

Mark E. MacDonald, TX Bar No. 12758300
JOEL T. HARDMAN, TX BAR NO. 24005200
MARK E. MACDONALD, JR.
MACDONALD + MACDONALD, P.C.
325 N. ST. PAUL STREET, SUITE 2400
DALLAS, TEXAS 75201
(214) 237-4220; FACSIMILE: (214) 922-9718
MARK@MACDONALDLAW.COM
CO – COUNSEL FOR CITY OF ZEELAND

JAMES G. VANTINE, JR.
MILLER CANFIELD PADDOCK & STONE, PLC
444 WEST MICHIGAN AVENUE
KALAMAZOO, MI 49007
(269) 381-7030; FACSIMILE: (269) 382-0244
VANTINE@MILLERCANFIELD.COM
CO – COUNSEL FOR CITY OF ZEELAND

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:	§	
	§	
MIRANT CORPORATION, et al,	§	Case No. 03-46590-DML-11
	§	Jointly Administered
Debtors	§	

**CITY OF ZEELAND’S MOTION FOR ENTRY OF AN ORDER TO COMPEL DEBTOR
MIRANT ZEELAND, LLC TO ASSUME OR REJECT AN EXECUTORY CONTRACT**

NO HEARING WILL BE CONDUCTED HEREON UNLESS A WRITTEN RESPONSE IS FILED WITH THE CLERK OF THE UNITED STATES BANKRUPTCY COURT AT 501 WEST TENTH STREET, ROOM 147, FORT WORTH, TEXAS 76102 BEFORE CLOSE OF BUSINESS ON OCTOBER 7, 2003, WHICH IS TWENTY (20) DAYS FROM THE DATE OF SERVICE HEREOF.

ANY RESPONSE MUST BE IN WRITING AND FILED WITH THE CLERK, AND A COPY MUST BE SERVED UPON COUNSEL FOR THE MOVING PARTY PRIOR TO THE DATE AND TIME SET FORTH HEREIN. IF A RESPONSE IS FILED A HEARING WILL BE HELD WITH NOTICE ONLY TO THE OBJECTING PARTY.

IF NO HEARING ON SUCH NOTICE OR MOTION IS TIMELY REQUESTED, THE RELIEF REQUESTED SHALL BE DEEMED TO BE UNOPPOSED, AND THE COURT MAY ENTER AN ORDER GRANTING THE RELIEF SOUGHT OR THE NOTICED ACTION MAY BE TAKEN.

TO THE HONORABLE D. MICHAEL LYNN UNITED STATES BANKRUPTCY JUDGE:

City of Zeeland, a Michigan Municipal Corporation (“Zeeland”), by and through its undersigned attorneys, moves for entry of an order to compel Debtor Mirant Zeeland, L.L.C.

(“Mirant”) to assume or reject an executory contract. In support of this motion, Zeeland states as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Consideration of this Motion is a core proceeding pursuant to 28 U.S.C. § 157. Venue of this proceeding is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

2. On July 15, 2003 (the “Petition Date”), Mirant Zeeland, L.L.C. and various other affiliates filed their respective voluntary petitions for relief under Chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Northern District of Texas, Fort Worth Division. The Debtors continue to operate their businesses and manage their respective assets as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

3. Pursuant to orders of this Court dated July 16, 2003, the Debtors’ estates are being jointly administered by the Court.

4. Mirant owns and operates a large natural gas fired power plant in Zeeland, phases one and two of which were completed in 2002. The assessed value of the plant exceeds \$155 million, and the actual value of the plant exceeds \$310 million. Mirant is the largest taxpayer in Zeeland. Approximately 23% of the local property taxes paid to Zeeland, even net of the 50% tax abatement described below, come from Mirant.

5. Mirant’s failure to pay its property taxes to Zeeland has created a substantial hardship with respect to the funding of both the school system and other capital funding projects provided by Zeeland. Of Mirant’s current tax liability of \$4,184,820 which Zeeland is charged under Michigan law to collect, \$924,167 will be retained by Zeeland, \$2,110,534 will be

disbursed by Zeeland to the Zeeland Public Schools, \$343,395 will be disbursed by Zeeland to the Ottawa Area Intermediate School District and \$806,724 to the State of Michigan for the state educational tax. The city and school taxes are “summer taxes” assessed on July 1, 2003. All taxes were payable by August 15, 2003.

6. As a result of this continuing failure by Mirant to timely pay its property taxes:

- A. The Zeeland schools have been forced to delay a \$24-25 million bond issuance;
- B. Zeeland has been forced to postpone the purchase of a fire truck to replace a 27-year old aerial truck now in use; and
- C. Zeeland has been forced to adopt budget cuts and delay the financing of other public projects.

7. In 2000, the predecessor of Mirant, SEI Michigan, L.L.C. applied for an Act 198 Exemption Certificate, significantly abating Mirant’s tax obligations on the power plant to be constructed in Zeeland. Under Michigan law, Mirant entered into a contract with a local unit of government as a condition to the approval of the Exemption Certificate. On or about May 15, 2000, Mirant and Zeeland entered into an Act 198 Contract (the “Tax Abatement Contract”), a true and correct copy of which is attached as Exhibit A. Mirant’s continued performance under the Tax Abatement Contract is a condition to a continued abatement.

8. Among other things, the Tax Abatement Contract requires Mirant to pay all utility bills within 30 days of billing and pay all property tax bills prior to August 15 of each year prior to interest beginning to accrue. Failure to comply with these conditions may result in termination of the Tax Abatement Contract. But for the tax abatement of tax rates provided pursuant to the Tax Abatement Contract, Mirant would owe approximately double the amount currently outstanding and delinquent.

9. Under Michigan law, delinquent Industrial Facility Taxes (“IFT”) will cause the tax abatement to be terminated after the Treasurer files a certificate of non-payment of tax and an

affidavit upon the certificate holder (via certified mail) and with the register of deeds where the property is located. If the delinquent IFT real estate taxes are not paid within sixty (60) days thereafter, the Act 198 Exemption Certificate is automatically revoked the next December 31 by the State Tax Commission. M.C.L.A. §207.563(2).

10. For delinquent IFT on personal property, the State Tax Commission will automatically revoke the Act 198 Exemption Certificate for non-payment of personal property taxes. As a result, if Mirant does not promptly assume the Tax Abatement Contract and cure its existing monetary defaults prior to the end of the current calendar year, Mirant has a substantial risk of losing at least part of the benefit Mirant would otherwise receive from the Tax Abatement Contract.

11. Mirant and its successors are expected to receive a benefit in excess of \$40 million during the next ten years. Zeeland believes it would be in Mirant's best interest to cure the payments due to Zeeland and assume the Tax Abatement Contract since the failure to do so would result in an increase in Mirant's taxes by 100%. However, despite requests from Zeeland and the massive cash sums available to Mirant for payment, Mirant has not done so, leaving Zeeland no choice but to take the steps necessary to protect the school system and other municipal funding.

12. Mirant and its affiliates are reported to have significant amounts of cash on hand.

13. If Mirant assumes the Tax Abatement Contract and cure its existing monetary defaults, Zeeland would support the continuation of Mirant's 198 Exemption Certificate, a significant benefit to the estate.

