talen," the "Company," "we," "us," and "our" refer to TEC and its consolidated subsidiaries (including TES), unless the context clearly indicates otherwise. This presentation has been applied where identification of subsidiaries is not material to the matter being disclosed, and to conform narrative disclosures to the presentation of financial information on a consolidated basis. When identification of a subsidiary is considered important to understanding the matter being disclosed, the specific entity's name is used. Each disclosure referring to a subsidiary also applies to TEC insofar as such subsidiary's financial information is included in TEC's consolidated financial information. TEC and each of its subsidiaries and affiliates are separate legal entities and, except by operation of law, are not liable for the debts or obligations of one another absent an express contractual undertaking to the contrary.

1. Business, Basis of Presentation, and Summary of Significant Accounting Policies

Organization and Operations

Talen is a leading independent power producer and energy infrastructure company dedicated to powering the future. We own and operate approximately 10.5 gigawatts of power infrastructure in the United States, including 2.2 gigawatts of nuclear power and a significant dispatchable generation fleet. We produce and sell electricity, capacity, and ancillary services into wholesale U.S. power markets, with our generation fleet principally located in the Mid-Atlantic and Montana. Talen is headquartered in Houston, Texas.

Basis of Presentation and Principles of Consolidation

These Interim Financial Statements, which are prepared in accordance with GAAP and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") for Quarterly Reports on Form 10-Q, include: (i) the accounts of all controlled subsidiaries; (ii) elimination adjustments for intercompany transactions between controlled subsidiaries; (iii) any undivided interests in jointly owned facilities consolidated on a proportionate basis; and (iv) all adjustments considered necessary for a fair statement of the information set forth. All adjustments are of a normal recurring nature except as otherwise disclosed. Certain information and note disclosures have been condensed or omitted from the Interim Financial Statements in accordance with GAAP. The Interim Financial Statements and Notes thereto should be read in conjunction with the Annual Financial Statements and Notes thereto. The results of operations presented in our Interim Financial Statements are not necessarily indicative of the results to be expected for the full year or for other future periods because interim period results can be disproportionately influenced by operational developments, seasonality, and various other factors.

Summary of Significant Accounting Policies

Reclassifications. Certain amounts in the prior period financial statements were reclassified to conform to the current period's presentation. The reclassifications did not affect operating income, net income, total assets, total liabilities, net equity, or cash flows.

Use of Estimates. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

See Note 2 to the Annual Financial Statements for additional information on significant accounting policies.

2. Risk Management, Derivative Instruments and Hedging Activities

Risk Management Objectives

We are exposed to risks arising from our business, including but not limited to market and commodity price risk, credit and liquidity risk, and interest rate risk. The hedging strategies deployed by our commercial and treasury organizations manage and (or) balance these risks within a structured risk management program in order to minimize near-term future cash flow volatility. Our risk management committee, comprised of certain senior management members across the organization, oversees the management of these risks in accordance with our risk policy. In turn, the risk management committee is overseen by the risk committee of the Board of Directors.

The Board of Directors, including the risk committee, and management have established procedures to monitor, measure, and manage hedging activities and credit risk in accordance with the risk policy.

Key risk control activities, which are designed to ensure compliance with the risk policy, include, among other activities, credit review and approval, validation of transactions and market prices, verification of risk and transaction limits, portfolio stress tests, analysis and monitoring of margin at risk, and daily portfolio reporting.

Market and Commodity Price Risk. Volatility in the wholesale power markets provides uncertainty in the future earnings and cash flows of the business. The price risk Talen is exposed to includes the price variability associated with future sales and (or) purchases of power, natural gas, coal, uranium, oil products, environmental products, and other energy commodities in competitive wholesale markets. Several factors influence price volatility, including: (i) seasonal changes in demand; (ii) weather conditions; (iii) available regional load-serving supply; (iv) regional transportation and (or) transmission availability; (v) market liquidity; and (vi) federal, regional, and state regulations.

Within the parameters of our risk policy, we generally utilize exchange-traded and over-the-counter traded derivative instruments and, in certain instances, structured products, to economically hedge the commodity price risk of the forecasted future sales and purchases of commodities associated with our generation portfolio.

Open commodity purchase (sales) derivatives range in maturity through 2027. The net notional volumes of commodity derivatives were:

	June 30, 2025 [a]	December 31, 2024 [a]
Power (MWh)	(54,076,474)	(38,615,192)
Natural gas (MMBtu)	119,609,740	32,405,460
Emission allowances (tons)	—	100,000

(a) The volumes may be different than the contractual volumes, as the probability that option contracts will be exercised is considered in the volumes displayed.

Interest Rate Risk. Talen is exposed to interest rate risk from the possibility that changes in interest rates will affect future cash flows associated with existing floating rate debt issuances. To reduce interest rate risk, derivative instruments are utilized to economically hedge the interest rates for a predetermined contractual notional amount, which results in a cash settlement between counterparties. To the extent possible, first lien interest rate fixed-for-floating swaps are utilized to hedge this risk.

Open interest rate derivatives mature in 2026 and 2029. The net notional volumes of open interest rate derivatives were:

	June 30, 2025	December 31, 2024
Interest rate (in millions)	$ 990	$ 290

Credit Risk. Credit risk, which is the risk of financial loss if a customer, counterparty, or financial institution is unable to perform or pay amounts due, is applicable to cash and cash equivalents, restricted cash and cash equivalents, accounts receivable, and derivative instruments. The maximum amount of credit exposure associated with financial assets is equal to the carrying value of such assets. Credit risk, which cannot be completely eliminated, is managed through a number of practices such as ongoing reviews of counterparty creditworthiness, prepayment, inclusion of termination rights in contracts which are triggered by certain events of default, and executing master netting arrangements that permit amounts between parties to be offset. Additionally, credit enhancements such as cash deposits, LCs, and credit insurance may be employed to mitigate credit risk.

Cash and cash equivalents are placed in depository accounts or high-quality, short-term investments with major international banks and financial institutions. Individual counterparty exposure from over-the-counter derivative instruments is managed within predetermined credit limits and includes the use of master netting arrangements and cash-call margins, when appropriate, to reduce credit risk. Exchange-traded commodity contracts, which are executed through futures commission merchants, have minimal credit risk because they are subject to mandatory margin requirements and are cleared with an exchange. However, Talen is exposed to the credit risk of the futures commission merchants arising from daily variation margin cash calls. Restricted cash and cash equivalents deposited to meet initial margin requirements are held by futures commission merchants in segregated accounts for the benefit of Talen.

Outstanding accounts receivable include those from sales of capacity, generated electricity, and ancillary services through contracts directly with ISOs and RTOs and realized settlements of physical and financial derivative instruments with commodity marketers. Additionally, Talen carries accounts receivable due from joint owners for their portion of operating and capital costs for certain jointly owned facilities that are operated by the Company. The majority of outstanding receivables, which are continually monitored, have customary payment terms. The allowance for doubtful accounts was a non-material amount as of June 30, 2025 and December 31, 2024.

As of June 30, 2025, Talen's aggregate credit exposure, which excludes the effects of netting arrangements, cash collateral, LCs, and any allowances for doubtful collections, was $696 million and its credit exposure including such netting effects was $75 million. Excluding ISO and RTO counterparties, whose accounts receivable settlements and congestion products are subject to applicable market controls, the ten largest single net credit exposures account for 97% of Talen's total net credit exposure, which are primarily with entities assigned investment grade credit ratings.

Certain derivative instruments contain credit risk-related contingent features, which may require us to provide cash collateral, LCs, or guarantees from a creditworthy entity if the fair value of a liability eclipses a certain threshold or upon a decline in Talen's credit rating. The fair values of derivative instruments in a net liability position, and that contain credit risk-related contingent features, were non-material as of June 30, 2025 and December 31, 2024.

Derivative Instrument Presentation

Balance Sheets Presentation. The fair value of derivative instruments presented within assets and liabilities on the Consolidated Balance Sheets were:

	June 30, 2025		December 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Commodity contracts	$ 78	$ 30	$ 65	$ —
Interest rate contracts	2	2	1	—
Total current derivative instruments	**80**	**32**	**66**	**—**
Commodity contracts	—	51	4	7
Interest rate contracts	—	11	1	—
Total non-current derivative instruments	**$ —**	**$ 62**	**$ 5**	**$ 7**

All commodity and interest rate derivatives are economic hedges where the changes in fair value are presented immediately in income as unrealized gains and losses. Changes in the fair value and realized settlements on commodity derivative instruments are presented as separate components of "Energy and other revenues" and "Fuel and energy purchases" on the Consolidated Statements of Operations. See Note 11 for additional information on fair value. Changes in the fair value and realized settlements on interest rate derivative instruments are presented as "Interest expense and other finance charges" on the Consolidated Statements of Operations.

Effect of Netting. Generally, the right of setoff within master netting arrangements permits the fair value of derivative assets to be offset with derivative liabilities. As an election, derivative assets and derivative liabilities are presented on the Consolidated Balance Sheets with the effect of such permitted netting as of June 30, 2025 and December 31, 2024.

The net amounts of "Derivative instruments" presented as assets and liabilities on the Consolidated Balance Sheets considering the effect of permitted netting and where cash collateral is pledged in accordance with the underlying agreement were:

	Gross Derivative Instruments	Eligible for Offset	Net Derivative Instruments	Collateral (Posted) Received	Net Amounts
June 30, 2025					
Assets	$ 469	$ (381)	$ 88	$ (8)	$ 80
Liabilities	552	(381)	171	(77)	94
December 31, 2024					
Assets	$ 227	$ (154)	$ 73	$ (2)	$ 71
Liabilities	173	(154)	19	(12)	7

Statements of Operations Presentation. The location and pre-tax effect of "Derivative instruments" presented on the Consolidated Statements of Operations for the periods were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Realized gain (loss) on commodity contracts				
Energy revenues [(a)]	$ 43	$ 38	$ 16	$ 196
Fuel and energy purchases [(a)]	(5)	(8)	19	(7)
Unrealized gain (loss) on commodity contracts				
Operating revenues [(b)]	176	76	(65)	(32)
Energy expenses [(b)]	(84)	15	(25)	(12)
Realized and unrealized gain (loss) on interest rate contracts				
Interest expense and other finance charges	—	1	(13)	9

(a) Does not include those derivative instruments that settle through physical delivery.
(b) Presented as "Unrealized gain (loss) on derivative instruments" on the Consolidated Statements of Operations.

3. Revenue

The components of operating revenues for the periods were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Capacity revenues	$ 88	$ 46	$ 137	$ 91
Electricity sales and ancillary services, ISO/RTO	307	249	889	514
Physical electricity sales, bilateral contracts, other	14	22	37	86
Other revenue from customers	—	29	—	71
Total revenue from contracts with customers	**409**	**346**	**1,063**	**762**
Realized and unrealized gain (loss) on derivative instruments	218	100	(50)	157
Nuclear PTC	—	39	—	74
Other revenue	3	4	7	5
Operating revenues	**$ 630**	**$ 489**	**$ 1,020**	**$ 998**

Accounts Receivable

"Accounts receivable" presented on the Consolidated Balance Sheets were:

	June 30, 2025	December 31, 2024
Customer accounts receivable	$ 154	$ 66
Other accounts receivable	72	57
Accounts receivable	**$ 226**	**$ 123**

During the six months ended June 30, 2025 and 2024, there were no significant changes in accounts receivable other than normal receivable recognition and collection transactions. See Note 2 for additional information on Talen's credit risk on the carrying value of its receivables.

Future Performance Obligations

In the normal course of business, Talen has future performance obligations for capacity sales awarded through market-based capacity auctions and (or) for capacity sales under bilateral contractual arrangements.

The expected future period capacity revenues subject to unsatisfied or partially unsatisfied performance obligations were:

	2025 [(a)]	2026	2027	2028	2029
Expected capacity revenues as of June 30, 2025 [(b)]	$ 333	$ 275	$ 3	$ 1	$ —
2026/2027 PJM Capacity Year [(c)]	—	472	333	—	—
Total expected capacity revenues	$ 333	$ 747	$ 336	$ 1	$ —

(a) Estimated for the period from July 1, 2025 through December 31, 2025.
(b) PJM capacity revenues are estimated for the period from January 1, 2026 through May 31, 2026 for the remainder of the 2025/2026 PJM Capacity Year.
(c) PJM capacity revenues are estimated for the period from June 1, 2026 through May 31, 2027 based on the results of the 2026/2027 PJM BRA held in July 2025. Talen cleared 6,702 MWs at a price of $329.17/MWd for the MAAC, PPL, and PSEG locational deliverability areas.

See Note 9 for additional information on the PJM BRAs.

4. Income Taxes

Effective Tax Rate Reconciliations

The reconciliations of the effective tax rate for the periods were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Income (loss) before income taxes	$ 97	$ 570	$ (90)	$ 958
Income tax benefit (expense)	(25)	(112)	27	(181)
Effective tax rate	25.8 %	19.6 %	30.0 %	18.9 %
Federal income tax statutory tax rate	21 %	21 %	21 %	21 %
Income tax benefit (expense) computed at the federal income tax statutory tax rate	$ (20)	$ (120)	$ 19	$ (201)
Income tax increase (decrease) due to:				
NDT taxes	(12)	(4)	(10)	(15)
State income taxes, net of federal benefit	(2)	(17)	3	(29)
Other permanent differences	9	6	15	12
Change in valuation allowance	—	14	—	34
Nuclear PTC	—	9	—	18
Income tax benefit (expense)	**$ (25)**	**$ (112)**	**$ 27**	**$ (181)**

One Big Beautiful Bill Act

On July 4, 2025, the One Big Beautiful Bill Act (the “OBBB”) was signed into law. The OBBB, among other things, makes key elements of the Tax Cuts and Jobs Act permanent, including 100% bonus depreciation, domestic research cost expensing, and the business interest expense limitation. The Company is in the process of evaluating the financial effects of the OBBB to its income tax provision.

5. Inventory

	June 30, 2025	December 31, 2024
Coal	$ 67	$ 92
Oil products	54	65
Fuel inventory for electric generation	121	157
Materials and supplies, net	100	88
Environmental products	3	57
Inventory, net	**$ 224**	**$ 302**

6. Nuclear Decommissioning Trust Funds

	June 30, 2025				December 31, 2024			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Cash equivalents	$ 14	$ —	$ —	$ 14	$ 3	$ —	$ —	$ 3
Equity securities	513	680	(47)	1,146	509	651	(55)	1,105
Debt securities	615	7	(5)	617	615	3	(7)	611
Receivables (payables), net	13	—	—	13	5	—	—	5
NDT Funds	**$ 1,155**	**$ 687**	**$ (52)**	**$ 1,790**	**$ 1,132**	**$ 654**	**$ (62)**	**$ 1,724**

See Note 11 for additional information on the NDT fair value. There were no available-for-sale debt securities with credit losses as of June 30, 2025 and December 31, 2024.

As of June 30, 2025, there was no intent to sell available-for-sale debt securities with unrealized losses, and it is not more likely than not that each of these investments will be required to be sold before the recovery of its amortized cost. The aggregate fair value of available-for-sale debt securities with unrealized losses as of June 30, 2025 was:

	Fair Value	Unrealized Losses
Corporate debt securities	$ 32	$ (1)
Municipal debt securities	71	(2)
U.S. Government debt securities	48	(1)
Debt securities in unrealized loss position	**$ 151**	**$ (5)**

As of June 30, 2025, the aggregate fair value of debt securities in a loss position for a duration of one year or longer were $94 million and the unrealized losses were non-material.

The contractual maturities for available-for-sale debt securities presented on the Consolidated Balance Sheets were:

	June 30, 2025	December 31, 2024
Maturities within one year	$ 66	$ 82
Maturities within two to five years	196	220
Maturities thereafter	356	309
Debt securities, fair value	**$ 617**	**$ 611**

The sales proceeds, gains, and losses for available-for-sale debt securities for the periods were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Sales proceeds of NDT funds investments [(a)]	$ 592	$ 535	$ 1,168	$ 1,034
Gross realized gains	4	2	7	5
Gross realized losses	(3)	(3)	(5)	(6)

(a) Sales proceeds are used to pay income taxes and trust management fees. Remaining proceeds are reinvested in the NDT.

7. Property, Plant and Equipment

		June 30, 2025			December 31, 2024		
	Estimated Useful Life (years)	Gross Value	Accumulated Depreciation	Carrying Value	Gross Value	Accumulated Depreciation	Carrying Value
Electric generation	3-27	$ 3,091	$ (385)	$ 2,706	$ 3,030	$ (292)	$ 2,738
Nuclear fuel	1-6	403	(166)	237	322	(152)	170
Other property and equipment	1-26	61	(8)	53	90	(18)	72
Capitalized software	1-5	8	(4)	4	8	(3)	5
Construction work in progress		89	—	89	169	—	169
Property, plant and equipment, net		**$ 3,652**	**$ (563)**	**$ 3,089**	**$ 3,619**	**$ (465)**	**$ 3,154**

The components of “Depreciation, amortization and accretion” presented on the Consolidated Statements of Operations for the periods were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Depreciation expense [(a)]	$ 52	$ 56	$ 107	$ 116
Amortization expense [(b)]	3	4	8	6
Accretion expense [(c)]	15	15	29	28
Depreciation, amortization and accretion	**$ 70**	**$ 75**	**$ 144**	**$ 150**

(a) Electric generation and other property and equipment.
(b) Intangible assets and capitalized software.
(c) ARO and accrued environmental cost accretion. See Note 8 for additional information.

The cost of nuclear fuel and the amortization of nuclear fuel intangible assets are presented as “Nuclear fuel amortization” on the Consolidated Statements of Operations.

Brandon Shores and H.A. Wagner Reliability Impact Assessments

In May 2025, the FERC approved each of the Brandon Shores and H.A. Wagner RMR agreements, under which: (i) Talen will operate the generation facilities in accordance with such arrangements from June 1, 2025 through May 31, 2029, or until such time as the necessary transmission upgrades are placed into service; (ii) Brandon Shores will earn annual fixed-cost payments of $145 million ($312/MWd), inclusive of a $5 million per year unit performance “hold back;” (iii) H.A. Wagner will earn annual fixed-cost payments of $35 million ($137/MWd), inclusive of a $2 million per year unit performance “hold back;” and (iv) each facility will receive separate reimbursement for variable costs and approved project investments. Additionally, H.A. Wagner Unit 4 is subject to certain emission restrictions associated with its air permits that could limit the Unit’s runtime. On July 21, 2025, PJM filed a request for the DOE to issue an order, pursuant to Section 202(c) of the Federal Power Act, to allow Unit 4 to exceed its air permit emission limits while the facility operates under its FERC-approved RMR. The DOE entered the requested order on July 28, 2025, which is effective through October 26, 2025; Unit 4 will still be operated under and paid in accordance with the H.A. Wagner RMR agreement. Such order is subject to extension at the request of PJM and the discretion of the DOE.

Nautilus Derecognition

Under the transition terms associated with the AWS PPA as revised in June 2025, (i) the Company has ceased use of the Nautilus facility; (ii) AWS will demolish the Nautilus facility; and (iii) the facility lease between the Company and AWS, as well as the related submetering and supply arrangements, will be terminated. Accordingly, during the three months ended June 30, 2025, the Company derecognized from the Consolidated Balance Sheets approximately: (i) $15 million of structures and buildings presented as “Property, plant and equipment, net;” (ii) an aggregate $44 million of contract intangible assets and lease right-of-use assets presented as “Other noncurrent assets;” (iii) $10 million of lease liabilities presented as “Other current liabilities;” and (iv) an aggregate $57 million contractual obligations and lease obligations presented as “Other noncurrent liabilities.” The resulting net gain of $8 million is presented as “Other operating income (expense), net” on the Consolidated Statements of Operations.

8. Asset Retirement Obligations and Accrued Environmental Costs

	June 30, 2025	December 31, 2024
Asset retirement obligations	$ 511	$ 498
Accrued environmental costs	21	21
Total asset retirement obligations and accrued environmental costs	**532**	**519**
Less: asset retirement obligations and accrued environmental costs due within one year [(a)]	54	51
Asset retirement obligations and accrued environmental costs due after one year	**$ 478**	**$ 468**

(a) Presented as “Other current liabilities” on the Consolidated Balance Sheets.

Asset Retirement Obligations

Certain subsidiaries of the Company have legal retirement obligations for the decommissioning and environmental remediation costs associated with our current and former generation, which include activities such as structure removal and remediation of coal piles, wastewater basins, and ash impoundments. Most of these obligations, except remediation of some ash impoundments, are not expected to be paid until several years, or decades, in the future. The Company’s most significant obligations are associated with the: (i) decommissioning of Susquehanna, which the NDT is expected to fund; and (ii) coal ash disposal units of legacy coal-fired generation facilities which, for certain obligations, the Company has posted surety bonds (some of which have been collateralized with LCs). The carrying value of these AROs include assumptions of estimated future retirement and remediation cash expenditures, cost escalation rates, probabilistic cash flow models, and discount rates.

As environmental regulations issued by the EPA or other rulemaking entities may require the Company to revise and (or) recognize new AROs, the carrying value of AROs, in particular those associated with legacy coal-fired generation facilities, may be impacted by current or future regulatory rulemaking. As of June 30, 2025, the fair values of certain AROs as a result of the EPA CCR Rule cannot be determined. See Note 9 for additional information on the EPA CCR Rule and the regulatory timeline that is expected to determine the associated scope of work.

Additionally, certain subsidiaries of the Company have legal retirement obligations associated with the removal, disposal, and (or) monitoring of asbestos-containing material at certain generation facilities. Given that the ultimate volume of asbestos-containing material is not yet known, the fair value of these obligations cannot be reasonably estimated. These obligations will be recognized upon a change in economic events or other circumstances which enables the fair value to be estimable.

The changes of the ARO carrying value during the period were:

December 31, 2024	**$ 498**
Obligations settled	(12)
Changes in estimates and (or) settlement dates	(3)
Accretion expense	28
June 30, 2025	**$ 511**

The disaggregation of ARO carrying values on the Consolidated Balance Sheets were:

	June 30, 2025	December 31, 2024
Supplemental Information		
Nuclear [(a)]	$ 257	$ 242
Non-nuclear [(b)]	254	256
Carrying value	**$ 511**	**$ 498**

(a) Obligations are expected to be settled with available funds in the NDT at the time of decommissioning. See Note 11 for additional information on the NDT.
(b) Certain obligations are: (i) partially supported by surety bonds, some of which have been collateralized with LCs; or (ii) partially prefunded under phased installment agreements.

See "Talen Montana Financial Assurance" in Note 9 for information on Talen Montana's requirement to provide financial assurance for certain environmental decommissioning and remediation liabilities related to Colstrip.

9. Commitments and Contingencies

Legal, Regulatory, and Environmental Matters

We are regularly subject to various legal, regulatory, and environmental matters in connection with our business. While we believe we have meritorious positions and will continue to vigorously defend our positions in these matters, we may not be successful in our efforts, and we cannot predict the effect of an adverse outcome of any such matter. If an unfavorable outcome is probable and can be reasonably estimated, a liability is recognized. In the event of an unfavorable outcome, the liability may be in excess of amounts currently accrued. Because of the inherently unpredictable nature of legal, regulatory, and environmental matters and the wide range of potential outcomes for any such matter, no estimate of the possible losses in excess of amounts accrued, if any, can be made at this time regarding any matter specifically described below. As a result, additional losses actually incurred in excess of amounts accrued could be substantial. Unless otherwise disclosed below, we are unable to predict the outcome of any matter discussed below or reasonably estimate the amount of any associated costs and (or) potential liabilities. Additionally, it is possible that the outcome of any such matter, including market modifications, could materially impact our business, financial condition, results of operations, cash flows, and (or) liquidity.

Legal Matters

We are involved in various legal and administrative proceedings, investigations, claims, and litigation from time to time in the course of our business. Such matters may include, but are not limited to, those relating to employment and benefits, commercial disputes, personal injury, property damage, regulatory matters, environmental matters, and various other claims for injuries and (or) damages. While we believe we have meritorious positions and will continue to appropriately respond to all legal matters, because of the inherently unpredictable nature of legal proceedings, there is a wide range of potential outcomes for any such matter.

Labor Market Antitrust Class Action Lawsuit Against Nuclear Power Generators. On July 11, 2025, two individuals filed a class action in the U.S. District Court for the District of Maryland against Human Resources Consultants, LLC, Accelerant Technologies, and 26 nuclear power companies, including Talen, alleging that since at least May 2003 the defendants conspired to fix and suppress employee wages and benefits in violation of federal antitrust law. The proposed class includes a wide range of nuclear power generation workers, such as nuclear operators, engineers, and technicians, who were compensated with hourly wages or annual salaries, as well as benefits and other forms of compensation. The complaint alleges that the nuclear power operators used Accelerant and HR Consultants to facilitate a conspiracy to exchange employee compensation data and held in-person meetings where the power companies aligned on wage schedules, suppressed wages, and fixed compensation. The plaintiffs are seeking treble damages, injunctive relief, a declaratory judgment that the defendants' conduct violated Section 1 of the Sherman Antitrust Act, attorneys' fees, and costs of suit. Talen believes the alleged claims are without merit and will vigorously defend itself.

Brunner Island CCR Litigation. On April 2, 2025, the Center for Biological Diversity (the “CBD”) filed a citizen suit in the U.S. District Court for the Middle District of Pennsylvania alleging that the Company and its subsidiary, Brunner Island, LLC, have failed to comply with groundwater monitoring and corrective action requirements at Brunner Island’s Ash Basin 5 and have therefore violated the Resource Conservation and Recovery Act (“RCRA”) and the EPA CCR Rule. The complaint seeks declaratory and injunctive relief. Talen believes the alleged claims are without merit and that the CBD’s factual and legal conclusions are incorrect. Talen filed a motion to dismiss the lawsuit on June 2, 2025, which was followed by an amicus brief from the Utility Solid Waste Activities Group in support of Talen’s motion; briefing on the motion to dismiss was completed on June 30, 2025. No assurance can be provided as to the outcome of the litigation or its impacts on Talen’s operations.

ERCOT Weather Event (Winter Storm Uri) Lawsuits. In connection with the ERCOT Sale, the Company retained certain potential liabilities relating to claims filed from 2021 onward against its former Texas subsidiaries seeking unspecified damages for alleged losses caused by the defendants’ failure to provide sufficient power to the grid during Winter Storm Uri. The claims also allege similar liability against numerous other ERCOT power market participants. In December 2023, five multi-district litigation (“MDL”) bellwether lawsuits, which were selected by the MDL court as representative of all 58 cases filed in the Uri litigation, were dismissed by the MDL court, a ruling subsequently upheld by the Texas First Court of Appeals. In January and February 2025, the plaintiffs (in two groups) filed for relief in the Texas Supreme Court, seeking to overturn the lower courts. In July 2025, the Texas Supreme Court ordered merits briefing by the parties. If the Court of Appeals decision is affirmed by the Texas Supreme Court, Talen expects the dismissal ruling to apply broadly to all Uri cases against Talen’s former subsidiaries. Pursuant to the Plan of Reorganization, Talen’s maximum potential damages on prepetition Uri claims are expressly limited to payments from Talen’s insurers. However, claims filed after Talen’s restructuring by plaintiffs who did not receive effective notice of the restructuring, if any, may not be subject to the limitations in the Plan of Reorganization.

Spent Nuclear Fuel Litigation. Federal law requires the U.S. government to provide for the permanent disposal of commercial spent nuclear fuel (“SNF”), but the government has not yet done so. Until May 2014, the DOE required nuclear generation facility operators to contribute to a fund intended to pay for the transportation and disposal of SNF, and Talen cannot predict if or when the government will reinstate any such fee in the future. In May 2023, an existing settlement agreement between Susquehanna and the U.S. government was extended through the end of 2025. The settlement agreement requires the government to reimburse Susquehanna for certain SNF storage costs through 2025 and requires Susquehanna to waive certain claims against the government relating to temporary SNF storage. In July 2025, the Company reached an agreement with the DOE for a reimbursement of $14 million (reflecting Talen’s 90% share) related to the 2023-2024 period.

Regulatory Matters

We are subject to regulation by federal and state agencies and other bodies that exercise regulatory authority in the various regions where we conduct business, including but not limited to the FERC; the DOE; the NRC; NERC; the Federal Communications Commission; and state public utility commissions. In addition, the RTOs and ISOs in the regions in which we conduct business inherently have complex rules that are intended to balance the interests of market stakeholders. Proposed market structure modifications may lead to disputes among stakeholders that might not be resolved for a period of time as a result of regulatory and (or) legal proceedings. Accordingly, we are subject to uncertainty with respect to: (i) new or amended regulations issued by regulatory agencies; and (ii) changes in market design, tariff structure, capacity auctions, and (or) pricing rules.

PJM Capacity Market Reform. In June 2023, the FERC accepted a request by PJM to delay certain PJM Base Residual Auctions in order for PJM to propose market reforms. PJM filed its market reform proposals with the FERC in October 2023. In early 2024, the FERC accepted portions of PJM’s proposed market changes. PJM held the PJM BRA for the 2025/2026 PJM Capacity Year in July 2024, which incorporated the FERC-accepted changes. The PJM BRAs for the 2026/2027, 2027/2028, and 2028/2029 PJM Capacity Years were previously scheduled for December 2024, June 2025 (later changed to July 2025), and December 2025, respectively; however, in September 2024, the Sierra Club and other organizations filed a complaint at the FERC challenging PJM’s rules establishing must-offer exceptions for PJM BRA participation by RMR resources and seeking to delay the 2026/2027 PJM BRA pending resolution of its complaint. In October 2024, PJM announced it had concerns about the FERC considering the Sierra Club’s complaints about RMR resources in isolation and therefore intended to file a Section 205 proceeding under the Federal Power Act seeking the FERC’s approval of to-be-determined market reforms, including but not limited to potential revisions to the treatment of RMR resources. As a result, in October 2024, PJM formally requested that the FERC approve six-month delays in the PJM BRAs for the 2026/2027, 2027/2028, 2028/2029, and 2029/2030 PJM Capacity Years and in November 2024, the FERC approved the auction delays. The 2026/2027 PJM BRA was held in July 2025. Talen can provide no assurance that the remaining three scheduled auctions will be held as scheduled or at all.

A series of filings aimed at reforming the PJM capacity market were filed at the FERC. In November 2024, the Joint Consumer Advocates, comprised of consumer advocacy groups and government entities from Illinois, Maryland, New Jersey, Ohio, and the District of Columbia filed a complaint against PJM asking the FERC to find that PJM’s existing capacity market rules are unjust and unreasonable and to issue an order requiring certain short-term and longer-term changes to PJM’s capacity market rules.

In response, PJM made two FERC filings in December 2024 to address what they perceive as capacity market design issues (the “PJM Capacity Market 205 Proceeding”). PJM proposed to retain the dual fuel combustion turbine as the reference resource and to implement a uniform non-performance charge throughout the RTO for the 2026/2027 and 2027/2028 delivery years, and to administratively include RMR units that meet certain criteria as price takers in the capacity auctions for the next two delivery years and will not assess penalties or pay bonuses to these RMR units. PJM’s filing also clarifies that being excused from being required to offer into the capacity market is no defense to exercising market power by electing not to offer. Further, PJM proposed to make changes to the capacity market mitigation rules. This proposal will eliminate the must-offer exception for intermittent and limited duration resources that are eligible to participate in the capacity market and will allow market sellers to incorporate a risk component in their capacity market offers. In February 2025, the FERC accepted PJM’s proposals in the PJM Capacity Market 205 Proceeding and as a result, the changes to the PJM BRA parameters described above as part of that proceeding will be adopted for the 2026/2027 and 2027/2028 PJM Capacity Years.

In December 2024, the Pennsylvania Governor filed a complaint against PJM at the FERC to address alleged elevated costs to consumers from the PJM capacity market in the 2026/2027 and 2027/2028 delivery years and proposed, among other things, a lower capacity price cap. As a result of a subsequent agreement between the State of Pennsylvania and PJM that resolved the Governor’s complaint, the Governor withdrew the complaint in February 2025. In April 2025, the FERC accepted PJM’s proposals reflecting its agreement with the State of Pennsylvania. As a result, the PJM BRA imposed a price collar with an approximate minimum and maximum price of $175/MWd and $325/MWd, respectively, which was effective for the 2026/2027 PJM BRA and will also be effective for the 2027/2028 PJM BRA. The 2026/2027 PJM BRA was held in July 2025. See Note 3 for additional information on the results.

In February 2025, the FERC initiated a technical conference docket to consider broad resource adequacy issues across all RTOs, with the initial proceedings taking place in June 2025. The Company has intervened in the new technical conference docket and is closely monitoring those proceedings.

Environmental Matters

Extensive federal, state, and local environmental laws and regulations are applicable to our business, including those related to air emissions, water discharges, and hazardous substances and solid waste management. From time to time, in the ordinary course of our business, Talen may be: (i) subject to environmental remediation work at its facilities; (ii) involved in other environmental matters; or (iii) become subject to other, new or revised environmental statutes, regulations, or requirements. It may be necessary for us to modify, curtail, replace, or cease operation of certain facilities or performance of certain operations to comply with statutes, regulations, and other requirements imposed by regulatory bodies, courts, or environmental groups. We may incur significant costs to comply with these requirements, including increased capital expenditures or operation and maintenance expenses, monetary fines, remediation costs, penalties, or other restrictions. Legal challenges to environmental rules or permits add to the uncertainty of estimating future compliance costs. In addition, in January 2025, President Trump issued executive orders directing the heads of all federal agencies to identify and begin the processes to suspend, revise, or rescind all agency actions, including existing regulations, that are unduly burdensome on the identification, development, or use of domestic energy resources. Consequently, in March 2025, the EPA announced that it will reconsider and potentially roll back 31 regulations and policies, many of which directly impact Talen, and various executive actions were taken in April 2025 to further encourage deregulation. Certain executive orders have subsequently been challenged by states and individual plaintiffs. Future provisions, implementation, and enforcement of these executive actions and the environmental rules has continued to be uncertain. Further, costs may increase significantly if the requirements or scope of environmental laws or regulations, or similar rules, are expanded or changed in other ways.

EPA CSAPR and Nitrogen Oxides (“NOx”) Requirements. Coal-fired generation facilities, including those in which Talen has ownership, have been the subject of EPA regulations and efforts by certain states and other parties to strengthen applicable NOx emission limits under the Clean Air Act. In 2015, the EPA revised the 8-hour ozone National Ambient Air Quality Standards for ground-level ozone to 70 parts per billion (the “EPA 2015 Ozone Standard”). This action triggered updates to state-specific compliance requirements as well as provisions that are intended to limit cross-state emissions. In June 2023, the EPA published a rule in connection with the EPA 2015 Ozone Standard updating the EPA CSAPR ozone season NOx allowance trading program for 2023 and beyond (the “Good Neighbor Plan”). Talen’s facilities in Maryland, Pennsylvania, and New Jersey were subject to the new rule; however, the entire rule was challenged by multiple parties, and subsequently the Good Neighbor Plan was stayed in its entirety by the U.S. Supreme Court in June 2024 pending a complete review of the rule by the D.C. Circuit Court of Appeals. In November 2024, the EPA issued an interim final rule indicating it plans to provide NOx allocations and budgets from the previously applicable and less restrictive Revised CSAPR Update Rule until the Good Neighbor Plan matter is resolved. After initially denying the EPA’s request in February 2025, the D.C. Circuit Court of Appeals on April 14, 2025, granted the EPA’s motion requesting the Good Neighbor Plan litigation be held in abeyance pending the EPA’s review of the stayed rule and further orders by the court. As a result, future implementation and enforcement of the Good Neighbor Plan remains has continued to be uncertain.

EPA MATS Rule. In May 2024, the EPA published a rule that requires coal-fired generation facilities to reduce particulate matter emissions by the middle of 2027 (or 2028, if an extension is approved). If the rule remains in effect, Colstrip is not expected to meet the new particulate matter standard without substantial upgrades to its control equipment. As a result, Talen Montana and the other Colstrip co-owners face the decision either to invest in new cost-prohibitive control equipment or retire the Colstrip facility. Such a decision must be evaluated in conjunction with compliance requirements under the May 2024 EPA GHG Rule due to timing and costs. Challenges to the EPA MATS Rule have been filed in the D.C. Circuit Court of Appeals, including by Talen and 23 states. After motions to stay the EPA MATS Rule during the pendency of the litigation were denied by the D.C. Circuit Court of Appeals, Talen and other parties filed emergency stay request applications with the U.S. Supreme Court in September 2024, which were denied in October 2024. The appeal on the merits of the 2024 rule remains pending in the D.C. Circuit Court of Appeals. The litigation has been held in abeyance since February 2025, while the EPA reconsiders the rule. No assurance can be provided as to when the challenges to the EPA MATS Rule will be resolved or whether such challenges will be resolved in the Company's favor.

In March 2025, the EPA formally announced that it was reconsidering the 2024 EPA MATS Rule as part of its deregulation agenda. Concurrently, the Trump administration announced it was considering a two-year exemption from compliance obligations via Section 112(i)(4) of the Clean Air Act for affected power plants while the EPA reconsiders the rule. Talen applied for the exemption and received official notification that the request had been granted on April 14, 2025. This authorization affords more time for the Colstrip owners to consider the operational future of Colstrip. On June 11, 2025, the EPA proposed a rule to repeal certain 2024 amendments to the EPA MATS Rule and revert to standards promulgated in the 2012 EPA MATS Rule. The EPA is accepting public comments on its proposal until August 11, 2025. The day after the EPA announced its reconsideration rule, multiple environmental groups filed a lawsuit in the U.S. District Court for D.C. challenging the presidential exemptions issued to Colstrip and other fossil fuel-fired power plants. The Company could be forced to make operating decisions about the future of Colstrip before clarity is obtained on the reconsideration rule and (or) litigation.

EPA GHG Rule. In May 2024, the EPA published a rule that establishes carbon dioxide limits for new electric generating units ("EGUs") and GHG guidelines for certain existing EGUs. Under the guidelines, if existing coal-fired EGUs operate beyond 2031, GHG reductions, such as those achieved by the addition of carbon capture and sequestration ("CCS"), are required to be implemented by the end of 2031. Colstrip is not expected to meet the new rules without substantial technology upgrades and pipeline infrastructure build-out. As a result, Talen Montana and the other Colstrip co-owners face the decision either to invest in new cost-prohibitive controls (e.g., CCS technology) or retire the Colstrip facility by the end of 2031. Such a decision must be evaluated in conjunction with compliance requirements under the May 2024 EPA MATS Rule. Petitions have been filed in the D.C. Circuit Court of Appeals, including by coalitions representing 27 states and an ad hoc coalition of power producers of which Talen is a member, requesting a review of the EPA GHG Rule. Stay motions were denied by the D.C. Circuit Court of Appeals in July 2024 and the U.S. Supreme Court in October 2024. Appeals of the EPA GHG Rule remain pending in the D.C. Circuit Court of Appeals.

The D.C. Circuit Court of Appeals has held the litigation in abeyance since February 2025 to allow the EPA to reconsider the rule. No assurance can be provided as to when the challenges to the EPA GHG Rule will be resolved or whether such challenges will be resolved in the Company's favor. On June 11, 2025, the EPA released a proposed rule to repeal all GHG emission standards for fossil fuel-fired power plants. As an alternative, the EPA is proposing a narrow repeal of GHG standards, which would eliminate all emissions guidelines and standards for existing power plants and the Phase 2 GHG emissions standards that would apply to new combustion turbines beginning in 2032. Under the alternative proposal, Phase 1 GHG emissions standards applicable to new and reconstructed baseload fossil fuel-fired stationary combustion turbines would be retained. The EPA is accepting public comments on its proposal until August 7, 2025. The EPA has also in the past stated its intent to develop GHG regulations for existing natural gas combustion turbines; however, no rule has been proposed and no recent statements have been made. Operating decisions about the future of Colstrip are highly dependent on the fate of the EPA GHG Rule as well as the EPA MATS Rule. Given the legal and regulatory uncertainties with both rules, it is possible the Company will be required to make decisions about Colstrip's future before it has clarity about the outcome of litigation and (or) the EPA's regulations.

GHG Endangerment Finding. In July 2025, the EPA also issued a proposal to repeal its 2009 finding that greenhouse gases ("GHGs") endanger public health and welfare. The EPA made the 2009 endangerment finding in order to promulgate GHG emission standards for new motor vehicles under Section 202(a) of the Clean Air Act. The EPA has subsequently relied on its 2009 endangerment finding as a basis to regulate other sources of GHGs, including power plants. If finalized, the EPA's proposal would repeal all GHG emission standards for light-, medium-, and heavy-duty vehicles and engines. The proposed rule does not explicitly state how a repeal of the 2009 endangerment finding would impact its authority to regulate GHG emissions from stationary sources. However, the EPA states that the endangerment finding has been broadly used to justify regulation of stationary sources in a manner inconsistent with the Clean Air Act. The EPA also notes that it is currently reconsidering its authority to regulate GHGs from other sources, including stationary sources, in separate rulemakings. The EPA will accept public comment on its proposal for 45 days once it is published in the Federal Register. No assurance can be provided as to whether the rule will be finalized and whether a final rule will survive judicial challenge.

Pennsylvania RGGI. In October 2019, the then-Governor of Pennsylvania signed an executive order directing the Pennsylvania Department of Environmental Protection (the "PADEP") to draft regulations establishing a cap-and-trade program with the intent of enabling Pennsylvania to join the RGGI, a multi-state regional cap-and-trade program comprised of several Eastern U.S. states. In April 2022, Pennsylvania entered the RGGI program, with compliance set to begin on July 1, 2022. However, in November 2023, the Commonwealth Court of Pennsylvania ruled RGGI was an invalid tax and voided the rulemaking. The PADEP appealed this decision to the Pennsylvania Supreme Court and filed notice with the court that the RGGI program would not be implemented while the appeal is pending. In July 2024, the Pennsylvania Supreme Court permitted certain non-profit environmental groups to intervene in the case. Oral argument in the case took place in May 2025. The litigation is ongoing.

EPA ELG Rule. In November 2015, the EPA revised the effluent limitation guidelines for certain power generation facilities, which imposed more stringent standards for wastewater streams as facility discharge permits are renewed. In 2020, the EPA issued changes that would exempt coal generation facility operators from meeting certain wastewater standards if the facility would commit to cease coal-fired generation by the end of 2028, which Talen elected for its wholly owned coal operations. In May 2024, the EPA published revisions to the EPA ELG Rule, which imposed additional requirements for legacy wastewater and combustion residual leachate. These revisions impact Talen's active generation facilities that have both CCR units and hold National Pollutant Discharge Elimination System ("NPDES") discharge permits. These sites include Brandon Shores, Brunner Island, Montour, and potentially Martins Creek. Talen is evaluating what: (i) potential discharge limits may apply; (ii) treatment may be required; and (iii) the implementation timeline may be. Obligations for installing any new wastewater treatment equipment, if necessary, will not be known until each applicable state where the active generation facilities operate makes its own determination with respect to NPDES permit renewals with new limits and associated timing. As a result of the future permit conditions, additional capital expenditures and (or) AROs may be required, which may have a material impact on Talen's operations and (or) financial condition.

Multiple challenges, including stay requests, to the EPA ELG Rule have been filed in various U.S. Courts of Appeal by parties that include 15 states, environmental groups, and industry groups, including the Utility Water Act Group, of which Talen is a member. The appeals have been consolidated in the U.S. Court of Appeals for the Eighth Circuit, which denied requests to stay the rule in October 2024. At the EPA's request, the Eighth Circuit has held the consolidated challenges in abeyance since February 2025 to allow the EPA to reconsider the rule. In March 2025, the EPA announced that it will revise the EPA ELG Rule as part of its deregulation agenda while considering immediate relief from some of the existing leachate requirements. In June 2025, the EPA announced that it will issue a proposal in the summer of 2025 to revise the ELGs for coal-fired power plants. The EPA stated its proposed rule would extend compliance deadlines under the 2024 EPA ELG Rule and seek information to potentially inform further rulemaking. No assurance can be provided as to what changes will come from the EPA's regulatory reconsideration of the rule, when the challenges to the EPA ELG Rule merits will be resolved, or whether such changes and challenges will be resolved in the Company's favor.

EPA CCR Rule. In April 2015, the EPA established regulations under the RCRA to identify CCRs as nonhazardous solid waste and provided CCR management and siting requirements. The 2015 rule was modified in 2020 after a 2018 D.C. Circuit Court of Appeals ruling found that, among other things, the EPA did not adequately regulate unlined impoundments. In its 2020 rulemaking, the EPA specified procedures for owners to extend the operating timeline of certain unlined impoundments. Talen submitted an extension request under this process for an unlined impoundment at Montour, which was withdrawn in December 2024, following the end of basin operations and the initiation of basin closure. The 2018 D.C. Circuit Court of Appeals ruling also found that the EPA did not properly address legacy surface impoundments in the 2015 CCR rule. As a result of the finding, in May 2024, the EPA finalized additional federal CCR regulations effective in November 2024 (the "Legacy CCR Rule"), which provided new requirements for legacy CCR surface impoundments and new requirements for other CCR disposal and management areas at active power plants ("CCR Management Units" or "CCRMUs"). This rule has been challenged in the D.C. Circuit Court of Appeals by multiple parties, including two industry groups of which Talen is a member. In December 2024, the U.S. Supreme Court denied a requested stay of the Legacy CCR Rule. At the EPA's request, the D.C. Circuit Court of Appeals has held the case in abeyance since February 2025 to allow the EPA to reconsider the rule. Additionally, the EPA is being challenged by other industry parties on new regulatory interpretations that could be consequential to CCR unit closure practices and costs. In March 2025, the EPA announced that it will prioritize the coal ash program by expediting state permit reviews and complete a rule change within a year. In July 2025, the EPA issued a direct final rule and companion proposal extending compliance deadlines for elements of the Legacy CCR Rule. The rule will take effect six months after being published in the Federal Register unless the EPA receives adverse comments on the rule. If adverse comments are received, the EPA will proceed with a traditional notice-and-comment rulemaking. No assurance can be provided as to when and how the regulations will change, when the legal challenges to the Legacy CCR Rule and the EPA's interpretations will be resolved, or whether such challenges will be decided in the Company's favor.

Talen continues to review the new Legacy CCR Rule provisions that went into effect in 2024, perform the required applicability assessments, and await additional information and guidance from the EPA concerning the rule's requirements. Pursuant to the regulations, initial facility evaluation reports to identify CCR areas which may become regulated and subject to the rule's requirements are due in February 2026. Following that, site investigation may be required to further investigate applicability, and a subsequent facility report is due in February 2027. The Company has initiated reviews under the facility evaluation report requirements at locations with ash impoundments that have long since ceased coal operations as well as at locations with current coal operations. No assurance can be provided as to whether any specific ash impoundments owned by the Company may or may not be within scope of the updated Legacy CCR Rule until the Company completes its assessments within the regulatory timeframe.

As of June 30, 2025, the Company has recognized cost estimates in complying with the Legacy CCR Rule’s initial compliance requirements and deadlines, including the initial groundwater monitoring requirements. The Company does not yet have sufficient information available to estimate costs for the future compliance obligations under the rule. As the Company continues its applicability evaluations and site assessments to determine the scope of work on its properties imposed by the new rule, additional new AROs and (or) revisions could be required. It is expected estimates will be available, under the timeline provided for by the regulations, as described above, at the completion of the initial facility evaluation reports or at the completion of a subsequent site investigation. Such AROs or ARO changes could be material and, as a result, may have a material impact on Talen’s operations and (or) financial condition.

In April 2025, a citizen suit was filed in the U.S. District Court for the Middle District of Pennsylvania alleging that the Company and its subsidiary, Brunner Island, LLC, are in violation of RCRA and the EPA CCR Rule. See the “Legal Matters” section above for additional information.

Certain Resolved Matters

See Note 12 to the Annual Financial Statements for certain legal matters previously resolved.

Guarantees and Other Assurances

In the normal course of business, the Company enters into agreements to provide financial performance assurance to third parties on behalf of certain subsidiaries. These agreements primarily support or enhance the stand-alone creditworthiness attributed to a subsidiary or facilitate the commercial activities in which these subsidiaries engage. Such agreements may include guarantees, stand-by LCs, and (or) surety bonds. Additionally, they may include customary indemnifications to third parties related to asset sales and other transactions. The probability of expected material payment and (or) performance for these assurance agreements is believed to be remote.

Surety Bonds. Surety bonds provide financial performance assurance to third parties on behalf of certain Company subsidiaries for obligations including but not limited to environmental obligations and AROs. In the event of nonperformance by the applicable subsidiary, the beneficiary would make a claim to the surety, and the Company would be required to reimburse any payment by the surety. Talen’s liability with respect to any particular surety bond is released once the obligations secured by the surety bond are performed. Surety bond providers generally have the right to request additional collateral or request that such bonds be replaced by alternate surety providers. As of June 30, 2025 and December 31, 2024, the aggregate amount of surety bonds outstanding was $263 million and $234 million, respectively, including surety bonds posted on behalf of Talen Montana as discussed below.

Talen Montana Financial Assurance. Pursuant to the Colstrip Administrative Order on Consent (the “Colstrip AOC”), Talen Montana, in its capacity as the Colstrip operator, is obligated to close and remediate coal ash disposal impoundments at Colstrip. The Colstrip AOC specifies an evaluation process between Talen Montana and the Montana Department of Environmental Quality (the “MDEQ”) on the scope of remediation and closure activities, requires the MDEQ to approve such scope, and requires financial assurance to be provided to the MDEQ on approved plans. Each of the co-owners of Colstrip has provided its proportionate share of financial assurance to the MDEQ for estimates of coal ash disposal impoundments remediation and closure activities approved by the MDEQ.

The aggregate amount of surety bonds posted to the MDEQ on behalf of Talen Montana’s proportionate share of such activities was $114 million and $125 million as of June 30, 2025 and December 31, 2024, respectively. Talen Montana’s surety bond requirements may increase due to scope changes, cost revisions, and (or) other factors when the MDEQ conducts annual reviews of approved remediation and closure plans as required under the Colstrip AOC. The surety bond requirements are expected to decrease as Colstrip’s coal ash impoundments remediation and closure activities are completed. See Note 8 for additional information on Colstrip AROs.

10. Long-Term Debt and Other Credit Facilities

TES is the borrower/issuer under all the Company's debt and credit facilities. As of June 30, 2025, TES was not in default under any of its debt or credit agreements.

Long-Term Debt

	Interest Rate [(a)]	June 30, 2025	December 31, 2024
TLB-1	6.81 %	$ 853	$ 857
TLB-2	6.81 %	846	850
Secured Notes	8.63 %	1,200	1,200
PEDFA 2009B Bonds	5.25 %	50	50
PEDFA 2009C Bonds	5.25 %	81	81
Total principal		**3,030**	**3,038**
Unamortized deferred financing costs and original issuance discounts		(41)	(34)
Total carrying value		**2,989**	**3,004**
Less: long-term debt, due within one year		17	17
Long-term debt		**$ 2,972**	**$ 2,987**

(a) Computed interest rate as of June 30, 2025.

Revolving Credit and Other Facilities

		June 30, 2025				December 31, 2024		
	Maturity	Committed Capacity [(a)]	Direct Cash Borrowings	LCs Issued	Unused Capacity	Direct Cash Borrowings	LCs Issued	Unused Capacity
RCF	December 2029	$ 700	$ 70	$ —	$ 630	$ —	$ —	$ 700
LCF	December 2026	900	—	413	487	—	374	526
Total		**$ 1,600**	**$ 70**	**$ 413**	**$ 1,117**	**$ —**	**$ 374**	**$ 1,226**

(a) RCF committed capacity can be used for direct cash borrowings and (or) LCs. Direct cash borrowings are not permitted under the LCF, which can only be used for LCs.

In December 2024, the TLC LCF and Bilateral LCF were terminated. However, as certain LCs remained outstanding under these facilities pending their transition to the LCF, corresponding backstop LCs were issued under the LCF. As of June 30, 2025 and December 31, 2024, the amounts of such backstop LCs issued under the LCF were $13 million and $297 million, respectively (which are included in the totals above).

Debt Commitment Letters

In connection with the Freedom and Guernsey Acquisitions, TES entered into debt commitment letters, dated July 17, 2025, pursuant to which Citigroup Global Markets Inc. and RBC Capital Markets have agreed to provide TES with: (i) senior secured bridge facilities in an aggregate principal amount of up to $1.2 billion; and (ii) senior unsecured bridge facilities in an aggregate principal amount of up to $2.6 billion. The funding is contingent upon the satisfaction of certain conditions set forth in the debt commitment letters. See Note 17 for additional information on the Freedom and Guernsey Acquisitions.

Other Material Terms; Security Interests

See Note 13 to the Annual Financial Statements for a description of the other material terms of the obligations outlined above and for additional information on the security interests and guarantees supporting these obligations. In addition to the obligations outlined under "Long-Term Debt" and "Revolving Credit and Other Facilities" above, secured obligations included approximately $102 million under Secured ISDAs as of June 30, 2025.

11. Fair Value

Recurring Fair Value Measurements

Financial assets and liabilities reported at fair value on a recurring basis primarily include energy commodity derivatives, interest rate derivatives, and investments held within the NDT.

- Level 1 derivative assets and liabilities primarily represent exchange-traded futures and options that are valued using unadjusted prices available from the underlying exchange. Level 1 financial assets also include investments in equity securities and available-for-sale U.S. government debt securities, which are valued using exchange prices.

- Level 2 derivative assets and liabilities primarily represent over-the-counter swaps, options, and forward purchase and sale contracts that are valued using adjusted exchange prices, prices provided by brokers, or pricing service companies that are all corroborated by market data. Level 2 financial assets also include investments in available-for-sale debt securities, including investments in corporate and municipal bonds, that are valued using pricing provided by brokers or pricing service companies and corroborated with market data.

The classifications of recurring fair value measurements within the fair value hierarchy were:

	June 30, 2025					December 31, 2024				
	Level 1	Level 2	NAV	Netting [(a)]	Total	Level 1	Level 2	NAV	Netting [(a)]	Total
Assets										
Cash equivalents	$ —	$ —	$ 14	$ —	$ 14	$ —	$ —	$ 3	$ —	$ 3
Equity securities [(b)]	786	—	360	—	1,146	758	—	347	—	1,105
U.S. government debt securities	330	—	—	—	330	353	—	—	—	353
Municipal debt securities	—	96	—	—	96	—	85	—	—	85
Corporate debt securities	—	191	—	—	191	—	173	—	—	173
Receivables (payables), net [(c)]	—	—	—	—	13	—	—	—	—	5
NDT funds	**1,116**	**287**	**374**	**—**	**1,790**	**1111**	**258**	**350**	**—**	**1,724**
Commodity derivatives	360	107	—	(389)	78	134	91	—	(156)	69
Interest rate derivatives	—	2	—	—	2	—	2	—	—	2
Total assets	**$ 1,476**	**$ 396**	**$ 374**	**$ (389)**	**$ 1,870**	**$ 1,245**	**$ 351**	**$ 350**	**$ (156)**	**$ 1,795**
Liabilities										
Commodity derivatives	$ 429	$ 110	$ —	$ (458)	$ 81	$ 145	$ 29	$ —	$ (167)	$ 7
Interest rate derivatives	—	13	—	—	13	—	—	—	—	—
Total liabilities	**$ 429**	**$ 123**	**$ —**	**$ (458)**	**$ 94**	**$ 145**	**$ 29**	**$ —**	**$ (167)**	**$ 7**

(a) Amounts represent netting pursuant to master netting arrangements and cash collateral held or placed with the same counterparty.
(b) Includes fixed income funds and real estate investment trusts.
(c) Represents: (i) interest and dividends earned but not received; and (ii) net sold or purchased investments, but not settled.

There were no recurring fair value measurements classified as Level 3 as of June 30, 2025 and December 31, 2024.

Nonrecurring Fair Value Measurements

See Note 7 for nonrecurring fair value measurements during the three months ended June 30, 2025 that are associated with the derecognition of certain Nautilus assets and liabilities. There were no nonrecurring fair value measurements related to impairments of long-lived assets during the three months ended June 30, 2024 and the three and six months ended June 30, 2024.

Reported Fair Value

The carrying value of certain financial assets and liabilities on the Consolidated Balance Sheets, including “Cash and cash equivalents,” “Restricted cash and cash equivalents,” “Accounts receivable,” and “Accounts payable and other accrued liabilities” approximate fair value.

The fair value measurements of indebtedness are classified as Level 2 within the fair value hierarchy. The fair value of fixed rate debt was estimated primarily by utilizing an income approach whereby the future cash flows of the obligations are discounted at the estimated current cost of funding rates, which incorporates the credit risk associated with the obligations. The carrying value of variable rate indebtedness approximates fair value.

The carrying value and fair value of indebtedness presented on the Consolidated Balance Sheets were:

	June 30, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Revolving credit facilities	$ 70	$ 70	$ —	$ —
Long-term debt [(a)]	2,989	3,113	3,004	3,120

(a) Aggregate value of “Long-term debt” and “Long-term debt, due within one year” presented on the Consolidated Balance Sheets.

12. Postretirement Benefit Obligations

TES and certain subsidiaries sponsor postemployment benefits which include defined benefit pension plans, health and welfare postretirement plans (other postretirement benefit plans), and a defined contribution plan.

The components of net periodic benefit costs for the periods were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Postretirement benefits service cost [a]	**$ —**	**$ 1**	**$ 1**	**$ 2**
Postretirement benefit (gain) loss				
Interest cost	$ 17	$ 17	34	33
Expected return on plan assets	(18)	(17)	(37)	(35)
Amortization of:				
Postretirement prior service cost (credit)	(1)	—	(2)	—
Postretirement benefit (gain) loss, net [b]	**$ (2)**	**$ —**	**(5)**	**(2)**
Net periodic defined benefit cost (credit)	**$ (2)**	**$ 1**	**$ (4)**	**$ —**

(a) Activity presented as “Operation, maintenance and development” on the Consolidated Statements of Operations.
(b) Activity presented as “Other non-operating income (expense), net” on the Consolidated Statements of Operations.

13. Stock-Based Compensation

In June 2023, TEC began granting performance stock units (“PSUs”) and restricted stock units (“RSUs”) to certain employees and non-employee directors under the Company’s 2023 Equity Incentive Plan (the “Equity Plan”). The aggregate number of shares authorized for issuance under the Equity Plan is 7,083,461 shares of common stock.

Stock-based Compensation Expense

Stock-based compensation expense presented as “General and administrative” on the Consolidated Statement of Operations for the periods was:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Stock-based compensation expense	$ 16	$ 8	$ 27	$ 16
Income tax benefit	(4)	(2)	(7)	(4)
After-tax stock-based compensation expense	**$ 12**	**$ 6**	**$ 20**	**$ 12**

Performance Stock Units

PSUs have three-year ratable or two-year cliff vesting schedules or vest upon consummation of a change in control event based on the satisfaction of a continued employment condition and the achievement of certain market conditions over a performance period. Participants will be awarded additional PSUs if market conditions exceed targets at the time of vesting. If the Company declares any cash dividends while the PSUs are outstanding, participants will be credited a dividend, payable at the time of vesting, based on the number of shares of common stock underlying the PSUs. The following table summarizes the Company’s non-vested PSUs and changes during the year:

	Units [a]	Weighted-Average Grant Date Fair Value per Unit
Non-vested as of December 31, 2024	**956,347**	**$ 54.23**
Granted	101,825	463.10
Non-vested as of June 30, 2025 [b]	**1,058,172**	**$ 93.58**

(a) Represents the target number of PSUs.
(b) Subject to the PSU award agreements, the actual amount of PSUs earned by participants at vesting can range from 0% to 200% of the target number of PSUs based on the Company’s stock price performance. In addition, certain of the PSUs are eligible to earn an additional amount of Talen shares based on the incremental Company stock price performance in excess of the PSU targets. Based on the share price of the Company’s common stock as of June 30, 2025, the aggregate non-vested PSUs were 2,337,445.

As of June 30, 2025, $54 million of unrecognized compensation cost related to unvested PSUs granted are expected to be recognized over a weighted average period of approximately 1.0 years.

The fair value of the PSUs was determined using a Monte Carlo valuation methodology based on the fair value of the underlying stock price at the grant date and the significant inputs and assumptions summarized below:

	Six Months Ended June 30, 2025
Volatility [(a)]	40 %
Expected term (in years)	2
Risk-free rate [(b)]	3.99 %

(a) Derived from an option pricing method based on the average asset volatility of peer companies and the Company's leverage ratio.
(b) Based on the U.S. constant maturity treasury rate with a term matching the expected time to the end of the performance measurement period.

Restricted Stock Units

RSUs have three-year ratable or two-year cliff vesting schedules beginning on the grant date, with restrictions on transferring settled shares prior to the final scheduled vesting date for each award. The fair value of the RSUs granted is derived from the closing price of TEC common stock on the grant date. The following table summarizes the Company's non-vested RSUs and changes during the year:

	Units	Weighted-Average Grant Date Fair Value per Unit
Non-vested as of December 31, 2024	**549,405**	**$ 55.07**
Granted	52,514	207.95
Vested	(236,553)	(48.10)
Non-vested as of June 30, 2025	**365,366**	**$ 81.56**

As of June 30, 2025, $23 million of unrecognized compensation cost related to unvested RSUs granted are expected to be recognized over a weighted average period of approximately 1.0 years.

14. Earnings Per Share

Basic EPS is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the applicable period. Diluted EPS is computed by dividing income by the weighted-average number of shares of common stock outstanding, increased by incremental shares that would be outstanding if potentially dilutive non-participating securities were converted to common stock as calculated using the treasury stock method. EPS for the periods were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Numerator: (Millions of Dollars)				
Net Income (Loss)	$ 72	$ 458	$ (63)	$ 777
Less:				
Net income (loss) attributable to noncontrolling interest	—	4	—	29
Net Income (Loss) Attributable to Stockholders	**$ 72**	**$ 454**	**$ (63)**	**$ 748**
Denominator: (Thousands)				
Weighted-Average Number of Common Shares Outstanding - Basic	**45,554**	**57,434**	**45,699**	**58,119**
Warrants	—	268	—	234
Restricted stock units	257	332	—	262
Performance stock units	2,095	1,741	—	1,654
Weighted-Average Number of Common Shares Outstanding - Diluted	**47,905**	**59,775**	**45,699**	**60,269**
Earnings per Share - Basic	**$ 1.58**	**$ 7.90**	**$ (1.38)**	**$ 12.87**
Earnings per Share - Diluted	**1.50**	**7.60**	**(1.38)**	**12.41**

Diluted EPS for the three months ended June 30, 2025 excludes 83,347 PSUs due to their anti-dilutive nature. As there is a Net Loss Attributable to Stockholders for the six months ended June 30, 2025, the computation of diluted EPS excludes 266,938 RSUs and 2,166,138 PSUs.

15. Stockholders’ Equity

Share Repurchase Program

As of June 30, 2025, the Company had repurchased approximately 23% of its outstanding shares of common stock for a total of approximately $2.0 billion, exclusive of transaction costs and excise taxes. The Board of Directors approved an $850 million portion of the share repurchases executed with Rubric in December 2024 outside of the existing authorization in the SRP. The remaining capacity of the SRP as of June 30, 2025 is $995 million. See Note 18 to the Annual Financial Statements for additional information relating to the SRP.

Summary of activity under the SRP:

	Three Months Ended June 30, 2025			Six Months Ended June 30, 2025		
	Number of Shares	Share Price [(a)]	Total Amount	Number of Shares	Share Price [(a)]	Total Amount
Share repurchases	—	$ —	$ —	452,130	$ 186.24	$ 85
Share retirements	—	—	—	452,130	186.24	85

(a) Weighted average price per share, including transaction costs and excise taxes.

Acquisition of Noncontrolling Interests

Purchase of Equity in Cumulus Digital. In March 2024, TES acquired all of the equity of Cumulus Digital held by affiliates of Orion Energy Partners and two former members of Talen senior management in exchange for an aggregate of $39 million. Following these transactions, TES owns 100% of the equity of Cumulus Digital.

Accumulated Other Comprehensive Income

Changes in AOCI for the periods were:

	Six Months Ended June 30,	
	2025	2024
Beginning balance	**$ (12)**	**$ (23)**
Gains (losses) arising during the period	8	1
Reclassifications to Consolidated Statements of Operations	(4)	(12)
Income tax benefit (expense)	(1)	5
Other comprehensive income (loss)	**3**	**(6)**
Accumulated other comprehensive income (loss)	**$ (9)**	**$ (29)**

The components of AOCI, net of tax, as of June 30, were:

	2025	2024
Available-for-sale securities unrealized gain (loss), net	$ 1	$ (1)
Postretirement benefit prior service credits (costs), net	13	—
Postretirement benefit actuarial gain (loss), net	(23)	(28)
Accumulated other comprehensive income (loss)	**$ (9)**	**$ (29)**

Reclassification adjustments from AOCI to the Consolidated Statements of Operations were non-material amounts for the six months ended June 30, 2025 and 2024.

The postretirement obligations components of AOCI are not presented in their entirety on the Consolidated Statements of Operations during the periods; rather, they are included in the computation of net periodic defined benefit costs (credits). See Note 12 for additional information.

16. Supplemental Cash Flow Information

Supplemental information for the Consolidated Statements of Cash Flows for the periods was:

	Six Months Ended June 30,	
	2025	2024
Cash paid during the period		
Interest and other finance charges, net of capitalized interest [a]	$ 107	$ 124
Income taxes, net [b]	70	9
Unrealized (gain) loss on derivative instruments included on the Statements of Cash Flows		
Commodity contracts	$ 90	$ 44
Interest rate swap contracts (interest expense)	13	(8)
Unrealized (gain) loss on derivative instruments	**$ 103**	**$ 36**
Depreciation, amortization and accretion included on the Statements of Cash Flows		
Depreciation, amortization and accretion	$ 144	$ 150
Other	(3)	(6)
Depreciation, amortization and accretion	**$ 141**	**$ 144**
Reconciliation of other non-cash operating activities		
Derivative option premium amortization	$ 33	$ 4
Stock-based compensation	27	16
(Gain) loss on sale of assets, net	(12)	—
Bitcoin revenue	—	(71)
Other	(14)	(7)
Total	**$ 34**	**$ (58)**
Non-cash investing activities		
Capital expenditure accrual increase (decrease)	$ 4	$ (16)

(a) Capitalized interest was $2 million and $3 million for the six months ended June 30, 2025 and 2024, respectively.
(b) During the six months ended June 30, 2025 and 2024, $20 million and $51 million of estimated Nuclear PTCs were utilized as a credit against our federal income tax payable, respectively.

Cash and Restricted Cash

“Restricted cash and cash equivalents” of $13 million and $37 million presented on the Consolidated Balance Sheets as of June 30, 2025 and December 31, 2024, respectively, were comprised of commodity exchange margin deposits.

17. Acquisitions and Divestitures

2025 Pending Acquisitions

Freedom and Guernsey Acquisitions. On July 17, 2025, the Company entered into two purchase and sale agreements (the “Purchase Agreements”) with affiliates of Caithness Energy pursuant to which it agreed to purchase (i) the Freedom Energy Center, a 1,045 MW (summer rating) natural gas fired combined cycle generation plant located in Luzerne County, Pennsylvania, for approximately $1.5 billion in cash; and (ii) the Guernsey Power Station, a 1,836 MW (summer rating) natural gas fired combined cycle generation plant located in Guernsey County, Ohio, for approximately $2.3 billion in cash, in each case as adjusted in accordance with the applicable Purchase Agreement. At closing, the Company is required under each Purchase Agreement to deposit with an escrow agent cash equal to 1% of the purchase price to secure the payment of certain customary post-closing purchase price adjustments.

Each transaction is subject to the satisfaction of customary closing conditions, including the expiration or termination of the waiting period pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the “HSR Act”), and regulatory approvals from the FERC and other regulatory agencies. These regulatory filings have all been made and are now pending at the agencies. The Purchase Agreements provide that either we or the sellers can terminate the applicable agreement if the respective acquisition is not completed by July 17, 2026 (which may be automatically extended to January 17, 2027 in the case of pending antitrust or regulatory approvals). Under certain circumstances, we may be required to pay the sellers a termination fee of approximately $63 million in the case of Freedom and $100 million in the case of Guernsey if the applicable acquisition is not consummated. The Freedom and Guernsey Acquisitions are both expected to close in the fourth quarter 2025.

In connection with the Freedom and Guernsey Acquisitions, TES entered into debt commitment letters pursuant to which Citigroup Global Markets Inc. and RBC Capital Markets have agreed to provide TES with: (i) senior secured bridge facilities in an aggregate principal amount of up to $1.2 billion; and (ii) senior unsecured bridge facilities in an aggregate principal amount of up to $2.6 billion. See Note 10 for additional information.

2025 Pending Divestitures

Camden and Dartmouth Sales. In June 2025, we entered into a purchase and sale agreement to sell the Camden and Dartmouth generation facilities to Partners Group for an aggregate $32 million in cash, subject to customary working capital adjustments and an economic effective date of June 1, 2025. FERC approval for the sale was received in August 2025 and the transaction is expected to close in the second half of 2025.

2024 Divestitures

ERCOT Sale. In May 2024, we sold our 1,710 MW Texas generation portfolio to CPS Energy for $785 million, subject to customary net working capital adjustments. A gain on sale of $563 million is presented as “Gain (loss) on sale of assets, net” on the Consolidated Statements of Operations for the six months ended June 30, 2024.

AWS Data Campus Sale. In March 2024, AWS purchased substantially all the assets related to the AWS Data Campus and certain other assets for gross proceeds of $650 million, of which $350 million were received at closing with the remaining $300 million held in escrow until August 2024. For the six months ended June 30, 2024, a $324 million gain on sale is presented as “Gain (loss) on sale of assets, net” on the Consolidated Statements of Operations. In connection with the AWS Data Campus Sale, the Company entered into the initial AWS PPA. In June 2025, the Company and AWS entered into a revised AWS PPA, under which the Company is expected to provide AWS with up to 1,920 MW of “front-of-the-meter” power through 2042. The transition to the revised AWS PPA is expected to occur in Spring 2026.

18. Segments

Talen’s operating segments are based on the market areas in which our generation facilities operate and reflect the manner in which our Chief Executive Officer, who is the chief operating decision maker, reviews results and allocate resources. Adjusted EBITDA is the key profit metric used to measure financial performance of each segment. Total assets or other asset metrics are not considered a key metric or reviewed by the chief operating decision maker.

“PJM” is engaged in electricity generation, marketing activities, and commodity risk and fuel management within the PJM RTO market and is comprised of Susquehanna and Talen’s natural gas and coal generation facilities in PJM.

“Other” represents an operating segment that includes the operating and marketing activities of Talen Montana’s proportionate share of Colstrip in the WECC market and other non-material operating and development activities. “Other” also includes the operating activities of Nautilus until Bitcoin mining operations were suspended in October 2024 and the operating activities of our Texas power generation facilities in the ERCOT market prior to their disposition in May 2024. We have determined it appropriate to aggregate results of Talen’s remaining non-reportable segments and other operating activities.

“Corporate and Eliminations” represents a non-reportable segment that includes: (i) general and administrative expenses incurred by our corporate function; (ii) interest expense and other corporate activities not allocated to our operating segments; and (iii) intercompany eliminations. This grouping is presented to reconcile the reportable segments to our consolidated results.

	PJM	Other	Corporate and Eliminations	Total
Three Months Ended June 30, 2025				
Operating revenues	$ 638	$ (1)	$ (7)	$ 630
Operation, maintenance and development expenses [(a)]	180	12		
Interest expense and other finance charges	—	—	62	62
Other segment items [(b)]	343			
Adjusted EBITDA	115			
Capital expenditures	33	4	—	37
Three Months Ended June 30, 2024				
Operating revenues	$ 438	$ 58	$ (7)	$ 489
Operation, maintenance and development expenses [(a)]	141	23		
Interest expense and other finance charges	—	—	62	62
Other segment items [(b)]	202			
Adjusted EBITDA	95			
Capital expenditures	14	—	—	14

	PJM	Other	Corporate and Eliminations	Total
Six Months Ended June 30, 2025				
Operating revenues	$ 1,005	$ 41	$ (26)	$ 1,020
Operation, maintenance and development expenses [(a)]	318	20		
Interest expense and other finance charges	—	—	136	136
Other segment items [(b)]	363			
Adjusted EBITDA	324			
Capital expenditures	95	5	1	101
Six Months Ended June 30, 2024				
Operating revenues	$ 871	$ 208	$ (81)	$ 998
Operation, maintenance and development expenses [(a)]	269	49		
Interest expense and other finance charges	—	—	121	121
Other segment items [(b)]	227			
Adjusted EBITDA	375			
Capital expenditures	66	14	—	80

(a) This significant segment expense category aligns with the segment-level information that is regularly provided to the CODM.
(b) Other segment items are primarily comprised of fuel and energy purchases.

