

DYNEGY INC.
Form S-1
December 10, 2012
Table of Contents

As filed with the Securities and Exchange Commission on December 10, 2012

No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

DYNEGY INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation
or organization)

4911
(Primary Standard Industrial
Classification Code Number)

20-5653152
(I.R.S. Employer Identification No.)

601 Travis, Suite 1400, Houston, Texas 77002
(713) 507-6400

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Edgar Filing: DYNEGY INC. - Form S-1

Catherine B. Callaway
Executive Vice President, General Counsel and Chief Compliance Officer
Dynegy Inc.

601 Travis, Suite 1400

Houston, Texas 77002

(713) 507-6400

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Gregory Pryor

David Johansen

White & Case LLP
1155 Avenue of the Americas
New York, New York 10036

(212) 819-8200

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: x

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Edgar Filing: DYNEGY INC. - Form S-1

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company).

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee (2)
Common stock, par value \$0.01 per share	32,931,493	\$18.26	\$601,329,062.18	\$82,021.28

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

(2) Calculated pursuant to Rule 457(o) under the Securities Act based on an estimate of the maximum aggregate offering price.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

EXPLANATORY NOTE

On November 7, 2011 Dynegy Holdings, LLC (DH), a wholly-owned subsidiary of Dynegy Inc. (Dynegy), and four of DH 's wholly-owned subsidiaries, Dynegy Northeast Generation, Inc. (Northeast Generation), Hudson Power, L.L.C. (Hudson), Dynegy Danskammer, L.L.C. (Danskammer) and Dynegy Roseton, L.L.C. (Roseton) and, together with DH, Northeast Generation, Hudson and Danskammer, the DH Debtor Entities) filed voluntary petitions for relief (the DH Chapter 11 Cases) under chapter 11 of title 11 of the United States Code (the Bankruptcy Code) in the United States Court for the Southern District of New York, Poughkeepsie Division (the Bankruptcy Court). On July 6, 2012, Dynegy filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the Bankruptcy Court (the Dynegy Chapter 11 Case) and, together with the DH Chapter 11 Cases, the Chapter 11 Cases) as a necessary step in our reorganization.

On July 12, 2012, Dynegy and DH, as co-plan proponents, filed the Joint Chapter 11 Plan of Reorganization for DH and Dynegy (the Plan) with the Bankruptcy Court and on September 10, 2012, the Bankruptcy Court entered an order confirming the Plan (the Confirmation Order). The Plan provided, among other things, for the merger of DH with and into Dynegy, with Dynegy as the surviving legal entity (the Merger). On September 30, 2012, we completed the Merger. The accounting treatment of the Merger was reflected as a recapitalization of DH and, similar to a reverse merger, DH is the surviving accounting entity for financial reporting purposes. Therefore, our historical results for periods prior to the Merger are the same as DH 's historical results; accordingly, for accounting purposes only, we refer to Dynegy as Legacy Dynegy for periods prior to the Merger.

As a result of the accounting treatment of the Merger discussed above, the documents incorporated by reference into this registration statement and previously filed with the Securities and Exchange Commission (the SEC) include the financial statements and other financial data of DH. In addition, please see Annex A hereto for certain financial statements of Dynegy relating to the DMG Transfer (as defined herein). The consolidated financial statements and related notes incorporated by reference herein and annexed hereto do not give effect to the Plan, including the impact of the adoption of fresh-start accounting, which was adopted upon our emergence from bankruptcy. Such adjustments will be reflected beginning October 1, 2012 in our consolidated financial statements that will be included in our Form 10-K for the year ending December 31, 2012. Please see Unaudited Pro Forma Condensed Consolidated Financial Statements herein for more information.

The Plan became effective and Dynegy emerged from chapter 11 protection on October 1, 2012 (the date on which all conditions to effectiveness contemplated under the Plan were satisfied or waived, the Plan Effective Date). On the Plan Effective Date and in accordance with the terms of the Plan, certain outstanding debt securities of DH (collectively, the DH Notes), other financial obligations of Dynegy and DH, and the outstanding common stock of Dynegy (the Old Common Stock) were cancelled. The holders of the DH Notes and certain other holders of claims against DH and Dynegy were characterized as holders of allowed general unsecured claims under the Plan (such holders, the Former Creditors) and were entitled to receive distributions of our new common stock issued by us upon emergence, as well as a cash payment on the Plan Effective Date. Certain Former Creditors may also be entitled to a future cash distribution upon the sale of the Facilities (as defined herein). The former holders of the Old Common Stock, as the beneficiaries of Dynegy 's administrative claim against DH under the Plan, were also entitled to receive distributions of our new common stock and five-year warrants to purchase shares of new common stock (the Warrants), issued by us upon emergence.