RELIEF REQUESTED

14. Under 11 U.S.C. § 362(d)(2), the Court, at the request of a party to the contract, may shorten the time for the Debtor to assume or reject an executory contract. As the non-

payment of outstanding taxes currently due significantly impacts Zeeland, the balance of harms to the citizens of Zeeland would tend to support setting a very short deadline, especially given the potential impact on 2004 tax rates. If Mirant wishes to have the benefit of the tax abatement on a going forward basis, it is only proper that they immediately comply with the terms of that abatement. If Mirant chooses to reject the Tax Abatement Contract, it would be unfair for their tax rate for real property to continue at levels consistent with the IFT rather than the ordinary property *ad valorem* taxes otherwise applicable.

15. In light of the tremendous impact on Zeeland, Zeeland respectfully requests the Court to shorten the time for the Debtor to assume or reject such an executory contract to October 24, 2003 so that Mirant is only entitled to the IFT rate for 2004 if it assumes and cures the Tax Abatement Contract and for such other and further relief as the Court deems just and proper.

SIGNED this 17th day of September, 2003.

Respectfully submitted,

MACDONALD + MACDONALD, P.C.

BY: /S/ Joel T. Hardman

Joel T. Hardman, TX Bar No. 24005200
Mark E. MacDonald, TX Bar No. 12758300
Mark E. MacDonald Jr.
325 N. St. Paul Street, Suite 2400
Dallas, Texas 75201
(214) 237-4220; Facsimile: (214) 922-9718
Joel@macdonaldlaw.com

CO – COUNSEL FOR CITY OF ZEELAND

MILLER CANFIELD PADDOCK & STONE, PLC

James G. Vantine, Jr.
444 West Michigan Avenue
Kalamazoo, MI 49007
(269) 381-7030; Facsimile: (269) 382-0244
vantine@millercanfield.com

CO – COUNSEL FOR CITY OF ZEELAND

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the above and foregoing pleading was served upon the parties on the service list filed with original of this pleading via regular U.S. Mail, postage prepaid, on this 17th day of September, 2003.

/S/ Joel T. Hardman

Joel T. Hardman

CERTIFICATE OF CONFERENCE

I hereby certify that on September 17, 2003, I contacted Linda Leali, Debtors Counsel, to discuss the relief requested in the Motion. She has indicated that the Debtors oppose the relief sought in the Motion.

/S/ Joel T. Hardman

Joel T. Hardman

**MIRANT CORPORATION, ET AL.
OFFICIAL SHORTENED SERVICE LIST
September 15, 2003 - #413166v1**

ALIXPARTNERS, LLC
MEADE A. MONGER
2100 MCKINNEY AVENUE
SUITE 800
DALLAS, TX 75201

ANDREWS & KURTH, L.L.P.
PAUL SILVERSTEIN
450 LEXINGTON AVENUE
NEW YORK, NY 10017

ANDREWS & KURTH, L.L.P.
JASON BROOKNER
1717 MAIN STREET
SUITE 3700
DALLAS, TX 75201

ANGELIQUE RISON
503 N MIDLAND DRIVE
ROCKLAND, NY 10960

APACHE CORPORATION
APACHE CANADA, LTD.
CHRISTOPHER W. BARNES
2000 POST OAK BOULEVARD, SUITE 100
HOUSTON, TX 77056-4400

APPALOOSA MANAGEMENT LP
RONALD GOLDSTEIN
26 MAIN STREET, 1ST FLOOR
CHATHAM, NJ 07928

ARCH COAL, INC.
JANET L. HORGAN
ASSISTANT GENERAL COUNSEL
CITY PLACE ONE, SUITE 300
ST. LOUIS, MO 63141

WESTPORT PETROLEUM, INC.
DENNIS BJORKLAND
300 NORTH LAKE AVENUE
SUITE 1020
PASADENA, CA 91101

ATTORNEY GENERAL OF GEORGIA
40 CAPITOL SQUARE, SW
ATLANTA, GA 30303

BABST, CALLAND, CLEMENTS & ZOMNIR P.C.
NORMAN E. GILKEY
GREGORY D. CRIBBS
TWO GATEWAY CENTER
PITTSBURGH, PA 15222

BANK OF AMERICA
MICHAEL MCKENNEY
101 SOUTH TYRON STREET
MAIL CODE NC1-002-31-31
CHARLOTTE, NC 28255

BANK OF AMERICA SECURITIES LLC
CYNTHIA GRIM
100 NORTH TRYON
CHARLOTTE, NC 28255-0001

BANK OF AMERICA SECURITIES LLC
SCOTT REIFER
300 HARMAN MEADOW BOULEVARD
SECAUCUS, NJ 07094

BANK OF NEW YORK
UBS AG DESIGNED EQUITIES
JOHN MANCUSO
ONE WALL STREET
14TH FLOOR
NEW YORK, NY 10286

BANK OF NOVA SCOTIA
FRANK SANDLER
ONE LIBERTY PLAZA
26TH FLOOR
NEW YORK, NY 10006

BANK OF TOKYO-MITSUBISHI TRUST CO.
BILL RHODES
1251 AVENUE OF THE AMERICAS
NEW YORK, NY 10020-1104

BANK ONE NA
CARL SHAFER
1717 MAIN STREET
4TH FLOOR
DALLAS, TX 75201

BANK ONE, N.A.
CARL SHAFER, FIRST VICE PRESIDENT
PO BOX 655145
MAIL CODE TX1-2454
DALLAS, TX 75265-5415

BANK ONE, N.A. LAW DEPARTMENT
DAREN PERKINS
SR COUNSEL LAW, COMPLIANCE
1717 MAIN STREET, 9TH FLOOR
DALLAS, TX 75201

BARCLAYS BANK PLC
MARK MANSKI
EDWARD HAMWAY
200 PARK AVENUE, 4TH FLOOR
NEW YORK, NY 10166

BARCLAYS CAPITAL
LARRY HAMMOND
222 BROADWAY
NEW YORK, NY 10038

BAYERISCHE LANDESBANK GIROZENTRALE
SEAN O'SULLIVAN
560 LEXINGTON AVENUE
17TH FLOOR
NEW YORK, NY 10022

BEAR, STEARNS & CO. INC.
JAMES G. GEREGHTY, JR.
THOMAS BOYCE
383 MADISON AVENUE
NEW YORK, NY 10179

BEAR STEARNS SECURITIES CORP.
VINCENT MARZELLA
ONE METROTECH CENTER NORTH
4TH FLOOR
BROOKLYN, NY 11201-3862

BERGMAN & BIRD, L.L.P.
JACK R. BIRD
4514 TRAVIS STREET, SUITE 300
TRAVIS WALK
DALLAS, TX 75205

BINGHAM MCCUTCHEN LLP
RONALD J. SILVERMAN
JEFFREY T. KIRSHNER
JAMES C. MOON
399 PARK AVENUE
NEW YORK, NY 10022

BLACKWELL SANDERS PEPPER MARTIN LLP
KATHRYN B. BUSSING
2300 MAIN ST., SUITE 1000
KANSAS CITY, MO 64108

BOSTON SAFE DEPOSIT & TRUST CO.
MELISSA TARASOVICH
525 WILLIAM PENN PLACE
PITTSBURGH, PA 15259

BP AMERICA, INC.
BILLY D. DIXON
501 WESTLAKE PARK BLVD.
HOUSTON, TX 77079

BRACEWELL & PATTERSON L.L.P.
SAMUEL M. STRICKLIN
JOHN C. LEININGER
MICHAEL D. ANDERSON
500 NORTH AKARD ST. STE. 4000
DALLAS, TX 75201-3387