Reconciliation of segment Adjusted EBITDA to Net Income (Loss):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Adjusted EBITDA:				
PJM	$ 115	$ 95	$ 324	$ 375
Total Segment Adjusted EBITDA	**$ 115**	**$ 95**	**$ 324**	**$ 375**
Reconciling Items:				
Interest expense and other finance charges	(62)	(62)	$ (136)	$ (121)
Income tax benefit (expense)	(25)	(112)	27	(181)
Depreciation, amortization and accretion	(70)	(75)	(144)	(150)
Nuclear fuel amortization	(18)	(28)	(44)	(63)
Unrealized (gain) loss on commodity derivative contracts	92	91	(90)	(44)
Nuclear decommissioning trust funds gain (loss), net	80	27	68	102
Stock-based and other long-term incentive compensation expense	(18)	(14)	(31)	(32)
Gain (loss) on asset sales, net [(a)]	9	561	11	885
Operational and other restructuring activities	—	(19)	(9)	(21)
"Other" operating segment	(1)	5	8	43
Noncontrolling interest	—	7	—	18
Corporate and Eliminations	(24)	(13)	(42)	(42)
Other items	(6)	(5)	(5)	8
Net Income (Loss)	**$ 72**	**$ 458**	**$ (63)**	**$ 777**

(a) See Note 17 for additional information.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following Management’s Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Interim Financial Statements, the Annual Financial Statements, and the Notes thereto. The discussion contains forward-looking statements as well as estimates regarding market and industry data, which involve risks, uncertainties, and assumptions. See “Cautionary Note Regarding Forward-Looking Information” and “Market and Industry Data” for additional information. Dollars are in millions, unless otherwise noted.

Recent Developments

PJM 2026/2027 Base Residual Auction

In July 2025, PJM announced the results of the 2026/2027 PJM BRA. Talen cleared 6,702 MWs at a price of $329.17/MWd for the MAAC, PPL, and PSEG locational deliverability areas.

See “—Factors Affecting Our Financial Condition and Results of Operations—Capacity Markets” for additional information.

Freedom and Guernsey Acquisitions

In July 2025, we entered into definitive agreements to acquire Caithness Energy’s 1,045 MW (summer rating) Freedom Energy Center in Pennsylvania and 1,836 MW (summer rating) Guernsey Power Station in Ohio, both gas fired combined cycle plants located within the PJM power market, for an aggregate gross purchase price of approximately $3.8 billion (subject to working capital and other customary adjustments), or $3.5 billion after adjusting for estimated tax benefits. We expect to issue approximately $3.8 billion in new debt to fund the Freedom and Guernsey Acquisitions.

The addition of these assets to Talen’s portfolio will increase our generating capacity by approximately 3 GW and is expected to enhance our ability to offer reliable, scalable, grid-supported, and regionally diverse low-carbon capacity to hyperscale data centers and other large commercial off-takers. Additionally, as these facilities have an average heat rate of 6,550 Btu/kWh, the Freedom and Guernsey Acquisitions will provide the Company with incremental baseload generation and cash flow diversification. The presence of these facilities in the PJM market complements our existing commercial and marketing capabilities, and their strategic location adjacent to the Marcellus and Utica shale formations provides ample natural gas supplies and reliable access to natural gas pipeline infrastructure and interconnects.

The transactions are subject to regulatory approvals and the satisfaction of other customary closing conditions, and are both expected to close in the fourth quarter 2025. The relevant regulatory filings have all been made and are now pending at the agencies.

See Note 17 to the Interim Financial Statements for additional information on the Freedom and Guernsey Acquisitions and “Part II, Item 1A. Risk Factors” of this Report for a discussion of the associated risks.

The foregoing description of the Purchase Agreements and the transactions contemplated thereby is only a summary, does not purport to be complete, and is qualified in its entirety by reference to the full text of the Purchase Agreements, copies of which are attached as Exhibits 2.1 and 2.2 to this Report. The Purchase Agreements are being filed only to provide investors with information regarding their terms and are not intended to provide any other factual information about the parties thereto. Investors should not rely on the representations, warranties, or covenants in the Purchase Agreements, which may be subject to important limitations and qualifications, and which may change after the date of the Purchase Agreements, as characterizations of the actual state of facts or condition of the Company, the sellers, or any of their respective subsidiaries or affiliates.

Expanded AWS PPA

In June 2025, we entered into a new retail PPA agreement with AWS, expanding, and eventually replacing, the existing AWS PPA. The existing Susquehanna co-located load arrangement between Talen and AWS will transition to a “front-of-the-meter” arrangement after the completion of transmission reconfiguration projects expected to occur in Spring 2026, concurrent with Susquehanna’s annual refueling outage. Under the terms of the revised AWS PPA, Talen Energy Marketing will act as the retail electric generation supplier to AWS and PPL Electric Utilities will be responsible for transmission and delivery. At the full contract quantity, AWS is expected to receive 1,920 MW of power through 2042 for operations that support AI and other cloud technologies at the AWS Data Campus. The power delivery schedule will ramp over time, expecting to achieve the full volume no later than 2032. Talen and AWS will also explore building small modular reactors within Talen’s Pennsylvania footprint and pursue expanding Susquehanna’s energy output through uprates, with the intent to add net-new energy to the PJM grid.

Camden and Dartmouth Sales

In June 2025, we entered into a purchase and sale agreement to sell the Camden and Dartmouth generation facilities for an aggregate $32 million in cash, subject to customary working capital adjustments and an economic effective date of June 1, 2025. FERC approval for the sale was received in August 2025 and the transaction is expected to close in the second half of 2025.

See Note 17 to the Interim Financial Statements for additional information.

RMR Arrangements

In May 2025, the FERC approved the terms under which Talen will operate Brandon Shores and H.A. Wagner until May 31, 2029, beyond their previously-scheduled May 31, 2025 retirement dates. Under the RMR agreement, Brandon Shores Units 1 and 2 and H.A. Wagner Units 3 and 4 will remain in service and provide power necessary to maintain grid and transmission reliability in and around the City of Baltimore until transmission upgrades to provide reliable power to the area from other sources are complete. Beginning June 1, 2025, we expect to receive $145 million annually for Brandon Shores and $35 million for H.A. Wagner, inclusive of some performance incentives.

See Note 7 to the Interim Financial Statements for additional information.

Factors Affecting Our Financial Condition and Results of Operations

Earnings in future periods are subject to various uncertainties and risks. See “Cautionary Note Regarding Forward-Looking Information,” the sections entitled “Item 1A. Risk Factors” in this Report and our 2024 Annual Report, as updated by our March 31, 2025 Quarterly Report, and Notes 2 and 9 to the Interim Financial Statements for additional information on our risks.

Commodity Markets

During the second quarter 2025, natural gas prices for Texas Eastern M-3 settled at the ten-year average as natural gas storage levels climbed above the five-year average. In PJM, above average temperatures during June contributed to increased load demand that resulted in higher settled on-peak power prices compared with the prior year.

The weighted average settled on-peak power prices and natural gas prices for the PJM market for the three months ended June 30, were:

	2025	2024
PJM West Hub Day Ahead Peak - $/MWh	$ 52.71	$ 37.67
PJM PPL Zone Day Ahead Peak - $/MWh	40.91	28.34
Texas Eastern M-3 - $/MMBtu	2.47	1.53

The weighted average forward market prices for the periods from July 1 through December 31 as of June 30, were:

	2025	2024
PJM West Hub ATC - $/MWh	$ 49.52	$ 43.64
Texas Eastern M-3 - $/MMBtu	2.95	2.14
PJM West Hub ATC Spark Spreads - $/MWh [(a)]	28.86	28.64

(a) Spark spreads are computed based on day-ahead PJM West Hub ATC prices, Texas Eastern M-3 natural gas prices, and a heat rate of 7 MMBtu/MWh.

Capacity Markets

Our generation facilities are located primarily in markets with capacity products, which are intended to ensure long-term grid reliability for customers by securing sufficient power supply resources to meet predicted future demand. Capacity prices are affected by supply and demand fundamentals, such as generation facility additions and retirements, capacity imports from and exports to adjacent markets, generation facility retrofit costs, non-performance risk premium penalties, demand response products, power demand forecasts, reserve margin targets and, in PJM, adjustments to the PJM Market Seller Offer Cap as determined by the PJM Independent Market Monitor.

PJM Capacity Auctions. Under the PJM Reliability Pricing Model, when held on schedule, the PJM BRA is required to be conducted in the month of May three years prior to the start of the applicable PJM Capacity Year in order for PJM to secure commitments from capacity resources. The results of each PJM BRA impact our capacity revenues expected to be earned for the specific PJM Capacity Year.

Recently, PJM has delayed its auctions, which has resulted in less than 3 years between each auction and the start of the relevant PJM Capacity Year. The PJM BRA for the 2026/2027 PJM Capacity Year was held on July 22, 2025. The capacity market construct provides generation owners some opportunity for revenue visibility on a multiyear basis and is intended to provide a price signal for new generation to be built in the future. See Note 9 to the Interim Financial Statements for additional information on the PJM capacity market, systemic risks, auction delays, and related legal actions.

Capacity Prices. The following table displays the cleared capacity prices for completed PJM BRAs for the markets and zones in which we primarily operate:

	2026/2027	2025/2026	2024/2025	2023/2024
PJM Capacity Performance ($/MWd) [(a)]				
MAAC	$ 329.17	$ 269.92	$ 49.49	$ 49.49
PPL	329.17	269.92	49.49	49.49

(a) Displayed prices are from the applicable market publications.

For the 2026/2027 PJM Capacity Year, the Company cleared 6,702 MWs at a price of $329.17/MWd for the MAAC, PPL, and PSEG locational deliverability areas.

Nuclear Production Tax Credit

The Inflation Reduction Act was signed into law in August 2022. Among the Act's provisions are amendments to the Internal Revenue Code to create a nuclear production tax credit program. The Nuclear PTC program provides qualified nuclear power generation facilities with a transferable tax credit for electricity produced and sold to an unrelated party during each tax year. Electricity produced and sold by Susquehanna to third parties from December 31, 2023 through December 31, 2032 will be eligible for the credit. See Note 3 to the Interim Financial Statements for additional information on Nuclear PTC revenue recognized.

Seasonality/Scheduled Maintenance

The demand for and market prices of electricity and natural gas are affected considerably by weather and, as a result, our operating results may fluctuate significantly on a seasonal basis. In general, below-average temperatures in the winter and above-average temperatures in the summer tend to increase electricity demand, energy prices, and revenues. Alternatively, moderate temperatures tend to decrease electricity demand and may adversely affect resulting energy margins, particularly in PJM. In addition, our operating expenses typically fluctuate geographically on a seasonal basis, with peak power generation and expenses during the winter in the Mid-Atlantic. We ordinarily perform planned facility maintenance during milder non-peak demand periods in the spring and fall to ensure reliability during peak periods. The pattern of fluctuations in our operating results varies depending on the type and location of the facilities being serviced, the capacity markets served, the maintenance requirements of our facilities, and the terms of bilateral contracts to purchase or sell electricity. We serve our fossil generation fleet through a combination of self-service and contracted maintenance activity (including long-term service agreements at certain facilities). Our largest recurring maintenance project is the annual spring refueling outage at Susquehanna.

On March 25, 2025, Susquehanna commenced its planned refueling outage on Unit 2. During the outage, we identified incremental maintenance in the non-nuclear portion of the Unit. As a prudent operator, we elected to complete this scope of work while Unit 2 was already in outage and market prices and demand were relatively low. The outage was completed on June 4, 2025. The incremental maintenance investment during the extended outage was comprised of approximately $25 million in operations and maintenance expenses and $6 million of capital expenditures. We expect similar incremental maintenance activities on Unit 1 to be performed during Susquehanna's Spring 2026 planned outage. While the scope of work and outage schedule has not yet been finalized, we expect our planning activities with respect to the Unit 1 incremental work to result in an outage of shorter duration than the Unit 2 outage as well as for the Unit 1 incremental maintenance costs to be in line with or below the Unit 2 costs.

Results of Operations

The results of operations presented below for the three and six months ended June 30, 2025 and 2024, should be reviewed in conjunction with the Interim Financial Statements and Notes thereto. Our results of operations as reported in the Interim Financial Statements are prepared in accordance with GAAP.

In the explanations below, "Energy and other revenues" and "Fuel and energy purchases" are evaluated collectively because the price for power is generally determined by the variable operating cost of the next marginal generator dispatched to meet demand. "Energy and other revenues" relate to sales to an RTO or ISO, sales under wholesale bilateral contracts, realized hedges, Bitcoin revenue, and Nuclear PTC revenue. "Fuel and energy purchases" includes costs for fuel to generate electricity and settlements of financial and physical transactions related to fuel and energy purchases.

Unrealized gains (losses) on derivative instruments resulting from changes in fair value during the periods are presented separately as revenues within "Operating Revenues" and expenses within "Energy Expenses." We evaluate them collectively because they represent the changes in fair value of our economic hedging activities.

Results for the Three Months Ended June 30, 2025 and 2024

The following table and subsequent section display the results of operations:

	Three Months Ended June 30,		Favorable (Unfavorable) Variance
	2025	2024	
Capacity revenues	$ 88	$ 46	$ 42
Energy and other revenues	366	367	(1)
Unrealized gain (loss) on derivative instruments (Note 2)	176	76	100
Operating Revenues (Note 3)	**630**	**489**	**141**
Fuel and energy purchases	(150)	(163)	13
Nuclear fuel amortization	(18)	(28)	10
Unrealized gain (loss) on derivative instruments (Note 2)	(84)	15	(99)
Energy Expenses	**(252)**	**(176)**	**(76)**
Operating Expenses			
Operation, maintenance and development	(192)	(164)	(28)
General and administrative	(41)	(40)	(1)
Depreciation, amortization and accretion (Note 7)	(70)	(75)	5
Other operating income (expense), net	(9)	(7)	(2)
Operating Income (Loss)	**66**	**27**	**39**
Nuclear decommissioning trust funds gain (loss), net (Note 6)	80	27	53
Interest expense and other finance charges (Note 10)	(62)	(62)	—
Gain (loss) on sale of assets, net (Note 17)	9	561	(552)
Other non-operating income (expense), net	4	17	(13)
Income (Loss) Before Income Taxes	**97**	**570**	**(473)**
Income tax benefit (expense) (Note 4)	(25)	(112)	87
Net Income (Loss)	**72**	**458**	**(386)**
Less: Net income (loss) attributable to noncontrolling interest	—	4	4
Net Income (Loss) Attributable to Stockholders	**$ 72**	**$ 454**	**$ (382)**

Three Months Ended June 30, 2025 compared to Three Months Ended June 30, 2024

Net Income (Loss) Attributable to Stockholders decreased by $(382) million, primarily driven by the factors discussed below.

- *Operating Revenues, net of Energy Expenses.* $65 million favorable increase, primarily due to the following:
  - *Capacity Revenues.* $42 million favorable increase. This is primarily related to a $60 million increase due to higher cleared capacity prices though the PJM BRA for the 2025/2026 PJM Capacity Year compared to the 2024/2025 PJM Capacity Year, partially offset by an $(18) million decrease due to lower volumes cleared though the PJM BRA for the 2025/2026 PJM Capacity Year compared to the 2024/2025 PJM Capacity Year.
  - *Energy and Other Revenues, net of Fuel and Energy Purchases.* $12 million favorable increase. This is primarily related to the combined effects of: (i) $70 million increase in margin associated with electric generation and ancillary revenue, primarily due to higher realized prices received at Susquehanna and our PJM fossil fleet, partially offset by lower generation volumes at Susquehanna and lower ancillary revenues; and (ii) $10 million increase in realized hedge results. Such amounts are partially offset by a $(68) million decrease in digital revenue and Nuclear PTC revenue.
- *Operation, Maintenance and Development.* $(28) million unfavorable increase. This is primarily due to incremental maintenance at Susquehanna performed during its planned refueling outage on Unit 2 in Spring 2025.
- *Nuclear Decommissioning Trust Funds Gain (Loss), net.* $53 million favorable increase. This is primarily due to the combined effect of: (i) $61 million increase in the unrealized value of equity securities in the second quarter 2025 compared with a $17 million increase in the second quarter 2024; and (ii) $8 million increase in realized activity in the second quarter 2025. See Notes 6 and 11 to the Interim Financial Statements for additional information.
- *Gain (Loss) on Sale of Assets, net.* $(552) million unfavorable decrease. This is primarily related to the ERCOT Sale that closed in the second quarter 2024. See Note 17 to the Interim Financial Statements for additional information.
- *Income Tax Benefit (Expense).* $87 million favorable decrease. This is primarily due to a decrease in pre-tax income in the second quarter 2025 as compared to the second quarter 2024.

Results for the Six Months Ended June 30, 2025 and 2024

The following table and subsequent sections display the results of operations:

	Six Months Ended June 30,		Favorable (Unfavorable) Variance
	2025	**2024**	
Capacity revenues	$ 137	$ 91	$ 46
Energy and other revenues	948	939	9
Unrealized gain (loss) on derivative instruments (Note 2)	(65)	(32)	(33)
Operating Revenues (Note 3)	**1,020**	**998**	**22**
Fuel and energy purchases	(418)	(313)	(105)
Nuclear fuel amortization	(44)	(63)	19
Unrealized gain (loss) on derivative instruments (Note 2)	(25)	(12)	(13)
Energy Expenses	**(487)**	**(388)**	**(99)**
Operating Expenses			
Operation, maintenance and development	(338)	(318)	(20)
General and administrative	(75)	(83)	8
Depreciation, amortization and accretion (Note 7)	(144)	(150)	6
Other operating income (expense), net	(16)	(7)	(9)
Operating Income (Loss)	**(40)**	**52**	**(92)**
Nuclear decommissioning trust funds gain (loss), net (Note 6)	68	102	(34)
Interest expense and other finance charges (Note 10)	(136)	(121)	(15)
Gain (loss) on sale of assets, net (Note 17)	11	885	(874)
Other non-operating income (expense), net	7	40	(33)
Income (Loss) Before Income Taxes	**(90)**	**958**	**(1,048)**
Income tax benefit (expense) (Note 4)	27	(181)	208
Net Income (Loss)	**(63)**	**777**	**(840)**
Less: Net income (loss) attributable to noncontrolling interest	—	29	29
Net Income (Loss) Attributable to Stockholders	**$ (63)**	**$ 748**	**$ (811)**

Six Months Ended June 30, 2025 compared to Six Months Ended June 30, 2024

Net Income (Loss) Attributable to Stockholders decreased by $(811) million, primarily driven by the factors discussed below.

- *Operating Revenues, net of Energy Expenses.* $(77) million unfavorable decrease, primarily due to the following:
  - *Capacity Revenues.* $46 million favorable increase. This is primarily related to a $63 million increase due to higher cleared capacity prices through the PJM BRA for the 2025/2026 PJM Capacity Year compared to the 2024/2025 PJM Capacity Year, partially offset by $(17) million decrease due to lower volumes cleared through the PJM BRA for the 2025/2026 PJM Capacity Year compared to the 2024/2025 PJM Capacity Year.
  - *Energy and Other Revenues, net of Fuel and Energy Purchases.* $(96) million unfavorable decrease. This is primarily related to the combined effects of: (i) $(152) million decrease in realized hedge results; and (ii) $(143) million decrease in digital revenue and Nuclear PTC revenue. Such amounts are partially offset by a $199 million increase in margin associated with electric generation and ancillary revenue, primarily due to higher realized prices received at Susquehanna and our PJM fossil fleet and higher generation volumes at our PJM fossil fleet, partially offset by lower generation volumes at Susquehanna.
  - *Unrealized Gain (Loss) on Derivative Instruments, net.* $(46) million unfavorable decrease. This is primarily related to the combined effect of $(85) million associated with lower volume of hedge positions executed during current period as compared to hedge positions executed in the prior period, partially offset by $40 million of unrealized gains from the reversal of positions previously recognized as mark-to-market liabilities which settled during the period.
- *Operation, Maintenance and Development.* $(20) million unfavorable increase. This is primarily due to incremental maintenance at Susquehanna performed during its planned refueling outage on Unit 2 in Spring 2025.
- *Nuclear Decommissioning Trust Funds Gain (Loss), net.* $(34) million unfavorable decrease. This consisted of realized and unrealized gains and losses on debt and equity securities, dividends, and interest income associated with NDT investments. See Notes 6 and 11 to the Interim Financial Statements for additional information.

- *Gain (Loss) on Sale of Assets, net.* $(874) million unfavorable decrease. This primarily consists of a: (i) $563 million gain from the ERCOT Sale that closed in the second quarter 2024; and (ii) $324 million gain from the AWS Data Campus Sale in the first quarter 2024. See Note 17 to the Interim Financial Statements for additional information.
- *Other Non-Operating Income (Expense), net.* $(33) million unfavorable decrease. This primarily consisted of interest income on cash deposits.
- *Income Tax Benefit (Expense).* $208 million favorable decrease. This is primarily due to a decrease in pre-tax income for the six months ended June 30, 2025 as compared to 2024.
- *Net Income Attributable to Noncontrolling Interest.* $29 million favorable decrease. This is related to the buyout of the remaining noncontrolling interest in Cumulus Digital in the fourth quarter 2024.

Liquidity and Capital Resources

Our liquidity and capital requirements are generally a function of: (i) debt service requirements; (ii) capital expenditures; (iii) maintenance activities; (iv) liquidity requirements for our hedging activities including cash collateral and other forms of credit support; (v) the settlement of, or forms of credit in support of, legacy asset retirement and (or) environmental obligations; (vi) other working capital requirements; and (or) (vii) discretionary expenditures, including share repurchase activities.

Our primary sources of liquidity and capital include available cash deposits, cash flows from operations, amounts available under our debt and credit facilities, and potential incremental financing proceeds. Generating sufficient cash flows for our business is primarily dependent on capacity revenue, the production and sale of power at margins sufficient to cover fixed and variable expenses, hedging strategies to manage price risk exposure, and the ability to access a wide range of capital market financing options.

Our hedging strategy is focused on maintaining appropriate risk tolerances with an emphasis on protecting cash flows across our generation fleet. Our strong balance sheet provides ample capacity and counterparty appetite for lien-based hedging, which limits the use of margin posting requirements. Specifically, our hedging strategy prioritizes a first lien-based hedging program, in which hedging counterparties are granted a lien in the same collateral securing our first-lien debt obligations, while minimizing exchange-based hedging and the associated margin requirements. Additionally, the stability provided by contracted cash flows associated with long-term PPAs as well as the Nuclear PTC (which provides a built-in hedging apparatus through the tax credit) lower our overall hedging requirements.

We are partially exposed to financial risks arising from natural business exposures including commodity price and interest rate volatility. Within the bounds of our risk management program and policies, we use a variety of derivative instruments to enhance the stability of future cash flows to maintain sufficient financial resources for working capital, debt service, capital expenditures, debt covenant compliance, and (or) other needs.

See the following Notes to the Interim Financial Statements for additional information on liquidity topics discussed below: Note 2 for derivatives and hedging, Note 8 for AROs and environmental obligations, Note 10 for long-term debt and credit facilities, and Note 16 for supplemental cash flow information.

Liquidity and Letter of Credit Capacity

	June 30, 2025	December 31, 2024
Cash and cash equivalents, unrestricted	$ 122	$ 328
Unutilized RCF capacity [(a)]	630	700
Total available liquidity	**$ 752**	**$ 1,028**
Additional unutilized LC capacity [(b)]	**$ 487**	**$ 526**

(a) RCF committed capacity can be used for direct cash borrowings and (or) LCs.
(b) Excludes LC capacity available under the RCF and includes LC capacity under the LCF.

As of August 4, 2025, the unutilized RCF capacity was $700 million.

Based on current and anticipated levels of operations, industry conditions, and market environments in which we transact, we believe available liquidity from financing activities, cash on hand, and cash flows from operations (including changes in working capital) will be adequate to meet working capital, debt service, capital expenditures, and (or) other future requirements for the next twelve months and beyond. See Note 10 to the Interim Financial Statements for additional information on the RCF and LCF.

Financial Performance Assurances

TES has provided financial performance assurances in the form of surety bonds to third parties on behalf of certain subsidiaries for obligations including but not limited to environmental obligations and AROs. Surety bond providers generally have the right to request additional collateral to backstop surety bonds.

	June 30, 2025	December 31, 2024
Outstanding surety bonds	$ 263	$ 234

In May 2025, the Company elected to replace a surety provider and, as of June 30, 2025, the replacement surety bonds issued by the new provider were outstanding. However, an aggregate $42 million of replaced surety bonds (included in the total above) continued to be outstanding as their release was not yet completed as of June 30, 2025.

Cash Flow Activities

Net cash provided by (used in) operating, investing, and financing activities for the periods was:

	Six Months Ended June 30,		Favorable (Unfavorable) Variance
	2025	2024	
Operating activities	$ (65)	$ 150	$ (215)
Investing activities	(114)	979	(1,093)
Financing activities	(51)	(915)	864

Operating activities

A change of $(215) million in net cash provided by (used in) operating activities is generally aligned with results from operations combined with working capital changes in the normal course of business. See "—Results of Operations" for additional information.

Investing activities

A change of $(1,093) million in net cash provided by (used in) investing activities was primarily due to: (i) $(339) million in proceeds from the AWS Data Campus Sale in the first quarter 2024; and (ii) $(754) million of proceeds from the ERCOT Sale in the second quarter 2024. See Note 17 to the Interim Financial Statements for additional information on the AWS Data Campus Sale and the ERCOT Sale.

Financing activities

A change of $864 million in net cash provided by (used in) financing activities is primarily the result of the combined effect of the: (i) $182 million repayment of the Cumulus Digital TLF; (ii) $39 million purchase of noncontrolling interest in Cumulus Digital, both in the first quarter 2024; (iii) a $551 million decrease in share repurchases; and (iv) RCF borrowings of $70 million in the second quarter 2025.

Contractual Obligations and Commitments

Guarantees of Subsidiary Obligations

TES guarantees certain agreements and obligations for its subsidiaries. Certain agreements may contingently require payments to a guaranteed or indemnified party. See "Guarantees and Other Assurances" in Note 9 to the Interim Financial Statements for additional information regarding guarantees.

Non-GAAP Financial Measure

Adjusted EBITDA, which we use as a measure of our performance, is not a financial measure prepared under GAAP. Non-GAAP financial measures do not have definitions under GAAP and may be defined and calculated differently by, and not be comparable to, similarly titled measures used by other companies. Non-GAAP measures are not intended to replace the most comparable GAAP measures as indicators of performance. Generally, a non-GAAP financial measure is a numerical measure of financial performance, financial position, or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP. Management cautions readers not to place undue reliance on the following non-GAAP financial measure, but to also consider it along with its most directly comparable GAAP financial measure. Non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analyzing our results as reported under GAAP.

Adjusted EBITDA

We use Adjusted EBITDA to: (i) assist in comparing operating performance and readily view operating trends on a consistent basis from period to period without certain items that may distort financial results; (ii) plan and forecast overall expectations and evaluate actual results against such expectations; (iii) communicate with our Board of Directors, shareholders, creditors, analysts, and the broader financial community concerning our financial performance; (iv) set performance metrics for our annual short-term incentive compensation; and (v) assess compliance with our indebtedness.

Adjusted EBITDA is computed as net income (loss) adjusted, among other things, for certain: (i) nonrecurring charges; (ii) non-recurring gains; (iii) non-cash and other items; (iv) unusual market events; (v) any depreciation, amortization, or accretion; (vi) mark-to-market gains or losses; (vii) gains and losses on the NDT; (viii) gains and losses on asset sales, dispositions, and asset retirement; (ix) impairments, obsolescence, and net realizable value charges; (x) interest expense; (xi) income taxes; (xii) legal settlements, liquidated damages, and contractual terminations; (xiii) development expenses; (xiv) noncontrolling interests, except where otherwise noted; and (xv) other adjustments. Such adjustments are computed consistently with the provisions of our indebtedness to the extent that they can be derived from the financial records of the business. Pursuant to TES's debt agreements, Cumulus Digital contributes to Adjusted EBITDA beginning in the first quarter 2024, following termination of the Cumulus Digital TLF and associated cash flow sweep.

Additionally, we believe investors commonly adjust net income (loss) information to eliminate the effect of nonrecurring restructuring expenses and other non-cash charges, which can vary widely from company to company and from period to period and impair comparability. We believe Adjusted EBITDA is useful to investors and other users of our financial statements to evaluate our operating performance because it provides an additional tool to compare business performance across companies and between periods. Adjusted EBITDA is widely used by investors to measure a company's operating performance without regard to such items described above. These adjustments can vary substantially from company to company and period to period depending upon accounting policies, book value of assets, capital structure, and the method by which assets were acquired.

The following table presents a reconciliation of the GAAP financial measure of "Net Income (Loss)" presented on the Consolidated Statements of Operations to the non-GAAP financial measure of Adjusted EBITDA:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Millions of Dollars)	**2025**	**2024**	**2025**	**2024**
Net Income (Loss)	$ 72	$ 458	$ (63)	$ 777
Adjustments				
Interest expense and other finance charges	62	62	136	121
Income tax (benefit) expense	25	112	(27)	181
Depreciation, amortization and accretion	70	75	144	150
Nuclear fuel amortization	18	28	44	63
Unrealized (gain) loss on commodity derivative contracts	(92)	(91)	90	44
Nuclear decommissioning trust funds (gain) loss, net	(80)	(27)	(68)	(102)
Stock-based and other long-term incentive compensation expense	18	14	31	32
(Gain) loss on asset sales, net [(a)]	(9)	(561)	(11)	(885)
Operational and other restructuring activities	—	19	9	21
Noncontrolling interest	—	(7)	—	(18)
Other	6	5	5	(8)
Total Adjusted EBITDA	**$ 90**	**$ 87**	**$ 290**	**$ 376**

(a) See Note 17 to the Interim Financial Statements for additional information.

Critical Accounting Policies and Estimates

The Company's financial statements are prepared in conformity with GAAP, which requires the application of appropriate accounting policies to form the basis of estimates utilizing methods, judgments, and (or) assumptions that materially affect: (i) the measurement and carrying values of assets and liabilities as of the date of the financial statements; (ii) the revenues recognized and expenses incurred during the presented reporting periods; and (iii) financial statement disclosures of commitments, contingencies, and other significant matters. Such judgments and assumptions may include significant subjectivity due to inherent uncertainties of future events which exist to such an extent that there is a reasonable likelihood that materially different amounts would have been reported under different conditions or if different assumptions had been used. See the Annual Financial Statements for a description of our significant accounting policies and estimates.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See Note 2 to the Interim Financial Statements for a description of our market risk.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Exchange Act, we have evaluated, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective as of June 30, 2025, the end of the period covered by this Report.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended June 30, 2025 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no additional material developments with respect to the information previously reported under “Part I, Item 3. Legal Proceedings” of our 2024 Annual Report, as updated by “Part II, Item 1. Legal Proceedings” of our March 31, 2025 Quarterly Report.

See Note 9 to the Interim Financial Statements for information about other material legal proceedings to which we are subject.

ITEM 1A. RISK FACTORS

Risks Related to the Freedom and Guernsey Acquisitions

The proposed Freedom and Guernsey Acquisitions are subject to a number of conditions which, if not satisfied or waived, could delay or impair our ability to complete the transactions on the agreed terms or at all. Failure to consummate the Freedom and (or) Guernsey Acquisitions as contemplated or at all could adversely affect us and the price of our common stock.

Completion of each of the Freedom and Guernsey Acquisitions is subject to the satisfaction or waiver of a number of conditions, including: (i) receipt of all requisite regulatory approvals, including from the FERC; (ii) expiration or termination of the applicable waiting period under the HSR Act; and (iii) other customary closing conditions, including but not limited to the absence of certain “material adverse events.” We cannot guarantee if or when these conditions will be satisfied or that the proposed acquisitions will be completed on the current terms or at all. There can also be no assurance as to the cost, scope, or impact of the actions, restrictions, or other conditions that may be required to obtain regulatory consents and approvals, and the Purchase Agreements generally do not permit us to terminate the transactions due to the terms of required regulatory consents or approvals.

It is a condition to closing the acquisitions that no governmental law, ruling, or order is in effect that prohibits their consummation. Although we are not currently aware of any, legal actions relating to the proposed acquisitions could be filed under antitrust, securities, or other laws. There can be no assurance of the outcome of any such actions and, regardless, defending against them could result in delays, additional costs, or diversion of time and resources.

Each of the Purchase Agreements provide that either we or the sellers can terminate the applicable agreement if the respective acquisition is not completed by July 17, 2026 (which may be automatically extended to January 17, 2027 in the case of pending antitrust and (or) regulatory approvals). If the Freedom and (or) Guernsey Acquisitions are not consummated, or are consummated on different terms or timing than currently contemplated, we could be subject to a variety of risks, including:

- we will still incur and remain liable for significant transaction costs, including legal, accounting, financing, advisory, and other costs;
- under certain circumstances, we may be required to pay the sellers a termination fee of approximately $63 million in the case of Freedom and $100 million in the case of Guernsey;
- our stockholders may be prevented from realizing the anticipated benefits of the acquisition and (or) the market price of our common stock could decline significantly;
- we could experience reputational harm due to the adverse public perception of any failure to successfully complete the acquisition; and
- management and employee attention may be diverted from day-to-day matters or our business may be otherwise disrupted by efforts to consummate the proposed transaction.

If completed, the Freedom and Guernsey Acquisitions may not achieve their intended results.

Although we currently anticipate that the Freedom and Guernsey Acquisitions will be accretive to our earnings and cash flow, that expectation is based on preliminary estimates that are subject to change. We may fail to realize the anticipated benefits of the acquisitions, encounter additional transaction and integration-related costs, or be affected by other factors that impact preliminary estimates, any of which could decrease or delay the expected accretion and (or) contribute to a decrease in the price of our common stock.

We entered into the Purchase Agreements with the expectation that the Freedom and Guernsey Acquisitions would result in various benefits to the Company, including enhanced generation capabilities. Achievement of the anticipated benefits is subject to a number of uncertainties, including our ability to effectively integrate the acquired assets, which may be complex, costly, and time-consuming. Additional challenges could include, among others:

- implementing our business plan for, and achieving the targeted operating or long-term strategic benefits from, the acquired assets;
- issues or costs in integrating (i) financial, information technology, communications, and other systems; (ii) relationships with industry contacts and business partners, including third-party service providers who provide key services for the acquired assets; and (iii) key hedging and other commercial activities, arrangements, and relationships;
- possible inconsistencies between our standards, controls, policies, and procedures and those of the acquired assets, as well as the resources required to implement or improve the internal controls, procedures, and policies of the acquired assets to meet public company standards;
- potential unknown liabilities and unforeseen expenses, delays, or regulatory conditions associated with the acquisitions, as well as any unexpected write offs or impairment charges resulting from the acquisitions; and
- performance of the acquired assets and the costs to operate and maintain them, relative to expectations, including any unanticipated capital expenditures or investments.

Furthermore, the Company will not control Freedom or Guernsey until completion of the proposed acquisitions, and the acquired assets or their value could be negatively impacted by conditions occurring while the acquisitions are pending. Adverse changes could result from, among other things, physical asset damage, legal or regulatory developments, deteriorating general business, market, industry, or economic conditions, and other factors both within and beyond the control of the Company and the sellers. In addition, there could be potential unknown liabilities or unforeseen expenses not discovered during due diligence and not adequately covered by representation and warranty insurance (should we choose to procure it) or otherwise adjusted for in the Purchase Agreements. Any such conditions could cause the value of the acquired assets to decline and (or) reduce the benefits of the acquisitions to the Company and its stockholders.

Any of the foregoing risks could result in failure to achieve the anticipated benefits of the acquisitions, and the expectations of our future financial condition and results of operations following the acquisitions might not be met. See also “Part I, Item 1A. Risk Factors—Commercial and Operational Risks—Acquisitions, divestitures, mergers, or other corporate transactions may expose us to additional risks” in our 2024 Annual Report.

We expect to incur a significant amount of indebtedness to finance the Freedom and Guernsey Acquisitions. However, we are obligated to complete the transactions whether or not we have obtained the necessary funding.

We intend to raise approximately $3.8 billion of additional indebtedness to fund the Freedom and Guernsey Acquisitions. The amount of our indebtedness following the acquisitions could have adverse consequences for us, including, among others:

- hindering our ability to adjust to changing market, industry, or economic conditions;
- making us more vulnerable to economic or industry downturns, including interest rate increases;
- limiting the amount of free cash flow available for future operations, acquisitions, dividends, stock repurchases, or other uses;
- reducing flexibility under the terms of our indebtedness to, among other things, make restricted payments, obtain other financing, operate our business, and (or) take advantage of mergers, acquisitions, or other corporate opportunities; and
- placing us at a competitive disadvantage compared to less leveraged competitors.

Increased indebtedness could also impact our credit ratings, borrowing costs, access to capital markets, and ability to comply with our indebtedness. See also “Part I, Item 1A. Risk Factors—Financial and Equity Risks—The amount and terms of our indebtedness could adversely affect our financial condition and impair our ability to operate our business” in our 2024 Annual Report.

The Purchase Agreements do not contain a financing condition, and we would be required to complete the proposed acquisitions even if we do not have the required funds on hand. TEC has issued parent guaranties in favor of the sellers to guarantee performance of our obligations under the Purchase Agreements. While we have obtained 12-month commitments for 364-day bridge facilities, they are subject to a number of conditions and we cannot guarantee that we will be able to close the financings as anticipated or that the acquisitions will close prior to expiration of the bridge commitments. In addition, the tenor, economics, and other terms of the bridge facilities, provide significant incentive for us to not draw on the bridge facilities or, if drawn, to promptly refinance those facilities. Whether to initially fund the purchase price or to later refinance the bridge facilities, we will be required to raise long-term financing for the acquisitions, which could subject us to less favorable timing, costs, and market conditions than we would otherwise choose. If we cannot close on any element of our financing plan, we will need to pursue other financing options and certain existing indebtedness at Freedom and (or) Guernsey or their affiliates may remain in place, which could result in less favorable financing terms that could negatively impact our costs, credit ratings, or financing and operating flexibility, or realization of the anticipated benefits from the acquisitions. See also “Part I, Item 1A. Risk Factors—Financial and Equity Risks—We may not have sufficient access to financing for our business” in our 2024 Annual Report.

Additional Risk Factors

For additional information related to the Company’s risk factors, see “Item 1A. Risk Factors” in our 2024 Annual Report, as updated by our March 31, 2025 Quarterly Report.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

In October 2023, we announced the Board of Directors approved the SRP, initially authorizing the Company to repurchase up to $300 million of TEC’s outstanding common stock. In May 2024, the Board of Directors approved an increase in the then-remaining SRP capacity to $1 billion through the end of 2025. In September 2024, the Board of Directors again approved an increase in the then-remaining SRP capacity to $1.25 billion through December 31, 2026. See “Item 5. Market for Registrant’s Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities” in the Company’s 2024 Annual Report for additional information related to the SRP and shares repurchased under the SRP.

There were no share repurchases during the three months ended June 30, 2025.

For a description of limitations on the payment of our dividends, see Note 2 to the Annual Financial Statements.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the three months ended June 30, 2025, none of our directors or “officers” (as such term is defined in Rule 16(a)-1(f) under the Exchange Act) adopted or terminated a “Rule 10b5-1 trading agreement” or “non-Rule 10b5-1 trading arrangement” (each as defined in Item 408 of Regulation S-K).

ITEM 6. EXHIBITS

Exhibit No.	Description	Incorporated by Reference			
		Form	File Number	Date of Filing	Exhibit Number
2.1*#^	Purchase and Sale Agreement, dated as of July 17, 2025, by and between Caithness Energy, L.L.C., as seller, and Talen Generation, LLC, as buyer.	—	—	—	—
2.2*#^	Purchase and Sale Agreement, dated as of July 17, 2025, by and among Caithness Energy, L.L.C., as seller, Caithness Apex Guernsey, LLC, as subsidiary seller, and Talen Generation, LLC, as buyer.	—	—	—	—
3.1	Third Amended and Restated Certificate of Incorporation of Talen Energy Corporation.	S-1	333-280341	June 20, 2024	3.1
3.2	Second Amended and Restated Bylaws of Talen Energy Corporation.	S-1	333-280341	June 20, 2024	3.2
10.1†	Amended and Restated 2025 Employee Stock Purchase Plan.	10-Q	001-37388	May 8, 2025	10.1
31.1*	Certification of Chief Executive Officer (Principal Executive Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	—	—	—	—
31.2*	Certification of Chief Financial Officer (Principal Financial Officer) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	—	—	—	—
32.1**	Certification of Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer) pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	—	—	—	—
101.INS*	Inline XBRL Instance Document.	—	—	—	—
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.	—	—	—	—
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	—	—	—	—
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.	—	—	—	—
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.	—	—	—	—
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	—	—	—	—
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document).	—	—	—	—

* Filed herewith.
** Furnished herewith.
† Management contract or compensatory plan or arrangement.
\# Certain of the schedules and attachments to the exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule or attachment will be furnished to the SEC upon request.
^ Certain private and immaterial portions of the exhibit have been redacted pursuant to Item 601(a)(6) of Regulation S-K.

GLOSSARY OF TERMS AND ABBREVIATIONS

Adjusted EBITDA. Net income (loss) adjusted, among other things, for certain: (i) nonrecurring charges; (ii) non-recurring gains; (iii) non-cash and other items; (iv) unusual market events; (v) any depreciation, amortization, or accretion; (vi) mark-to-market gains or losses; (vii) gains and losses on the NDT; (viii) gains and losses on asset sales, dispositions, and asset retirement; (ix) impairments, obsolescence, and net realizable value charges; (x) interest expense; (xi) income taxes; (xii) legal settlements, liquidated damages, and contractual terminations; (xiii) development expenses; (xiv) noncontrolling interests, except where otherwise noted; and (xv) other adjustments. Such adjustments are computed consistently with the provisions of our indebtedness to the extent that they can be derived from the financial records of the business. Pursuant to TES's debt agreements, Cumulus Digital contributes to Adjusted EBITDA beginning in the first quarter 2024, following termination of the Cumulus Digital TLF and associated cash flow sweep.

Annual Financial Statements. The audited consolidated balance sheets of TEC as of December 31, 2024 (Successor) and December 31, 2023 (Successor); the related audited consolidated statements of operations, statements of comprehensive income, statements of cash flows, and statements of equity for the year ended December 31, 2024 (Successor), for the period from May 18, 2023 through December 31, 2023 (Successor), and for the period from January 1, 2023 through May 17, 2023 (Predecessor) and the year ended December 31, 2022 (Predecessor); and the related notes.

AOCI. Accumulated other comprehensive income or loss, which is a component of stockholders' equity on the Consolidated Balance Sheets.

ARO. Asset retirement obligation.

AWS. Amazon Web Services, Inc. and its affiliates.

AWS Data Campus. The data center campus initially developed by a subsidiary of Cumulus Digital adjacent to Susquehanna. See Note 17 to the Interim Financial Statements for information on the AWS Data Campus Sale.

AWS Data Campus Sale. The Company's sale of the AWS Data Campus to AWS in March 2024 to AWS for gross proceeds of $650 million. See Note 17 to the Interim Financial Statements for additional information.

AWS PPA. The March 2024 (as revised in June 2025) power purchase agreement between the Company and AWS pursuant to which, among other things, the Company agreed to supply up to 960 MW of long-term power to the AWS Data Campus from Susquehanna. In June 2025, the Company and AWS entered into a revised AWS PPA, under which the Company is expected to provide AWS with up to 1,920 MW of power in a "front-of-the-meter" model through 2042. The transition to the revised AWS PPA is expected to occur in Spring 2026.

Bilateral LCF. The $75 million senior secured bilateral LC facility provided by Barclays Bank PLC. The Bilateral LCF was terminated in December 2024.

Board of Directors. The board of directors of Talen Energy Corporation.

Brandon Shores. A Talen-owned and operated generation facility in Curtis Bay, Maryland.

Brunner Island. A Talen-owned and operated generation facility in York Haven, Pennsylvania.

CCR. Coal Combustion Residuals, including but not limited to fly ash, bottom ash, and gypsum, that are produced from coal-fired electric generation facilities.

Colstrip. A generation facility comprised of four coal-fired generation units located in Colstrip, Montana. Talen Montana operates Colstrip, owns an undivided interest in Colstrip Unit 3, and has an economic interest in Colstrip Unit 4. Colstrip Units 1 and 2 were permanently retired in January 2020. See Note 10 to the Annual Financial Statements for additional information on jointly owned facilities and Talen Montana's ownership interests in Colstrip.

Credit Agreement. The Credit Agreement, dated as of May 17, 2023, by and among TES, as borrower, the lending institutions from time to time parties thereto, Citibank, N.A., as administrative agent and collateral agent, and the joint lead arrangers and joint bookrunners parties thereto, which governs the RCF, TLB-1, TLB-2, and LCF, as the same may be amended, amended and restated, supplemented, or otherwise modified from time-to-time.

Cumulus Digital. Cumulus Digital Holdings LLC, a subsidiary of TES that, through its subsidiaries, (i) initially developed the AWS Data Campus; and (ii) holds the Company's interest in Nautilus.

Cumulus Digital TLF. The term loan facility under which a subsidiary of Cumulus Digital borrowed $175 million to support the development of Nautilus and the AWS Data Campus. The Cumulus Digital TLF was repaid in full and terminated in March 2024.

DOE. U.S. Department of Energy.

EPA. U.S. Environmental Protection Agency.

EPA CCR Rule. The national regulatory standards required by the EPA for the management of CCRs in landfills and surface impoundments.

EPA CSAPR. The Cross-State Air Pollution Rule, a federal program that aims to reduce power plant emissions that cross state lines and contribute to ground-level ozone and fine particle pollution in other states. A cap-and-trade system for both annual and ozone season periods is used to reduce the target pollutants—sulfur dioxide and nitrogen oxides. CSAPR regulations have been changed over time, and different versions of the regulations have been referred to as the "CSAPR Update," the "Revised CSAPR Update," and the "Good Neighbor Plan."

EPA ELG Rule. The effluent limitation guidelines, which are national regulatory standards required by the EPA for wastewater discharged from specific industrial categories, including but not limited to coal-fired electric generation facilities, to surface waters and municipal sewage treatment plants.

EPA GHG Rule. An EPA rule that establishes carbon dioxide limits for new electric generating units and GHG guidelines for certain existing electric generating units.

EPA MATS Rule. The Mercury and Air Toxics Standards, EPA technology-based emissions standards for mercury and other hazardous air pollutants emitted by generation units with a capacity of more than 25 MWs.

EPS. Earnings per share.

ERCOT. The Electric Reliability Council of Texas, operator of the electricity transmission network and electricity energy market in most of Texas.

ERCOT Sale. The sale of our Texas fleet to CPS Energy in May 2024.

Exchange Act. The Securities Exchange Act of 1934, as amended.

FERC. U.S. Federal Energy Regulatory Commission.

Freedom and Guernsey Acquisitions. Our pending acquisitions of the Freedom Energy Center in Pennsylvania and the Guernsey Power Station in Ohio from affiliates of Caithness Energy. See Note 17 to the Interim Financial Statements for additional information.

GAAP. Generally Accepted Accounting Principles in the United States.

H.A. Wagner. A Talen-owned and operated generation facility in Curtis Bay, Maryland.

Indenture. The Indenture, dated as of May 12, 2023, as supplemented by the First Supplemental Indenture, dated as of May 17, 2023, the Second Supplemental Indenture, dated as of October 6, 2023, the Third Supplemental Indenture, dated as of June 22, 2024, and the Fourth Supplemental Indenture, dated as of January 13, 2025, each between TES, the Subsidiary Guarantors and Wilmington Savings Fund Society, FSB, as trustee, which governs the Secured Notes, as the same may be further amended, amended and restated, supplemented or otherwise modified from time-to-time.

Inflation Reduction Act. The Inflation Reduction Act of 2022, which was signed into law in August 2022. Among the Inflation Reduction Act's provisions are: (i) amendments to the Internal Revenue Code of 1986 to create a nuclear production tax credit program; (ii) the creation, extension and modification of tax credit programs for certain clean energy projects, such as solar, wind, and battery storage; and (iii) adjustments to corporate tax rates.

Interim Financial Statements. The consolidated balance sheets of TEC as of June 30, 2025 and December 31, 2024; the related consolidated statements of operations, statements of comprehensive income, and statements of equity for the three and six months ended June 30, 2025 and 2024; the consolidated statement of cash flows for the six months ended June 30, 2025 and 2024; and the related notes.

ISA. Interconnection Service Agreement.

ISO. Independent System Operator.

LC. Letter of credit.

LCF. The $900 million stand-alone letter of credit facility established under the Credit Agreement.

Martins Creek. A Talen-owned and operated generation facility in Bangor, Pennsylvania.

MMBtu. One million British Thermal Units.

Montour. A Talen-owned and operated generation facility in Washingtonville, Pennsylvania.

MW. Megawatt.

MWd. Megawatt-day.

MWh. Megawatt-hour.

Nautilus. Nautilus Cryptomine LLC, a cryptocurrency project that was previously a joint venture between the Company and TeraWulf. The Company purchased TeraWulf's interest in October 2024 and now owns 100% of Nautilus.

NAV. Net asset value.

NDT. Nuclear facility decommissioning trust that is expected to fund Talen's proportional costs associated with the future decommissioning activities of Susquehanna.

NERC. North American Electric Reliability Corporation.

NRC. U.S. Nuclear Regulatory Commission.

Nuclear PTC. The nuclear production tax credit under the Inflation Reduction Act.

PEDFA Bonds. The following series of Pennsylvania Economic Development Financing Authority ("PEDFA") Exempt Facilities Revenue Refunding Bonds: Series 2009A, due December 2038 ("PEDFA 2009A Bonds"); Series 2009B, due December 2038 ("PEDFA 2009B Bonds"); and Series 2009C, due December 2037 ("PEDFA 2009C Bonds"). The PEDFA 2009A Bonds were extinguished at emergence from bankruptcy in 2023; the PEDFA 2009B Bonds and PEDFA 2009C Bonds remain outstanding and are guaranteed by certain of the Subsidiary Guarantors.

PJM. PJM Interconnection, L.L.C., the RTO that coordinates the movement of wholesale electricity in all or parts of Pennsylvania, New Jersey, Maryland, 10 other states, and the District of Columbia.

PJM BRA. PJM Base Residual Auction, a component of PJM's capacity market intended to secure power supply resources from market participants in advance of the PJM Capacity Year. It is usually held during the month of May three years prior to the start of the PJM Capacity Year. Under PJM's "pay-for-performance" model, generation resources are required to deliver on demand during system emergencies or owe a payment for non-performance.

PJM Capacity Year. PJM capacity revenues for each delivery year covering the period from June 1 to May 31.

Plan of Reorganization. The Joint Chapter 11 Plan of Reorganization of Talen Energy Supply, LLC and Its Affiliated Debtors (Docket No. 1206), as subsequently amended, supplemented, or otherwise modified, and any exhibits or schedules thereto.

PP&E. Property, plant and equipment.

RCF. The senior secured revolving credit facility that provides $700 million in aggregate revolving loan and LC commitments under the Credit Agreement.

RGGI. The Regional Greenhouse Gas Initiative, a mandatory market-based program among certain states, including Maryland, New Jersey and Massachusetts, to cap and reduce carbon dioxide emissions from the power sector. RGGI requires certain electric power generators to hold allowances equal to their carbon dioxide emissions over a three-year control period. Pennsylvania has proposed joining this program.

RMR. A generation unit that is otherwise slated to be retired but agrees with PJM to remain operational beyond its requested deactivation date as a reliability-must-run resource to mitigate reliability concerns until necessary upgrades can be established.

RTO. Regional Transmission Organization.

Secured ISDAs. Certain bilateral secured International Swaps and Derivatives Association ("ISDA") agreements and Base Contracts for Sale and Purchase of Natural Gas as published by the North American Energy Standards Board ("NAESB") of Talen.

Secured Notes. The 8.625% Senior Secured Notes, due 2030, issued by Talen Energy Supply.

SRP. The share repurchase program, under which the Board of Directors has authorized the Company to repurchase shares of TEC's outstanding common stock.

Subsidiary Guarantors. The subsidiaries of TES that guarantee: (i) the obligations of TES under the Credit Facilities and the Secured Notes; and (ii) the obligations of Talen Energy Marketing under the Secured ISDAs.

Susquehanna. A nuclear-powered generation facility located near Berwick, Pennsylvania. A subsidiary of Talen Energy Supply operates and owns a 90% undivided interest in Susquehanna.

Talen (or the "Company," "we," "us," or "our"). (i) for periods after May 17, 2023, Talen Energy Corporation and its consolidated subsidiaries, unless the context clearly indicates otherwise; and (ii) for periods on or before May 17, 2023, Talen Energy Supply and its consolidated subsidiaries, unless the context clearly indicates otherwise.

Talen Energy Corporation (or "TEC"). Talen Energy Corporation, the parent company of Talen Energy Supply and its consolidated subsidiaries.

Talen Energy Marketing. Talen Energy Marketing, LLC, a direct subsidiary of Talen Energy Supply that provides energy management services to Talen-owned and operated generation facilities and engages in wholesale commodity marketing activities.

Talen Energy Supply (or "TES"). Talen Energy Supply, LLC, a direct subsidiary of Talen Energy Corporation that, thorough subsidiaries, indirectly holds all of Talen's assets and operations.

Talen Montana. Talen Montana, LLC, a Talen subsidiary that operates Colstrip, owns an undivided interest in Colstrip Unit 3, and is party to a contractual economic sharing agreement for Colstrip Units 3 and 4.

TeraWulf. TeraWulf (Thales) LLC, a wholly owned subsidiary of TeraWulf Inc. and an unaffiliated third party.

TLB-1. The $580 million (subsequently increased to $870 million) senior secured term loan B facility, due May 2030, under the Credit Agreement.

TLB-2. The $850 million senior secured term loan B facility, due December 2031, under the Credit Agreement.

TLC LCF. The $470 million cash collateralized LC facility under the Credit Agreement. The TLC LCF was terminated in December 2024.

WECC. The Western Electricity Coordinating Council, a non-profit corporation that assures a reliable and secure bulk electric system in the Western Interconnection, covering all or parts of Montana, 13 other U.S. States, Canada, and Mexico.

SIGNATURES

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

Date:	August 7, 2025	By:	*/s/ Terry L. Nutt*
		Name:	Terry L. Nutt
		Title:	Chief Financial Officer

Exhibit 2.1

Execution Copy

PURCHASE AND SALE AGREEMENT

between

CAITHNESS ENERGY, L.L.C.,

as Seller,

and

TALEN GENERATION, LLC,

as Buyer

Dated as of July 17, 2025

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SCHEDULES

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EXHIBITS

Exhibit A – Form of Assignment and Assumption Agreement
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Exhibit C – Form of Transition Services Agreement
Exhibit D – Operating Budgets

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement is entered into as of July 17, 2025, by and between Caithness Energy, L.L.C., a Delaware limited liability company ("Seller"), and Talen Generation, LLC, a Delaware limited liability company ("Buyer"). Each of Seller and Buyer is referred to herein individually, as a "Party", and, together, as the "Parties".

W I T N E S S E T H:

WHEREAS, Seller, through certain of its Subsidiaries, including Moxie Freedom Holdings LLC, a Delaware limited liability company (the "Subsidiary Seller"), owns and controls a 1,105 MW natural gas fired combined cycle generation project located in Luzerne County, Pennsylvania (the "Project");

WHEREAS, Seller desires to sell or caused to be sold to Buyer, and Buyer desires to purchase, all of Seller's indirect ownership interests in the Project; and

WHEREAS, concurrently with the execution and delivery of this Agreement, as a material inducement to Seller's willingness to enter into this Agreement, Talen Energy Corporation, a Delaware corporation ("Parent Guarantor"), is entering into a guarantee (the "Parent Guaranty") for the benefit of Seller, pursuant to which Parent Guarantor is guaranteeing the obligations of Buyer hereunder on the terms and subject to the conditions set forth in the Parent Guaranty.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises herein made, and in consideration of the representations and warranties herein contained, and for other good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties, intending to become legally bound, hereby agree as follows:

Article I.

DEFINITIONS

Section 1.1 Certain Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Accounting Firm" has the meaning set forth in Section 2.4(e).

"Accounting Principles" means (a) first, the adjustments, principles and methodologies set forth on Schedule I, (b) second, the accounting methods, principles, policies, practices and procedures, with consistent classifications, judgments and estimation methodology, as were used in the preparation of the Audited Financial Statements, and (c) third, to the extent not otherwise addressed in clauses (a) and (b) above, GAAP.

"Action" means any action, suit, proceeding, claim, charge, audit, arbitration, investigation, hearing, inquiry, complaint, summons, examination or proceeding by or before any Governmental Authority.

"Actual Closing Schedule" has the meaning set forth in Section 2.4(b).

"Adjustment Escrow Account" has the meaning set forth in Section 2.3(g).

"Adjustment Escrow Deposit" has the meaning set forth in Section 2.3(g).

"Admin Agreement" means that certain Administrative Management Agreement, dated November 10, 2015, by and between the Project Company and Caithness Freedom Administrative Management, LLC, a Delaware limited liability company.

"Affiliate" means, with respect to any Person, any other Person that directly, or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person.

"Affiliate Contract" means any Contract between (a) any Company Entity, on the one hand, and (b) (i) any Seller Entity or any of its Affiliates (other than a Company Entity) or (ii) any director, manager, officer, equityholder (other than limited partners or similar passive equityholders in investment funds or vehicles) or management-level employee of Seller or any of its Affiliates (other than a Company Entity), or any immediate family member of any of the foregoing, on the other hand.

"Affiliated Group" means an affiliated group as defined in Section 1504 of the Code (or any analogous combined, consolidated or unitary group defined under state, local or foreign income Tax law) of which a Company Entity is or has been a member.

"Aggregate Restoration Cost" has the meaning set forth in Section 6.12(b).

"Agreed Tax Treatment" has the meaning set forth in Section 6.7(a).

"Agreement" means this Purchase and Sale Agreement, including all Exhibits and Schedules hereto (including the Seller Disclosure Schedule and the Buyer Disclosure Schedule), as the same may be amended, modified or supplemented from time to time in accordance with its terms.

"AMA Extension Notice" has the meaning set forth in Section 6.18.

"AMA Extension Period" has the meaning set forth in Section 6.18.

"Anti-Corruption Laws" means all applicable U.S. and non-U.S. Laws relating to the prevention of corruption, money laundering, and bribery, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the UK Bribery Act of 2010.

"Assignment and Assumption Agreement" means, with respect to any Interests to be acquired by Buyer on the Closing Date pursuant to this Agreement, an Assignment and Assumption Agreement, substantially in the form attached hereto as Exhibit A, to be entered into at Closing between Buyer and the holder of such Interests, to effectuate the transfer of such Interests.

"Audited Financial Statements" has the meaning set forth in Section 3.6(a)(ii).

"Balance Sheet Date" means March 31, 2025.

"Benefit Plan" means each "employee benefit plan" (as defined in Section 3(3) of ERISA, whether or not subject thereto) and each other benefit or compensation plan, program, policy, agreement or arrangement of any kind.

"Business Day(s)" means any day other than Saturday, Sunday or any other day on which banking institutions in New York, New York or Houston, Texas are not open for the transaction of normal banking business.

"Business IP" has the meaning set forth in Section 3.21(c).

"Buyer" has the meaning set forth in the preamble to this Agreement.

"Buyer Disclosure Schedule" means the disclosure schedule delivered by Buyer to Seller on the date hereof and attached hereto.

"Buyer Expenses" has the meaning set forth in Section 10.10(a).

"Buyer Fundamental Representations" means the representations and warranties set forth in Section 5.1 (*Organization*), Section 5.2 (*Authorization*), Section 5.3(a) (*Noncontravention*) and Section 5.8 (*Brokers' Fees*).

"Buyer Related Parties" means Talen and each of its Subsidiaries (including Buyer and, after the Closing, the Company Entities) and each of the current, former or future Representatives of any of the foregoing.

"Buyer Released Claims" has the meaning set forth in Section 8.2(c).

"Buyer Releasee" has the meaning set forth in Section 8.2(c).

"Buyer Releasor" has the meaning set forth in Section 8.2(c).

"Caithness Freedom" means Caithness Freedom, LLC, a Delaware limited liability company.

"Caithness Freedom Class B Holdings" means Caithness Freedom Class B Holdings, LLC, a Delaware limited liability company.

"Caithness Freedom Common Interests" means all issued and outstanding "Common Interests" (as defined in the Caithness Freedom LLCA) in Caithness Freedom.

"Caithness Freedom Common Interests Sale" has the meaning set forth in Section 2.1.

"Caithness Freedom LLCA" means the Amended and Restated Limited Liability Company Agreement of Caithness Freedom, dated as of November 10, 2015.

"Calculation Time" means 11:59 p.m., Eastern Time, on the day immediately prior to the Closing Date.

"Cash" means, as of the applicable time of determination, all cash and cash equivalents, including any checks received and not yet deposited, account balances, marketable securities, checks, commercial paper, treasury bills, cash on deposit and over-the-counter bank deposits, but excluding any checks issued but not yet drawn. "Cash" shall exclude (a) all deposits and other credit support with third-parties, including (i) cash held as a guarantee in respect of any performance of Contracts and (ii) cash security deposits posted with lessors or to otherwise support letters of credit in respect of real property lease obligations and (b) any Casualty Cash, except to the extent the Purchase Price is reduced pursuant to Section 6.12 in respect of the applicable Casualty Loss; *provided, however,* that notwithstanding anything to the contrary in the foregoing, "Cash" shall include all cash and cash equivalents held in depositary accounts established pursuant to, and pledged as collateral in accordance with, the Financing Documents so long as any Liens on such depositary accounts under the Financing Documents are released upon payment of the Payoff Indebtedness at Closing.

"Casualty Cash" has the meaning set forth in Section 6.12(a).

"Casualty Loss" has the meaning set forth in Section 6.12(a).

"Class B Holdings Interests" means all issued and outstanding Interests in Caithness Freedom Class B Holdings.

"Closing" has the meaning set forth in Section 2.3(a).

"Closing Cash" means the amount of Cash of the Company Entities as of the Calculation Time determined in accordance with the Accounting Principles (without giving effect to the transactions contemplated by this Agreement).

"Closing Date" means the date the Closing actually occurs pursuant to Section 2.3(a).

"Closing Indebtedness" means the amount of Indebtedness of the Company Entities outstanding as of the Calculation Time and determined in accordance with the Accounting Principles (without giving effect to the transactions contemplated by this Agreement).

"Closing Net Working Capital" means, as of the Calculation Time (without giving effect to the transactions contemplated by this Agreement), (a) a positive amount equal to the amount by which Working Capital for the Company Entities exceeds the Target Working Capital Amount or (b) a negative amount equal to the amount by which Working Capital for the Company Entities is less than the Target Working Capital Amount.

"Closing Transaction Expenses" means the Transaction Expenses.

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"Comfort Period" has the meaning set forth in Section 6.13(b).

"Company Entities" means Caithness Freedom, Caithness Freedom Class B Holdings, the Manager and each of their respective Subsidiaries; *provided*, that following (a) the earlier to occur of (i) Seller obtaining the Preferred Holders Consent and (ii) redemption of all the issued and outstanding Preferred Interests in accordance with Section 11.3 of the Caithness Freedom LLCA and (b) the election of Buyer pursuant to Section 2.1 to purchase the Project Company Interests directly from Subsidiary Seller, all references in this Agreement to Company Entities shall mean only the Project Company.

"Company Interests" means the Caithness Freedom Common Interests, the Caithness Freedom Class B Holdings Interests and the Manager Interests; *provided*, that following (a) the earlier to occur of (i) Seller obtaining the Preferred Holders Consent and (ii) redemption of all the issued and outstanding Preferred Interests in accordance with Section 11.3 of the Caithness Freedom LLCA and (b) the election of Buyer pursuant to Section 2.1 to purchase the Project Company Interests directly from Subsidiary Seller, all references in this Agreement to Company Interests shall mean only the Project Company Interests.

"Company Owned IP" has the meaning set forth in Section 3.21.

"Company Systems" means all of the following that are owned, used or relied on, by or for any Company Entity or the Project: software, devices, hardware (whether general or special purpose), electronic data processing, information, record keeping, communications, or telecommunications systems, networks, platforms, servers, circuits, peripherals and other computer systems and information technology assets.

"Confidentiality Agreement" means the Confidentiality Agreement, dated as of August 1, 2024 between Caithness Energy, L.L.C. and Talen, as may be amended or supplemented from time to time.

"Consents" means consents, approvals, exemptions, waivers, authorizations, filings, registrations and notifications.

"Contract" means any agreement, contract, subcontract, lease, license, sublicense or other legally binding commitment or undertaking (other than any Permit). For the avoidance of doubt, with respect to any Swap (as defined in 7 USC § 1a(47)(A)) or derivatives of any kind, each transaction and each master agreement shall represent a separate Contract.

"Contracting Parties" has the meaning set forth in Section 10.11.

"Control" means, with respect to any Person, the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person,

whether through the ownership of voting securities or ownership interests, by contract or otherwise.

"Cooperation Period" has the meaning set forth in Section 6.13(a).

"Covered Party" has the meaning set forth in Section 6.9(a).

"D&O Insurance" has the meaning set forth in Section 6.9(c).

"Data Breach" means any actual (a) breach of Personal Information that would give rise to any obligations on behalf of any Company Entity under Privacy Laws, or (b) breach of security, phishing incident, ransomware or malware attack, unauthorized Processing, or other cyber or security incident affecting or with respect to any of the Company Systems or data and information (including trade secrets and personal information) owned or Processed by or on behalf of any Company Entity or in connection with the business of any Company Entity or the Project.

"Data Security Requirements" means contractual obligations or industry standards to which any Company Entity or, in connection with the business of any Company Entity or the Project, Seller or any of its other Affiliates is bound, including, to the extent applicable, the Payment Card Industry Data Security Standard; and the Company Entities' and Seller's and its other Affiliates' (a) privacy policies and (b) information security policies, concerning the collection, use, storage, processing, transfer, disclosure, protection, safeguarding, disposal, sharing, or other Processing of Personal Information or otherwise related to privacy, data security, or data protection.

"Debt Financing" means any debt financing amount incurred or intended to be incurred to fund the Purchase Price and Transaction Expenses.

"Delivery Deadline" has the meaning set forth in Section 2.4(b).

"Due Diligence Materials" means those documents and materials made available to Buyer, its Affiliates and their Representatives prior to the date hereof in the Merrill DataSite virtual data room regarding the Company Entities and any written questions and answers exchanged between Buyer and its Affiliates and Seller and its Affiliates prior to the date hereof with respect thereto.

"Emissions Credits" means all emissions credits and allowances (including NOx and SOx Acid Rain credits and Cross State Air Pollution Rule credits) required under Environmental Law for the operation of the Project; *provided*, *however*, in no event shall "Emissions Credits" include renewable energy credits or certificates.

"Enterprise Value" means $1,458,010,000.

"Environment" means ambient air, indoor air, surface water and groundwater (including potable water, navigable water and wetlands), the land surface or subsurface strata natural resources and any other environmental media.

"Environmental Law" means any applicable Law (other than any such Law first coming into effect following the Closing Date) relating to Emissions Credits, pollution, human and worker health and safety as related to exposure to Hazardous Substances, or the protection, preservation or restoration of the Environment.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"Escrow Agent" has the meaning set forth in Section 2.3(g).

"Escrow Agreement" has the meaning set forth in Section 2.3(g).

"Estimated Closing Cash" has the meaning set forth in Section 2.4(a).

"Estimated Closing Indebtedness" has the meaning set forth in Section 2.4(a).

"Estimated Closing Net Working Capital" has the meaning set forth in Section 2.4(a).

"Estimated Closing Schedule" has the meaning set forth in Section 2.4(a).

"Estimated Closing Transaction Expenses" has the meaning set forth in Section 2.4(a).

"Estimated Purchase Price" means an amount equal to (a) the Enterprise Value, plus (b) the amount of Estimated Closing Cash, minus (c) the amount of Estimated Closing Indebtedness, plus (d) the amount of Estimated Closing Net Working Capital, minus (e) the Preferred Redemption Amount, minus (f) the amount of Estimated Closing Transaction Expenses, minus (g) (i) if the amount of the Aggregate Restoration Cost (if any) exceeds one percent (1%) of the Enterprise Value, such Aggregate Restoration Cost pursuant to Section 6.12 or (ii) otherwise, $0.

"Ex-Im Laws" means all applicable U.S. and non-U.S. Laws relating to export, reexport, transfer, and import controls, in jurisdictions where any Company Entity is located or conducting business, including the Export Administration Regulations, the International Traffic in Arms Regulations, the customs and import Laws administered by U.S. Customs and Border Protection, and the EU Dual Use Regulation.

"Exempt Wholesale Generator" means an "exempt wholesale generator" under PUHCA and applicable FERC rules and regulations, as amended from time to time.

"External Events" has the meaning set forth in the definition of "Material Adverse Effect."

"FERC" means the Federal Energy Regulatory Commission, or its successor.

"Final Allocation Schedule" has the meaning set forth in Section 2.5.

"Final Closing Schedule" has the meaning set forth in Section 2.4(e).

"Financial Statements" has the meaning set forth in Section 3.6(a).

"Financing Documents" means the agreements listed on Section 1.1(a) of the Seller Disclosure Schedule.

"FPA" means the Federal Power Act, as amended, and FERC's implementing rules and regulations promulgated thereunder.

"Fraud" means, with respect to a Party, an actual and intentional fraud with respect to the making of representations and warranties by such Party contained in this Agreement, as determined by a court of competent jurisdiction, with the specific intent to deceive and mislead (as opposed to reckless indifference to the truth).

"GAAP" means generally accepted accounting principles in the United States of America.

"GE CSA" means that certain Contractual Service Agreement, dated September 17, 2015, between Moxie Freedom LLC and General Electric International, Inc.

"Governing Documents" means, (a) with respect to any corporation, its articles or certificate of incorporation and bylaws, (b) with respect to any limited liability company, its articles or certificate of organization or formation and its operating agreement or limited liability company agreement or governing or organizational documents of similar substance, (c) with respect to any limited partnership, its certificate of limited partnership and partnership agreement or governing or organizational documents of similar substance and (d) with respect to any other entity, its governing or organizational documents of similar substance to any of the foregoing, in the case of each of clauses (a) through (d), as may be in effect from time to time.

"Governmental Authority" means any federal, state, local or foreign government or political subdivision thereof, legislature, judicial or arbitral body (public or private), court of competent jurisdiction, administrative agency or commission or other governmental or quasi-governmental or regulatory authority, official or other instrumentality of any the foregoing (including NERC and PJM), and including any governmental, quasi–governmental or non-governmental body exercising legislative, judicial, regulatory or administrative authority of government or administering, regulating or having general oversight over natural gas and other fuel, electricity, power or other markets.

"Governmental Order" means any binding order, writ, judgment, injunction, decree, stipulation, verdict, determination, ruling or award of or with any Governmental Authority.

"Hazardous Substances" means (a) pesticides, petroleum or petroleum byproducts, per- and polyfluoroalkyl substances, asbestos or asbestos containing materials, polychlorinated biphenyls, toxic mold or radioactive substances and (b) any materials,

substances, chemicals, contaminants, pollutants or wastes regulated or listed by, or for which Liability or standards of conduct are imposed pursuant to, any Environmental Law.

"Hedging Contract" means any swap (as defined in 7 USC § 1a(47)(A)), exchange, commodity option or other derivative (including hedging) Contract.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Income Taxes" means any Taxes based on or measured in whole or in part on the basis of income, and any franchise, profits or gross receipts Taxes imposed in lieu thereof. For the avoidance of doubt, Income Taxes shall not include sales, use and transfer Taxes.

"Indebtedness" means (without duplication) the aggregate amount of the following obligations: (a) any indebtedness or obligations for borrowed money (including accrued and unpaid interest payable in connection therewith); (b) any obligations evidenced by bonds, debentures, notes or other similar instruments; (c) any obligations under leases required by GAAP to be capitalized on a balance sheet, including capital or finance leases; (d) any reimbursement, payment or similar obligations (to the extent not paid or otherwise discharged prior to the Calculation Time) that are due and payable in respect of any drawn letters of credit, surety or performance bonds, bankers' acceptances or similar instruments; (e) any indebtedness created or arising under any conditional sale or other title retention agreements; (f) any indebtedness for the deferred purchase price of assets, property, goods or services, including the reasonably expected amount of any "earnout" (whether contingent or not) (except trade accounts and other payables arising in the Ordinary Course of Business to the extent included as a current liability in Working Capital); (g) any breakage costs, prepayment penalties or premiums, bid-to-mid spreads on the early termination of any Hedging Contract (other than any Hedging Contract entered into with the purpose of hedging commodity prices), or other similar costs, penalties or fees that arise from the early repayment, prepayment or termination of the Financing Documents or such Hedging Contracts or any other interest rate hedging agreements (in each case net of any amounts receivable on or from the early termination of such Hedging Contracts or other interest rate hedging agreements, it being understood and agreed that if such amounts receivable exceed the costs, penalties, premiums and spreads described in this clause (g), the net amount of such excess shall decrease Indebtedness), (h) without duplication of any item described in clauses (a) through (g), any guaranty of, or outstanding credit support issued in respect of, any of the foregoing described in clauses (a) through (h); and (i) any obligations in the nature of accrued fees, interest (net of accrued interest rate swap interest), collection fees, breakage or make-whole payments or penalties with respect to any of the foregoing; *provided*, *however*, that in no event shall Indebtedness include any (i) breakage costs, make-whole payments, prepayment penalties or premiums, bid-to-mid spreads or mark-to-market losses or other obligations that arise from the early repayment, prepayment or early termination of any Hedging Contract entered into with the purpose of hedging commodity prices, (ii) obligation of Caithness Freedom under its Governing Documents in respect of the "Preferred Interests" (as defined in the Moxie Freedom Holding Company LLCA), including the Preferred Redemption Amount, (iii) obligation from one Company Entity to another Company Entity (iv) obligation incurred by, on behalf of, or at the

direction of Buyer or any of its Affiliates, (v) amount included in Transaction Expenses or Working Capital, or (vi) liabilities of the Company Entities for the purchase of any capital spares under the GE CSA.

