

Hill David Russell
Form 4
January 04, 2018

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2015
Estimated average burden hours per response... 0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Hill David Russell

(Last) (First) (Middle)
NRG ENERGY, INC., 804
CARNEGIE CENTER
(Street)

PRINCETON, NJ 08540

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
NRG ENERGY, INC. [NRG]

3. Date of Earliest Transaction
(Month/Day/Year)
01/02/2018

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Exec Vice Pres, Gen Counsel

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
____ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount (A) or (D) Price | | |
| Common Stock, par value \$.01 per share | 01/02/2018 | | A | | 12,113 <u>(1)</u> A \$ 0 <u>(2)</u> 112,536 | D | |
| Common Stock, par value \$.01 per share | 01/02/2018 | | M | | 23,909 A <u>(3)</u> 136,547 <u>(4)</u> | D | |
| Common Stock, par value \$.01 per share | 01/02/2018 | | F | | 9,112 D <u>(5)</u> 127,435 <u>(6)</u> | D | |

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Common Stock, par value \$.01 per share 01/02/2018 F 5,213 D (7) 122,222 (8) D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Underlying Security (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
| | | | | Code V (A) (D) | | Date Exercisable Expiration Date | Title |
| Relative Performance Stock Units | <u>(9)</u> | 01/02/2018 | | A | 19,870 | 01/02/2021 01/02/2021 | Common Stock, par value \$.01 per share |
| Market Stock Units | <u>(3)</u> | 01/02/2018 | | M | 22,105 | 01/02/2018 01/02/2018 | Common Stock, par value \$.01 per share |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Hill David Russell NRG ENERGY, INC. 804 CARNEGIE CENTER PRINCETON, NJ 08540 | | | Exec Vice Pres, Gen Counsel | |

Signatures

/s/ Brian Curci, by Power of Attorney 01/04/2018
 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Represents Restricted Stock Units issued to the Reporting Person under NRG Energy, Inc.'s Amended and Restated Long-Term Incentive Plan ("LTIP").
- (2) Each RSU is equivalent in value to one share of NRG's Common Stock, par value \$.01 per share. The Reporting Person will receive from NRG one such share of Common Stock for each RSU that will vest ratably over a three year period beginning on the first anniversary of the date of grant.
- (3) The Reporting Person was issued 22,105 Market Stock Units by NRG under the LTIP on January 2, 2015 that vested on January 2, 2018. On the vesting date the Reporting Person was entitled to receive a maximum of 44,210 shares of Common Stock if the company achieved 100% increase in total shareholder return since the grant date (the "Maximum"), 22,105 shares of Common Stock if there is no change in total shareholder return since the grant date (the "Target"), or 16,578 shares of Common Stock if there is a 25% decrease in total shareholder return since the grant date (the "Threshold"). The Reporting Person would not have received any shares of Common Stock if total shareholder return had decreased by more than 25% since the grant date. The number of shares of Common Stock that the Reporting Person could have received is interpolated for total shareholder return falling between Threshold, Target and Maximum levels. On January 2, 2018 he vested in 23,909 shares.
- (4) In connection with the vesting of the MSUs described above, an incremental 102 DERs vested, resulting in the reporting person holding 4,075 dividend equivalent rights in the aggregate. Dividend equivalent rights accrue on the reporting person's restricted stock units, market stock units or relative performance stock units, which become exercisable proportionately with the restricted stock units, market stock units or relative performance stock units to which they relate and may only be settled in NRG common stock. Each dividend equivalent right is the economic equivalent of one share of NRG common stock.
- (5) The Reporting Person elected to satisfy his tax withholding obligation upon the exchange of common stock for MSUs having a value on the date of the exchange equal to the withholding obligation. This form reflects the surrender of 9,112 shares of common stock to satisfy the grantee's tax withholding obligation.
- (6) In connection with the vesting of the MSUs described above, 1,360 DERs vested, resulting in the reporting person holding 2,715 dividend equivalent rights in the aggregate. Dividend equivalent rights accrue on the reporting person's restricted stock units, market stock units or relative performance stock units, which become exercisable proportionately with the restricted stock units, market stock units or relative performance stock units to which they relate and may only be settled in NRG common stock. Each dividend equivalent right is the economic equivalent of one share of NRG common stock.
- (7) On January 2, 2015, Mr. Hill was issued 12,000 Restricted Stock Units ("RSUs") by NRG Energy, Inc. under the LTIP. Each RSU is equivalent in value to one share of NRG's Common Stock, par value \$.01. On January 2, 2018, 12,000 shares vested. Mr. Hill elected to satisfy his tax obligation upon the exchange of common stock for RSUs having a value on the date of the exchange equal to the withholding obligation. This form is being filed to reflect the surrender of 5,213 shares of common stock to satisfy the grantee's tax withholding obligation.
- (8) In connection with the vesting of the RSUs described above, 682 DERs vested, resulting in the reporting person holding 2,033 dividend equivalent rights in the aggregate. Dividend equivalent rights accrue on the reporting person's restricted stock units, market stock units or relative performance stock units, which become exercisable proportionately with the restricted stock units, market stock units or relative performance stock units to which they relate and may only be settled in NRG common stock. Each dividend equivalent right is the economic equivalent of one share of NRG common stock.
- (9) The Reporting Person was issued 19,870 Relative Performance Stock Units ("RPSUs") by NRG Energy, Inc. under the LTIP on January 2, 2018. The RPSUs will convert to shares of NRG Common Stock on January 2, 2021 only in the event the Company has achieved a certain level of total shareholder return ("TSR") relative to the Peer Group (defined below) over a three-year performance period. The number of shares of Common Stock that the Reporting Person may receive is interpolated for TSR falling between Threshold, Target, and Maximum levels as described below.
- (10) Reporting Person will receive (i) a maximum of 39,740 shares of Common Stock if Company's TSR is ranked at or above the 75th percentile relative to a peer group of companies approved by the Company's Compensation Committee (the "Peer Group") for the performance period (the "Maximum"); (ii) 19,870 shares of Common Stock if Company's TSR is ranked at the 55th percentile relative to the Peer Group for the performance period (the "Target"); provided, however, if TSR is less than negative fifteen percent (-15%), the Company's TSR must be ranked at the 65th percentile relative to the Peer Group for the performance period to receive the Target award; or (iii) 4,968 shares of Common Stock if Company's TSR is ranked at the 25th percentile relative to the Peer Group for the performance period (the "Threshold"). The Reporting Person will not receive any shares of Common Stock if Company's TSR is below the 25th percentile relative to the Peer Group for the performance period.
- (11) The Maximum award that the Reporting Person will receive shall not exceed six (6) times the fair market value of the Target award, determined as of the date of grant.

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Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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