CADWALADER, WICKERSHAM & TAFT
BRUCE R. ZIRINSKY
GREGORY PETRICK
INGRID BAGBY
100 MAIDEN LANE
NEW YORK, NY 10038

CALIFORNIA PUBLIC EMPLOYEES
RETIREMENT SYSTEM
TOM BAKER
LINCOLN PLAZA
400 P STREET
SACRAMENTO, CA 95814

CARRINGTON, COLEMAN, SLOMAN &
BLUMENTHAL, L.L.P.
STEPHEN A. GOODWIN
200 CRESCENT COURT, STE. 1500
DALLAS, TEXAS 75201

CHADBOURNE & PARKE LLP
JOSEPH H. SMOLINSKY
30 ROCKEFELLER PLAZA
NEW YORK, NEW YORK 10112

CIBC WORLD MARKETS CORP.
SANJEEVA SENANANYAKE
425 LEXINGTON AVENUE
17TH FLOOR
NEW YORK, NY 10022

CITIBANK, N.A.
DAVID A. LESLIE
3800 CITIBANK CENTER, B3-15
TAMPA, FL 33610

CITIBANK, N.A.
JOHN DORANS
250 WEST STREET, 8TH FLOOR
NEW YORK, NY 10013

CITIGROUP GLOBAL MARKETS INC.
PAT HALLER
333 WEST 34TH STREET
NEW YORK, NY 10001

CITIGROUP/SALOMON SMITH BARNEY
JOHN DORANS
TREVOR HOUSTON
250 WEST STREET, 8TH FLOOR
NEW YORK, NY 10013

CITY OF ZEELAND
C/O JAMES G. VANTINE, JR.
MILLER, CANFIELD, PADDOCK STONE PLC
444 WEST MICHIGAN AVENUE
KALAMAZOO, MI 49007

CITY OF ZEELAND
C/O JAMES A. DONKERSLOOT
17 SOUTH ELM ST., PO BOX 230
ZEELAND, MI 49464

CLEARY GOTTLIEB STEEN & HAMILTON
SETH GROSSHANDLER
ONE LIBERTY PLAZA
NEW YORK, NY 10006

COMMERZBANK AG
SUBASH VISWANATHAN
2 WORLD FINANCIAL CENTER
225 LIBERTY STREET
NEW YORK, NY 10281-1060

COMPTROLLER OF PUBLIC ACCOUNTS
STATE COMPTROLLER OF PUBLIC ACCOUNTS
REVENUE ACCOUNTING
DIVISION-BANKRUPTCY SECTION
P.O. BOX 13528
AUSTIN, TX 78711

CONSTELLATION POWER SOURCE, INC.
111 MARKET PLACE, SUITE 500
BALTIMORE, MARYLAND 21202

COX & SMITH INCORPORATED
DEBORAH D. WILLIAMSON
CAROL E. JENDRZEY
112 E. PECAN, SUITE 1800
SAN ANTONIO, TX 78205

CREEDON KELLER & PARTNERS, INC.
SABINA BHATIA
123 SECOND STREET, SUITE 120
SAUSALITO, CA 94965

CREDIT LYONNAIS AMERICAS
DARRELL STANLEY
1301 TRAVIS STREET
SUITE 2100
HOUSTON, TX 77002

CREDIT LYONNAIS NEW YORK BRANCH
ALAN SIDRANE
1301 AVENUE OF THE AMERICAS
NEW YORK, NY 10019

CREDIT LYONNAIS
1301 AVENUE OF THE AMERICAS
ATTN: GLENN W. MUSCOSKY
NEW YORK, NY 10019-6022

CREDIT SUISSE FIRST BOSTON
DIDIER SIFFER
MONIQUE RENTA
DAVID SAWYER
11 MADISON AVENUE
NEW YORK, NY 10010-3629

CREDIT SUISSE FIRST BOSTON
C/O ISSUER SERVICES
ADP PROXY SERVICES
51 MERCEDES WAY
EDGEWOOD, NY 11717

CRT CAPITAL GROUP LLC
NAT FURMAN
262 HARBOR DRIVE
STAMFORD, CT 06902

CSX TRANSPORTATION CO.
ATTN: RUTH C. SALTER-J220
301 WEST BAY STREET
JACKSONVILLE, FL 32202

CURTIS LAW FIRM, PLLC
STEPHANIE D. CURTIS
BANK OF AMERICA PLAZA
901 MAIN STREET, SUITE 6515
DALLAS, TX 75202

DAMON & MOREY, LLP
WILLIAM F. SAVINO, ESQ.
BETH ANN BIVONA, ESQ.
1000 CATHEDRAL PLACE
298 MAIN STREET
BUFFALO, NEW YORK 14202