"Intellectual Property" means all of the following: (a) patents, patent applications, utility models and applications for utility models, including all continuations, divisionals, continuations-in-part, foreign counterparts, provisionals, and issuances of any of the foregoing, and all reissues, reexaminations, substitutions, renewals, extensions and related priority rights of any of the foregoing, (b) Trademarks, (c) copyrights, and all registrations, applications, renewals, extensions and reversions of any of the foregoing, (d) trade secrets, technology, know-how, software, data, databases, inventions, formulas, algorithms, procedures, methods, processes, developments and research, and (e) any other proprietary or intellectual property rights.

"Interests" means, with respect to any Person, any capital stock, shares, partnership interests, limited liability company interests, membership interests or units, profits interests or any other equity interests in, options or other rights to acquire, securities convertible into, exercisable for, or relating to, or rights tracking the value of, any capital stock, shares, partnership interests, limited liability company interests, membership interests or units, or any other equity interests, or other equity participation, such Person.

"Interim Financial Statements" has the meaning set forth in Section 3.6(a)(i).

"Interim Period" has the meaning set forth in Section 6.1(a).

"IRS" means U.S. Internal Revenue Service.

"Knowledge" means, with respect to Seller, the actual knowledge (as opposed to any constructive or imputed knowledge), after reasonable inquiry, of any individual set forth on Section 1.1(b) of the Seller Disclosure Schedule and, with respect to Buyer, the actual knowledge (as opposed to any constructive or imputed knowledge), after reasonable inquiry, of any individual set forth on Section 1.1(a) of the Buyer Disclosure Schedule.

"Labor Agreement" has the meaning set forth in Section 3.16(a).

"Law" or "Laws" means all laws (including common law), statutes, constitutions, rules, regulations, ordinances, acts, codes, and rulings of any Governmental Authority and all Governmental Orders.

"Leased Real Property" has the meaning set forth in Section 3.10(b).

"Liability" means any loss, commitment or obligation or liability of any nature (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including those arising under any Contract, Right or Law.

"Lien" means any mortgage, pledge, lien, license, encumbrance, charge or other security interest.

"Lookback Date" means the date three (3) years prior to the date hereof.

"Manager" means Caithness PA Services, LLC, a Delaware limited liability company.

"Manager Interests" means all the issued and outstanding Interests in the Manager.

"Marketing Efforts" means (a) participation by the senior management team of the Seller or the Company Entities in (i) the preparation of the Marketing Material and any reasonable number of due diligence virtual sessions related thereto (but not to exceed, in any case, together with any other due diligence virtual sessions participated in by the senior management team of the Seller or its Affiliates at the request of the Buyer or its Affiliates in respect of any other assets of the Seller and its Affiliates, three (3) sessions), in each case during normal business hours and with reasonable prior notice and subject to customary confidentiality arrangements, (ii) a customary virtual bank meeting and customary roadshow meetings, and (iii) preparation of customary rating agency presentations and virtual meetings with one or more rating agencies (but not to exceed, in any case, together with any other rating agency presentations and virtual meetings participated in by the senior management team of the Seller or its Affiliates at the request of the Buyer or its Affiliates in respect of any other assets of the Seller and its Affiliates, three (3) meetings) and (b) the delivery of customary authorization letters and confirmations in connection with the Marketing Material with respect to presence or absence of material non-public information and material accuracy of the information contained therein.

"Marketing Material" means a customary "public side" bank book, a customary "private side" bank book, a customary lender presentation, customary offering documents, confidential information memoranda or similar documents or materials customarily prepared and used in connection with a syndication and marketing of the Debt Financing regarding the business, operations, financial condition, projections and prospects of each Company Entity and its Subsidiaries and to be used by Buyer in connection with a syndication and marketing of the Debt Financing.

"Material Adverse Effect" means: any change, event, occurrence, fact, circumstance, condition or effect that, individually or together with any other changes, events, occurrences, facts, circumstances, condition or effects, (a) with respect to the Company Entities, has had or would reasonably be expected to have a material adverse effect on the business, operations, properties, condition (financial or otherwise) or results of operations of the Company Entities, taken as a whole; *provided, however,* that none of the following shall constitute or be deemed to contribute to a Material Adverse Effect, or shall otherwise be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur under this clause (a): (i) changes generally affecting the industries or geographies in which the Company Entities operate, whether national, regional, state, provincial or local (including (A) changes in the electric generating, transmission or distribution industries, (B) changes in the energy industry or wholesale or retail markets for electric power, power generation (including capacity or resource adequacy), power transmission, battery storage or frequency modulation (or other ancillary services) or other electricity or fuel supply or other transportation or related

products and operations, including those due to actions by competitors and regulators, (C) changes in the electric transmission or distribution systems generally, including due to new generating facilities, and (D) changes in the markets for or cost of electricity generally, including due to new generating facilities); (ii) changes in general business, economic, regulatory or political conditions, including inflation or deflation, any acts of war, terrorism, sabotage, outbreak or escalation of hostilities or change in geopolitical conditions; (iii) local, regional, national or international political, social or health conditions, including any Public Health Matter (including any commercially reasonable action or omission of Seller or any Company Entity in response to any Public Health Matter or any Public Health Measure); (iv) changes in Law or regulatory policy or the interpretation or enforcement thereof; (v) changes or adverse conditions in the financial, banking or securities markets, in each case, including any disruption thereof and any decline in the price of any security, asset class or any market index or any changes in general credit availability; (vi) changes in fiscal or monetary policies, including any changes in interest rates or quantitative easing or quantitative tightening policies; (vii) changes in economic or financial sanctions, trade embargoes, tariffs or other trade restrictions; (viii) changes in accounting requirements or principles; (ix) effects of weather, meteorological conditions or events or other natural disasters on the operating performance of the Project associated with such weather or meteorological conditions, events or other natural disasters (clauses (i) through (ix), collectively, "External Events"); (x) the announcement, negotiation, pendency, execution or delivery of this Agreement or the consummation of the transactions contemplated hereby, including the identity of, or the effect of any fact or circumstance relating to, Buyer or any of its Subsidiaries or Affiliates or any communication by Buyer or any of its Subsidiaries or Affiliates regarding plans, proposals or projections with respect to the Company Entities (including any impact on the relationship of the Company Entities, contractual or otherwise, with its customers, suppliers, distributors, vendors, lenders, employees or partners); (xi) actions expressly required or permitted to be taken by the Company Entities in accordance with this Agreement or the other Transaction Documents or requested, or consented to, by Buyer or any of its Subsidiaries or Affiliates; (xii) any Casualty Loss; or (xiii) failure by any Company Entity to meet any projections or forecasts for any period (*provided* that the underlying causes thereof, to the extent not otherwise excluded by this definition, may be deemed to contribute to a Material Adverse Effect; *provided further* that this clause (xiii) shall not be construed as implying that Seller is making any representation or warranty hereunder with respect to any projections or forecasts, and no such representations or warranties are being made); *provided, however,* that, in the case of an External Event, such External Event may be taken into account to the extent it adversely affects the Company Entities, taken as a whole, in a disproportionate manner relative to other similarly situated participants in the industry and the geographic area served by the PJM in which the Company Entities operate; (b) with respect to Buyer, has or would reasonably be expected to prevent or materially delay the performance by Buyer or its Affiliates of any obligation under, or the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents; and (c) with respect to Seller, has or would reasonably be expected to prevent the performance by Seller or its Affiliates of any obligation under, or the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents.

"Material Contracts" means the following Contracts to which any Company Entity is a party or by which any Company Entity or any of its properties or assets may be

bound, together with all amendments, exhibits, annexes or other supplements thereto, and which are in effect as of the date hereof: (a) each interconnection Contract, including any related service Contract; (b) each Contract for the purchase, sale, storage, exchange, supply, or delivery of energy, capacity, power, steam, water or ancillary services; (c) each Contract for the transmission of electricity; (d) each Contract for the sale, purchase, supply, storage or transport of natural gas or other fuel supply; (e) each Hedging Contract; (f) each operation, maintenance and management Contract that is material to the operation of the Project; (g) each Contract (other than any Real Property Agreement) which provides for aggregate future payments to or from any Company Entity in excess of $2,000,000 per year or $4,000,000 in the aggregate; (h) each Contract which contains any covenant that purports to restrict any of the Company Entities from (i) soliciting, competing or engaging in any line of business or operating in any geographic area, (ii) soliciting any employee, customer or other Person for business, employment or other purposes, or (iii) selling, transferring, pledging or otherwise disposing of any material asset; (i) each Contract pursuant to which any Company Entity is required to purchase its total requirements of any product or service from a third party or any Contracts with "sole source" suppliers; (j) each Contract that obligates any Company Entity to make a minimum amount of purchases of goods or services or for any "take or pay" obligations; (k) each Contract which contains any right of first refusal, exclusivity, most favored nation or similar rights; (l) each Contract under which any Company Entity has (i) created, incurred, assumed or guaranteed any outstanding Indebtedness or (ii) granted a Lien on its assets, whether tangible or intangible, to secure such Indebtedness; (m) each Affiliate Contract; (n) the Financing Documents; (o) each Contract establishing any joint venture, strategic alliance, co-development, co-tenancy or shared facilities relationship; (p) each Contract (i) pursuant to which any Intellectual Property material to the operation of the Project as currently operated or any Company Entity is licensed (or any right is granted) by, to or from any Company Entity (provided that the following shall not be required to be set forth on Section 3.12(p) of the Seller Disclosure Schedule with respect to this clause (p)(i)): (A) Off the Shelf Software Licenses, (B) non-exclusive licenses in Contracts with customers entered into in the Ordinary Course of Business, (C) non-exclusive licenses in Contracts with contractors or vendors entered into in the Ordinary Course of Business where the license is incidental to the services provided from such contractor or vendor and (D) non-exclusive non-disclosure and confidentiality agreements entered into in the Ordinary Course of Business), or (ii) that relates to the acquisition, divestiture, or development of Intellectual Property (provided that assignments of Intellectual Property to a Company Entity from employees, contractors, and consultants to any Company Entity in the Ordinary Course of Business shall not be required to be set forth on Section 3.12(p) of the Seller Disclosure Schedule with respect to this clause (p)(ii)), that arose out of any Intellectual Property-related dispute, or that were entered into outside of the Ordinary Course of Business, or that materially and adversely affect any Company Entity's ability to own, use, transfer, license, disclose or enforce any Company Owned IP; (q) each Contract providing for the acquisition or disposition by any Company Entity of any business or division of any business (whether by merger, purchase or sale of Interests or assets or otherwise) occurring after the date of this Agreement or pursuant to which any Company Entity has an existing obligation to pay any material amounts in respect of indemnification obligations, purchase price adjustments, earn-outs, deferred purchase price, or otherwise, in connection with any merger, consolidation or other business combination or any acquisition or disposition of a business or division or line of business or assets; (r) each Contract

providing for the purchase or sale of any material assets or Interests of any Company Entity (whether by merger or otherwise, other than sales of inventory or obsolete equipment, in each case, in the Ordinary Course of Business) pursuant to which any Company Entity has any ongoing indemnification obligations (excluding in respect of customary fundamental representations and warranties) or earnout or similar contingent payment obligations, or the grant of any preferential rights to purchase any such material assets; (s) each Contract providing for the lease of any tangible assets (other than the Real Property Agreements) with a value greater than $500,000 in any calendar year with respect to each such Contract or series of related Contracts; (t) each Contract entered into since the Lookback Date involving the resolution, compromise or settlement of any actual or threatened Action in an amount greater than $500,000; (u) other than in connection with the Financing Documents, each Contract of guaranty, surety or other indemnification (excluding indemnification provisions customarily included in Contracts entered into in the Ordinary Course of Business), direct or indirect, by any Company Entity; (v) other than any Governing Documents, each investor rights or equity holder agreement, voting agreement or other Contract with respect to the voting, issuance, sale, transfer or other disposition of any Interests in any Company Entity; (w) each shared facilities Contract or other Contract for the shared or joint use, operation or maintenance of any real or personal assets; (x) each Contract with a Governmental Authority, including any settlement, conciliation or similar agreement with a Governmental Authority or pursuant to which any Company Entity will have any material outstanding obligation after the date of this Agreement; (y) any Contract with any non-profit organization, nongovernmental organization, advocacy group, community group or similar organization including any settlement, conciliation or similar agreement with and of the foregoing Persons; and (z) any legally binding commitment to enter into any of the foregoing.

"Matter Description" has the meaning set forth in Section 6.1(b).

"MBR Authority" means an order by FERC pursuant to Section 205 of the FPA and the rules and regulations of FERC (a) authorizing an entity to engage in wholesale sales of electric energy, capacity or ancillary services at market-based rates, (b) accepting a tariff for filing that provides for such sales, and (c) granting such regulatory waivers and blanket authorizations as are customarily granted to persons with such authority, including blanket authorization to issue securities and assume liabilities and obligations pursuant to Section 204 of the FPA and Part 34 of FERC's regulations.

"NERC" means the North American Electric Reliability Corporation and any "Regional Entity" delegated with authority pursuant to 18 C.F.R. § 39.8, and any successor thereto.

"Non-Recourse Persons" has the meaning set forth in Section 10.11.

"O&M Agreement" means that certain Operation and Management Agreement for the Freedom Power Plant, dated November 10, 2015, by and between the Project Company and the O&M Provider, as may be amended from time to time.

"O&M Provider" means EthosEnergy Power Plant Services, LLC, a Nevada limited liability company.

"OFAC" has the meaning set forth in the definition of "Sanctioned Person."

"Off the Shelf Software Licenses" means click wrap, shrink wrap or other standard, non-exclusive licenses for generally commercially available or off the shelf software used by the Company Entities solely for their internal business purposes, in each case with aggregate license, maintenance, support and other fees of less than $100,000 per year.

"Operating Budgets" means the operating budgets for the Company Entities and the Project for the fiscal year 2025 attached hereto as Exhibit D (without giving effect to any amendments or other modifications thereto following the date hereof).

"Ordinary Course of Business" means the ordinary and usual course of day-to-day operations of the Company Entities consistent with past practice, taken as a whole.

"Other Indemnitors" has the meaning set forth in Section 6.9(d).

"Owned Real Property" has the meaning set forth in Section 3.10(a).

"Parent Guarantor" has the meaning set forth in the recitals to this Agreement.

"Parent Guaranty" has the meaning set forth in the recitals to this Agreement.

"Party" or "Parties" has the meaning set forth in the preamble to this Agreement.

"Pass-Through Income Tax Return" means any Tax Return reporting the income of a Company Entity if (a) such entity is treated as a partnership or disregarded entity for purposes of such Tax Return and (b) the results of operations reflected on such Tax Return would also be reported as income on a Tax Return of Seller (or any direct or indirect owner of Seller).

"Payoff Indebtedness" has the meaning set forth in Section 2.3(b)(ii).

"Payoff Indebtedness Amount" has the meaning set forth in Section 2.3(b)(ii).

"Payoff Letters" has the meaning set forth in Section 2.3(b)(ii).

"Permits" means permits, licenses, franchises, registrations, variances, authorizations, certifications, consents, exemptions, waivers and approvals obtained from any Governmental Authority.

"Permitted Liens" means any (a) mechanic's, materialmen's, laborer's, workmen's, repairmen's, carrier's and similar Liens, including all statutory Liens, arising or incurred in the Ordinary Course of Business, which are not yet due or payable or the validity or amount of which is being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP, (b) Liens for Taxes not yet due and payable or that are being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP, (c) purchase money

Liens and Liens securing rental payments under capital lease arrangements for personal property, (d) pledges or deposits under workers' compensation legislation, unemployment insurance Laws or similar Laws, (e) good faith deposits in connection with bids, tenders, leases, contracts or other agreements, including rent security deposits, (f) pledges or deposits to secure public or statutory obligations or appeal bonds, (g) Liens arising under or created by any of the Financing Documents other than as a result of a breach or default under such Financing Document, (h) non-exclusive licenses of Intellectual Property granted by a Company Entity in the Ordinary Course of Business, (i) with respect to the Owned Real Property, restrictions, easements, covenants, conditions, and other similar matters of record affecting title to the Owned Real Property, which do not or would not materially impair the current use, occupancy or value of such Owned Real Property in the Ordinary Course of Business of the Company Entities conducted thereon, (j) zoning, building codes and other land use Laws regulating the use or occupancy of such Real Property or the activities conducted thereon which are imposed by any Governmental Authority having jurisdiction over such Real Property and which are not violated by the current use or occupancy of such Real Property in the Ordinary Course of Business or any violation of which would not reasonably be expected to be material to the Company Entities or the Project, taken as a whole, (k) Liens in favor of another Company Entity, (l) any right, interest, title or other Lien of a lessor or sublessor in the leased property under any lease included in the Due Diligence Materials to the extent such Liens are not currently enforceable as a result of a breach or default by any Company Entity, (m) Liens that will be released at or prior to Closing, and (n) Liens listed on Section 1.1(c) of the Seller Disclosure Schedule.

"Person" means an individual, partnership, limited liability partnership, corporation, limited liability company, association, joint stock company, trust, estate, joint venture, unincorporated organization, Governmental Authority, or other entity of any kind.

"Personal Information" means a natural person's name, street address, telephone number, email address, photograph, social security number, driver's license number, passport number or customer or account number or any other piece of information that identifies or locates a natural person or that, in combination with other reasonably available data, can be used to identify or locate a natural person, or is otherwise considered to be "personal information", "personal data", or the like under any Law.

"PJM" means PJM Interconnection, L.L.C.

"PJM Tariff" means the PJM Open Access Transmission Tariff.

"PPA Methodology" has the meaning set forth in Section 2.5.

"Pre-Closing Covenants" has the meaning set forth in Section 8.1.

"Pre-Closing Tax Period" means any Tax period (or portion thereof) ending on or before the Closing Date and the portion of any Straddle Period that ends on and includes the Closing Date.

"Preferred Holders" means the holders of the Preferred Interests.

“Preferred Holders Consent” has the meaning set forth in Section 6.16.

“Preferred Interests” means all the issued and outstanding “Preferred Interests” (as defined in the Caithness Freedom LLCA) in Caithness Freedom.

“Preferred Redemption Amount” means an amount equal to the aggregate amount required to be paid by Caithness Freedom pursuant to Section 11.3 of the Caithness Freedom LLCA to redeem on the Closing Date one hundred percent (100%) of the Preferred Interests outstanding as of the Closing Date.

“Privacy Laws” means any applicable Laws relating to privacy, data security, data protection or to the collection, storage, processing, use, safeguarding, disclosure, disposal, sharing, protection, other Processing, or transfer of Personal Information.

“Process”, “Processing”, or “Processed” means the collection, use, storage, processing, distribution, transfer, import, export, protection (including security measures), disposal or disclosure or other activity regarding data (whether electronically or in any other form or medium), including Personal Information.

“Project” has the meaning set forth in the recitals to this Agreement.

“Project Company” means Moxie Freedom, LLC, a Delaware limited liability company.

“Project Company Interests” means all the issued and outstanding Interests in the Project Company.

“Proposed Allocation Schedule” has the meaning set forth in Section 2.5.

“Protest Notice” has the meaning set forth in Section 2.4(d).

“Public Health Matter” means any epidemic, pandemic, public health emergency or disease outbreak.

“Public Health Measure” means any “shelter-in-place”, “stay at home”, quarantine, workforce reduction, social distancing, shut down, closure, sequester or other conditions or restrictions, or any other Law, directive, pronouncement, guideline or recommendations by a Governmental Authority, the U.S. Centers for Disease Control and Prevention, the World Health Organization or an applicable industry group in connection with or in respect of any Public Health Matter.

“PUHCA” means the Public Utility Holding Company Act of 2005 and FERC’s implementing rules and regulations promulgated thereunder.

“Purchase Price” means an amount equal to (a) the Enterprise Value, plus (b) the amount of Closing Cash, minus (c) the amount of Closing Indebtedness, plus (d) the amount of Closing Net Working Capital, minus (e) the Preferred Redemption Amount, minus (f) the

amount of Closing Transaction Expenses, minus (g) (i) if the amount of the Aggregate Restoration Cost (if any) exceeds one percent (1%) of the Enterprise Value, such Aggregate Restoration Cost pursuant to Section 6.12 or (ii) otherwise, $0.

"R&W Policy" has the meaning set forth in Section 6.10.

"Real Estate Deliveries" means affidavits, waivers, estoppels, access agreements, subordinations, non-disturbance or attornment agreements or other real estate deliverables in respect of any Real Property or any title insurance covering any Real Property.

"Real Property" has the meaning set forth in Section 3.10(c).

"Real Property Agreements" has the meaning set forth in Section 3.10(b).

"Releasees" has the meaning set forth in Section 8.2(d).

"Remedies Exception" means (a) applicable bankruptcy, insolvency, reorganization, moratorium, and other Laws of general application, heretofore or hereafter enacted or in effect, affecting the rights and remedies of creditors generally, and (b) the exercise of judicial or administrative discretion in accordance with general equitable principles, particularly as to the availability of the remedy of specific performance or other injunctive relief.

"Remedy Action" has the meaning set forth in Section 6.4(e).

"Representatives" means, with respect to any Person, such Person's directors, managers, members, officers, employees, agents, partners, attorneys, consultants, advisors or other Persons acting on behalf of such Person.

"Restoration Cost" has the meaning set forth in Section 6.12(a).

"Retained Rights" has the meaning set forth in Section 8.1.

"Right" means any option, warrant, phantom stock, stock appreciation, profit participation or similar equity-based rights, convertible or exchangeable security or other right, however denominated, to subscribe for, purchase, hypothecate, rehypothecate or otherwise acquire any equity or equity-based interest or other security of any class, with or without payment of additional consideration in cash or property, either immediately or upon the occurrence of a specified date or a specified event or the satisfaction or happening of any other condition or contingency.

"Sanctioned Country" means any country or region that is itself, or has been since April 24, 2019, the subject or target of comprehensive Sanctions (including Cuba, Iran, North Korea, Syria, and the Crimea region and the so-called Donetsk People's Republic and Luhansk People's Republic in Ukraine).

"Sanctioned Person" means any Person that is (i) listed on any Sanctions-related list of designated or blocked persons, including the U.S. Department of the Treasury Office of

Foreign Assets Control's ("OFAC") List of Specially Designated Nationals and Blocked Persons, or the government of Venezuela as defined in Appendix A Section 6(d) to 31 C.F.R. Part 591; (ii) located, organized, or ordinarily resident in a Sanctioned Country; (iii) in the aggregate, 50 percent or greater owned or otherwise controlled by a Person or Persons described in clauses (i)-(ii); or (iv) any national of a Sanctioned Country with whom U.S. persons are prohibited from dealing pursuant to Sanctions.

"Sanctions" means all applicable U.S. and non-U.S. Laws relating to economic or trade sanctions, of jurisdictions where any Company Entity is located or doing business, including the Laws administered or enforced by the United States (including by OFAC), the European Union, the United Nations, and His Majesty's Treasury.

"SEC" has the meaning set forth in Section 6.13(a)(iv).

"Securities Act" means the Securities Act of 1933, as amended.

"Seller" means Caithness Energy, L.L.C., a Delaware limited liability company; *provided*, that following (a) the earlier to occur of (i) Seller obtaining the Preferred Holders Consent and (ii) redemption of all the issued and outstanding Preferred Interests in accordance with Section 11.3 of the Caithness Freedom LLCA and (b) the election of Buyer pursuant to Section 2.1 to purchase the Project Company Interests directly from the Subsidiary Seller, all references in this Agreement to Seller shall mean both Caithness Energy, L.L.C., a Delaware limited liability company, and Moxie Freedom Holdings LLC, a Delaware limited liability company.

"Seller" has the meaning set forth in the preamble to this Agreement.

"Seller's Counsel" has the meaning set forth in Section 10.13(a).

"Seller Disclosure Schedule" means the disclosure schedule (together with all attachments and appendices thereto) delivered by Seller to Buyer on the date hereof and attached hereto, as may be supplemented in accordance with the terms hereof.

"Seller Entities" means Seller and the Subsidiary Seller.

"Seller Fundamental Representations" means the representations and warranties set forth in Section 3.1 (*Organization*), Section 3.2(a) (*Noncontravention*), Section 3.3 (*Capitalization*), Section 3.4(a) (*Ownership*), Section 3.18 (*Brokers' Fees*), Section 4.1 (*Organization*), Section 4.2 (*Authorization*), Section 4.3(a) (*Noncontravention*), Section 4.4 (*Brokers' Fees*) and Section 4.6 (*Company Interests*).

"Seller Related Parties" means, collectively, Seller, each of the direct and indirect equity holders and Affiliates of Seller and each of the incorporators, members, partners, equity holders, Affiliates or current, former or future Representatives of any of the foregoing.

"Seller Released Claims" has the meaning set forth in Section 8.2(d).

"Seller Releasee" has the meaning set forth in Section 8.2(d).

"Seller Releasor" has the meaning set forth in Section 8.2(d).

"Seller Returns" has the meaning set forth in Section 6.7(b).

"Site" means the Real Property on which the Project is situated.

"Specified Asset" means the asset set forth on Section 6.4(f) of the Buyer Disclosure Schedule.

"Straddle Period" means any Tax period that begins on or before the Closing Date and ends after the Closing Date.

"Straddle Period Return" has the meaning set forth in Section 6.7(b).

"Subrogation Waiver" has the meaning set forth in Section 6.10.

"Subsidiary" means with respect to any Person, any other Person controlled by such first Person, directly or indirectly, through one or more intermediaries.

"Subsidiary Seller" has the meaning set forth in the recitals to this Agreement.

"Talen" means Talen Energy Corporation, a Delaware corporation.

"Target Working Capital Amount" means $0.

"Tax" means any federal, state, local, or foreign tax, including income, net proceeds, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax, imposed by any Governmental Authority, and including any interest, penalty, or addition to tax thereto.

"Tax Proceeding" has the meaning set forth in Section 6.7(d).

"Tax Return" means any return, statement, schedule, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof, filed or required to be filed with any Governmental Authority in connection with the determination, assessment or collection of any Tax of any party or the administration of any laws, regulations or administrative requirements relating to any Tax.

"Termination Date" has the meaning set forth in Section 9.1(b).

"Third Party Assurance" means any outstanding letter of credit, surety bond or similar instrument issued with respect to any Company Entity.

"Trade Controls" has the meaning set forth in Section 3.27(a).

"Trademarks" means (a) trademarks, service marks, trade dress, logos, trade names, domain names, and social media accounts and handles, and (b) all registrations and applications for registration of any of the foregoing, together with the goodwill symbolized by any of the foregoing (a) or (b).

"Transaction Documents" means this Agreement, the Parent Guaranty, the Assignment and Assumption Agreement, the Confidentiality Agreement, and all other documents delivered or required to be delivered by any Party at the Closing pursuant to this Agreement.

"Transaction Expenses" means, without duplication, to the extent unpaid as of the Calculation Time, all legal, accounting, financial advisory and other advisory, transaction or consulting fees and expenses incurred by any Company Entity prior to the Closing with respect to the negotiation, preparation, execution, and delivery of this Agreement and the other Transaction Documents and related agreements and documents, and the consummation of the transactions contemplated hereby and thereby, and the negotiation and preparation with respect to other potential transactions involving a sale of the Company Interests or any similar transaction (including any purchase of the Company Interests or any merger, sale of substantially all assets or similar transaction involving any Company Entity or any of its Affiliates), including (a) any transaction, change in control, retention or stay bonuses, severance, incentive, phantom equity or deferred compensation payments or other similar payments or obligations to any current or former employee, officer, director or other individual service provider of any Company Entity or the O&M Provider payable in connection with the preparation, negotiation and execution of this Agreement and the Transaction Documents and the consummation of the transactions contemplated hereby and thereby, together with the employer portion of any applicable FICA, state, local or foreign withholding, payroll, social security, unemployment, or similar Taxes due with respect to any such payments and calculated as if all such amounts were paid on the Closing Date, (b) brokers' or finders' fees incurred by or on behalf of any Company Entity (c) fees payable by any Company Entity pursuant to any management or similar agreement with any direct or indirect Affiliate of any Company Entity (other than another Company Entity), and (d) fees and expenses of any Seller Entity or the Company Entities incurred with respect to obtaining the consent of the Preferred Holders, including with respect to the negotiation of, and entry into, the Preferred Holder Consent; *provided*, *however*, that in no event shall Transaction Expenses include any (i) Buyer Expense or (ii) amount included in Closing Indebtedness, Closing Net Working Capital or Restoration Costs.

"Transfer Taxes" means any and all transfer, sales, use, value-added, excise, stock, stamp, documentary, filing, recording and other similar Taxes, including all applicable real property or leasehold interest transfer or gains Taxes, but excluding any Income Taxes.

"Transition Services Agreement" means that certain Transition Services Agreement substantially in the form attached hereto as Exhibit C.

"Treasury Regulations" means the United States Treasury Regulations promulgated under the Code.

"Working Capital" means an amount equal to: (a) the current assets of the Company Entities that are included in the line item categories of current assets specifically identified in Annex A of Schedule I, minus (b) the current liabilities of the Company Entities that are included in the line item categories of current liabilities specifically identified in Annex A of Schedule I, in each case, calculated in accordance with the Accounting Principles; *provided, however,* that in no event shall "Working Capital" include any (i) Cash, (ii) Indebtedness, (iii) Transaction Expenses, (iv) amounts outstanding pursuant to intercompany accounts, arrangements, understandings or Contracts to be settled or eliminated at or prior to the Closing, (v) deferred Tax assets or deferred Tax liabilities, (vi) Restoration Costs or (vii) liabilities of the Company Entities for the purchase of any capital spares under the GE CSA.

Section 1.2 Interpretation.

(a) The definitions in Section 1.1 shall apply equally to both the singular and plural forms and to correlative forms of the terms defined.

(b) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(c) The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

(d) The words "hereby," "herewith," "hereto," "herein," "hereof" and "hereunder" and words of similar import refer to this Agreement (including the Exhibits and Schedules to this Agreement and the Seller Disclosure Schedule and Buyer Disclosure Schedule) in its entirety and not to any part hereof unless the context shall otherwise require.

(e) The words "true," "correct," "complete," "accurate" and words of similar import shall be deemed to refer to "true and correct" regardless of which word or combination of words is used.

(f) The word "or" has the inclusive meaning represented by the phrase "and/or."

(g) For purposes of Article III, information shall be deemed to have been "made available" (or words of similar import) to Buyer if such information was included in the Due Diligence Materials.

(h) Unless the context shall otherwise require, all references herein to Articles, Sections, Exhibits, Schedules and the Seller Disclosure Schedule and Buyer Disclosure Schedule shall be deemed references to Articles, Sections and Exhibits of, and Schedules and the Seller Disclosure Schedule and Buyer Disclosure Schedule to, this Agreement, and references to "paragraphs" or "clauses" shall be to separate paragraphs or clauses of the section or subsection in which the reference occurs.

(i) Unless the context shall otherwise require, any references to any Contract (including this Agreement) or Law shall be deemed to be references to such Contract or Law as amended, supplemented or modified from time to time in accordance with its terms and the terms hereof, as applicable, and in effect at any given time (and, in the case of any Law, to any successor provisions).

(j) Unless the context shall otherwise require, references to any Person include references to such Person's successors and permitted assigns, and in the case of any Governmental Authority, to any Person(s) succeeding to its functions and capacities.

(k) Any reference to any federal, state, local, or foreign statute or Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context shall otherwise require.

(l) Any reference in this Agreement to a "day" or a number of "days" (without explicit reference to "Business Days") shall be interpreted as a reference to a calendar day or number of calendar days. If any action is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action may be deferred until the next Business Day.

(m) Each accounting term not otherwise defined in this Agreement has the meaning assigned to it in accordance with GAAP.

(n) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is referenced in beginning the calculation of such period will be excluded (for example, if an action is to be taken within two days after a triggering event and such event occurs on a Tuesday, then the action must be taken on or prior to Thursday); and if the last day of such period is a non-Business Day, the period in question will end on the next succeeding Business Day.

(o) All monetary figures or references to dollars or "$" shall be in United States dollars unless otherwise specified.

(p) Time is of the essence with regard to all dates and time periods set forth or referred to in this Agreement.

(q) The phrase "to the extent" shall mean the degree to which a subject or other thing extends, and such phrase shall not mean simply "if".

Article II.

PURCHASE AND SALE OF THE COMPANY INTERESTS

Section 2.1 Purchase and Sale of the Company Interests. Upon the terms and subject to the conditions of this Agreement, Buyer agrees to purchase from Seller, and Seller agrees to sell, assign, transfer and deliver to Buyer or its designated Affiliate(s), free and clear of all Liens (other than any restrictions on sales of securities under applicable securities Laws and Liens arising under the Caithness Freedom LLCA), all of the Caithness Freedom Common Interests, the Caithness Freedom Class B Holdings Interests and the Manager Interests at the Closing, for the consideration specified in Section 2.2 (a "Caithness Freedom Common Interests Sale"); *provided, however,* that if on or prior to the Closing Date, (a) Seller obtains the Preferred Holders Consent or (b) all the issued and outstanding Preferred Interests are redeemed in accordance with Section 11.3 of the Caithness Freedom LLCA, then Buyer may elect, in its sole discretion, by written notice to Seller, in lieu of a Caithness Freedom Common Interests Sale, for

Buyer to purchase from the Subsidiary Seller, and Seller shall cause the Subsidiary Seller to sell, assign, transfer and deliver to Buyer or its designated Affiliate(s), free and clear of all Liens (other than any restrictions on sales of securities under applicable securities Laws and Liens arising under the Governing Documents of the Project Company), all of the Project Company Interests at the Closing, for the consideration specified in Section 2.2 (a "Project Company Sale"); *provided*, *further*, that until the earlier to occur of (x) Seller obtaining the Preferred Holders Consent and (y) all the issued and outstanding Preferred Interests being redeemed in accordance with Section 11.3 of the Caithness Freedom LLCA, the Parties hereby acknowledge and agree that nothing in this Agreement or the other Transaction Documents commit, obligates or otherwise requires Seller or any of its Affiliates to sell, assign, transfer or otherwise dispose of any Interests in any of the Company Entities other than the Caithness Freedom Common Interests, the Caithness Freedom Class B Holdings Interests and the Manager Interests.

Section 2.2 Purchase Price. The aggregate purchase price to be paid by Buyer to Seller for the Company Interests shall consist of an amount in cash equal to the Purchase Price.

Section 2.3 Closing.

(a) Subject to the satisfaction or, when permissible, waiver in writing of the conditions set forth in Article VII, the closing of the transactions contemplated by this Agreement (the "Closing") shall take place (i) at the offices of Paul Hastings LLP, 200 Park Avenue, New York, New York 10166 (or remotely via the electronic exchange of closing deliveries), at 10:00 a.m. Eastern Time on the day that is three (3) Business Days after the date on which the last of the conditions set forth in Article VII (other than any such conditions which by their terms are not capable of being satisfied until the Closing Date) is satisfied or waived, or (ii) on such other date or at such other time or place as the Parties may mutually agree upon in writing; *provided, however,* that if the Preferred Holders Consent is not obtained on or prior to the date on which Closing would otherwise be required to occur pursuant to this Section 2.3, the Closing shall instead take place on the first "Quarterly Distribution Date" (as defined in the Caithness Freedom LLCA) to occur after the date on which the last of the conditions set forth in Article VII (other than any such conditions which by their terms are not capable of being satisfied until the Closing Date) is satisfied or waived. All proceedings to be taken and all documents to be executed and delivered by all Parties at the Closing will be deemed to have been taken and executed simultaneously.

(b) At the Closing, Seller shall deliver to Buyer the following:

(i) (A) in the case of a Caithness Freedom Common Interests Sale, a signature page counterpart to the Assignment and Assumption Agreement for (x) the Caithness Freedom Common Interests, (y) the Caithness Freedom Class B Holdings Interests and (z) the Manager Interests, in each case duly executed by Seller, or (B) in the case of a Project Company Sale, Seller shall cause the Subsidiary Seller to deliver a signature page counterpart to the Assignment and Assumption Agreement for the Project Company Interests;

(ii) customary payoff letters (collectively, the "Payoff Letters"), issued by each holder(s) or agent for such holder(s) of Indebtedness or other obligations set forth on Section 2.3(b)(ii) of the Seller Disclosure Schedule (such Indebtedness and other obligations, the "Payoff Indebtedness") (drafts of which shall be provided no later than three (3) Business Days prior to the Closing Date), with respect to such Payoff Indebtedness, (A) setting forth the amount required to repay in full all such Payoff Indebtedness (the "Payoff Indebtedness Amount"), (B) specifying the arrangements made for the cancellation of all existing letters of credit issued under the Payoff Indebtedness

and (C) providing for (x) a release by or on behalf of the holders of such Payoff Indebtedness of all security interests granted by the Company Entities to secure such Payoff Indebtedness and (y) the termination of such Payoff Indebtedness (except for customary obligations surviving the termination thereof or otherwise permitted to survive the termination thereof), in each case, upon satisfaction of the conditions set forth therein;

(iii) the Escrow Agreement, duly executed by Seller;

(iv) evidence of resignations or removals, effective as of the Closing, of each of the directors, managers and officers of each Company Entity appointed or designated to such positions by Seller or its Affiliates;

(v) a duly executed IRS Form W-9 from Seller or, in the case of a Project Company Sale, the Subsidiary Seller; *provided, however,* that Buyer's sole right if the Subsidiary Seller fails to provide such certificates shall be to make appropriate withholding under Sections 1445 and 1446 of the Code under Section 2.7;

(vi) the certificate referred to in Section 7.3(c);

(vii) the Transition Services Agreement, duly executed by Seller; and

(viii) a certificate of good standing for each Company Entity from the Secretary of State of the state of such Company Entity's formation, dated within five (5) Business Days of the Closing.

(c) At the Closing, Buyer shall deliver, or cause to be delivered, the following:

(i) to Seller (or in the case of a Project Company Sale, to the Subsidiary Seller), an amount equal to (A) the Estimated Purchase Price minus (B) the Adjustment Escrow Deposit, by wire transfer of immediately available funds, to the bank account or accounts designated in writing at least three (3) Business Days prior to the Closing Date by Seller to Buyer;

(ii) to Seller, a signature page counterpart to each of the Assignment and Assumption Agreements delivered by Seller pursuant to Section 2.3(b)(i), duly executed by Buyer;

(iii) the Escrow Agreement, duly executed by Buyer;

(iv) the certificate referred to in Section 7.2(c); and

(v) the Transition Services Agreement, duly executed by Buyer.

(d) At the Closing, Buyer shall pay or cause to be paid, on behalf of the Company, the Payoff Indebtedness Amount to the agent, lenders or other obligees named in the applicable Payoff Letter; *provided, however,* that until the earlier to occur of (x) Seller obtaining the Preferred Holders Consent and (y) all the issued and outstanding Preferred Interests being redeemed in accordance with Section 11.3 of the Caithness Freedom LLCA, the Parties hereby acknowledge and agree that nothing in this Agreement or the other Transaction Documents commits, obligates or otherwise requires Seller or any of its Affiliates to repay any Indebtedness under the Financing Documents.

(e) Immediately prior to the Closing, Buyer shall pay or cause to be paid, on behalf of Caithness Freedom, the Preferred Redemption Amount to each of the Preferred Holders.

(f) At the Closing, Buyer shall pay or cause to be paid, on behalf of Seller and the Company, the Estimated Closing Transaction Expenses to the obligees thereof.

(g) At the Closing, Buyer shall deposit, or cause to be deposited, with Citibank, N.A. (the "Escrow Agent"), an amount equal to $14,580,100 (together with any Escrow Earnings (as defined in the Escrow Agreement), the "Adjustment Escrow Deposit"), to be held in escrow in a separate account (the "Adjustment Escrow Account") and disbursed by the Escrow Agent in accordance with Section 2.4(f) and Section 2.4(g) and the terms and provisions of an Escrow Agreement substantially in the form attached hereto as Exhibit B (the "Escrow Agreement").

(h) Any portion of any amount due to a Party under this Agreement not paid on its respective due date shall bear interest at a rate of eight percent (8%) per annum until paid in full.

Section 2.4 Purchase Price Adjustments.

(a) Estimated Closing Schedule. On or before the date which is three (3) Business Days prior to the Closing Date, Seller shall prepare and deliver to Buyer a schedule (the "Estimated Closing Schedule") setting forth Seller's good faith estimate of (i) (x) the amount of Closing Cash (the "Estimated Closing Cash"), (y) the amount of Closing Indebtedness (the "Estimated Closing Indebtedness") and (z) the amount of Closing Net Working Capital (the "Estimated Closing Net Working Capital"), (ii) the amount of Closing Transaction Expenses (the "Estimated Closing Transaction Expenses"), (iii) the Estimated Purchase Price resulting therefrom, in each case, together with reasonably detailed supporting documents for the calculation thereof, and (iv) wire transfer instructions for payment of (w) the Estimated Purchase Price to Seller, (x) the applicable portion of the Payoff Indebtedness Amount payable to the agent, lenders or other obligees named in each Payoff Letter, (y) the applicable portion of the Preferred Redemption Amount payable to each of the Preferred Holders and (z) the Estimated Closing Transaction Expenses to the obligees thereof. Following the delivery of the Estimated Closing Schedule to Buyer, Seller shall consider in good faith any reasonable comments provided by Buyer based on Buyer's review of the Estimated Closing Schedule and such supporting documentation; *provided, however*, that if there is a dispute over the Estimated Closing Schedule (or any component thereof), the Estimated Closing Schedule delivered by Seller shall govern in all respects, and the obligation of Seller to consider such reasonable comments of Buyer regarding the Estimated Closing Schedule shall in no event require that Seller revise its calculation of the Estimated Closing Schedule or that the Closing be postponed or otherwise delayed.

(b) Actual Closing Schedule. As soon as practicable, but not later than sixty (60) days after the Closing Date (the "Delivery Deadline"), Buyer shall prepare in good faith and deliver to Seller a schedule (the "Actual Closing Schedule") setting forth Buyer's good faith determination of (i) (x) the amount of Closing Cash, (y) the amount of Closing Indebtedness and (z) the amount of Closing Net Working Capital, (ii) the amount of Closing Transaction Expenses, and (iii) the Purchase Price resulting therefrom, in each case, together with reasonably detailed supporting documents for the calculation thereof; *provided, however,* that if Buyer fails to deliver the Actual Closing Schedule in accordance with the foregoing on or prior to the Delivery Deadline, then the Estimated Closing Schedule shall be deemed to be the Actual Closing Schedule, and Seller may deliver a Protest Notice with respect thereto in accordance with Section 2.4(d). The Parties acknowledge and agree that the intent of the Parties is to

determine, (A) the Closing Cash, Closing Indebtedness and Closing Net Working Capital, (B) the Closing Transaction Expenses, and (C) the Purchase Price resulting therefrom, in each case, in accordance with the definitions thereof set forth herein and the Accounting Principles, and not to permit the use or introduction of any other accounting principles, practices, policies, procedures, conventions, classifications, estimation techniques, judgments or methodologies.

(c) Reasonable Access. After delivery of the Actual Closing Schedule (or the Delivery Deadline, if Buyer fails to deliver the Actual Closing Schedule by the Delivery Deadline), Buyer shall, and shall cause the Company Entities to, cooperate and provide to Seller and its Representatives all information, records, data and working papers (including any such materials prepared by outside accountants or other advisors) necessary for the preparation of the Actual Closing Schedule and the calculation of the Purchase Price and shall make available, during normal business hours, all personnel (including outside accountants and other advisors), in each case as may be reasonably requested by Seller in connection with its review of the Actual Closing Schedule and the resolution of any disputes with respect thereto.

(d) Protest Notice. Within thirty (30) days after delivery of the Actual Closing Schedule (or the Delivery Deadline, if Buyer fails to deliver the Actual Closing Schedule by the Delivery Deadline), Seller may deliver written notice (the "Protest Notice") to Buyer of any disagreement that Seller may have as to the Actual Closing Schedule setting forth in reasonable detail the items in dispute. If Seller fails to deliver a Protest Notice in respect of the Actual Closing Schedule on or before the date which is thirty (30) days after delivery of the Actual Closing Schedule (or the Delivery Deadline, if Buyer fails to deliver the Actual Closing Schedule by the Delivery Deadline), the Closing Cash, the Closing Indebtedness, the Closing Net Working Capital, Closing Transaction Expenses and the Purchase Price resulting therefrom as set forth on the Actual Closing Schedule shall be final, binding and non-appealable by the Parties.

(e) Resolution of Protest. If a Protest Notice is timely delivered in accordance with Section 2.4(d), Seller and Buyer shall promptly negotiate in good faith to resolve all items disputed by Seller in the Protest Notice. If Buyer and Seller are unable to resolve in writing all items disputed by Seller in the Protest Notice within thirty (30) days after Buyer's receipt of the Protest Notice, then either Seller or Buyer shall have the right to cause the Parties to jointly engage Ernst & Young LLP, or if such firm is unable or unwilling to accept its appointment, an independent nationally recognized accounting firm with experience in such matters and that is mutually agreed upon by Seller and Buyer (in either case, the "Accounting Firm"), to resolve the remaining disputed items. The Accounting Firm shall act as an expert (and not an arbitrator) to determine, based solely on presentations and submissions by Seller and Buyer and not by independent review, only those items still in dispute, in each case, in accordance with the applicable definitions set forth herein and the Accounting Principles (and not with the use or introduction of any other accounting principles, practices, policies, procedures, conventions, classifications, estimation techniques, judgments or methodologies). All discussions and presentations by Seller or Buyer to the Accounting Firm must take place in the presence (including by telephone) of the other Party, and all submissions made by Seller or Buyer to the Accounting Firm must be concurrently delivered to the other Party. All presentations and submissions by Seller and Buyer shall be made to the Accounting Firm no later than fifteen (15) days after the engagement of the Accounting Firm, and the Accounting Firm shall be instructed by Seller and Buyer to render its written decision with respect to only those items still in dispute no later than fifteen (15) days thereafter (it being acknowledged and agreed that the failure of the Accounting Firm to timely deliver its written decision shall not render the determination of the Accounting Firm invalid). In resolving any disputed item, the Accounting Firm may not assign a value to any item greater than the maximum value for such item claimed by either Party or less than the minimum value of such item claimed by either Party. All determinations made by the Accounting Firm in its written decision will be final, binding and non-appealable by the Parties. Judgment may be entered upon the written decision of the Accounting Firm in any court having

jurisdiction over the Party against which such determination is to be enforced. The fees and expenses of the Accounting Firm shall be allocated between Buyer and Seller (as determined by the Accounting Firm) so that Seller's share of such fees and expenses shall be equal to the product of (i) the aggregate amount of such fees and expenses, and (ii) a fraction, the numerator of which is the aggregate amount in dispute that is ultimately unsuccessfully disputed by Seller and the denominator of which is the total amount in dispute submitted to the Accounting Firm. The balance of such fees and expenses shall be paid by Buyer. The term "Final Closing Schedule," as used in this Agreement, shall mean the Actual Closing Schedule if deemed final in accordance with Section 2.4(d) or the definitive Final Closing Schedule agreed to in writing by Seller and Buyer or resulting from the determinations made by the Accounting Firm in accordance with this Section 2.4(e).

(f) Payment. Within five (5) Business Days after the determination of a Final Closing Schedule:

(i) if the Estimated Purchase Price is greater than the Purchase Price, then such difference, up to the amount of the Adjustment Escrow Deposit, shall be disbursed from the Adjustment Escrow Account to Buyer; or

(ii) if the Estimated Purchase Price is less than the Purchase Price, then Buyer shall pay to Seller (or in the case of a Project Company Sale, to the Subsidiary Seller) such difference by wire transfer of immediately available funds to an account designated by Seller; *provided*, *however*, that in no event will Buyer be obligated under this Section 2.4(f)(ii) to pay to Seller (or in the case of a Project Company Sale, to the Subsidiary Seller) an amount in excess of the amount of the Adjustment Escrow Deposit.

(g) Adjustment Escrow. Within five (5) Business Days after the determination of the Final Closing Schedule, Buyer and Seller shall deliver a joint written instruction to the Escrow Agent instructing it to disburse all of the funds in the Adjustment Escrow Account as follows: (i) to Buyer, the amount (if any) payable to Buyer pursuant to Section 2.4(f)(i), and (ii) to Seller (or in the case of a Project Company Sale, to the Subsidiary Seller), the remaining funds in the Adjustment Escrow Account by wire transfer of immediately available funds to Seller to an account designated by Seller.

(h) Exclusive Remedy. Notwithstanding anything to the contrary contained in this Agreement, except with respect to Retained Rights, (i) the process and adjustment set forth in this Section 2.4 shall be the sole and exclusive remedy of the Parties with respect to items required hereunder to be included or reflected in the calculation of the Purchase Price and (ii) (A) Buyer's right to receive a disbursement from the Adjustment Escrow Account pursuant to Section 2.4(f)(i) shall be Buyer's sole and exclusive remedy in the event that the Purchase Price is less than the Estimated Purchase Price (and in no event shall any Buyer Related Party have any remedy, recourse or entitlement whatsoever, whether at law or in equity, against any Seller Related Party (other than Seller solely with respect to its obligation to deliver a joint written instruction to the Escrow Agent pursuant to Section 2.4(g)(i)) with respect thereto) and (B) Seller's rights to receive a payment from Buyer pursuant to Section 2.4(f)(ii) and a disbursement of all of the funds in the Adjustment Escrow Account pursuant to Section 2.4(g) shall be Seller's exclusive remedies in the event that the Estimated Purchase Price is less than the Purchase Price (and in no event shall any Seller Related Party have any remedy, recourse or entitlement whatsoever, whether at law or in equity, against any Buyer Related Party (other than Buyer subject to the foregoing limitations) with respect thereto).

Section 2.5 Purchase Price Allocation. Within 120 days of the Final Closing Schedule being determined pursuant to Section 2.4, Buyer shall prepare and deliver to Seller a proposed allocation schedule (the "Proposed Allocation Schedule") prepared in accordance with

(i) Section 1060 of the Code and, in the case of a Caithness Freedom Common Interests Sale, Sections 741, 743, 751 and 755 of the Code, (ii) the Treasury Regulations thereunder and (iii) the methodology set forth in Section 2.5 of the Seller Disclosure Schedules (clauses (i), (ii) and (iii), collectively, the "PPA Methodology") further allocating the Purchase Price (plus any liabilities taken into account as consideration for the Company Interests under applicable Tax Law) among the separate classes of assets of the Company Entities. Seller shall have thirty (30) days following receipt of the Proposed Allocation Schedule to review and comment thereon. If Seller does not provide any comments within such thirty (30) day period, the Proposed Allocation Schedule shall become final (the "Final Allocation Schedule"). If Seller does provide comments within such thirty (30) day period, Seller and Buyer will negotiate in good faith to resolve any such comments within the thirty (30) days following the receipt by Buyer of Seller's comments, and upon any such resolution, the Proposed Allocation Schedule, as so amended, shall become the Final Allocation Schedule. The Final Allocation Schedule shall be revised in accordance with the PPA Methodology to take into account any subsequent adjustments to the Purchase Price. If Seller and Buyer are unable to reach an agreement as to any such comments within such thirty (30) day period, then either Seller or Buyer may engage the Accounting Firm to resolve any such dispute. The Party engaging the Accounting Firm shall provide prompt written notice to the other Party in respect of such engagement. The Accounting Firm shall within thirty (30) days resolve the disagreement between the Parties in accordance with the PPA Methodology and determine the appropriate Final Allocation Schedule. The fees, costs and expenses of the Accounting Firm incurred shall be paid fifty percent (50%) by Seller and fifty percent (50%) by Buyer. Seller and Buyer agree to report on their respective Tax Returns based on the Final Allocation Schedule as ultimately agreed to or as determined by the Accounting Firm pursuant to this Section 2.5 and neither Seller nor Buyer shall take any position that is inconsistent with the Final Allocation Schedule as ultimately agreed to or as determined by the Accounting Firm pursuant to this Section 2.5 except as otherwise required by a "determination" as defined in Section 1313 of the Code (or any comparable provision of state or local Tax Law).

Section 2.6 Transfer Taxes. Notwithstanding anything herein to the contrary, responsibility for any and all Transfer Taxes imposed as a result of the transactions contemplated by this Agreement shall be borne solely by Buyer. The Parties will reasonably cooperate in the preparation and filing of any Tax Returns or other documentation in connection with any Transfer Taxes subject to this Section 2.6, including joining in the execution of any such Tax Returns and other documentation to the extent required by Law.

Section 2.7 Withholding. Buyer and the Company Entities shall be entitled to deduct and withhold (or cause to be deducted and withheld) from any amount payable pursuant to this Agreement such amounts as are required to be deducted and withheld under applicable Tax Law; *provided, however,* that except with respect to any withholding required as a result of the failure of Seller or, or the Subsidiary Seller, as applicable, to provide an IRS Form W-9 as required under Section 2.3(b)(v), Buyer shall give written notice to Seller prior to any deduction or withholding, and shall use commercially reasonable efforts to provide such notice within at least (3) Business Days, of such deduction or withholding in reasonable detail and shall reasonably cooperate with Seller to reduce, mitigate or eliminate any withholding that otherwise would be required. Amounts withheld in accordance with this Section 2.7 shall be timely paid over to the appropriate Governmental Authority and, upon timely payment to such Governmental Authority, shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made. Upon request by the Party so withheld upon, Buyer will provide a receipt from the applicable Governmental Authority regarding such withholding.

Article III.

REPRESENTATIONS AND WARRANTIES REGARDING THE COMPANY ENTITIES

Seller represents and warrants to Buyer as of the date hereof and as of the Closing Date, except as set forth in the Seller Disclosure Schedule, as follows:

Section 3.1 Organization.

(a) Each Company Entity (i) is a legal entity duly organized, validly existing and in good standing under the Laws of the state of Delaware and (ii) has all requisite organizational power and authority to carry on its respective business as it is currently conducted and to own, lease and operate its properties and assets where such properties and assets are now owned, leased or operated. No Company Entity is (and since its formation has not) engaged in any business other than (directly or indirectly) developing, owning and operating the Project. Caithness Freedom Class B Holdings has no (and since its formation has not had) assets or liabilities and engages in no business, in each case except for its ownership of the "Class B Membership Interests" (as defined in the Governing Documents of Moxie Freedom Holdings LLC) and its obligations under such Governing Documents of Moxie Freedom Holdings LLC.

(b) Each of the Company Entities is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or license necessary, except in such jurisdictions where the failure to be so duly qualified or licensed would not, individually or in the aggregate, be material to such Company Entity.

(c) Seller has made available to Buyer true, complete and correct copies of the Governing Documents of each of the Company Entities, as in effect as of the date hereof.

(d) None of the Company Entities or Caithness Freedom Class B Holdings is in material violation of any of the provisions of its Governing Documents. The Governing Documents of each of the Company Entities and Caithness Freedom Class B Holdings are in full force and effect.

Section 3.2 Noncontravention. Except as set forth on Section 3.2 of the Seller Disclosure Schedule, assuming the accuracy of the representations and warranties of Buyer set forth in Article V, neither the execution and delivery by Seller of this Agreement or by Seller or the Subsidiary Seller of the other Transaction Documents to which it is or will be a party, nor the consummation by Seller or the Subsidiary Seller of the transactions contemplated hereby or thereby, with or without notice, lapse of time, or both, (a) assuming receipt or waiver of the Consents set forth in Section 3.2(a) of the Seller Disclosure Schedule, conflict with or result in a violation or breach of any provision of the respective Governing Documents of the Company Entities, Seller or any applicable Subsidiary of Seller, (b) assuming receipt or waiver of the Consents set forth in Section 3.2(b) of the Seller Disclosure Schedule, violates or results in a breach or default (or give rise to any right of termination, modification, cancellation or acceleration of any right or obligation or to any loss of any material benefit to which any Company Entity is entitled under, or require any consent from or other action by any person) under any Material Contract or Real Property Agreement to which any Company Entity, or any of its properties or assets are bound, (c) result in the imposition of any Lien (other than a Permitted Lien) on any of the properties or assets of any Company Entity or (d) assuming receipt or waiver of the Consents of Governmental Authorities described in Section 3.5, violates any Law to which any Company Entity is subject, except, in the case of each of clauses (b

), (c) and (d), for such violations or breaches as would not, individually or in the aggregate, have a Material Adverse Effect on the Company Entities, taken as a whole.

Section 3.3 Capitalization. Section 3.3 of the Seller Disclosure Schedule sets forth, with respect to each of the Company Entities, (a) its name and jurisdiction of organization, (b) its form of organization, and (c) a true, complete and accurate list of the issued and outstanding Interests thereof and the owners thereof. The Interests set forth on Section 3.3 of the Seller Disclosure Schedule constitute all of the authorized, issued and outstanding Interests of the Company Entities. Each holder of Interests in each of the Company Entities set forth on Section 3.3 of the Seller Disclosure Schedule owns, beneficially and of record, and has good and valid title to, such Interests free and clear of all Liens, except (i) as may be created by this Agreement, (ii) as may be set forth in the Governing Documents of the applicable Company Entity, (iii) Permitted Liens, (iv) as are disclosed on Section 3.3 of the Seller Disclosure Schedule, and (v) for any restrictions on sales of securities under applicable securities Laws; *provided, however,* that no representation or warranty is hereby given with respect to (1) the identity of the owners of any Preferred Interest (other than those Preferred Interests owned by any Affiliates of Seller) or (2) whether any Preferred Interests are held by any Person (other than those Preferred Interests owned by any Affiliates of Seller) free and clear of all Liens. Other than the Company Entities, no Company Entity owns any Interests of any other Person. The Interests of the Company Entities have been duly authorized and validly issued in compliance with applicable Law and the Governing Documents of the applicable Company Entity. Except for this Agreement and the Governing Documents of any Company Entity, neither Seller nor any Company Entity is a party to or bound by any Rights or Contracts (A) that would require Seller or such Company Entity to sell, transfer, issue or otherwise dispose of, or cause to be issued, sold, transferred or otherwise disposed of, any Interests any of the Company Entities or (B) obligating any Company Entity to issue or grant such Right. Except as disclosed on Section 3.3 of the Seller Disclosure Schedule and the Governing Documents of the Company Entities, neither Seller nor any Company Entity is a party to any voting trust, proxy or other agreement or understanding with respect to any purchase, sale issuance, transfer, repurchase, redemption or the voting of any Interests of the Company Entities. No Company Entity has granted to any Person any agreement or option, or any right or privilege capable of becoming an agreement or option, for the purchase, subscription, allotment or issue of any unissued interests, units or other Interests (including convertible securities, warrants or convertible obligations of any nature) of any such Company Entity, except as provided in the Governing Documents of such Company Entity. No Company Entity other than the Subsidiary Seller and the Project Company has any certificated Interests.

Section 3.4 Ownership

.

(a) Seller owns, beneficially and of record, the Caithness Freedom Common Interests, the Class B Holdings Interests and the Manager Interests and the Subsidiary Seller owns, beneficially and of record, the Project Company Interests, each as are disclosed on Section 3.4 of the Seller Disclosure Schedule free and clear of all Liens, except (i) as may be created by this Agreement, (ii) as may be set forth in the Governing Documents of Caithness Freedom, Caithness Freedom Class B Holdings or the Project Company, as applicable, (iii) Permitted Liens, and (iv) for any restrictions on sales of securities under applicable securities Laws.

(b) Section 3.4 of the Seller Disclosure Schedule also sets forth (i) the aggregate remaining balance of the unpaid Preferred Principal Amount (as defined in the Caithness Freedom LLCA) (ii) the aggregate balance of all Carryover Amounts (as defined in the

Caithness Freedom LLCA), (iii) applicable Call Percentage (as defined in the Caithness Freedom LLCA) and (iv) the applicable portion of the Preferred Redemption Amount payable to each of the Preferred Holders, in each case pursuant to the Caithness Freedom LLCA, as of the date hereof.

Section 3.5 Government Authorizations. No Consent of, with or to, or any notice to, any Governmental Authority is required to be obtained or made by Seller or any of the Company Entities in connection with the execution, delivery and performance of this Agreement or any other Transaction Documents or the consummation of the transactions contemplated hereby or thereby, other than (a) required filings under the HSR Act, (b) Consents required pursuant to the FPA as described in Section 7.1(c), (c) Consents set forth on Section 3.5 of the Seller Disclosure Schedule, (d) Consents that, if not obtained or made, would not, taken together, be material to the Company Entities, (e) Consents not required to be made or given until after the Closing, or (f) requirements applicable as a result of the specific legal or regulatory status of Buyer or any of its Subsidiaries or Affiliates or as a result of any other facts that specifically relate to the business or activities in which Buyer or any of its Subsidiaries or Affiliates is or proposes to be engaged, other than the business of the Company Entities.

Section 3.6 Financial Statements.

(a) Set forth on Section 3.6(a) of the Seller Disclosure Schedule are true, complete and correct copies of the following financial statements (collectively, the "Financial Statements"):

(i) the unaudited balance sheet and the related statements of income, cash flows and members' equity as of March 31, 2025, of each entity described in Section 3.6(a)(ii) (the "Interim Financial Statements");

(ii) the audited balance sheets and the related audited statements of income, cash flows and members' equity for the fiscal years ended December 31, 2023 and December 31, 2024, of (collectively, the "Audited Financial Statements"):

(A) Caithness Freedom;

(B) the Project Company; and

(C) the Subsidiary Seller.

(b) The Financial Statements (i) have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby, except as where may be indicated in the notes to the Audited Financial Statements and subject, in the case of unaudited Financial Statements, to the absence of notes and normal and recurring year-end adjustments (none of which, other than any adjustments in respect of mark-to-market gains or losses under any hedging arrangements, is material, individually or in the aggregate, to the Company Entities, taken as a whole), and (ii) except as set forth on Section 3.6(b) of the Seller Disclosure Schedule, are complete and present fairly, in all material respects, respectively, the consolidated or standalone, as applicable, financial position and results of operations of the entities referred to therein, at the respective dates set forth therein and for the respective periods covered thereby (subject, in the case of unaudited Financial Statements, to the absence of notes and normal and recurring year-end adjustments (none of which, other than any adjustments in respect of mark-to-market gains or losses under any hedging arrangements, is material, individually or in the aggregate, to the Company Entities, taken as a whole)).

(c) The Company Entities maintain a system of accounting established and administered in all material respects in accordance with GAAP. The Company Entities maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are recorded as necessary to permit the preparation of Financial Statements in conformity with GAAP, in all material respects, and maintain accountability for assets and (ii) the recorded accountability for assets is maintained at reasonable intervals. There are no material weaknesses or significant deficiencies in any Company Entity's system of internal accounting controls and neither Seller nor any Company Entity has received any written complaint, allegation, assertion or claim from any auditor of such Company Entity that there has been or may have been a significant deficiency or material weakness in the internal controls over the financial reporting of such Company Entity. In the last two (2) years, at no time has any fraud or similar wrongdoing that involves any of the Persons who have a role in the preparation of the Financial Statements or the internal accounting controls used by the Company Entities occurred.

Section 3.7 Undisclosed Liabilities. The Company Entities have no Liabilities (contingent or otherwise), except for (a) Liabilities set forth, specifically reflected in, adequately reserved against or disclosed in the Financial Statements, (b) Liabilities incurred in the Ordinary Course of Business since the Balance Sheet Date (none of which is a Liability for breach of contract, breach of warranty, tort, infringement, misappropriation, or violation of Law), (c) Liabilities that are disclosed in Section 3.7 of the Seller Disclosure Schedule, (d) Liabilities under Contracts of the Company Entities (other than as a result of a breach thereof or default thereunder by a Company Entity), (e) Liabilities contemplated in the Operating Budgets and (f) Liabilities that, individually or in the aggregate, would not be material to the Company Entities, taken as a whole.

Section 3.8 Absence of Certain Changes. Except (a) as set forth on Section 3.8 of the Seller Disclosure Schedule, or (b) as the direct result of any process relating to the sale of the Company Entities or the Project, including this Agreement and the other Transaction Documents, since the Balance Sheet Date (i) each Company Entity has conducted its respective business, in all material respects, in the Ordinary Course of Business, (ii) there has not been any change, event or development that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect with respect to the Company Entities and (iii) no Company Entity has taken any action that, if taken from and after the date hereof and prior to the Closing, would have required the consent of Buyer pursuant to Section 6.1.

Section 3.9 Tax Matters. Except as set forth on Section 3.9 of the Seller Disclosure Schedule:

(a) Each Company Entity has timely filed, or caused to be timely filed, all material Tax Returns required to be filed by it on or prior to the date hereof, taking into account all permitted extensions. All such Tax Returns are correct and complete in all material respects. There are no material Liens for Taxes on any of the assets of any Company Entity other than Permitted Liens.

(b) All material Taxes due and payable by a Company Entity have been paid and no Company Entity has any material liability for any unpaid Taxes.

(c) Except as set forth on Section 3.9(c) to the Seller Disclosure Schedule, as of the date of this Agreement, there are no ongoing audits, examinations or other administrative or judicial proceedings with respect to any material Taxes of any Company Entity being conducted with respect to any Company Entity. Except as set forth on Section 3.9(c) to the Seller Disclosure Schedule, none of the Company Entities is a party to any material Tax indemnification, Tax allocation, or Tax sharing agreement (other than any (i) Governing Document of any Company Entity, (ii) customary Tax gross up provision in a financing

document or lease, (iii) commercial agreement entered into in the Ordinary Course of Business that is not primarily related to Taxes, or (iv) any such agreement among the Company Entities).

(d) No Company Entity has consented in writing to extend the time in which any material amount of Tax may be assessed or collected by any taxing authority, which extension is in effect as of the date hereof.

(e) No Company Entity has requested or been granted in writing an extension of the time for filing any material Tax Return to a date later than the Closing Date, other than extensions granted in the Ordinary Course of Business and not requiring the consent of a Governmental Authority.

(f) Since the Lookback Date, no written claim has been asserted by a taxing authority against any Company Entity in a jurisdiction in which such Company Entity does not file Tax Returns that such Company Entity is or may be subject to material taxation in such jurisdiction, which claim has not been resolved.

(g) No Company Entity has been a member of an Affiliated Group (other than a group of which a Company Entity or Seller is or was the common parent).

(h) There are no material Liens (other than Permitted Liens) on any of the assets of a Company Entity that arose in connection with any failure (or alleged failure) to pay any Tax.

(i) No Company Entity has been a party to a "listed transaction" as such term is defined in Treasury Regulation Section 1.6011-4(b)(2) (or any corresponding provision of applicable Tax law).

(j) Each Company Entity is properly classified as either a partnership or an entity disregarded as separate from its owner for U.S. federal income tax purposes.

(k) Each Company Entity that is treated as a partnership for U.S. federal income tax purposes has in effect a valid election under Section 754 of the Code (and any comparable elections for any applicable state income tax purposes) for the taxable period that includes the Closing Date.

Section 3.10 Real Property.

(a) A list of all real property owned in fee by the Project Company (the "Owned Real Property"), including the street address (or, if no street address exists, the county and tax parcel identification number) and the current owner of each parcel of Owned Real Property, is set forth in Section 3.10(a)(i) of the Seller Disclosure Schedule. No Company Entity (other than the Project Company) owns any real property. The Project Company has good and marketable indefeasible fee simple title to its Owned Real Property, free and clear of Liens (other than Permitted Liens). Except for Permitted Liens or as set forth in Section 3.10(a)(ii) of the Seller Disclosure Schedule, (i) the Project Company has not leased, licensed or otherwise granted any Person the right to use or occupy the Project Company's Owned Real Property, (ii) the Project Company is not in breach or default under any material restrictive or other covenant encumbering such Owned Real Property; (iii) other than the right of Buyer pursuant to this Agreement, there are no outstanding options, rights of first offer or rights of first refusal to purchase such Owned Real Property or any portion thereof or interest therein, and (iv) the Project Company is not a party to any agreement or option to purchase any real property or interest therein.

(b) Section 3.10(b) of the Seller Disclosure Schedule sets forth a complete and correct list of all material real property leases, easements, licenses and rights-of-way (the "Real Property Agreements") to which the Project Company is a tenant, subtenant, licensee, easement holder, right-of-way holder, or otherwise a user or occupant of real property that is not Owned Real Property (the "Leased Real Property"). No Company Entity (other than the Project Company) is a tenant, subtenant, licensee, easement holder, right-of-way holder, or otherwise a user or occupant of real property. Seller has delivered to Buyer a true and complete copy of each Real Property Agreement (including all amendments, extensions, renewals, guaranties, and other agreements with respect thereto), and in the case of any oral Real Property Agreement, if any, a written summary of the material terms of such Real Property Agreement. Except as set forth on Section 3.10(b) of the Seller Disclosure Schedule, with respect to each of the Real Property Agreements: (i) each Real Property Agreement is in full force and effect and constitutes a valid, binding and enforceable obligation of the Project Company, and to Seller's Knowledge, each other party thereto subject to the Remedies Exceptions, (ii) the Project Company, and to the Seller's Knowledge, any other party to the Real Property Agreement, is not in material default or breach under any Real Property Agreement, and no event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute such a breach or default, or permit the termination, modification or acceleration of rent under such Real Property Agreement, (iii) the Project Company has not subleased, licensed or otherwise granted to any Person the right to use or occupy any of the Leased Real Property or any portion thereof, (iv) the Project Company's possession and quiet enjoyment of the Leased Real Property under such Real Property Agreement has not been disturbed and to the Seller's Knowledge, there are no current disputes, nor have there been any disputes since the Lookback Date, with respect to such Real Property Agreement, and (v) the Project Company has not collaterally assigned or granted any other security interest in such Real Property Agreement or any interest therein.

(c) Other than the Owned Real Property and the Leased Real Property (the "Real Property"), the Project Company has no other material Rights or interests in real property. The Real Property comprise all of the real property used or intended to be used in, or otherwise related to, the business of the Company Entities. There is no condemnation, expropriation or other proceeding in eminent domain pending or, to Seller's Knowledge, threatened, affecting any Owned Real Property or Leased Real Property or any portion thereof or interest therein.

Section 3.11 Environmental Matters. Except as set forth on Section 3.11 of the Seller Disclosure Schedule:

(a) the Company Entities and the Project are, and since the Lookback Date have been, in compliance in all material respects with Environmental Laws;

(b) since the Lookback Date (or earlier to the extent unresolved), Seller and its Affiliates have not received any written notice or Governmental Order from any Governmental Authority or other Person alleging that any Company Entity or the Project is in material violation of, or has material Liability under, any Environmental Law;

(c) except as would not reasonably be expected to result in material Liability to any Company Entity or the Project: (i) the Company Entities and the Project hold and comply with all Permits and Emissions Credits required under Environmental Laws to conduct their respective businesses as currently conducted; (ii) each such Permit and Emissions Credit is in full force and effect; and (iii) there are no Actions pending or, to Seller's Knowledge, threatened that would result in the revocation, termination or adverse amendment of any Permit or Emissions Credits of any Company Entity or the Project;

(d) there are no Actions pending or, to Seller's Knowledge, threatened against any Company Entity relating to or alleging a material violation of, or material Liability under, Environmental Law;

(e) The Company Entities own all unused and unexpired Emissions Credits issued in respect of, or purchased on behalf of, the Project and, to Seller's Knowledge, no Emissions Credits generated, retired, purchased, sold, traded or otherwise transferred by the Company Entities have been invalidated, voided, rescinded or subject to recapture, in each case to the extent giving rise to material Liability of the Company Entities under Environmental Law;

(f) there has been no treatment, storage, disposal, arrangement for or permitting the disposal, transportation, handling, or release of, exposure of any Person to, or contamination by any Hazardous Substances, in each case so as to give rise to any material Liability of the Company Entities or the Project pursuant to any Environmental Laws;

(g) the Company Entities have not contractually assumed, undertaken, or provided an indemnity with respect to the material Liability of any other Person under Environmental Laws or relating to Hazardous Substances; and

(h) Seller and the Company Entities have made available to Buyer all material environmental assessments, audits, reports, and other material environmental, health and safety documents relating to the Project that are in their possession or reasonable control.