Table of Contents

The information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission relating to these securities is effective. This prospectus is not an offer to sell these securities and it is not a solicitation of an offer to buy these securities in any jurisdiction where such offer, solicitation or sale is not permitted.

Subject to Completion, dated December 10, 2012

Dynegy Inc.

32,931,493 Shares Common Stock

The selling stockholders are offering 32,931,493 shares of common stock, including 1,544,050 shares of common stock issuable upon the exercise of the Warrants issued pursuant to the Plan. We are not selling any shares of common stock under this prospectus. We will not receive any proceeds from the sale of shares to be offered by the selling stockholders.

The common stock offered by this prospectus is being registered to permit the selling stockholders to sell the offered common stock from time to time. The selling stockholders may offer and sell the offered common stock at fixed prices, prevailing market prices at the times of sale, prices related to the prevailing market prices, varying prices determined at the times of sale or negotiated prices. The shares of our common stock offered by this prospectus and any prospectus supplement may be offered by the selling stockholders directly to investors or to or through underwriters, dealers or other agents. We do not know when or in what amounts a selling stockholder may offer these shares of common stock for sale. The selling stockholders may sell all, some or none of the shares of common stock offered by this prospectus. See Plan of Distribution on page 46 for a more complete description of how the offered common stock may be sold.

Investing in our common stock involves risks. See Risk Factors beginning on page 9.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

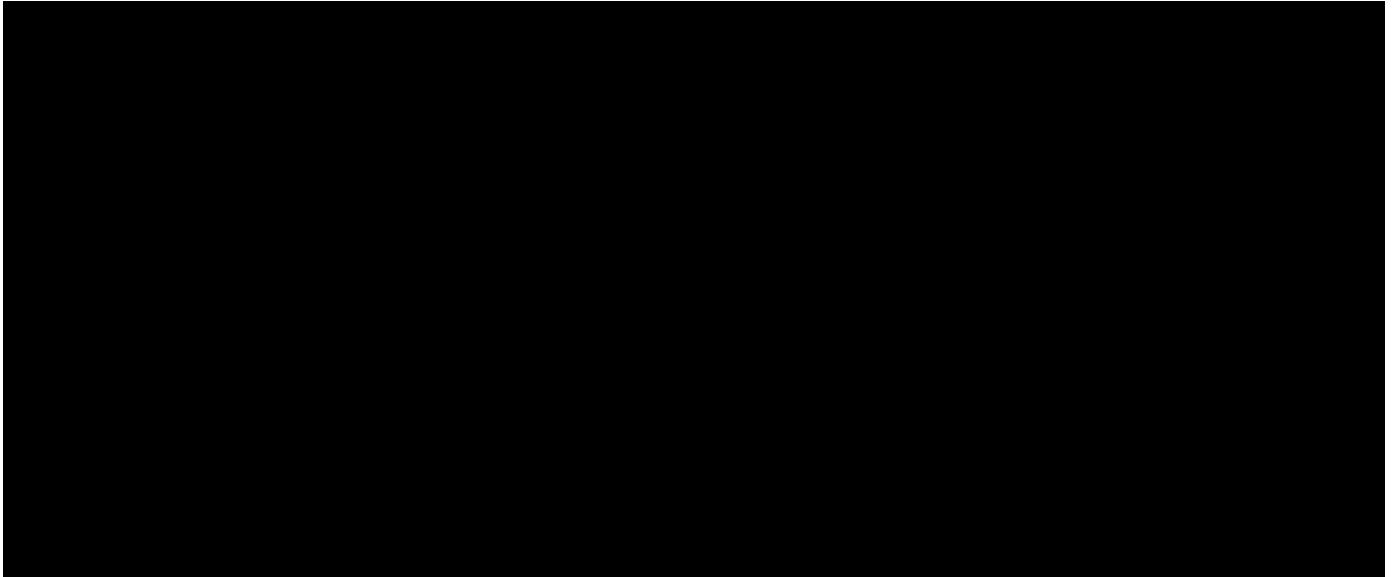
Edgar Filing: DYNEGY INC. - Form S-1

Our common stock is currently listed on the New York Stock Exchange, which we refer to as the NYSE, under the symbol DYN.

