Department of Energy
Washington, DC 20585

April 30, 2026

Kira Dunn, Vice President, Public and Private Funding
Homer City Redevelopment, LLC
430 Innovation Drive
Blairsville, PA 15717

Subject: U.S. Department of Energy, Office of Energy Dominance Financing, Completion of Environmental Review for a Proposed Federal Loan Guarantee to Knighthead Capital Management (Sponsor) / Homer City Generation, L.P. (Applicant) for the Homer City Redevelopment Project in Indiana County, Pennsylvania

Dear Ms. Dunn:

As provided in a letter to you dated March 4, 2026, the U.S. Department of Energy (DOE), Office of Energy Dominance Financing (EDF) may provide Federal financial assistance (i.e., a loan or loan guarantee) under Title XVII of the Energy Policy Act of 2005 (''Title XVII'') Public Law 109–58, title XVII (2005), as amended; 42 U.S.C. 16511 et seq.

DOE is considering whether to issue Federal financial assistance to Homer City Generation L.P. pursuant to its authority. In its application for Federal financial assistance, Homer City Generation L.P. has identified the Homer City Redevelopment Project (Project) located near Homer City, in Blacklick and Center Townships, Indiana County, Pennsylvania.

The Project includes redevelopment of a decommissioned coal-fired power plant and surrounding land into a 4.4-gigawatt (GW) combined cycle gas turbine (CCGT) generation facility. The Project will be located on an approximately 558-acre site within a 3,200-acre property that previously contained the Homer City Generating Station, a 2-GW coal-fired power plant operational from 1969 until its permanent decommissioning in 2023. Demolition of coal-era assets commenced in September 2024 and is now complete. The Project includes environmental remediation, installation of seven GE 7HA.02 turbines, each with associated balance of plant equipment and materials, and a substation Additional Project components include a new water treatment facility and modernization of the existing water intake structure. Site redevelopment will incorporate staff and craft parking lots, along with laydown and staging areas for equipment and materials. The Project also includes phased installation of temporary facilities, such as access roads, laydown areas, on- and off-site offices and warehouses, concrete batch plants, temporary utilities, off-site medical clinics, on-site care facilities, and new hire orientation facilities. Transmission line infrastructure is already established within the

Project area. Natural gas will be supplied by two new lateral pipelines, which are outside the scope of the requested Federal financial assistance from EDF, as are future hyperscale data centers and their associated infrastructure that will be developed within the 3,200-acre property.

EDF conducted the environmental reviews and consultations required by the applicable and relevant environmental statutes and Executive Orders (EOs) associated with its proposed Federal financial support. The applicable and relevant environmental statutes and EOs included:

1. Section 7 of the Endangered Species Act (16 USC 1536)
2. Section 106 of the National Historic Preservation Act (54 USC 306108)
    a. Executive Order 13175, Consultation and Coordination With Indian Tribal Governments
3. Farmland Protection Policy Act (7 USC 4201-4209)

Applicable and Relevant Environmental Reviews

Section 7, Endangered Species Act

In accordance with Section 7 of the Endangered Species Act (ESA), EDF's review of the Project found **no effect to designated critical habitat**. Three federally listed or proposed species have the potential to occur within the Project area: the federally endangered Indiana Bat (*Myotis sodalis*), the proposed endangered Tricolored Bat (*Perimyotis subflavus*), and the candidate Monarch Butterfly (*Danaus plexippus*). EDF rendered a **No Effect** determination for the Monarch Butterfly based on desktop and field assessments indicating: 1) no ground disturbance within suitable habitat, and 2) the absence of any areas known to support milkweed or nectar plants within the Project footprint. For the Indiana Bat and Tricolored Bat, EDF reached **May Affect, Not Likely to Adversely Affect (NLAA)** determinations utilizing the U.S. Fish and Wildlife Service (USFWS) Information for Planning and Consultation system. These determinations are informed by responses to the associated species' determination keys, through which the Applicant verified the Project involves less than 40 acres of tree clearing and will adhere to time-of-year restrictions for tree-clearing activities. On February 5, 2026, the USFWS issued separate letters of record for each determination key, concurring that the Project meets the specific NLAA criteria developed for ESA-protected bat species. No further comments were received during the USFWS review window, thereby Section 7 informal consultation concluded on March 7, 2026. Should the Tricolored Bat be listed before Project construction is complete, EDF must reinitiate a review pursuant to ESA requirements to confirm this NLAA determination remains accurate.

Section 106, National Historic Preservation Act, and EO 13175

In accordance with the National Historic Preservation Act (NHPA), EDF consulted with the Pennsylvania State Historic Preservation Office (SHPO). As part of the Section 106 process, EDF requested the Pennsylvania SHPO's concurrence on a finding of **No Historic Properties Affected**. The SHPO issued two separate letters of concurrence: one on March 6, 2026, for above-ground resources, and another on March 9, 2026, for archaeological resources. EDF identified and contacted four federally recognized Native American Indian Tribes (Tribes) that may have an interest in the Project area: Delaware Nation, Oklahoma; Delaware Tribe of Indians; Seneca Nation of Indians; and Seneca-Cayuga Nation. The Seneca Nation Tribal Historic Preservation Office (THPO) reviewed the provided results of the Phase IB Archaeological Survey conducted for the Project. On March 2, 2026, the THPO concurred with the recommendation that no further archaeological investigations are warranted for the Project's Area of Potential Effects, with the caveat that this concurrence is limited to the archaeological resources identified in the survey report and an inadvertent discovery clause must be followed. No comments were received from the other identified Tribes.

Farmland Protection Policy Act

In accordance with the Farmland Protection Policy Act (FPPA), EDF ensured the completion and submission of the required AD-1006 form and project information to the U.S. Department of Agriculture, Natural Resources Conservation Service (NRCS). The NRCS reviewed the project, noting a Relative Value of Farmland to be converted of 74. As the total site assessment score was less than 160, the NRCS concluded in writing on November 26, 2025 that **no additional action or alternatives are required** under the FPPA.

Conclusion

With this letter, EDF confirms that it has completed the environmental reviews and consultations required by the applicable and relevant environmental statutes and Executive Orders (EOs) associated with its proposed Federal financial support. EDF notes that Homer City Generation, L.P. is responsible for obtaining permits, approvals, and/or authorizations required for the construction and/or operation of the Project, and that EDF may need to complete a General Conformity Review under the Clean Air Act should the status of the current air permits change.

Respectfully,

WHITNEY DONOGHUE

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Whitney Donoghue
Environmental Project Manager
Office of Energy Dominance Financing

cc: Todd Stribley, EDF Director of Environmental Programs
Josh Moraczewski, EDF Vertical Lead
Tom Hucker, EDF Deal Lead

Attachments: Letter Dated March 4, 2026, from EDF to Homer City Generation, L.P.