Section 3.12 Contracts. True, correct and complete copies of each Material Contract (other than Off the Shelf Software Licenses) of the Company Entities have been made available to Buyer in the Due Diligence Materials and a list of such Material Contracts is set forth on Section 3.12 of the Seller Disclosure Schedule. Each such Material Contract is in full force and effect, enforceable in accordance with its terms, and is the legal, valid and binding obligation of the Company Entity which is a party to such Material Contract, subject to the Remedies Exception and, to Seller's Knowledge, the other parties thereto. No Company Entity, nor to Seller's Knowledge, any of the other parties thereto is in breach, violation or default under such Material Contract, except (a) for breaches, violations or defaults as would not, individually or in the aggregate, result in Liability material to the Company Entities, taken as a whole, and (b) that, in order to avoid a default, violation or breach under any Material Contract, the Consent of such other parties set forth in Section 3.2(b) of the Seller Disclosure Schedule may be required in connection with the transactions contemplated hereby. To Seller's Knowledge, no event has occurred and no circumstance or condition exists that, with or without notice, lapse of time or both, would, or would reasonably be expected to, (i) constitute a material default by any Company Entity or give any Person the right to exercise any remedy under any Material Contract, (ii) result in a material violation or breach of any of the provisions of any Material Contract, (iii) give any Person the right to accelerate the maturity or performance of any grant or rights or other obligation under a Material Contract or (iv) give any Person the right to cancel, terminate or modify any Material Contract. No Company Entity has provided or received any written (or to Seller's Knowledge, oral) notice that any party intends to terminate, cancel, or not renew any Material Contract.

Section 3.13 Insurance. Section 3.13 of the Seller Disclosure Schedule sets forth a true, correct and complete list, as of the date hereof, of all insurance policies under which any Company Entity is a named insured or otherwise is a beneficiary of coverage (including the name of the insurer, the policy period and the amount of coverage thereunder). The insurance coverage maintained by or on behalf of the Company Entities is consistent in all material respects with that which is customarily maintained by companies in the industry in which the business of the Company Entities operate. Except as set forth on Section 3.13 of the Seller Disclosure Schedule, neither Seller nor any of its Affiliates has received any written

notice from the insurer under any such insurance policy disclaiming coverage, reserving rights with such policy in general or with respect to a particular claim filed for or on behalf of any Company Entity, or cancelling, terminating or amending any such policy, and there is no pending, and since the Lookback Date there has been no, material claim by Seller or any Company Entity under any such policy. All premiums due and payable for such insurance policies have been duly paid (including through financing arrangements), and such policies (or extensions, renewals or replacements thereof with comparable policies) are in full force and effect and will be outstanding and duly in full force and effect without interruption until the Closing Date assuming renewal in the Ordinary Course of Business.

Section 3.14 Litigation. Except as set forth on Section 3.14 of the Seller Disclosure Schedule, since the Lookback Date through the date of this Agreement, there are no and there have not been any Actions pending or threatened in writing against any Company Entity or affecting any of its assets or properties or (ii) to Seller's Knowledge, against the O&M Provider, in each case that have resulted or would result in any material Liability for the Company Entities or the Project, taken as a whole.

Section 3.15 Employee and Benefit Plan Matters.

(a) No Company Entity has, or has had at any time, any employees. No Company Entity sponsors, maintains or contributes to, or has an obligation to contribute, to any Benefit Plan. No Company Entity has any Liabilities under or with respect to any "multiemployer plan" (as defined in Section 3(37) of ERISA), "defined benefit plan" (as defined in Section 3(35) of ERISA) or plan subject to Title IV of ERISA or Section 412 of the Code, or plan that provides retiree, post-ownership, or post-service health, life or other welfare benefits. No Company Entity has any Liabilities as a consequence of at any time being considered a single employer with any other Person under Section 414 of the Code.

(b) Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby could, either alone or in combination with any other event: (i) result in the acceleration of the time of payment or vesting or result in any payment or funding (through a grantor trust or otherwise) of compensation or benefits to any current or former employee, officer, director or other individual service provider of any Company Entity (including through any Benefit Plan); or (ii) result in any payments or benefits under any agreement with the Company Entities or any Benefit Plan that, individually or in combination with any other payment or benefit, could constitute the payment of any "excess parachute payment" within the meaning of Section 280G of the Code or in the imposition of an excise Tax under Section 4999 of the Code.

(c) No Company Entity has any current or contingent obligation to indemnify, gross-up, reimburse or otherwise make whole any Person for any Taxes, including those imposed under Section 4999 or Section 409A of the Code (or any corresponding provisions of state, local or foreign Tax law).

Section 3.16 Labor Matters.

(a) The Company Entities (and, to Seller's Knowledge, the O&M Provider, solely as it relates to the Project) are neither party to, nor bound by, any collective bargaining agreement or other labor-related Contract with a union, works council, labor organization or other employee representative (each, a "Labor Agreement"). There is and has been no actual or threatened unfair labor practice charges, labor grievances, strike, lockout, work stoppage, slowdown, picketing, organizing activity, or material labor dispute against or affecting any Company Entity or the Project.

(b) There is no, and since the Lookback Date there has not been any, (i) Action pending, or, to Seller's Knowledge, threatened in writing, against any Company Entity or (ii) to Seller's Knowledge, any Action pending or threatened in writing against the O&M Provider (solely in connection with the Project), in each case relating to a material alleged violation of any Laws pertaining to labor or employment practices.

Section 3.17 Legal Compliance. Except for Permits (which are addressed exclusively in Section 3.19) and Laws relating to International Trade and Anti-Corruption (which are addressed exclusively in Section 3.27), no Company Entity or the Project is, or since the Lookback Date has been, in violation of any Law or other authorization or approval of any Governmental Authority applicable to its business or operations, or to any Site, except for such violations as would not, individually or in the aggregate, reasonably be expected to be material to the Company Entities or the Project, taken as a whole. In the last two (2) years, no Company Entity has (and, to Seller's Knowledge, the O&M Provider, solely as it relates to the Project, has not) received any written notice of, or has been formally charged in writing by a Governmental Authority with, the violation in any material respect of any applicable Laws or Governmental Orders that would, individually or in the aggregate, reasonably be expected to be material to the Company Entities or the Project, taken as a whole.

Section 3.18 Brokers' Fees. No Company Entity has entered into any contract or other arrangement or understanding (written or oral, express or implied) with any Person which may result in the obligation of Buyer or any of its Affiliates to pay any fees or commissions to any Person as a result of the execution and delivery of this Agreement, the other Transaction Documents, or the consummation of the transactions contemplated hereby or thereby.

Section 3.19 Permits. True, complete and correct copies of all material Permits required under applicable Law for ownership or operation of the Project and the operations of the Company Entities have been made available to Buyer. Except as set forth on Section 3.19 of the Seller Disclosure Schedule, the Company Entities have all Permits required to conduct their respective businesses and operations as currently conducted, and to operate, own, maintain and use the Project at the Site as currently operated, except where the failure to have or obtain such Permits would not, individually or in the aggregate, be material to the Company Entities or the Project, taken as a whole. Each such Permit is in full force and effect and the applicable Company Entity is in compliance in all material respects with all its obligations with respect thereto. There are no Actions or Governmental Orders pending or, to Seller's Knowledge, threatened in writing which would result in the revocation, termination, cancellation, suspension, non-renewal or material amendment of any material Permit of any Company Entity or the Project, except as would not, individually or in the aggregate, be material to the Company Entities or the Project, taken as a whole. Each Permit required under applicable Law for the development, design, construction, ownership, or operation of any projects in development by the Company Entities has been obtained by the Company Entities or, to Seller's Knowledge, will be obtained in due course and without material adverse conditions prior to the time the same is required to be obtained under applicable Law.

Section 3.20 Regulatory Status.

(a) PUHCA. The Seller (i) is a "holding company" under PUHCA, in part, as a result of its direct or indirect ownership interest in the Company Entities, and (ii) is not subject to, or is exempt from, regulation as a "holding company" under PUHCA with regard to federal access to books and records, accounting, record-retention and reporting requirements under PUHCA. The Project Company directly owns the Project and is an Exempt Wholesale Generator under PUHCA and FERC's regulations thereunder and is exempt from regulation under the federal books and records access provisions of PUHCA as an Exempt Wholesale Generator and

is in material compliance with all requirements under PUHCA and FERC's regulations thereunder.

(b) FPA. The Project Company is subject to regulation as a "public utility" under the FPA, has MBR Authority, and is in material compliance with all applicable requirements under the FPA and the FERC's regulations thereunder. The Project Company has a reactive power rate schedule on file with FERC that is in full force and effect.

Section 3.21 Intellectual Property. Section 3.21 of the Seller Disclosure Schedule sets forth a true and complete list of all Intellectual Property owned by a Company Entity for which a registration or application has been filed with a Governmental Authority (together with all other Intellectual Property owned or purported to be owned by a Company Entity, the "Company Owned IP").

(a) All Company Owned IP is subsisting, and to the extent capable of being valid or enforceable, is valid and enforceable in all material respects. No holding, decision, or judgment has been rendered in any Action denying the validity of the any Company Entity's right to register, or a Company Entity's rights to own or use, any Company Owned IP.

(b) To Seller's Knowledge, no third party is infringing upon, misappropriating or otherwise violating any material Company Owned IP.

(c) (i) A Company Entity exclusively owns and possesses all right, title and interest in and to all Company Owned IP and (ii) except as set forth in Section 3.21(c) of the Seller Disclosure Schedule, the Company Entities have sufficient rights to all Intellectual Property used in or necessary for the conduct of the business of the Company Entities or for the Project (such Intellectual Property, together with the Company Owned IP, the "Business IP"), in each case of (i) and (ii), free and clear of all Liens other than Permitted Liens (provided the foregoing is not and shall not be deemed to be a representation or warranty regarding any infringement, misappropriation or other violation of any Intellectual Property of any other Person). There are no, and there have not been since the Lookback Date any, Actions or claims pending or threatened in writing by or against, or sent or received in writing by, any Company Entity or, in connection with the business of any Company Entity or the Project, Seller or any of its other Affiliates, asserting, contesting or relating to any Intellectual Property (including the validity, use, ownership, registrability, scope, or enforceability thereof or infringement, misappropriation, or dilution thereof, or other conflict therewith (including any offers or demands to license or cease and desist letters)). None of the Company Entities or the conduct of their business, the Project (or, in connection with any such business or Project, Seller or any of its other Affiliates) has in the past six (6) years infringed, misappropriated, or violated, or is infringing, misappropriating, or violating, any Intellectual Property of any Person.

(d) Except as set forth in Section 3.21(d) of the Seller Disclosure Schedule, the Company Systems (and license seats therefor licensed by the Company Entities) are sufficient for the current and intended future needs of the Company Entities and the Project and are free from any "back door," "malware," "spyware," "Trojan horse," "virus," "ransomware," "worm", or other malicious code. The Company Entities and their Affiliates have taken reasonable precautions to (i) protect the confidentiality, integrity and security of the Company Systems and all information stored or contained therein or transmitted thereby from any theft, corruption, loss or unauthorized Processing and (ii) ensure that all Company Systems operate and run in a reasonable business manner in all respects. Since the Lookback Date, there have been no failures or other adverse events affecting any of the Company Systems that have caused any material disruption in or to the business of the Company Entities or the Project. The Company Entities have in place adequate business continuity and disaster recovery plans, which have been regularly tested. No trade secrets or confidential information owned or Processed by or on

behalf of any of the Company Entities have been authorized to be disclosed to any Person, other than in the Ordinary Course of Business pursuant to a written confidentiality and non-disclosure contract and no such trade secrets or confidential information have been disclosed to any Person other than in accordance with the foregoing. Except as set forth in Section 3.21(d) of the Seller Disclosure Schedule or for any Company Systems provided in connection with the services rendered under the O&M Agreement or the GE CSA, the Company Entities own or is the licensor of all Company Systems.

Section 3.22 Cybersecurity and Data Privacy.

(a) There have been no Data Breaches, including of the security of the Company Entities' or the Project's IT assets. The Company Systems (and license seats therefor licensed by the Company Entities) are (i) sufficient for the current needs of the Company Entities and the Project and (ii) are free from any "back door", "malware," "spyware", "Trojan horse", "virus", "ransomware", "worm" or other malicious code.

(b) Except as set forth in Section 3.22 of the Seller Disclosure Schedule, the Company Entities and Project are, and since the Lookback Date have been, in compliance in all material respects with all Data Security Requirements. There are no, and there have not been since the Lookback Date any, Actions or claims pending or threatened in writing, or, to the Seller's Knowledge, otherwise threatened against any Company Entity, the Project or, in connection with the business of any Company Entity or the Project, any Seller Entity or any of their respective Affiliates, concerning any of the Data Security Requirements or any Data Breach.

(c) The consummation of the transactions contemplated hereby will not breach or otherwise cause any violation of any Data Security Requirement or Privacy Law or require the consent, waiver or authorization of, or declaration, filing or notification to, any Person, except as would not, individually or in the aggregate, have a Material Adverse Effect.

(d) The Company Entities maintain commercially reasonable policies, procedures, and rules regarding data Processing, privacy, protection and security that comply in all material respects with all Data Security Requirements. No Company Entity nor, in connection with the business of any Company Entity or the Project, Seller or any of its other Affiliates, has been required to notify (or has notified) any Person in connection with any actual or alleged Data Breach or violation of any Privacy Law or Data Security Requirement.

Section 3.23 Company Entity Assets. Except as set forth in Section 3.23 of the Seller Disclosure Schedule, the Company Entities have good and valid title to all of the assets and properties (other than Owned Real Property, which is addressed exclusively in Section 3.10 and Intellectual Property) used in the business as conducted as of the date hereof by the Project Company and the Project, free and clear of all Liens other than Permitted Liens. Except as set forth in Section 3.23 of the Seller Disclosure Schedule, the assets, properties and rights owned, leased, licensed, operated or contracted by the Company Entities (a) are in good operating and working condition and repair (ordinary wear and tear excepted), (b) since the Lookback Date have been operated and maintained in all material respects in accordance with prudent industry standards, (c) are suitable and adequate for the purposes for which they are presently used and (d) constitute, in all material respects, all of the assets, properties and rights used (or held for use) in the conduct of the Project Company's business, including the Project, as conducted as of the date of this Agreement and such assets, properties and rights are sufficient to conduct the Project Company's business as currently conducted as of the date of this Agreement. The Project Company has the right to use all of the assets, properties and rights (other than Real Property, which is addressed exclusively in Section 3.10 and Intellectual Property) that are necessary or useful to conduct its business as conducted as of the date of this Agreement. None of

the Project Company's assets have been stored in a manner that would nullify any applicable manufacturer's warranty. Neither Seller nor any of its Affiliates (other than the Company Entities) owns or has any right, title or interest in or to any Business IP or any Company Systems. The Project Company has implemented all recommendations of the O&M Provider or any other third party service provider that is party to any Material Contract and taken all actions required under the O&M Agreement or such other Material Contract, except as would not give rise to (i) an involuntary outage with a duration longer than one (1) week or (ii) an unanticipated expense greater than one million dollars ($1,000,000).

Section 3.24 Directors and Officers. Section 3.24 of the Seller Disclosure Schedules sets forth a true and correct list of all of the officers and directors of each Company Entity.

Section 3.25 Bank Accounts. Section 3.25 of the Seller Disclosure Schedules sets forth an accurate and complete list of the names of banks, trust companies and other financial institutions at which the Company Entities maintain accounts of any nature and the individuals with signing or withdrawal authority for each such account.

Section 3.26 Affiliate Agreements. Except as set forth on Section 3.26 of the Seller Disclosure Schedules, there are no Affiliate Contracts. Except as set forth on Section 3.26 of the Seller Disclosure Schedules, neither Seller nor any of its Affiliates (other than another Company Entity), nor any director, manager, officer, equityholder (other than limited partners or similar passive equityholders in investment funds or vehicles) or management-level employee of Seller or any of its Affiliates (other than another Company Entity), nor any immediate family member of any of the foregoing (a) owes any amount to such Company Entity, nor does any such Company Entity owe any amount to, or has such Company Entity committed to make any loan or extend or guarantee credit to or for the benefit of, any such Person, (b) purchased, acquired or leased any property, rights or services from, or sold, transferred or leased any assets, property, rights or services to such Company Entity in the twelve (12) months prior to the date hereof or otherwise for which any Company Entity has any right, obligation or liability that will survive the Closing, (c) subject to Section 3.26 of the Seller Disclosure Schedules, is as of the date hereof a party to a Contract or transaction with any Company Entity or otherwise has any right, obligation or liability to or from any Company Entity under any Contract or transaction entered into with such Company Entity that will survive the Closing or (d) received any financial or other benefits from any Company Entity.

Section 3.27 International Trade and Anti-Corruption.

(a) No Company Entity nor any of its officers or directors, nor to the Seller's Knowledge, any employee, agent or other third party representative acting on behalf of any Company Entity, (a) is currently, or has been since April 24, 2019: (i) a Sanctioned Person; (ii) engaging in any dealings or transactions with, on behalf of, or for the benefit of any Sanctioned Person or in any Sanctioned Country, in either case in violation of Sanctions; or (iii) otherwise in violation of Sanctions, Ex-Im Laws, or U.S. anti-boycott Laws (collectively, "Trade Controls"); or (b) has in the last five (5) years been in violation of any Anti-Corruption Laws.

(b) No Company Entity has received from any Governmental Authority or any Person any notice, inquiry, or internal or external allegation; made any voluntary or involuntary disclosure to a Governmental Authority; or conducted any internal investigation or audit concerning any material actual or potential violation or wrongdoing in each case, related to Trade Controls or Anti-Corruption Laws in the last five (5) years (except, in the case of Sanctions, since April 24, 2019). There are no pending or, to the Seller's Knowledge, threatened claims against any Company Entity with respect to Anti-Corruption Laws or Trade Controls.

Article IV.

REPRESENTATIONS AND WARRANTIES REGARDING THE SELLER ENTITIES

Seller represents and warrants to Buyer as follows as of the date hereof and as of the Closing Date:

Section 4.1 Organization. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of Delaware. Seller has all requisite limited liability company power and authority to carry on its business as it is currently conducted and to own, lease and operate its properties and assets where such properties and assets are now owned, leased or operated, except as would not reasonably be expected to have a Material Adverse Effect.

Section 4.2 Authorization. Seller and each Company Entity has all requisite limited liability company power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is or will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Seller and each Company Entity of this Agreement and such other Transaction Documents and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary limited liability company action on the part of Seller or such Company Entity, and no other approval, action or proceedings on the part of Seller or any Company Entity is necessary to authorize this Agreement or any other Transaction Document, or the consummation by Seller and each Company Entity of the transactions contemplated to be performed by Seller or such Company Entity hereby or thereby. This Agreement has been duly executed and delivered by Seller and constitutes a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms, subject to the Remedies Exception.

Section 4.3 Noncontravention. Neither the execution and delivery by Seller of this Agreement nor by Seller or the Subsidiary Seller of the other Transaction Documents to which it is or will be a party, nor the consummation by Seller or any Company Entity of the transactions contemplated hereby or thereby, with or without notice, lapse of time, or both (a) conflicts with or results in a violation or breach of any provision of the Governing Documents of Seller or such Company Entity, (b) assuming receipt of the Consents specified in Section 3.5 violates any Law or Governmental Order to which Seller is subject, (c) other than the Consents specified in Section 3.5 requires the Consent of any Governmental Authority under any applicable Law, (d) results in the creation or imposition of any Lien (other than Permitted Liens) on any material properties or assets of Seller or any Company Entity or (e) conflicts with, or results in any violation or breach of, or default under (or an event that, with or without notice or lapse of time, or both would constitute a breach of or default under), or gives rise to a right of termination, cancellation, modification or acceleration of any right or obligation under or to any loss of any material benefit to which Seller or any Company Entity is entitled under, or requires any consent from or other action by, any other Person under, any provision of any Contract to which Seller or any Company Entity is a party or by which Seller or any Company Entity is, or any of its assets or Permits are bound, except, in the case of clauses (b), (c), (d) or (e) as would not, individually or in the aggregate, have a Material Adverse Effect.

Section 4.4 Brokers' Fees. Seller has not entered into any contract or other arrangement or understanding (written or oral, express or implied) with any Person which may result in the obligation of Buyer or any of its Affiliates or any of the Company Entities to pay any fees or commissions to any Person as a result of the execution and delivery of this

Agreement or the other Transaction Documents to which Seller is or will be a party or the consummation of the transactions contemplated hereby or thereby.

Section 4.5 Litigation. As of the date of this Agreement, there are no, and since the Lookback Date there have not been any, Actions pending or threatened in writing against Seller or affecting any of its assets or properties that (a) seeks a Governmental Order restraining, enjoining or otherwise prohibiting or making illegal any of the transactions contemplated by this Agreement or the other Transaction Documents or (b) that individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. Seller is not subject to any Governmental Order which would, individually or in the aggregate, have a Material Adverse Effect. Seller has not initiated any Actions against any other Person that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 4.6 Company Interests. Seller is the sole legal and beneficial owner of, and has good and valid title to, the Caithness Freedom Common Interests, the Class B Holdings Interests and the Manager Interests, in each case, free and clear of all Liens except for Liens arising under (i) the Governing Documents of Caithness Freedom, Caithness Freedom Class B Holdings or the Manager, as applicable, (ii) this Agreement and (iii) applicable securities Laws. The Subsidiary Seller is the sole legal and beneficial owner of, and has good and valid title to, the Project Company Interests, free and clear of all Liens except for Liens arising under (i) the Governing Documents of the Project Company, (ii) this Agreement and (iii) applicable securities Laws. At the Closing, Buyer shall acquire from (x) in the case of a Caithness Freedom Common Interests Sale, Seller all record and beneficial ownership of the Caithness Freedom Common Interests, the Class B Holdings Interests and the Manager Interests, in each case, free and clear of any and all Liens (except for Liens arising under the Governing Documents of the Company Entities, Liens arising under this Agreement, Liens created by Buyer or any of its Affiliates and Liens arising under applicable securities Laws) or (y) in the case of a Project Company Sale, the Subsidiary Seller all record and beneficial ownership of such Project Company Interests, free and clear of any and all Liens (except for Liens arising under the Governing Documents of the Companies, Liens arising under this Agreement, Liens created by Buyer or any of its Affiliates and Liens arising under applicable securities Laws).

Section 4.7 Solvency. Seller is not entering into this Agreement or the other Transaction Documents or the transactions contemplated hereby or thereby with the actual intent to hinder, delay or defraud any present or future creditors. Assuming the representations and warranties of Buyer contained in Article V are true and correct in all material respects and immediately after giving effect to the consummation of the transactions contemplated hereby, Seller or the Subsidiary Seller, as applicable, (a) will be solvent (in that both the fair value of its assets will not be less than the amount required to pay its probably liabilities on its recourse debts as they mature or become due in the Ordinary Course of Business), (b) will have adequate capital and liquidity with which to engage in its business and (c) will be able to pay all of its debts as they mature or become due in the Ordinary Course of Business.

Section 4.8 No Additional Representations and Warranties. Except for the express representations and warranties provided in Article III and this Article IV and the certificate delivered pursuant to Section 7.3(c), no Seller Related Party has made, or is making, any representation or warranty of any kind or nature whatsoever, oral or written, express or implied, relating to Seller, the Subsidiary Seller or the Company Entities (including any representation or warranty relating to financial condition, results of operations, assets or liabilities of the Company Entities) to Buyer or any of its Affiliates or their respective Representatives or equityholders, and Seller, on behalf of itself and the other Seller Related Parties, hereby disclaims any such other representations or warranties and no such party shall be liable in respect of the accuracy or completeness of any information provided to Buyer or any of

its Affiliates or their respective Representatives or equityholders other than the express representations and warranties provided in Article III and this Article IV and the certificate delivered pursuant to Section 7.3(c).

Article V.

REPRESENTATIONS AND WARRANTIES REGARDING BUYER

Buyer represents and warrants to Seller as follows as of the date hereof and as of the Closing Date:

Section 5.1 Organization. Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of Delaware and Buyer has all requisite limited liability company power and authority to carry on its business as it is currently conducted and to own, lease and operate its properties where such properties are now owned, leased or operated, except as would not reasonably be expected to have a Material Adverse Effect. Buyer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or license necessary, except in such jurisdictions where the failure to be so duly qualified or licensed or in good standing would not, individually or in the aggregate, have a Material Adverse Effect on Buyer.

Section 5.2 Authorization. Buyer has all requisite limited liability company power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is or will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Buyer of this Agreement and such other Transaction Documents and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary limited liability company action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to the Remedies Exception.

Section 5.3 Noncontravention. Neither the execution and delivery of this Agreement or the other Transaction Documents to which it is or will be a party by Buyer, nor the consummation by Buyer of the transactions contemplated hereby or thereby (a) conflicts with any provision of the Governing Documents of Buyer, or (b) violates or results in a breach of any material agreement, contract, lease, license, instrument or other arrangement to which Buyer or any of its Subsidiaries is a party or by which any of their respective properties are bound or (c) assuming receipt of the Consents described in Section 5.4, compliance with the HSR Act and the accuracy of the Seller's representations and warranties set forth in Article III and Article IV, violates any Law to which Buyer or any of its Subsidiaries is subject, except, in the case of clauses (b) and (c), for such violations or breaches as would not, individually or in the aggregate, have a Material Adverse Effect on Buyer.

Section 5.4 Government Authorizations. No Consent of, with or to any Governmental Authority is required to be obtained or made by or with respect to Buyer or any of its Affiliates in connection with the execution and delivery of this Agreement and the other Transaction Documents by Buyer or the consummation by Buyer of the transactions contemplated hereby and thereby, except for (a) required filings under the HSR Act, (b) Consents required pursuant to the FPA as described in Section 7.1(c), (c) as set forth on Section 5.4 of the Buyer Disclosure Schedule, (d) Consents not required to be made or given

until after Closing and (e) Consents that, if not obtained or made, would not, individually in the aggregate, reasonably be expected to have a Material Adverse Effect on Buyer.

Section 5.5 Financial Capacity. Buyer has sufficient cash or other sources of immediately available funds to pay in cash the Purchase Price on the Closing Date and all other payments required hereunder in accordance with the terms of Article II and for all other actions necessary for Buyer to consummate the transactions contemplated in this Agreement and perform its obligations hereunder. Buyer acknowledges that receipt or availability of funds or financing by Buyer or any of its Affiliates shall not be a condition to Buyer's obligations hereunder. No funds to be paid to either Seller Entity have been derived from or will have been derived from, or constitute, either directly or indirectly, the proceeds of any criminal activity under the anti-money laundering Laws of the United States.

Section 5.6 Investment. Buyer is aware that the Company Interests being acquired by Buyer pursuant to the transactions contemplated hereby have not been registered under the Securities Act or under any state securities Laws. Buyer is not an underwriter, as such term is defined under the Securities Act, and Buyer is purchasing the Company Interests for its own account solely for investment and not with a view toward, or for sale in connection with, any distribution thereof within the meaning of the Securities Act, nor with any present intention of distributing or selling the Company Interests in violation of applicable securities Laws. Buyer and its Affiliates acknowledge that none of them may sell or otherwise dispose of the Company Interests except in compliance with the registration requirements or exemption provisions under the Securities Act and the rules and regulations promulgated thereunder, or any other applicable securities Laws. Buyer is an "accredited investor" as defined under Rule 501 promulgated under the Securities Act.

Section 5.7 Litigation. As of the date hereof, there are no Actions pending or, to Buyer's Knowledge, threatened in law or in equity or before any Governmental Authority against Buyer or any of its Affiliates that would reasonably be expected to result in any Liability for Buyer that would, individually or in the aggregate, have a Material Adverse Effect on Buyer. Neither Buyer nor any of its Affiliates is subject to any Governmental Order which would, individually or in the aggregate, have a Material Adverse Effect on Buyer.

Section 5.8 Brokers' Fees. None of Buyer or any of its Affiliates has any contract or other arrangement or understanding (written or oral, express or implied) with any Person which may result in the obligation of either Seller Entity or any of its Affiliates to pay any fees or commissions to any broker or finder as a result of the execution and delivery of this Agreement or the other Transaction Documents to which Buyer is or will be a party or the consummation of the transactions contemplated hereby or thereby.

Section 5.9 Information.

(a) Seller and the Company Entities have provided Buyer with access to the facilities, books, records and personnel of the Company Entities as Buyer has requested in order for Buyer to investigate the businesses and properties of the Company Entities in connection with its investment decision to purchase the Company Interests and to enter into this Agreement. Buyer (either alone or together with its advisors) has such knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its purchase of the Company Interests and is capable of bearing the economic risks of such purchase. Buyer's acceptance of the Company Interests on the Closing Date shall be based upon its own investigation, examination and determination with respect thereto, the express representations and warranties of Seller set forth in Article III and Article IV and any certificate delivered pursuant hereto or in any other Transaction Documents as to all matters and without reliance

upon any express or implied representations or warranties of any nature made by or on behalf of or imputed to Seller, except as expressly set forth in this Agreement.

(b) Buyer has relied solely on its own legal, tax and financial advisers for its evaluation of its investment decision to purchase the Company Interests and to enter into this Agreement and not on the advice of Seller or any of its Affiliates or any of their legal, tax or financial advisers. Buyer acknowledges that any financial projections that may have been provided to it are based on assumptions of future operating results based on assumptions about certain events (many of which are beyond the control of Seller or any of its Affiliates). Buyer understands that no assurances or representations can be given that the actual results of the operations of any Company Entity will conform to the projected results for any period. Buyer specifically acknowledges that no representation or warranty has been made, and that Buyer has not relied on any representation or warranty, as to the accuracy of any projections, estimates or budgets, future revenues, future results from operations, future cash flows, the future condition (whether financial or other) of any Company Entity, or the businesses or assets thereof, or, except as expressly set forth in this Agreement, any other information or documents made available to Buyer, its Affiliates or its or their respective Representatives or equityholders.

(c) Buyer and its Representatives and equityholders acknowledge and agree that neither Seller nor any of its Affiliates, nor any of its Representatives or equityholders, is making any representation or warranty whatsoever, express or implied, beyond those expressly given in Article III and Article IV and the certificate delivered pursuant to Section 7.3(c), including any implied warranty or representation as to condition, merchantability, suitability or fitness for a particular purpose or trade as to any of the assets of any of the Company Entities.

Section 5.10 Energy-Related Holdings. As of the date of this Agreement, neither Buyer nor any of its Affiliates have received any written notice of any actual, pending, or threatened proceeding or investigation by or before FERC that would reasonably be expected to prevent or delay (a) any filings or approvals required under the HSR Act or (b) obtaining authorization from FERC pursuant to Section 203 of the FPA. Section 5.10 of the Buyer Disclosure Schedule sets forth a complete and accurate list, as of the date hereof, of: (a) each electric generating facility located or planned to become operational within the next year in the balancing authority areas relevant to FERC 203 analysis and, which list shows the nominal capacity and fuel type of each such facility; and (b) each interstate electric transmission facility, interstate or intrastate natural gas or other fuel transportation, storage or distribution facility or any other upstream inputs to electricity products, such as sites for electric generation capacity development or natural gas or other fuel supply sources, in each case under clause (a) and (b) above, owned, operated, leased or controlled by Buyer or any of its affiliates (as FERC would define affiliate for purposes of market power analyses).

Section 5.11 No Foreign Control. Buyer is not a "foreign person" as that term is defined in 31 C.F.R. § 800.224.

Section 5.12 Solvency. Buyer is not entering into this Agreement with the intent to hinder, delay or defraud either present or future creditors. Immediately after giving effect to all of the transactions contemplated by this Agreement and the other Transaction Documents, including the making of the payments contemplated by Article II, and assuming satisfaction of the conditions to Buyer's obligation to consummate the transactions contemplated by this Agreement and the other Transaction Documents, the accuracy of the representations and warranties of Seller and the Company Entities set forth herein and the performance by Seller of its obligations hereunder in all material respects, following the Closing Buyer (a) will be solvent (in that both the fair value of its assets will exceed the amount required to pay its probable liabilities on its recourse debts as they mature or become due in the Ordinary Course of Business), (b) will have adequate capital and liquidity with which to engage in its business and

(c) will be able to pay all of its debts as they mature or become due in the Ordinary Course of Business.

Article VI.

COVENANTS

Section 6.1 Conduct of the Company Entities.

(a) From the date hereof and prior to the earlier to occur of the Closing Date and the date that this Agreement is terminated in accordance with Article IX (the "Interim Period"), except (i) as otherwise expressly contemplated by this Agreement (including as described on Section 6.1 of the Seller Disclosure Schedule and the other matters contemplated by the other Schedules and Exhibits hereto) or any of the other Transaction Documents or as required by applicable Law, (ii) for the effect of the consummation of the transactions contemplated hereby, (iii) as required by any Public Health Measure, (iv) as required under, any Material Contract or Governing Document of a Company Entity, or (v) as otherwise consented to in writing by Buyer (which consent shall not be unreasonably withheld, conditioned or delayed), Seller shall (A) cause the Company Entities to conduct their respective businesses and the Project in the Ordinary Course of Business and (B) cause each Company Entity to use its commercially reasonable efforts to preserve, maintain and protect the assets of the Company Entities (ordinary wear and tear excepted) and existing relationships with customers, suppliers, service providers, lenders, vendors, landlords, debt financing sources and Governmental Authorities and other Persons with whom any Company Entity has material business relations.

(b) Without limiting the generality of the foregoing, during the Interim Period, except (i) as required under any Material Contract, (ii) as set forth in the Operating Budgets (iii) as required by any Public Health Measure, (iv) as otherwise expressly contemplated by this Agreement (including as described on Section 6.1 of the Seller Disclosure Schedule and the other matters contemplated by the other Schedules and Exhibits hereto) or any of the other Transaction Documents, or (v) as otherwise approved in writing by Buyer (which approval shall not be unreasonably withheld, conditioned or delayed) (*provided* that, if Seller requests consent from Buyer by delivering a written notice to Buyer describing in reasonable detail the matter for which consent is requested (the "Matter Description") and Buyer does not respond to such request within five Business Days after receipt by Buyer of the request and the Matter Description and after response to Buyer's commercially reasonable questions relating to such consent, Buyer shall be deemed to have consented to such request), Seller shall not and shall cause the Subsidiary Seller and the Company Entities not to (and shall not direct the O&M Provider to, or provide consent under the O&M Agreement for the O&M Provider to):

(i) amend or modify the Governing Documents of any Company Entity or form any Subsidiary;

(ii) (x) authorize for issuance, issue, grant, sell, deliver, dispose of, pledge or otherwise encumber any Interests of any Company Entity, (y) issue any Rights to subscribe for or acquire any shares or Interests of any Company Entity or enter into any voting agreement with respect to any Interests of any Company Entity, or (z) redeem, repurchase, adjust, split, combine, reclassify or subdivide any Interests of any Company Entity;

(iii) (A) make, change or rescind any material Tax election, other than in the Ordinary Course of Business, (B) file any amended Tax Return, (C) change any material financial accounting methods, principles or practices of any Company Entity, (D) change any annual Tax accounting period, (E) surrender any right to claim a refund

of a material amount of Taxes, or (F) obtain any Tax ruling or enter into any closing or similar agreement with any Governmental Authority;

(iv) (A) sell, transfer, sublease, abandon, dispose of or otherwise transfer any of the Owned Real Property or any of the assets of the Company Entities (including Emissions Credits) (1) outside of the Ordinary Course of Business or (2) having a value in excess of $500,000 individually or $1,500,000 in the aggregate, other than (v) sales of electric power, capacity or ancillary services, (w) sales of fuels and other commodities, (x) sales or dispositions of obsolete or unusable assets, in each case in the Ordinary Course of Business or (y) the surrender, retirement, or other disposition of Emissions Credits but only to the extent required to cause the Company Entities to comply, after the date hereof and prior to the Closing, with Environmental Laws (but not the sale or transfer of any surplus Emissions Credits) or (B) encumber any such assets, Owned Real Property or the Company Interests other than with a Permitted Lien;

(v) permit any Company Entity to create, incur or assume any Indebtedness (other than to any other Company Entity, pursuant to the Financing Documents, or for the purpose of financing premiums under any insurance policy of any Company Entity in the Ordinary Course of Business);

(vi) cancel any third party Indebtedness owed to any Company Entity;

(vii) enter into, amend or waive any material provision of any Affiliate Contract;

(viii) make any acquisitions, investments or capital expenditures in excess of $5,000,000 individually, or $10,000,000 in the aggregate, other than acquisitions of supplies, parts, fuel, materials, allowances (including Emissions Credits) and other inventory pursuant to the Operating Budgets in the Ordinary Course of Business;

(ix) liquidate (or partially liquidate), dissolve, recapitalize, reorganize or otherwise wind up its business, or adopt a plan of any of the foregoing;

(x) (A) merge or consolidate with, or purchase all or a substantial portion of the assets or businesses of, or Interests in, any Person, (B) divest, sell or acquire any business, equity securities or Person, by merger or consolidation, purchase of assets or equity interest, or by any other manner, whether in a single transaction or a series of transactions or (C) enter into any letter of intent, Contract or arrangement (whether binding or non-binding) with respect to any transaction contemplated in clauses (A) and (B);

(xi) issue or sell any Interests of any Company Entity, or any Right to acquire the same;

(xii) enter into any Contract that if in effect on the date hereof would be a Material Contract (other than (x) Hedging Contracts for the Project in the Ordinary Course of Business and permitted under the Financing Documents; *provided*, *however*, that such Hedging Contracts shall only be entered into with the contractual counterparties set forth on Section 6.1(b)(xii) of the Seller Disclosure Schedule and Seller shall promptly provide to Buyer a copy of such Hedging Contract, (y) Contracts that are required to effect a transaction that is otherwise expressly permitted by this Section 6.1(b), or (z) Contracts described in clauses (b) and (d) of the definition of Material Contracts entered pursuant to the Operating Budgets in the Ordinary Course of

Business) or terminate, amend, modify, extend, renew or supplement any Material Contract or settle or compromise any material claim under any Material Contract, except renewals, extensions or replacements of any Material Contract which either (1) requires payments over the life of such Contract of less than $2,000,000 individually and less than, when taken together with all other such Contracts being renewed or replaced under this clause (1), $4,000,000 in the aggregate, in each case as required in the Ordinary Course of Business and with terms not materially more onerous (individually or in the aggregate) than terms set forth in the Material Contract being so renewed or replaced or (2) provides that such Contract may be terminated by the Company Entity party thereto on ninety (90) days' notice or less without Liability to any Company Entity;

(xiii) amend, modify, terminate or assign any material Permit or apply for any Permit, other than in the Ordinary Course of Business;

(xiv) enter into any joint venture, strategic alliance, partnership, or other contract involving a sharing of profits, losses, costs, or liabilities with any other Person (other than any Company Entity) or relating to the ownership of a partnership, membership or other equity interest in any Person (other than another Company Entity);

(xv) initiate any litigation or settle, release, waive or compromise any claim, Action or litigation, whether now pending or hereafter made or brought or waive, release or assign any material rights or claims in each case (1) that would exceed $500,000 individually or $1,000,000 in the aggregate and (2) except as may be necessary appropriate for the respective Company Entity (A) to preserve or not prejudice any rights of such Company Entity with respect to any such claim or (B) to enforce its rights under any Contract;

(xvi) make any loans or advances to, or provide any credit support for, or investments in, any Person, other than loans or advances to, or credit support for, a Company Entity provided by another Company Entity;

(xvii) with respect to the Project: (A) materially defer, delay or abandon or otherwise fail to timely make in any material respect (1) any planned material maintenance, outage or other repair or (2) any planned capital expenditures or other expenditures as set forth in the Operating Budgets or (B) other than as provided on Section 6.1(b)(xvii) of the Seller Disclosure Schedule, permit any outages or otherwise limit production or capacity of any asset, other than under emergency circumstances pursuant to Section 6.1(c) (and in the event of any unplanned outage whether resulting from an emergency circumstance Seller shall promptly notify Buyer of such outage), except in each case due to circumstances outside the reasonable control of Seller or any of the Company Entities (including due to a grid operator instructing the Project Company to conduct an outage at a later time);

(xviii) make or declare any dividend or distribution in respect of any Company Entity, except for (A) prior to the Calculation Time dividends or distributions of cash that are paid in full prior to the Calculation Time and (B) the delivery of the "Redemption Notices" (as defined in the Caithness Freedom LLCA) as may be required under Section 6.17(c));

(xix) enter into any agreement that materially restricts the ability of any Company Entity to engage or compete in any line of business in any respect material to the business of the Company Entities, taken as a whole;

(xx) enter into any new line of business;

(xxi) with respect to any insurance policies under which any Company Entity is a named insured or otherwise is a beneficiary of coverage, except as reasonably required to renew or amend such insurance policies in the Ordinary Course of Business, fail to maintain, terminate, or cancel any such insurance policies that are not simultaneously replaced by a comparable amount of insurance coverage to the extent available on commercially reasonable terms;

(xxii) hire (A) any employees or (B) engage any other individual service provider whose relationship may be interpreted as that of an employee;

(xxiii) establish, adopt, enter into or assume any Liabilities under or with respect to any Benefit Plan;

(xxiv) enter into any Labor Agreement, engage in any collective bargaining, or recognize or certify any labor union, labor organization, works council or group of employees as the bargaining representative for any employees of the Company Entities;

(xxv) disclose any confidential information or trade secrets related to the business of any Company Entity or to the Project to any Person (other than to Buyer and its Affiliates or in the Ordinary Course of Business in circumstances in which Seller or a Company Entity has imposed reasonable and customary confidentiality restrictions) other than in the Ordinary Course of Business; or

(xxvi) agree, whether in writing or otherwise, to do any of the foregoing.

(c) Notwithstanding the foregoing or anything else in this Agreement to the contrary, (i) (A) prior to the Closing, the Company Entities shall be permitted to pay any Indebtedness or expense in connection with the transactions contemplated by this agreement and any other Transaction Document or make any distribution, dividend or other transfer of cash to another Company Entity or any Person that holds an Interest in a Company Entity, including Seller, and (B) nothing in this Agreement shall prevent Seller or any of the Company Entities from taking (or omitting to take) (1) any action as required by any Public Health Measure or (2) any action required pursuant to applicable Law or if reasonably necessary to prevent or mitigate any imminent and material harm to the Persons or assets of the Company Entities under emergency circumstances as would be taken by a prudent operator, in each case so long as Seller shall, upon receipt of notice of any such actions, promptly (and in any event, within five (5) Business Days of such notice) inform Buyer of the occurrence of such Public Health Measure or emergency situation and any such actions taken. Except with respect to any action expressly requiring the Buyer's consent hereunder, nothing contained in this Agreement shall be construed to give Buyer or any of its Affiliates, directly or indirectly, any right to control or direct the businesses of the Company Entities prior to the Closing or any other businesses or operations of Seller or its Affiliates. Prior to the Closing, Seller shall exercise such control and supervision of the Company Entities and of their respective businesses and operations as is consistent with the terms and conditions of this Agreement and their respective Governing Documents.

Section 6.2 Access to Information; Confidentiality.

(a) During the Interim Period, Buyer may make or cause to be made such review of the Company Entities and their respective assets, financial and legal condition as Buyer deems reasonably necessary or advisable. Seller shall, and shall cause the Company Entities to, permit Buyer and its authorized agents or Representatives, including its independent accountants, to have reasonable access to the properties and electronic books and records of the Company Entities (and Seller to the extent relating to the Company Entities or the Project)

during normal business hours to review information and documentation related to the assets, properties, personnel, books, Contracts and other records of the Company Entities (and Seller to the extent relating to the Company Entities or the Project) for a reasonable business purpose related to the consummation of the transactions contemplated by this Agreement; *provided, however,* that such investigation shall only be upon reasonable advance written notice (email being sufficient) and shall not unreasonably disrupt personnel and operations of the Company Entities or their Affiliates or otherwise interfere with the prompt and timely discharge by such personnel of their normal duties and shall be at Buyer's sole cost and expense; and *provided*, *further, however*, that none of Buyer, its Affiliates or their respective Representatives shall conduct any subsurface investigation or testing of any environmental media. All requests for access to the offices, properties, books and records of the Company Entities or Seller shall be made to such Representatives of Seller as Seller shall designate, who shall be solely responsible for coordinating all such requests and all access permitted hereunder. It is further agreed that none of Buyer, its Affiliates or their respective Representatives shall, prior to the Closing Date, contact any of the employees, customers, suppliers, distributors, contractors, lenders, agents or parties (or Representatives of any of the foregoing) that have business relationships with the Company Entities or any Governmental Authority or Representatives thereof, in connection with the transactions contemplated hereby, whether in person or by telephone, mail or other means of communication, without the prior written consent of Seller (other than the required filings specified in Section 3.5). Any access to the offices, properties, books and records of the Company Entities or Seller shall be subject to the following additional limitations: (i) Buyer, its Affiliates, and their respective Representatives, as applicable, shall give Seller written notice (email being sufficient) at least five (5) Business Days prior to conducting any inspections or communicating with any third party relating to any property of the Company Entities, and a Representative of Seller shall have the right to be present when Buyer, its Affiliates or their respective Representatives conducts its or their investigations on such property; (ii) none of Buyer, its Affiliates or their respective Representatives shall damage the property of the Company Entities or any portion thereof; and (iii) Buyer, its Affiliates, and their respective Representatives, as applicable, shall (A) use commercially reasonable efforts to perform all on-site reviews and all communications with any Person in an expeditious and efficient manner; and (B) except to the extent resulting from the gross negligence or willful misconduct of Seller, any Company Entity, their Affiliates or any of their respective Representatives, indemnify, defend and hold harmless Seller, the Company Entities, their respective Affiliates, and each of their respective Representatives from and against all Actions, claims, actions, Liabilities, losses, damages, judgments, fines, Taxes, penalties, fees, costs or expenses (including reasonable attorney fees, costs and expenses) to the extent resulting from the activities of Buyer, its Affiliates or their respective Representatives under this paragraph and not resulting from any gross negligence or willful misconduct of Seller, any Company Entity, their respective Affiliates or any of their respective Representatives. Notwithstanding anything herein to the contrary, Seller shall not be required to provide any access or information to Buyer, its Affiliates or any of their respective Representatives, whether during the Interim Period or from and after the Closing, which Seller reasonably believes it or the Company Entities are prohibited from providing to Buyer, its Affiliates or their respective Representatives by reason of applicable Law, which constitutes or allows access to information protected by attorney-client or similar privilege, or which Seller or its Affiliates (or, prior to the Closing, the Company Entities) are required to keep confidential or prevent access to by reason of any Contract with a third party or which would otherwise expose Seller or its Affiliates (or, prior to the Closing, the Company Entities) to a material risk of Liability.

(b) Buyer shall, and shall cause its Affiliates and their respective Representatives to, hold in confidence all Evaluation Material (as defined in the Confidentiality Agreement) obtained from Seller, the Company Entities or their respective Affiliates or Representatives, whether or not relating to the business of the Company Entities, in accordance with the provisions of the Confidentiality Agreement in each case as if Buyer and Seller were

directly a party thereto which, notwithstanding anything contained therein, shall remain in full force and effect following the execution of this Agreement and shall survive any termination of this Agreement in accordance with its terms; *provided, however,* that, subject to Section 6.5, and notwithstanding anything to the contrary contained herein or in the Confidentiality Agreement, from and after the Closing, none of Buyer, any of its Affiliates or any of its or their respective Representatives shall have any further obligation hereunder or thereunder with respect to Evaluation Material of the Company Entities. Seller shall, and shall cause its Affiliates and its and their respective Representatives to hold in confidence all Evaluation Material (as defined in the Confidentiality Agreement) obtained by them after Closing pursuant to Section 6.6, in accordance with the terms of the Confidentiality Agreement, *mutatis mutandis*.

Section 6.3 Reasonable Best Efforts. During the Interim Period, except as otherwise expressly provided in this Agreement, each Party shall use reasonable best efforts to cause the conditions set forth in Article VII to be satisfied and to consummate the transactions contemplated by this Agreement as promptly as practicable and in any event on or before the Termination Date. Notwithstanding anything to the contrary contained in this Agreement, nothing contained in this Section 6.3 or elsewhere in this Agreement shall require Seller or any other Seller Related Party (including the Company Entities) to (a) provide financing to Buyer or any other Buyer Related Party for the consummation of the transactions contemplated hereby, (b) seek or obtain any consents, notices, approvals or other authorizations in connection with the transactions contemplated by this Agreement or any other Transaction Document except as expressly provided in Section 6.4, (c) execute any Real Estate Deliveries or (d) conduct, or permit to be conducted, any sampling or analysis of soil, groundwater, building materials or other environmental media. Each Party shall use its reasonable best efforts to obtain or make, and reasonably coordinate and cooperate with the other Parties in obtaining or making, all Consents from or with any Person (other than any Governmental Authority) necessary to consummate, as soon as practicable following the date hereof (but no later than the Termination Date), the transactions contemplated by this Agreement and the other Transaction Documents; *provided, however*, that in no event shall Seller or the Company Entities, any of their respective Affiliates, or any of their Representatives be required to make any payment, or assume any Liability or grant any other accommodation (financial or otherwise) except as expressly contemplated by this Agreement or any of the other Transaction Documents.

Section 6.4 Regulatory Approvals.

(a) Each Party shall (and shall each cause their respective Affiliates to) use reasonable best efforts to make, give or obtain Consent under the HSR Act, which shall include to: (i) make or cause to be made the filings required of such Party or any of its Affiliates under the HSR Act as promptly as practicable, and in any event within twenty (20) Business Days after the date of this Agreement; (ii) cooperate with the other Party and furnish all information in such Party’s possession that is necessary in connection with such other Party’s filings in respect of the HSR Act; (iii) use reasonable best efforts to cause the expiration or termination of all applicable waiting periods under the HSR Act as soon as possible; (iv) promptly inform the other Party of the occurrence and contents of any oral communication from, and promptly provide to the other Party copies of any written communications from, any Governmental Authority in respect of the HSR Act, and permit the other Party to review in advance, and consider in good faith the comments of the other Party regarding, any proposed communication by such Party to any Governmental Authority in respect of the HSR Act (excluding personally identifiable information and any initial filing under the HSR Act); (v) consult and cooperate with the other Party in connection with any analyses, appearances, presentations, memoranda, briefs, arguments and opinions to be made or submitted by or on behalf of any Party in connection with the HSR Act, and all related meetings and Actions; (vi) respond promptly and appropriately to any requests received by such Party or any of its Affiliates under the HSR Act and any other antitrust, competition or merger control Laws for additional information, documents or other

materials; (vii) use reasonable best efforts to resolve any objections as may be asserted by any Governmental Authority with respect to the transactions contemplated by this Agreement under any antitrust, competition or merger control Law; (viii) use reasonable best efforts to contest and resist any Action instituted (or threatened to be instituted) by any Governmental Authority challenging the transactions contemplated by this Agreement as being in violation of any antitrust, competition or merger control Law; (ix) request expedited and, as appropriate, confidential treatment of any such filings; and (x) cooperate in good faith with all Governmental Authorities. No Party shall agree to participate in any substantive meeting with any Governmental Authority in respect of any filings, investigation or other inquiry under any antitrust, competition or merger control Law, unless it consults with the other Party in advance and, to the extent permitted by such Governmental Authority, gives the other Party the opportunity to attend and participate at such meeting. Subject to its obligations under this Section 6.4, Buyer shall determine the strategy to be used for obtaining the expiration or termination of the waiting period under the HSR Act and any other clearances required or advisable under applicable Law, and in doing so shall consult and cooperate with Seller and consider and take into account Seller's views in good faith; *provided, however,* that neither Party shall withdraw its HSR Act notification and report form nor enter into any agreement any Governmental Authority (including any so-called timing agreement) to materially delay Closing pursuant to any antitrust, competition or merger control Law without the prior written consent of the other Party, not to be unreasonably withheld, conditioned or delayed; provided, further, that Buyer may "pull and refile" its filing under the HSR Act one time pursuant to 16 C.F.R. § 801.12. Buyer shall be responsible for the payment of all filing fees in connection with filings under the HSR Act, and the costs of such fees shall be borne by the Parties as provided in Section 10.10(a).

(b) Notwithstanding anything to the contrary set forth in this Section 6.4, Buyer and Seller may, as each deems advisable and necessary, reasonably designate any competitively sensitive material to be provided to the other Party under this Agreement as "outside counsel only." Such designated materials and the information contained therein shall be given only to the outside legal counsel of the recipient and shall not be disclosed by such outside counsel to employees, officers or directors of the recipient unless express permission is obtained in advance from the source of the materials; it is understood that materials provided pursuant to this Agreement may be redacted (i) to remove references concerning the valuation of the Company Entities, (ii) as necessary to comply with contractual arrangements or (iii) as necessary to address reasonable privilege concerns or concerns regarding the privacy of personally identifiable information.

(c) Seller and Buyer shall use reasonable best efforts to obtain Consents from FERC pursuant to Section 203 of the FPA in order to consummate the transactions contemplated hereby. Buyer and its Affiliates shall reasonably cooperate and consult with Seller and its Affiliates in such efforts, including the execution of, or consenting to, FPA Section 203-related applications or submissions with FERC, including any inquiries from staff, which applications or submissions shall be made as soon as practicable, but not later than twenty (20) Business Days after the date of this Agreement, or other such period as may be agreed in writing by the parties; *provided, however,* that any FPA Section 203-related applications or submissions with FERC shall be made no earlier than five (5) Business Days after the making of any FPA Section 203-related applications and submissions with FERC for the acquisition by Buyer or one or more of its Affiliates of the generation project owned indirectly by Seller in Guernsey County, Ohio. Seller shall, and shall cause the applicable Company Entities to, submit the informational filing pursuant to Schedule 2 of the PJM Tariff and request for waiver as soon as practicable, but no later than two (2) Business Days after the date the FPA Section 203 application is filed.

(d) From the Effective Date and for sixty (60) days after, Buyer shall not, and shall cause its Affiliates not to, directly or indirectly, acquire or agree to acquire any electric

generation or transmission facility, or otherwise obtain control over any electric generation, transmission, storage or other power-related facility, in each case, in the PJM region (each, a "PJM Asset"), whether by merger, consolidation, by purchasing any portion of the assets of or equity in, or by any other manner, if the entering into of a definitive agreement relating thereto or the consummation of such acquisition, merger or consolidation, asset or equity purchase would reasonably be expected to prevent, prohibit, restrict or materially impede, materially interfere with, materially hinder, materially impair or materially delay the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing, for the avoidance of doubt, nothing in this Section 6.4(d) shall prohibit Buyer or any of its Affiliates from entering into a definitive agreement to acquire a PJM Asset so long as such definitive agreement is entered into, and any filing with any Governmental Authority in connection with such acquisition is made, after the date that is sixty (60) days after the date of this Agreement.

(e) In respect of the regulatory clearances that are a condition to Closing pursuant to Section 7.1(b) or Section 7.1(c), Buyer shall take, and cause its Affiliates to take, any and all actions necessary to obtain such regulatory clearances and avoid the entry of, effect the dissolution of, and have vacated, lifted, reversed or overturned, any Governmental Order, Law or Action that would prevent, prohibit, restrict or materially delay, materially impede, materially interfere with, materially hinder or materially impair the consummation by Buyer of the transactions contemplated hereby, in each case, to allow Buyer to consummate the transactions contemplated hereby as expeditiously as possible, and in any event prior to the Termination Date, including, whether by Governmental Order, agreement, or otherwise: (i) proposing, offering, negotiating, committing to and effecting, by consent decree, a hold separate order or otherwise, the sale, divestiture, license or other disposition of any and all of the capital stock, assets, properties, rights, products, leases, businesses, services or other operations or interests therein of Buyer or any of its Affiliates; (ii) taking or committing to take actions, or accepting any restrictions or impairments, that would limit Buyer's or its Affiliates' freedom of action with respect to, or their ability to own, retain, control, operate or manage, any capital stock, assets, properties, rights, products, leases, businesses, services or other operations or interests therein of Buyer or any of its Affiliates as of the Closing or any interest or interests therein, including providing all such assurances as may be necessary, requested or imposed by any Governmental Authority; (iii) creating, terminating or amending any relationships, contractual rights, obligations, licenses, ventures or other arrangements of Buyer or any of its Affiliates and (iv) contesting, defending, challenging and appealing any threatened or pending proceeding, or preliminary or permanent injunction, or other Law or Governmental Order that would materially adversely affect, materially delay or prevent the ability of any Party to consummate the transactions contemplated hereby, and taking any and all other actions to prevent the entry, enactment or promulgation thereof (each a "Remedy Action"); *provided, however,* that during the Interim Period, Seller shall take any Remedy Action in respect of the Company Entities if reasonably requested to do so in writing by Buyer and shall not take any Remedy Action in respect of the Company Entities without Buyer's written consent; *provided, further,* that any Remedy Action (including any required of Seller or the Company Entities pursuant to the immediately preceding proviso) shall be conditioned on the Closing. For the avoidance of doubt, Buyer shall not be required to take any Remedy Action that is not conditioned on the Closing.

(f) Notwithstanding anything to the contrary set forth in this Section 6.4, neither Buyer nor any of its Affiliates shall be obligated to take any Remedy Action in respect of the Specified Asset.

Section 6.5 Public Announcements. No Party shall issue, or allow a third party or Affiliate to issue, any public announcement, press release or public statement, or conduct press tours, regarding this Agreement, any of the other Parties or any of the Parties' Affiliates, without, in the case of the Seller Entities, Buyer's prior written consent, and in the case of Buyer, Seller's prior written consent, in each case not to be unreasonably withheld; *provided*, *however*,

that (a) each Party may make any disclosure required by Law or by the rules of a national security exchange after giving, in the case of the Seller Entities, Buyer, and in the case of Buyer, Seller, at least 72 hours' prior notice and the opportunity to review and comment on such disclosure; *provided* that, in the event that a disclosure is required by applicable Law or by the rules of a national security exchange in less than 72 hours, such notice shall be provided at the disclosing Party's earliest opportunity, and the consenting Party shall use best commercial efforts to review and comment upon such disclosure within the requested time period; (b) each Party shall, and shall cause its Subsidiaries and Affiliates (as applicable) to consult with the other Parties on the content of all such announcements, and each Party shall use commercially reasonable efforts to agree upon the text of any such announcement with the other Parties prior to its release; and (c) nothing in this Section 6.5 or otherwise shall prohibit the Buyer or its Affiliates from making customary disclosures to its shareholders, including through customary investor relations disclosures; and (d) Buyer may issue a customary press release following the execution hereof so long as Seller is provided at least 12 hours' prior notice and the opportunity to review and comment on such release and shall consider in good faith any reasonable comments provided by the Seller prior to such release.

Section 6.6 Post-Closing Access; Preservation of Records.

(a) From and for seven (7) years after the Closing, Buyer shall make, or cause to be made, available to Seller all books, records, Tax Returns and documents of Company Entities (and the assistance of employees responsible for such books, records and documents) during regular business hours and upon five (5) Business Days' written notice (email being sufficient) as may be reasonably necessary for (i) investigating, settling, preparing for the defense or prosecution of, defending or prosecuting any Action, (ii) preparing reports to equityholders and Governmental Authorities, (iii) preparing and delivering any accounting or other statement provided for under this Agreement or otherwise, preparing Tax Returns, pursuing Tax refunds or responding to or disputing any Tax audit, (iv) the determination of any matter relating to the rights and obligations of Seller or any of its Affiliates under any Transaction Documents, or (v) such other purposes as reasonably requested by Seller; *provided, however,* that access to such books, records, documents and employees shall not interfere with the normal operations of Buyer, its Affiliates, or the Company Entities and the reasonable out-of-pocket expenses of Buyer, its Affiliates and the Company Entities incurred in connection therewith shall be paid by Seller. Buyer shall cause each Company Entity to maintain and preserve all such Tax Returns, books, records and other documents for five (5) years after the Closing Date. Notwithstanding the foregoing, Buyer shall not be required to disclose or provide access to any information to Seller to the extent that Buyer reasonably determines such disclosure or access would jeopardize any attorney-client or other privilege.

(b) From and after the Closing, Seller shall make or cause to be made available to Buyer all employees, books, records and documents of Seller and its Affiliates relating to the business of the Company Entities during regular business hours for the same purposes, to the extent applicable, as set forth in Section 6.6(a); *provided, however,* that access to such books, records, documents and employees shall not interfere with the normal operations of Seller or its Affiliates and the reasonable out-of-pocket expenses of Seller and its Affiliates incurred in connection therewith shall be paid by Buyer.

Section 6.7 Tax Matters.

(a) Tax Treatment. Buyer and Seller intend that for all applicable U.S. federal income (and state and local) Tax purposes, a Project Company Sale shall be treated as an acquisition of the assets of the Company Entities, and a Caithness Freedom Common Interests Sale shall be treated as the sale of partnership interests under Section 741 of the Code (each, an "Agreed Tax Treatment"). Each Party shall file all Tax Returns consistently with the applicable

Agreed Tax Treatment and shall not take any position inconsistent therewith, except as otherwise required by a "determination" (as defined in Section 1313(a) of the Code and any similar provision of state or local Tax Law).

(b) Tax Returns. For the avoidance of doubt, any Tax deductions attributable to any payments or expenses borne directly or indirectly by Seller or by the Company Entities in connection with the transactions contemplated hereby shall be attributed, to the extent deductible on a "more likely than not" or higher basis in a Pre-Closing Tax Period, to Seller and shall be reflected on such Tax Returns filed with respect to Seller. Seller shall prepare or cause to be prepared and timely file or cause to be timely filed any (x) Tax Returns of the Company Entities that are required to be filed on or before the Closing Date and (y) any Pass-Through Income Tax Returns of the Company Entities that are solely for taxable periods ending on or prior to the Closing Date ("Seller Returns"). Such Seller Returns shall be prepared consistent with the past practices of the Company Entities (except as otherwise required by applicable Law) and any Taxes required to be paid pursuant to any such Seller Return shall be paid, or caused to be paid, by the Seller Entities. Seller shall provide Buyer with a draft of any Seller Return at least fifteen (15) days prior to the due date thereof (including permitted extensions) for Buyer's review and comment and shall consider in good faith any reasonable comments received from Buyer. Buyer shall cause the Company Entities to prepare and file (or cause to be prepared and filed) all Pass-Through Income Tax Returns of the Company Entities first due after the Closing Date for any Straddle Period (each, a "Straddle Period Return"), in each case consistent with the past practices of the Company Entities (except as otherwise required by applicable Law). Buyer shall provide Seller with a draft of any Straddle Period Return at least fifteen (15) days prior to the due date thereof (including permitted extensions) for Seller's review and comment, and shall incorporate Seller's reasonable comments thereto.

(c) Post-Closing Actions. From and after the Closing Date, without Seller's written consent, none of Buyer, any of its Affiliates (including the Company Entities), or any Representatives thereof, shall (i) file, re-file, amend, or supplement any Pass-Through Income Tax Return for any Pre-Closing Tax Period (or portion thereof), (ii) change any method or period of accounting for any Pre-Closing Tax Period, (iii) make, change, approve or consent to any Tax election with respect to the Company Entities that is retroactively effective for any Pre-Closing Tax Period (or portion thereof), (iv) with respect to any Tax Proceeding controlled by Seller under Section 6.7(d), extend or waive the limitation period applicable to any Tax claim assessment relating to any Pre-Closing Tax Period, or (v) voluntarily approach any taxing authority regarding any Taxes or Tax Returns of the Company Entities that were originally due on or before the Closing Date (taking into account existing extensions), in each case to the extent doing so would impact any Pass-Through Income Tax Return for any Pre-Closing Tax Period (or portion thereof).

(d) Tax Proceedings. Seller and Buyer shall notify the other in writing within ten (10) days of the receipt by such Party (or any of its Affiliates), as applicable, of notice of any inquiries, claims, assessments, audits or similar events with respect to Taxes of or with respect to the Company Entities for which some or all of such Taxes Seller (or any of its Affiliates) would reasonably be expected to be liable directly on a pass-through basis (such as Income Taxes) as a matter of Law (a "Tax Proceeding"). Seller shall control and defend any Tax Proceeding for any Pre-Closing Tax Period (not including any portion of any Straddle Periods); *provided, however,* that Seller shall (i) permit Buyer to participate (at its own expense) in such Tax Proceeding, (ii) keep Buyer reasonably informed of the major developments and status of such Tax Proceeding, and (iii) not settle or compromise any such Tax Proceeding without Buyer's written consent, which shall not be unreasonably withheld, conditioned or delayed. Buyer shall control and defend any Tax Proceeding for any Straddle Period; *provided, however*, that Buyer shall (i) permit Seller to participate (at its own expense) in such Tax Proceeding, (ii) keep Seller reasonably informed of developments and the status of such Tax Proceeding, and (iii) not settle

or compromise such Tax Proceeding without the prior written consent of Seller, which shall not be unreasonably withheld, conditioned or delayed. Any Taxes resulting from a Tax Proceeding in respect of a Straddle Period shall be allocated among the Seller and Buyer on a "closing of the books" basis with respect to Income Taxes and a pro rata basis in respect of ownership during the Straddle Period with respect to non-Income Taxes. In the case of a Caithness Freedom Common Interests Sale, notwithstanding anything herein to the contrary, with respect to any Tax Proceeding relating to the Pre-Closing Tax Period of a Company Entity that is treated as a partnership for U.S. federal income tax purposes, the Parties shall make, or cause to be made, an election pursuant to Section 6226(a) of the Code.

(e) Cooperation. Buyer and Seller shall, and shall cause their respective Affiliates to, provide to the other Party such reasonable cooperation and information, as and to the extent reasonably requested and reasonably necessary, in connection with (i) preparing, reviewing or filing any Tax Return, amended Tax Return or claim for refund of or with respect to the Company Entities, (ii) determining Liabilities for Taxes or a right to refund of Taxes of or with respect to the Company Entities or (iii) conducting any audit or other action with respect to Taxes of or with respect to the Company Entities.

Section 6.8 Insurance. From and after the Closing Date (i) the Company Entities shall cease to be insured by, have access or availability to, be entitled to make claims on, be entitled to claim benefits or seek coverage under, any of Seller's or its Affiliates insurance policies or any of their self-insured programs described on Section 6.8 of the Seller Disclosure Schedules and (ii) with regards to the insurance policies or self-insured programs described on Section 6.8 of the Seller Disclosure Schedules, Buyer shall be solely responsible for obtaining or providing insurance coverage for the Company Entities for any event or occurrence after the Closing sufficient to comply with any and all of the contractual and statutory obligations of the Company Entities.

Section 6.9 Indemnification; Directors and Officers Insurance.

(a) From and after the Closing Date, Buyer shall, and shall cause each of the Company Entities to, to the fullest extent permitted by Law, indemnify, defend and hold harmless each individual who on or prior to the Closing Date was a director, manager, managing member, officer or controlling equity holder of any Company Entity (each, a "Covered Party") against all Actions, claims, actions, Liabilities, losses, damages, judgments, fines, Taxes, penalties, fees, costs or expenses (including reasonable attorney fees, costs and expenses) incurred or suffered by such Covered Party arising out of or relating to any act or omission of such Covered Party in their capacity as a director, manager, officer, employee, trustee, fiduciary or controlling equity holder of any Company Entity or any acts or omissions taken at the request of any Company Entity, in each case, at any time prior to or on the Closing Date (including the negotiation, entry into, performance and consummation of the transactions contemplated by this Agreement and the other Transaction Documents). Neither Buyer nor any Company Entity shall settle, compromise or consent to the entry of any judgment in any pending or threatened Action with respect to which a Covered Party may be entitled to indemnification hereunder without the prior written consent of such Covered Party, unless such Covered Party is given an express and unconditional full release of any and all Liability by all relevant parties. The foregoing shall be in addition to, and shall not modify or limit, any other rights any Covered Party may have under any Governing Document, insurance policy, Contract or Law.

(b) For a period of not less than six (6) years from and after the Closing Date, Buyer shall cause the Governing Documents of each Company Entity to contain provisions no less favorable with respect to exculpation, indemnification, contribution, advancement of expenses or reimbursement of the Covered Parties than are set forth in their respective Governing Documents as of the date hereof. Buyer agrees that all rights of the Covered Parties

to exculpation, indemnification, contribution, advancement of expenses or reimbursement with respect to acts or omissions occurring at or prior to the Closing pursuant to any Governing Document of any Company Entity as in effect on the date hereof, any Contract with a Covered Party as in effect on the date hereof or any applicable Law shall survive the Closing and shall continue in full force and effect in accordance with their terms.

(c) On or prior to the Closing Date, Seller and the Company Entities shall obtain, at Buyer's sole cost and expense in an amount not to exceed $125,000, a non-cancelable run-off insurance policy for directors' and officers' liability, for a period of six (6) years after the Closing Date to provide insurance coverage for events, acts or omissions occurring on or prior to the Closing Date, including in connection with this Agreement and the transactions contemplated hereby, for all persons who were directors, managers or officers of Seller or any Company Entity, as applicable, on or prior to the Closing Date (the "D&O Insurance"). Buyer shall cause the Company Entities, as applicable, to maintain the D&O Insurance in full force and effect, and continue to honor the obligations thereunder.

(d) Buyer hereby acknowledges that certain Covered Parties may have rights to indemnification, contribution, advancement of expenses, reimbursement or insurance provided by Persons other than the Company Entities (collectively, the "Other Indemnitors"). Buyer hereby agrees (i) that Buyer and the Company Entities are the indemnitors of first resort (i.e., their obligations to the Covered Party are primary and any obligation of the Other Indemnitors are secondary), (ii) Buyer and the Company Entities shall be required to indemnify and advance expenses to any Covered Party to the extent required by the terms of this Agreement, the applicable Governing Documents of the Company Entities, any other applicable indemnification agreements or arrangements or applicable Law, without regard to any rights the Covered Party may have against the Other Indemnitors or any insurance provided thereby and (iii) Buyer, on its own behalf and on behalf of the other Buyer Related Parties and their respective successors and assigns, hereby unconditionally and irrevocably waives, releases and forever discharges each of the Other Indemnitors from any and all claims against the Other Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. Buyer, on its own behalf and on behalf of the other Buyer Related Parties, further agrees that no advancement or payment by an Other Indemnitor on behalf of an Covered Party with respect to any claim for which an Covered Party has sought indemnification from the Company Entities shall affect the foregoing and the applicable Other Indemnitor shall have a right of contribution or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Covered Party against Buyer or any Company Entity.

(e) In the event Buyer or any Company Entity (i) consolidates with or merges into any other Person and shall not be the continuing entity after such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provision shall be made so that such continuing entity or transferee of such assets, as the case may be, shall assume the obligations set forth in this Section 6.9.

Section 6.10 R&W Policy. In the event that any Buyer Related Party obtains, or directs any other Person to obtain, any representations and warranties insurance policy or policies in respect of any representations and warranties contained in this Agreement or in any other Transaction Document at any time before or after the Closing (each such policy, a "R&W Policy"), (a) all premiums, fees and expenses (including all underwriting fees, Taxes, surcharges and brokerage commissions) incurred by such parties in obtaining such R&W Policy shall be borne solely by Buyer, (b) Buyer shall provide Seller a reasonable opportunity to review such R&W Policy in advance of binding coverage thereunder and shall incorporate in such R&W Policy any reasonable comments provided by Seller, (c) such R&W Policy shall include a provision whereby the insurers thereof expressly waive any right or claim with respect to subrogation, contribution, assignment of rights or claims or any other form of recovery in

connection with this Agreement and the transactions contemplated hereby against all Seller Related Parties (except the right to assert a claim for Fraud against any Party to the extent the payment of any loss under such R&W Policy arose out of Fraud committed by such Party) (the "Subrogation Waiver"), (d) the Seller Related Parties shall be intended third party beneficiaries of the Subrogation Waiver, and (e) no Buyer Related Party shall amend, waive, modify or otherwise revise, or permit the amendment, waiver, modification or other revision of, the R&W Policy in any manner inconsistent with the foregoing or otherwise materially adverse to any Seller Related Party.

Section 6.11 Use of Names. Seller is not conveying to Buyer or any of its Affiliates (including, following the Closing, the Company Entities), and, neither Buyer nor any of its Affiliates (including, following the Closing, the Company Entities) will have any ownership or other rights whatsoever in, and Seller is not licensing or otherwise granting to Buyer, or, following the Closing, the Company Entities, or any of their respective Affiliates, any rights whatsoever to, the names "Caithness" or "Caithness Energy", or any derivations thereof (such names and derivations, the "Seller Names"). Buyer and its Affiliates will (i) as soon as practicable after the Closing, and in any event within six (6) months of Closing, remove, and will cause the Company Entities to remove, all such names from the Project and the Company Entities, including all filings, communications, signage and other materials, and (ii) as soon as practicable after the Closing, and in any event within six (6) months of Closing, cause the Governing Documents of each Company Entity to be amended to remove any references to such names. For six (6) months following the Closing, Seller, on behalf of itself and its Affiliates, hereby grants to the Company Entities a non-exclusive right to use the Seller Names in a substantially similar manner as such Seller Names are used by the Company Entities or in connection with the Project as of the Closing. Nothing in this Section 6.11 shall restrict Buyer, its Affiliates or any Company Entities from any use of a Seller Name as required by Law, internally, or in a manner that does not constitute trademark infringement.

Section 6.12 Casualty.