DEUTSCHE BANK AG
MARK B. COHEN
ANCA TRIFAN
60 WALL STREET
NEW YORK, NY 10019

DEUTSCHE BANK SECURITIES INC.
ANDREA AUGUSTINA
SCOTT HABURA
1251 AVENUE OF THE AMERICAS
NEW YORK, NY 10020

DEUTSCHE BANK TRUST COMPANY
AMERICAS
JOHN LASHER
648 GRASSMERE PARK ROAD
NASHVILLE, TN 37211

DEXIA CREDIT LOCAL
FERNANDO FERREYEA
445 PARK AVENUE
8TH FLOOR
NEW YORK, NY 10022

DRESDNER BANK, A.G.
FRED C. THURSTON
JAMES GALLAGHER
THOMAS BRADY
75 WALL STREET, 25TH FLOOR
NEW YORK, NY 10005-2889

DRESDNER KLEINWORT WASSERSTEIN
PAUL KEHOE
1301 AVENUE OF THE AMERICAS
NEW YORK, NY 10029-6163

DUKE ENERGY TRADING & MARKETING, L.L.C
LISA J. MELLENCAMP
5400 WESTHEIMER COURT
HOUSTON, TEXAS 77056

DUKE ENERGY CORPORATION
ATTN: STEVE HELLMAN
5400 WESTHEIMER COURT
HOUSTON, TEXAS 77056-5310

JOHN E. WEST
VINSON & ELKINS, L.L.P.
2300 FIRST CITY TOWER
1001 FANNIN STREET
HOUSTON, TEXAS 77002

DZ BANK AG
WILLIAM PROCASKY
609 FIFTH AVENUE
NEW YORK, NY 10017

EL PASO MERCHANT ENERGY, L.P.
CHUCK BROWN, SENIOR COUNSEL
1001 LOUISIANA, SUITE 1903A
HOUSTON, TX 77002

ELECTRIC RELIABILITY
COUNCIL OF TEXAS
A. ANDREW GALLO
7620 METRO CENTER DRIVE
AUSTIN, TX 78744

ELLIOTT ASSOCIATES, LP
ATTN: DON GROPPER
712 FIFTH AVENUE, 36TH FLOOR
NEW YORK, NY 10019

ENTERGY SERVICES, INC.
ALAN H. KATZ, SENIOR COUNSEL
639 LOYOLA AVENUE, 26TH FLOOR
NEW ORLEANS, LA 70113

ENVIRONMENTAL PROTECTION AGENCY
FOUNTAIN PLACE 12TH FLOOR
SUITE 1200
1445 ROSS AVENUE
DALLAS, TX 75202-2733

ENVIRONMENTAL PROTECTION AGENCY
ATLANTA FEDERAL CENTER
61 FORSYTH STREET, SW
ATLANTA, GA 30303-3104

ENVIRONMENTAL PROTECTION AGENCY
EPA EAST
1201 CONSTITUTION AVENUE, N.W.
ROOM NUMBER 4101 M
WASHINGTON, DC 20004

EXPORT DEVELOPMENT CORPORATION
SAMUEL ASIEDU
151 O'CONNOR
OTTAWA K1A 1K3
CANADA

FEDERAL ENERGY REGULATORY
COMMISSION
MAGALIE R. SALAS
888 FIRST STREET, N.E.
WASHINGTON, DC 20426

FLEET NATIONAL BANK
PEGGY PECKHAM
100 FEDERAL STREET
12TH FLOOR
BOSTON, MA 02110

FLEETBOSTON FINANCIAL
100 FEDERAL STREET
MAIL CODE MA DE 10019C
ATTN: MARTIN A. OPPENHEIMER
BOSTON, MA 02110

FORSHEY & PROSTOK, L.L.P.
J. ROBERT FORSHEY
777 MAIN STREET, SUITE 1290
FORT WORTH, TX 76102

FULBRIGHT & JAWORSKI, L.L.P.
LOUIS R. STRUBECK, JR.
MICHAEL W. ANGLIN
2200 ROSS AVENUE, SUITE 2800
DALLAS, TX 75201-2784

FULBRIGHT & JAWORSKI, LLP
SHARON M. BEAUSOLEIL-MAYER
EVELYN BIERY
1301 MCKINNEY, SUITE 5100
HOUSTON, TX 77010-3095

FULBRIGHT & JAWORSKI, LLP
PATRICIA L. BARSALOU
300 CONVENT STREET, SUITE 2200
SAN ANTONIO, TX 78205

GARDNER CARTON & DOUGLAS LLC
HAROLD L. KAPLAN/TRACY L. TRÉGER
MARK F. HEBBELN/SALLY SICONOLFI
191 NORTH WACKER DRIVE
SUITE 3700
CHICAGO, IL 60606

GEORGIA DEPARTMENT OF LABOR
148 ANDREW YOUNG
INTERNATIONAL BLVD. NE
ATLANTA, GA 30303-1751

GLENN M. REISMAN
TWO CORPORATE DRIVE, SUITE 636
PO BOX 861
SHELTON, CT 06484-0861

GOLDMAN, SACHS & CO.
PATRICIA BALDWIN
1 NEW YORK PLAZA
45TH FLOOR
NEW YORK, NY 10004

GOODRICH POSTNIKOFF & ALBERTSON, LLP
JOSEPH P. POSTNIKOFF
KEVIN G. HERD
CHRISTOPHER J. BURR
777 MAIN STREET, SUITE 1360
FORT WORTH, TEXAS 76102

GULFTERRA ENERGY PARTNERS, LP
MICHAEL MCGINNIS, SENIOR COUNSEL
1001 LOUISIANA, SUITE 1840A
HOUSTON, TX 77002

HALL ESTILL HARDWICK GABLE GOLDEN
STEVEN W. SOULE
320 SOUTH BOSTON AVENUE, SUITE 400
TULSA, OK 74103-3708

HANNIFY & KING
A PROFESSIONAL CORPORATION
HARRY B. MURPHY
ONE BEACON STREET
BOSTON, MA 02108

HAYNES AND BOONE, LLP
ATTN: JUDITH ELKIN
901 MAIN STREET
SUITE 3100
DALLAS, TX 75202

HAYNES AND BOONE, LLP
ATTN: IAN PECK
201 MAIN STREET
SUITE 2200
FORT WORTH, TX 76102

HOGAN & HARTSON, L.L.P.
EDWARD C. DOLAN
555 THIRTEENTH STREET, N.W.
WASHINGTON, D.C. 20004

HOWARD, RICE, NEMOROVSKI et al
GARY M. KAPLAN, ESQ
THREE EMBARCADERO CTR, 7TH FL
SAN FRANCISCO, CA 94111-4065

HSBC BANK USA
RUSS PALADINO
452 FIFTH AVENUE
NEW YORK, NY 10018

HUGHES & LUCE, L.L.P.
WILLIAM B. FINKELSTEIN
MATTHEW J. CLEAVES
1717 MAIN STREET, SUITE 2800
DALLAS, TX 75201

HUGHES HUBBARD & REED LLP
DANIEL S. LUBELL
JEFFREY S. MARGOLIN
ONE BATTERY PARK PLAZA
NEW YORK, NY 10004

HUNTON & WILLIAMS
BENJAMIN C. ACKERLY
RIVERFRONT PLAZA
EAST TOWER
951 EAST BYRD STREET
RICHMOND, VA 23219

HUNTON & WILLIAMS LLP
MICHAEL P. MASSAD, JR.
ENERGY PLAZA, 30TH FLOOR
1601 BRYAN STREET
DALLAS, TX 75201

HUNTON & WILLIAMS LLP
BRADLEY R. DUNCAN
KIMBERLY L. NELSON
1751 PINNACLE DRIVE
MCLEAN, VA 22102

HURT & LILLY, LLP
JEFFREY W. HURT
10670 NORTH CENTRAL EXPWY.
SUITE 505
DALLAS, TX 75231-2108

HYPOVEREINSBANK
YORAM DANKNER
LORI ANN CURNYN
150 EAST 42ND STREET
NEW YORK, NY 10017-4679

ING CAPITAL LLC
CHARLES O'NEIL
1325 AVENUE OF THE AMERICAS
NEW YORK, NY 10019

INTERNAL REVENUE SERVICE
SPECIAL PROCEDURES STAFF
MAIL CODE 5020-DAL
1100 COMMERCE STREET ROOM 9B8
DALLAS, TEXAS 75242

IOS CAPITAL, LLC
BANKRUPTCY ADMINISTRATION
1738 BASS ROAD
P. O. BOX 13708
MACON, GA 31208-3708

J. MICHAEL MCBRIDE, P.C.
J. MICHAEL MCBRIDE, ESQ.
411 WEST SEVENTH STREET, SUITE 210
FORT WORTH, TX 76102

JCI JONES CHEMICALS, INC.
ATTN: ANGELA MARVIN
808 SARASOTA QUAY
SARASOTA, FL 34236

JP MORGAN CHASE
PAULA DABNER
14201 DALLAS PARKWAY
DALLAS, TX 75254

JP MORGAN CHASE
ANTHONY IANNO
BERT VALDMAN
277 PARK AVENUE
NEW YORK, NY 10072

JP MORGAN CHASE BANK
STEPHANIE PARKER, VICE PRESIDENT
270 PARK AVENUE, 20TH FLOOR
NEW YORK, NY 10017

JP MORGAN SECURITIES INC.
SEAN ROONEY
34 EXCHANGE PLACE
JERSEY CITY, NJ 07302

JONES DAY
MICHELLE MORGAN HARNER
77 WEST WACKER
CHICAGO, IL 60601

JONES DAY
DEBRA K. SIMPSON
2727 NORTH HARWOOD STREET
DALLAS, TEXAS 75201

JONES DAY
DULCIE D. BRAND
555 WEST FIFTH STREET
SUITE 4600
LOS ANGELES, CA 90013-1025

JONES DAY
ERICA M. RYLAND, ESQ.
222 EAST 41ST STREET
NEW YORK, NEW YORK 10017

KANE, RUSSELL, COLEMAN & LOGAN, P.C.
JOSEPH A. FRIEDMAN
JOSEPH M. COLEMAN
1601 ELM STREET
3700 THANKSGIVING TOWER
DALLAS, TX 75201