This prospectus is dated _____, 2012.

Table of Contents

TABLE OF CONTENTS



You should rely only on the information contained in this prospectus or to which we have referred you. We have not authorized anyone to provide you with information that is different. This prospectus may only be used where it is legal to sell these securities. The information in this prospectus may only be accurate on the date of this prospectus.

IF YOU ARE IN A JURISDICTION WHERE OFFERS TO EXCHANGE OR SELL, OR SOLICITATIONS OF OFFERS TO EXCHANGE OR PURCHASE, THE SECURITIES OFFERED BY THIS PROSPECTUS ARE UNLAWFUL, OR IF YOU ARE A PERSON TO WHOM IT IS UNLAWFUL TO DIRECT THESE TYPES OF ACTIVITIES, THEN THE OFFER PRESENTED IN THIS PROSPECTUS DOES NOT EXTEND TO YOU.

YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE OF THIS PROSPECTUS AND NEITHER THE MAILING OF THIS PROSPECTUS NOR THE SALE OF OUR COMMON STOCK PURSUANT TO THIS OFFERING SHALL CREATE AN IMPLICATION TO THE CONTRARY.

Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this prospectus which are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements included or incorporated by reference into this prospectus, other than statements of historical fact, that address activities, events or developments that we or our management expect, believe or anticipate will or may occur in the future are forward-looking statements. These statements represent our reasonable judgment of the future based on various factors and using numerous assumptions and are subject to known and unknown risks, uncertainties and other factors that could cause our actual results and financial position to differ materially from those contemplated by the statements. You can identify these statements by the fact that they do not relate strictly to historical or current facts. They use words such as anticipate, estimate, project, forecast, plan, may, will, should, expect and other words of similar meaning. In particular, these include, but are not limited to, statements relating to the following:

- our ability to consummate the Facilities Sale Transactions (as defined herein) in accordance with the terms of the amended and restated settlement agreement, dated as of May 30, 2012, by and among Dynegy, certain of its subsidiaries and DH's former creditor constituencies (the Settlement Agreement), the Plan, the Danskammer APA and the Roseton LOI (each, as defined herein);
- beliefs and assumptions relating to our liquidity, available borrowing capacity and capital resources generally, including the extent to which such liquidity could be affected by poor economic and financial market conditions or new regulations and any resulting impacts on financial institutions and other current and potential counterparties;
- the anticipated benefits of the overall restructuring activities, our reorganization value and the effects of fresh start accounting;
- limitations on our ability to utilize previously incurred federal net operating losses or alternative minimum tax credits;
- expectations regarding our compliance with the five-year senior secured term loan facility between Dynegy Midwest Generation, LLC (DMG) and its parent Dynegy Coal Investments Holdings, LLC (DCIH), (the DMG Credit Agreement) and the five-year senior secured term loan facility between Dynegy Power, LLC (DPC) and its parent Dynegy Gas Investments Holdings, LLC (DGIH), (the DPC Credit Agreement) and together with the DMG Credit Agreement, the Credit Agreements, including collateral demands, interest expense and other payments;
- the timing and anticipated benefits of any repayments under the Credit Agreements;
- the timing and anticipated benefits to be achieved through our company-wide cost savings programs, including our PRIDE initiative;

Edgar Filing: DYNEGY INC. - Form S-1

- expectations regarding environmental matters, including costs of compliance, availability and adequacy of emission credits, and the impact of ongoing proceedings and potential regulations or changes to current regulations, including those relating to climate change, air emissions, cooling water intake structures, coal combustion byproducts, and other laws and regulations to which we are, or could become, subject;

- beliefs, assumptions and projections regarding the demand for power, generation volumes and commodity pricing, including natural gas prices and the impact on such prices from shale gas proliferation and the timing of a recovery in natural gas prices, if any;