(a) If any of the Company Entities' or the Project's assets are damaged or destroyed by casualty loss or similar event or circumstance or taken in condemnation or under right of eminent domain after the date of this Agreement and prior to the Closing (each such event or circumstance, a "Casualty Loss"), Seller shall notify Buyer in writing (email being sufficient). If a Casualty Loss occurs and (i) in the case of a casualty loss, the cost of restoring the asset damaged or destroyed to a condition reasonably comparable to the condition the asset had immediately prior to such Casualty Loss or (ii) in the case of a condemnation, the condemnation value therefor (in each case net of and after giving effect to any insurance proceeds, tax benefits, condemnation or other awards, liquidated damages or third party proceeds received or realized by, or reasonably agreed by Seller and Buyer in good faith will be available to, the applicable Company Entity with respect to such event or circumstance) (such amount with respect to any assets as determined by the Accounting Firm, the "Restoration Cost") does not exceed $145,801,000, subject to Section 6.12(b), the amount of the Purchase Price shall be reduced by the Restoration Cost (as estimated by the Accounting Firm) as contemplated in the definitions of "Estimated Purchase Price" and "Purchase Price", and such Casualty Loss shall not affect the Closing. If the Restoration Cost is in excess of $145,801,000, then either Seller or Buyer may, by notice to the other Party, terminate the Agreement pursuant to Section 9.1(g) within ten (10) Business Days after the Accounting Firm provides its determination of the Restoration Cost; *provided, however,* that if neither Buyer nor Seller terminates the Agreement within such ten (10) Business Day period, then the Purchase Price shall be reduced by the amount of the Restoration Cost and such Casualty Loss shall otherwise not affect the Closing. In the event of a Casualty Loss prior to the Closing, Seller shall, and shall cause its respective Affiliates to, use commercially reasonable efforts to collect amounts due (if any) under available insurance arrangements in respect of any such Casualty Loss (all such amounts, "Casualty

Cash") and shall cause any such Casualty Cash to be contributed or assigned to the Company Entity that suffered such Casualty Loss (*provided* that in the event the Purchase Price is reduced due to such Casualty Loss, and such Purchase Price reduction does not take into account such insurance proceeds, then any such insurance proceeds that are received by the Company Entities following the Closing shall be promptly remitted to Seller).

(b) Notwithstanding the provisions of Section 6.12(a), if the amount equal to the sum of all Restoration Costs with respect to all Casualty Losses (the "Aggregate Restoration Cost") is, in the aggregate, equal to or less than one percent (1%) of the Enterprise Value, then the corresponding Aggregate Restoration Cost shall not result in any reduction in the Purchase Price.

(c) To assist Buyer in its evaluation of any and all Casualty Losses (including Restoration Costs), Seller shall provide Buyer such reasonable access to the properties and assets of Seller, and the Company Entities, including the Project, and such information as Buyer may reasonably request in connection therewith, subject to the conditions of Section 6.2(a).

(d) Notwithstanding anything in this Agreement to the contrary, as between the Parties, this Section 6.12 shall be the sole and exclusive remedy of the Parties with respect to any Casualty Loss that damages, impairs, destroys or takes the Project during the Interim Period and there shall be no other liability for Seller and its Affiliates hereunder other than this Section 6.12 due to such Casualty Loss.

Section 6.13 Financial Statement Cooperation.

(a) During the period beginning on the date hereof and ending on the earlier of (i) the date that is ninety (90) days after the Closing Date and (ii) the date this Agreement is terminated in accordance with Article IX (the "Cooperation Period"), Seller shall use commercially reasonable efforts to prepare and deliver (to the extent not already provided), at the Buyer's sole cost and expense:

(i) (a) audited financial statements of the Company Entities, including combined balance sheets, statements of operations, statements of cash flows, and statements of members equity, as of and for the fiscal year ended December 31, 2024; provided that such financial statements shall only include information as of and for the fiscal year ended December 31, 2024, on or before the delivery of the financial statements for the fiscal quarter ending June 30, 2025 pursuant to clause (ii) below and (b) audited financial statements of the Company Entities, including combined balance sheets, statements of operations, statements of cash flows, and statements of members equity, as of and for the fiscal year ended December 31, 2025, provided that such financial statements shall only include information as of and for the fiscal year ended December 31, 2025, within ninety (90) days after the end of such fiscal year, to the extent the Closing occurs after December 31, 2025;

(ii) with respect to the fiscal quarter ending June 30, 2025 and each fiscal quarter ending after the date of this Agreement and prior to the Closing Date (other than the end of a fiscal quarter that is also a year-end), unaudited financial statements of the Company Entities, including combined balance sheets, statements of operations, statements of cash flows, and statements of members equity, for (A) the three month period of such fiscal quarter (and the corresponding period of the preceding fiscal year) and (B) the period beginning on January 1 of the applicable year and ending at the end of such fiscal quarter (and the corresponding period of the preceding fiscal year), which in each case shall (1) include notes to the financial statements and (2) be reviewed by Seller's auditors in accordance with customary review procedures for interim financial

statements, within fifty (50) days after the end of such fiscal period; provided that for the period ending June 30, 2025, such financial statements shall be required within seventy-five (75) days after the end of such fiscal period;

(iii) with respect to the fiscal quarter in which the Closing Date occurs, unaudited financial statements of the Company Entities, including combined balance sheets, statements of operations, statements of cash flows, and statements of members equity, for (A) the period beginning on the first day of such fiscal quarter and ending on (and including) the Closing Date and (B) the period beginning on January 1 of the applicable year and ending on (and including) the Closing Date, within forty (40) days after the Closing Date;

(iv) with respect to the most recently ended fiscal quarter and fiscal year prior to the Closing Date for which financial statements are required to be delivered pursuant to clauses (i) and (ii) above, respectively, all financial data and other information reasonably requested by Buyer for, and to use commercially reasonable efforts to cooperate with, the preparation by Buyer of versions of such financial statements that are compliant with Regulation S-X applied on a consistent basis throughout the periods covered thereby, solely to the extent required pursuant to Item 9.01 of Securities and Exchange Commission (the "SEC") Form 8-K;

(v) as soon as reasonably practicable, all financial data, audit reports and other related information reasonably requested by Buyer (to the extent not previously provided) and necessary to permit Buyer to prepare (A) offering documents used in connection with any private placements of debt securities under Rule 144A promulgated under the Securities Act and (B) pro forma financial statements (it being understood that such statements, data, reports and other information shall not be required for any fiscal year prior to the fiscal year ended December 31, 2023 or any accounting period subsequent to the Closing Date); and

(vi) all financial data and other information reasonably requested by Buyer in connection with the preparation by Buyer of any statements, forms, schedules, reports or other documents filed or furnished with the SEC or any other Governmental Authorities as are required of Buyer (or its potential successors) under applicable Laws;

(vii) *provided*, *however*, that in each case of the foregoing clauses, such financial statements shall be prepared in accordance with GAAP. During the Cooperation Period, Seller shall use its commercially reasonable efforts to provide Buyer and its Representatives at Buyer's sole cost and expense reasonable access upon reasonable prior notice during normal business hours to such historic financial statements, records, financial data and personnel of Seller's and its Subsidiaries' accounting firms as the Buyer may reasonably request to enable Buyer and its Representatives to prepare any such financial statements (it being understood that such statements, records and data shall not be required for any fiscal year prior to the fiscal year ended December 31, 2023 or any accounting period subsequent to the Closing Date).

(b) During the Cooperation Period, Seller shall use commercially reasonable efforts to cause the personnel of Seller and its Subsidiaries, and to request its independent auditors and other applicable consultants or service providers, to reasonably cooperate with the Buyer and its Representatives in the interpretation, preparation, and disclosure of any financial statements, including pro forma financial statements, described in Section 6.13(a), in each case, at Buyer's sole cost and expense. During the Cooperation Period (the "Comfort Period"), Seller shall use commercially reasonable efforts to request its independent auditors to, at the Buyer's

sole cost and expense, (i) provide, execute and deliver customary "comfort letters," that include negative assurance "comfort" and "comfort" with respect to historical data of the Company Entities, (ii) provide reports, letters and consents related to their work for the Company Entities, (iii) issue any customary representation letters in connection therewith to any underwriter or purchaser in a securities offering by Buyer or its Affiliates including financial statements of the Company Entities or pro forma financial statements including financial information of the Company Entities, (iv) consent to the inclusion or incorporation by reference of its audit opinion or report with respect to any audited financial statements of the Company Entities, as applicable, (v) consent to be named an expert in any offering memorandum, private placement memorandum, prospectus, or filing used or filed by Buyer or its Affiliates in connection with any private placements of debt securities under Rule 144A or a registered offering of debt securities with respect to the audited or unaudited financial statements of the Company Entities and (vi) provide access to Buyer and its Representatives to the work papers of the independent auditors of the Company Entities. All of the information provided by Seller and its Affiliates pursuant to this Section 6.13 is given without any representation or warranty, express or implied, and neither Seller nor any of its Affiliates or its or their respective accountants shall have any liability or responsibility with respect thereto. Without limiting the generality of the foregoing sentence, Buyer shall indemnify, defend and hold harmless Seller and its Affiliates from and against any and all damages, liabilities or losses suffered or incurred arising from the financial statements prepared and delivered or the cooperation provided by the Seller pursuant to this Section 6.13 (other than as set forth in this Section 6.13(b) and to the extent such liabilities arise from actual fraud or willful misconduct of Seller or their Affiliates or any of their respective Representatives) and any information utilized in connection therewith. Buyer shall promptly reimburse Seller for all reasonable costs and expenses incurred by Seller and its Affiliates in connection with the cooperation and assistance provided pursuant to this Section 6.13; *provided*, *however*, that such reimbursement under this Section 6.13(b) shall not apply to, and Buyer shall not be responsible for, costs and expenses incurred by Seller and its Affiliates in connection with the preparation of the financial statements described in Section 6.13(a)(i), and Section 6.13(a)(ii).

(c) Notwithstanding anything to the contrary contained herein, Seller and the Company Entities will be deemed to be in compliance with this Section 6.13 for all purposes hereunder, and Buyer shall not allege that Seller (or any other Person) is or has not been in compliance with this Section 6.13 for any purpose hereunder, unless both (i) Buyer provides prompt written notice to Seller of the alleged failure to comply, specifying in reasonable detail such alleged failure, which failure to comply has not been cured within ten (10) Business Days of such notice and (ii) Seller's willful breach of this Section 6.13 was the primary and direct cause of (x) Buyer or its Affiliates being unable to satisfy applicable disclosure requirements under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder or (y) the failure of the Debt Financing to be obtained on or before the Termination Date. For the avoidance of doubt, and notwithstanding anything to the contrary, the obligations of Buyer to consummate the transactions contemplated by this Agreement are not conditional on or subject to the delivery of any financial statements or other documents or information described in this Section 6.13 (subject to the terms of Section 7.3).

Section 6.14 Financing Cooperation.

(a) From and after the date hereof until the earlier of the Closing Date and the termination of this Agreement pursuant to Section 9.1, Seller shall and shall cause the Company Entities to use each of their respective commercially reasonable efforts to provide to Buyer, at the sole expense of Buyer, customary information and take other customary actions as are reasonably requested by Buyer in connection with the Debt Financing, which shall include, using commercially reasonable efforts to:

(i) at least three (3) Business Days prior to Closing (to the extent requested from the Company Entities at least seven (7) Business Days prior to the anticipated Closing), providing all documentation and other information about the Company Entities as is reasonably requested by Buyer which the sources in respect of the Debt Financing reasonably determine is required with respect to applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act and that is required as a condition precedent to the initial funding of the Debt Financing;

(ii) facilitate the execution of the Payoff Letters;

(iii) facilitate the execution and delivery at the Closing of definitive documents reasonably related to the Debt Financing, including any guarantees, pledge and security documents, other definitive financing documents (in each case including the schedules thereto), or in connection with the authorization of the Debt Financing and the definitive documentation related thereto, and the execution and delivery of such definitive documentation in anticipation of the Closing (*provided* that all such authorization, execution and delivery shall be deemed to become effective only if and when the Closing occurs; and *provided, further* that the Company Entities shall not be required to deliver or cause the delivery of any legal opinions);

(iv) provide reasonable assistance to Buyer in its preparation of the Marketing Materials;

(v) exercise commercially reasonable efforts to cooperate with the Marketing Efforts of Buyer; and

(vi) provide reasonable assistance in identifying any portion of the information relating to the Seller and its Subsidiaries (including the Company Entities) set forth in the Marketing Materials relating to the Debt Financing that would constitute material non-public information.

(b) Seller hereby consents to the use of the logos of the Company Entities in connection with the Marketing Efforts; *provided*, *however*, that such logos are used (i) in a manner that is not intended to, or reasonably likely not to, disparage the Company Entities or its reputation or goodwill or (ii) in any manner as reasonably approved by Seller.

(c) All such assistance referred to in this Section 6.14 in connection with the Debt Financing shall be at Buyer's written request with reasonable prior notice and except as provided herein, at Buyer's sole cost and expense, and Buyer shall promptly reimburse Seller or its Affiliates for all costs and expenses (including attorneys' fees) incurred by them and their respective personnel and non-legal advisors in connection with such assistance; *provided*, *however*, that such reimbursement under this Section 6.14(c) shall not apply to, and Buyer shall not be responsible for, (x) costs and expenses incurred, regardless of the Debt Financing, whether in connection with the satisfaction of obligations solely under other provisions of this Agreement or that would have been incurred in connection with the transactions contemplated hereby or otherwise, or (y) any amounts incurred in connection with the Payoff Letters or the Financial Statements. Buyer shall indemnify, defend and hold harmless Seller from and against any and all damages, liabilities or losses suffered or incurred arising from the financial statements prepared and delivered or the cooperation provided by Seller, the Company Entities and any of their Affiliates or any of their personnel or non-legal advisors pursuant to this Section 6.14 (other than as set forth in this Section 6.14(c)), except to the extent such liabilities arise from actual fraud or willful misconduct of Seller or their Affiliates or any of their respective Representatives and any information utilized in connection therewith.

(d) Notwithstanding the foregoing or anything else to the contrary in this Agreement, neither Seller nor the Company Entities (or any of their Affiliates or any of their personnel or advisors) shall be required to (i) provide or prepare, and Buyer shall be solely responsible for the preparation of, pro forma financial information, including pro forma costs savings, synergies, capitalization or other pro forma adjustments desired to be incorporated into any pro forma financing information, (ii) pay any commitment or other fee, (iii) provide Regulation S-X compliant financial statements, (iv) enter into any agreement or commitment in connection with the Debt Financing which would be effective prior to the Closing (other than customary authorization letters), (v) approve any document or other matter related to the Debt Financing or incur any Liability of any kind (or cause their Representatives to incur any Liability of any kind) prior to the Closing**,** except to the extent reimbursable or indemnified by Buyer hereunder(other than as required under Section 6.13(b)), (vi) provide any opinion, (vii) provide access to or disclose any information to Buyer or its Representatives to the extent such disclosure would jeopardize the attorney-client privilege, attorney work product protections or other evidentiary privilege or protection or violate any applicable Law or Contract, (viii) execute or deliver any Real Estate Deliveries, (ix) with respect to any Third Party Assurance, arrange for the issuance of replacement letters of credit, surety bonds or similar instruments, backstop letters of credit or other assurance or post cash collateral to the issuer with respect thereto or (x) take any action that would (A) unreasonably interfere with the day-to-day operations of the Company Entities or cause material competitive harm to the business of the Company Entities if the transaction contemplated by this Agreement are not consummated, (B) cause any representation, warranty, covenant, agreement or other provision in this Agreement or any Transaction Document to be untrue, incorrect, breached or violated in any respect, (C) cause any closing condition set forth in Article VII to fail to be satisfied, (D) cause the Company Entities or any director, manager, officer or employee of the Company Entities to incur any personal Liability, (E) conflict with the Governing Documents of the Company Entities or any Law or Permit, (F) result in the contravention of, a violation or breach of, or a default under, any Contract, (G) change any fiscal period, or (H) authorize any corporate or similar action prior to the Closing.

(e) Notwithstanding anything to the contrary contained herein, (i) this Section 6.14 sets forth Seller's and the Company Entities' sole obligations with respect to the Debt Financing or any other debt or other financing of Buyer or any of its Affiliates and (ii) Seller and the Company Entities will be deemed to be in compliance with this Section 6.14 for all purposes hereunder, and Buyer shall not allege that Seller (or any other Person) is or has not been in compliance with this Section 6.14 for any purpose hereunder, unless both (A) Buyer provides prompt written notice to Seller of the alleged failure to comply, specifying in reasonable detail such alleged failure, which failure to comply has not been cured within ten (10) Business Days of such notice and (B) Seller's willful breach of this Section 6.14 was the primary and direct cause of the failure of the Debt Financing to be obtained on or before the Termination Date.

Section 6.15 Affiliate Contracts. Other than those Affiliate Contracts set forth on Section 6.15 of the Seller Disclosure Schedules, at or prior to the Closing, Seller shall cause all Affiliate Contracts to be terminated without any further force or effect following the Closing, and Buyer and the Company Entities shall not have any Liability in respect thereof following the Closing.

Section 6.16 Preferred Holders Consent and Preferred Interest Redemption.

(a) During the Interim Period, Seller shall use reasonable best efforts to obtain and deliver to Buyer an irrevocable written consent, in form and substance reasonably acceptable to Buyer, of the Preferred Holders that is necessary (assuming the Closing Date does not occur on a "Quarterly Distribution Date" (as defined in the Caithness Freedom LLCA) for the approval

of the following actions under the terms and conditions of the Caithness Freedom LLCA (the "Preferred Holders Consent"): (a) the sale by the Subsidiary Seller of all the issued and outstanding Project Company Interests to Buyer or its designated Affiliate(s); (b) the redemption of all (but not less than all) of the Preferred Interests in accordance with Section 11.3 of the Caithness Freedom LLCA on the Closing Date; and (c) to repay in full the Payoff Indebtedness on the Closing Date; *provided*, *however*, that in no event shall Seller or any Seller Related Party, or any of their Representatives be required to make any payment, or assume any Liability or grant any other accommodation (financial or otherwise), in each case to any Preferred Holder or any of its Affiliates except as expressly contemplated by this Agreement or the Caithness Freedom LLCA. Seller shall initiate contact with the Preferred Holders within ten (10) Business Days of the date hereof to obtain the Preferred Holders Consent.

(b) Notwithstanding anything to the contrary herein, Seller shall, and shall cause Caithness Freedom Preferred, LLC (or, if applicable, its transferee holding Preferred Interests) to, (i) deliver to the Buyer the Preferred Holders Consent (with respect to itself) in respect of the Preferred Interests held by Caithness Freedom Preferred, LLC or such transferee and (ii) not take any action that would prevent, delay, discourage, or otherwise frustrate any Preferred Holder from executing and delivering the Preferred Holder Consent.

(c) If the Preferred Holder Consent has not been delivered to the Buyer on or before the date which is at least 15 days prior to the anticipated Closing, Seller shall on or before such date, in accordance with Section 11.3 of the Caithness Freedom LLCA, deliver to each Preferred Holder a "Redemption Notice" (as defined in the Caithness Freedom LLCA). Promptly, after the delivery of the foregoing notices, and in any event, within the time period required under Section 2.4(a), Seller shall deliver to Buyer the allocation of the Preferred Redemption Amount payable to each of the Preferred Holders.

Section 6.17 Wrong Pocket; Certain Insurance Matters.

(a) If at any time after the Closing, Buyer or any of its Affiliates (including the Company Entities) (i) receives, any payment, remittance or other amount which should have been paid to Seller or (ii) is in possession of any assets which should have been transferred to Seller, in each case, Buyer shall promptly notify Seller of its receipt or possession of such assets and transfer, or cause its applicable Affiliate to transfer, such funds or assets to Seller (or its designee) as soon as reasonably practicable, but in no event later than fifteen (15) days after receipt of such funds, upon identification thereof, for no additional consideration. Prior to any such transfer, Buyer shall, or shall cause its applicable Affiliate to, preserve the value of and hold in trust for the use and benefit of Seller (or its designee) such funds or assets and provide to Seller (or its designee) all of the benefits arising from such funds or assets and otherwise cause such funds or assets to be used as reasonably instructed by Seller.

(b) If at any time after the Closing, Seller or any of its Affiliates (i) receives, any payment, remittance or other amount which should have been paid to Buyer or any Company Entity, including with respect to Emissions Credits or (ii) is in possession of any assets which should have been transferred to Buyer or any Company Entity, then, in each case, Seller shall promptly notify Buyer of its receipt or possession of such assets and transfer, or cause its applicable Affiliate to transfer, such funds or assets to Buyer (or its designee) as soon as reasonably practicable, but in no event later than fifteen (15) days after receipt of such funds, upon identification thereof, for no additional consideration. Prior to any such transfer, Seller shall, or shall cause its applicable Affiliate to, preserve the value of and hold in trust for the use and benefit of Buyer (or its designee) such funds or assets and provide to Buyer (or its designee) all of the benefits arising from such funds or assets and otherwise cause such funds or assets to be used as reasonably instructed by Buyer.

(c) Buyer acknowledges and agrees that all insurance arrangements maintained by Seller and its Affiliates for the benefit of the Company Entities will be terminated as of the Closing and the Company Entities will cease to be insured by, have access or availability to, be entitled to make claims on, or claim benefits or seek coverage under, any of Seller's or its Affiliates' insurance policies or self-insurance programs; *provided, however,* that in respect of any claims commenced after the Closing Date arising from for an event or occurrence prior to the Closing Date, the Company Entities, subject to the terms and conditions of the applicable policies, may make claims on any of Seller's or its Affiliates' occurrence-based insurance policies covering the Company Entities at the time of such event or occurrence, and Seller and its Affiliates shall use commercially reasonable efforts to assist Buyer and the Company Entities in asserting any such claims; *provided, further,* that Buyer shall be solely liable for, and Sellers shall have no obligation to pay or reimburse Buyer or the Company Entities for, all deductibles and retentions and all uninsured, uncovered, unavailable or uncollectable amounts relating to or associated with such claims, whether made by the Company Entities, their respective employees or third parties.

Section 6.18 Admin Agreement. In the event Buyer delivers written notice to Seller within forty-five (45) days of the date of this Agreement electing to extend the duration of the Admin Agreement, then following the Closing the Admin Agreement shall remain in full force and effect until terminated pursuant to this Section 6.18 (the "AMA Extension Notice"). The AMA Extension Notice shall specify the number of days the Admin Agreement will remain in full force and effect following Closing, not to exceed ninety (90) days (the "AMA Extension Period"). During any AMA Extension Period, notwithstanding anything to the contrary in the Transition Services Agreement, Buyer shall have no obligation to pay the "Charges" (as defined in the Transition Services Agreement) or any other fees or amounts that would otherwise be payable under the Transition Services Agreement, which shall not, for the avoidance of doubt, impact the other rights and obligations of the Transition Services Agreement. At the end of the AMA Extension Period, the Admin Agreement shall automatically terminate and be of no further force and effect. If Buyer fails to deliver an AMA Extension Notice within forty-five (45) days of the date of this Agreement, the Admin Agreement shall automatically terminate and be of no further force and effect at Closing.

Article VII.

CONDITIONS TO CLOSING

Section 7.1 Conditions Precedent to Obligations of Buyer and Seller. The respective obligations of each Party to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or, where legally permissible, waiver by such Party) at or prior to the Closing Date of each of the following conditions:

(a) No Prohibition. There shall be no Law that is in effect that prohibits the consummation of the transactions contemplated hereby.

(b) Antitrust Authorizations. All applicable waiting periods (and any extensions thereof) under the HSR Act shall have expired or been terminated, and no commitment to or agreement with a Governmental Authority (entered into in accordance with Section 6.4, for the avoidance of doubt, with the express written consent of Seller) shall be in effect.

(c) FERC Matters. FERC authorization under Section 203 of the FPA required to consummate the transactions contemplated hereby shall have been obtained and be in full force and effect and waiver of the 90-day notice period required under Schedule 2 of the PJM Tariff shall have been granted or such 90-day notice period shall have expired.

Section 7.2 Conditions Precedent to Obligations of Seller and Subsidiary Seller. The obligation of Seller and Subsidiary Seller to consummate the transactions contemplated by this Agreement is subject to the satisfaction (or waiver in writing by Seller) at or prior to the Closing Date of each of the following additional conditions:

(a) Accuracy of Buyer's Representations and Warranties.

(i) The representations and warranties of Buyer contained in this Agreement other than the Buyer Fundamental Representations, disregarding all qualifications contained herein relating to materiality or Material Adverse Effect, shall be true and correct in each case on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date (except, in either case, for such representations and warranties which by their express provisions are made as of an earlier date, in which case, as of such earlier date), except to the extent that the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, have a Material Adverse Effect on Buyer.

(ii) The Buyer Fundamental Representations shall be true and correct in all respects, other than *de minimis* inaccuracies, in each case on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date (except, in either case, for such representations and warranties which by their express provisions are made as of an earlier date, in which case, as of such earlier date).

(b) Covenants and Agreements of Buyer. Buyer shall have performed and complied in all material respects with all of the covenants and agreements hereunder required to be performed and complied with by it prior to the Closing, other than with respect to the covenants contained in Section 6.10, which Buyer shall have performed and complied with in all respects.

(c) Certificate of Buyer. Seller shall have received a certificate signed by a duly authorized officer of Buyer confirming the matters set forth in Section 7.2(a) and Section 7.2(b) as of the Closing Date.

Section 7.3 Conditions Precedent to Obligations of Buyer. The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the satisfaction (or waiver in writing by Buyer) at or prior to the Closing Date of each of the following additional conditions:

(a) Accuracy of Seller's Representations and Warranties.

(i) The representations and warranties of Seller contained in this Agreement other than the Seller Fundamental Representations, disregarding all qualifications contained herein relating to materiality or Material Adverse Effect, shall be true and correct, in each case on and as of the Closing Date (except, in either case, for such representations and warranties which by their express provisions are made as of an earlier date, in which case, as of such earlier date) with the same force and effect as though such representations and warranties had been made on the Closing Date, except to the extent that the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, have a Material Adverse Effect on the Company Entities, taken as a whole.

(ii) The Seller Fundamental Representations shall be true and correct in all respects, other than *de minimis* inaccuracies, in each case on and as of the Closing

Date with the same force and effect as though such representations and warranties had been made on the Closing Date (except, in either case, for such representations and warranties which by their express provisions are made as of an earlier date, in which case, as of such earlier date).

(b) Covenants and Agreements of Seller. Seller shall have performed and complied in all material respects with all of the covenants and agreements hereunder required to be performed and complied with by Seller prior to the Closing.

(c) Certificate of Seller. Buyer shall have received a certificate signed by a duly authorized officer of Seller confirming the matters set forth in Section 7.3(a) and Section 7.3(b) as of the Closing Date.

(d) No Material Adverse Effect. Since the date hereof, no event, change, fact, condition, circumstance or occurrence shall have occurred and is continuing that has had or would reasonably be expected to have a Material Adverse Effect on the Company Entities, taken as a whole.

(e) Preferred Redemptions. Prior to or concurrently with the Closing, including pursuant to Section 2.3(e) and Section 6.16, and subject to Buyer having complied with its obligations to pay the Preferred Redemption Amount pursuant to Section 2.3(e), the redemption of all the issued and outstanding Preferred Interests in accordance with Section 11.3 of the Caithness Freedom LLCA shall have occurred.

(f) Inside Date. The occurrence of 12:01 a.m., Eastern Time, on October 17, 2025

Article VIII.

SURVIVAL AND REMEDIES

Section 8.1 No Survival. Notwithstanding anything to the contrary in this Agreement, the other Transaction Documents or in any certificate or schedule (including the Seller Disclosure Schedule) delivered pursuant hereto or thereto, the Parties, intending to contractually shorten any otherwise applicable statute of limitations, hereby agree, on their own behalf and on behalf of the other Seller Related Parties and Buyer Related Parties (as applicable), that (a) none of the (i) representations and warranties or (ii) covenants or agreements to the extent that they require performance at or prior to the Closing ("Pre-Closing Covenants"), in each case, contained in this Agreement, the other Transaction Documents or in any certificate or schedule (including the Seller Disclosure Schedule) delivered pursuant hereto or thereto or otherwise in connection herewith or therewith, shall survive the Closing, and (b) from and after the Closing, no Person will have any remedy, recourse or entitlement whatsoever, whether at law or in equity, in contract, tort or otherwise, with respect to this Agreement, the other Transaction Documents or any certificate or schedule (including the Seller Disclosure Schedule) delivered pursuant hereto or thereto or otherwise in connection herewith or therewith, or the transactions contemplated hereby or thereby, it being agreed that all such remedies, recourse and entitlements are hereby expressly waived and released to the fullest extent permitted by Law, except for (x) the right to specifically enforce, or to recover any damages (other than punitive and exemplary damages, which are hereby expressly waived and released) with respect to the breach of, any covenant or agreement solely to the extent such covenant or agreement is to be performed or complied with after the Closing, and (y) the right to assert a common law claim for Fraud against a Party (clauses (x) and (y) collectively, the "Retained Rights"); *provided*, *however*, that no Person shall be entitled to seek any punitive or exemplary damages with respect to any Retained Rights, which are hereby expressly waived and released to the fullest extent permitted by Law

(and which, for the sake of clarity, shall in no event constitute Retained Rights). For the sake of clarity, the covenants and agreements contained in Section 6.10 and this Article VIII shall not be deemed to be "Pre-Closing Covenants" for purposes of this Section 8.1 and shall survive the Closing.

Section 8.2 Limitations on Remedies.

(a) EXCEPT WITH RESPECT TO ANY R&W POLICY AND FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN ARTICLE III AND ARTICLE IV, THE COMPANY INTERESTS ARE BEING ACQUIRED "AS IS, WHERE IS," AND SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO LIABILITIES, OPERATIONS OF THE BUSINESSES, OR ASSETS (INCLUDING TITLE, CONDITION, VALUE OR QUALITY THEREOF) OF THE COMPANY ENTITIES OR THE PROSPECTS (FINANCIAL AND OTHERWISE), RISKS AND OTHER INCIDENTS OF THE ASSETS OF THE COMPANY ENTITIES OR AS TO ANY OTHER MATTER, AND SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATION OR WARRANTY OF QUALITY, MERCHANTABILITY, NON-INFRINGEMENT, USAGE, OR SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO THE ASSETS OF THE COMPANY ENTITIES, OR ANY PART THEREOF, OR AS TO THE WORKMANSHIP THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT, OR COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS, OR AS TO THE CONDITION OF THE ASSETS OF THE COMPANY ENTITIES OR ANY PART THEREOF, INCLUDING WHETHER THE COMPANY ENTITIES POSSESS SUFFICIENT REAL PROPERTY OR PERSONAL PROPERTY TO OPERATE THE BUSINESS OF THE COMPANY ENTITIES, IN EACH CASE EXCEPT AS EXPRESSLY SET FORTH HEREIN. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT WITH RESPECT TO ANY R&W POLICY OR AS EXPRESSLY PROVIDED IN ARTICLE III AND ARTICLE IV HEREIN, SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATION OR WARRANTY OF ANY KIND REGARDING THE CONDITION OF THE ASSETS OF THE COMPANY ENTITIES OR THE SUITABILITY OF THE PROJECT FOR OPERATION OR AS A SITE FOR THE DEVELOPMENT OF ELECTRIC GENERATION CAPACITY FOR ANY PURPOSE OR ANY OTHER MATTER, AND NO MATERIAL OR INFORMATION OR STATEMENTS PROVIDED BY OR COMMUNICATIONS MADE BY OR ON BEHALF OF SELLER OR THE OTHER SELLER RELATED PARTIES, INCLUDING ANY INFORMATION OR MATERIAL CONTAINED IN THE CONFIDENTIAL INFORMATION MEMORANDUM OR MANAGEMENT PRESENTATION RECEIVED BY BUYER OR ANY OF THE OTHER BUYER RELATED PARTIES, ANY PROJECTIONS OR FORECASTS, INFORMATION PROVIDED DURING DUE DILIGENCE, INCLUDING INFORMATION IN THE DUE DILIGENCE MATERIALS, AND ANY ORAL, WRITTEN OR ELECTRONIC RESPONSE TO ANY INFORMATION REQUEST PROVIDED TO BUYER OR ANY OTHER BUYER RELATED PARTY, WILL CAUSE OR CREATE ANY WARRANTY, EXPRESS OR IMPLIED, OR OTHERWISE MAY BE RELIED UPON, AS TO THE TITLE, CONDITION, VALUE OR QUALITY OF THE COMPANY INTERESTS AND THE ASSETS OF THE COMPANY ENTITIES OR ANY OTHER MATTER, OTHER THAN TO THE EXTENT EXPRESSLY SET FORTH IN A REPRESENTATION OR WARRANTY CONTAINED IN ARTICLE III AND ARTICLE IV HEREIN.

(b) EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN ARTICLE V, BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS EXPRESSLY PROVIDED IN ARTICLE V HEREIN, BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATION OR WARRANTY OF ANY KIND REGARDING ANY MATTER, AND NO MATERIAL OR INFORMATION OR STATEMENTS PROVIDED BY OR COMMUNICATIONS MADE BY OR ON BEHALF OF BUYER OR THE OTHER BUYER RELATED PARTIES WILL CAUSE OR CREATE ANY WARRANTY, EXPRESS OR IMPLIED, OR OTHERWISE MAY BE RELIED UPON, AS TO ANY MATTER, OTHER THAN TO THE EXTENT EXPRESSLY SET FORTH IN A REPRESENTATION OR WARRANTY CONTAINED IN ARTICLE V HEREIN.

(c) From and after the Closing, to the fullest extent permitted under applicable Law, including by contractually shortening all applicable statutes of limitation and without limiting Buyer's rights under any R&W Policy, Buyer, on its own behalf and on behalf of the other Buyer Related Parties and their respective successors and assigns (each a "Buyer Releasor"), hereby unconditionally and irrevocably waives, releases and forever discharges any and all Liabilities, rights, claims, demands, causes of action, losses, damages, representations, warranties, covenants and agreements of any type whatsoever (whether express or implied) whether in law or equity or otherwise, that Buyer or any of the other Buyer Releasors have or may have, now or in the future, against any Seller Related Party and each of their respective successors and assigns (each, a "Buyer Releasee"), in each case, arising out of, or relating to, (a) the Company Interests or any other Interests of the Company Entities, (b) any matter, occurrence, act, omission, fact or circumstance occurring or existing on or prior to the Closing Date, (c) any inaccuracy or breach of any representation or warranty or the breach of any Pre-Closing Covenant contained in this Agreement, any other Transaction Document or any other certificate or schedule (including the Seller Disclosure Schedules) delivered pursuant hereto or thereto or otherwise in connection herewith or therewith or (d) any other representation or warranty (express or implied), disclosure, failure to disclose or any information (whether written or oral), documents or materials made available or furnished by or on behalf of any Seller Related Party, in each case, other than the Retained Rights (the "Buyer Released Claims"). Buyer shall, and shall cause the other Buyer Releasors to, (A) comply with and observe the release contained in this Section 8.2(c) and (B) not bring or voluntarily participate or assist in any Action or other claim with respect to any Buyer Released Claims.

(d) From and after the Closing, to the fullest extent permitted under applicable Law, including by contractually shortening all applicable statutes of limitation, Seller, on its own behalf and on behalf of the other Seller Related Parties and their respective successors and assigns (each a "Seller Releasor"), hereby unconditionally and irrevocably waives, releases and forever discharges any and all Liabilities, rights, claims, demands, causes of action, losses, damages, representations, warranties, covenants and agreements of any type whatsoever (whether express or implied) whether in law or equity or otherwise, that Seller or any of the other Seller Releasors have or may have, now or in the future, against any Buyer Related Party and each of their respective successors and assigns (each, a "Seller Releasee" and, together with the Buyer Releasees, the "Releasees"), in each case, arising out of, or relating to, (a) the Company Interests or any other Interests of any Company Entity, (b) any matter, occurrence, act, omission, fact or circumstance occurring or existing on or prior to the Closing Date, (c) any inaccuracy or breach of any representation or warranty or the breach of any Pre-Closing Covenant contained in this Agreement, any other Transaction Document or any other certificate or schedule delivered

pursuant hereto or thereto or otherwise in connection herewith or therewith or (d) any other representation or warranty (express or implied), disclosure, failure to disclose or any information (whether written or oral), documents or materials made available or furnished by or on behalf of any Buyer Related Party, in each case, other than (i) the Retained Rights and (ii) any rights, claims or remedies with respect to exculpation, indemnification, contribution, advancement of expenses or reimbursement against or from any Company Entity by reason of the fact that any such Person or any of its equity holders, directors, managers, officers, or employees is or was an equity holder, employee, officer, director, manager or other agent of any Company Entity pursuant to any Governing Document, any directors' and officers', fiduciary, employment practices or similar insurance policy or any indemnification or related agreements in existence on the date of this Agreement (the "Seller Released Claims"). Seller shall, and shall cause the other Seller Releasors to, (A) comply with and observe the release contained in this Section 8.2(d) and (B) not bring or voluntarily participate or assist in any Action or other claim with respect to any Seller Released Claims.

Article IX.

TERMINATION

Section 9.1 Termination Events. Without prejudice to other remedies which may be available to the Parties by Law or this Agreement, this Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing:

(a) by the mutual written consent of Seller and Buyer;

(b) by either Seller or Buyer by giving written notice to the other Party if the Closing shall not have occurred by July 17, 2026 (the "Termination Date"), unless extended by written agreement of Seller and Buyer; *provided, however,* that if the only conditions that have not been satisfied or waived as of the Termination Date (other than conditions that by their nature are to be satisfied at the Closing and remain capable of being satisfied) are any of the conditions in Section 7.1(a) (with respect to antitrust Law), Section 7.1(b), or Section 7.1(c), the Termination Date shall be automatically extended to January 17, 2027; and *provided, further, however,* that the right to terminate this Agreement under this Section 9.1(b) shall not be available to any Party whose breach of its obligations under this Agreement has been a primary cause of, or resulted in, the failure of the transactions contemplated hereby to be consummated by such time;

(c) by either Seller or Buyer by giving written notice to the other Party if such other Party has breached its representations, warranties, covenants, agreements or other obligations hereunder in a manner that renders impossible the satisfaction of any condition of such Party giving notice set forth in Article VII not to be satisfied and such breach is incapable of being cured or has not been cured by the Party receiving such written notice within forty-five (45) days after delivery of such notice; *provided, however,* that the right to terminate this Agreement under this Section 9.1(c) shall not be available to any Party who is then in material breach of any of its representations, warranties, covenants, agreements or other obligations hereunder;

(d) by either Seller or Buyer by giving written notice to the other Party if any Governmental Authority shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the consummation of any of the transactions contemplated by this Agreement, and such order, decree, ruling or other action shall not be subject to appeal or shall have become final and unappealable; *provided, however,* that the right to terminate this Agreement under this Section 9.1(d) shall not be available to any Party

whose breach of its obligations under this Agreement has been a cause of, or resulted in, the failure of the transactions contemplated hereby to be consummated by such time;

(e) by Seller if (i) all of the conditions set forth in Section 7.1 and Section 7.3 have been satisfied (and continue to be satisfied) or irrevocably waived (other than any such conditions which by their terms are not capable of being satisfied until the Closing Date, but will be satisfied at Closing) and (ii) Buyer does not consummate the transactions contemplated hereby within three (3) Business Days of the day the Closing is required to occur pursuant to Section 2.3;

(f) by Buyer if (i) all of the conditions set forth in Section 7.1 and Section 7.2 have been satisfied (and continue to be satisfied) or irrevocably waived (other than any such conditions which by their terms are not capable of being satisfied until the Closing Date, but will be satisfied at Closing) and (ii) the Seller Entities do not consummate the transactions contemplated hereby within five (5) Business Days of the day the Closing is required to occur pursuant to Section 2.3; or

(g) by either Buyer or Seller, by written notice to other Party under the circumstances set forth in, and in accordance with, Section 6.12.

Section 9.2 Effect of Termination. In the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall immediately terminate and have no further force and effect and there shall be no Liability on the part of any Party to any other Party under this Agreement, except (a) as set forth in Section 9.3, (b) that the covenants and agreements set forth in Section 6.2(b), Section 6.5, this Article IX and Article X and all definitions herein necessary to interpret any of the foregoing provisions shall remain in full force and effect and survive such termination indefinitely and (c) that nothing in this Section 9.2 or in Section 9.3 shall release any Party from any Liability for any breach by such Party of this Agreement before the effective date of such termination, or otherwise affect any of the rights or remedies (whether under this Agreement, or at Law, in equity or otherwise) available to any Party with respect to the breach of this Agreement by any Party before the effective date of such termination; *provided*, *however*, that, if this Agreement is validly terminated pursuant to Section 9.1, no Party shall have any remedy or right to recover for any liabilities resulting from any breach of any representation or warranty contained herein unless such breach was intentional and willful on the part of the breaching party. For the avoidance of doubt, without limitation of the foregoing, neither Party waives any claims for any breach of this agreement that was intentional and willful and each Party acknowledges that a failure by Buyer or Seller to consummate the transactions in breach or violation of this Agreement shall be deemed to be intentional and willful, including in the case of Buyer whether or not Buyer had sufficient funds available.

Section 9.3 Termination Fee and Remedies.

(a) If (i) this Agreement is terminated by Seller or Buyer pursuant to Section 9.1(b) or Section 9.1(d), (ii) all of the conditions to Closing set forth in Section 7.3 have been satisfied (other than such conditions to Closing that by their nature are to be satisfied at the Closing or that have been waived in writing by the applicable Party) and one or more of the conditions to Closing set forth in Section 7.1 was not satisfied, and (iii) Buyer has failed to take any Remedy Action requested by any Governmental Authority, or that if offered to any Governmental Authority would have resulted in the satisfaction of the unsatisfied condition(s) set forth in Section 7.1, in each case with respect to the Specified Asset, then Buyer shall pay to Seller, by wire transfer of immediately available funds within five (5) Business Days following the date of termination, as liquidated damages, an amount equal to $62,572,421 (the "Termination Fee"). Until such time as this Agreement is validly terminated pursuant to this

Article IX, nothing contained in this Article IX shall prevent, limit, impede or impair the ability of a Party to seek specific performance at any time prior to the termination of this Agreement pursuant to Article IX.

(b) The provision for payment of the Termination Fee has been included because the actual losses to be incurred by Seller in the circumstances where the Termination Fee is payable can reasonably be expected to approximate the Termination Fee provided for herein and because in the circumstances where the Termination Fee is payable Seller will suffer material harm but the actual amount of such losses would be difficult if not impossible to measure accurately. The Parties further expressly acknowledge and agree that the Termination Fee is a material inducement to the willingness of Seller to enter into this Agreement and is an integral part of the transactions contemplated by this Agreement and is intended not as a penalty, but as liquidated compensation to the Seller in the circumstances where the Termination Fee is payable. In addition, the Parties acknowledge and agree that, in the event Buyer shall fail to pay the Termination Fee when due, and Seller commences a proceeding which results in a judgment or similar award against Buyer for such Termination Fee, then Buyer shall also pay, to Seller, each of their reasonable, documented out-of-pocket costs and expenses (including reasonable attorneys' fees and expenses of enforcement) in connection with such proceeding.

(c) Other than in a case of Fraud, upon termination of this Agreement in the manner contemplated in Section 9.3(a), the Termination Fee shall be the sole and exclusive remedy of Seller and its Affiliates and their respective Representatives against any Buyer Related Party for any losses or Liabilities suffered as a result of the failure of the Closing to be consummated or for any other matter under, relating to or arising out of this Agreement or any other Transaction Document or any of the transactions contemplated hereby or thereby, whether based on Contract, tort, strict liability, other Laws or otherwise, or any Claim based on, in respect of, or by reason of any of the foregoing, and upon payment of the Termination Fee, none of Seller, any of its Affiliates or any of their respective Representatives shall pursue or be entitled to pursue or make any Claim against any Buyer Related Party, and no Buyer Related Party shall have any Liability arising out of the circumstances giving rise to any termination of this Agreement or for any other matter under, relating to or arising out of or in connection with this Agreement or any other Transaction Document or any of the transactions contemplated hereby or thereby.

Article X.

MISCELLANEOUS

Section 10.1 Parties in Interest. Other than (a) Section 6.9, Section 6.10, Section 6.14, Section 6.15, Article VIII, this Section 10.1, Section 10.11 and Section 10.13, (b) to the extent necessary to enforce any of the foregoing, this Article X, and (c) the definitions of the terms used in any of the foregoing, in each case, which are intended to benefit and may also be enforced directly by the Covered Parties, the Other Indemnitors, the Releasees, the Seller Related Parties, the Buyer Related Parties, the Non-Recourse Persons and Seller's Counsel, as applicable, this Agreement is not intended to confer and does not confer upon any Person other than the Parties any rights or remedies hereunder.

Section 10.2 Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign (by contract, stock sale, operation of Law or otherwise) either this Agreement or any of its rights, interests, or obligations hereunder without the express prior written consent of the other Parties, and any attempted assignment, without such consent, shall be null and void; *provided, however*, that Buyer may assign this Agreement or any right or obligations hereunder (a) to any of its Affiliates (*provided*, that no such assignment shall (i) relieve Buyer of its obligations

hereunder or (ii) result in additional withholding Taxes to be economically borne by Seller) and (b) to any of its lenders as collateral security, none of which assignments will relieve Buyer of its obligations under this Agreement, in each case, without the prior written consent of Seller.

Section 10.3 Notices. All notices and other communications required or permitted to be given by any provision of this Agreement shall be in writing and mailed (certified or registered mail, postage prepaid, return receipt requested) or sent by hand or overnight courier, or by email, charges prepaid and addressed to the intended recipient as follows, or to such other addresses or numbers as may be specified by a Party from time to time by like notice to the other Parties:

If to Seller: c/o Caithness Services LLC
12 Broad Street
4th Floor, Suite 404
Red Bank, New Jersey 07701
Attn.: Andrew Savko; Gail Conboy
Email: *****

with a copy to: Paul Hastings LLP
200 Park Avenue
New York, New York 10166
Attn.: Mike Huang
Email: mikehuang@paulhastings.com

If to Buyer: Talen Generation, LLC
2929 Allen Parkway, 22nd Floor
Houston, TX 77019
Attn: General Counsel
Email: *****

with a copy to: Kirkland & Ellis LLP
609 Main Street
Houston, TX 77002
Attn: William J. Benitez, P.C.; Josh Teahen and Jacob Volz
Email: william.benitez@kirkland.com; josh.teahen@kirkland.com;
jacob.volz@kirkland.com

All notices and other communications given in accordance with the provisions of this Agreement shall be deemed to have been given and received when delivered by hand or transmitted by email (provided no bounce back or other notice of non-delivery is received by the sender), three (3) Business Days after the same are sent by certified or registered mail, postage prepaid, return receipt requested or one (1) Business Day after the same are sent by a reliable overnight courier service, with acknowledgment of receipt.

Section 10.4 Amendments and Waivers. This Agreement may not be amended, supplemented or otherwise modified except in a written instrument executed by each of the Parties. No waiver by any of the Parties of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or

subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. Failure to exercise, or delay in exercising, any right or remedy shall not operate as a waiver or be treated as an election not to exercise such right or remedy, any single or partial exercise or waiver of any right or remedy shall not preclude its further exercise or the exercise of any other right or remedy. No waiver by any of the Parties of any of the provisions hereof shall be effective unless explicitly set forth in writing and executed by the Party sought to be charged with such waiver.

Section 10.5 Exhibits and Schedules. All Exhibits and Schedules and the Seller Disclosure Schedule and Buyer Disclosure Schedule attached hereto are hereby incorporated herein by reference and made a part hereof. Except as otherwise provided in the Seller Disclosure Schedule, all capitalized terms therein shall have the meanings assigned to them in this Agreement. Matters reflected in the Seller Disclosure Schedule are not necessarily limited to matters required by this Agreement to be disclosed. No (a) disclosure made in the Seller Disclosure Schedule shall constitute an admission or determination that any fact or matter so disclosed is material, has had or could reasonably be expected to have a Material Adverse Effect on any Company Entity, meets a dollar or other threshold set forth in this Agreement or would otherwise be required to be disclosed and (b) Person shall use the fact of the setting of a threshold or the inclusion of such facts or matters in any dispute or controversy as to whether any obligation, amount, fact or matter is or is not material, is or is not in excess of a dollar or other threshold or would otherwise be required to be disclosed, for purposes of this Agreement. Information disclosed in any Section of the Seller Disclosure Schedule delivered will qualify any representation, warranty, covenant or agreement in this Agreement to the extent that the relevance or applicability of the information disclosed to any such representation, warranty, covenant or agreement is reasonably apparent on its face, notwithstanding the absence of a reference or cross-reference to such representation, warranty, covenant or agreement in such Section of the Seller Disclosure Schedule or the absence of a reference or cross-reference to such Section of the Seller Disclosure Schedule in such representation, warranty, covenant or agreement. No disclosure in the Seller Disclosure Schedule relating to any possible breach or violation of any agreement or Law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred.

Section 10.6 Headings. The table of contents and section headings contained in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement or affect in any way the meaning or interpretation of this Agreement.

Section 10.7 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Notwithstanding anything to the contrary in this Agreement, each representation and warranty in this Agreement is given independent effect so that if a particular representation and warranty proves to be inaccurate or is breached, the fact that another representation and warranty concerning the same or similar subject matter is true or is not breached, whether such other representation and warranty is more general or more specific, narrower or broader or otherwise, will not affect the inaccuracy or breach of such particular representation and warranty.

Section 10.8 Entire Agreement. This Agreement (including the Schedules and the Exhibits hereto), the other Transaction Documents and the Confidentiality Agreement constitute the entire agreement among the Parties with respect to the subject matter hereof and thereof and supersede any prior understandings, negotiations, agreements, or representations among the Parties of any nature, whether written or oral, to the extent they relate in any way to the subject matter hereof or thereof.

Section 10.9 Severability. If any provision of this Agreement or the application of any such provision to any Person or circumstance shall be declared by any court of competent jurisdiction to be invalid, illegal, void or unenforceable in any respect, all other provisions of this Agreement, or the application of such provision to Persons or circumstances other than those as to which it has been held invalid, illegal, void or unenforceable, shall nevertheless remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination that any provision, or the application of any such provision, is invalid, illegal, void or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible to the fullest extent permitted by applicable Law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible. Notwithstanding anything contained herein, under no circumstance shall the obligation of Seller to deliver the Company Interests be enforceable absent enforceability of the obligation of Buyer to pay the Purchase Price, and vice versa.

Section 10.10 Expenses.

(a) Buyer shall be responsible for, and shall pay directly or promptly reimburse Seller for amounts paid by or on behalf of Seller or any other Seller Related Party, (i) any and all costs of any filing fees with respect to any filings required under the HSR Act or FERC in connection with this Agreement and the transactions contemplated hereby regardless of which Party is obligated under applicable Law or otherwise incurs any such fees, (ii) premiums, fees, costs or expenses (including underwriting fees, Taxes, surcharges and brokerage commissions) incurred by any Buyer Related Party in obtaining any R&W Policy, (iii) premiums, fees, costs or expenses (including Taxes, surcharges and brokerage commissions) related to the D&O Insurance, (iv) obligations incurred by, on behalf of, or at the direction of any Buyer Related Party (including in connection with any financing of the transactions contemplated by this Agreement), (v) premiums, fees, costs or expenses (including Taxes, surcharges and brokerage commissions) related to any title insurance policy covering any Owned Real Property, and (vi) costs and expenses Buyer is required to bear pursuant to Section 6.13 and Section 6.14 (the foregoing clauses (i) through (vi), collectively, "Buyer Expenses").

(b) Unless otherwise provided herein, including the Buyer Expenses, each of Buyer and Seller agrees to pay, without right of reimbursement from the other, all costs and expenses incurred by it incident to the negotiation, preparation, execution and delivery of this Agreement and the other Transaction Documents, the consummation of the transactions contemplated hereby and thereby and its performance of its obligations hereunder and thereunder, including the fees and disbursements of counsel, accountants, financial advisors, experts and consultants employed by the respective Parties in connection with the transactions contemplated hereby, whether or not the transactions contemplated by this Agreement are consummated.

Section 10.11 No Recourse Against Non-Recourse Persons. Except for the rights and remedies of Buyer with respect to the R&W Policy and in the case of Fraud, solely against the Person committing such Fraud, all claims, obligations, Liabilities, or Actions (whether in contract or in tort, in equity or at Law, or granted by statute) that may be based upon, in respect of, arise under, out or by reason of, be connected with, or relate in any manner to this Agreement, or the negotiation, execution, or performance of this Agreement (including any representation or warranty made in, in connection with, or as an inducement to, this Agreement), may be made only against (and are those solely of) the entities that are expressly identified as "Parties" in the preamble to this Agreement (the "Contracting Parties"). No Person who is not a Contracting Party, including any Buyer Related Party or Seller Related Party, but excluding the insurer under the R&W Policy (the "Non-Recourse Persons"), shall have any Liability (whether in contract or in tort, in equity or at Law, or granted by statute) for any claims, causes of action, obligations, or Liabilities arising under, out of, in connection with, or related in any manner to this Agreement

or based on, in respect of, or by reason of this Agreement or in its negotiation, execution, performance, or breach; and, to the maximum extent permitted by applicable Law, each Contracting Party hereby waives and releases all such Liabilities, claims, Actions and obligations against any such Non-Recourse Persons. Without limiting the generality of the foregoing, to the maximum extent permitted by applicable Law, (a) each Contracting Party hereby waives and releases any and all rights, claims, demands, or Actions that may otherwise be available in equity or at Law, or granted by statute, to avoid or disregard the entity form of a Contracting Party or otherwise impose Liability of a Contracting Party on any Non-Recourse Persons, whether granted by statute or based on theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, unfairness, undercapitalization, or otherwise; and (b) each Contracting Party disclaims any reliance upon any Non-Recourse Persons with respect to the performance of this Agreement or any representation or warranty made in, in connection with, or as an inducement to this Agreement.

Section 10.12 Remedies. The Parties agree that irreparable damage would occur (for which monetary relief, even if available, would not be an adequate remedy) in the event that any of the provisions of this Agreement were not performed by any Party, as applicable, in accordance with their specific terms or were otherwise breached by any Party, as applicable, including if the Parties fail to take any action required of them hereunder to consummate the transactions contemplated by this Agreement (including Buyer's obligations to consummate the Closing). It is accordingly agreed that (i) the Parties shall be entitled to an injunction or injunctions, specific performance, or other equitable relief to prevent breaches of this Agreement by any Party, as applicable, and to enforce specifically the terms and provisions hereof against each Party, as applicable, without proof of damages or otherwise, this being in addition to any other remedy to which the Parties are entitled at law or in equity and (ii) the right of specific performance and other equitable relief is an integral part of the transactions contemplated by this Agreement and without that right, none of the Parties would have entered into this Agreement. The Parties agree not to assert that a remedy of specific performance or other equitable relief is unenforceable, invalid, contrary to law or inequitable for any reason, and agree not to assert that a remedy of monetary damages would provide an adequate remedy or that the Parties otherwise have an adequate remedy at law. The Parties acknowledge and agree that any Party seeking an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the terms and provisions of this Agreement in accordance with this Section 10.12 shall not be required to provide any bond or other security in connection with any such order or injunction. Notwithstanding anything to the contrary contained in this Agreement, from and after the Closing, no Party shall have, and to the fullest extent permitted by Law, each Party hereby expressly, irrevocably and unconditionally waives and releases, any right of rescission or any similar equitable right or remedy.

Section 10.13 Legal Representation.

(a) It is acknowledged by each of the Parties that the Company Entities and Seller have retained Paul Hastings LLP (collectively, "Seller's Counsel") to act as their counsel in connection with the transactions contemplated hereby and that Seller's Counsel has not acted as counsel for any other Party in connection with the transactions contemplated hereby and that none of the other Parties has the status of a client of any of Seller's Counsel for conflict of interest or any other purposes as a result thereof. Seller and Buyer hereby agree that, in the event that any dispute, or any other matter in which the interests of Seller and its Affiliates, on the one hand, and Buyer and its Affiliates (including any Company Entity), on the other hand, are adverse, arises after the Closing between Buyer or any Company Entity, on the one hand, and Seller and its Affiliates, on the other hand, Seller's Counsel may represent any or all of Seller and its Affiliates in such dispute even though the interests of Seller and its Affiliates may be directly adverse to Buyer or any Company Entity, and even though Seller's Counsel formerly may have represented the Company Entities in any matter substantially related to such dispute.

(b) Seller and its Affiliates and Buyer and its Affiliates (including the Company Entities following the Closing with respect to Buyer), acknowledge and agree that, in connection with any future disputes, lawsuits, actions, proceedings, investigations or other matters, including any dispute between Buyer, any Company Entity or any of its or their respective Affiliates, on the one hand, and Seller or any of its Affiliates, on the other hand, or with or between any other Persons, with respect to the transactions contemplated by this Agreement, (i) as to all communications among Seller's Counsel, any Company Entity, Seller or any of its Affiliates, the attorney-client privilege, attorney work product protection and the expectation of client confidence belongs solely to Seller or its Affiliates (other than any Company Entity), and may be controlled by Seller or its Affiliates (other than any Company Entity), and shall not pass to or be claimed by Buyer, any Company Entity, or any of their respective Affiliates and (ii) Seller's Counsel may disclose to Seller or its Affiliates any information learned by Seller's Counsel in the course of its representation of Seller, any Company Entity or their respective Affiliates, whether or not such information is subject to attorney-client privilege, attorney work product protection, of Seller's Counsel's duty of confidentiality. Accordingly, Buyer and its Affiliates shall not have access to any such communications, or to the files of Seller's Counsel, whether or not the Closing occurs. Without limiting the generality of the foregoing, upon and after the Closing, (A) to the extent that files of Seller's Counsel constitute property of the client, only Seller and its Affiliates shall hold such property rights and (B) Seller's Counsel shall have no duty whatsoever to reveal or disclose any such attorney-client communications or files to Buyer or any Company Entity by reason of any attorney-client relationship between Seller's Counsel and any Company Entity or otherwise.

(c) If and to the extent that, at any time subsequent to Closing, Buyer or any of its Affiliates (including any Company Entity) shall have the right to assert or waive any attorney-client privilege with respect to any communication between any Company Entity or its Affiliates and any Person representing them that occurred at any time prior to the Closing, Buyer, on behalf of itself and its Affiliates (including any Company Entity), shall be entitled to waive such privilege only with the consent of Seller.

Section 10.14 Governing Law. This Agreement and all claims arising out of or relating to this Agreement and the transactions contemplated hereby shall be governed by the Laws of the State of New York.

Section 10.15 Consent to Jurisdiction and Venue; Waiver of Jury Trial.

(a) The Parties irrevocably submit to the exclusive jurisdiction of (a) the state courts located in the State of New York and (b) the United States District Court for the Southern District of New York, with respect to any Action or other proceeding arising out of this Agreement or any transaction contemplated hereby (including any claim to enforce the expert determination provisions of this agreement) or any document or instrument delivered at Closing. Each of the Parties agrees to commence any Action or proceeding relating hereto in the United States District Court for the Southern District of New York or if such Action or other proceeding may not be brought in such court for jurisdictional reasons, in the state courts located in the State of New York. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue of any Action or proceeding arising out of this Agreement or the transactions contemplated hereby in (i) the state courts located in the State of New York or (ii) the United States District Court for the Southern District of New York, and hereby further irrevocably and unconditionally agrees not to plead or claim in any such court that any such Action or proceeding brought in any such court has been brought in an inconvenient forum or to raise any similar defense or objection.

(b) **EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A**

TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

Section 10.16 Counterparts and Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed an original, but all of which together shall constitute one and the same instrument binding upon all of the Parties notwithstanding the fact that all Parties are not signatory to the original or the same counterpart. This Agreement may be executed electronically (including by means of .pdf or similar graphic reproduction format or by means of digital signature software, e.g. DocuSign or Adobe Sign) and delivered by e-mail or other similar means of electronic transmission, and any electronic signature shall constitute an original for all purposes.

Section 10.17 Debt Financing Sources. Notwithstanding anything in this Agreement to the contrary, each Party hereby: (a) agrees that any action, whether in law or in equity, whether in contract or in tort or otherwise, involving the sources in respect of the Debt Financing, arising out of or relating to, this Agreement, the Debt Financing or any of the transactions contemplated hereby or thereby or the performance of any services thereunder shall be subject to the exclusive jurisdiction of any federal or state court in the Borough of Manhattan, New York, New York, so long as such forum is and remains available, and any appellate court thereof and each Party hereto irrevocably submits itself and its property with respect to any such action to the exclusive jurisdiction of such court, and such action (except to the extent relating to the interpretation of any provisions in this Agreement (including any provision in any documentation related to the Debt Financing that expressly specifies that the interpretation of such provisions shall be governed by and construed in accordance with the law of the State of Delaware)) shall be governed by the laws of the State of New York (without giving effect to any conflicts of law principles that would result in the application of the laws of another jurisdiction), (b) agrees not to bring or support any action or proceeding of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against any source in respect of the Debt Financing in any way arising out of or relating to, this Agreement, the Debt Financing, or any of the transactions contemplated hereby or thereby or the performance of any services thereunder in any forum other than any federal or state court in the Borough of Manhattan, New York, New York (and any appellate court thereof), and agrees that a final judgment in any such action may be enforced in other jurisdictions by action on the judgment or in any other manner provided by Law, (c) agrees that service of process upon any party in any such action or proceeding shall be effective if notice is given in accordance with Section 10.3, (d) irrevocably waives, to the fullest extent that it may effectively do so, the defense of an inconvenient forum to the maintenance of such action in any such court, (e) knowingly, intentionally and voluntarily waives to the fullest extent permitted by applicable Law trial by jury in any action brought against the sources in respect of the Debt Financing in any way arising out of or relating to, this Agreement, the Debt Financing or any of the transactions contemplated hereby or thereby or the performance of any services thereunder, (f) (i) waives any claims or rights against any sources of the Debt Financing relating to or arising out of this Agreement, the Debt Financing and the transactions contemplated hereby and thereby, whether at law or in equity and whether in tort, contract or otherwise, (ii) agrees not to bring or support or permit any of its Subsidiaries or its or their respective Affiliates to bring or support any suit, action or proceeding of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against any sources of the Debt Financing in any way arising out of or relating to, this Agreement, the Debt Financing or any of the transactions contemplated by this Agreement and (iii) agrees that none of the sources in respect of the Debt Financing shall have any liability to Seller or the Companies or

any of their respective Non-Recourse Persons relating to or arising out of this Agreement, the Debt Financing or any of the transactions contemplated hereby or thereby or the performance of any services thereunder or in respect of any oral or other representations made or alleged to be made in connection herewith or therewith, whether in law or in equity, whether in contract or in tort or otherwise and (g) agrees that the sources in respect of the Debt Financing are express third party beneficiaries of, and may enforce, any of the provisions in this Section 10.17 as applicable to sources in respect of the Debt Financing, and such provisions shall not be amended in any way adverse to any sources in respect of the Debt Financing without the prior written consent of the sources in respect of the Debt Financing party to the commitment letter in respect of the Debt Financing. In furtherance and not in limitation of the foregoing waiver, it is acknowledged and agreed that no source in respect of the Debt Financing shall be subject to any special, consequential, punitive or indirect damages or damages of a tortious nature. Notwithstanding the foregoing, nothing in this Section 10.17 shall affect the rights of Buyer against the sources in respect of the Debt Financing with respect to the Debt Financing or any of the transactions contemplated thereby.

For purposes of this Section 10.17, “sources of the Debt Financing” shall be interpreted to include the Persons that have committed to provide or arrange or otherwise have entered into agreements in connection with all or any part of the Debt Financing in connection with the transactions contemplated by this Agreement (solely in their capacity as sources of the Debt Financing), including the parties to any commitment letters, joinder agreements or credit agreements entered pursuant thereto or relating thereto and each of their respective Affiliates, and their Affiliates’ current or future officers, directors, employees, agents, representatives, stockholders, limited partners, managers, members or partners and their successors and assigns.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

SELLER:

CAITHNESS ENERGY, L.L.C.

By: /s/ Ross D. Ain
Name: Ross D. Ain
Title: President

SUBSIDIARY SELLER:

MOXIE FREEDOM HOLDINGS LLC

By: /s/ Ross D. Ain
Name: Ross D. Ain
Title: President

[Signature Page to Purchase and Sale Agreement]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

BUYER:

TALEN GENERATION, LLC

By: /s/ Darren Olagues
Name: Darren Olagues
Title: Chief Development Officer

[Signature Page to Purchase and Sale Agreement]

Exhibit 2.2

Execution Copy

PURCHASE AND SALE AGREEMENT

between

CAITHNESS ENERGY, L.L.C.,

as Seller,

CAITHNESS APEX GUERNSEY, LLC,

as Subsidiary Seller,
and

TALEN GENERATION, LLC,

as Buyer

Dated as of July 17, 2025

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Exhibit D – Form of Transition Services Agreement
Exhibit E – Operating Budgets

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement is entered into as of July 17, 2025, by and among Caithness Energy, L.L.C., a Delaware limited liability company ("Seller"), Caithness Apex Guernsey, LLC, a Delaware limited liability company and indirect Subsidiary of Seller (the "Subsidiary Seller") and Talen Generation, LLC, a Delaware limited liability company ("Buyer"). Each of Seller, the Subsidiary Seller and Buyer is referred to herein individually, as a "Party", and, together, as the "Parties".

W I T N E S S E T H:

WHEREAS, Seller, through certain of its Subsidiaries, owns and controls a 1,875 MW natural gas fired combined cycle generation project located in Guernsey County, Ohio (the "Project");

WHEREAS, Seller desires to sell or caused to be sold to Buyer, and Buyer desires to purchase, all of Subsidiary Seller's ownership interests in the Project through the sale, transfer, conveyance and assignment of all of the issued and outstanding Interests in Guernsey Power Holdings, LLC, a Delaware limited liability company (such Subsidiary, the "Project Holding Company", and such Interests in the Project Holding Company, the "Project Holding Company Interests"), in each case, as set forth on Schedule A attached hereto;

WHEREAS, prior to the execution of this Agreement, (i) the Class B Member (as defined in the Amended and Restated Limited Liability Company Agreement of Subsidiary Seller, dated August 29, 2019 (the "Subsidiary Seller LLCA")) executed the Class B Member Consent Agreement attached hereto as Exhibit C (the "Class B Member Consent Agreement"), which provides all requisite consents and waivers from the Class B Member under the Subsidiary Seller LLCA for Seller and the Subsidiary Seller to enter into this Agreement and the other Transaction Documents and consummate the transactions contemplated hereby and thereby, subject to the terms and conditions set forth therein and (ii) the BlackRock Member executed the BlackRock Member Consent Agreement (the "BlackRock Member Consent Agreement"), which provides all the requisite consents and waivers from the BlackRock Member under any Governing Document, side letter or other agreement which requires such consents or waivers including the Governing Documents of Guernsey Power Mezz Annex 0, LLC, a Delaware limited liability company ("Annex 0"), for Seller and the Subsidiary Seller to enter into this Agreement and the other Transaction Documents and consummate the transactions contemplated hereby and thereby, subject to the terms and conditions set forth therein; and

WHEREAS, concurrently with the execution and delivery of this Agreement, as a material inducement to Seller's and the Subsidiary Seller's willingness to enter into this Agreement, Talen Energy Corporation, a Delaware corporation ("Parent Guarantor"), is entering into a guarantee (the "Parent Guaranty") for the benefit of Seller and the Subsidiary Seller, pursuant to which Parent Guarantor is guaranteeing the obligations of Buyer hereunder on the terms and subject to the conditions set forth in the Parent Guaranty.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises herein made, and in consideration of the representations and warranties herein contained, and for other good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties, intending to become legally bound, hereby agree as follows:

Article I.

DEFINITIONS

Section 1.1 Certain Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Accounting Firm" has the meaning set forth in Section 2.4(e).

"Accounting Principles" means (a) first, the adjustments, principles and methodologies set forth on Schedule I, (b) second, the accounting methods, principles, policies, practices and procedures, with consistent classifications, judgments and estimation methodology, as were used in the preparation of the Audited Financial Statements, and (c) third, to the extent not otherwise addressed in clauses (a) and (b) above, GAAP.

"Action" means any action, suit, proceeding, claim, charge, audit, arbitration, investigation, hearing, inquiry, complaint, summons, examination or proceeding by or before any Governmental Authority.

"Actual Closing Schedule" has the meaning set forth in Section 2.4(b).

"Adjustment Escrow Account" has the meaning set forth in Section 2.3(f).

"Adjustment Escrow Deposit" has the meaning set forth in Section 2.3(f).

"Admin Agreement" means that certain Administrative Management Agreement, dated August 29, 2019, by and between Project Company and Caithness Guernsey Administrative Management, LLC.

"Affiliate" means, with respect to any Person, any other Person that directly, or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such Person; *provided*, *however,* that in no event shall the Blackrock Member or any of its Affiliates (other than any Company Entity or the Subsidiary Seller) be considered an Affiliate of any Company Entity or any Seller Entity or any of their respective Affiliates except that (i) Section 2.4(h), Section 4.8, Section 6.13, Section 6.14, Article VIII, Section 10.1, Section 10.10 and Section 10.11 (and with respect to the definition of "Seller Related Party" as such term may be used in the foregoing provisions, as applicable) shall apply to and for the benefit of the BlackRock Member and each of the direct and indirect equityholders and Affiliates of the BlackRock Member and each of their respective incorporators, members, partners, equity holders, Affiliates or current, former or future Representatives as if they were included as an Affiliate of Seller and Subsidiary Seller (or as a Seller Related Party, as applicable) thereunder, and (ii) solely with respect to Section 2.3(b)(iv), Section 6.2, Section 6.4, Section 6.5 and with

respect to the definition of "Affiliate Contracts", BlackRock Member and each of the BlackRock Funds which does business in the ordinary course under the trade name "BlackRock Global Energy and Power Infrastructure Fund", "BlackRock Global Infrastructure Fund" or "GIP Mid-Market Fund" and any of their respective Subsidiaries or any portfolio company or portfolio investment (as such terms are commonly understood in the private equity or asset management industries) thereof shall be deemed Affiliates of each Company Entity and the Subsidiary Seller.

"Affiliate Contract" means any Contract between (a) any Company Entity, on the one hand, and (b)(i) any Seller Entity or any of its Affiliates (other than a Company Entity) or (ii) any director, manager, officer, equityholder (other than limited partners or similar passive equityholders in investment funds or vehicles) or management-level employee of Seller or any of its Affiliates (other than a Company Entity), or any immediate family member of any of the foregoing, on the other hand.

"Affiliated Group" means an affiliated group as defined in Section 1504 of the Code (or any analogous combined, consolidated or unitary group defined under state, local or foreign income Tax law) of which a Company Entity is or has been a member.

"Aggregate Restoration Cost" has the meaning set forth in Section 6.12(b).

"Agreed Tax Treatment" has the meaning set forth in Section 6.7(a).

"Agreement" means this Purchase and Sale Agreement, including all Exhibits and Schedules hereto (including the Seller Disclosure Schedule and the Buyer Disclosure Schedule), as the same may be amended, modified or supplemented from time to time in accordance with its terms.

"AMA Extension Notice" has the meaning set forth in Section 6.17.

"AMA Extension Period" has the meaning set forth in Section 6.17.

"Annex 0" has the meaning set forth in the recitals to this Agreement.

"Anti-Corruption Laws" means all applicable U.S. and non-U.S. Laws relating to the prevention of corruption, money laundering, and bribery, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the UK Bribery Act of 2010.

"Assignment and Assumption Agreement" means, with respect to the Project Holding Company Interests, an Assignment and Assumption Agreement, substantially in the form attached hereto as Exhibit A, to be entered into at Closing between Buyer and the Subsidiary Seller, to effectuate the transfer of the Project Holding Company Interests.

"Audited Financial Statements" has the meaning set forth in Section 3.6(a)(ii).

"Balance Sheet Date" means March 31, 2025.

"Benefit Plan" means each "employee benefit plan" (as defined in Section 3(3) of ERISA, whether or not subject thereto) and each other benefit or compensation plan, program, policy, agreement or arrangement of any kind.

"BlackRock Funds" means BlackRock, Inc. (and any successor thereof) and any of the funds or accounts managed by it or any of its Affiliates, and any Subsidiary thereof and any portfolio company or portfolio investment (as such terms are commonly understood in the private equity or asset management industry) of any of the foregoing.

"BlackRock Member" means GEPIF III GPS Investco, L.P., a Delaware limited partnership.

"BlackRock Member Consent Agreement" has the meaning set forth in the recitals to this Agreement.

"Business Day(s)" means any day other than Saturday, Sunday or any other day on which banking institutions in New York, New York or Houston, Texas are not open for the transaction of normal banking business.

"Business IP" has the meaning set forth in Section 3.21(c).

"Buyer" has the meaning set forth in the preamble to this Agreement.

"Buyer Disclosure Schedule" means the disclosure schedule delivered by Buyer to Seller on the date hereof and attached hereto.