KATTEN MUCHIN ZAVIS ROSENMAN
JOHN R. WEISS
525 WEST MONROE STREET
SUITE 1600
CHICAGO, IL 60661-3693

KBC BANK N.V.
JACQUELINE BRUNETTO
245 PEACHTREE CENTER AVENUE
SUITE 2550
ATLANTA, GA 30303

KBC BANK N.V.
MICHAEL CURRAN
125 WEST 55TH STREET
NEW YORK, NY 10019

KELLEY DRYE & WARREN LLP
JAMES S. CARR
KEITH H. WOLFORD
101 PARK AVENUE
NEW YORK, NY 10178

LANDESBANK RHEINLAND-FALZ
STEFAN HUBER
GROSSE BLEICHE 54-56
MAINZ
D-55098
GERMANY

LEBOEUF, LAMB, GREENE & MACRAE, L.L.P.
ELIZABETH PAGE SMITH, ESQ.
125 WEST 55TH STREET
NEW YORK, NY 10019

LEBOEUF, LAMB, GREENE & MACRAE, L.L.P.
SCOTT J. MUELLER, ESQ.
260 FRANKLIN STREET
BOSTON, MA 02110

LEHMAN BROTHERS INC.
JOHN BYRNE
70 HUDSON STREET
JERSEY CITY, NJ 07302

LEHMAN BROTHERS, INC.
FRANK TURNER
745 SEVENTH AVENUE
3RD FLOOR
NEW YORK, NY 10019

LEVENE, NEALE, BENDER, RANKIN BRILL
DAVID L. NEALE, ESQ.
1801 AVENUE OF THE STARS, SUITE 1120
LOS ANGELES, CA 90067

LOCKE LIDDELL & SAPP LLP
PATRICIA WILLIAMS PREWITT
3400 JPMORGAN CHASE TOWER
600 TRAVIS STREET
HOUSTON, TX 77002-3095

LOOMIS, EWERT, PARSLEY,
DAVIS & GOTTING, P.C.
JEFFREY S. THEUER, ESQ.
232 S. CAPITOL AVENUE, SUITE 1000
LANSING, MI 48933

M.H. DAVIDSON & CO., LLC
ANTHONY YOSELOFF
885 THIRD AVENUE
SUITE 3300
NEW YORK, NY 10022

MACKAY SHIELDS FINANCIAL
DON MORGAN
9 WEST 57TH STREET
NEW YORK, NY 10019

MAYER, BROWN & PLATT
JOSEPH P. COLLINS
190 SOUTH LASALLE STREET
CHICAGO, IL 60603

MCCREARY, VESELKA, BRAGG & ALLEN, P.C.
MICHAEL REED, ESQ.
P.O. BOX 26990
AUSTIN, TX 78755

MERRILL LYNCH PROFESSIONAL
CLEARING CORP.
ROMALO CATALANO
101 HUDSON STREET
JERSEY CITY, NJ 07302

MEYERS, RODBELL & ROSENBAUM, P.A.
ROBERT H. ROSENBAUM
M. EVAN MEYERS
BERKSHIRE BUILDING
6801 KENILWORTH AVENUE, SUITE 400
RIVERDALE, MD 20737-1385

MIRANT CORPORATION
ATTN: ZACKARY STARBIRD
1155 PERIMETER CENTER WEST
ATLANTA, GA 30338

MIZUHO CORPORATE BANK
YASUO IMAIZUMI
NOEL PURCELL
1251 AVENUE OF THE AMERICAS
NEW YORK, NY 10020

MORGAN STANLEY
WILLIAM MCCOY
1221 AVENUE OF THE AMERICAS
NEW YORK, NY 10020

MORGAN STANLEY & CO. INC
VICTOR REICH
ONE PIERREPONT PLAZA
BROOKLYN, NY 11201

MORGAN STANLEY SENIOR FUNDING INC.
DANIEL ALLEN
1633 BROADWAY
25TH FLOOR
NEW YORK, NY 10019

MORRISON & FOERSTER LLP
1290 AVENUE OF THE AMERICAS
NEW YORK, NY 10104-0050

MORRISON & FOERSTER LLP
KENNETH W. IRVIN
WILLIAM MCCARRON, JR.
2000 PENNSYLVANIA AVE. NW #5500
WASHINGTON, DC 20006-1888

NEUBERGER BERMAN LLC
605 THIRD AVENUE
NEW YORK, NY 10158

NEUBERGER BERMAN LLC
C/O ISSUER SERVICES
ADP PROXY SERVICES
51 MERCEDES WAY
EDGEWOOD, NY 11717

NEW YORK MERCANTILE EXCHANGE, INC.
BRIAN REGAN
WORLD FINANCIAL CENTER
ONE NORTH END AVENUE
NEW YORK, NY 10282

O' MELVENY & MEYERS LLP
ABBAY W. EHRLICH
ADAM C. HARRIS
30 ROCKEFELLER PLAZA
NEW YORK, NY 10112

OFFICE OF ATTORNEY GENERAL
MAIN JUSTICE BUILDING
ROOM 5111
10TH & CONSTRUCTION AVENUE, N.W.
WASHINGTON, DC 20530

PATTON BOGGS LLP
CLIFTON R. JESSUP, JR.
BRUCE H. WHITE
WILLIAM L. MEDFORD
2001 ROSS AVENUE, SUITE 3000
DALLAS, TX 75201

PERSHING SECURITIES CORPORATION
AL HERNANDEZ
1 PERSHING PLAZA
JERSEY CITY, NJ 07399

PERRYVILLE ENERGY PARTNERS, L.L.C.
C/O CLECO CORPORATION
ATTN: MARK PEARCE
2030 DONAHUE FERRY ROAD
PO BOX 5000
PINEVILLE, LA 71361-5000

REED SMITH LLP
ROBERT M. MARINO
1301 K. STREET, NW
SUITE 1100 EAST TOWER
WASHINGTON, D.C. 20005-3317

QUADRANGLE GROUP LLC
JOSIAH ROTENBERG
375 PARK AVENUE, 14TH FLOOR
NEW YORK, NY 10152

REFCO GROUP LTD., LLC
DENNIS KLEJNA
ONE WORLD FINANCIAL CENTER
200 LIBERTY STREET, TOWER A
NEW YORK, NY 10281-1094

REED SMITH LLP
JOSEPH S. LUCHINI
3110 FAIRVIEW PARK DRIVE
SUITE 1400
FALLS CHURCH, VA 22042

SEAPORT GROUP, LLC
JOHN C. SOSNOWSKI
317 MADISON AVENUE, SUITE 811
NEW YORK, NY 10017

ROBERTS & GRANT, P.C.
T. GLOVER ROBERTS
RICHARD D. GRANT
3102 OAK LAWN AVENUE
SUITE 700
DALLAS, TX 75219

SEGREST & SEGREST, P.C.
PHILIP R. SEGREST
28015 WEST STATE HIGHWAY 84
MCGREGOR, TX 76657

SECURITIES AND EXCHANGE COMMISSION
ANGELA D DODD
MIDWEST REGIONAL OFFICE
175 WEST JACKSON BLVD, STE 900
CHICAGO, IL 60604

