

DYNEGY INC.  
Form 4  
April 27, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
LS Power Development, L.L.C.

(Last) (First) (Middle)

TWO TOWER CENTER, 11TH FLOOR

(Street)

EAST BRUNSWICK, NJ 08816

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
DYNEGY INC. [DYN]

3. Date of Earliest Transaction (Month/Day/Year)  
04/23/2010

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

6. Individual or Joint/Group Filing (Check Applicable Line)  
\_X\_ 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 Indirect Beneficial Ownership (Instr. 4) |   |             |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|---|-------------|
|                                 |                                      |  | Code                           | V   | Amount or Price   |  |   |   |             |
| Class A Common Stock            | 04/23/2010                           |  | S                              |   | 1,013,669<br>(1)  | D  | \$ 65,373,139<br>1.2816 (2)                           | I | See Remarks |
| Class A Common Stock            | 04/26/2010                           |  | S                              |   | 968,415<br>(3)  | D  | \$ 64,404,724<br>1.3025 (4)                           | I | See Remarks |
| Class A Common Stock            | 04/27/2010                           |  | S                              |   | 736,909<br>(5)  | D  | \$ 63,667,815<br>1.308 (6)                            | I | See Remarks |

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

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SEC 1474  
(9-02)

**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 Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 5) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| LS Power Development, L.L.C.<br>TWO TOWER CENTER<br>11TH FLOOR<br>EAST BRUNSWICK, NJ 08816 |               | X         |         |       |

## Signatures

/s/ Darpan Kapadia, Managing Director  
04/27/2010  
\*\*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) Of these shares, LS Power Associates, L.P. ("LSP Associates") sold 145,617 shares, LS Power Equity Partners, L.P. ("LSPEP") sold 522,091 shares, LS Power Equity Partners PIE I, L.P. ("PIE I") sold 316,583 shares, LS Power Partners, L.P. ("LSP Partners") sold 16,955 shares and LSP Gen Investors, L.P. ("Gen Investors") sold 12,423 shares.
  - (2) Of these shares, LSP Associates directly holds 9,391,097 shares, LSPEP directly holds 33,670,497 shares, PIE I directly holds 20,416,918 shares, LSP Partners directly holds 1,093,428 shares and Gen Investors directly holds 801,199 shares.
  - (3) Of these shares, LSP Associates sold 139,116 shares, LSPEP sold 498,783 shares, PIE I sold 302,449 shares, LSP Partners sold 16,198 shares and Gen Investors sold 11,869 shares.
  - (4)

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Of these shares, LSP Associates directly holds 9,251,981 shares, LSPEP directly holds 33,171,714 shares, PIE I directly holds 20,114,469 shares, LSP Partners directly holds 1,077,230 shares and Gen Investors directly holds 789,330 shares.

- (5) Of these shares, LSP Associates sold 105,860 shares, LSPEP sold 379,546 shares, PIE I sold 230,147 shares, LSP Partners sold 12,325 shares and Gen Investors sold 9,031 shares.
- (6) Of these shares, LSP Associates directly holds 9,146,121 shares, LSPEP directly holds 32,792,168 shares, PIE I directly holds 19,884,322 shares, LSP Partners directly holds 1,064,905 shares and Gen Investors directly holds 780,299 shares.

**Remarks:**

LS Power Development LLC ("LSP Development") is the general partner of LS Power Partners, L.P. ("LSP Partners") and LS Power Associates, L.P. ("LSP Associates"). LSP Partners is the general partner of LS Power Equity Partners, L.P. ("LSPEP"), LS Power Equity Partners PIE I, L.P. ("PIE I") and LSP Gen Investors, L.P. ("Gen Investors").

As a result of its relationship with LSP Partners and LSP Associates, LSP Development may be deemed to have shared voting power with respect to the shares beneficially owned by the LSP Partners, LSP Associates, LSPEP, PIE I, and Gen Investors. As such, LSP Development may be deemed to have shared beneficial ownership of the shares of which such entities are the owners. LSP Development, however, disclaims beneficial ownership of such shares except to the extent of its pecuniary interest therein, and this report shall not be deemed an admission that LSP Development is the beneficial owner of the Issuer's securities reported on this Form 4 for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose. As a result of its relationship with LSPEP, PIE I, and Gen Investors, LSP Partners may be deemed to have shared voting and investment power with respect to the shares beneficially owned by LSPEP, PIE I, and Gen Investors. As such, LSP Partners may be deemed to have shared beneficial ownership of the shares of which LSPEP, PIE I, and Gen Investors are the owners. LSP Partners, however, disclaims beneficial ownership of such shares except to the extent of its pecuniary interest therein.

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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