"Buyer Expenses" has the meaning set forth in Section 10.10(a).

"Buyer Fundamental Representations" means the representations and warranties set forth in Section 5.1 (*Organization*), Section 5.2 (*Authorization*), Section 5.3(a) (*Noncontravention)* and Section 5.8 (*Brokers' Fees*).

"Buyer Related Parties" means Talen and each of its Subsidiaries (including Buyer and, after the Closing, the Company Entities) and each of the current, former or future Representatives of any of the foregoing.

"Buyer Released Claims" has the meaning set forth in Section 8.2(c).

"Buyer Releasee" has the meaning set forth in Section 8.2(c).

"Buyer Releasor" has the meaning set forth in Section 8.2(c).

"Calculation Time" means 11:59 p.m., Eastern Time, on the day immediately prior to the Closing Date.

"Cash" means, as of the applicable time of determination, all cash and cash equivalents, including any checks received and not yet deposited, account balances, marketable

securities, checks, commercial paper, treasury bills, cash on deposit and over-the-counter bank deposits, but excluding any checks issued but not yet drawn. "Cash" shall exclude (a) all deposits and other credit support with third-parties, including (i) cash held as a guarantee in respect of any performance of Contracts and (ii) cash security deposits posted with lessors or to otherwise support letters of credit in respect of real property lease obligations and (b) any Casualty Cash, except to the extent the Purchase Price is reduced pursuant to Section 6.12 in respect of the applicable Casualty Loss; *provided*, *however,* that notwithstanding anything to the contrary in the foregoing, "Cash" shall include all cash and cash equivalents held in depositary accounts established pursuant to, and pledged as collateral in accordance with, the Financing Documents so long as any Liens on such depositary accounts under the Financing Documents are released upon payment of the Payoff Indebtedness at Closing.

"Casualty Cash" has the meaning set forth in Section 6.12(a).

"Casualty Loss" has the meaning set forth in Section 6.12(a).

"Class B Member" has the meaning set forth in the recitals to this Agreement.

"Class B Member Consent Agreement" has the meaning set forth in the recitals to this Agreement.

"Closing" has the meaning set forth in Section 2.3(a).

"Closing Cash" means the amount of Cash of the Company Entities as of the Calculation Time determined in accordance with the Accounting Principles (without giving effect to the transactions contemplated by this Agreement).

"Closing Date" means the date the Closing actually occurs pursuant to Section 2.3(a).

"Closing Indebtedness" means the amount of Indebtedness of the Company Entities outstanding as of the Calculation Time and determined in accordance with the Accounting Principles (without giving effect to the transactions contemplated by this Agreement).

"Closing Net Working Capital" means, as of the Calculation Time (without giving effect to the transactions contemplated by this Agreement), (a) a positive amount equal to the amount by which Working Capital for the Company Entities exceeds the Target Working Capital Amount or (b) a negative amount equal to the amount by which Working Capital for the Company Entities is less than the Target Working Capital Amount.

"Closing Transaction Expenses" means the Transaction Expenses.

"Code" means the U.S. Internal Revenue Code of 1986, as amended.

"Comfort Period" has the meaning set forth in Section 6.13(b).

"Company Entities" means the Project Holding Company and its Subsidiaries.

"Company Owned IP" has the meaning set forth in Section 3.21.

"Company Systems" means all of the following that are owned, used or relied on, by or for any Company Entity or the Project: software, devices, hardware (whether general or special purpose), electronic data processing, information, record keeping, communications, or telecommunications systems, networks, platforms, servers, circuits, peripherals and other computer systems and information technology assets.

"Confidentiality Agreement" means the Confidentiality Agreement, dated as of August 1, 2024 between Caithness Energy, L.L.C. and Talen, as may be amended or supplemented from time to time.

"Consents" means consents, approvals, exemptions, waivers, authorizations, filings, registrations and notifications.

"Contract" means any agreement, contract, subcontract, lease, license, sublicense or other legally binding commitment or undertaking (other than any Permit). For the avoidance of doubt, with respect to any Swap (as defined in 7 USC § 1a(47)(A)) or derivatives of any kind, each transaction and each master agreement shall represent a separate Contract.

"Contracting Parties" has the meaning set forth in Section 10.11.

"Control" means, with respect to any Person, the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or ownership interests, by contract or otherwise.

"Cooperation Period" has the meaning set forth in Section 6.13(a).

"Covered Party" has the meaning set forth in Section 6.9(a).

"D&O Insurance" has the meaning set forth in Section 6.9(c).

"Data Breach" means any actual (a) breach of Personal Information that would give rise to any obligations on behalf of any Company Entity under Privacy Laws, or (b) breach of security, phishing incident, ransomware or malware attack, unauthorized Processing, or other cyber or security incident affecting or with respect to any of the Company Systems or data and information (including trade secrets and personal information) owned or Processed by or on behalf of any Company Entity or in connection with the business of any Company Entity or the Project.

"Data Security Requirements" means contractual obligations or industry standards to which any Company Entity or, in connection with the business of any Company Entity or the Project, Seller or any of its other Affiliates is bound, including, to the extent applicable, the Payment Card Industry Data Security Standard; and the Company Entities' and Seller's and its

other Affiliates' (a) privacy policies and (b) information security policies, concerning the collection, use, storage, processing, transfer, disclosure, protection, safeguarding, disposal, sharing, or other Processing of Personal Information or otherwise related to privacy, data security, or data protection.

"Debt Financing" means any debt financing amount incurred or intended to be incurred to fund the Purchase Price and Transaction Expenses.

"Delivery Deadline" has the meaning set forth in Section 2.4(b).

"Due Diligence Materials" means those documents and materials made available to Buyer, its Affiliates and their Representatives prior to the date hereof in the Merrill DataSite virtual data room regarding the Company Entities and any written questions and answers exchanged between Buyer and its Affiliates and Seller and its Affiliates prior to the date hereof with respect thereto.

"Emissions Credits" means all emissions credits and allowances (including NOx and SOx Acid Rain credits and Cross State Air Pollution Rule credits) required under Environmental Law for the operation of the Project; *provided*, *however*, in no event shall "Emissions Credits" include renewable energy credits or certificates.

"Enterprise Value" means $2,330,116,000.

"Environment" means ambient air, indoor air, surface water and groundwater (including potable water, navigable water and wetlands), the land surface or subsurface strata natural resources and any other environmental media.

"Environmental Law" means any applicable Law (other than any such Law first coming into effect following the Closing Date) relating to Emissions Credits, pollution, human and worker health and safety as related to exposure to Hazardous Substances, or the protection, preservation or restoration of the Environment.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"Escrow Agent" has the meaning set forth in Section 2.3(f).

"Escrow Agreement" has the meaning set forth in Section 2.3(f).

"Estimated Closing Cash" has the meaning set forth in Section 2.4(a).

"Estimated Closing Indebtedness" has the meaning set forth in Section 2.4(a).

"Estimated Closing Net Working Capital" has the meaning set forth in Section 2.4(a).

"Estimated Closing Schedule" has the meaning set forth in Section 2.4(a).

"Estimated Closing Transaction Expenses" has the meaning set forth in Section 2.4(a).

"Estimated Purchase Price" means an amount equal to (a) the Enterprise Value, plus (b) the amount of Estimated Closing Cash, minus (c) the amount of Estimated Closing Indebtedness, plus (d) the amount of Estimated Closing Net Working Capital, minus (e) the amount of Estimated Closing Transaction Expenses, minus (f) (i) if the amount of the Aggregate Restoration Cost (if any) exceeds one percent (1%) of the Enterprise Value, such Aggregate Restoration Cost pursuant to Section 6.12 or (ii) otherwise, $0.

"Ex-Im Laws" means all applicable U.S. and non-U.S. Laws relating to export, reexport, transfer, and import controls, in jurisdictions where any Company Entity is located or conducting business, including the Export Administration Regulations, the International Traffic in Arms Regulations, the customs and import Laws administered by U.S. Customs and Border Protection, and the EU Dual Use Regulation.

"Exempt Wholesale Generator" means an "exempt wholesale generator" under PUHCA and applicable FERC rules and regulations, as amended from time to time.

"External Events" has the meaning set forth in the definition of "Material Adverse Effect."

"FERC" means the Federal Energy Regulatory Commission, or its successor.

"Final Allocation Schedule" has the meaning set forth in Section 2.5.

"Final Closing Schedule" has the meaning set forth in Section 2.4(e).

"Financial Statements" has the meaning set forth in Section 3.6(a).

"Financing Documents" means the agreements listed on Section 1.1(a) of the Seller Disclosure Schedule.

"FPA" means the Federal Power Act, as amended, and FERC's implementing rules and regulations promulgated thereunder.

"Fraud" means, with respect to a Party, an actual and intentional fraud with respect to the making of representations and warranties by such Party contained in this Agreement, as determined by a court of competent jurisdiction, with the specific intent to deceive and mislead (as opposed to reckless indifference to the truth).

"GAAP" means generally accepted accounting principles in the United States of America.

"GE CSA" means that certain Contractual Service Agreement, dated June 28, 2019, between the Project Company and General Electric International, Inc.

"Governing Documents" means, (a) with respect to any corporation, its articles or certificate of incorporation and bylaws, (b) with respect to any limited liability company, its articles or certificate of organization or formation and its operating agreement or limited liability company agreement or governing or organizational documents of similar substance, (c) with respect to any limited partnership, its certificate of limited partnership and partnership agreement or governing or organizational documents of similar substance and (d) with respect to any other entity, its governing or organizational documents of similar substance to any of the foregoing, in the case of each of clauses (a) through (d), as may be in effect from time to time.

"Governmental Authority" means any federal, state, local or foreign government or political subdivision thereof, legislature, judicial or arbitral body (public or private), court of competent jurisdiction, administrative agency or commission or other governmental or quasi-governmental or regulatory authority, official or other instrumentality of any the foregoing (including NERC and PJM), and including any governmental, quasi–governmental or non-governmental body exercising legislative, judicial, regulatory or administrative authority of government or administering, regulating or having general oversight over natural gas and other fuel, electricity, power or other markets.

"Governmental Order" means any binding order, writ, judgment, injunction, decree, stipulation, verdict, determination, ruling or award of or with any Governmental Authority.

"Hazardous Substances" means (a) pesticides, petroleum or petroleum byproducts, per- and polyfluoroalkyl substances, asbestos or asbestos containing materials, polychlorinated biphenyls, toxic mold or radioactive substances and (b) any materials, substances, chemicals, contaminants, pollutants or wastes regulated or listed by, or for which Liability or standards of conduct are imposed pursuant to, any Environmental Law.

"Hedging Contract" means any swap (as defined in 7 USC § 1a(47)(A)), exchange, commodity option or other derivative (including hedging) Contract.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Income Taxes" means any Taxes based on or measured in whole or in part on the basis of income, and any franchise, profits or gross receipts Taxes imposed in lieu thereof. For the avoidance of doubt, Income Taxes shall not include sales, use and transfer Taxes.

"Indebtedness" means (without duplication) the aggregate amount of the following obligations: (a) any indebtedness or obligations for borrowed money (including accrued and unpaid interest payable in connection therewith); (b) any obligations evidenced by bonds, debentures, notes or other similar instruments; (c) any obligations under leases required by GAAP to be capitalized on a balance sheet, including capital or finance leases; (d) any reimbursement, payment or similar obligations (to the extent not paid or otherwise discharged prior to the Calculation Time) that are due and payable in respect of any drawn letters of credit, surety or performance bonds, bankers' acceptances or similar instruments; (e) any indebtedness

created or arising under any conditional sale or other title retention agreements; (f) any indebtedness for the deferred purchase price of assets, property, goods or services, including the reasonably expected amount of any "earnout" (whether contingent or not) (except trade accounts and other payables arising in the Ordinary Course of Business to the extent included as a current liability in Working Capital); (g) any breakage costs, prepayment penalties or premiums, bid-to-mid spreads on the early termination of any Hedging Contract (other than any Hedging Contract entered into with the purpose of hedging commodity prices), or other similar costs, penalties or fees that arise from the early repayment, prepayment or termination of the Financing Documents or such Hedging Contracts or any other interest rate hedging agreements (in each case net of any amounts receivable on or from the early termination of such Hedging Contracts or other interest rate hedging agreements, it being understood and agreed that if such amounts receivable exceed the costs, penalties, premiums and spreads described in this clause (g), the net amount of such excess shall decrease Indebtedness), and (h) without duplication of any item described in clauses (a) through (h), any guaranty of, or outstanding credit support issued in respect of, any of the foregoing described in clauses (a) through (h); and (i) any obligations in the nature of accrued fees, interest (net of accrued interest rate swap interest), collection fees, breakage or make-whole payments or penalties with respect to any of the foregoing; *provided*, *however*, that in no event shall Indebtedness include any (i) breakage costs, make-whole payments, prepayment penalties or premiums, bid-to-mid spreads or mark-to-market losses or other obligations that arise from the early repayment, prepayment or early termination of any Hedging Contract entered into with the purpose of hedging commodity prices, (ii) obligation from one Company Entity to another Company Entity, (iii) obligation incurred by, on behalf of, or at the direction of Buyer or any of its Affiliates, (iv) amount included in Transaction Expenses or Working Capital or (v) liabilities of the Company Entities for the purchase of any capital spares under the GE CSA.

"Intellectual Property" means all of the following: (a) patents, patent applications, utility models and applications for utility models, including all continuations, divisionals, continuations-in-part, foreign counterparts, provisionals, and issuances of any of the foregoing, and all reissues, reexaminations, substitutions, renewals, extensions and related priority rights of any of the foregoing, (b) Trademarks, (c) copyrights, and all registrations, applications, renewals, extensions and reversions of any of the foregoing, (d) trade secrets, technology, know-how, software, data, databases, inventions, formulas, algorithms, procedures, methods, processes, developments and research, and (e) any other proprietary or intellectual property rights.

"Interests" means, with respect to any Person, any capital stock, shares, partnership interests, limited liability company interests, membership interests or units, profits interests or any other equity interests in, options or other rights to acquire, securities convertible into, exercisable for, or relating to, or rights tracking the value of, any capital stock, shares, partnership interests, limited liability company interests, membership interests or units, or any other equity interests, or other equity participation, such Person.

"Interim Financial Statements" has the meaning set forth in Section 3.6(a)(i).

"Interim Period" has the meaning set forth in Section 6.1(a).

"IRS" means U.S. Internal Revenue Service.

"Knowledge" means, with respect to Seller, the actual knowledge (as opposed to any constructive or imputed knowledge), after reasonable inquiry, of any individual set forth on Section 1.1(b) of the Seller Disclosure Schedule and, with respect to Buyer, the actual knowledge (as opposed to any constructive or imputed knowledge), after reasonable inquiry, of any individual set forth on Section 1.1(a) of the Buyer Disclosure Schedule.

"Labor Agreement" has the meaning set forth in Section 3.16(a).

"Law" or "Laws" means all laws (including common law), statutes, constitutions, rules, regulations, ordinances, acts, codes, and rulings of any Governmental Authority and all Governmental Orders.

"Leased Real Property" has the meaning set forth in Section 3.10(a).

"Liability" means any loss, commitment or obligation or liability of any nature (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due), including those arising under any Contract, Right or Law.

"Lien" means any mortgage, pledge, lien, license, encumbrance, charge or other security interest.

"Lookback Date" means the date three (3) years prior to the date hereof.

"Marketing Efforts" means (a) participation by the senior management team of the Seller or the Company Entities in (i) the preparation of the Marketing Material and any reasonable number of due diligence virtual sessions related thereto (but not to exceed, in any case, together with any other due diligence virtual sessions participated in by the senior management team of the Seller or its Affiliates at the request of the Buyer or its Affiliates in respect of any other assets of the Seller and its Affiliates, three (3) sessions), in each case during normal business hours and with reasonable prior notice and subject to customary confidentiality arrangements, (ii) a customary virtual bank meeting and customary roadshow meetings, and (iii) preparation of customary rating agency presentations and virtual meetings with one or more rating agencies (but not to exceed, in any case, together with any other rating agency presentations and virtual meetings participated in by the senior management team of the Seller or its Affiliates at the request of the Buyer or its Affiliates in respect of any other assets of the Seller and its Affiliates, three (3) meetings) and (b) the delivery of customary authorization letters and confirmations in connection with the Marketing Material with respect to presence or absence of material non-public information and material accuracy of the information contained therein.

"Marketing Material" means a customary "public side" bank book, a customary "private side" bank book, a customary lender presentation, customary offering documents, confidential information memoranda or similar documents or materials customarily prepared and used in connection with a syndication and marketing of the Debt Financing regarding the business, operations, financial condition, projections and prospects of each of the Company

Entities and its Subsidiaries and to be used by Buyer in connection with a syndication and marketing of the Debt Financing.

"Material Adverse Effect" means: any change, event, occurrence, fact, circumstance, condition or effect that, individually or together with any other changes, events, occurrences, facts, circumstances, condition or effects, (a) with respect to the Company Entities, has had or would reasonably be expected to have a material adverse effect on the business, operations, properties, condition (financial or otherwise) or results of operations of the Company Entities, taken as a whole; *provided, however,* that none of the following shall constitute or be deemed to contribute to a Material Adverse Effect, or shall otherwise be taken into account in determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur under this clause (a): (i) changes generally affecting the industries or geographies in which the Company Entities operate, whether national, regional, state, provincial or local (including (A) changes in the electric generating, transmission or distribution industries, (B) changes in the energy industry or wholesale or retail markets for electric power, power generation (including capacity or resource adequacy), power transmission, battery storage or frequency modulation (or other ancillary services) or other electricity or fuel supply or other transportation or related products and operations, including those due to actions by competitors and regulators, (C) changes in the electric transmission or distribution systems generally, including due to new generating facilities, and (D) changes in the markets for or cost of electricity generally, including due to new generating facilities); (ii) changes in general business, economic, regulatory or political conditions, including inflation or deflation, any acts of war, terrorism, sabotage, outbreak or escalation of hostilities or change in geopolitical conditions; (iii) local, regional, national or international political, social or health conditions, including any Public Health Matter (including any commercially reasonable action or omission of Seller or any Company Entity in response to any Public Health Matter or any Public Health Measure); (iv) changes in Law or regulatory policy or the interpretation or enforcement thereof; (v) changes or adverse conditions in the financial, banking or securities markets, in each case, including any disruption thereof and any decline in the price of any security, asset class or any market index or any changes in general credit availability; (vi) changes in fiscal or monetary policies, including any changes in interest rates or quantitative easing or quantitative tightening policies; (vii) changes in economic or financial sanctions, trade embargoes, tariffs or other trade restrictions; (viii) changes in accounting requirements or principles; (ix) effects of weather, meteorological conditions or events or other natural disasters on the operating performance of the Project associated with such weather or meteorological conditions, events or other natural disasters (clauses (i) through (ix), collectively, "External Events"); (x) the announcement, negotiation, pendency, execution or delivery of this Agreement or the consummation of the transactions contemplated hereby, including the identity of, or the effect of any fact or circumstance relating to, Buyer or any of its Subsidiaries or Affiliates or any communication by Buyer or any of its Subsidiaries or Affiliates regarding plans, proposals or projections with respect to the Company Entities (including any impact on the relationship of the Company Entities, contractual or otherwise, with its customers, suppliers, distributors, vendors, lenders, employees or partners); (xi) actions expressly required or permitted to be taken by the Company Entities in accordance with this Agreement or the other Transaction Documents or requested, or consented to, by Buyer or any of its Subsidiaries or Affiliates; (xii) any Casualty Loss; or (xiii) failure by any Company Entity to meet any

projections or forecasts for any period (*provided* that the underlying causes thereof, to the extent not otherwise excluded by this definition, may be deemed to contribute to a Material Adverse Effect; *provided further* that this clause (xiii) shall not be construed as implying that Seller is making any representation or warranty hereunder with respect to any projections or forecasts, and no such representations or warranties are being made); *provided, however,* that, in the case of an External Event, such External Event may be taken into account to the extent it adversely affects the Company Entities, taken as a whole, in a disproportionate manner relative to other similarly situated participants in the industry and the geographic area served by the PJM in which the Company Entities operate; (b) with respect to Buyer, has or would reasonably be expected to prevent or materially delay the performance by Buyer or its Affiliates of any obligation under, or the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents; and (c) with respect to Seller, has or would reasonably be expected to prevent the performance by Seller or its Affiliates of any obligation under, or the consummation of the transactions contemplated by, this Agreement and the other Transaction Documents.

"Material Contracts" means the following Contracts to which any Company Entity is a party or by which any Company Entity or any of its properties or assets may be bound, together with all amendments, exhibits, annexes or other supplements thereto, and which are in effect as of the date hereof: (a) each interconnection Contract, including any related service Contract; (b) each Contract for the purchase, sale, storage, exchange, supply, or delivery of energy, capacity, power, steam, water or ancillary services; (c) each Contract for the transmission of electricity; (d) each Contract for the sale, purchase, supply, storage or transport of natural gas or other fuel supply; (e) each Hedging Contract; (f) each operation, maintenance and management Contract that is material to the operation of the Project; (g) each Contract (other than any Real Property Agreement) which provides for aggregate future payments to or from any Company Entity in excess of $2,000,000 per year or $4,000,000 in the aggregate; (h) each Contract which contains any covenant that purports to restrict any of the Company Entities from (i) soliciting, competing or engaging in any line of business or operating in any geographic area, (ii) soliciting any employee, customer or other Person for business, employment or other purposes, or (iii) selling, transferring, pledging or otherwise disposing of any material asset; (i) each Contract pursuant to which any Company Entity is required to purchase its total requirements of any product or service from a third party or any Contracts with "sole source" suppliers; (j) each Contract that obligates any Company Entity to make a minimum amount of purchases of goods or services or for any "take or pay" obligations; (k) each Contract which contains any right of first refusal, exclusivity, most favored nation or similar rights; (l) each Contract under which any Company Entity has (i) created, incurred, assumed or guaranteed any outstanding Indebtedness or (ii) granted a Lien on its assets, whether tangible or intangible, to secure such Indebtedness; (m) each Affiliate Contract; (n) the Financing Documents; (o) each Contract establishing any joint venture, strategic alliance, co-development, co-tenancy or shared facilities relationship; (p) each Contract (i) pursuant to which any Intellectual Property material to the operation of the Project as currently operated or any Company Entity is licensed (or any right is granted) by, to or from any Company Entity (*provided* that the following shall not be required to be set forth on Section 3.12(p) of the Seller Disclosure Schedule with respect to this clause (p)(i): (A) Off the Shelf Software Licenses, (B) non-exclusive licenses in Contracts with customers entered into in the Ordinary Course of Business, (C) non-exclusive licenses in

Contracts with contractors or vendors entered into in the Ordinary Course of Business where the license is incidental to the services provided from such contractor or vendor and (D) non-exclusive non-disclosure and confidentiality agreements entered into in the Ordinary Course of Business), or (ii) that relates to the acquisition, divestiture, or development of Intellectual Property (*provided* that assignments of Intellectual Property to a Company Entity from employees, contractors, and consultants to any Company Entity in the Ordinary Course of Business shall not be required to be set forth on Section 3.12(p) of the Seller Disclosure Schedule with respect to this clause (p)(ii)), that arose out of any Intellectual Property-related dispute, or that were entered into outside of the Ordinary Course of Business, or that materially and adversely affect any Company Entity's ability to own, use, transfer, license, disclose or enforce any Company Owned IP; (q) each Contract providing for the acquisition or disposition by any Company Entity of any business or division of any business (whether by merger, purchase or sale of Interests or assets or otherwise) occurring after the date of this Agreement or pursuant to which any Company Entity has an existing obligation to pay any material amounts in respect of indemnification obligations, purchase price adjustments, earn-outs, deferred purchase price, or otherwise, in connection with any merger, consolidation or other business combination or any acquisition or disposition of a business or division or line of business or assets; (r) each Contract providing for the purchase or sale of any material assets or Interests of any Company Entity (whether by merger or otherwise, other than sales of inventory or obsolete equipment, in each case, in the Ordinary Course of Business) pursuant to which any Company Entity has any ongoing indemnification obligations (excluding in respect of customary fundamental representations and warranties) or earnout or similar contingent payment obligations, or the grant of any preferential rights to purchase any such material assets; (s) each Contract providing for the lease of any tangible assets (other than the Real Property Agreements) with a value greater than $500,000 in any calendar year with respect to each such Contract or series of related Contracts; (t) each Contract entered into since the Lookback Date involving the resolution, compromise or settlement of any actual or threatened Action in an amount greater than $500,000; (u) other than in connection with the Financing Documents, each Contract of guaranty, surety or other indemnification (excluding indemnification provisions customarily included in Contracts entered into in the Ordinary Course of Business), direct or indirect, by any Company Entity (v) other than any Governing Documents, each investor rights or equity holder agreement, voting agreement or other Contract with respect to the voting, issuance, sale, transfer or other disposition of any Interests in any Company Entity; (w) each shared facilities Contract or other Contract for the shared or joint use, operation or maintenance of any real or personal assets; (x) each Contract with a Governmental Authority, including any settlement, conciliation or similar agreement with a Governmental Authority or pursuant to which a Company Entity will have any material outstanding obligation after the date of this Agreement; (y) any Contract with any non-profit organization, nongovernmental organization, advocacy group, community group or similar organization including any settlement, conciliation or similar agreement with and of the foregoing Persons; and (z) any legally binding commitment to enter into any of the foregoing.

"Matter Description" has the meaning set forth in Section 6.1(b).

"MBR Authority" means an order by FERC pursuant to Section 205 of the FPA and the rules and regulations of FERC (a) authorizing an entity to engage in wholesale sales of

electric energy, capacity or ancillary services at market-based rates, (b) accepting a tariff for filing that provides for such sales, and (c) granting such regulatory waivers and blanket authorizations as are customarily granted to persons with such authority, including blanket authorization to issue securities and assume liabilities and obligations pursuant to Section 204 of the FPA and Part 34 of FERC's regulations.

"NERC" means the North American Electric Reliability Corporation and any "Regional Entity" delegated with authority pursuant to 18 C.F.R. § 39.8, and any successor thereto.

"Non-Recourse Persons" has the meaning set forth in Section 10.11.

"O&M Agreement" means that certain Operation and Maintenance Agreement for the Guernsey Power Station, dated May 13, 2019, by and between the Project Company and O&M Provider, as may be amended from time to time.

"O&M Provider" means EthosEnergy Power Plant Services, LLC, a Nevada limited liability company.

"OFAC" has the meaning set forth in the definition of "Sanctioned Person."

"Off the Shelf Software Licenses" means click wrap, shrink wrap or other standard, non-exclusive licenses for generally commercially available or off the shelf software used by the Company Entities solely for their internal business purposes, in each case with aggregate license, maintenance, support and other fees of less than $100,000 per year.

"Operating Budgets" means the operating budgets for the Company Entities and the Project for the fiscal year 2025 attached hereto as Exhibit E (without giving effect to any amendments or other modifications thereto following the date hereof).

"Ordinary Course of Business" means the ordinary and usual course of day-to-day operations of the Company Entities consistent with past practice, taken as a whole.

"Other Indemnitors" has the meaning set forth in Section 6.9(d).

"Owned Real Property" has the meaning set forth in Section 3.10(a).

"Parent Guarantor" has the meaning set forth in the recitals to this Agreement.

"Parent Guaranty" has the meaning set forth in the recitals to this Agreement.

"Party" or "Parties" has the meaning set forth in the preamble to this Agreement.

"Pass-Through Income Tax Return" means any Tax Return reporting the income of the Company Entities if (a) such entity is treated as a partnership or disregarded entity for purposes of such Tax Return and (b) the results of operations reflected on such Tax Return

would also be reported as income on a Tax Return of Seller (or any direct or indirect owner of Seller).

"Payoff Indebtedness" has the meaning set forth in Section 2.3(b)(ii).

"Payoff Indebtedness Amount" has the meaning set forth in Section 2.3(b)(ii).

"Payoff Letters" has the meaning set forth in Section 2.3(b)(ii).

"Permits" means permits, licenses, franchises, registrations, variances, authorizations, certifications, consents, exemptions, waivers and approvals obtained from any Governmental Authority.

"Permitted Liens" means any (a) mechanic's, materialmen's, laborer's, workmen's, repairmen's, carrier's and similar Liens, including all statutory Liens, arising or incurred in the Ordinary Course of Business, which are not yet due or payable or the validity or amount of which is being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP, (b) Liens for Taxes not yet due and payable or that are being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with GAAP, (c) purchase money Liens and Liens securing rental payments under capital lease arrangements for personal property, (d) pledges or deposits under workers' compensation legislation, unemployment insurance Laws or similar Laws, (e) good faith deposits in connection with bids, tenders, leases, contracts or other agreements, including rent security deposits, (f) pledges or deposits to secure public or statutory obligations or appeal bonds, (g) Liens arising under or created by any of the Financing Documents other than as a result of a breach or default under such Financing Document, (h) non-exclusive licenses of Intellectual Property granted by a Company Entity in the Ordinary Course of Business, (i) with respect to the Owned Real Property, restrictions, easements, covenants, conditions, and other similar matters of record affecting title to the Owned Real Property, which do not or would not materially impair the current use, occupancy or value of such Owned Real Property in the Ordinary Course of Business of the Company Entities conducted thereon, (j) zoning, building codes and other land use Laws regulating the use or occupancy of such Real Property or the activities conducted thereon which are imposed by any Governmental Authority having jurisdiction over such Real Property and which are not violated by the current use or occupancy of such Real Property in the Ordinary Course of Business or any violation of which would not reasonably be expected to be material to the Company Entities or the Project, taken as a whole, (k) Liens in favor of another Company Entity, (l) any right, interest, title or other Lien of a lessor or sublessor in the leased property under any lease included in the Due Diligence Materials to the extent such Liens are not currently enforceable as a result of a breach or default by any Company Entity, (m) Liens that will be released at or prior to Closing, and (n) Liens listed on Section 1.1(c) of the Seller Disclosure Schedule.

"Person" means an individual, partnership, limited liability partnership, corporation, limited liability company, association, joint stock company, trust, estate, joint venture, unincorporated organization, Governmental Authority, or other entity of any kind.

"Personal Information" means a natural person's name, street address, telephone number, email address, photograph, social security number, driver's license number, passport number or customer or account number or any other piece of information that identifies or locates a natural person or that, in combination with other reasonably available data, can be used to identify or locate a natural person, or is otherwise considered to be "personal information", "personal data", or the like under any Law.

"PJM" means PJM Interconnection, L.L.C.

"PJM Tariff" means the PJM Open Access Transmission Tariff.

"PPA Methodology" has the meaning set forth in Section 2.5.

"Pre-Closing Covenants" has the meaning set forth in Section 8.1.

"Pre-Closing Tax Period" means any Tax period (or portion thereof) ending on or before the Closing Date and the portion of any Straddle Period that ends on and includes the Closing Date.

"Privacy Laws" means any applicable Laws relating to privacy, data security, data protection or to the collection, storage, processing, use, safeguarding, disclosure, disposal, sharing, protection, other Processing, or transfer of Personal Information.

"Process", "Processing", or "Processed" means the collection, use, storage, processing, distribution, transfer, import, export, protection (including security measures), disposal or disclosure or other activity regarding data (whether electronically or in any other form or medium), including Personal Information.

"Project" has the meaning set forth in the recitals to this Agreement.

"Project Company" means Guernsey Power Station LLC, a Delaware limited liability company.

"Project Holding Company" has the meaning set forth in the recitals to this Agreement.

"Project Holding Company Interests" has the meaning set forth in the recitals to this Agreement.

"Proposed Allocation Schedule" has the meaning set forth in Section 2.5.

"Protest Notice" has the meaning set forth in Section 2.4(d).

"Public Health Matter" means any epidemic, pandemic, public health emergency or disease outbreak.

"Public Health Measure" means any "shelter-in-place", "stay at home", quarantine, workforce reduction, social distancing, shut down, closure, sequester or other conditions or restrictions, or any other Law, directive, pronouncement, guideline or recommendations by a Governmental Authority, the U.S. Centers for Disease Control and Prevention, the World Health Organization or an applicable industry group in connection with or in respect of any Public Health Matter.

"PUHCA" means the Public Utility Holding Company Act of 2005 and FERC's implementing rules and regulations promulgated thereunder.

"Purchase Price" means an amount equal to (a) the Enterprise Value, plus (b) the amount of Closing Cash, minus (c) the amount of Closing Indebtedness, plus (d) the amount of Closing Net Working Capital, minus (e) the amount of Closing Transaction Expenses, minus (f) (i) if the amount of the Aggregate Restoration Cost (if any) exceeds one percent (1%) of the Enterprise Value, such Aggregate Restoration Cost pursuant to Section 6.12, or (ii) otherwise, $0.

"R&W Policy" has the meaning set forth in Section 6.10.

"Reactive Refund Liability" means (a) the amount equal to (i) $82,429.50 per month for the period between June 1, 2023 and February 29, 2024, *plus* (ii) the interest accrued on the amount set forth in clause (i) pursuant to 18 C.F.R. § 35.19a for each month through the Calculation Time; or (b) if such amount calculated in clause (a) is paid by the Project Company prior to the Closing Date pursuant to a final order in FERC Docket No. ER23-1760, then such amount shall be equal to zero dollars ($0.00).

"Real Estate Deliveries" means affidavits, waivers, estoppels, access agreements, subordinations, non-disturbance or attornment agreements or other real estate deliverables in respect of any Real Property or any title insurance covering any Real Property.

"Real Property" has the meaning set forth in Section 3.10(c).

"Real Property Agreements" has the meaning set forth in Section 3.10(a).

"Releasees" has the meaning set forth in Section 8.2(d).

"Remedies Exception" means (a) applicable bankruptcy, insolvency, reorganization, moratorium, and other Laws of general application, heretofore or hereafter enacted or in effect, affecting the rights and remedies of creditors generally, and (b) the exercise of judicial or administrative discretion in accordance with general equitable principles, particularly as to the availability of the remedy of specific performance or other injunctive relief.

"Remedy Action" has the meaning set forth in Section 6.4(e).

"Representatives" means, with respect to any Person, such Person's directors, managers, members, officers, employees, agents, partners, attorneys, consultants, advisors or other Persons acting on behalf of such Person.

"Restoration Cost" has the meaning set forth in Section 6.12(a).

"Retained Rights" has the meaning set forth in Section 8.1.

"Right" means any option, warrant, phantom stock, stock appreciation, profit participation or similar equity-based rights, convertible or exchangeable security or other right, however denominated, to subscribe for, purchase, hypothecate, rehypothecate or otherwise acquire any equity or equity-based interest or other security of any class, with or without payment of additional consideration in cash or property, either immediately or upon the occurrence of a specified date or a specified event or the satisfaction or happening of any other condition or contingency.

"Sanctioned Country" means any country or region that is itself, or has been since April 24, 2019, the subject or target of comprehensive Sanctions (including Cuba, Iran, North Korea, Syria, and the Crimea region and the so-called Donetsk People's Republic and Luhansk People's Republic in Ukraine).

"Sanctioned Person" means any Person that is (i) listed on any Sanctions-related list of designated or blocked persons, including the U.S. Department of the Treasury Office of Foreign Assets Control's ("OFAC") List of Specially Designated Nationals and Blocked Persons, or the government of Venezuela as defined in Appendix A Section 6(d) to 31 C.F.R. Part 591; (ii) located, organized, or ordinarily resident in a Sanctioned Country; (iii) in the aggregate, 50 percent or greater owned or otherwise controlled by a Person or Persons described in clauses (i)-(ii); or (iv) any national of a Sanctioned Country with whom U.S. persons are prohibited from dealing pursuant to Sanctions.

"Sanctions" means all applicable U.S. and non-U.S. Laws relating to economic or trade sanctions, of jurisdictions where the Company Entities are located or doing business, including the Laws administered or enforced by the United States (including by OFAC), the European Union, the United Nations, and His Majesty's Treasury.

"SEC" has the meaning set forth in Section 6.13(a)(iv).

"Securities Act" means the Securities Act of 1933, as amended.

"Seller" has the meaning set forth in the preamble to this Agreement.

"Seller Disclosure Schedule" means the disclosure schedule (together with all attachments and appendices thereto) delivered by Seller to Buyer on the date hereof and attached hereto, as may be supplemented in accordance with the terms hereof.

"Seller Entities" means Seller and the Subsidiary Seller.

"Seller Fundamental Representations" means the representations and warranties set forth in Section 3.1 (*Organization*), Section 3.2(a) (*Noncontravention*), Section 3.3 (*Capitalization*), Section 3.4 (*Ownership*), Section 3.18 (*Brokers' Fees*), Section 4.1

(*Organization*), Section 4.2 (*Authorization*), Section 4.3(a) (*Noncontravention*), Section 4.4 (*Brokers' Fees*) and Section 4.6 (*Project Holding Company Interests*).

"Seller Related Parties" means, collectively, Seller, each of the direct and indirect equity holders and Affiliates of Seller and each of the incorporators, members, partners, equity holders, Affiliates or current, former or future Representatives of any of the foregoing.

"Seller Released Claims" has the meaning set forth in Section 8.2(d).

"Seller Releasee" has the meaning set forth in Section 8.2(d).

"Seller Releasor" has the meaning set forth in Section 8.2(d).

"Seller Returns" has the meaning set forth in Section 6.7(b).

"Seller's Counsel" has the meaning set forth in Section 10.13(a).

"Site" means the Real Property on which the Project is situated.

"Specified Asset" means the asset set forth on Section 6.4(f) of the Buyer Disclosure Schedule.

"Straddle Period" means any Tax period that begins on or before the Closing Date and ends after the Closing Date.

"Straddle Period Return" has the meaning set forth in Section 6.7(b).

"Subrogation Waiver" has the meaning set forth in Section 6.10.

"Subsidiary" means with respect to any Person, any other Person controlled by such first Person, directly or indirectly, through one or more intermediaries.

"Subsidiary Seller" has the meaning set forth in the preamble to this Agreement.

"Subsidiary Seller LLCA" has the meaning set forth in the recitals to this Agreement.

"Talen" means Talen Energy Corporation, a Delaware corporation.

"Target Working Capital Amount" means $0.

"Tax" means any federal, state, local, or foreign tax, including income, net proceeds, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax, imposed by any Governmental Authority, and including any interest, penalty, or addition to tax thereto.

"Tax Proceeding" has the meaning set forth in Section 6.7(d).

"Tax Return" means any return, statement, schedule, declaration, report, claim for refund, or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof, filed or required to be filed with any Governmental Authority in connection with the determination, assessment or collection of any Tax of any party or the administration of any laws, regulations or administrative requirements relating to any Tax.

"Termination Date" has the meaning set forth in Section 9.1(b).

"Third Party Assurance" means any outstanding letter of credit, surety bond or similar instrument issued with respect to any Company Entity.

"Trade Controls" has the meaning set forth in Section 3.27(a).

"Trademarks" means (a) trademarks, service marks, trade dress, logos, trade names, domain names, and social media accounts and handles, and (b) all registrations and applications for registration of any of the foregoing, together with the goodwill symbolized by any of the foregoing (a) or (b).

"Transaction Documents" means this Agreement, the Parent Guaranty, the Assignment and Assumption Agreement, the Confidentiality Agreement, and all other documents delivered or required to be delivered by any Party at the Closing pursuant to this Agreement.

"Transaction Expenses" means, without duplication, to the extent unpaid as of the Calculation Time, all legal, accounting, financial advisory and other advisory, transaction or consulting fees and expenses incurred by any Company Entity prior to the Closing with respect to the negotiation, preparation, execution, and delivery of this Agreement and the other Transaction Documents and related agreements and documents, and the consummation of the transactions contemplated hereby and thereby, and the negotiation and preparation with respect to other potential transactions involving a sale of the Project Holding Company Interests or any similar transaction (including any purchase of the Company Entities' Interests or any merger, sale of substantially all assets or similar transaction involving any Company Entity or any of its Affiliates), including, (a) any transaction, change in control, retention or stay bonuses, severance, incentive, phantom equity or deferred compensation payments or other similar payments or obligations to any current or former employee, officer, director or other individual service provider of any Company Entity or the O&M Provider payable in connection with the preparation, negotiation and execution of this Agreement and the Transaction Documents and the consummation of the transactions contemplated hereby and thereby, together with the employer portion of any applicable FICA, state, local or foreign withholding, payroll, social security, unemployment, or similar Taxes due with respect to any such payments and calculated as if all such amounts were paid on the Closing Date, (b) brokers' or finders' fees incurred by or on behalf of any Company Entity, (c) fees payable by any Company Entity pursuant to any management or similar agreement with any direct or indirect Affiliate of any Company Entity

(other than another Company Entity), and (d) fees and expenses of any Seller Entity or the Company Entities incurred with respect to obtaining the consent of the BlackRock Member and the Class B Member, including with respect to the negotiation of, and entry into, the BlackRock Member Consent Agreement and the Class B Member Consent Agreement; *provided*, *however*, that in no event shall Transaction Expenses include any (i) Buyer Expense or (ii) amount included in Closing Indebtedness, Closing Net Working Capital or Restoration Costs.

"Transfer Taxes" means any and all transfer, sales, use, value-added, excise, stock, stamp, documentary, filing, recording and other similar Taxes, including all applicable real property or leasehold interest transfer or gains Taxes, but excluding any Income Taxes.

"Transition Services Agreement" means that certain Transition Services Agreement substantially in the form attached hereto as Exhibit D.

"Treasury Regulations" means the United States Treasury Regulations promulgated under the Code.

"Working Capital" means an amount equal to: (a) the current assets of the Company Entities that are included in the line item categories of current assets specifically identified in Annex A of Schedule I, minus (b) the current liabilities of the Company Entities that are included in the line item categories of current liabilities specifically identified in Annex A of Schedule I, in each case, calculated in accordance with the Accounting Principles, minus (c) the Reactive Refund Liability of the Company Entities that are included in the line item categories of current liabilities specifically identified in Annex A of Schedule I; *provided, however,* that in no event shall "Working Capital" include any (i) Cash, (ii) Indebtedness, (iii) Transaction Expenses, (iv) amounts outstanding pursuant to intercompany accounts, arrangements, understandings or Contracts to be settled or eliminated at or prior to the Closing, (v) deferred Tax assets or deferred Tax liabilities, (vi) Restoration Costs or (vii) liabilities of the Company Entities for the purchase of any capital spares under the GE CSA.

Section 1.2 Interpretation.

(a) The definitions in Section 1.1 shall apply equally to both the singular and plural forms and to correlative forms of the terms defined.

(b) Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms.

(c) The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation."

(d) The words "hereby," "herewith," "hereto," "herein," "hereof" and "hereunder" and words of similar import refer to this Agreement (including the Exhibits and Schedules to this Agreement and the Seller Disclosure Schedule and Buyer Disclosure Schedule) in its entirety and not to any part hereof unless the context shall otherwise require.

(e) The words "true," "correct," "complete," "accurate" and words of similar import shall be deemed to refer to "true and correct" regardless of which word or combination of words is used.

(f) The word “or” has the inclusive meaning represented by the phrase “and/or.”

(g) For purposes of Article III, information shall be deemed to have been “made available” (or words of similar import) to Buyer if such information was included in the Due Diligence Materials.

(h) Unless the context shall otherwise require, all references herein to Articles, Sections, Exhibits, Schedules and the Seller Disclosure Schedule and Buyer Disclosure Schedule shall be deemed references to Articles, Sections and Exhibits of, and Schedules and the Seller Disclosure Schedule and Buyer Disclosure Schedule to, this Agreement, and references to “paragraphs” or “clauses” shall be to separate paragraphs or clauses of the section or subsection in which the reference occurs.

(i) Unless the context shall otherwise require, any references to any Contract (including this Agreement) or Law shall be deemed to be references to such Contract or Law as amended, supplemented or modified from time to time in accordance with its terms and the terms hereof, as applicable, and in effect at any given time (and, in the case of any Law, to any successor provisions).

(j) Unless the context shall otherwise require, references to any Person include references to such Person’s successors and permitted assigns, and in the case of any Governmental Authority, to any Person(s) succeeding to its functions and capacities.

(k) Any reference to any federal, state, local, or foreign statute or Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context shall otherwise require.

(l) Any reference in this Agreement to a “day” or a number of “days” (without explicit reference to “Business Days”) shall be interpreted as a reference to a calendar day or number of calendar days. If any action is to be taken or given on or by a particular calendar day, and such calendar day is not a Business Day, then such action may be deferred until the next Business Day.

(m) Each accounting term not otherwise defined in this Agreement has the meaning assigned to it in accordance with GAAP.

(n) When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is referenced in beginning the calculation of such period will be excluded (for example, if an action is to be taken within two days after a triggering event and such event occurs on a Tuesday, then the action must be taken on or prior to Thursday); and if the last day of such period is a non-Business Day, the period in question will end on the next succeeding Business Day.

(o) All monetary figures or references to dollars or “$” shall be in United States dollars unless otherwise specified.

(p) Time is of the essence with regard to all dates and time periods set forth or referred to in this Agreement.

(q) The phrase “to the extent” shall mean the degree to which a subject or other thing extends, and such phrase shall not mean simply “if”.

Article II.

PURCHASE AND SALE OF THE PROJECT HOLDING COMPANY INTERESTS

Section 2.1 Purchase and Sale of the Project Holding Company Interests. Upon the terms and subject to the conditions of this Agreement, Buyer agrees to purchase from the Subsidiary Seller, and Seller agrees to cause the Subsidiary Seller to sell, assign, transfer and deliver to Buyer or its designated Affiliate(s), free and clear of all Liens (other than any restrictions on sales of securities under applicable securities Laws and Liens arising under the Governing Documents of the Project Holding Company), all of the Project Holding Company Interests at the Closing, for the consideration specified in Section 2.2.

Section 2.2 Purchase Price. The aggregate purchase price to be paid by Buyer to the Subsidiary Seller for the Project Holding Company Interests shall consist of an amount in cash equal to the Purchase Price.

Section 2.3 Closing.

(a) Subject to the satisfaction or, when permissible, waiver in writing of the conditions set forth in Article VII, the closing of the transactions contemplated by this Agreement (the "Closing") shall take place (i) at the offices of Paul Hastings LLP, 200 Park Avenue, New York, New York 10166 (or remotely via the electronic exchange of closing deliveries), at 10:00 a.m. Eastern Time on the day that is three (3) Business Days after the date on which the last of the conditions set forth in Article VII (other than any such conditions which by their terms are not capable of being satisfied until the Closing Date) is satisfied or waived, or (ii) on such other date or at such other time or place as the Parties may mutually agree upon in writing. All proceedings to be taken and all documents to be executed and delivered by all Parties at the Closing will be deemed to have been taken and executed simultaneously.

(b) At the Closing, Seller shall deliver, or cause the Subsidiary Seller to deliver, to Buyer the following:

(i) a signature page counterpart to the Assignment and Assumption Agreement for the Project Holding Company, duly executed by the Subsidiary Seller;

(ii) customary payoff letters (collectively, the "Payoff Letters"), issued by each holder(s) or agent for such holder(s) of Indebtedness or other obligations set forth on Section 2.3(b)(ii) of the Seller Disclosure Schedule (such Indebtedness and other obligations, the "Payoff Indebtedness") (drafts of which shall be provided no later than three (3) Business Days prior to the Closing Date), with respect to such Payoff Indebtedness, (A) setting forth the amount required to repay in full all such Payoff Indebtedness (the "Payoff Indebtedness Amount"), (B) specifying the arrangements made for the cancellation of all existing letters of credit issued under the Payoff Indebtedness and (C) providing for (x) a release by or on behalf of the holders of such Payoff Indebtedness of all security interests granted by the Company Entities to secure such Payoff Indebtedness and (y) the termination of such Payoff Indebtedness (except for customary obligations surviving the termination thereof or otherwise permitted to survive the termination thereof), in each case, upon satisfaction of the conditions set forth therein;

(iii) the Escrow Agreement, duly executed by Seller and the Subsidiary Seller;

(iv) evidence of resignations or removals, effective as of the Closing, of each of the directors, managers and officers of the Company Entities appointed or designated to such positions by Seller or its Affiliates;

(v) a duly executed IRS Form W-9 from the Subsidiary Seller; *provided, however,* that Buyer's sole right if the Subsidiary Seller fails to provide such certificates shall be to make appropriate withholding under Sections 1445 and 1446 of the Code under Section 2.7;

(vi) the certificate referred to in Section 7.3(c);

(vii) the Transition Services Agreement, duly executed by Seller; and

(viii) a certificate of good standing for each Company Entity from the Secretary of State of the state of such Company Entity's formation, dated within five (5) Business Days of the Closing.

(c) At the Closing, Buyer shall deliver, or cause to be delivered, the following:

(i) to the Subsidiary Seller, an amount equal to (A) the Estimated Purchase Price minus (B) the Adjustment Escrow Deposit, by wire transfer of immediately available funds, to the bank account or accounts designated in writing at least three (3) Business Days prior to the Closing Date by Seller to Buyer;

(ii) to Seller, a signature page counterpart to the applicable Assignment and Assumption Agreement for the Project Holding Company, duly executed by Buyer;

(iii) the Escrow Agreement, duly executed by Buyer;

(iv) the certificate referred to in Section 7.2(c); and

(v) the Transition Services Agreement, duly executed by Buyer.

(d) At the Closing, Buyer shall pay or cause to be paid, on behalf of the applicable Company Entities, the Payoff Indebtedness Amount to the agent, lenders or other obligees named in the applicable Payoff Letter.

(e) At the Closing, Buyer shall pay or cause to be paid, on behalf of Seller and the Company Entities, the Estimated Closing Transaction Expenses to the obligees thereof.

(f) At the Closing, Buyer shall deposit, or cause to be deposited, with Citibank, N.A. (the "Escrow Agent"), an amount equal to $23,301,160 (together with any Escrow Earnings (as defined in the Escrow Agreement), the "Adjustment Escrow Deposit"), to be held in escrow in a separate account (the "Adjustment Escrow Account") and disbursed by the Escrow Agent in accordance with Section 2.4(f) and Section 2.4(g) and the terms and provisions of an Escrow Agreement substantially in the form attached hereto as Exhibit B (the "Escrow Agreement").

(g) Any portion of any amount due to a Party under this Agreement not paid on its respective due date shall bear interest at a rate of eight percent (8%) per annum until paid in full.

Section 2.4 Purchase Price Adjustments.

(a) Estimated Closing Schedule. On or before the date which is three (3) Business Days prior to the Closing Date, Seller shall prepare and deliver to Buyer a schedule (the

"Estimated Closing Schedule") setting forth Seller's good faith estimate of (i) (x) the amount of Closing Cash (the "Estimated Closing Cash"), (y) the amount of Closing Indebtedness (the "Estimated Closing Indebtedness") and (z) the amount of Closing Net Working Capital (the "Estimated Closing Net Working Capital"), (ii) the amount of Closing Transaction Expenses (the "Estimated Closing Transaction Expenses"), (iii) the Estimated Purchase Price resulting therefrom, in each case, together with reasonably detailed supporting documents for the calculation thereof, and (iv) wire transfer instructions for payment of (x) the Estimated Purchase Price to Seller, (y) the applicable portion of the Payoff Indebtedness Amount payable to the agent, lenders or other obligees named in each Payoff Letter and (z) the Estimated Closing Transaction Expenses to the obligees thereof. Following the delivery of the Estimated Closing Schedule to Buyer, Seller shall consider in good faith any reasonable comments provided by Buyer based on Buyer's review of the Estimated Closing Schedule and such supporting documentation; *provided*, *however*, that if there is a dispute over the Estimated Closing Schedule (or any component thereof), the Estimated Closing Schedule delivered by Seller shall govern in all respects, and the obligation of Seller to consider such reasonable comments of Buyer regarding the Estimated Closing Schedule shall in no event require that Seller revise its calculation of the Estimated Closing Schedule or that the Closing be postponed or otherwise delayed.

(b) Actual Closing Schedule. As soon as practicable, but not later than sixty (60) days after the Closing Date (the "Delivery Deadline"), Buyer shall prepare in good faith and deliver to Seller a schedule (the "Actual Closing Schedule") setting forth Buyer's good faith determination of (i) (x) the amount of Closing Cash, (y) the amount of Closing Indebtedness and (z) the amount of Closing Net Working Capital, (ii) the amount of Closing Transaction Expenses, and (iii) the Purchase Price resulting therefrom, in each case, together with reasonably detailed supporting documents for the calculation thereof; *provided, however,* that if Buyer fails to deliver the Actual Closing Schedule in accordance with the foregoing on or prior to the Delivery Deadline, then the Estimated Closing Schedule shall be deemed to be the Actual Closing Schedule, and Seller may deliver a Protest Notice with respect thereto in accordance with Section 2.4(d). The Parties acknowledge and agree that the intent of the Parties is to determine, (A) the Closing Cash, Closing Indebtedness and Closing Net Working Capital, (B) the Closing Transaction Expenses, and (C) the Purchase Price resulting therefrom, in each case, in accordance with the definitions thereof set forth herein and the Accounting Principles, and not to permit the use or introduction of any other accounting principles, practices, policies, procedures, conventions, classifications, estimation techniques, judgments or methodologies.

(c) Reasonable Access. After delivery of the Actual Closing Schedule (or the Delivery Deadline, if Buyer fails to deliver the Actual Closing Schedule by the Delivery Deadline), Buyer shall, and shall cause the Company Entities to, cooperate and provide to Seller and its Representatives all information, records, data and working papers (including any such materials prepared by outside accountants or other advisors) necessary for the preparation of the Actual Closing Schedule and the calculation of the Purchase Price and shall make available, during normal business hours, all personnel (including outside accountants and other advisors), in each case as may be reasonably requested by Seller in connection with its review of the Actual Closing Schedule and the resolution of any disputes with respect thereto.

(d) Protest Notice. Within thirty (30) days after delivery of the Actual Closing Schedule (or the Delivery Deadline, if Buyer fails to deliver the Actual Closing Schedule by the Delivery Deadline), Seller may deliver written notice (the "Protest Notice") to Buyer of any disagreement that Seller may have as to the Actual Closing Schedule setting forth in reasonable detail the items in dispute. If Seller fails to deliver a Protest Notice in respect of the Actual Closing Schedule on or before the date which is thirty (30) days after delivery of the Actual Closing Schedule (or the Delivery Deadline, if Buyer fails to deliver the Actual Closing Schedule by the Delivery Deadline), the Closing Cash, the Closing Indebtedness, the Closing Net

Working Capital, Closing Transaction Expenses and the Purchase Price resulting therefrom as set forth on the Actual Closing Schedule shall be final, binding and non-appealable by the Parties.

(e) Resolution of Protest. If a Protest Notice is timely delivered in accordance with Section 2.4(d), Seller and Buyer shall promptly negotiate in good faith to resolve all items disputed by Seller in the Protest Notice. If Buyer and Seller are unable to resolve in writing all items disputed by Seller in the Protest Notice within thirty (30) days after Buyer's receipt of the Protest Notice, then either Seller or Buyer shall have the right to cause the Parties to jointly engage Ernst & Young LLP, or if such firm is unable or unwilling to accept its appointment, an independent nationally recognized accounting firm with experience in such matters and that is mutually agreed upon by Seller and Buyer (in either case, the "Accounting Firm"), to resolve the remaining disputed items. The Accounting Firm shall act as an expert (and not an arbitrator) to determine, based solely on presentations and submissions by Seller and Buyer and not by independent review, only those items still in dispute, in each case, in accordance with the applicable definitions set forth herein and the Accounting Principles (and not with the use or introduction of any other accounting principles, practices, policies, procedures, conventions, classifications, estimation techniques, judgments or methodologies). All discussions and presentations by Seller or Buyer to the Accounting Firm must take place in the presence (including by telephone) of the other Party, and all submissions made by Seller or Buyer to the Accounting Firm must be concurrently delivered to the other Party. All presentations and submissions by Seller and Buyer shall be made to the Accounting Firm no later than fifteen (15) days after the engagement of the Accounting Firm, and the Accounting Firm shall be instructed by Seller and Buyer to render its written decision with respect to only those items still in dispute no later than fifteen (15) days thereafter (it being acknowledged and agreed that the failure of the Accounting Firm to timely deliver its written decision shall not render the determination of the Accounting Firm invalid). In resolving any disputed item, the Accounting Firm may not assign a value to any item greater than the maximum value for such item claimed by either Party or less than the minimum value of such item claimed by either Party. All determinations made by the Accounting Firm in its written decision will be final, binding and non-appealable by the Parties. Judgment may be entered upon the written decision of the Accounting Firm in any court having jurisdiction over the Party against which such determination is to be enforced. The fees and expenses of the Accounting Firm shall be allocated between Buyer and Seller (as determined by the Accounting Firm) so that Seller's share of such fees and expenses shall be equal to the product of (i) the aggregate amount of such fees and expenses, and (ii) a fraction, the numerator of which is the aggregate amount in dispute that is ultimately unsuccessfully disputed by Seller and the denominator of which is the total amount in dispute submitted to the Accounting Firm. The balance of such fees and expenses shall be paid by Buyer. The term "Final Closing Schedule," as used in this Agreement, shall mean the Actual Closing Schedule if deemed final in accordance with Section 2.4(d) or the definitive Final Closing Schedule agreed to in writing by Seller and Buyer or resulting from the determinations made by the Accounting Firm in accordance with this Section 2.4(e).

(f) Payment. Within five (5) Business Days after the determination of a Final Closing Schedule:

(i) if the Estimated Purchase Price is greater than the Purchase Price, then such difference, up to the amount of the Adjustment Escrow Deposit, shall be disbursed from the Adjustment Escrow Account to Buyer; or

(ii) if the Estimated Purchase Price is less than the Purchase Price, then Buyer shall pay to the Subsidiary Seller such difference by wire transfer of immediately available funds to an account designated by Seller; *provided*, *however*, that in no event will Buyer be obligated under this Section 2.4(f)(ii) to pay to the Subsidiary Seller an amount in excess of the amount of the Adjustment Escrow Deposit.

(g) Adjustment Escrow. Within five (5) Business Days after the determination of the Final Closing Schedule, Buyer and Seller shall deliver a joint written instruction to the Escrow Agent instructing it to disburse all of the funds in the Adjustment Escrow Account as follows: (i) to Buyer, the amount (if any) payable to Buyer pursuant to Section 2.4(f)(i), and (ii) to the Subsidiary Seller, the remaining funds in the Adjustment Escrow Account by wire transfer of immediately available funds to the Subsidiary Seller to an account designated by Seller.

(h) Exclusive Remedy. Notwithstanding anything to the contrary contained in this Agreement, except with respect to Retained Rights, (i) the process and adjustment set forth in this Section 2.4 shall be the sole and exclusive remedy of the Parties with respect to items required hereunder to be included or reflected in the calculation of the Purchase Price and (ii) (A) Buyer's right to receive a disbursement from the Adjustment Escrow Account pursuant to Section 2.4(f)(i) shall be Buyer's sole and exclusive remedy in the event that the Purchase Price is less than the Estimated Purchase Price (and in no event shall any Buyer Related Party have any remedy, recourse or entitlement whatsoever, whether at law or in equity, against any Seller Related Party (other than Seller solely with respect to its obligation to deliver a joint written instruction to the Escrow Agent pursuant to Section 2.4(g)(i)) with respect thereto) and (B) Seller's rights to receive a payment from Buyer pursuant to Section 2.4(f)(ii) and a disbursement of all of the funds in the Adjustment Escrow Account pursuant to Section 2.4(g) shall be Seller's exclusive remedies in the event that the Estimated Purchase Price is less than the Purchase Price (and in no event shall any Seller Related Party have any remedy, recourse or entitlement whatsoever, whether at law or in equity, against any Buyer Related Party (other than Buyer subject to the foregoing limitations) with respect thereto).

Section 2.5 Purchase Price Allocation. Within 120 days of the Final Closing Schedule being determined pursuant to Section 2.4, Buyer shall prepare and deliver to Seller a proposed allocation schedule (the "Proposed Allocation Schedule") prepared in accordance with (i) Section 1060 of the Code, (ii) the Treasury Regulations thereunder and (iii) the methodology set forth in Section 2.5 of the Seller Disclosure Schedules (clauses (i), (ii) and (iii), collectively, the "PPA Methodology") further allocating the Purchase Price (plus any liabilities taken into account as consideration for the Project Holding Company Interests under applicable Tax Law) among the separate classes of assets of the Project Holding Company. Seller shall have thirty (30) days following receipt of the Proposed Allocation Schedule to review and comment thereon. If Seller does not provide any comments within such thirty (30) day period, the Proposed Allocation Schedule shall become final (the "Final Allocation Schedule"). If Seller does provide comments within such thirty (30) day period, Seller and Buyer will negotiate in good faith to resolve any such comments within the thirty (30) days following the receipt by Buyer of Seller's comments, and upon any such resolution, the Proposed Allocation Schedule, as so amended, shall become the Final Allocation Schedule. The Final Allocation Schedule shall be revised in accordance with the PPA Methodology to take into account any subsequent adjustments to the Purchase Price. If Seller and Buyer are unable to reach an agreement as to any such comments within such thirty (30) day period, then either Seller or Buyer may engage the Accounting Firm to resolve any such dispute. The Party engaging the Accounting Firm shall provide prompt written notice to the other Party in respect of such engagement. The Accounting Firm shall within thirty (30) days resolve the disagreement between the Parties in accordance with the PPA Methodology and determine the appropriate Final Allocation Schedule. The fees, costs and expenses of the Accounting Firm incurred shall be paid fifty percent (50%) by Seller and fifty percent (50%) by Buyer. Seller and Buyer agree to report on their respective Tax Returns based on the Final Allocation Schedule as ultimately agreed to or as determined by the Accounting Firm pursuant to this Section 2.5 and neither Seller nor Buyer shall take any position that is inconsistent with the Final Allocation Schedule as ultimately agreed to or as determined by the Accounting Firm pursuant to this Section 2.5 except as otherwise required by a "determination" as defined in Section 1313 of the Code (or any comparable provision of state or local Tax Law).

Section 2.6 Transfer Taxes. Notwithstanding anything herein to the contrary, responsibility for any and all Transfer Taxes imposed as a result of the transactions contemplated by this Agreement shall be borne solely by Buyer. The Parties will reasonably cooperate in the preparation and filing of any Tax Returns or other documentation in connection with any Transfer Taxes subject to this Section 2.6, including joining in the execution of any such Tax Returns and other documentation to the extent required by Law.

Section 2.7 Withholding. Buyer and the Company Entities shall be entitled to deduct and withhold (or cause to be deducted and withheld) from any amount payable pursuant to this Agreement such amounts as are required to be deducted and withheld under applicable Tax Law; *provided, however,* that except with respect to any withholding required as a result of the failure of Seller to provide an IRS Form W-9 as required under Section 2.3(b)(v), Buyer shall give written notice to Seller prior to any deduction or withholding, and shall use commercially reasonable efforts to provide such notice within at least (3) Business Days of such deduction or withholding in reasonable detail and shall reasonably cooperate with Seller to reduce, mitigate or eliminate any withholding that otherwise would be required. Amounts withheld in accordance with this Section 2.7 shall be timely paid over to the appropriate Governmental Authority and, upon timely payment to such Governmental Authority, shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction and withholding was made. Upon request by the Party so withheld upon, Buyer will provide a receipt from the applicable Governmental Authority regarding such withholding.

Article III.

REPRESENTATIONS AND WARRANTIES REGARDING THE COMPANY ENTITIES

Seller represents and warrants to Buyer as of the date hereof and as of the Closing Date, except as set forth in the Seller Disclosure Schedule, as follows:

Section 3.1 Organization.

(a) Each Company Entity (i) is a legal entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization and (ii) has all requisite organizational power and authority to carry on its respective business as it is currently conducted and to own, lease and operate its properties and assets where such properties and assets are now owned, leased or operated. No Company Entity is (and since its formation has not) engaged in any business other than (directly or indirectly) developing, owning and operating the Project.

(b) Each Company Entity is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or license necessary, except in such jurisdictions where the failure to be so duly qualified or licensed would not, individually or in the aggregate, be material to such Company Entity.

(c) Seller has made available to Buyer true, complete and correct copies of each Company Entity's Governing Documents, as in effect as of the date hereof.

(d) No Company Entity is in material violation of any of the provisions of its Governing Documents. Each Company Entity's Governing Documents are in full force and effect.

Section 3.2 Noncontravention. Except as set forth on Section 3.2 of the Seller Disclosure Schedule, assuming the accuracy of the representations and warranties of Buyer set forth in Article V, neither the execution and delivery by Seller or the Subsidiary Seller of this Agreement or the other Transaction Documents to which it is or will be a party, nor the consummation by Seller or the Subsidiary Seller of the transactions contemplated hereby or thereby, with or without notice, lapse of time, or both, (a) assuming receipt or waiver of the Consents set forth in Section 3.2 of the Seller Disclosure Schedule, conflict with or result in a violation or breach of any provision of the respective Governing Documents of the Company Entities, Seller, or any applicable Subsidiary of Seller, (b) assuming receipt or waiver of the Consents set forth in Section 3.2(b) of the Seller Disclosure Schedule, violates or results in a breach or default (or give rise to any right of termination, modification, cancellation or acceleration of any right or obligation or to any loss of any material benefit to which any Company Entity is entitled under, or require any consent from or other action by any person) under any Material Contract or Real Property Agreement to which any Company Entity, or any of its properties or assets are bound, (c) result in the imposition of any Lien (other than a Permitted Lien) on any of the properties or assets of any Company Entity or (d) assuming receipt or waiver of the Consents of Governmental Authorities described in Section 3.5, violates any Law to which any Company Entity is subject, except, in the case of each of clauses (b), (c) and (d), for such violations or breaches as would not, individually or in the aggregate, have a Material Adverse Effect on the Company Entities, taken as a whole.

Section 3.3 Capitalization. Section 3.3 of the Seller Disclosure Schedule sets forth, with respect to each Company Entity, (a) its name and jurisdiction of organization, (b) its form of organization, and (c) a true, complete and accurate list of the issued and outstanding Interests thereof and the owners thereof. The Interests set forth on Section 3.3 of the Seller Disclosure Schedule constitute all of the authorized, issued and outstanding Interests of the Company Entities. Each holder of Interests in a Company Entity owns, beneficially and of record, and has good and valid title to, the issued and outstanding Interests of such Company Entity set forth on Section 3.3 of the Seller Disclosure Schedule, in each case free and clear of all Liens, except (i) as may be created by this Agreement, (ii) as may be set forth in the Governing Documents of the applicable Company Entity, (iii) Permitted Liens, (iv) as are disclosed on Section 3.3 of the Seller Disclosure Schedule, and (v) for any restrictions on sales of securities under applicable securities Laws. Other than the Company Entities, no Company Entity owns any Interests of any other Person. The Interests of the Company Entities have been duly authorized and validly issued in compliance with applicable Law and the Governing Documents of the applicable Company Entity. Except for this Agreement and the Governing Documents of any Company Entity, neither Seller nor any Company Entity is a party to or bound by any Rights or Contracts (A) that would require Seller or such Company Entity to sell, transfer, issue or otherwise dispose of, or cause to be issued, sold, transferred or otherwise disposed of, any Interests of any of the Company Entities or (B) obligating any Company Entity to issue or grant such Right. Except as disclosed on Section 3.3 of the Seller Disclosure Schedule and the Governing Documents of the Company Entities, neither Seller nor any Company Entity is a party to any voting trust, proxy or other agreement or understanding with respect to any purchase, sale issuance, transfer, repurchase, redemption or the voting of any Interests of the Company Entities. No Company Entity has granted to any Person any agreement or option, or any right or privilege capable of becoming an agreement or option, for the purchase, subscription, allotment or issue of any unissued interests, units or other Interests (including convertible securities, warrants or convertible obligations of any nature) of any such Company Entity, except as provided in the Governing Documents of such Company Entity. No Company Entity other than the Project Company has any certificated Interests.

Section 3.4 Ownership. The Subsidiary Seller owns, beneficially and of record, the issued and outstanding Project Holding Company Interests as are disclosed on Section 3.4 of the Seller Disclosure Schedule, free and clear of all Liens, except (i) as may be

created by this Agreement, (ii) as may be set forth in the Governing Documents of the Project Company, (iii) Permitted Liens, and (iv) for any restrictions on sales of securities under applicable securities Laws.

Section 3.5 Government Authorizations. No Consent of, with or to, or any notice to, any Governmental Authority is required to be obtained or made by either Seller Entity or any Company Entity in connection with the execution, delivery and performance of this Agreement or any other Transaction Documents or the consummation of the transactions contemplated hereby or thereby, other than (a) required filings under the HSR Act, (b) Consents required pursuant to the FPA as described in Section 7.1(c), (c) Consents set forth on Section 3.5 of the Seller Disclosure Schedule, (d) Consents that, if not obtained or made, would not, taken together, be material to the Company Entities, taken as a whole, (e) Consents not required to be made or given until after the Closing, or (f) requirements applicable as a result of the specific legal or regulatory status of Buyer or any of its Subsidiaries or Affiliates or as a result of any other facts that specifically relate to the business or activities in which Buyer or any of its Subsidiaries or Affiliates is or proposes to be engaged, other than the business of the Company Entities.

Section 3.6 Financial Statements.

(a) Set forth on Section 3.6(a) of the Seller Disclosure Schedule are true, complete and correct copies of the following financial statements (collectively, the "Financial Statements"):

(i) the unaudited balance sheet and the related statements of income, cash flows and members' equity as of March 31, 2025, of each of the Company Entities described in Section 3.6(a)(ii) (the "Interim Financial Statements");

(ii) the audited balance sheets and the related audited statements of income, cash flows and members' equity for the fiscal years ended December 31, 2023 and December 31, 2024, of (collectively, the "Audited Financial Statements"):

(A) the Project Company; and

(B) the Project Holding Company.

(b) The Financial Statements (i) have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby, except as where may be indicated in the notes to the Audited Financial Statements and subject, in the case of unaudited Financial Statements, to the absence of notes and normal and recurring year-end adjustments (none of which, other than any adjustments in respect of mark-to-market gains or losses under any hedging arrangements, is material, individually or in the aggregate, to the Company Entities, taken as a whole), and (ii), except as set forth on Section 3.6(b) of the Seller Disclosure Schedule, are complete and present fairly, in all material respects, respectively, the consolidated or standalone, as applicable, financial position and results of operations of the entities referred to therein, at the respective dates set forth therein and for the respective periods covered thereby (subject, in the case of unaudited Financial Statements, to the absence of notes and normal and recurring year-end adjustments (none of which, other than any adjustments in respect of mark-to-market gains or losses under any hedging arrangements, is material, individually or in the aggregate, to the Company Entities, taken as a whole)).

(c) The Company Entities maintain a system of accounting established and administered in all material respects in accordance with GAAP. The Company Entities maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (i)

transactions are recorded as necessary to permit the preparation of Financial Statements in conformity with GAAP, in all material respects, and maintain accountability for assets and (ii) the recorded accountability for assets is maintained at reasonable intervals. There are no material weaknesses or significant deficiencies in any Company Entity's system of internal accounting controls and neither any Seller Entity nor any Company Entity has received any written complaint, allegation, assertion or claim from any auditor of such Company Entity that there has been or may have been a significant deficiency or material weakness in the internal controls over the financial reporting of such Company Entity. In the last two (2) years, at no time has any fraud or similar wrongdoing that involves any of the Persons who have a role in the preparation of the Financial Statements or the internal accounting controls used by the Company Entities occurred.

Section 3.7 Undisclosed Liabilities. The Company Entities have no Liabilities (contingent or otherwise), except for (a) Liabilities set forth, specifically reflected in, adequately reserved against or disclosed in the Financial Statements, (b) Liabilities incurred in the Ordinary Course of Business since the Balance Sheet Date (none of which is a Liability for breach of contract, breach of warranty, tort, infringement, misappropriation, or violation of Law), (c) Liabilities that are disclosed in Section 3.7 of the Seller Disclosure Schedule, (d) Liabilities under Contracts of the Company Entities (other than as a result of a breach thereof or default thereunder by a Company Entity), (e) Liabilities contemplated in the Operating Budgets and (f) Liabilities that, individually or in the aggregate, would not be material to the Company Entities, taken as a whole.

Section 3.8 Absence of Certain Changes. Except (a) as set forth on Section 3.8 of the Seller Disclosure Schedule, or (b) as the direct result of any process relating to the sale of the Company Entities or the Project, including this Agreement and the other Transaction Documents, since the Balance Sheet Date (i) each Company Entity has conducted its respective business, in all material respects, in the Ordinary Course of Business, (ii) there has not been any change, event or development that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect with respect to the Company Entities and (iii) no Company Entity has taken any action that, if taken from and after the date hereof and prior to the Closing, would have required the consent of Buyer pursuant to Section 6.1.

Section 3.9 Tax Matters. Except as set forth on Section 3.9 of the Seller Disclosure Schedule:

(a) Each Company Entity has timely filed, or caused to be timely filed, all material Tax Returns required to be filed by it on or prior to the date hereof, taking into account all permitted extensions. All such Tax Returns are correct and complete in all material respects. There are no material Liens for Taxes on any of the assets of any Company Entity other than Permitted Liens.