SHEARMAN & STERLING
FREDRIC SOSNICK
SCOTT C. SHELLEY
599 LEXINGTON AVENUE
NEW YORK, NY 10022-6069

SHANNON, GRACEY, RATLIFF & MILLER
JOHN Y. BONDS, III
777 MAIN STREET, STE. 3800
FORT WORTH, TX 76102-3899

SITRICK AND COMPANY, INC.
MICHAEL S. SITRICK
1840 CENTURY PARK EAST
SUITE 800
LOS ANGELES, CA 90067-2109

SHIPMAN & GOODWIN LLP
IRA H. GOLDMAN
ROBERT M. BORDEN
CORRINE L. BURNICK
ONE AMERICAN ROW
HARTFORD, CT 06103-2819

SPAIN & GILLON, LLC
WALTER F. MCARDLE, ESQ.
THE ZINSZER BUILDING
2117 SECOND AVENUE NORTH
BIRMINGHAM, AL 35203

SKADDEN, ARPS, SLATE, MEAGHER & FLOM
J. GREGORY MILMOE
ALAN CARR
FOUR TIMES SQUARE
NEW YORK, NY 10036

STRASBURGER & PRICE, L.L.P.
ROBERT P. FRANKE
901 MAIN STREET, SUITE 4300
DALLAS, TX 75202-3794

STATE STREET BANK AND TRUST COMPANY
TIM MURRAY
1776 HERITAGE DRIVE
GLOBAL CORPORATION ACTION UNIT
QUINCY, MA 02171

STROOCK & STROOCK & LAVAN, LLP
SHERRY MILLMAN, ESQ.
180 MAIDEN LANE
NEW YORK, NY 10038

STROOCK & STROOCK & LAVAN, LLP
MARK A. SPEISER
180 MAIDEN LANE
NEW YORK, NY 10038-4982

SUTHERLAND ASBILL & BRENNAN LLP
RICHARD G. MURPHY, JR.
PAUL B. TURNER
1275 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, DC 20004

STUTZMAN, BROMBERG, ESSERMAN
SANDER L. ESSERMAN
JO E. HARTWICK
2323 BRYAN STREET
SUITE 2200
DALLAS, TX 75201-2689

TD SECURITIES (USA) INC.
RON ZELLER
DEBORAH GRAVINESE
31 WEST 52ND STREET, 18th FLOOR
NEW YORK, NY 10019-6101

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP
ROGER FRANKEL
JONATHAN P. GUY
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007

THE BANK OF NEW YORK
CECILE LAMARCO
ONE WALL STREET
NEW YORK, NY 10286

TEXAS WORKFORCE COMMISSION
TEC BUILDING BANKRUPTCY
101 EAST 15TH STREET
AUSTIN, TEXAS 78778

THE NORTHERN TRUST COMPANY
KAREN GREENE
ROBERT VALENTINE
801 CANAL C-IN
CHICAGO, IL 60607

THE BLACKSTONE GROUP
ATTN: TIMOTHY R. COLEMAN
345 PARK AVENUE
NEW YORK, NY 10154

THE DELAWARE BAY COMPANY, INC.
NARAYAN RAJ
680 FIFTH AVENUE, 22ND FLOOR
NEW YORK, NEW YORK 10019

THOMPSON & KNIGHT, LLP
DAVID BENNETT
JUDITH. W. ROSS
1700 PACIFIC AVENUE, SUITE 3300
DALLAS, TX 75201-4693

THE ROYAL BANK OF SCOTLAND
CHARLES GREER
101 PARK AVENUE
NEW YORK, NY 10178

TRILOGY CAPITAL, LLC
STEVEN GIDUMAL
780 THIRD AVENUE, 16TH FLOOR
NEW YORK, NY 10017

TRAVELERS INSURANCE COMPANY
LISA MORING
LITIGATION CASE MANAGER
ONE TOWER SQUARE, 5 MN
HARTFORD, CT 06183-4044

UBS WARBURG
DAVID KALAL
IMPAIRED LOAN MANAGEMENT
STAMFORD BRANCH
677 WASHINGTON BOULEVARD
STAMFORD, CT 06901

UBS SECURITIES LLC
CARLOS LEDE
677 WASHINGTON BOULEVARD
STAMFORD, CT 06901

UNION BANK OF CALIFORNIA
JOEL STEINER
VICE PRESIDENT SPECIAL ASSETS DEPT.
C/O BANKERS COMMERCIAL CORP.
445 SOUTH FIGUEROA, SUITE 403
LOS ANGELES, CA 90071

UBS WARBURG
WALTER HULSE
299 PARK AVENUE
NEW YORK, NY 10171

UNITED STATES TRUSTEE'S OFFICE
GEORGE F. MCELREATH
EARLE CABELL FEDERAL BUILDING
1100 COMMERCE ST., ROOM 9C60
DALLAS, TX 75242

UNITED STATES ATTORNEY
OFFICE OF THE UNITED STATES ATTORNEY
3RD FLOOR, 1100 COMMERCE STREET
DALLAS, TEXAS 75242

US BANK NATIONAL ASSOCIATION
KEITH FROHILCHER
1555 RIVERCENTER DRIVE
SUITE 0300
MILWAUKEE, WI 53212

UNITIL SERVICE CORPORATION
MARK H. COLLIN, CFO
6 LIBERTY LANE
HAMPTON, NH 03842

VERIZON CAPITAL GROUP
AUDREY E. P
JAMES J. JORDAN
PETER D. RUTHERFORD
245 PARK AVENUE, 40TH FLOOR
NEW YORK, NY 10167-4098

U.S. DEPARTMENT OF JUSTICE
J. CHRISTOPHER KOHN
P.O. BOX 875
BEN FRANKLIN STATION
WASHINGTON, DC 20044

WASHINGTON GAS ENERGY SERVICES, INC.
TELEMAC N. CHRYSOSIKOS
1100 H STREET, N.W., 12TH FLOOR
WASHINGTON, DC 20080

WACHOVIA SECURITIES
JILL AKRE
1339 CHESTNUT STREET
MAIL CODE PA4810
PHILADELPHIA, PA 19107

WEIL GOTSHAL & MANGES LLP
PAUL M. BASTA
767 FIFTH AVENUE
NEW YORK, NY 10153

WACHOVIA SECURITIES
GEN SIMMS
CLASS ACTION AND BANKRUPTCY
111 8TH AVENUE
NEW YORK, NY 10011

WELLS FARGO BANK MINNESOTA, NA
THOMAS M. KORSMAN
MAC N9309-120
SIXTH AND MARQUETTE
MINNEAPOLIS, MN 55479

WEIL, GOTSHAL & MANGES, LLP
MARTIN A. SOSLAND
MICHELLE V. LARSON
STEVE A. YOUNGMAN
100 CRESCENT COURT, SUITE 1300
DALLAS, TEXAS 75201-6950

