Constellation Announces Agreement to Sell PJM Generation Assets to LS Power as Part of FERC, U.S. DOJ Resolution of Calpine Transaction

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BALTIMORE--(BUSINESS WIRE)--Mar. 18, 2026-- Constellation Energy Corporation (Nasdaq: CEG) and LS Power Equity Advisors, LLC ("LS Power") today announced an agreement under which Constellation will sell a portfolio of generation assets in PJM to LS Power, a key step in satisfying regulatory commitments related to Constellation's acquisition of Calpine.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20260318802061/en/

The proposed sale represents the largest portion of the divestitures required by the U.S. Department of Justice (DOJ) as part of its antitrust review of the Calpine transaction, including all assets required to be divested by the Federal Energy Regulatory Commission (FERC). Under the agreement, LS Power will acquire approximately 4.4 gigawatts of predominantly natural gas–fired generation capacity located in Delaware and Pennsylvania, including the Bethlehem, York 1, York 2, Hay Road and Edge Moor Facilities. The transaction is valued at $5 billion before closing adjustments, representing an acquisition price of approximately $1,142/kW.

"This transaction is an important step in satisfying the DOJ's requirements and advancing our path forward," said Joe Dominguez, president and CEO of Constellation. "These are well-run facilities that will continue powering consumers and businesses for decades to come. We're pleased to be moving ahead and expect to complete the remaining DOJ requirements later this year."

In December 2025, Constellation announced a resolution with the DOJ that outlines a series of divestitures designed to address competitive considerations in PJM and other markets. The DOJ resolution followed FERC's July 2025 approval, which required the divestiture of certain assets in PJM. Today's announcement represents the largest and most substantive element of the DOJ and FERC resolutions. Closing is conditioned upon receipt of regulatory approvals, including review by the DOJ and FERC, and other customary closing conditions.

LS Power Expands PJM Footprint

"PJM is at the epicenter of the surge in electricity demand, and these are exactly the kind of assets the grid needs – efficient, dispatchable gas generation that can deliver reliable power around the clock," said Paul Segal, CEO of LS Power. "LS Power has been developing, building and operating gas-fired generation for over 35 years. We expect our extensive operational experience will enable seamless integration of the assets and their employees and look forward to engaging with plant staff and the local communities around the facilities."

The transaction reflects LS Power's longstanding industry relationships and its ability to execute complex transactions efficiently and with certainty. In addition to this acquisition, LS Power's development team is advancing new baseload generation projects across multiple U.S. markets.

Santander is serving as financial advisor, and White & Case LLP and Willkie Farr & Gallagher LLP are serving as legal advisors to LS Power on the acquisition.

Barclays and SMBC/Jefferies are serving as Constellation's M&A advisors on the transaction. Kirkland & Ellis is serving as legal counsel to Constellation.

The Jack Fusco Energy Center, a 606-megawatt natural gas fired combined cycle facility located outside Houston, Texas, is the remaining facility in the DOJ resolution agreement that has not yet been divested. The minority ownership in the Gregory Power Plant, a 385-megawatt natural gas fired combined cycle near Corpus Christi, Texas, was divested earlier this year.

Constellation completed its acquisition of Calpine on Jan. 7, 2026, creating the world's largest private-sector power producer and significantly expanding its competitive generation footprint. The asset sale announced today is expected to close later this year, subject to regulatory approvals.

About Constellation

Constellation Energy Corporation (Nasdaq: CEG), a Fortune 200 company headquartered in Baltimore, is the largest private-sector power producer in the world and the nation's largest producer of clean and reliable energy. With 55 gigawatts of capacity from nuclear, natural gas, geothermal, hydro, wind and solar facilities, our fleet has the generating capacity to power the equivalent of 27 million homes, providing about 10% of the nation's clean energy and delivering the around-the-clock reliability needed to power America's growing economy. We are also the largest nuclear energy company in the U.S. and a leading competitive retail supplier, serving approximately 2.5 million customer accounts nationwide, including three-fourths of the Fortune 100. We are committed to investing in innovation and new technologies to drive the transition to a reliable, sustainable and secure energy future. Follow Constellation on LinkedIn and X.

About LS Power

Founded in 1990, LS Power is a premier North American power and energy infrastructure company with more than 50,000 MW developed or acquired across 200+ projects and one of the sector's most diversified platforms spanning generation, transmission, and energy infrastructure investment. Over the years, LS Power has raised more than $77 billion in debt and equity capital to support North American infrastructure. For information, please visit www.lspower.com.

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