(b) All material Taxes due and payable by a Company Entity have been paid and no Company Entity has any material liability for any unpaid Taxes.

(c) Except as set forth on Section 3.9(c) to the Seller Disclosure Schedule, as of the date of this Agreement, there are no ongoing audits, examinations or other administrative or judicial proceedings with respect to any material Taxes of any Company Entity being conducted with respect to any Company Entity. Except as set forth on Section 3.9(c) to the Seller Disclosure Schedule, none of the Company Entities is a party to any material Tax indemnification, Tax allocation, or Tax sharing agreement (other than any (i) Governing Document of any Company Entity, (ii) customary Tax gross up provision in a financing document or lease, (iii) commercial agreement entered into in the Ordinary Course of Business that is not primarily related to Taxes, or (iv) any such agreement among the Company Entities).

(d) No Company Entity has consented in writing to extend the time in which any material amount of Tax may be assessed or collected by any taxing authority, which extension is in effect as of the date hereof.

(e) No Company Entity has requested or been granted in writing an extension of the time for filing any material Tax Return to a date later than the Closing Date, other than extensions granted in the Ordinary Course of Business and not requiring the consent of a Governmental Authority.

(f) Since the Lookback Date, no written claim has been asserted by a taxing authority against any Company Entity in a jurisdiction in which such Company Entity does not file Tax Returns that such Company Entity is or may be subject to material taxation in such jurisdiction, which claim has not been resolved.

(g) No Company Entity has been a member of an Affiliated Group (other than a group of which a Company Entity or Seller is or was the common parent).

(h) There are no material Liens (other than Permitted Liens) on any of the assets of a Company Entity that arose in connection with any failure (or alleged failure) to pay any Tax.

(i) No Company Entity has been a party to a "listed transaction" as such term is defined in Treasury Regulation Section 1.6011-4(b)(2) (or any corresponding provision of applicable Tax law).

(j) Each Company Entity is properly classified as an entity disregarded as separate from its owner for U.S. federal income tax purposes.

Section 3.10 Real Property.

(a) A list of all real property owned in fee by the Project Company (the "Owned Real Property"), including the street address (or, if no street address exists, the county and tax parcel identification number) and the current owner of each parcel of Owned Real Property, is set forth in Section 3.10(a)(i) of the Seller Disclosure Schedule. No Company Entity (other than the Project Company) owns any real property. The Project Company has good and marketable indefeasible fee simple title to its Owned Real Property, free and clear of Liens (other than Permitted Liens). Except for Permitted Liens or as set forth in Section 3.10(a)(ii) of the Seller Disclosure Schedule, (i) the Project Company has not leased, licensed or otherwise granted any Person the right to use or occupy the Project Company's Owned Real Property, (ii) the Project Company is not in breach or default under any material restrictive or other covenant encumbering such Owned Real Property, (iii) other than the right of Buyer pursuant to this Agreement, there are no outstanding options, rights of first offer or rights of first refusal to purchase such Owned Real Property or any portion thereof or interest therein, and (iv) the Project Company is not a party to any agreement or option to purchase any real property or interest therein.

(b) Section 3.10(a) of the Seller Disclosure Schedule sets forth a complete and correct list of all material real property leases, easements, licenses and rights-of-way (the "Real Property Agreements") to which the Project Company is a tenant, subtenant, licensee, easement holder, right-of-way holder, or otherwise a user or occupant of real property that is not Owned Real Property (the "Leased Real Property"). No Company Entity (other than the Project Company) is a tenant, subtenant, licensee, easement holder, right-of-way holder, or otherwise a user or occupant of real property. Seller has delivered to Buyer a true and complete copy of each Real Property Agreement (including all amendments, extensions, renewals, guaranties, and other

agreements with respect thereto), and in the case of any oral Real Property Agreement, if any, a written summary of the material terms of such Real Property Agreement. Except as set forth on Section 3.10(a) of the Seller Disclosure Schedule, with respect to each of the Real Property Agreements: (i) each Real Property Agreement is in full force and effect and constitutes a valid, binding and enforceable obligation of the Project Company, and to Seller's Knowledge, each other party thereto subject to the Remedies Exceptions, (ii) the Project Company, and to the Seller's Knowledge, any other party to the Real Property Agreement, is not in material default or breach under any Real Property Agreement, and no event has occurred or circumstance exists which, with the delivery of notice, the passage of time or both, would constitute such a breach or default, or permit the termination, modification or acceleration of rent under such Real Property Agreement, (iii) the Project Company has not subleased, licensed or otherwise granted to any Person the right to use or occupy any of the Leased Real Property or any portion thereof, (iv) the Project Company's possession and quiet enjoyment of the Leased Real Property under such Real Property Agreement has not been disturbed, and to the Seller's Knowledge, there are no current disputes, nor have there been any disputes since the Lookback Date, with respect to such Real Property Agreement, and (v) the Project Company has not collaterally assigned or granted any other security interest in such Real Property Agreement or any interest therein.

(c) Other than the Owned Real Property and the Leased Real Property (the "Real Property"), the Project Company has no other material Rights or interests in real property. The Real Property comprise all of the real property used or intended to be used in, or otherwise related to, the business of the Company Entities. There is no condemnation, expropriation or other proceeding in eminent domain pending or, to Seller's Knowledge, threatened, affecting any Owned Real Property or Leased Real Property or any portion thereof or interest therein.

Section 3.11 Environmental Matters. Except as set forth on Section 3.11 of the Seller Disclosure Schedule:

(a) the Company Entities and the Project are, and since the Lookback Date have been, in compliance in all material respects with Environmental Laws;

(b) since the Lookback Date (or earlier to the extent unresolved), Seller and its Affiliates have not received any written notice or Governmental Order from any Governmental Authority or other Person alleging that any Company Entity or the Project is in material violation of, or has material Liability under, any Environmental Law;

(c) except as would not reasonably be expected to result in material Liability to any Company Entity or the Project: (i) the Company Entities and the Project hold and comply with all Permits and Emissions Credits required under Environmental Laws to conduct their respective businesses as currently conducted; (ii) each such Permit and Emissions Credit is in full force and effect; and (iii) there are no Actions pending or, to Seller's Knowledge, threatened that would result in the revocation, termination or adverse amendment of any Permit or Emissions Credits of any Company Entity or the Project;

(d) there are no Actions pending or, to Seller's Knowledge, threatened against any Company Entity relating to or alleging a material violation of, or material Liability under, Environmental Law;

(e) the Company Entities own all unused and unexpired Emissions Credits issued in respect of, or purchased on behalf of, the Project and, to Seller's Knowledge, no Emissions Credits generated, retired, purchased, sold, traded or otherwise transferred by the Company Entities have been invalidated, voided, rescinded or subject to recapture, in each case to the extent giving rise to material Liability of the Company Entities under Environmental Law;

(f) there has been no treatment, storage, disposal, arrangement for or permitting the disposal, transportation, handling, or release of, exposure of any Person to, or contamination by any Hazardous Substances, in each case so as to give rise to any material Liability of any Company Entity or the Project pursuant to any Environmental Laws;

(g) none of the Company Entities has contractually assumed, undertaken, or provided an indemnity with respect to the material Liability of any other Person under Environmental Laws or relating to Hazardous Substances; and

(h) Seller and the Company Entities have made available to Buyer all material environmental assessments, audits, reports, and other material environmental, health and safety documents relating to the Project that are in their possession or reasonable control.

Section 3.12 Contracts. True, correct and complete copies of each Material Contract (other than Off the Shelf Software Licenses) of the Company Entities have been made available to Buyer in the Due Diligence Materials and a list of such Material Contracts is set forth on Section 3.12 of the Seller Disclosure Schedule. Each such Material Contract is in full force and effect, enforceable in accordance with its terms, and is the legal, valid and binding obligation of the Company Entity which is a party to such Material Contract, subject to the Remedies Exception and, to Seller's Knowledge, the other parties thereto. No Company Entity, nor to Seller's Knowledge, any of the other parties thereto is in breach, violation or default under such Material Contract, except (a) for breaches, violations or defaults as would not, individually or in the aggregate, result in Liability material to the Company Entities, taken as a whole, and (b) that, in order to avoid a default, violation or breach under any Material Contract, the Consent of such other parties set forth in Section 3.2 of the Seller Disclosure Schedule may be required in connection with the transactions contemplated hereby. To Seller's Knowledge, no event has occurred and no circumstance or condition exists that, with or without notice, lapse of time or both, would, or would reasonably be expected to, (i) constitute a material default by any Company Entity or give any Person the right to exercise any remedy under any Material Contract, (ii) result in a material violation or breach of any of the provisions of any Material Contract, (iii) give any Person the right to accelerate the maturity or performance of any grant or rights or other obligation under a Material Contract or (iv) give any Person the right to cancel, terminate or modify any Material Contract. No Company Entity has provided or received any written (or to Seller's Knowledge, oral) notice that any party intends to terminate, cancel, or not renew any Material Contract.

Section 3.13 Insurance. Section 3.13 of the Seller Disclosure Schedule sets forth a true, correct and complete list, as of the date hereof, of all insurance policies under which any Company Entity is a named insured or otherwise is a beneficiary of coverage (including the name of the insurer, the policy period and the amount of coverage thereunder). The insurance coverage maintained by or on behalf of the Company Entities is consistent in all material respects with that which is customarily maintained by companies in the industry in which the business of the Company Entities operate. Except as set forth on Section 3.13 of the Seller Disclosure Schedule, neither Seller nor any of its Affiliates has received any written notice from the insurer under any such insurance policy disclaiming coverage, reserving rights with such policy in general or with respect to a particular claim filed for or on behalf of any Company Entity, or cancelling, terminating or amending any such policy, and there is no pending, and since the Lookback Date there has been no, material claim by Seller or any Company Entity under any such policy. All premiums due and payable for such insurance policies have been duly paid (including through financing arrangements), and such policies (or extensions, renewals or replacements thereof with comparable policies) are in full force and effect and will be outstanding and duly in full force and effect without interruption until the Closing Date assuming renewal in the Ordinary Course of Business.

Section 3.14 Litigation. Except as set forth on Section 3.14 of the Seller Disclosure Schedule, since the Lookback Date through the date of this Agreement, there are no and there have not been any Actions pending or threatened in writing (i) against any Company Entity or affecting any of its assets or properties or (ii) to Seller's Knowledge, against the O&M Provider, in each case that have resulted or would result in any material Liability for the Company Entities or the Project, taken as a whole.

Section 3.15 Employee and Benefit Plan Matters.

(a) No Company Entity has, or has had at any time, any employees. No Company Entity sponsors, maintains or contributes to, or has an obligation to contribute to any Benefit Plan. No Company Entity has any Liabilities under or with respect to any "multiemployer plan" (as defined in Section 3(37) of ERISA), "defined benefit plan" (as defined in Section 3(35) of ERISA) or plan subject to Title IV of ERISA or Section 412 of the Code, or plan that provides retiree, post-ownership, or post-service health, life or other welfare benefits. No Company Entity has any Liabilities as a consequence of at any time being considered a single employer with any other Person under Section 414 of the Code.

(b) Neither the execution of this Agreement nor the consummation of the transactions contemplated hereby could, either alone or in combination with any other event: (i) result in the acceleration of the time of payment or vesting or result in any payment or funding (through a grantor trust or otherwise) of compensation or benefits to any current or former employee, officer, director or other individual service provider of any Company Entity (including through any Benefit Plan); or (ii) result in any payments or benefits under any agreement with the Company Entities or any Benefit Plan that, individually or in combination with any other payment or benefit, could constitute the payment of any "excess parachute payment" within the meaning of Section 280G of the Code or in the imposition of an excise Tax under Section 4999 of the Code.

(c) No Company Entity has any current or contingent obligation to indemnify, gross-up, reimburse or otherwise make whole any Person for any Taxes, including those imposed under Section 4999 or Section 409A of the Code (or any corresponding provisions of state, local or foreign Tax law).

Section 3.16 Labor Matters.

(a) The Company Entities (and, to Seller's Knowledge, the O&M Provider, solely as it relates to the Project) are neither party to, nor bound by, any collective bargaining agreement or other labor-related Contract with a union, works council, labor organization or other employee representative (each, a "Labor Agreement"). There is and has been no actual or threatened unfair labor practice charges, labor grievances, strike, lockout, work stoppage, slowdown, picketing, organizing activity, or material labor dispute against or affecting any Company Entity or the Project.

(b) There is no, and since the Lookback Date there has not been any, (i) Action pending, or, to Seller's Knowledge, threatened in writing, against any Company Entity or (ii) to Seller's Knowledge, any Action pending or threatened in writing against the O&M Provider (solely in connection with the Project), in each case relating to a material alleged violation of any Laws pertaining to labor or employment practices.

Section 3.17 Legal Compliance. Except for Permits (which are addressed exclusively in Section 3.19) and Laws relating to International Trade and Anti-Corruption (which are addressed exclusively in Section 3.27), no Company Entity or the Project is, or since the Lookback Date has been, in violation of any Law or other authorization or approval of any

Governmental Authority applicable to its business or operations, or to any Site, except for such violations as would not, individually or in the aggregate, reasonably be expected to be material to the Company Entities or the Project, taken as a whole. In the last two (2) years, no Company Entity has (and, to Seller's Knowledge, the O&M Provider, solely as it relates to the Project, has not) received any written notice of, or has been formally charged in writing by a Governmental Authority with, the violation in any material respect of any applicable Laws or Governmental Orders that would, individually or in the aggregate, reasonably be expected to be material to the Company Entities or the Project, taken as a whole.

Section 3.18 Brokers' Fees. No Company Entity has entered into any contract or other arrangement or understanding (written or oral, express or implied) with any Person which may result in the obligation of Buyer or any of its Affiliates to pay any fees or commissions to any Person as a result of the execution and delivery of this Agreement, the other Transaction Documents, or the consummation of the transactions contemplated hereby or thereby.

Section 3.19 Permits. True, complete and correct copies of all material Permits required under applicable Law for ownership or operation of the Project and the operations of the Company Entities have been made available to Buyer. Except as set forth on Section 3.19 of the Seller Disclosure Schedule, the Company Entities have all Permits required to conduct their respective businesses and operations as currently conducted, and to operate, own, maintain and use the Project at the Site as currently operated, except where the failure to have or obtain such Permits would not, individually or in the aggregate, be material to the Company Entities or the Project, taken as a whole. Each such Permit is in full force and effect and the applicable Company Entity is in compliance in all material respects with all its obligations with respect thereto. There are no Actions or Governmental Orders pending or, to Seller's Knowledge, threatened in writing which would result in the revocation, termination, cancellation, suspension, non-renewal or material amendment of any material Permit of any Company Entity or the Project, except as would not, individually or in the aggregate, be material to the Company Entities or the Project, taken as a whole. Each Permit required under applicable Law for the development, design, construction, ownership, or operation of any projects in development by the Company Entities has been obtained by the Company Entities or, to Seller's Knowledge, will be obtained in due course and without material adverse conditions prior to the time the same is required to be obtained under applicable Law.

Section 3.20 Regulatory Status.

(a) PUHCA. The Seller (i) is a "holding company" under PUHCA, in part, as a result of its direct or indirect ownership interest in the Company Entities, and (ii) is not subject to, or is exempt from, regulation as a "holding company" under PUHCA with regard to federal access to books and records, accounting, record-retention and reporting requirements under PUHCA. The Project Company directly owns the Project and is an Exempt Wholesale Generator under PUHCA and FERC's regulations thereunder and is exempt from regulation under the federal books and records access provisions of PUHCA as an Exempt Wholesale Generator and is in material compliance with all requirements under PUHCA and FERC's regulations thereunder.

(b) FPA. The Project Company is subject to regulation as a "public utility" under the FPA, has MBR Authority, and is in material compliance with all applicable requirements under the FPA and the FERC's regulations thereunder. The Project Company has a reactive power rate schedule on file with FERC that is in full force and effect.

(c) OPSB. The Company Entity that directly holds the OPSB Certificate of Environmental Compatibility and Public Need for the Project is in compliance with such certificate.

Section 3.21 Intellectual Property. Section 3.21 of the Seller Disclosure Schedule sets forth a true and complete list of all Intellectual Property owned by a Company Entity for which a registration or application has been filed with a Governmental Authority (together with all other Intellectual Property owned or purported to be owned by a Company Entity, the "Company Owned IP").

(a) All Company Owned IP is subsisting, and to the extent capable of being valid or enforceable, is valid and enforceable in all material respects. No holding, decision, or judgment has been rendered in any Action denying the validity of any Company Entity's right to register, or a Company Entity's rights to own or use, any Company Owned IP.

(b) To Seller's Knowledge, no third party is infringing upon, misappropriating or otherwise violating any material Company Owned IP.

(c) (i) A Company Entity exclusively owns and possesses all right, title and interest in and to all Company Owned IP and (ii) except as set forth in Section 3.21(c) of the Seller Disclosure Schedule, the Company Entities have sufficient rights to all Intellectual Property used in or necessary for the conduct of the business of the Company Entities or for the Project (such Intellectual Property, together with the Company Owned IP, the "Business IP"), in each case of (i) and (ii), free and clear of all Liens other than Permitted Liens (provided the foregoing is not and shall not be deemed to be a representation or warranty regarding any infringement, misappropriation or other violation of any Intellectual Property of any other Person). There are no, and there have not been since the Lookback Date any, Actions or claims pending or threatened in writing by or against, or sent or received in writing by, any Company Entity or, in connection with the business of any Company Entity or the Project, Seller or any of its other Affiliates, asserting, contesting or relating to any Intellectual Property (including the validity, use, ownership, registrability, scope, or enforceability thereof or infringement, misappropriation, or dilution thereof, or other conflict therewith (including any offers or demands to license or cease and desist letters)). None of the Company Entities or the conduct of their business, the Project (or, in connection with any such business or Project, Seller or any of its other Affiliates) has in the past six (6) years infringed, misappropriated, or violated, or is infringing, misappropriating, or violating, any Intellectual Property of any Person.

(d) Except as set forth in Section 3.21(d) of the Seller Disclosure Schedule, the Company Systems (and license seats therefor licensed by the Company Entities) are sufficient for the current and intended future needs of the Company Entities and the Project and are free from any "back door," "malware," "spyware," "Trojan horse," "virus," "ransomware," "worm", or other malicious code. The Company Entities and their Affiliates have taken reasonable precautions to (i) protect the confidentiality, integrity and security of the Company Systems and all information stored or contained therein or transmitted thereby from any theft, corruption, loss or unauthorized Processing and (ii) ensure that all Company Systems operate and run in a reasonable business manner in all respects. Since the Lookback Date, there have been no failures or other adverse events affecting any of the Company Systems that have caused any material disruption in or to the business of the Company Entities or the Project. The Company Entities have in place adequate business continuity and disaster recovery plans, which have been regularly tested. No trade secrets or confidential information owned or Processed by or on behalf of any of the Company Entities have been authorized to be disclosed to any Person, other than in the Ordinary Course of Business pursuant to a written confidentiality and non-disclosure contract and no such trade secrets or confidential information have been disclosed to any Person other than in accordance with the foregoing. Except as set forth in Section 3.21(d) of the Seller

Disclosure Schedule or for any Company Systems provided in connection with the services rendered under the O&M Agreement, the GE CSA, the Company Entities own or are the licensor of all Company Systems.

Section 3.22 Cybersecurity and Data Privacy.

(a) There have been no Data Breaches, including of the security of the Company Entities' or the Project's IT assets. The Company Systems (and license seats therefor licensed by the Company Entities) are (i) sufficient for the current needs of the Company Entities and the Project and (ii) are free from any "back door", "malware," "spyware", "Trojan horse", "virus", "ransomware", "worm" or other malicious code.

(b) Except as set forth in Section 3.22 of the Seller Disclosure Schedule, the Company Entities and Project are, and since the Lookback Date have been, in compliance in all material respects with all Data Security Requirements. There are no, and there have not been since the Lookback Date any, Actions or claims pending or threatened in writing, or, to the Seller's Knowledge, otherwise threatened against any Company Entity, the Project or, in connection with the business of any Company Entity or the Project, any Seller Entity or any of their respective Affiliates, concerning any of the Data Security Requirements or any Data Breach.

(c) The consummation of the transactions contemplated hereby will not breach or otherwise cause any violation of any Data Security Requirement or Privacy Law or require the consent, waiver or authorization of, or declaration, filing or notification to, any Person, except as would not, individually or in the aggregate, have a Material Adverse Effect.

(d) The Company Entities maintain commercially reasonable policies, procedures, and rules regarding data Processing, privacy, protection and security that comply in all material respects with all Data Security Requirements. No Company Entity nor, in connection with the business of any Company Entity or the Project, any Seller Entity or any of their respective Affiliates, has been required to notify (or has notified) any Person in connection with any actual or alleged Data Breach or violation of any Privacy Law or Data Security Requirement.

Section 3.23 Company Entity Assets. Except as set forth in Section 3.23 of the Seller Disclosure Schedule, the Company Entities have good and valid title to all of the assets and properties (other than Owned Real Property, which is addressed exclusively in Section 3.10 and Intellectual Property) used in the business as conducted as of the date hereof by the Project Company and the Project, free and clear of all Liens other than Permitted Liens. Except as set forth in Section 3.23 of the Seller Disclosure Schedule, the assets, properties and rights owned, leased, licensed, operated or contracted by the Company Entities (a) are in good operating and working condition and repair (ordinary wear and tear excepted), (b) since the Lookback Date, have been operated and maintained in all material respects in accordance with prudent industry standards, (c) are suitable and adequate for the purposes for which they are presently used, and (d) constitute, in all material respects, all of the assets, properties and rights used (or held for use) in the conduct of the Project Company's business, including the Project, as conducted as of the date of this Agreement and such assets, properties and rights are sufficient to conduct the Project Company's business as currently conducted as of the date of this Agreement. The Project Company has the right to use all of the assets, properties and rights (other than Real Property, which is addressed exclusively in Section 3.10 and Intellectual Property) that are necessary or useful to conduct its business as conducted as of the date of this Agreement. None of the Project Company's assets have been stored in a manner that would nullify any applicable manufacturer's warranty. Neither Seller Entity nor any of their respective Affiliates (other than the Company Entities) owns or has any right, title or interest in or to any Business IP or

any Company Systems. The Project Company has implemented all recommendations of the O&M Provider or any other third party service provider that is party to any Material Contract and taken all actions required under the O&M Agreement or such other Material Contract, except as would not give rise to (i) an involuntary outage with a duration longer than one (1) week or (ii) an unanticipated expense greater than one million dollars ($1,000,000).

Section 3.24 Directors and Officers. Section 3.24 of the Seller Disclosure Schedules sets forth a true and correct list of all of the officers and directors of each Company Entity.

Section 3.25 Bank Accounts. Section 3.25 of the Seller Disclosure Schedules sets forth an accurate and complete list of the names of banks, trust companies and other financial institutions at which the Company Entities maintain accounts of any nature and the individuals with signing or withdrawal authority for each such account.

Section 3.26 Affiliate Agreements. Except as set forth on Section 3.26 of the Seller Disclosure Schedules, there are no Affiliate Contracts. Except as set forth on Section 3.26 of the Seller Disclosure Schedules, neither Seller Entity nor any of their respective Affiliates (other than another Company Entity), nor any director, manager, officer, equityholder (other than limited partners or similar passive equityholders in investment funds or vehicles) or management-level employee of Seller or any of its Affiliates (other than another Company Entity), nor any immediate family member of any of the foregoing (a) owes any amount to such Company Entity, nor does any such Company Entity owe any amount to, or has such Company Entity committed to make any loan or extend or guarantee credit to or for the benefit of, any such Person, (b) purchased, acquired or leased any property, rights or services from, or sold, transferred or leased any assets, property, rights or services to such Company Entity in the twelve (12) months prior to the date hereof or otherwise for which any Company Entity has any right, obligation or liability that will survive the Closing, (c) subject to Section 3.26 of the Seller Disclosure Schedules, is as of the date hereof a party to a Contract or transaction with any Company Entity or otherwise has any right, obligation or liability to or from any Company Entity under any Contract or transaction entered into with any Company Entity that will survive the Closing or (d) received any financial or other benefits from such Company Entity.

Section 3.27 International Trade and Anti-Corruption.

(a) No Company Entity nor any of its officers or directors, nor to the Seller's Knowledge, any employee, agent or other third party representative acting on behalf of any Company Entity, (a) is currently, or has been since April 24, 2019: (i) a Sanctioned Person; (ii) engaging in any dealings or transactions with, on behalf of, or for the benefit of any Sanctioned Person or in any Sanctioned Country, in either case in violation of Sanctions; or (iii) otherwise in violation of Sanctions, Ex-Im Laws, or U.S. anti-boycott Laws (collectively, "Trade Controls"); or (b) has in the last five (5) years been in violation of any Anti-Corruption Laws.

(b) No Company Entity has received from any Governmental Authority or any Person any notice, inquiry, or internal or external allegation; made any voluntary or involuntary disclosure to a Governmental Authority; or conducted any internal investigation or audit concerning any material actual or potential violation or wrongdoing in each case, related to Trade Controls or Anti-Corruption Laws in the last five (5) years (except, in the case of Sanctions, since April 24, 2019). There are no pending or, to the Seller's Knowledge, threatened claims against any Company Entity with respect to Anti-Corruption Laws or Trade Controls.

Article IV.

REPRESENTATIONS AND WARRANTIES REGARDING THE SELLER ENTITIES

Seller represents and warrants to Buyer as follows as of the date hereof and as of the Closing Date:

Section 4.1 Organization. Each Seller Entity is a limited liability company duly organized, validly existing and in good standing under the laws of Delaware. Each Seller Entity has all requisite limited liability company power and authority to carry on its business as it is currently conducted and to own, lease and operate its properties and assets where such properties and assets are now owned, leased or operated, except as would not reasonably be expected to have a Material Adverse Effect.

Section 4.2 Authorization. Each Seller Entity and each Company Entity has all requisite limited liability company power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is or will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by each Seller Entity and each Company Entity of this Agreement and such other Transaction Documents and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary limited liability company action on the part of such Seller Entity or such Company Entity, and no other approval, action or proceedings on the part of any Seller Entity or any Company Entity is necessary to authorize this Agreement or any other Transaction Document, or the consummation by each Seller Entity and each Company Entity of the transactions contemplated to be performed by such Seller Entity or such Company Entity hereby or thereby. This Agreement has been duly executed and delivered by each Seller Entity and constitutes a legal, valid and binding obligation of such Seller Entity, enforceable against such Seller Entity in accordance with its terms, subject to the Remedies Exception.

Section 4.3 Noncontravention. Neither the execution and delivery by Seller of this Agreement nor by each Seller Entity of the other Transaction Documents to which it is or will be a party, nor the consummation by either Seller Entity of the transactions contemplated hereby or thereby, with or without notice, lapse of time, or both (a) conflicts with or results in a violation or breach of any provision of the Governing Documents of either Seller Entity, (b) assuming receipt of the Consents specified in Section 3.5 violates any Law or Governmental Order to which either Seller Entity is subject, (c) other than the Consents specified in Section 3.5 requires the Consent of any Governmental Authority under any applicable Law, (d) results in the creation or imposition of any Lien (other than Permitted Liens) on any material properties or assets of either Seller Entity or (e) conflicts with, or results in any violation or breach of, or default under (or an event that, with or without notice or lapse of time, or both would constitute a breach of or default under), or gives rise to a right of termination, cancellation, modification or acceleration of any right or obligation under or to any loss of any material benefit to which either Seller Entity is entitled under, or requires any consent from or other action by, any other Person under, any provision of any Contract to which either Seller Entity is a party or by which either Seller Entity is, or any of its assets or Permits are bound, except, in the case of clauses (b), (c), (d) or (e) as would not, individually or in the aggregate, have a Material Adverse Effect.

Section 4.4 Brokers' Fees. No Seller Entity has entered into any contract or other arrangement or understanding (written or oral, express or implied) with any Person which may result in the obligation of Buyer or any of its Affiliates or any of the Company Entities to pay any fees or commissions to any Person as a result of the execution and delivery of this

Agreement or the other Transaction Documents to which either Seller Entity is or will be a party or the consummation of the transactions contemplated hereby or thereby.

Section 4.5 Litigation. As of the date of this Agreement, there are no, and since the Lookback Date there have not been any, Actions pending or threatened in writing against either Seller Entity or affecting any of its assets or properties that (a) seeks a Governmental Order restraining, enjoining or otherwise prohibiting or making illegal any of the transactions contemplated by this Agreement or the other Transaction Documents or (b) that individually or in the aggregate, would reasonably be expected to have a Material Adverse Effect. No Seller Entity is subject to any Governmental Order which would, individually or in the aggregate, have a Material Adverse Effect. No Seller Entity has initiated any Actions against any other Person that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 4.6 Project Holding Company Interests. Subsidiary Seller is the sole legal and beneficial owner of, and has good and valid title to, the Project Holding Company Interests, free and clear of all Liens except for Liens arising under (i) the Governing Documents of the Company Entities, (ii) this Agreement and (iii) applicable securities Laws. At the Closing, Buyer shall acquire from Subsidiary Seller all record and beneficial ownership of such Project Holding Company Interests, free and clear of any and all Liens (except for Liens arising under the Governing Documents of the Project Holding Company, Liens arising under this Agreement and Liens arising under applicable securities Laws). Subsidiary Seller is not a party to any Right which obligates Subsidiary Seller to pledge, issue, sell or transfer, or repurchase, redeem or otherwise acquire or dispose of, such Project Holding Company Interests or to issue or grant any such Right.

Section 4.7 Solvency. No Seller Entity is entering into this Agreement or the other Transaction Documents or the transactions contemplated hereby or thereby with the actual intent to hinder, delay or defraud any present or future creditors. Assuming the representations and warranties of Buyer contained in Article V are true and correct in all material respects and immediately after giving effect to the consummation of the transactions contemplated hereby, each Seller Entity (a) will be solvent (in that both the fair value of its assets will not be less than the amount required to pay its probably liabilities on its recourse debts as they mature or become due in the Ordinary Course of Business), (b) will have adequate capital and liquidity with which to engage in its business and (c) will be able to pay all of its debts as they mature or become due in the Ordinary Course of Business.

Section 4.8 No Additional Representations and Warranties. Except for the express representations and warranties provided in Article III and this Article IV and the certificate delivered pursuant to Section 7.3(c), no Seller Related Party has made, or is making, any representation or warranty of any kind or nature whatsoever, oral or written, express or implied, relating to either Seller Entity or any of the Company Entities (including any representation or warranty relating to financial condition, results of operations, assets or liabilities of any of the Company Entities) to Buyer or any of its Affiliates or their respective Representatives or equityholders, and Seller, on behalf of itself and the other Seller Related Parties, hereby disclaims any such other representations or warranties and no such party shall be liable in respect of the accuracy or completeness of any information provided to Buyer or any of its Affiliates or their respective Representatives or equityholders other than the express representations and warranties provided in Article III and this Article IV and the certificate delivered pursuant to Section 7.3(c).

Article V.

REPRESENTATIONS AND WARRANTIES REGARDING BUYER

Buyer represents and warrants to Seller as follows as of the date hereof and as of the Closing Date:

Section 5.1 Organization. Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of Delaware and Buyer has all requisite limited liability company power and authority to carry on its business as it is currently conducted and to own, lease and operate its properties where such properties are now owned, leased or operated, except as would not reasonably be expected to have a Material Adverse Effect. Buyer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or license necessary, except in such jurisdictions where the failure to be so duly qualified or licensed or in good standing would not, individually or in the aggregate, have a Material Adverse Effect on Buyer.

Section 5.2 Authorization. Buyer has all requisite limited liability company power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is or will be a party, to perform its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by Buyer of this Agreement and such other Transaction Documents and the consummation of the transactions contemplated hereby and thereby have been duly authorized by all necessary limited liability company action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, subject to the Remedies Exception.

Section 5.3 Noncontravention. Neither the execution and delivery of this Agreement or the other Transaction Documents to which it is or will be a party by Buyer, nor the consummation by Buyer of the transactions contemplated hereby or thereby (a) conflicts with any provision of the Governing Documents of Buyer, or (b) violates or results in a breach of any material agreement, contract, lease, license, instrument or other arrangement to which Buyer or any of its Subsidiaries is a party or by which any of their respective properties are bound or (c) assuming receipt of the Consents described in Section 5.4, compliance with the HSR Act and the accuracy of the Seller's representations and warranties set forth in Article III and Article IV, violates any Law to which Buyer or any of its Subsidiaries is subject, except, in the case of clauses (b) and (c), for such violations or breaches as would not, individually or in the aggregate, have a Material Adverse Effect on Buyer.

Section 5.4 Government Authorizations. No Consent of, with or to any Governmental Authority is required to be obtained or made by or with respect to Buyer or any of its Affiliates in connection with the execution and delivery of this Agreement and the other Transaction Documents by Buyer or the consummation by Buyer of the transactions contemplated hereby and thereby, except for (a) required filings under the HSR Act, (b) Consents required pursuant to the FPA as described in Section 7.1(c), (c) as set forth on Section 5.4 of the Buyer Disclosure Schedule, (d) Consents not required to be made or given until after Closing and (e) Consents that, if not obtained or made, would not, individually in the aggregate, reasonably be expected to have a Material Adverse Effect on Buyer.

Section 5.5 Financial Capacity. Buyer has sufficient cash or other sources of immediately available funds to pay in cash the Purchase Price on the Closing Date and all other

payments required hereunder in accordance with the terms of Article II and for all other actions necessary for Buyer to consummate the transactions contemplated in this Agreement and perform its obligations hereunder. Buyer acknowledges that receipt or availability of funds or financing by Buyer or any of its Affiliates shall not be a condition to Buyer's obligations hereunder. No funds to be paid to either Seller Entity have been derived from or will have been derived from, or constitute, either directly or indirectly, the proceeds of any criminal activity under the anti-money laundering Laws of the United States.

Section 5.6 Investment. Buyer is aware that the Project Holding Company Interests being acquired by Buyer pursuant to the transactions contemplated hereby have not been registered under the Securities Act or under any state securities Laws. Buyer is not an underwriter, as such term is defined under the Securities Act, and Buyer is purchasing the Project Holding Company Interests for its own account solely for investment and not with a view toward, or for sale in connection with, any distribution thereof within the meaning of the Securities Act, nor with any present intention of distributing or selling any of the Project Holding Company Interests in violation of applicable securities Laws. Buyer and its Affiliates acknowledge that none of them may sell or otherwise dispose of the Project Holding Company Interests except in compliance with the registration requirements or exemption provisions under the Securities Act and the rules and regulations promulgated thereunder, or any other applicable securities Laws. Buyer is an "accredited investor" as defined under Rule 501 promulgated under the Securities Act.

Section 5.7 Litigation. As of the date hereof, there are no Actions pending or, to Buyer's Knowledge, threatened in law or in equity or before any Governmental Authority against Buyer or any of its Affiliates that would reasonably be expected to result in any Liability for Buyer that would, individually or in the aggregate, have a Material Adverse Effect on Buyer. Neither Buyer nor any of its Affiliates is subject to any Governmental Order which would, individually or in the aggregate, have a Material Adverse Effect on Buyer.

Section 5.8 Brokers' Fees. None of Buyer or any of its Affiliates has any contract or other arrangement or understanding (written or oral, express or implied) with any Person which may result in the obligation of either Seller Entity or any of its Affiliates to pay any fees or commissions to any broker or finder as a result of the execution and delivery of this Agreement or the other Transaction Documents to which Buyer is or will be a party or the consummation of the transactions contemplated hereby or thereby.

Section 5.9 Information.

(a) Seller and the Company Entities have provided Buyer with access to the facilities, books, records and personnel of the Company Entities as Buyer has requested in order for Buyer to investigate the businesses and properties of the Company Entities in connection with its investment decision to purchase the Project Holding Company Interests and to enter into this Agreement. Buyer (either alone or together with its advisors) has such knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its purchase of the Project Holding Company Interests and is capable of bearing the economic risks of such purchase. Buyer's acceptance of the Project Holding Company Interests on the Closing Date shall be based upon its own investigation, examination and determination with respect thereto, the express representations and warranties of Seller set forth in Article III and Article IV and any certificate delivered pursuant hereto or in any other Transaction Documents as to all matters and without reliance upon any express or implied representations or warranties of any nature made by or on behalf of or imputed to Seller, except as expressly set forth in this Agreement.

(b) Buyer has relied solely on its own legal, tax and financial advisers for its evaluation of its investment decision to purchase the Project Holding Company Interests and to enter into this Agreement and not on the advice of Seller or any of its Affiliates or any of their legal, tax or financial advisers. Buyer acknowledges that any financial projections that may have been provided to it are based on assumptions of future operating results based on assumptions about certain events (many of which are beyond the control of Seller or any of its Affiliates). Buyer understands that no assurances or representations can be given that the actual results of the operations of any Company Entity will conform to the projected results for any period. Buyer specifically acknowledges that no representation or warranty has been made, and that Buyer has not relied on any representation or warranty, as to the accuracy of any projections, estimates or budgets, future revenues, future results from operations, future cash flows, the future condition (whether financial or other) of any Company Entity, or the businesses or assets thereof, or, except as expressly set forth in this Agreement, any other information or documents made available to Buyer, its Affiliates or its or their respective Representatives or equityholders.

(c) Buyer and its Representatives and equityholders acknowledge and agree that neither Seller nor any of its Affiliates, nor any of its Representatives or equityholders, is making any representation or warranty whatsoever, express or implied, beyond those expressly given in Article III and Article IV and the certificate delivered pursuant to Section 7.3(c), including any implied warranty or representation as to condition, merchantability, suitability or fitness for a particular purpose or trade as to any of the assets of any of the Company Entities.

Section 5.10 Energy-Related Holdings. As of the date of this Agreement, neither Buyer nor any of its Affiliates have received any written notice of any actual, pending, or threatened proceeding or investigation by or before FERC that would reasonably be expected to prevent or delay (a) any filings or approvals required under the HSR Act or (b) obtaining authorization from FERC pursuant to Section 203 of the FPA. Section 5.10 of the Buyer Disclosure Schedule sets forth a complete and accurate list, as of the date hereof, of: (a) each electric generating facility located or planned to become operational within the next year in the balancing authority areas relevant to FERC 203 analysis and, which list shows the nominal capacity and fuel type of each such facility; and (b) each interstate electric transmission facility, interstate or intrastate natural gas or other fuel transportation, storage or distribution facility or any other upstream inputs to electricity products, such as sites for electric generation capacity development or natural gas or other fuel supply sources, in each case under clause (a) and (b) above, owned, operated, leased or controlled by Buyer or any of its affiliates (as FERC would define affiliate for purposes of market power analyses).

Section 5.11 No Foreign Control. Buyer is not a "foreign person" as that term is defined in 31 C.F.R. § 800.224.

Section 5.12 Solvency. Buyer is not entering into this Agreement with the intent to hinder, delay or defraud either present or future creditors. Immediately after giving effect to all of the transactions contemplated by this Agreement and the other Transaction Documents, including the making of the payments contemplated by Article II, and assuming satisfaction of the conditions to Buyer's obligation to consummate the transactions contemplated by this Agreement and the other Transaction Documents, the accuracy of the representations and warranties of Seller and the Company Entities set forth herein and the performance by Seller of its obligations hereunder in all material respects, following the Closing Buyer (a) will be solvent (in that both the fair value of its assets will exceed the amount required to pay its probable liabilities on its recourse debts as they mature or become due in the Ordinary Course of Business), (b) will have adequate capital and liquidity with which to engage in its business and (c) will be able to pay all of its debts as they mature or become due in the Ordinary Course of Business.

Article VI.

COVENANTS

Section 6.1 Conduct of the Company Entities.

(a) From the date hereof and prior to the earlier to occur of the Closing Date and the date that this Agreement is terminated in accordance with Article IX (the "Interim Period"), except (i) as otherwise expressly contemplated by this Agreement (including as described on Section 6.1 of the Seller Disclosure Schedule and the other matters contemplated by the other Schedules and Exhibits hereto) or any of the other Transaction Documents or as required by applicable Law, (ii) for the effect of the consummation of the transactions contemplated hereby, (iii) as required by any Public Health Measure, (iv) as required under any Material Contract or Governing Document of a Company Entity, or (v) as otherwise consented to in writing by Buyer (which consent shall not be unreasonably withheld, conditioned or delayed), Seller shall (A) cause the Company Entities to conduct their respective businesses and the Project in the Ordinary Course of Business and (B) cause each Company Entity to use its commercially reasonable efforts to preserve, maintain and protect the assets of the Company Entities (ordinary wear and tear excepted) and existing relationships with customers, suppliers, service providers, lenders, vendors, landlords, debt financing sources and Governmental Authorities and other Persons with whom any Company Entity has material business relations.

(b) Without limiting the generality of the foregoing, during the Interim Period, except (i) as required under any Material Contract, (ii) as set forth in the Operating Budgets, (iii) as required by any Public Health Measure, (iv) as otherwise expressly contemplated by this Agreement (including as described on Section 6.1 of the Seller Disclosure Schedule and the other matters contemplated by the other Schedules and Exhibits hereto) or any of the other Transaction Documents, or (v) as otherwise approved in writing by Buyer (which approval shall not be unreasonably withheld, conditioned or delayed) (*provided* that, if Seller requests consent from Buyer by delivering a written notice to Buyer describing in reasonable detail the matter for which consent is requested (the "Matter Description") and Buyer does not respond to such request within five Business Days after receipt by Buyer of the request and the Matter Description and after response to Buyer's commercially reasonable questions relating to such consent, Buyer shall be deemed to have consented to such request), Seller shall not and shall cause the Subsidiary Seller and the Company Entities not to (and shall not direct the O&M Provider to, or provide consent under the O&M Agreement for the O&M Provider to):

(i) amend or modify the Governing Documents of any Company Entity or form any Subsidiary;

(ii) (x) authorize for issuance, issue, grant, sell, deliver, dispose of, pledge or otherwise encumber any Interests of any Company Entity, (y) issue any Rights to subscribe for or acquire any shares or Interests of any Company Entity or enter into any voting agreement with respect to any Interests of any Company Entity, or (z) redeem, repurchase, adjust, split, combine, reclassify or subdivide any Interests of any Company Entity;

(iii) (A) make, change or rescind any material Tax election, other than in the Ordinary Course of Business, (B) file any amended Tax Return, (C) change any material financial accounting methods, principles or practices of any Company Entity, (D) change any annual Tax accounting period, (E) surrender any right to claim a refund of a material amount of Taxes, or (F) obtain any Tax ruling or enter into any closing or similar agreement with any Governmental Authority;

(iv) (A) sell, transfer, sublease, abandon, dispose of or otherwise transfer any of the Owned Real Property or any of the assets of the Company Entities (including Emissions Credits) (1) outside of the Ordinary Course of Business or (2) having a value in excess of $500,000 individually, $1,500,000 in the aggregate, other than (w) sales of electric power, capacity or ancillary services, (x) sales of fuels and other commodities, (y) sales or dispositions of obsolete or unusable assets, in each case in the Ordinary Course of Business or (z) the surrender, retirement, or other disposition of Emissions Credits but only to the extent required to cause the Company Entities to comply, after the date hereof and prior to the Closing, with Environmental Laws (but not the sale or transfer of any surplus Emissions Credits) or (B) encumber any such assets, Owned Real Property or the Company Interests other than with a Permitted Lien;

(v) permit any Company Entity to create, incur or assume any Indebtedness (other than to any other Company Entity, pursuant to the Financing Documents, or for the purpose of financing premiums under any insurance policy of any Company Entity in the Ordinary Course of Business);

(vi) cancel any third party Indebtedness owed to any Company Entity;

(vii) enter into, amend or waive any material provision of any Affiliate Contract;

(viii) make any acquisitions, investments or capital expenditures in excess of $5,000,000 individually, or $10,000,000 in the aggregate, other than acquisitions of supplies, parts, fuel, materials, allowances (including Emissions Credits) and other inventory pursuant to the Operating Budget in the Ordinary Course of Business;

(ix) liquidate (or partially liquidate), dissolve, recapitalize, reorganize or otherwise wind up its business, or adopt a plan of any of the foregoing;

(x) (A) merge or consolidate with, or purchase all or a substantial portion of the assets or businesses of, or Interests in, any Person, (B) divest, sell or acquire any business, equity securities or Person, by merger or consolidation, purchase of assets or equity interest, or by any other manner, whether in a single transaction or a series of transactions or (C) enter into any letter of intent, Contract or arrangement (whether binding or non-binding) with respect to any transaction contemplated in clauses (A) and (B);

(xi) issue or sell any Interests of any Company Entity, or any Right to acquire the same;

(xii) enter into any Contract that if in effect on the date hereof would be a Material Contract (other than (x) Hedging Contracts for the Project in the Ordinary Course of Business and permitted under the Financing Documents; *provided*, *however*, that such Hedging Contracts shall only be entered into with the contractual counterparties set forth on Section 6.1(b)(xii) of the Seller Disclosure Schedule and Seller shall promptly provide to Buyer a copy of such Hedging Contract, (y) Contracts that are required to effect a transaction that is otherwise expressly permitted by this Section 6.1(b) or (z) Contracts described in clauses (b) and (d) of the definition of Material Contracts entered pursuant to the Operating Budget in the Ordinary Course of Business) or terminate, amend, modify, extend, renew or supplement any Material Contract or settle or compromise any material claim under any Material Contract, except renewals, extensions or replacements of any Material Contract which either (1) requires payments over the life of such Contract of less than $2,000,000 individually and less than, when taken together with all other such Contracts being renewed or replaced under this clause (1), $4,000,000 in the aggregate, in each case as required in the Ordinary Course of Business and with terms not

materially more onerous (individually or in the aggregate) than terms set forth in the Material Contract being so renewed or replaced or (2) provides that such Contract may be terminated by the Company Entity party thereto on ninety (90) days' notice or less without Liability to any Company Entity;

(xiii) amend, modify, terminate or assign any material Permit or apply for any Permit, other than in the Ordinary Course of Business;

(xiv) enter into any joint venture, strategic alliance, partnership, or other contract involving a sharing of profits, losses, costs, or liabilities with any other Person (other than any Company Entity) or relating to the ownership of a partnership, membership or other equity interest in any Person (other than another Company Entity);

(xv) initiate any litigation or settle, release, waive or compromise any claim, Action or litigation, whether now pending or hereafter made or brought or waive, release or assign any material rights or claims in each case (1) that would exceed $500,000 individually or $1,000,000 in the aggregate and (2) except as may be necessary appropriate for the respective Company Entity (A) to preserve or not prejudice any rights of such Company Entity with respect to any such claim or (B) to enforce its rights under any Contract;

(xvi) make any loans or advances to, or provide any credit support for, or investments in, any Person, other than loans or advances to, or credit support for, a Company Entity provided by another Company Entity;

(xvii) with respect to the Project: (A) materially defer, delay or abandon or otherwise fail to timely make in any material respect (1) any planned material maintenance, outage or other repair or (2) any planned capital expenditures or other expenditures as set forth in the Operating Budgets or (B) other than as provided on Section 6.1(b)(xvii) of the Seller Disclosure Schedule, permit any outages or otherwise limit production or capacity of any asset, other than under emergency circumstances pursuant to Section 6.1(c) (and in the event of any unplanned outage whether resulting from an emergency circumstance Seller shall promptly notify Buyer of such outage), except in each case due to circumstances outside the reasonable control of Seller or any of the Company Entities (including due to a grid operator instructing the Project Company to conduct an outage at a later time);

(xviii) make or declare any dividend or distribution in respect of any Company Entity, except for prior to the Calculation Time dividends or distributions of cash that are paid in full prior to the Calculation Time;

(xix) enter into any agreement that materially restricts the ability of any Company Entity to engage or compete in any line of business in any respect material to the business of the Company Entities, taken as a whole;

(xx) enter into any new line of business;

(xxi) with respect to any insurance policies under which any Company Entity is a named insured or otherwise is a beneficiary of coverage, except as reasonably required to renew or amend such insurance policies in the Ordinary Course of Business, fail to maintain, terminate, or cancel any such insurance policies that are not simultaneously replaced by a comparable amount of insurance coverage to the extent available on commercially reasonable terms;

(xxii) hire (A) any employees or (B) engage any other individual service provider whose relationship may be interpreted as that of an employee;

(xxiii) establish, adopt, enter into or assume any Liabilities under or with respect to any Benefit Plan;

(xxiv) enter into any Labor Agreement, engage in any collective bargaining, or recognize or certify any labor union, labor organization, works council or group of employees as the bargaining representative for any employees of the Company Entities;

(xxv) disclose any confidential information or trade secrets related to the business of any Company Entity or to the Project to any Person (other than to Buyer and its Affiliates or in the Ordinary Course of Business in circumstances in which Seller or a Company Entity has imposed reasonable and customary confidentiality restrictions) other than in the Ordinary Course of Business; or

(xxvi) agree, whether in writing or otherwise, to do any of the foregoing.

(c) Notwithstanding the foregoing or anything else in this Agreement to the contrary, (i) (A) prior to the Closing, the Company Entities shall be permitted to pay any Indebtedness or expense in connection with the transactions contemplated by this agreement and any other Transaction Document or make any distribution, dividend or other transfer of cash to another Company Entity or any Person that holds an Interest in a Company Entity, including Seller, and (B) nothing in this Agreement shall prevent Seller or any of the Company Entities from taking (or omitting to take) (1) any action as required by any Public Health Measure or (2) any action required pursuant to applicable Law or if reasonably necessary to prevent or mitigate any imminent and material harm to the Persons or assets of the Company Entities under emergency circumstances as would be taken by a prudent operator, in each case so long as Seller shall, upon receipt of notice of any such actions, promptly (and in any event, within five (5) Business Days of such notice) inform Buyer of the occurrence of such Public Health Measure or emergency situation and any such actions taken. Except with respect to any action expressly requiring the Buyer's consent hereunder, nothing contained in this Agreement shall be construed to give Buyer or any of its Affiliates, directly or indirectly, any right to control or direct the businesses of the Company Entities prior to the Closing or any other businesses or operations of Seller or its Affiliates. Prior to the Closing, Seller shall exercise such control and supervision of the Company Entities and of their respective businesses and operations as is consistent with the terms and conditions of this Agreement and their respective Governing Documents.

Section 6.2 Access to Information; Confidentiality.

(a) During the Interim Period, Buyer may make or cause to be made such review of the Company Entities and their respective assets, financial and legal condition as Buyer deems reasonably necessary or advisable. Seller shall, and shall cause the Company Entities to, permit Buyer and its authorized agents or Representatives, including its independent accountants, to have reasonable access to the properties and electronic books and records of the Company Entities (and each Seller Entity to the extent relating to the Company Entities or the Project) during normal business hours to review information and documentation related to the assets, properties, personnel, books, Contracts and other records of the Company Entities (and each Seller Entity to the extent relating to the Company Entities or the Project) for a reasonable business purpose related to the consummation of the transactions contemplated by this Agreement; *provided, however,* that such investigation shall only be upon reasonable advance written notice (email being sufficient) and shall not unreasonably disrupt personnel and operations of the Company Entities or their Affiliates or otherwise interfere with the prompt and timely discharge by such personnel of their normal duties and shall be at Buyer's sole cost and expense; and *provided*, *further, however*, that none of Buyer, its Affiliates or their respective Representatives shall conduct any subsurface investigation or testing of any environmental media. All requests for access to the offices, properties, books and records of the Company

Entities or Seller Entities shall be made to such Representatives of Seller as Seller shall designate, who shall be solely responsible for coordinating all such requests and all access permitted hereunder. It is further agreed that none of Buyer, its Affiliates or their respective Representatives shall, prior to the Closing Date, contact any of the employees, customers, suppliers, distributors, contractors, lenders, agents or parties (or Representatives of any of the foregoing) that have business relationships with the Company Entities or any Governmental Authority or Representatives thereof, in connection with the transactions contemplated hereby, whether in person or by telephone, mail or other means of communication, without the prior written consent of Seller (other than the required filings specified in Section 3.5). Any access to the offices, properties, books and records of the Company Entities or Seller Entities shall be subject to the following additional limitations: (i) Buyer, its Affiliates, and their respective Representatives, as applicable, shall give Seller written notice (email being sufficient) at least five (5) Business Days prior to conducting any inspections or communicating with any third party relating to any property of the Company Entities, and a Representative of Seller shall have the right to be present when Buyer, its Affiliates or their respective Representatives conducts its or their investigations on such property; (ii) none of Buyer, its Affiliates or their respective Representatives shall damage the property of the Company Entities or any portion thereof; and (iii) Buyer, its Affiliates, and their respective Representatives, as applicable, shall (A) use commercially reasonable efforts to perform all on-site reviews and all communications with any Person in an expeditious and efficient manner; and (B) except to the extent resulting from the gross negligence or willful misconduct of Seller, any Company Entity, their Affiliates or any of their respective Representatives, indemnify, defend and hold harmless Seller, the Company Entities, their respective Affiliates, and each of their respective Representatives from and against all Actions, claims, actions, Liabilities, losses, damages, judgments, fines, Taxes, penalties, fees, costs or expenses (including reasonable attorney fees, costs and expenses) to the extent resulting from the activities of Buyer, its Affiliates or their respective Representatives under this paragraph and not resulting from any gross negligence or willful misconduct of Seller, any Company Entity, their respective Affiliates or any of their respective Representatives. Notwithstanding anything herein to the contrary, Seller shall not be required to provide any access or information to Buyer, its Affiliates or any of their respective Representatives, whether during the Interim Period or from and after the Closing, which Seller reasonably believes it or the Company Entities are prohibited from providing to Buyer, its Affiliates or their respective Representatives by reason of applicable Law, which constitutes or allows access to information protected by attorney-client or similar privilege, or which Seller or its Affiliates (or, prior to the Closing, the Company Entities) are required to keep confidential or prevent access to by reason of any Contract with a third party or which would otherwise expose Seller or its Affiliates (or, prior to the Closing, the Company Entities) to a material risk of Liability.

(b) Buyer shall, and shall cause its Affiliates and their respective Representatives to, hold in confidence all Evaluation Material (as defined in the Confidentiality Agreement) obtained from Seller, the Company Entities or their respective Affiliates or Representatives, whether or not relating to the business of the Company Entities, in accordance with the provisions of the Confidentiality Agreement in each case as if Buyer and Seller were directly a party thereto which, notwithstanding anything contained therein, shall remain in full force and effect following the execution of this Agreement and shall survive any termination of this Agreement in accordance with its terms; *provided*, *however*, that, subject to Section 6.5, and notwithstanding anything to the contrary contained herein or in the Confidentiality Agreement, from and after the Closing, none of Buyer, any of its Affiliates or any of its or their respective Representatives shall have any further obligation hereunder or thereunder with respect to Evaluation Material of the Company Entities. Seller shall, and shall cause its Affiliates and its and their respective Representatives to hold in confidence all Evaluation Material (as defined in the Confidentiality Agreement) obtained by them after Closing pursuant to Section 6.6, in accordance with the terms of the Confidentiality Agreement, *mutatis mutandis*.

Section 6.3 Reasonable Best Efforts. During the Interim Period, except as otherwise expressly provided in this Agreement, each Party shall use reasonable best efforts to cause the conditions set forth in Article VII to be satisfied and to consummate the transactions contemplated by this Agreement as promptly as practicable and in any event on or before the Termination Date. Notwithstanding anything to the contrary contained in this Agreement, nothing contained in this Section 6.3 or elsewhere in this Agreement shall require Seller or any other Seller Related Party (including the Company Entities) to (a) provide financing to Buyer or any other Buyer Related Party for the consummation of the transactions contemplated hereby, (b) seek or obtain any consents, notices, approvals or other authorizations in connection with the transactions contemplated by this Agreement or any other Transaction Document except as expressly provided in Section 6.4, (c) execute any Real Estate Deliveries or (d) conduct, or permit to be conducted, any sampling or analysis of soil, groundwater, building materials or other environmental media. Each Party shall use its reasonable best efforts to obtain or make, and reasonably coordinate and cooperate with the other Parties in obtaining or making, all Consents from or with any Person (other than any Governmental Authority) necessary to consummate, as soon as practicable following the date hereof (but no later than the Termination Date), the transactions contemplated by this Agreement and the other Transaction Documents; *provided*, *however*, that in no event shall any Seller Entity or the Company Entities, any of their respective Affiliates, or any of their Representatives be required to make any payment, or assume any Liability or grant any other accommodation (financial or otherwise) except as expressly contemplated by this Agreement or any of the other Transaction Documents.

Section 6.4 Regulatory Approvals.

(a) Each Party shall (and shall each cause their respective Affiliates to) use reasonable best efforts to make, give or obtain Consent under the HSR Act, which shall include to: (i) make or cause to be made the filings required of such Party or any of its Affiliates under the HSR Act as promptly as practicable, and in any event within twenty (20) Business Days after the date of this Agreement; (ii) cooperate with the other Party and furnish all information in such Party's possession that is necessary in connection with such other Party's filings in respect of the HSR Act; (iii) use reasonable best efforts to cause the expiration or termination of all applicable waiting periods under the HSR Act as soon as possible; (iv) promptly inform the other Party of the occurrence and contents of any oral communication from, and promptly provide to the other Party copies of any written communications from, any Governmental Authority in respect of the HSR Act, and permit the other Party to review in advance, and consider in good faith the comments of the other Party regarding, any proposed communication by such Party to any Governmental Authority in respect of the HSR Act (excluding personally identifiable information and any initial filing under the HSR Act); (v) consult and cooperate with the other Party in connection with any analyses, appearances, presentations, memoranda, briefs, arguments and opinions to be made or submitted by or on behalf of any Party in connection with the HSR Act, and all related meetings and Actions; (vi) respond promptly and appropriately to any requests received by such Party or any of its Affiliates under the HSR Act and any other antitrust, competition or merger control Laws for additional information, documents or other materials; (vii) use reasonable best efforts to resolve any objections as may be asserted by any Governmental Authority with respect to the transactions contemplated by this Agreement under any antitrust, competition or merger control Law; (viii) use reasonable best efforts to contest and resist any Action instituted (or threatened to be instituted) by any Governmental Authority challenging the transactions contemplated by this Agreement as being in violation of any antitrust, competition or merger control Law; (ix) request expedited and, as appropriate, confidential treatment of any such filings; and (x) cooperate in good faith with all Governmental Authorities. No Party shall agree to participate in any substantive meeting with any Governmental Authority in respect of any filings, investigation or other inquiry under any antitrust, competition or merger control Law, unless it consults with the other Party in advance and, to the extent permitted by such Governmental Authority, gives the other Party the

opportunity to attend and participate at such meeting. Subject to its obligations under this Section 6.4, Buyer shall determine the strategy to be used for obtaining the expiration or termination of the waiting period under the HSR Act and any other clearances required or advisable under applicable Law, and in doing so shall consult and cooperate with Seller and consider and take into account Seller's views in good faith; *provided, however,* that neither Party shall withdraw its HSR Act notification and report form nor enter into any agreement any Governmental Authority (including any so-called timing agreement) to materially delay Closing pursuant to any antitrust, competition or merger control Law without the prior written consent of the other Party, not to be unreasonably withheld, conditioned or delayed; *provided, further,* that Buyer may "pull and refile" its filing under the HSR Act one time pursuant to 16 C.F.R. § 801.12. Buyer shall be responsible for the payment of all filing fees in connection with filings under the HSR Act, and the costs of such fees shall be borne by the Parties as provided in Section 10.10(a).

(b) Notwithstanding anything to the contrary set forth in this Section 6.4, Buyer and Seller may, as each deems advisable and necessary, reasonably designate any competitively sensitive material to be provided to the other Party under this Agreement as "outside counsel only." Such designated materials and the information contained therein shall be given only to the outside legal counsel of the recipient and shall not be disclosed by such outside counsel to employees, officers or directors of the recipient unless express permission is obtained in advance from the source of the materials; it is understood that materials provided pursuant to this Agreement may be redacted (i) to remove references concerning the valuation of the Company Entities, (ii) as necessary to comply with contractual arrangements or (iii) as necessary to address reasonable privilege concerns or concerns regarding the privacy of personally identifiable information.

(c) Seller and Buyer shall use reasonable best efforts to obtain Consents from FERC pursuant to Section 203 of the FPA in order to consummate the transactions contemplated hereby. Buyer and its Affiliates shall reasonably cooperate and consult with Seller and its Affiliates in such efforts, including the execution of, or consenting to, FPA Section 203-related applications or submissions with FERC, including any inquiries from staff, which applications or submissions shall be made as soon as practicable, but not later than twenty (20) Business Days after the date of this Agreement, or other such period as may be agreed in writing by the parties. Seller shall, and shall cause the applicable Company Entities to, submit the informational filing pursuant to Schedule 2 of the PJM Tariff and request for waiver as soon as practicable, but no later than two (2) Business Days after the date the FPA Section 203 application is filed.

(d) From the Effective Date and for sixty (60) days after, Buyer shall not, and shall cause its Affiliates not to, directly or indirectly, acquire or agree to acquire any electric generation or transmission facility, or otherwise obtain control over any electric generation, transmission, storage or other power-related facility, in each case, in the PJM region (each, a "PJM Asset"), whether by merger, consolidation, by purchasing any portion of the assets of or equity in, or by any other manner, if the entering into of a definitive agreement relating thereto or the consummation of such acquisition, merger or consolidation, asset or equity purchase would reasonably be expected to prevent, prohibit, restrict or materially impede, materially interfere with, materially hinder, materially impair or materially delay the consummation of the transactions contemplated by this Agreement. Notwithstanding the foregoing, for the avoidance of doubt, nothing in this Section 6.4(d) shall prohibit Buyer or any of its Affiliates from entering into a definitive agreement to acquire a PJM Asset so long as such definitive agreement is entered into, and any filing with any Governmental Authority in connection with such acquisition is made, after the date that is sixty (60) days after the date of this Agreement.

(e) In respect of the regulatory clearances that are a condition to Closing pursuant to Section 7.1(b) or Section 7.1(c), Buyer shall take, and cause its Affiliates to take, any

and all actions necessary to obtain such regulatory clearances and avoid the entry of, effect the dissolution of, and have vacated, lifted, reversed or overturned, any Governmental Order, Law or Action that would prevent, prohibit, restrict or materially delay, materially impede, materially interfere with, materially hinder or materially impair the consummation by Buyer of the transactions contemplated hereby, in each case, to allow Buyer to consummate the transactions contemplated hereby as expeditiously as possible, and in any event prior to the Termination Date, including, whether by Governmental Order, agreement, or otherwise: (i) proposing, offering, negotiating, committing to and effecting, by consent decree, a hold separate order or otherwise, the sale, divestiture, license or other disposition of any and all of the capital stock, assets, properties, rights, products, leases, businesses, services or other operations or interests therein of Buyer or any of its Affiliates; (ii) taking or committing to take actions, or accepting any restrictions or impairments, that would limit Buyer's or its Affiliates' freedom of action with respect to, or their ability to own, retain, control, operate or manage, any capital stock, assets, properties, rights, products, leases, businesses, services or other operations or interests therein of Buyer or any of its Affiliates as of the Closing or any interest or interests therein, including providing all such assurances as may be necessary, requested or imposed by any Governmental Authority; (iii) creating, terminating or amending any relationships, contractual rights, obligations, licenses, ventures or other arrangements of Buyer or any of its Affiliates; and (iv) contesting, defending, challenging and appealing any threatened or pending proceeding, or preliminary or permanent injunction, or other Law or Governmental Order that would materially adversely affect, materially delay or prevent the ability of any Party to consummate the transactions contemplated hereby, and taking any and all other actions to prevent the entry, enactment or promulgation thereof (each a "Remedy Action"); *provided, however,* that during the Interim Period, Seller and the Subsidiary Seller shall take any Remedy Action in respect of the Company Entities if reasonably requested to do so in writing by Buyer and shall not take any Remedy Action in respect of the Company Entities without Buyer's written consent; *provided, further,* that any Remedy Action (including any required of Seller or the Subsidiary Seller or the Company Entities pursuant to the immediate preceding proviso) shall be conditioned on the Closing. For the avoidance of doubt, Buyer shall not be required to take any Remedy Action that is not conditioned on the Closing.

(f) Notwithstanding anything to the contrary set forth in this Section 6.4, neither Buyer nor any of its Affiliates shall be obligated to take any Remedy Action in respect of the Specified Asset.

Section 6.5 Public Announcements. No Party shall issue, or allow a third party or Affiliate to issue, any public announcement, press release or public statement, or conduct press tours, regarding this Agreement, any of the other Parties or any of the Parties' Affiliates, without, in the case of the Seller Entities, Buyer's prior written consent, and in the case of Buyer, Seller's prior written consent, in each case not to be unreasonably withheld; *provided, however,* that (a) each Party may make any disclosure required by Law or by the rules of a national security exchange after giving, in the case of the Seller Entities, Buyer, and in the case of Buyer, Seller, at least 72 hours' prior notice and the opportunity to review and comment on such disclosure; *provided* that, in the event that a disclosure is required by applicable Law or by the rules of a national security exchange in less than 72 hours, such notice shall be provided at the disclosing Party's earliest opportunity, and the consenting Party shall use best commercial efforts to review and comment upon such disclosure within the requested time period; (b) each Party shall, and shall cause its Subsidiaries and Affiliates (as applicable) to consult with the other Parties on the content of all such announcements, and each Party shall use commercially reasonable efforts to agree upon the text of any such announcement with the other Parties prior to its release; and (c) nothing in this Section 6.5 or otherwise shall prohibit (i) the Seller Parties from making disclosures to the BlackRock Member or the BlackRock Member or any BlackRock Fund from making customary disclosures to limited partners and other investors in any of the BlackRock Funds (ii) Buyer or its Affiliates from making customary disclosures to its

shareholders, including through customary investor relations disclosures; and (d) Buyer may issue a customary press release following the execution hereof so long as Seller is provided at least 12 hours' prior notice and the opportunity to review and comment on such release and shall consider in good faith any reasonable comments provided by Seller prior to such release.

Section 6.6 Post-Closing Access; Preservation of Records.

(a) From and for seven (7) years after the Closing, Buyer shall make, or cause to be made, available to Seller all books, records, Tax Returns and documents of the Company Entities (and the assistance of employees responsible for such books, records and documents) during regular business hours and upon five (5) Business Days' written notice (email being sufficient) as may be reasonably necessary for (i) investigating, settling, preparing for the defense or prosecution of, defending or prosecuting any Action, (ii) preparing reports to equityholders and Governmental Authorities, (iii) preparing and delivering any accounting or other statement provided for under this Agreement or otherwise, preparing Tax Returns, pursuing Tax refunds or responding to or disputing any Tax audit, (iv) the determination of any matter relating to the rights and obligations of Seller or any of its Affiliates under any Transaction Documents, or (v) such other purposes as reasonably requested by Seller; *provided, however,* that access to such books, records, documents and employees shall not interfere with the normal operations of Buyer, its Affiliates, or the Company Entities and the reasonable out-of-pocket expenses of Buyer, its Affiliates and the Company Entities incurred in connection therewith shall be paid by Seller. Buyer shall cause each Company Entity to maintain and preserve all such Tax Returns, books, records and other documents for five (5) years after the Closing Date. Notwithstanding the foregoing, Buyer shall not be required to disclose or provide access to any information to Seller to the extent that Buyer reasonably determines such disclosure or access would jeopardize any attorney-client or other privilege.

(b) From and after the Closing, Seller shall make or cause to be made available to Buyer all employees, books, records and documents of Seller and its Affiliates relating to the business of the Company Entities during regular business hours for the same purposes, to the extent applicable, as set forth in Section 6.6(a); *provided, however,* that access to such books, records, documents and employees shall not interfere with the normal operations of Seller or its Affiliates and the reasonable out-of-pocket expenses of Seller and its Affiliates incurred in connection therewith shall be paid by Buyer.

Section 6.7 Tax Matters.

(a) Tax Treatment. Buyer and Seller intend that for all applicable U.S. federal income (and state and local) Tax purposes, the purchase of all of the Project Holding Company Interests by Buyer hereunder shall be treated as an acquisition of the assets of the Project Holding Company (the "Agreed Tax Treatment"). Each Party shall file all Tax Returns consistently with the Agreed Tax Treatment and shall not take any position inconsistent therewith, except as otherwise required by a "determination" (as defined in Section 1313(a) of the Code and any similar provision of state or local Tax Law).

(b) Tax Returns. For the avoidance of doubt, any Tax deductions attributable to any payments or expenses borne directly or indirectly by either Seller Entity or by the Company Entities in connection with the transactions contemplated hereby shall be attributed, to the extent deductible on a "more likely than not" or higher basis in a Pre-Closing Tax Period, to such Seller Entity and shall be reflected on such Tax Returns filed with respect to such Seller Entity. Seller shall prepare or cause to be prepared and timely file or cause to be timely filed any (x) Tax Returns of the Company Entities that are required to be filed on or before the Closing Date and (y) any Pass-Through Income Tax Returns of the Company Entities that are solely for taxable periods ending on or prior to the Closing Date ("Seller Returns"). Such Seller Returns

shall be prepared consistent with the past practices of the relevant Company Entity (except as otherwise required by applicable Law) and any Taxes required to be paid pursuant to any such Seller Return shall be paid, or caused to be paid, by the Seller Entities. Seller shall provide Buyer with a draft of any Seller Return at least fifteen (15) days prior to the due date thereof (including permitted extensions) for Buyer's review and comment and shall consider in good faith any reasonable comments received from Buyer. Buyer shall cause each Company Entity to prepare and file (or cause to be prepared and filed) all Pass-Through Income Tax Returns of the Company Entities first due after the Closing Date for any Straddle Period (each, a "Straddle Period Return"), in each case consistent with the past practices of such Company Entity (except as otherwise required by applicable Law). Buyer shall provide Seller with a draft of any Straddle Period Return at least fifteen (15) days prior to the due date thereof (including permitted extensions) for Seller's review and comment, and shall incorporate Seller's reasonable comments thereto.

(c) Post-Closing Actions. From and after the Closing Date, without Seller's written consent, none of Buyer, any of its Affiliates (including any Company Entity), or any Representatives thereof, shall (i) file, re-file, amend, or supplement any Pass-Through Income Tax Return for any Pre-Closing Tax Period (or portion thereof), (ii) change any method or period of accounting for any Pre-Closing Tax Period, (iii) make, change, approve or consent to any Tax election with respect to any Company Entity that is retroactively effective for any Pre-Closing Tax Period (or portion thereof), (iv) with respect to any Tax Proceeding controlled by Seller under Section 6.7(d), extend or waive the limitation period applicable to any Tax claim assessment relating to any Pre-Closing Tax Period, or (v) voluntarily approach any taxing authority regarding any Taxes or Tax Returns of any Company Entity that were originally due on or before the Closing Date (taking into account existing extensions), in each case to the extent doing so would impact any Pass-Through Income Tax Return for any Pre-Closing Tax Period (or portion thereof).

(d) Tax Proceedings. Seller and Buyer shall notify the other in writing within ten (10) days of the receipt by such Party (or any of its Affiliates), as applicable, of notice of any inquiries, claims, assessments, audits or similar events with respect to Taxes of or with respect to any Company Entity for which some or all of such Taxes Seller (or any of its Affiliates) would reasonably be expected to be liable directly on a pass-through basis (such as Income Taxes) as a matter of Law (a "Tax Proceeding"). Seller shall control and defend any Tax Proceeding for any Pre-Closing Tax Period (not including any portion of any Straddle Periods); *provided, however,* that Seller shall (i) permit Buyer to participate (at its own expense) in such Tax Proceeding, (ii) keep Buyer reasonably informed of the major developments and status of such Tax Proceeding, and (iii) not settle or compromise any such Tax Proceeding without Buyer's written consent, which shall not be unreasonably withheld, conditioned or delayed. Buyer shall control and defend any Tax Proceeding for any Straddle Period; *provided, however,* that Buyer shall (i) permit Seller to participate (at its own expense) in such Tax Proceeding, (ii) keep Seller reasonably informed of developments and the status of such Tax Proceeding, and (iii) not settle or compromise such Tax Proceeding without the prior written consent of Seller, which shall not be unreasonably withheld, conditioned or delayed. Any Taxes resulting from a Tax Proceeding in respect of a Straddle Period shall be allocated among the Seller and Buyer on a "closing of the books" basis with respect to Income Taxes and a pro rata basis in respect of ownership during the Straddle Period with respect to non-Income Taxes.

(e) Cooperation. Buyer and Seller shall, and shall cause their respective Affiliates to, provide to the other Party such reasonable cooperation and information, as and to the extent reasonably requested and reasonably necessary, in connection with (i) preparing, reviewing or filing any Tax Return, amended Tax Return or claim for refund of or with respect to the Company Entities, (ii) determining Liabilities for Taxes or a right to refund of Taxes of or

with respect to the Company Entities or (iii) conducting any audit or other action with respect to Taxes of or with respect to the Company Entities.