WESTDEUTSCHE LANDESBANK
GIROZENTRALE
FELICIA LAFORGIA
1211 AVENUE OF THE AMERICAS
NEW YORK, NY 10036

WELLS FARGO BANK MINNESOTA NA
C/O ISSUER SERVICES
ADP PROXY SERVICES
51 MERCEDES WAY
EDGEWOOD, NY 11717

WHITE & CASE LLP
ATTN: CRAIG AVERCH
633 WEST FIFTH ST., SUITE 1900
LOS ANGELES, CA 90071-2007

WELLS FARGO BANK MINNESOTA NA
1600 EAST MADISON AVENUE
MANKATO, MN 56001

ROBERT J. ROSENBERG, ESQ.
SHARI SIEGEL, ESQ.
LATHAM & WATKINS LLP
885 THIRD AVENUE
NEW YORK, NEW YORK 10022

WHITE & CASE LLP
ATTN: TOM LAURIA
WACHOVIA FINANCIAL CENTER
200 SOUTH BISCAYNE BLVD.
MIAMI, FL 33131

EUGENE J. GEEKIE, JR.
JASON M. TORF
SCHIFF HARDIN & WAITE
6600 SEARS TOWER
CHICAGO, IL 60606-6473

WINSTEAD SECHREST & MINICK, P.C.
R. MICHAEL FARQUHAR
PHILLIP L. LAMBERSON
J. FRASHER MURPHY
5400 RENAISSANCE TOWER
DALLAS, TX 75270

GLYNN L. MAYS
OFFICE OF GENERAL COUNSEL
COMMODITY FUTURES TRADING
COMMISSION
1155 21ST STREET, N.W.
WASHINGTON, D.C. 20581

SAMUEL M. STRICKLIN, ESQ.
BRACEWELL & PATTERSON, L.L.P.
500 N. AKARD, SUITE 4000
DALLAS, TEXAS 75201

JOSEPH E. SHICKICH, JR.
RIDDELL WILLIAMS P.S.
1001 4TH AVENUE, STE. 4500
SEATTLE, WA 98154-1065

MARTIN G. BUNIN, ESQ.
THELEN REID & PRIEST LLP
875 THIRD AVENUE
NEW YORK, NY 10022

BROWN RUDNICK BERLACK ISRAELS LLP
EDWARD S. WEISFELNER, ESQ.
LESLIE H. SCHARF, ESQ.
120 WEST 45TH STREET
NEW YORK, NY 10036

BECKET & LEE, LLP
THOMAS A. LEE III
P. O. BOX 3001
MALVERN, PA 19355-0701

DIAMOND MCCARTHY TAYLOR FINLEY
BRYANT & LEE L.L.P
KYUNG S. LEE
909 FANNIN STREET, SUITE 1500
HOUSTON, TEXAS 77010

DEPARTMENT OF JUSTICE
SUSAN T. EGNOR, ASST. ATTORNEY
GENERAL
1515 SW 5TH AVENUE
SUITE 410
PORTLAND, OR 97201

NOSSAMAN, GUTHNER, KNOX & ELLIOTT, LLP
ALLAN H. ICKOWITZ
JOHN W. KIM
445 SOUTH FIGUEROA STREET
31ST FLOOR
LOS ANGELES, CA 90071

GIBBONS DEL DEO DOLAN
DAVID N. RAVIN
MARK B. CONLAN
ONE RIVERFRONT PLAZA
NEWARK, NJ 07102-5496

VINSON & ELKINS, L.L.P.
WILLIAM L. WALLANDER
3700 TRAMMELL CROW CENTER
2001 ROSS AVENUE
DALLAS, TEXAS 75201

COUCH WHITE, LLP
ATTN: ALGIRD F. WHITE, JR.
540 BROADWAY
PO BOX 22222
ALBANY, NY 12201

JP MORGAN CHASE BANK
LYNNE M. BARRY, VP & ASST GENL COUNSEL
270 PARK AVENUE, 20TH FLOOR
NEW YORK, NY 10017

MCDERMOTT, WILL & EMERY
PAUL J. PANTANO, JR.
600 THIRTEENTH ST., N.W.
WASHINGTON, DC 20005

PAUL, HASTINGS, JANOSFKY & WALKER, LLP
JONATHAN BIRENBAUM
1055 WASHINGTON BLVD.
STAMFORD, CT 06901

RIEMER & BRAUNSTEIN LLP
JONATHAN D. YELLIN
THREE CENTER PLAZA
BOSTON, MA 02108

SUZANNE M. KLAR
80 PARK PLAZA, T5D
PO BOX 570
NEWARK, NJ 07101

JAMES SHAW
237 N.E. WAVECREST WAY
BOCA RATON, FL 33432-4219

SIMPSON THACHER & BARTLETT LLP
MARK THOMPSON
425 LEXINGTON AVENUE
NEW YORK, NY 10017-3954

HONORABLE JUDGE D. MICHAEL LYNN
UNITED STATES BANKRUPTCY COURT
660 NORTH CENTRAL EXPRESSWAY
PLANO, TEXAS 75074

LEONARD H. GILBERT, ESQ.
A/F MITSUBISHI POWER SYSTEMS, INC. AND
MITSUBISHI HEAVY INDUSTRIES AMERICA
HOLLAND & KNIGHT LLP
P. O. BOX 1288
TAMPA, FL 33601

LAW DEBENTURE TRUST CO. OF NEW YORK
767 THIRD AVENUE, 31ST FLOOR
NEW YORK, NY 10017
ATTENTION: DANIEL FISHER

Exhibit A

CITY OF ZEELAND

ACT 198 CONTRACT

NOW COMES, the City of Zeeland, a Michigan Municipal Corporation, whose address is 21 South Elm Street, Zeeland, Michigan 49464, and SEI Michigan, L.L.C., a Delaware Limited Liability Company, hereinafter referred to as the "Applicant", whose address is 900 Ashwood Parkway, Suite 500, Atlanta Georgia 30338-4780, and state:

Recitals

WHEREAS, the City of Zeeland is willing to approve the granting of Act 198 Exemption Certificates, pursuant to Michigan Public Act 198 of 1974, as amended;

AND WHEREAS, state law requires that an Applicant and a local unit of government enter into a contract as a condition to the approval of an Exemption Certificate;

AND WHEREAS, the City of Zeeland has established certain terms and conditions in order for Exemption Certificates to be approved;

AND WHEREAS, the Applicant is willing to accept and be bound by such terms and conditions in order to receive Exemption Certificates which will grant tax relief to the Applicant.