Table of Contents

- sufficiency of, access to and costs associated with coal, fuel oil and natural gas inventories and transportation thereof;
- beliefs and assumptions about market competition, generation capacity and regional supply and demand characteristics of the wholesale power generation market, including the anticipation of higher market pricing over the longer term;
- the effectiveness of our strategies to capture opportunities presented by changes in commodity prices and to manage our exposure to energy price volatility;
- beliefs and assumptions regarding the outcome of the California tolling contract terminations dispute and the impact of such terminations on the timing and amount of future cash flows;
- beliefs and assumptions about weather and general economic conditions;
- projected operating or financial results, including anticipated cash flows from operations, revenues and profitability;
- our focus on safety and our ability to efficiently operate our assets so as to capture revenue generating opportunities and operating margins;
- beliefs about the costs and scope of the ongoing demolition and site remediation efforts at the South Bay power generation facility in California;
- beliefs about the outcome of legal, administrative, legislative and regulatory matters, including the impact of final rules regarding derivatives to be issued by the U.S Commodity Futures Trading Commission (the CFTC) under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010;
- expectations regarding our ability to effectively raise capital in light of the recent Chapter 11 Cases;
- expectations regarding the pending DNE Chapter 11 Cases (as defined herein); and

- expectations regarding performance standards and estimates regarding capital and maintenance expenditures.

Any or all of our forward-looking statements may turn out to be wrong. They can be affected by inaccurate assumptions or by known or unknown risks, uncertainties and other factors, many of which are beyond our control.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed a registration statement on Form S-1 under the Securities Act of 1933, as amended (the Securities Act) with the SEC to register with the SEC the shares of our common stock being offered in this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed with it. For further information about us and our common stock, reference is made to the registration statement and the exhibits and schedules filed with it. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such

Table of Contents

statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement.

We file annual, quarterly and current reports, proxy and registration statements and other information with the SEC. You may read and copy any reports, statements, or other information that we file, including the registration statement, of which this prospectus forms a part, the exhibits and schedules filed with it, and the information incorporated by reference herein, without charge at the public reference room maintained by the SEC, located at 100 F Street, NE, Washington, D.C. 20549, and copies of all or any part of the registration statement may be obtained from the SEC on the payment of the fees prescribed by the SEC. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room. The SEC also maintains an internet website that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the website is www.sec.gov.

INCORPORATION BY REFERENCE OF CERTAIN DOCUMENTS

We are incorporating by reference specified documents that we file with the SEC, which means that we can disclose important information to you by referring you to those documents that are considered part of this prospectus. We incorporate by reference into this prospectus the documents listed below (other than portions of these documents that are either (1) described in paragraph (e) of Item 201 of Registration S-K or paragraphs (d)(1)-(3) and (e)(5) of Item 407 of Regulation S-K promulgated by the SEC or (2) furnished under Item 2.02 or Item 7.01 of a Current Report on Form 8-K):

- DH s Annual Report on Form 10-K for the fiscal year ended December 31, 2011, filed on September 18, 2012;
- Dynegy s Annual Report on Form 10-K for the fiscal year ended December 31, 2011 filed on March 8, 2012, as amended by Dynegy s Annual Report on Form 10-K/A, filed on April 26, 2012, for the same period (except for Items 6, 7, 8 and 15(a) thereof);
- DH s Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2012 and June 30, 2012, filed on September 18, 2012;
- Dynegy s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2012, filed on November 7, 2012;
- Dynegy s Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2012 and June 30, 2012, filed on May 10, 2012, and August 3, 2012, respectively;

Edgar Filing: DYNEGY INC. - Form S-1

- Dynegy's Current Reports on Form 8-K filed January 9, 2012, February 3, 2012, March 2, 2012, March 8, 2012, April 11, 2012, July 6, 2012, July 10, 2012, July 11, 2012, October 2, 2012, October 4, 2012, November 2, 2012, November 14, 2012 and December 10, 2012 (to the extent such reports are filed); and

- Dynegy and DH's Current Reports on Form 8-K filed on January 23, 2012, March 7, 2012, May 2, 2012, May 31, 2012, June 11, 2012, June 19, 2012, July 13, 2012, August 1, 2012, August 15, 2012, August 27, 2012, August 31, 2012 and September 13, 2012 (to the extent such reports are filed).

Any statement contained in a document incorporated or deemed to be incorporated by reference into this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or any other subsequently filed document that is deemed to be incorporated by reference into this prospectus modifies or supersedes the statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

Table of Contents

Any person, including any beneficial owner, to whom this prospectus is delivered may request copies of this prospectus and any of the documents incorporated by reference in this prospectus, without charge, by written or oral request directed to Dynegy Inc., Attention: Investor Relations Department, 601 Travis, Suite 1400, Houston, Texas 77002, telephone (713) 507-6400, on the Investor Relations section of our website at <http://www.dynegy.com> or from the SEC through the SEC's website at the web address provided under the heading Where You Can Find More Information. Documents incorporated by reference are available without charge, excluding any exhibits to those documents unless the exhibit is specifically incorporated by reference into those documents.

