

# ArcLight closes on buy of stakes in two Pennsylvania coal plants

Exelon sold these power plant stakes to affiliates of ArcLight

01/09/2015 by Barry Cassell

Two affiliates of equity investor **ArcLight Capital Partners** on Jan. 9 notified the Federal Energy Regulatory Commission that they have completed a buy of stakes in the coal-fired Keystone and Conemaugh power plants in Pennsylvania from units of **Exelon** (NYSE: EXC).

On Dec. 23, the commission authorized the acquisition of existing generation facilities, related to the transfer of undivided ownership interests in the Conemaugh Electric Generating Station and Keystone Electric Generating Station from **Constellation Power Source Generation LLC** and **Exelon Generation Co. LLC** to ArcLight's **Chief Conemaugh Power LLC** and **Chief Keystone Power LLC**. "This letter is to advise the Commission that the Transaction was completed on December 31, 2014," said the Jan. 9 filing.

Constellation Power had held a 20.99% undivided ownership interest as a tenant-in-common in the Keystone Station and a 10.56% undivided ownership interest as a tenant-in-common in the Conemaugh Station. Exelon Generation held a 20.99% undivided ownership interest as a tenant-in common in the Keystone Station and a 20.72% undivided ownership interest as a tenant-in-common in the Conemaugh Station. Constellation Power and Exelon Generation had rights to approximately 535 MW of energy and capacity from Conemaugh and 718 MW of energy and capacity from Keystone.

Notable is that the **PPL Corp.** (NYSE: PPL) stakes in both plants are to be spun off in the new **Talen Energy**.

Keystone is a 1,711-MW coal-fired facility located in Shelocta, Pa. Conemaugh is a 1,711-MW coal-fired facility located in New Florence, Pa. They are interconnected to the transmission system owned by Pennsylvania Electric and operated by PJM Interconnection.

Chief Conemaugh and Chief Keystone are wholly-owned indirect subsidiaries of ArcLight Fund V, which is a private equity fund managed by ArcLight Capital Partners.

The Federal Energy Regulatory Commission on Dec. 19 accepted market-based rate tariffs for Chief Keystone and Chief Conemaugh in relation to operation of these ownership stakes.

ABOUT THE AUTHOR

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Barry Cassell is Chief Analyst for *GenerationHub* covering coal and emission controls issues, projects and policy. He has covered the coal and power generation industry for more than 26 years, beginning in November 2011 at *GenerationHub* and prior to that as editor of SNL Energy's *Coal Report*. He was formerly with *Coal Outlook* for 15 years as the publication's editor and contributing writer, and prior to that he was editor of *Coal & Synfuels Technology* and associate editor of *The Energy Report*. He has a bachelor's degree from Central Michigan University.

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