NOW, THEREFORE, the City of Zeeland and the Applicant agree as follows:

1. Exemption Certificate. The City of Zeeland hereby approves of the granting of three Exemption Certificates by the State of Michigan in accordance with its resolution approving the same for an application received on May 5, 2000. In accordance with the City of Zeeland's resolution, Exemption Certificates will be granted as follows:

A. An Exemption Certificate is approved for Phase I of the application for the amount of \$90,573,161 for a period of up to fourteen years, but for a period of no more than twelve years following the completion of the facility for Phase I,

and with such Exemption Certificate to go into effect on December 31, 2000 and to expire on or before December 30, 2014, unless otherwise reduced pursuant to the terms of this Act 198 Contract;

B. An Exemption Certificate is approved for Phase II of the application for the amount of \$216,754,350 for a period of up to fourteen years, but for a period of no more than twelve years following the completion of the facility for Phase II, and with such Exemption Certificate to go into effect on December 31, 2002 and to expire on or before December 30, 2016, unless otherwise reduced pursuant to the terms of this Act 198 Contract; and,

C. An Exemption Certificate is approved for Phase III of the application for the amount of \$121,859,777 for a period of up to fourteen years, but for a period of no more than twelve years following the completion of the facility for Phase III, and with such Exemption Certificate to go into effect on December 31, 2004 and to expire on or before December 30, 2018, unless otherwise reduced pursuant to the terms of this Act 198 Contract.

2. Length of Exemption Certificates. The said Exemption Certificates for Phase I, Phase II and Phase III shall only endure for a period of up to fourteen years if the total project costs after the completion of Phase I, Phase II, and/or Phase III result in a state equalized value of \$150,000,000 or more. In the event that the state equalized value following the time period by which Phase III is to have been completed is less than \$150,000,000, then each of the said Exemption Certificates shall expire on December 30, twelve years following their respective effective dates. In addition, it is hereby acknowledged that each of the said Exemption Certificates shall be effective for not more than

twelve tax years following the granting of a Certificate of Occupancy for a respective phase's improvements.

3. Stipulations to the Adjustment to the Term of an Exemption Certificate and Petition. The Applicant hereby acknowledges that in the event that its project does not result in a state equalized value of \$150,000,000 or more, before or after the completion of the third phase of the application, that it shall stipulate with the City to the State Tax Commission that each of the said Exemption Certificates shall expire twelve years following their respective effective dates. In addition, the Applicant shall stipulate to the State Tax Commission to the reduction of the term of an Exemption Certificate so that a phase does not receive tax abatement for more than twelve years after a phase has been completed. In the event that the Applicant fails to enter into a stipulation as to the facts by which an Exemption Certificate's term may be reduced, then the City shall have the right to petition to the State Tax Commission that the term of an Exemption Certificate be decreased for the applicable term reduction amount.

4. Definition. The phrase "completion of the facility" in this contract shall mean that point in time at which a Certificate of Occupancy has been issued for a phase of the application. For purposes of this contract, it is hereby acknowledged that a Certificate of Occupancy shall be granted by the City of Zeeland following the satisfactory completion of all construction and site inspections by the City of Zeeland.

5. State Tax Commission Exemption Certificate Term Adjustment and/or Revocation. The parties hereby acknowledge that the State Tax Commission is authorized to reduce the term of or to revoke an Exemption Certificate pursuant to the terms of this Act 198 Contract and/or the provisions of Michigan Public Act 198 of 1974, as amended.

6. Terms and Conditions. The Applicant hereby agrees that in exchange for receiving such tax benefits as are permitted to holders of an Exemption

Certificate that it shall be bound by the following terms and conditions during the time periods the Exemption Certificates are in effect:

- A. That all utility bills to the City of Zeeland are paid within thirty (30) days of billing;
- B. That all property tax bills are paid prior to such dates after which interest would accrue;
- C. That all assessments, fees, and/or charges which may be incurred or levied in the development of the property are paid without protest or challenge;
- D. That the Applicant provide information periodically as requested by the City of Zeeland and permit the City of Zeeland and its agents to inspect the property and records of the Applicant during the term of the Exemption Certificate so as to verify property values, employment levels, and employee wages;
- E. That the Applicant maintain employment levels in the City of Zeeland as proposed in its application; and,
- F. That the Applicant abide by all ordinances and regulations of the City of Zeeland, including but not limited to, not using the public right-of-way for storage or the unloading of vehicles, and complying with all setback requirements, site plan review restrictions, and other Zoning Ordinance requirements, subject, however, to such exceptions as may be granted by the Board of Zoning Appeals or by a public body empowered to grant a legal exception to an ordinance or regulation of the City of Zeeland.

7. Revocation Reservation. The City of Zeeland hereby reserves the right to revoke its approval of the said Act 198 Exemption Certificates upon the filing of any property tax appeal by the applicant with the Michigan Tax Tribunal, with any other court of law, or with any other administrative agency, board, or commission other than the Zeeland Board of Review during the said

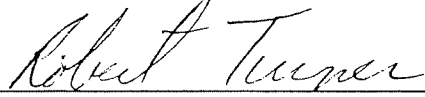
periods of exemption, or for any periods within the said exemption periods. The fulfillment of the conditions of this agreement is a purpose for which the Certificate of Exemption was approved by the City of Zeeland, in addition to the purposes established by law. Failure to uphold these conditions will be considered to be operating the facility in bad faith in a manner not consistent with the purposes of Act 198 of the Public Acts of Michigan, 1974 as amended, and will be considered to be circumstances within the control of the holder of the Exemption Certificate justifying the revocation of the Exemption Certificate.

8. Effect. This agreement shall be binding upon the City and the Applicant, and upon their successors and assigns. This agreement shall be interpreted in accordance with the laws of the state of Michigan. Upon default, the other party shall be liable to the nondefaulting party for the reasonable attorney fees and court costs which may be incurred in enforcing a term or condition of this contract. This agreement represents the entire agreement of the parties, and replaces any prior oral, written, or implied agreement of the parties. This agreement may only be amended upon the mutual written agreement of the parties.

In witness thereof on the dates hereafter indicated:

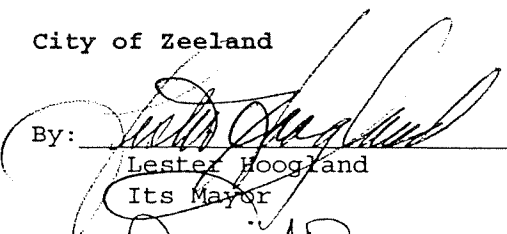
Applicant:
SEI Michigan, L.L.C.

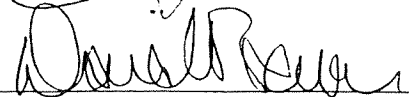
Dated: May 15, 2000

By: 
Robert Turner
Its Project Manager

City of Zeeland

Dated: May 15, 2000

By: 
Lester Hoogland
Its Mayor

By: 
David V. Baron
Its City Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re:

MIRANT CORPORATION, et al,

Debtors

§
§
§
§
§

**Case No. 03-46590-DML-11
Jointly Administered**

**ORDER GRANTING CITY OF ZEELAND'S MOTION FOR ENTRY OF
AN ORDER TO COMPEL DEBTOR MIRANT ZEELAND, LLC TO ASSUME
OR REJECT AN EXECUTORY CONTRACT**

Came before the Court for consideration the City of Zeeland's Motion for Entry of an Order to Compel Debtor Mirant Zeeland, LLC to Assume or Reject an Executory Contract (the "Motion"). After considering the Motion, the representations of counsel, and the evidence adduced, the Court finds that the Motion should be Granted. THEREFORE, IT IS HEREBY

ORDERED that the Debtor must assume or reject the Tax Abatement Contract (as defined in the Motion) on or before October 24, 2003.

SIGNED this _____ day of _____, 2003.

UNITED STATES BANKRUPTCY JUDGE