Section 6.8 Insurance. From and after the Closing Date (i) the Company Entities shall cease to be insured by, have access or availability to, be entitled to make claims on, be entitled to claim benefits or seek coverage under, any of Seller's or its Affiliates insurance policies or any of their self-insured programs described on Section 6.8 of the Seller Disclosure Schedules and (ii) with regards to the insurance policies or self-insured programs described on Section 6.8 of the Seller Disclosure Schedules, Buyer shall be solely responsible for obtaining or providing insurance coverage for the Company Entities for any event or occurrence after the Closing sufficient to comply with any and all of the contractual and statutory obligations of the Company Entities.

Section 6.9 Indemnification; Directors and Officers Insurance.

(a) From and after the Closing Date, Buyer shall, and shall cause each of the Company Entities to, to the fullest extent permitted by Law, indemnify, defend and hold harmless each individual who on or prior to the Closing Date was a director, manager, managing member, officer or controlling equity holder of any Company Entity (each, a "Covered Party") against all Actions, claims, actions, Liabilities, losses, damages, judgments, fines, Taxes, penalties, fees, costs or expenses (including reasonable attorney fees, costs and expenses) incurred or suffered by such Covered Party arising out of or relating to any act or omission of such Covered Party in their capacity as a director, manager, officer, employee, trustee, fiduciary or controlling equity holder of any Company Entity or any acts or omissions taken at the request of any Company Entity, in each case, at any time prior to or on the Closing Date (including the negotiation, entry into, performance and consummation of the transactions contemplated by this Agreement and the other Transaction Documents). Neither Buyer nor any Company Entity shall settle, compromise or consent to the entry of any judgment in any pending or threatened Action with respect to which a Covered Party may be entitled to indemnification hereunder without the prior written consent of such Covered Party, unless such Covered Party is given an express and unconditional full release of any and all Liability by all relevant parties. The foregoing shall be in addition to, and shall not modify or limit, any other rights any Covered Party may have under any Governing Document, insurance policy, Contract or Law.

(b) For a period of not less than six (6) years from and after the Closing Date, Buyer shall cause the Governing Documents of each Company Entity to contain provisions no less favorable with respect to exculpation, indemnification, contribution, advancement of expenses or reimbursement of the Covered Parties than are set forth in their respective Governing Documents as of the date hereof. Buyer agrees that all rights of the Covered Parties to exculpation, indemnification, contribution, advancement of expenses or reimbursement with respect to acts or omissions occurring at or prior to the Closing pursuant to any Governing Document of any Company Entity as in effect on the date hereof, any Contract with a Covered Party as in effect on the date hereof or any applicable Law shall survive the Closing and shall continue in full force and effect in accordance with their terms.

(c) On or prior to the Closing Date, Seller and the Company Entities shall obtain, at Buyer's sole cost and expense in an amount not to exceed $125,000, a non-cancelable run-off insurance policy for directors' and officers' liability, for a period of six (6) years after the Closing Date to provide insurance coverage for events, acts or omissions occurring on or prior to the Closing Date, including in connection with this Agreement and the transactions contemplated hereby, for all persons who were directors, managers or officers of Seller, the BlackRock Member, Annex 0 or any Company Entity, as applicable, on or prior to the Closing Date (the "D&O Insurance"). Buyer shall cause any Company Entity, as applicable, to maintain the D&O Insurance in full force and effect, and continue to honor the obligations thereunder.

(d) Buyer hereby acknowledges that certain Covered Parties may have rights to indemnification, contribution, advancement of expenses, reimbursement or insurance provided by Persons other than the Company Entities (collectively, the "Other Indemnitors"). Buyer hereby agrees (i) that Buyer and the Company Entities are the indemnitors of first resort (i.e., their obligations to the Covered Party are primary and any obligation of the Other Indemnitors are secondary), (ii) Buyer and the Company Entities shall be required to indemnify and advance expenses to any Covered Party to the extent required by the terms of this Agreement, the applicable Governing Documents of the Company Entities, any other applicable indemnification agreements or arrangements or applicable Law, without regard to any rights the Covered Party may have against the Other Indemnitors or any insurance provided thereby and (iii) Buyer, on its own behalf and on behalf of the other Buyer Related Parties and their respective successors and assigns, hereby unconditionally and irrevocably waives, releases and forever discharges each of the Other Indemnitors from any and all claims against the Other Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. Buyer, on its own behalf and on behalf of the other Buyer Related Parties, further agrees that no advancement or payment by an Other Indemnitor on behalf of an Covered Party with respect to any claim for which an Covered Party has sought indemnification from any Company Entity shall affect the foregoing and the applicable Other Indemnitor shall have a right of contribution or be subrogated to the extent of such advancement or payment to all of the rights of recovery of the Covered Party against Buyer or any Company Entity.

(e) In the event Buyer or any Company Entity (i) consolidates with or merges into any other Person and shall not be the continuing entity after such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provision shall be made so that such continuing entity or transferee of such assets, as the case may be, shall assume the obligations set forth in this Section 6.9.

Section 6.10 R&W Policy. In the event that any Buyer Related Party obtains, or directs any other Person to obtain, any representations and warranties insurance policy or policies in respect of any representations and warranties contained in this Agreement or in any other Transaction Document at any time before or after the Closing (each such policy, a "R&W Policy"), (a) all premiums, fees and expenses (including all underwriting fees, Taxes, surcharges and brokerage commissions) incurred by such parties in obtaining such R&W Policy shall be borne solely by Buyer, (b) Buyer shall provide Seller a reasonable opportunity to review such R&W Policy in advance of binding coverage thereunder and shall incorporate in such R&W Policy any reasonable comments provided by Seller, (c) such R&W Policy shall include a provision whereby the insurers thereof expressly waive any right or claim with respect to subrogation, contribution, assignment of rights or claims or any other form of recovery in connection with this Agreement and the transactions contemplated hereby against all Seller Related Parties (except the right to assert a claim for Fraud against any Party to the extent the payment of any loss under such R&W Policy arose out of Fraud committed by such Party) (the "Subrogation Waiver"), (d) the Seller Related Parties shall be intended third party beneficiaries of the Subrogation Waiver, and (e) no Buyer Related Party shall amend, waive, modify or otherwise revise, or permit the amendment, waiver, modification or other revision of, the R&W Policy in any manner inconsistent with the foregoing or otherwise materially adverse to any Seller Related Party.

Section 6.11 Use of Names. Seller is not conveying to Buyer or any of its Affiliates (including, following the Closing, the Company Entities), and, neither Buyer nor any of its Affiliates (including, following the Closing, the Company Entities) will have any ownership or other rights whatsoever in, and Seller is not licensing or otherwise granting to Buyer, or, following the Closing, the Company Entities, or any of their respective Affiliates, any rights whatsoever to, the names "Caithness" or "Caithness Energy", or any derivations thereof (such names and derivations, the "Seller Names"). Buyer and its Affiliates will (i) as soon as

practicable after the Closing, and in any event within six (6) months of Closing, remove, and will cause the Company Entities to remove, all such names from the Project and the Company Entities, including all filings, communications, signage and other materials, and (ii) as soon as practicable after the Closing, and in any event within six (6) months of Closing, cause the Governing Documents of each Company Entity to be amended to remove any references to such names. For six (6) months following the Closing, Seller, on behalf of itself and its Affiliates, hereby grants to the Company Entities a non-exclusive right to use the Seller Names in a substantially similar manner as such Seller Names are used by the Company Entities or in connection with the Project as of the Closing. Nothing in this Section 6.11 shall restrict Buyer, its Affiliates or any Company Entities from any use of a Seller Name as required by Law, internally, or in a manner that does not constitute trademark infringement.

Section 6.12 Casualty.

(a) If any of the Company Entities' or the Project's assets are damaged or destroyed by casualty loss or similar event or circumstance or taken in condemnation or under right of eminent domain after the date of this Agreement and prior to the Closing (each such event or circumstance, a "Casualty Loss"), Seller shall notify Buyer in writing (email being sufficient). If a Casualty Loss occurs and (i) in the case of a casualty loss, the cost of restoring the asset damaged or destroyed to a condition reasonably comparable to the condition the asset had immediately prior to such Casualty Loss or (ii) in the case of a condemnation, the condemnation value therefor (in each case net of and after giving effect to any insurance proceeds, tax benefits, condemnation or other awards, liquidated damages or third party proceeds received or realized by, or reasonably agreed by Seller and Buyer in good faith will be available to, the applicable Company Entity with respect to such event or circumstance) (such amount with respect to any assets as determined by the Accounting Firm, the "Restoration Cost") does not exceed $233,011,600, subject to Section 6.12(b), the amount of the Purchase Price shall be reduced by the Restoration Cost (as estimated by the Accounting Firm) as contemplated in the definitions of "Estimated Purchase Price" and "Purchase Price", and such Casualty Loss shall not affect the Closing. If the Restoration Cost is in excess of $233,011,600 then either Seller or Buyer may, by notice to the other Party, terminate the Agreement pursuant to Section 9.1(g) within ten (10) Business Days after the Accounting Firm provides its determination of the Restoration Cost; *provided, however*, that if neither Buyer nor Seller terminates the Agreement within such ten (10) Business Day period, then the Purchase Price shall be reduced by the amount of the Restoration Cost and such Casualty Loss shall otherwise not affect the Closing. In the event of a Casualty Loss prior to the Closing, Seller shall, and shall cause its respective Affiliates to, use commercially reasonable efforts to collect amounts due (if any) under available insurance arrangements in respect of any such Casualty Loss (all such amounts, "Casualty Cash") and shall cause any such Casualty Cash to be contributed or assigned to the Company Entity that suffered such Casualty Loss (*provided* that in the event the Purchase Price is reduced due to such Casualty Loss, and such Purchase Price reduction does not take into account such insurance proceeds, then any such insurance proceeds that are received by the Company Entities following the Closing shall be promptly remitted to Seller).

(b) Notwithstanding the provisions of Section 6.12(a), if the amount equal to the sum of all Restoration Costs with respect to all Casualty Losses (the "Aggregate Restoration Cost") is, in the aggregate, equal to or less than one percent (1%) of the Enterprise Value, then the corresponding Aggregate Restoration Cost shall not result in any reduction in the Purchase Price.

(c) To assist Buyer in its evaluation of any and all Casualty Losses (including Restoration Costs), Seller shall provide Buyer such reasonable access to the properties and assets of Seller, and the Company Entities, including the Project, and such information as Buyer may reasonably request in connection therewith, subject to the conditions of Section 6.2(a).

(d) Notwithstanding anything in this Agreement to the contrary, as between the Parties, this Section 6.12 shall be the sole and exclusive remedy of the Parties with respect to any Casualty Loss that damages, impairs, destroys or takes the Project during the Interim Period and there shall be no other liability for Seller and its Affiliates hereunder other than this Section 6.12 due to such Casualty Loss.

Section 6.13 Financial Statement Cooperation.

(a) During the period beginning on the date hereof and ending on the earlier of (i) the date that is ninety (90) days after the Closing Date and (ii) the date this Agreement is terminated in accordance with Article IX (the "Cooperation Period"), Seller shall use commercially reasonable efforts to prepare and deliver (to the extent not already provided), at the Buyer's sole cost and expense:

(i) (a) audited financial statements of the Company Entities, including combined balance sheets, statements of operations, statements of cash flows, and statements of members equity, as of and for the fiscal year ended December 31, 2024; *provided* that such financial statements shall only include information as of and for the fiscal year ended December 31, 2024, on or before the delivery of the financial statements for the fiscal quarter ending June 30, 2025 pursuant to clause (ii) below and (b) audited financial statements of the Company Entities, including combined balance sheets, statements of operations, statements of cash flows, and statements of members equity, as of and for the fiscal year ended December 31, 2025, provided that such financial statements shall only include information as of and for the fiscal year ended December 31, 2025, within ninety (90) days after the end of such fiscal year, to the extent the Closing occurs after December 31, 2025;

(ii) with respect to the fiscal quarter ending June 30, 2025 and each fiscal quarter ending after the date of this Agreement and prior to the Closing Date (other than the end of a fiscal quarter that is also a year-end), unaudited financial statements of the Company Entities, including combined balance sheets, statements of operations, statements of cash flows, and statements of members equity, for (A) the three month period of such fiscal quarter (and the corresponding period of the preceding fiscal year) and (B) the period beginning on January 1 of the applicable year and ending at the end of such fiscal quarter (and the corresponding period of the preceding fiscal year), which in each case shall (1) include notes to the financial statements and (2) be reviewed by Seller's auditors in accordance with customary review procedures for interim financial statements, within fifty (50) days after the end of such fiscal period; *provided* that for the period ending June 30, 2025, such financial statements shall be required within seventy-five (75) days after the end of such fiscal period;

(iii) with respect to the fiscal quarter in which the Closing Date occurs, unaudited financial statements of the Company Entities, including combined balance sheets, statements of operations, statements of cash flows, and statements of members equity, for (A) the period beginning on the first day of such fiscal quarter and ending on (and including) the Closing Date and (B) the period beginning on January 1 of the applicable year and ending on (and including) the Closing Date, within forty (40) days after the Closing Date;

(iv) with respect to the most recently ended fiscal quarter and fiscal year prior to the Closing Date for which financial statements are required to be delivered pursuant to clauses (i) and (ii) above, respectively, all financial data and other information reasonably requested by Buyer for, and to use commercially reasonable efforts to cooperate with, the preparation by Buyer of versions of such financial statements that are compliant with Regulation S-X applied on a consistent basis throughout the periods covered thereby, solely to the extent required pursuant to Item 9.01 of Securities and Exchange Commission (the "SEC") Form 8-K;

(v) as soon as reasonably practicable, all financial data, audit reports and other related information reasonably requested by Buyer (to the extent not previously provided) and necessary to permit Buyer to prepare (A) offering documents used in connection with any private placements of debt securities under Rule 144A promulgated under the Securities Act and (B) pro forma financial statements (it being understood that such statements, data, reports and other information shall not be required for any fiscal year prior to the fiscal year ended December 31, 2023 or any accounting period subsequent to the Closing Date); and

(vi) all financial data and other information reasonably requested by Buyer in connection with the preparation by Buyer of any statements, forms, schedules, reports or other documents filed or furnished with the SEC or any other Governmental Authorities as are required of Buyer (or its potential successors) under applicable Laws;

provided, however, that in each case of the foregoing clauses, such financial statements shall be prepared in accordance with GAAP. During the Cooperation Period, Seller shall use its commercially reasonable efforts to provide Buyer and its Representatives at Buyer's sole cost and expense reasonable access upon reasonable prior notice during normal business hours to such historic financial statements, records, financial data and personnel of Seller's and its Subsidiaries' accounting firms as the Buyer may reasonably request to enable Buyer and its Representatives to prepare any such financial statements (it being understood that such statements, records and data shall not be required for any fiscal year prior to the fiscal year ended December 31, 2023 or any accounting period subsequent to the Closing Date).

(b) During the Cooperation Period, Seller shall use commercially reasonable efforts to cause the personnel of Seller and its Subsidiaries, and to request its independent auditors and other applicable consultants or service providers, to reasonably cooperate with the Buyer and its Representatives in the interpretation, preparation, and disclosure of any financial statements, including pro forma financial statements, described in Section 6.13(a), in each case, at Buyer's sole cost and expense. During the Cooperation Period (the "Comfort Period"), Seller shall use commercially reasonable efforts to request its independent auditors to, at the Buyer's sole cost and expense, (i) provide, execute and deliver customary "comfort letters," that include negative assurance "comfort" and "comfort" with respect to historical data of the Company Entities, (ii) provide reports, letters and consents related to their work for the Company Entities, (iii) issue any customary representation letters in connection therewith to any underwriter or purchaser in a securities offering by Buyer or its Affiliates including financial statements of the Company Entities or pro forma financial statements including financial information of the Company Entities, (iv) consent to the inclusion or incorporation by reference of its audit opinion or report with respect to any audited financial statements of the Company Entities, as applicable, (v) consent to be named an expert in any offering memorandum, private placement memorandum, prospectus, or filing used or filed by Buyer or its Affiliates in connection with any private placements of debt securities under Rule 144A or a registered offering of debt securities with respect to the audited or unaudited financial statements of the Company Entities and (vi) provide access to Buyer and its Representatives to the work papers of the independent auditors of the Company Entities. All of the information provided by Seller and its Affiliates pursuant to this Section 6.13 is given without any representation or warranty, express or implied, and neither Seller nor any of its Affiliates or its or their respective accountants shall have any liability or responsibility with respect thereto. Without limiting the generality of the foregoing sentence, Buyer shall indemnify, defend and hold harmless Seller, the BlackRock Member and their respective Affiliates from and against any and all damages, liabilities or losses suffered or incurred arising from the financial statements prepared and delivered or the cooperation provided by the Seller pursuant to this Section 6.13 (other than as set forth in this Section 6.13(b) and to the extent such liabilities arise from actual fraud or willful misconduct of Seller or their Affiliates

or any of their respective Representatives) and any information utilized in connection therewith. Buyer shall promptly reimburse Seller for all reasonable costs and expenses incurred by Seller and its Affiliates in connection with the cooperation and assistance provided pursuant to this Section 6.13; *provided, however,* that such reimbursement under Section 6.13(b) shall not apply to, and Buyer shall not be responsible for, costs and expenses incurred by Seller and its Affiliates in connection with the preparation of the financial statements described in Section 6.13(a)(i) and Section 6.13(a)(ii).

(c) Notwithstanding anything to the contrary contained herein, Seller and the Company Entities will be deemed to be in compliance with this Section 6.13 for all purposes hereunder, and Buyer shall not allege that Seller (or any other Person) is or has not been in compliance with this Section 6.13 for any purpose hereunder, unless both (i) Buyer provides prompt written notice to Seller of the alleged failure to comply, specifying in reasonable detail such alleged failure, which failure to comply has not been cured within ten (10) Business Days of such notice and (ii) Seller's willful breach of this Section 6.13 was the primary and direct cause of (x) Buyer or its Affiliates being unable to satisfy applicable disclosure requirements under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder or (y) the failure of the Debt Financing to be obtained on or before the Termination Date. For the avoidance of doubt, and notwithstanding anything to the contrary, the obligations of Buyer to consummate the transactions contemplated by this Agreement are not conditional on or subject to the delivery of any financial statements or other documents or information described in this Section 6.13 (subject to the terms of Section 7.3).

Section 6.14 Financing Cooperation.

(a) From and after the date hereof until the earlier of the Closing Date and the termination of this Agreement pursuant to Section 9.1, Seller shall and shall cause the Company Entities to use each of their respective commercially reasonable efforts to provide to Buyer, at the sole expense of Buyer, customary information and take other customary actions as are reasonably requested by Buyer in connection with the Debt Financing, which shall include, using commercially reasonable efforts to:

(i) at least three (3) Business Days prior to Closing (to the extent requested from the Company Entities at least seven (7) Business Days prior to the anticipated Closing), providing all documentation and other information about the Company Entities as is reasonably requested by Buyer which the sources in respect of the Debt Financing reasonably determine is required with respect to applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act and that is required as a condition precedent to the initial funding of the Debt Financing;

(ii) facilitate the execution of the Payoff Letters;

(iii) facilitate the execution and delivery at the Closing of definitive documents reasonably related to the Debt Financing, including any guarantees, pledge and security documents, other definitive financing documents (in each case including the schedules thereto), or in connection with the authorization of the Debt Financing and the definitive documentation related thereto, and the execution and delivery of such definitive documentation in anticipation of the Closing (*provided* that all such authorization, execution and delivery shall be deemed to become effective only if and when the Closing occurs; and *provided, further* that the Company Entities shall not be required to deliver or cause the delivery of any legal opinions);

(iv) provide reasonable assistance to Buyer in its preparation of the Marketing Materials;

(v) exercise commercially reasonable efforts to cooperate with the Marketing Efforts of Buyer; and

(vi) provide reasonable assistance in identifying any portion of the information relating to the Seller and its Subsidiaries (including the Company Entities) set forth in the Marketing Materials relating to the Debt Financing that would constitute material non-public information.

(b) Seller hereby consents to the use of the logos of the Company Entities in connection with the Marketing Efforts; *provided*, *however*, that such logos are used (i) in a manner that is not intended to, or reasonably likely not to, disparage any of the Company Entities or their reputation or goodwill or (ii) in any manner as reasonably approved by Seller.

(c) All such assistance referred to in this Section 6.14 in connection with the Debt Financing shall be at Buyer's written request with reasonable prior notice and except as provided herein, at Buyer's sole cost and expense, and Buyer shall promptly reimburse Seller or its Affiliates for all costs and expenses (including attorneys' fees) incurred by them and their respective personnel and non-legal advisors in connection with such assistance; *provided*, *however*, that such reimbursement under this Section 6.14(c) shall not apply to, and Buyer shall not be responsible for, (x) costs and expenses incurred, regardless of the Debt Financing, whether in connection with the satisfaction of obligations solely under other provisions of this Agreement or that would have been incurred in connection with the transactions contemplated hereby or otherwise, or (y) any amounts incurred in connection with the Payoff Letters or the Financial Statements. Buyer shall indemnify, defend and hold harmless Seller, the BlackRock Member and each of their respective Affiliates from and against any and all damages, liabilities or losses suffered or incurred arising from the financial statements prepared and delivered or the cooperation provided by Seller, the BlackRock Member, each Company Entity and any of their respective Affiliates or any of their personnel or non-legal advisors pursuant to this Section 6.14 (other than as set forth in this Section 6.14(c)), except to the extent such liabilities arise from actual fraud or willful misconduct of Seller or their Affiliates or any of their respective Representatives and any information utilized in connection therewith.

(d) Notwithstanding the foregoing or anything else to the contrary in this Agreement, neither Seller nor any Company Entity (or any of their Affiliates or any of their personnel or advisors) shall be required to (i) provide or prepare, and Buyer shall be solely responsible for the preparation of, pro forma financial information, including pro forma costs savings, synergies, capitalization or other pro forma adjustments desired to be incorporated into any pro forma financing information, (ii) pay any commitment or other fee, (iii) provide Regulation S-X compliant financial statements, (iv) enter into any agreement or commitment in connection with the Debt Financing which would be effective prior to the Closing (other than customary authorization letters), (v) approve any document or other matter related to the Debt Financing or incur any Liability of any kind (or cause their Representatives to incur any Liability of any kind) prior to the Closing, except to the extent reimbursable or indemnified by Buyer hereunder (other than as required under Section 6.13(b), (vi) provide any opinion, (vii) provide access to or disclose any information to Buyer or its Representatives to the extent such disclosure would jeopardize the attorney-client privilege, attorney work product protections or other evidentiary privilege or protection or violate any applicable Law or Contract, (viii) execute or deliver any Real Estate Deliveries, (ix) with respect to any Third Party Assurance, arrange for the issuance of replacement letters of credit, surety bonds or similar instruments, backstop letters of credit or other assurance or post cash collateral to the issuer with respect thereto or (x) take any action that would (A) unreasonably interfere with the day-to-day operations of any Company Entity or cause material competitive harm to the business of any Company Entity if the transaction contemplated by this Agreement are not consummated, (B) cause any representation, warranty, covenant, agreement or other provision in this Agreement or any Transaction

Document to be untrue, incorrect, breached or violated in any respect, (C) cause any closing condition set forth in Article VII to fail to be satisfied, (D) cause any Company Entity or any director, manager, officer or employee of any Company Entity to incur any personal Liability, (E) conflict with the Governing Documents of Company Entity or any Law or Permit, (F) result in the contravention of, a violation or breach of, or a default under, any Contract, (G) change any fiscal period, or (H) authorize any corporate or similar action prior to the Closing.

(e) Notwithstanding anything to the contrary contained herein, (i) this Section 6.14 sets forth Seller's and the Company Entities' sole obligations with respect to the Debt Financing or any other debt or other financing of Buyer or any of its Affiliates and (ii) Seller and the Company Entities will be deemed to be in compliance with this Section 6.14 for all purposes hereunder, and Buyer shall not allege that Seller (or any other Person) is or has not been in compliance with this Section 6.14 for any purpose hereunder, unless both (A) Buyer provides prompt written notice to Seller of the alleged failure to comply, specifying in reasonable detail such alleged failure, which failure to comply has not been cured within ten (10) Business Days of such notice and (B) Seller's willful breach of this Section 6.14 was the primary and direct cause of the failure of the Debt Financing to be obtained on or before the Termination Date.

Section 6.15 Affiliate Contracts. Other than those Affiliate Contracts set forth on Section 6.15 of the Seller Disclosure Schedules, at or prior to the Closing, Seller shall cause all Affiliate Contracts to be terminated without any further force or effect following the Closing, and Buyer and the Company Entities shall not have any Liability in respect thereof following the Closing.

Section 6.16 Wrong Pocket; Certain Insurance Matters.

(a) If at any time after the Closing, Buyer or any of its Affiliates (including the Company Entities) (i) receives, any payment, remittance or other amount which should have been paid to Seller or the Subsidiary Seller or (ii) is in possession of any assets which should have been transferred to Seller or the Subsidiary Seller, in each case, Buyer shall promptly notify Seller or the Subsidiary Seller (as applicable) of its receipt or possession of such assets and transfer, or cause its applicable Affiliate to transfer, such funds or assets to Seller or the Subsidiary Seller (as applicable) (or its designee) as soon as reasonably practicable, but in no event later than fifteen (15) days after receipt of such funds, upon identification thereof, for no additional consideration. Prior to any such transfer, Buyer shall, or shall cause its applicable Affiliate to, preserve the value of and hold in trust for the use and benefit of Seller or the Subsidiary Seller (as applicable) (or its designee) such funds or assets and provide to Seller or the Subsidiary Seller (as applicable) (or its designee) all of the benefits arising from such funds or assets and otherwise cause such funds or assets to be used as reasonably instructed by Seller or the Subsidiary Seller (as applicable).

(b) If at any time after the Closing, Seller or the Subsidiary Seller or any of their respective Affiliates (i) receives, any payment, remittance or other amount which should have been paid to Buyer or any Company Entity, including with respect to Emissions Credits or (ii) is in possession of any assets which should have been transferred to Buyer or any Company Entity, then, in each case, Seller or the Subsidiary Seller (as applicable) shall promptly notify Buyer of its receipt or possession of such assets and transfer, or cause its applicable Affiliate to transfer, such funds or assets to Buyer (or its designee) as soon as reasonably practicable, but in no event later than fifteen (15) days after receipt of such funds, upon identification thereof, for no additional consideration. Prior to any such transfer, Seller or the Subsidiary Seller (as applicable) shall, or shall cause its applicable Affiliate to, preserve the value of and hold in trust for the use and benefit of Buyer (or its designee) such funds or assets and provide to Buyer (or its designee) all of the benefits arising from such funds or assets and otherwise cause such funds or assets to be used as reasonably instructed by Buyer.

(c) Buyer acknowledges and agrees that all insurance arrangements maintained by Seller, the Subsidiary Seller and each of their Affiliates for the benefit of the Company Entities will be terminated as of the Closing and the Company Entities will cease to be insured by, have access or availability to, be entitled to make claims on, or claim benefits or seek coverage under, any of Seller's, the Subsidiary Seller's or any of their Affiliates' insurance policies or self-insurance programs; *provided, however,* that in respect of any claims commenced after the Closing Date arising from for an event or occurrence prior to the Closing Date, the Company Entities, subject to the terms and conditions of the applicable policies, may make claims on any of Seller's, the Subsidiary Seller's or any of their Affiliates' occurrence-based insurance policies covering the Company Entities at the time of such event or occurrence, and Seller, the Subsidiary Seller and each of their Affiliates shall use commercially reasonable efforts to assist Buyer and the Company Entities in asserting any such claims; *provided, further,* that Buyer shall be solely liable for, and neither Seller nor the Subsidiary Seller shall have any obligation to pay or reimburse Buyer or the Company Entities for, all deductibles and retentions and all uninsured, uncovered, unavailable or uncollectable amounts relating to or associated with such claims, whether made by the Company Entities, their respective employees or third parties.

Section 6.17 Admin Agreement. In the event Buyer delivers written notice to Seller within forty-five (45) days of the date of this Agreement electing to extend the duration of the Admin Agreement, then following the Closing the Admin Agreement shall remain in full force and effect until terminated pursuant to this Section 6.17 (the "AMA Extension Notice"). The AMA Extension Notice shall specify the number of days the Admin Agreement will remain in full force and effect following Closing, not to exceed ninety (90) days (the "AMA Extension Period"). During any AMA Extension Period, notwithstanding anything to the contrary in the Transition Services Agreement, Buyer shall have no obligation to pay the "Charges" (as defined in the Transition Services Agreement) or any other fees or amounts that would otherwise be payable under the Transition Services Agreement, which shall not, for the avoidance of doubt, impact the other rights and obligations of the Transition Services Agreement. At the end of the AMA Extension Period, the Admin Agreement shall automatically terminate and be of no further force and effect. If Buyer fails to deliver an AMA Extension Notice within forty-five (45) days of the date of this Agreement, the Admin Agreement shall automatically terminate and be of no further force and effect at Closing.

Article VII.

CONDITIONS TO CLOSING

Section 7.1 Conditions Precedent to Obligations of Buyer and Seller. The respective obligations of each Party to consummate the transactions contemplated by this Agreement are subject to the satisfaction (or, where legally permissible, waiver by such Party) at or prior to the Closing Date of each of the following conditions:

(a) No Prohibition. There shall be no Law that is in effect that prohibits the consummation of the transactions contemplated hereby.

(b) Antitrust Authorizations. All applicable waiting periods (and any extensions thereof) under the HSR Act shall have expired or been terminated, and no commitment to or agreement with a Governmental Authority (entered into in accordance with Section 6.4, for the avoidance of doubt, with the express written consent of Seller) shall be in effect.

(c) FERC Matters. FERC authorization under Section 203 of the FPA required to consummate the transactions contemplated hereby shall have been obtained and be in

full force and effect and waiver of the 90-day notice period required under Schedule 2 of the PJM Tariff shall have been granted or such 90-day notice period shall have expired.

Section 7.2 Conditions Precedent to Obligations of Seller and Subsidiary Seller. The obligation of Seller and Subsidiary Seller to consummate the transactions contemplated by this Agreement is subject to the satisfaction (or waiver in writing by Seller) at or prior to the Closing Date of each of the following additional conditions:

(a) Accuracy of Buyer's Representations and Warranties.

(i) The representations and warranties of Buyer contained in this Agreement other than the Buyer Fundamental Representations, disregarding all qualifications contained herein relating to materiality or Material Adverse Effect, shall be true and correct in each case on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date (except, in either case, for such representations and warranties which by their express provisions are made as of an earlier date, in which case, as of such earlier date), except to the extent that the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, have a Material Adverse Effect on Buyer.

(ii) The Buyer Fundamental Representations shall be true and correct in all respects, other than *de minimis* inaccuracies, in each case on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date (except, in either case, for such representations and warranties which by their express provisions are made as of an earlier date, in which case, as of such earlier date).

(b) Covenants and Agreements of Buyer. Buyer shall have performed and complied in all material respects with all of the covenants and agreements hereunder required to be performed and complied with by it prior to the Closing, other than with respect to the covenants contained in Section 6.10, which Buyer shall have performed and complied with in all respects.

(c) Certificate of Buyer. Seller shall have received a certificate signed by a duly authorized officer of Buyer confirming the matters set forth in Section 7.2(a) and Section 7.2(b) as of the Closing Date.

Section 7.3 Conditions Precedent to Obligations of Buyer. The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the satisfaction (or waiver in writing by Buyer) at or prior to the Closing Date of each of the following additional conditions:

(a) Accuracy of Seller's Representations and Warranties.

(i) The representations and warranties of Seller contained in this Agreement other than the Seller Fundamental Representations, disregarding all qualifications contained herein relating to materiality or Material Adverse Effect, shall be true and correct, in each case on and as of the Closing Date (except, in either case, for such representations and warranties which by their express provisions are made as of an earlier date, in which case, as of such earlier date) with the same force and effect as though such representations and warranties had been made on the Closing Date, except to the extent that the failure of such representations and warranties to be true and correct would not, individually or in the aggregate, have a Material Adverse Effect on the Company Entities, taken as a whole.

(ii) The Seller Fundamental Representations shall be true and correct in all respects, other than *de minimis* inaccuracies, in each case on and as of the Closing Date with the same force and effect as though such representations and warranties had been made on the Closing Date (except, in either case, for such representations and warranties which by their express provisions are made as of an earlier date, in which case, as of such earlier date).

(b) Covenants and Agreements of Seller. Seller and Subsidiary Seller shall have performed and complied in all material respects with all of the covenants and agreements hereunder required to be performed and complied with by Seller and Subsidiary Seller prior to the Closing.

(c) Certificate of Seller. Buyer shall have received a certificate signed by a duly authorized officer of Seller confirming the matters set forth in Section 7.3(a) and Section 7.3(b) as of the Closing Date.

(d) No Material Adverse Effect. Since the date hereof, no event, change, fact, condition, circumstance or occurrence shall have occurred and is continuing that has had or would reasonably be expected to have a Material Adverse Effect on the Company Entities, taken as a whole.

(e) Inside Date. The occurrence of 12:01 a.m., Eastern Time, on October 17, 2025.

Article VIII.

SURVIVAL AND REMEDIES

Section 8.1 No Survival. Notwithstanding anything to the contrary in this Agreement, the other Transaction Documents or in any certificate or schedule (including the Seller Disclosure Schedule) delivered pursuant hereto or thereto, the Parties, intending to contractually shorten any otherwise applicable statute of limitations, hereby agree, on their own behalf and on behalf of the other Seller Related Parties and Buyer Related Parties (as applicable), that (a) none of the (i) representations and warranties or (ii) covenants or agreements to the extent that they require performance at or prior to the Closing ("Pre-Closing Covenants"), in each case, contained in this Agreement, the other Transaction Documents or in any certificate or schedule (including the Seller Disclosure Schedule) delivered pursuant hereto or thereto or otherwise in connection herewith or therewith, shall survive the Closing, and (b) from and after the Closing, no Person will have any remedy, recourse or entitlement whatsoever, whether at law or in equity, in contract, tort or otherwise, with respect to this Agreement, the other Transaction Documents or any certificate or schedule (including the Seller Disclosure Schedule) delivered pursuant hereto or thereto or otherwise in connection herewith or therewith, or the transactions contemplated hereby or thereby, it being agreed that all such remedies, recourse and entitlements are hereby expressly waived and released to the fullest extent permitted by Law, except for (x) the right to specifically enforce, or to recover any damages (other than punitive and exemplary damages, which are hereby expressly waived and released) with respect to the breach of, any covenant or agreement solely to the extent such covenant or agreement is to be performed or complied with after the Closing, and (y) the right to assert a common law claim for Fraud against a Party (clauses (x) and (y) collectively, the "Retained Rights"); *provided*, *however*, that no Person shall be entitled to seek any punitive or exemplary damages with respect to any Retained Rights, which are hereby expressly waived and released to the fullest extent permitted by Law (and which, for the sake of clarity, shall in no event constitute Retained Rights). For the sake of clarity, the covenants and agreements contained in Section 6.10 and this Article VIII shall not be deemed to be "Pre-Closing Covenants" for purposes of this Section 8.1 and shall survive the Closing.

Section 8.2 Limitations on Remedies.

(a) EXCEPT WITH RESPECT TO ANY R&W POLICY AND FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN ARTICLE III AND ARTICLE IV, THE PROJECT HOLDING COMPANY INTERESTS ARE BEING ACQUIRED “AS IS, WHERE IS,” AND SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, AS TO LIABILITIES, OPERATIONS OF THE BUSINESSES, OR ASSETS (INCLUDING TITLE, CONDITION, VALUE OR QUALITY THEREOF) OF THE COMPANY ENTITIES OR THE PROSPECTS (FINANCIAL AND OTHERWISE), RISKS AND OTHER INCIDENTS OF THE ASSETS OF THE COMPANY ENTITIES OR AS TO ANY OTHER MATTER, AND SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATION OR WARRANTY OF QUALITY, MERCHANTABILITY, NON-INFRINGEMENT, USAGE, OR SUITABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE WITH RESPECT TO THE ASSETS OF THE COMPANY ENTITIES, OR ANY PART THEREOF, OR AS TO THE WORKMANSHIP THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR PATENT, OR COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS, OR AS TO THE CONDITION OF THE ASSETS OF THE COMPANY ENTITIES OR ANY PART THEREOF, INCLUDING WHETHER THE COMPANY ENTITIES POSSESS SUFFICIENT REAL PROPERTY OR PERSONAL PROPERTY TO OPERATE THE BUSINESS OF THE COMPANY ENTITIES, IN EACH CASE EXCEPT AS EXPRESSLY SET FORTH HEREIN. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT WITH RESPECT TO ANY R&W POLICY OR AS EXPRESSLY PROVIDED IN ARTICLES III AND IV HEREIN, SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATION OR WARRANTY OF ANY KIND REGARDING THE CONDITION OF THE ASSETS OF THE COMPANY ENTITIES OR THE SUITABILITY OF THE PROJECT FOR OPERATION OR AS A SITE FOR THE DEVELOPMENT OF ELECTRIC GENERATION CAPACITY FOR ANY PURPOSE OR ANY OTHER MATTER, AND NO MATERIAL OR INFORMATION OR STATEMENTS PROVIDED BY OR COMMUNICATIONS MADE BY OR ON BEHALF OF SELLER OR THE OTHER SELLER RELATED PARTIES, INCLUDING ANY INFORMATION OR MATERIAL CONTAINED IN THE CONFIDENTIAL INFORMATION MEMORANDUM OR MANAGEMENT PRESENTATION RECEIVED BY BUYER OR ANY OF THE OTHER BUYER RELATED PARTIES, ANY PROJECTIONS OR FORECASTS, INFORMATION PROVIDED DURING DUE DILIGENCE, INCLUDING INFORMATION IN THE DUE DILIGENCE MATERIALS, AND ANY ORAL, WRITTEN OR ELECTRONIC RESPONSE TO ANY INFORMATION REQUEST PROVIDED TO BUYER OR ANY OTHER BUYER RELATED PARTY, WILL CAUSE OR CREATE ANY WARRANTY, EXPRESS OR IMPLIED, OR OTHERWISE MAY BE RELIED UPON, AS TO THE TITLE, CONDITION, VALUE OR QUALITY OF THE PROJECT HOLDING COMPANY INTERESTS AND THE ASSETS OF THE COMPANY ENTITIES OR ANY OTHER MATTER, OTHER THAN TO THE EXTENT EXPRESSLY SET FORTH IN A REPRESENTATION OR WARRANTY CONTAINED IN ARTICLES III AND IV HEREIN.

(b) EXCEPT FOR ANY REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN ARTICLE V, BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, HEREBY

WAIVES, ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EXCEPT AS EXPRESSLY PROVIDED IN ARTICLE V HEREIN, BUYER, ON BEHALF OF ITSELF AND THE OTHER BUYER RELATED PARTIES, EXPRESSLY DISCLAIMS, AND SELLER, ON BEHALF OF ITSELF AND THE OTHER SELLER RELATED PARTIES, HEREBY WAIVES, ANY REPRESENTATION OR WARRANTY OF ANY KIND REGARDING ANY MATTER, AND NO MATERIAL OR INFORMATION OR STATEMENTS PROVIDED BY OR COMMUNICATIONS MADE BY OR ON BEHALF OF BUYER OR THE OTHER BUYER RELATED PARTIES WILL CAUSE OR CREATE ANY WARRANTY, EXPRESS OR IMPLIED, OR OTHERWISE MAY BE RELIED UPON, AS TO ANY MATTER, OTHER THAN TO THE EXTENT EXPRESSLY SET FORTH IN A REPRESENTATION OR WARRANTY CONTAINED IN ARTICLE V HEREIN.

(c) From and after the Closing, to the fullest extent permitted under applicable Law, including by contractually shortening all applicable statutes of limitation and without limiting Buyer's rights under any R&W Policy, Buyer, on its own behalf and on behalf of the other Buyer Related Parties and their respective successors and assigns (each a "Buyer Releasor"), hereby unconditionally and irrevocably waives, releases and forever discharges any and all Liabilities, rights, claims, demands, causes of action, losses, damages, representations, warranties, covenants and agreements of any type whatsoever (whether express or implied) whether in law or equity or otherwise, that Buyer or any of the other Buyer Releasors have or may have, now or in the future, against any Seller Related Party and each of their respective successors and assigns (each, a "Buyer Releasee"), in each case, arising out of, or relating to, (a) the Project Holding Company Interests or any other Interests of any Company Entity, (b) any matter, occurrence, act, omission, fact or circumstance occurring or existing on or prior to the Closing Date, (c) any inaccuracy or breach of any representation or warranty or the breach of any Pre-Closing Covenant contained in this Agreement, any other Transaction Document or any other certificate or schedule (including the Seller Disclosure Schedules) delivered pursuant hereto or thereto or otherwise in connection herewith or therewith or (d) any other representation or warranty (express or implied), disclosure, failure to disclose or any information (whether written or oral), documents or materials made available or furnished by or on behalf of any Seller Related Party, in each case, other than the Retained Rights (the "Buyer Released Claims"). Buyer shall, and shall cause the other Buyer Releasors to, (A) comply with and observe the release contained in this Section 8.2(c) and (B) not bring or voluntarily participate or assist in any Action or other claim with respect to any Buyer Released Claims.

(d) From and after the Closing, to the fullest extent permitted under applicable Law, including by contractually shortening all applicable statutes of limitation, Seller, on its own behalf and on behalf of the other Seller Related Parties and their respective successors and assigns (each a "Seller Releasor"), hereby unconditionally and irrevocably waives, releases and forever discharges any and all Liabilities, rights, claims, demands, causes of action, losses, damages, representations, warranties, covenants and agreements of any type whatsoever (whether express or implied) whether in law or equity or otherwise, that Seller or any of the other Seller Releasors have or may have, now or in the future, against any Buyer Related Party and each of their respective successors and assigns (each, a "Seller Releasee" and, together with the Buyer Releasees, the "Releasees"), in each case, arising out of, or relating to, (a) the Project Holding Company Interests or any other Interests of any Company Entity, (b) any matter, occurrence, act, omission, fact or circumstance occurring or existing on or prior to the Closing Date, (c) any inaccuracy or breach of any representation or warranty or the breach of any Pre-Closing Covenant contained in this Agreement, any other Transaction Document or any other certificate or schedule delivered pursuant hereto or thereto or otherwise in connection herewith or therewith or (d) any other representation or warranty (express or implied), disclosure, failure to disclose or any information (whether written or oral), documents or materials made available or furnished by or on behalf of any Buyer Related Party, in each case, other than (i) the Retained

Rights and (ii) any rights, claims or remedies with respect to exculpation, indemnification, contribution, advancement of expenses or reimbursement against or from any Company Entity by reason of the fact that any such Person or any of its equity holders, directors, managers, officers, or employees is or was an equity holder, employee, officer, director, manager or other agent of a Company Entity pursuant to any Governing Document, any directors' and officers', fiduciary, employment practices or similar insurance policy or any indemnification or related agreements in existence on the date of this Agreement (the "Seller Released Claims"). Seller shall, and shall cause the other Seller Releasors to, (A) comply with and observe the release contained in this Section 8.2(d) and (B) not bring or voluntarily participate or assist in any Action or other claim with respect to any Seller Released Claims.

Article IX.

TERMINATION

Section 9.1 Termination Events. Without prejudice to other remedies which may be available to the Parties by Law or this Agreement, this Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Closing:

(a) by the mutual written consent of Seller and Buyer;

(b) by either Seller or Buyer by giving written notice to the other Party if the Closing shall not have occurred by July 17, 2026 (the "Termination Date"), unless extended by written agreement of Seller and Buyer; *provided*, *however*, that if the only conditions that have not been satisfied or waived as of the Termination Date (other than conditions that by their nature are to be satisfied at the Closing and remain capable of being satisfied) are any of the conditions in Section 7.1(a) (with respect to antitrust Law), Section 7.1(b), or Section 7.1(c), the Termination Date shall be automatically extended to January 17, 2027; and *provided, further, however,* that the right to terminate this Agreement under this Section 9.1(b) shall not be available to any Party whose breach of its obligations under this Agreement has been a primary cause of, or resulted in, the failure of the transactions contemplated hereby to be consummated by such time;

(c) by either Seller or Buyer by giving written notice to the other Party if such other Party has breached its representations, warranties, covenants, agreements or other obligations hereunder in a manner that renders impossible the satisfaction of any condition of such Party giving notice set forth in Article VII not to be satisfied and such breach is incapable of being cured or has not been cured by the Party receiving such written notice within forty-five (45) days after delivery of such notice; *provided, however,* that the right to terminate this Agreement under this Section 9.1(c) shall not be available to any Party who is then in material breach of any of its representations, warranties, covenants, agreements or other obligations hereunder;

(d) by either Seller or Buyer by giving written notice to the other Party if any Governmental Authority shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the consummation of any of the transactions contemplated by this Agreement, and such order, decree, ruling or other action shall not be subject to appeal or shall have become final and unappealable; *provided, however,* that the right to terminate this Agreement under this Section 9.1(d) shall not be available to any Party whose breach of its obligations under this Agreement has been a cause of, or resulted in, the failure of the transactions contemplated hereby to be consummated by such time;

(e) by Seller if (i) all of the conditions set forth in Section 7.1 and Section 7.3 have been satisfied (and continue to be satisfied) or irrevocably waived (other than any such

conditions which by their terms are not capable of being satisfied until the Closing Date, but will be satisfied at Closing) and (ii) Buyer does not consummate the transactions contemplated hereby within three (3) Business Days of the day the Closing is required to occur pursuant to Section 2.3;

(f) by Buyer if (i) all of the conditions set forth in Section 7.1 and Section 7.2 have been satisfied (and continue to be satisfied) or irrevocably waived (other than any such conditions which by their terms are not capable of being satisfied until the Closing Date, but will be satisfied at Closing) and (ii) the Seller Entities do not consummate the transactions contemplated hereby within five (5) Business Days of the day the Closing is required to occur pursuant to Section 2.3; or

(g) by either Buyer or Seller, by written notice to other Party under the circumstances set forth in, and in accordance with, Section 6.12.

Section 9.2 Effect of Termination. In the event of termination of this Agreement pursuant to Section 9.1, this Agreement shall immediately terminate and have no further force and effect and there shall be no Liability on the part of any Party to any other Party under this Agreement, except (a) as set forth in Section 9.3, (b) that the covenants and agreements set forth in Section 6.2(b), Section 6.5, this Article IX and Article X and all definitions herein necessary to interpret any of the foregoing provisions shall remain in full force and effect and survive such termination indefinitely and (c) that nothing in this Section 9.2 or in Section 9.3 shall release any Party from any Liability for any breach by such Party of this Agreement before the effective date of such termination, or otherwise affect any of the rights or remedies (whether under this Agreement, or at Law, in equity or otherwise) available to any Party with respect to the breach of this Agreement by any Party before the effective date of such termination; *provided*, *however*, that, if this Agreement is validly terminated pursuant to Section 9.1, no Party shall have any remedy or right to recover for any liabilities resulting from any breach of any representation or warranty contained herein unless such breach was intentional and willful on the part of the breaching party. For the avoidance of doubt, without limitation of the foregoing, neither Party waives any claims for any breach of this agreement that was intentional and willful and each Party acknowledges that a failure by Buyer or Seller to consummate the transactions in breach or violation of this Agreement shall be deemed to be intentional and willful, including in the case of Buyer whether or not Buyer had sufficient funds available.

Section 9.3 Termination Fee and Remedies.

(a) If (i) this Agreement is terminated by Seller or Buyer pursuant to Section 9.1(b) or Section 9.1(d), (ii) all of the conditions to Closing set forth in Section 7.3 have been satisfied (other than such conditions to Closing that by their nature are to be satisfied at the Closing or that have been waived in writing by the applicable Party) and one or more of the conditions to Closing set forth in Section 7.1 was not satisfied, and (iii) Buyer has failed to take any Remedy Action requested by any Governmental Authority, or that if offered to any Governmental Authority would have resulted in the satisfaction of the unsatisfied condition(s) set forth in Section 7.1, in each case with respect to the Specified Asset, then Buyer shall pay to an Affiliate of Seller as designated in writing by Seller, by wire transfer of immediately available funds within five (5) Business Days following the date of termination, as liquidated damages, an amount equal to $100,000,000 (the “Termination Fee”). Until such time as this Agreement is validly terminated pursuant to this Article IX, nothing contained in this Article IX shall prevent, limit, impede or impair the ability of a Party to seek specific performance at any time prior to the termination of this Agreement pursuant to Article IX.

(b) The provision for payment of the Termination Fee has been included because the actual losses to be incurred by Seller and Subsidiary Seller in the circumstances

where the Termination Fee is payable can reasonably be expected to approximate the Termination Fee provided for herein and because in the circumstances where the Termination Fee is payable Seller and Subsidiary Seller will suffer material harm but the actual amount of such losses would be difficult if not impossible to measure accurately. The Parties further expressly acknowledge and agree that the Termination Fee is a material inducement to the willingness of Seller and Subsidiary Seller to enter into this Agreement and is an integral part of the transactions contemplated by this Agreement and is intended not as a penalty, but as liquidated compensation to the Seller and Seller Subsidiary in the circumstances where the Termination Fee is payable. In addition, the Parties acknowledge and agree that, in the event Buyer shall fail to pay the Termination Fee when due, and Seller or Subsidiary Seller commences a proceeding which results in a judgment or similar award against Buyer for such Termination Fee, then Buyer shall also pay, to Seller and Subsidiary Seller, each of their reasonable, documented out-of-pocket costs and expenses (including reasonable attorneys' fees and expenses of enforcement) in connection with such proceeding.

(c) Other than in a case of Fraud, upon termination of this Agreement in the manner contemplated in Section 9.3(a), the Termination Fee shall be the sole and exclusive remedy of Seller, Subsidiary Seller and their Affiliates and their respective Representatives against any Buyer Related Party for any losses or Liabilities suffered as a result of the failure of the Closing to be consummated or for any other matter under, relating to or arising out of this Agreement or any other Transaction Document or any of the transactions contemplated hereby or thereby, whether based on Contract, tort, strict liability, other Laws or otherwise, or any Claim based on, in respect of, or by reason of any of the foregoing, and upon payment of the Termination Fee, none of Seller, Subsidiary Seller, any of their Affiliates or any of their respective Representatives shall pursue or be entitled to pursue or make any Claim against any Buyer Related Party, and no Buyer Related Party shall have any Liability arising out of the circumstances giving rise to any termination of this Agreement or for any other matter under, relating to or arising out of or in connection with this Agreement or any other Transaction Document or any of the transactions contemplated hereby or thereby.

Article X.

MISCELLANEOUS

Section 10.1 Parties in Interest. Other than (a) the proviso to the definition of "Affiliate" (and the Sections reference therein), Section 6.9, Section 6.10, Section 6.13, Section 6.14, Article VIII, Section 9.2, this Section 10.1, Section 10.11 and Section 10.13, (b) to the extent necessary to enforce any of the foregoing, this Article X, and (c) the definitions of the terms used in any of the foregoing, in each case, which are intended to benefit and may also be enforced directly by the BlackRock Member, the Covered Parties, the Other Indemnitors, the Releasees, the Seller Related Parties, the Buyer Related Parties, the Non-Recourse Persons and Seller's Counsel, as applicable, this Agreement is not intended to confer and does not confer upon any Person other than the Parties any rights or remedies hereunder.

Section 10.2 Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign (by contract, stock sale, operation of Law or otherwise) either this Agreement or any of its rights, interests, or obligations hereunder without the express prior written consent of the other Parties, and any attempted assignment, without such consent, shall be null and void; *provided*, *however*, that Buyer may assign this Agreement or any right or obligations hereunder (a) to any of its Affiliates (*provided*, that no such assignment shall (i) relieve Buyer of its obligations hereunder or (ii) result in additional withholding Taxes to be economically borne by Seller) and (b) to any of its lenders as collateral security, none of which assignments will relieve Buyer of its obligations under this Agreement, in each case, without the prior written consent of Seller.

Section 10.3 Notices. All notices and other communications required or permitted to be given by any provision of this Agreement shall be in writing and mailed (certified or registered mail, postage prepaid, return receipt requested) or sent by hand or overnight courier, or by email, charges prepaid and addressed to the intended recipient as follows, or to such other addresses or numbers as may be specified by a Party from time to time by like notice to the other Parties:

If to Seller: c/o Caithness Services LLC
12 Broad Street
4th Floor, Suite 404
Red Bank, New Jersey 07701
Attn.: Andrew Savko; Gail Conboy
Email: *****

with a copy to: Paul Hastings LLP
200 Park Avenue
New York, New York 10166
Attn.: Mike Huang
Email: mikehuang@paulhastings.com

and: c/o BlackRock Alternatives Management, LLC
One Lafayette Place
Greenwich, CT 06830
Email: *****
Attention: James Berner, Matthew Raben

with a copy to: c/o BlackRock, Inc.
Office of the General Counsel
50 Hudson Yards
New York, NY 10001
Email: *****
Attention: Benjamin S. Clark

and: Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, NY 10017
Email: eli.hunt@stblaw.com
Attention: Eli Hunt

If to Buyer: Talen Generation, LLC
2929 Allen Parkway, 22nd Floor
Houston, TX 77019
Attn: General Counsel
Email: *****

with a copy to: Kirkland & Ellis LLP
609 Main Street

Houston, TX 77002
Attn: William J. Benitez, P.C.; Josh Teahen and Jacob Volz
Email: william.benitez@kirkland.com; josh.teahen@kirkland.com;
jacob.volz@kirkland.com

All notices and other communications given in accordance with the provisions of this Agreement shall be deemed to have been given and received when delivered by hand or transmitted by email (provided no bounce back or other notice of non-delivery is received by the sender), three (3) Business Days after the same are sent by certified or registered mail, postage prepaid, return receipt requested or one (1) Business Day after the same are sent by a reliable overnight courier service, with acknowledgment of receipt.

Section 10.4 Amendments and Waivers. This Agreement may not be amended, supplemented or otherwise modified except in a written instrument executed by each of the Parties. No waiver by any of the Parties of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence. Failure to exercise, or delay in exercising, any right or remedy shall not operate as a waiver or be treated as an election not to exercise such right or remedy, any single or partial exercise or waiver of any right or remedy shall not preclude its further exercise or the exercise of any other right or remedy. No waiver by any of the Parties of any of the provisions hereof shall be effective unless explicitly set forth in writing and executed by the Party sought to be charged with such waiver.

Section 10.5 Exhibits and Schedules. All Exhibits and Schedules and the Seller Disclosure Schedule and Buyer Disclosure Schedule attached hereto are hereby incorporated herein by reference and made a part hereof. Except as otherwise provided in the Seller Disclosure Schedule, all capitalized terms therein shall have the meanings assigned to them in this Agreement. Matters reflected in the Seller Disclosure Schedule are not necessarily limited to matters required by this Agreement to be disclosed. No (a) disclosure made in the Seller Disclosure Schedule shall constitute an admission or determination that any fact or matter so disclosed is material, has had or could reasonably be expected to have a Material Adverse Effect on any of the Company Entities, meets a dollar or other threshold set forth in this Agreement or would otherwise be required to be disclosed and (b) Person shall use the fact of the setting of a threshold or the inclusion of such facts or matters in any dispute or controversy as to whether any obligation, amount, fact or matter is or is not material, is or is not in excess of a dollar or other threshold or would otherwise be required to be disclosed, for purposes of this Agreement. Information disclosed in any Section of the Seller Disclosure Schedule delivered will qualify any representation, warranty, covenant or agreement in this Agreement to the extent that the relevance or applicability of the information disclosed to any such representation, warranty, covenant or agreement is reasonably apparent on its face, notwithstanding the absence of a reference or cross-reference to such representation, warranty, covenant or agreement in such Section of the Seller Disclosure Schedule or the absence of a reference or cross-reference to such Section of the Seller Disclosure Schedule in such representation, warranty, covenant or agreement. No disclosure in the Seller Disclosure Schedule relating to any possible breach or violation of any agreement or Law shall be construed as an admission or indication that any such breach or violation exists or has actually occurred.

Section 10.6 Headings. The table of contents and section headings contained in this Agreement are for reference purposes only and shall not be deemed a part of this Agreement or affect in any way the meaning or interpretation of this Agreement.

Section 10.7 Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. Notwithstanding anything to the contrary in this Agreement, each representation and warranty in this Agreement is given independent effect so that if a particular representation and warranty proves to be inaccurate or is breached, the fact that another representation and warranty concerning the same or similar subject matter is true or is not breached, whether such other representation and warranty is more general or more specific, narrower or broader or otherwise, will not affect the inaccuracy or breach of such particular representation and warranty.

Section 10.8 Entire Agreement. This Agreement (including the Schedules and the Exhibits hereto), the other Transaction Documents and the Confidentiality Agreement constitute the entire agreement among the Parties with respect to the subject matter hereof and thereof and supersede any prior understandings, negotiations, agreements, or representations among the Parties of any nature, whether written or oral, to the extent they relate in any way to the subject matter hereof or thereof.

Section 10.9 Severability. If any provision of this Agreement or the application of any such provision to any Person or circumstance shall be declared by any court of competent jurisdiction to be invalid, illegal, void or unenforceable in any respect, all other provisions of this Agreement, or the application of such provision to Persons or circumstances other than those as to which it has been held invalid, illegal, void or unenforceable, shall nevertheless remain in full force and effect and shall in no way be affected, impaired or invalidated thereby. Upon such determination that any provision, or the application of any such provision, is invalid, illegal, void or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible to the fullest extent permitted by applicable Law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible. Notwithstanding anything contained herein, under no circumstance shall the obligation of Seller to deliver the Project Holding Company Interests be enforceable absent enforceability of the obligation of Buyer to pay the Purchase Price, and vice versa.

Section 10.10 Expenses.

(a) Buyer shall be responsible for, and shall pay directly or promptly reimburse Seller for amounts paid by or on behalf of Seller or any other Seller Related Party, (i) any and all costs of any filing fees with respect to any filings required under the HSR Act or FERC in connection with this Agreement and the transactions contemplated hereby regardless of which Party is obligated under applicable Law or otherwise incurs any such fees, (ii) premiums, fees, costs or expenses (including underwriting fees, Taxes, surcharges and brokerage commissions) incurred by any Buyer Related Party in obtaining any R&W Policy, (iii) premiums, fees, costs or expenses (including Taxes, surcharges and brokerage commissions) related to the D&O Insurance, (iv) obligations incurred by, on behalf of, or at the direction of any Buyer Related Party (including in connection with any financing of the transactions contemplated by this Agreement), (v) premiums, fees, costs or expenses (including Taxes, surcharges and brokerage commissions) related to any title insurance policy covering any Owned Real Property, and (vi) costs and expenses Buyer is required to bear pursuant to Section 6.13 and Section 6.14 (the foregoing clauses (i) through (vi), collectively, "Buyer Expenses").

(b) Unless otherwise provided herein, including the Buyer Expenses, each of Buyer and Seller agrees to pay, without right of reimbursement from the other, all costs and expenses incurred by it incident to the negotiation, preparation, execution and delivery of this

Agreement and the other Transaction Documents, the consummation of the transactions contemplated hereby and thereby and its performance of its obligations hereunder and thereunder, including the fees and disbursements of counsel, accountants, financial advisors, experts and consultants employed by the respective Parties in connection with the transactions contemplated hereby, whether or not the transactions contemplated by this Agreement are consummated.

Section 10.11 No Recourse Against Non-Recourse Persons. Except for the rights and remedies of Buyer with respect to the R&W Policy and in the case of Fraud, solely against the Person committing such Fraud, all claims, obligations, Liabilities, or Actions (whether in contract or in tort, in equity or at Law, or granted by statute) that may be based upon, in respect of, arise under, out or by reason of, be connected with, or relate in any manner to this Agreement, or the negotiation, execution, or performance of this Agreement (including any representation or warranty made in, in connection with, or as an inducement to, this Agreement), may be made only against (and are those solely of) the entities that are expressly identified as "Parties" in the preamble to this Agreement (the "Contracting Parties"). No Person who is not a Contracting Party, including any Buyer Related Party or Seller Related Party, but excluding the insurer under the R&W Policy (the "Non-Recourse Persons"), shall have any Liability (whether in contract or in tort, in equity or at Law, or granted by statute) for any claims, causes of action, obligations, or Liabilities arising under, out of, in connection with, or related in any manner to this Agreement or based on, in respect of, or by reason of this Agreement or in its negotiation, execution, performance, or breach; and, to the maximum extent permitted by applicable Law, each Contracting Party hereby waives and releases all such Liabilities, claims, Actions and obligations against any such Non-Recourse Persons. Without limiting the generality of the foregoing, to the maximum extent permitted by applicable Law, (a) each Contracting Party hereby waives and releases any and all rights, claims, demands, or Actions that may otherwise be available in equity or at Law, or granted by statute, to avoid or disregard the entity form of a Contracting Party or otherwise impose Liability of a Contracting Party on any Non-Recourse Persons, whether granted by statute or based on theories of equity, agency, control, instrumentality, alter ego, domination, sham, single business enterprise, piercing the veil, unfairness, undercapitalization, or otherwise; and (b) each Contracting Party disclaims any reliance upon any Non-Recourse Persons with respect to the performance of this Agreement or any representation or warranty made in, in connection with, or as an inducement to this Agreement.

Section 10.12 Remedies. The Parties agree that irreparable damage would occur (for which monetary relief, even if available, would not be an adequate remedy) in the event that any of the provisions of this Agreement were not performed by any Party, as applicable, in accordance with their specific terms or were otherwise breached by any Party, as applicable, including if the Parties fail to take any action required of them hereunder to consummate the transactions contemplated by this Agreement (including Buyer's obligations to consummate the Closing). It is accordingly agreed that (i) the Parties shall be entitled to an injunction or injunctions, specific performance, or other equitable relief to prevent breaches of this Agreement by any Party, as applicable, and to enforce specifically the terms and provisions hereof against each Party, as applicable, without proof of damages or otherwise, this being in addition to any other remedy to which the Parties are entitled at law or in equity and (ii) the right of specific performance and other equitable relief is an integral part of the transactions contemplated by this Agreement and without that right, none of the Parties would have entered into this Agreement. The Parties agree not to assert that a remedy of specific performance or other equitable relief is unenforceable, invalid, contrary to law or inequitable for any reason, and agree not to assert that a remedy of monetary damages would provide an adequate remedy or that the Parties otherwise have an adequate remedy at law. The Parties acknowledge and agree that any Party seeking an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the terms and provisions of this Agreement in accordance with this Section 10.12 shall not be required to provide any bond or other security in connection with any such order or injunction.

Notwithstanding anything to the contrary contained in this Agreement, from and after the Closing, no Party shall have, and to the fullest extent permitted by Law, each Party hereby expressly, irrevocably and unconditionally waives and releases, any right of rescission or any similar equitable right or remedy.

Section 10.13 Legal Representation.

(a) It is acknowledged by each of the Parties that the Company Entities and Seller have retained Paul Hastings LLP (collectively, "Seller's Counsel") to act as their counsel in connection with the transactions contemplated hereby and that Seller's Counsel has not acted as counsel for any other Party in connection with the transactions contemplated hereby and that none of the other Parties has the status of a client of any of Seller's Counsel for conflict of interest or any other purposes as a result thereof. Seller and Buyer hereby agree that, in the event that any dispute, or any other matter in which the interests of Seller and its Affiliates, on the one hand, and Buyer and its Affiliates (including the Company Entities), on the other hand, are adverse, arises after the Closing between Buyer or the Company Entities, on the one hand, and Seller and its Affiliates, on the other hand, Seller's Counsel may represent any or all of Seller and its Affiliates in such dispute even though the interests of Seller and its Affiliates may be directly adverse to Buyer or the Company Entities, and even though Seller's Counsel formerly may have represented the Company Entities in any matter substantially related to such dispute.

(b) Seller and its Affiliates and Buyer and its Affiliates (including the Company Entities following the Closing with respect to Buyer), acknowledge and agree that, in connection with any future disputes, lawsuits, actions, proceedings, investigations or other matters, including any dispute between Buyer, the Company Entities or any of its or their respective Affiliates, on the one hand, and Seller or any of its Affiliates, on the other hand, or with or between any other Persons, with respect to the transactions contemplated by this Agreement, (i) as to all communications among Seller's Counsel, the Company Entities, Seller or any of its Affiliates, the attorney-client privilege, attorney work product protection and the expectation of client confidence belongs solely to Seller or its Affiliates (other than the Company Entities), and may be controlled by Seller or its Affiliates (other than the Company Entities), and shall not pass to or be claimed by Buyer, the Company Entities, or any of their respective Affiliates and (ii) Seller's Counsel may disclose to Seller or its Affiliates any information learned by Seller's Counsel in the course of its representation of Seller, the Company Entities or their respective Affiliates, whether or not such information is subject to attorney-client privilege, attorney work product protection, of Seller's Counsel's duty of confidentiality. Accordingly, Buyer and its Affiliates shall not have access to any such communications, or to the files of Seller's Counsel, whether or not the Closing occurs. Without limiting the generality of the foregoing, upon and after the Closing, (A) to the extent that files of Seller's Counsel constitute property of the client, only Seller and its Affiliates shall hold such property rights and (B) Seller's Counsel shall have no duty whatsoever to reveal or disclose any such attorney-client communications or files to Buyer or the Company Entities by reason of any attorney-client relationship between Seller's Counsel and the Company Entities or otherwise.

(c) If and to the extent that, at any time subsequent to Closing, Buyer or any of its Affiliates (including the Company Entities) shall have the right to assert or waive any attorney-client privilege with respect to any communication between the Company Entities or its Affiliates and any Person representing them that occurred at any time prior to the Closing, Buyer, on behalf of itself and its Affiliates (including the Company Entities), shall be entitled to waive such privilege only with the consent of Seller.

Section 10.14 Governing Law. This Agreement and all claims arising out of or relating to this Agreement and the transactions contemplated hereby shall be governed by the Laws of the State of New York.

Section 10.15 Consent to Jurisdiction and Venue; Waiver of Jury Trial.

(a) The Parties irrevocably submit to the exclusive jurisdiction of (a) the state courts located in the State of New York and (b) the United States District Court for the Southern District of New York, with respect to any Action or other proceeding arising out of this Agreement or any transaction contemplated hereby (including any claim to enforce the expert determination provisions of this agreement) or any document or instrument delivered at Closing. Each of the Parties agrees to commence any Action or proceeding relating hereto in the United States District Court for the Southern District of New York or if such Action or other proceeding may not be brought in such court for jurisdictional reasons, in the state courts located in the State of New York. Each of the Parties irrevocably and unconditionally waives any objection to the laying of venue of any Action or proceeding arising out of this Agreement or the transactions contemplated hereby in (i) the state courts located in the State of New York or (ii) the United States District Court for the Southern District of New York, and hereby further irrevocably and unconditionally agrees not to plead or claim in any such court that any such Action or proceeding brought in any such court has been brought in an inconvenient forum or to raise any similar defense or objection.

(b) EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONNECTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES ENTERING INTO THIS AGREEMENT.

Section 10.16 Counterparts and Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed an original, but all of which together shall constitute one and the same instrument binding upon all of the Parties notwithstanding the fact that all Parties are not signatory to the original or the same counterpart. This Agreement may be executed electronically (including by means of .pdf or similar graphic reproduction format or by means of digital signature software, e.g. DocuSign or Adobe Sign) and delivered by e-mail or other similar means of electronic transmission, and any electronic signature shall constitute an original for all purposes.

Section 10.17 Debt Financing Sources. Notwithstanding anything in this Agreement to the contrary, each Party hereby: (a) agrees that any action, whether in law or in equity, whether in contract or in tort or otherwise, involving the sources in respect of the Debt Financing, arising out of or relating to, this Agreement, the Debt Financing or any of the transactions contemplated hereby or thereby or the performance of any services thereunder shall be subject to the exclusive jurisdiction of any federal or state court in the Borough of Manhattan, New York, New York, so long as such forum is and remains available, and any appellate court thereof and each Party hereto irrevocably submits itself and its property with respect to any such action to the exclusive jurisdiction of such court, and such action (except to the extent relating to the interpretation of any provisions in this Agreement (including any provision in any documentation related to the Debt Financing that expressly specifies that the interpretation of such provisions shall be governed by and construed in accordance with the law of the State of Delaware)) shall be governed by the laws of the State of New York (without giving effect to any conflicts of law principles that would result in the application of the laws of another jurisdiction), (b) agrees not to bring or support any action or proceeding of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against any source in respect of the Debt Financing in any way arising out of or relating to, this Agreement, the Debt Financing, or any of the transactions contemplated hereby or thereby or the performance of any services

thereunder in any forum other than any federal or state court in the Borough of Manhattan, New York, New York (and any appellate court thereof), and agrees that a final judgment in any such action may be enforced in other jurisdictions by action on the judgment or in any other manner provided by Law, (c) agrees that service of process upon any party in any such action or proceeding shall be effective if notice is given in accordance with Section 10.3, (d) irrevocably waives, to the fullest extent that it may effectively do so, the defense of an inconvenient forum to the maintenance of such action in any such court, (e) knowingly, intentionally and voluntarily waives to the fullest extent permitted by applicable Law trial by jury in any action brought against the sources in respect of the Debt Financing in any way arising out of or relating to, this Agreement, the Debt Financing or any of the transactions contemplated hereby or thereby or the performance of any services thereunder, (f) (i) waives any claims or rights against any sources of the Debt Financing relating to or arising out of this Agreement, the Debt Financing and the transactions contemplated hereby and thereby, whether at law or in equity and whether in tort, contract or otherwise, (ii) agrees not to bring or support or permit any of its Subsidiaries or its or their respective Affiliates to bring or support any suit, action or proceeding of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against any sources of the Debt Financing in any way arising out of or relating to, this Agreement, the Debt Financing or any of the transactions contemplated by this Agreement and (iii) agrees that none of the sources in respect of the Debt Financing shall have any liability to Seller or the Companies or any of their respective Non-Recourse Persons relating to or arising out of this Agreement, the Debt Financing or any of the transactions contemplated hereby or thereby or the performance of any services thereunder or in respect of any oral or other representations made or alleged to be made in connection herewith or therewith, whether in law or in equity, whether in contract or in tort or otherwise, and (g) agrees that the sources in respect of the Debt Financing are express third party beneficiaries of, and may enforce, any of the provisions in this Section 10.17 as applicable to sources in respect of the Debt Financing, and such provisions shall not be amended in any way adverse to any sources in respect of the Debt Financing without the prior written consent of the sources in respect of the Debt Financing party to the commitment letter in respect of the Debt Financing. In furtherance and not in limitation of the foregoing waiver, it is acknowledged and agreed that no source in respect of the Debt Financing shall be subject to any special, consequential, punitive or indirect damages or damages of a tortious nature. Notwithstanding the foregoing, nothing in this Section 10.17 shall affect the rights of Buyer against the sources in respect of the Debt Financing with respect to the Debt Financing or any of the transactions contemplated thereby.

For purposes of this Section 10.17, "sources of the Debt Financing" shall be interpreted to include the Persons that have committed to provide or arrange or otherwise have entered into agreements in connection with all or any part of the Debt Financing in connection with the transactions contemplated by this Agreement (solely in their capacity as sources of the Debt Financing), including the parties to any commitment letters, joinder agreements or credit agreements entered pursuant thereto or relating thereto and each of their respective Affiliates, and their Affiliates' current or future officers, directors, employees, agents, representatives, stockholders, limited partners, managers, members or partners and their successors and assigns.

[Signature Pages Follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

SELLER:

CAITHNESS ENERGY, L.L.C.

By: /s/ Ross D. Ain
Name: Ross D. Ain
Title: President

SUBSIDIARY SELLER:

CAITHNESS APEX GUERNSEY, LLC

By: /s/ Ross D. Ain
Name: Ross D. Ain
Title: President

[Signature Page to Guernsey Purchase and Sale Agreement]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

BUYER:

Talen Generation, LLC

By: /s/ Darren Olagues
Name: Darren Olagues
Title: Chief Development Officer

[Signature Page to Guernsey Purchase and Sale Agreement]

Exhibit 31.1

Certification Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Mark “Mac” A. McFarland, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Talen Energy Corporation (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. [Paragraph omitted in accordance with Exchange Act Rules 13a-14(a) and 15d-14(a)];

    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting;

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ Mark A. McFarland

Mark “Mac” A. McFarland
President & Chief Executive Officer
(Principal Executive Officer)

Dated: August 7, 2025

Certification Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Terry L. Nutt, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Talen Energy Corporation (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. [Paragraph omitted in accordance with Exchange Act Rules 13a-14(a) and 15d-14(a)];

    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting;

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ Terry L. Nutt
Terry L. Nutt
Chief Financial Officer
(Principal Financial Officer)

Dated: August 7, 2025

Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report on Form 10-Q of Talen Energy Corporation (the "Company") for the quarter ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Covered Report"), each of the undersigned officers of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Covered Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

2. The information contained in the Covered Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Mark A. McFarland
Mark "Mac" A. McFarland
President & Chief Executive Officer
(Principal Executive Officer)

/s/ Terry L. Nutt
Terry L. Nutt
Chief Financial Officer
(Principal Financial Officer)

Dated: August 7, 2025

This certification is furnished with this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed "filed" for the purpose of Section 18 of the Exchange Act or otherwise subject to the liabilities of that Section. This certification shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or the Exchange Act.