Except for the documents incorporated by reference as noted above, we do not intend to incorporate into this prospectus any of the information included on our website.

Table of Contents

PROSPECTUS SUMMARY

The following summary highlights information contained elsewhere in this prospectus. It does not contain all the information that may be important to you in making an investment decision. You should read this entire prospectus carefully, including the documents incorporated by reference herein and annexed hereto, which are described under Incorporation by Reference of Certain Documents, Where You Can Find Additional Information and Annex A: Financial Statements Relating to Legacy Dynegy. You should also carefully consider, among other things, the matters discussed in the section titled Risk Factors. In this prospectus, unless the context requires otherwise, references to the Company, the Issuer, we, our, or us refer to Dynegy and its consolidated subsidiaries, and references to our common stock refer to the common stock of Dynegy.

Our Business

We are a holding company and conduct substantially all of our business operations through our subsidiaries. Our primary business is the production and sale of electric energy, capacity and ancillary services from our fleet of sixteen operating power plants in six states totaling approximately 11,600 megawatts of generating capacity. This includes the Roseton and Danskammer facilities (the Facilities) which the DNE Debtor Entities (as defined below) commenced an auction for in November 2012 (the Facilities Auction) and the Oglesby and Stallings peaking facilities, which we intend to retire by the end of 2012, subject to a reliability assessment by the Midwest Independent Transmission System Operator, Inc. (MISO). Notice of the winning bids in the Facilities Auction was provided on December 10, 2012. We began operations in 1984 and became incorporated in the State of Delaware in 2007.

We sell electric energy, capacity and ancillary services on a wholesale basis from our power generation facilities. Wholesale electricity customers will, for reliability reasons and to meet regulatory requirements, contract for rights to capacity from generating units. Ancillary services are the products of a power generation facility that support the transmission grid operation, follow real-time changes in load and provide emergency reserves for major changes to the balance of generation and load. We sell these products individually or in combination to our customers under short-, medium- and long-term agreements and hedging arrangements.

We do business with a wide range of customers, including: regional transmission organizations (RTOs) and independent system operators (ISOs), integrated utilities, municipalities, electric cooperatives, transmission and distribution utilities, industrial customers, power marketers, financial participants such as banks and hedge funds, and other power generators. All of our products are sold on a wholesale basis for various lengths of time, from hourly to multi-year transactions. Some of our customers, such as municipalities or integrated utilities, purchase our products for resale in order to serve their retail, commercial and industrial customers. Other customers, such as some power marketers, may buy from us to serve their own wholesale or retail customers or as a hedge against power sales they have made.

Recent Events

Northeast Generation, Hudson, Roseton and Danskammer (together, the DNE Debtor Entities) remain in chapter 11 bankruptcy and continue to operate their businesses as debtors-in-possession (the DNE Chapter 11 Cases). Pursuant to the Settlement Agreement, certain proceeds of the sale of the Facilities (the Facilities Sale) may be distributed to certain of the Former Creditors. In November 2012, the DNE Debtor Entities commenced an auction for the Facilities and notice of the winning bids was provided on December 10, 2012. On December 10, 2012,

Edgar Filing: DYNEGY INC. - Form S-1

Danskammer entered into an asset purchase agreement (the *Danskammer APA*) with ICS NY Holdings, LLC (*ICS*) pursuant to which Danskammer will sell to ICS the Danskammer power generation facility and associated real property (the *Danskammer Sale*). At closing, Danskammer expects to receive \$3.5 million in cash, which will be distributed pursuant to the applicable provisions in the DNE Debtor Entities Joint Plan of Liquidation, and ICS will assume certain of Danskammer's liabilities as set forth in the Danskammer APA. Also on December 10, 2012, Roseton entered into a binding letter agreement and term sheet (the *Roseton LOI*) with Louis Dreyfus Highbridge Energy LLC (*LDHE*) pursuant to which Roseton and LDHE will negotiate in good faith to prepare and enter into definitive documentation for the acquisition by LDHE of the Roseton power generation facility and associated real property consistent with the terms of the Roseton LOI (the *Roseton Sale* and together with the Danskammer Sale, the *Facilities Sale Transactions*). At closing, Roseton expects to receive \$19.5 million in cash (subject to certain purchase price adjustments), which will be distributed pursuant to the applicable provisions in the DNE Debtor Entities Joint Plan of Liquidation, and LDHE will assume certain of Roseton's liabilities set forth in the Roseton LOI. The consummation of the Facilities Sale Transactions remains subject to, among other things, Bankruptcy Court approval, required regulatory approval and closing conditions set forth in the Danskammer APA or the definitive documentation prepared in accordance with the terms of the Roseton LOI, as applicable. The Bankruptcy Court hearing regarding the Facilities Sale Transactions is scheduled for December 21, 2012. If the Facilities Sale Transactions are not successful, the DNE Debtor Entities may be required to liquidate their remaining assets or convert the DNE Chapter 11 Cases to chapter 7 liquidation under the Bankruptcy Code.

Table of Contents

Our Corporate Information

Our principal executive offices are located at 601 Travis, Suite 1400, Houston, Texas 77002. Our telephone number is (713) 507-6400 and we have a website accessible at www.dynegy.com. The information posted on our website is not incorporated into this prospectus and is not part of this prospectus.

Table of Contents

THE OFFERING

Issuer	Dynegy Inc.
Securities offered by the selling stockholders	32,931,493 shares of common stock including 1,544,050 shares of common stock issuable upon the exercise of the Warrants.
Shares of common stock outstanding after this offering	115,606,936 shares of common stock.
Use of Proceeds	We will not receive any proceeds from the sale of shares of the common stock by the selling stockholders. See Use of Proceeds.
Risk Factors	Investing in our common stock involves substantial risk. For a discussion of risks relating to Dynegy, our business and investment in our common stock, see the section titled Risk Factors on page 9 of this prospectus and all other information set forth in this prospectus before investing in our common stock.
NYSE Trading Symbol	DYN

The number of shares to be outstanding after consummation of this offering is based on 115,606,936 shares of common stock outstanding as of December 5, 2012, including 15,606,936 additional shares of common stock reserved for issuance upon the exercise of the Warrants at an exercise price of \$40.00 per share that expire at 5:00 p.m. New York City time on October 2, 2017 and 804 shares held in treasury following issuance on the Plan Effective Date due to the rounding conventions applied to distributions under the Plan, but does not include restricted stock units or options issued under the 2012 Dynegy Inc. Long Term Incentive Plan (the Dynegy LTIP) regardless of whether such units or options have vested.

Table of Contents

RISK FACTORS

Investing in our common stock involves risks including, without limitation, those set forth below. There may be other unknown or unpredictable economic, business, competitive, regulatory or other factors that could have material adverse effects on our future results. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. If any of the risks described below or in any document incorporated by reference herein actually occurs, our business, financial condition and results of operations would likely suffer. In that event, the market price of our common stock could decline and investors in our common stock could lose all or part of their investment. You should carefully consider all of the information set forth in this prospectus and the documents incorporated by reference herein and annexed hereto, and, in particular, the risk factors described in Dynegy's Annual Report on Form 10-K for the fiscal year ended December 31, 2011, and those described in DH's Annual Report on Form 10-K for the fiscal year ended December 31, 2011, filed with the SEC, which are incorporated by reference into this prospectus, with your respective legal counsel, tax and financial advisors and/or accountants prior to purchasing our common stock.

Risks Related to Ownership of Our Common Stock

The resale of shares of our common stock offered may adversely affect the market price of our common stock and substantial sales of or trading in our common stock could occur in connection with emergence from bankruptcy, which could cause our stock price to be adversely affected.

At the time of our emergence from bankruptcy, we granted registration rights to the selling stockholders. The shares of our outstanding common stock held by the selling stockholders are registered for resale under the registration statement of which this prospectus forms a part. The selling stockholders, as of December 5, 2012, owned approximately 32.4% of our outstanding common stock (which includes 1,544,050 shares of common stock issuable upon exercise of the Warrants), all of which may be sold from time to time pursuant to the registration statement of which this prospectus forms a part.

On October 1, 2012, we issued an aggregate of 100,000,000 shares to holders of our Old Common Stock and the Former Creditors. These shares were issued pursuant to Section 1145 of the Bankruptcy Code (Section 1145) and are freely tradable and may be sold in the public markets immediately following our emergence from bankruptcy or thereafter from time to time, subject to certain limitations provided in Section 1145.

Commencing on April 1, 2013, assuming we remain current in our reporting obligations under the Securities Exchange Act of 1934, as amended (Exchange Act) and commencing on October 1, 2013, if we do not, these shares may be sold under Rule 144 of the Securities Act (Rule 144), subject in the case of holders that are affiliates, to restrictions on volume and manner of sale.

Some of our Former Creditors or other investors who received shares of our new common stock in connection with the Plan had the ability to sell and may have sold our shares shortly after emergence from bankruptcy for any number of reasons. The sale of significant amounts of our new common stock or substantial trading in our new common stock or the perception in the market that substantial trading in our new common stock will occur may adversely affect the market price of our new common stock.

The market price of our common stock may be volatile, which could cause the value of your investment to decline.

The trading price of our common stock on the NYSE may fluctuate substantially. The price of our common stock that will prevail in the market after the sale of the shares of common stock by a selling stockholder may be higher or lower than the price you have paid.

Table of Contents

Numerous factors, including many over which we have no control, may have a significant impact on the market price of our common stock. These risks include those described or referred to in this Risk Factors section and in the other documents incorporated herein by reference as well as, among other things:

- our operating and financial performance and prospects;
- our access to financial and capital markets to issue debt or enter into new credit facilities;
- investor perceptions of us and the industry and markets in which we operate;
- future sales of equity or equity-related securities;
- changes in earnings estimates or buy/sell recommendations by analysts; and
- general financial, domestic, economic and other market conditions.

Our common stock is an equity interest and therefore subordinated to our indebtedness.

In the event of our liquidation, dissolution or winding up, our common stock would rank below all debt claims against us. As a result, holders of our common stock will not be entitled to receive any payment or other distribution of assets upon our liquidation, dissolution or winding up until after all of our obligations to our debt holders have been satisfied.

Certain holders of our common stock or Warrants may be restricted in their ability to transfer or sell their securities.

Our common stock and Warrants issued under the Plan are exempt from registration under Section 1145(a)(1) and they may be resold by the holders thereof without registration unless the holder is an underwriter with respect to such securities. Resales by persons who received our common stock or Warrants pursuant to the Plan that are deemed to be underwriters as defined in Section 1145(b) would not be exempted by Section 1145 from registration under the Securities Act, or other applicable law. Such persons would only be permitted to sell such securities without registration if they are able to comply with the provisions of Rule 144 under the Securities Act or another applicable exemption. See Shares Eligible for Future Sales Common Stock and Warrants Issued in Reliance on Section 1145. However, pursuant to the Plan, each holder of an allowed general unsecured claim that was also a holder of 10% or more of the issued and outstanding shares on the Plan Effective Date had

the right to become a party to a registration rights agreement which provides such holder with customary registration rights, including a customary shelf registration, with respect to any shares of our common stock it receives under the Plan. On the Plan Effective Date, Franklin Advisers, Inc. (FAV) was the only such holder.

Certain provisions of our corporate documents could delay or prevent a change of control, even if that change would be beneficial to stockholders, or could have a material negative impact on our business.

Certain provisions in our third amended and restated certificate of incorporation may have the effect of deterring transactions involving a change in control of us, including transactions in which stockholders might receive a premium for their shares.

Our third amended and restated certificate of incorporation provides for the issuance of up to 20,000,000 shares of preferred stock with such designations, rights and preferences as may be determined from time to time by our board of directors (the Board). The authorization of preferred shares empowers our board of directors, without further stockholder approval, to issue preferred shares with dividend, liquidation, conversion, voting or other rights which could adversely affect the voting power or other rights of the holders of the common stock. If issued, the preferred stock could also dilute the holders of our common stock and could be used to discourage, delay or prevent a change of control of us.

Table of Contents

We do not currently anticipate paying cash dividends on our common stock in the foreseeable future.

We have paid no cash dividends on our common stock and have no current intention of doing so. Any future determination to pay cash dividends will be at the discretion of our Board, subject to applicable limitations under Delaware law, and will be dependent upon our results of operations, financial condition, contractual restrictions and other factors deemed relevant by our Board.

Limitations currently apply to our use of certain tax attributes and further limitations could apply as a result of f