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ATTORNEYS FOR THE DEBTORS AND DEBTORS-IN-POSSESSION
**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re)	Chapter 11 Case
MIRANT CORPORATION, <u>et al.</u> ,)	Case No. 03-46590 (DML)
)	Jointly Administered
Debtors.)	Hearing Date and Time: December 3,
)	2003; 10:30 a.m.

**MOTION OF DEBTORS FOR ENTRY OF AN ORDER APPROVING
THE STIPULATION AND AGREED ORDER AUTHORIZING
(I) USE OF CASH COLLATERAL PURSUANT TO 11 U.S.C. § 363
AND BANKRUPTCY RULES 4001(b) AND (d) AND (II) GRANT OF
ADEQUATE PROTECTION PURSUANT TO 11 U.S.C. §§ 361 AND 363**

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

Mirant Corporation (“Mirant”) and its affiliated debtors (the “Debtors”), on behalf of West Georgia Generating Company, L.L.C. (“WGGC”), file this motion (the “Motion”) for entry of an order approving the Stipulation and agreed order (as described herein) authorizing (i) the use of cash collateral pursuant to section 363 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330 as amended, the (“Bankruptcy Code”) and Rules 4001(b) and 4001(d) of the Federal Rules of Bankruptcy Procedure and (ii) grant of adequate protection pursuant to sections 361 and 363 of the Bankruptcy Code, and respectfully represent as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

PROCEDURAL BACKGROUND

2. The Cases. Commencing on July 14, 2003, and concluding in the early morning hours of July 15, 2003, (the “Petition Date”), certain of the Debtors (collectively, the “Initial Debtors”) filed voluntary petitions in this Court for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (the “Bankruptcy Code”).¹ On August 18, 2003, Mirant EcoElectrica Investments I, Ltd. and Puerto Rico Power Investments, Ltd. (collectively, the “New Debtors”) commenced chapter 11 cases under the Bankruptcy Code. On October 3, 2003, the following additional Debtors filed voluntary petitions in this Court for relief under chapter 11: (i) Mirant Wrightsville Management, Inc.; (ii) Mirant Wrightsville Investments, Inc.; (iii) Wrightsville Power Facility, L.L.C.; and (iv) Wrightsville Development Funding, L.L.C. (collectively, the “Wrightsville Debtors”). On November 18, 2003, the following additional Debtors filed voluntary petitions in the Court for relief under chapter 11 (1) Mirant Americas Energy Capital, LP and (2) Mirant Americas Energy Capital Assets, LLC (the “MAEC Debtors”). The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

¹ Concurrently, Mirant caused two of its Canadian subsidiaries, Mirant Canada Energy Marketing, Ltd and Mirant Canada Energy Marketing Investments, Inc. (collectively, the “Canadian Debtors”) to commence plenary insolvency proceedings in the Court of Queen’s Bench of Alberta Judicial District of Calgary (the “Canadian Court”) pursuant to the *Companies’ Creditors Arrangement Act*. The Canadian Debtors are subject to the sole and exclusive jurisdiction of the Canadian Court.

3. The Cases are Jointly Administered. On July 15, 2003, this Court granted the motion for an order requesting that the bankruptcy estates of the Initial Debtors be jointly administered. On September 8, 2003, the Court entered an order approving joint administration of the cases of the New Debtors with those of the Initial Debtors. Also, on September 8, 2003, the Court granted the motion for an order directing that orders entered in the cases of the Initial Debtors be made applicable to those of the New Debtors. On October 20, 2003, the Debtors entered an order approving the joint administration of the cases of the Wrightsville Debtors with those of the Initial Debtors. Also, on November 5, 2003, the Debtors granted the motion for the entry of an order directing that certain orders entered in the cases of the Initial Debtors be made applicable to the Wrightsville Debtors. The MAEC Debtors' motion for joint administration is still pending before this Court.

3. The Committees. Three official committees have been appointed by the Office of the United States Trustee for the Northern District of Texas in these administratively consolidated cases. Specifically, an official unsecured creditors' committee and an official committee of equity security holders have been appointed for Mirant Corporation and an official unsecured creditors' committee has been appointed for Mirant Americas Generation, LLC (collectively, the "Committees").

FACTUAL BACKGROUND

The Debtors' Business Operations.

4. Mirant and its direct and indirect subsidiaries comprise one of the world's largest generators and marketers of electricity. Through its direct and indirect subsidiaries, Mirant produces, sells and delivers reliable energy products and services to utilities, municipal systems, aggregators, electric-cooperative utilities, producers, generators, marketers and large industrial customers in North America, the Philippines and the Caribbean. Mirant's core

business centers on the production and sale of electricity and electrical capacity (essentially the ability to produce electricity on demand). Mirant currently owns or controls more than 21,800 megawatts of electric generating capacity around the world, of which more than 18,000 megawatts is located in the United States. In 2002, Mirant produced 73 million megawatt-hours of electricity, sold 312 million megawatt-hours of electricity and sold or marketed an aggregate average of 21 billion cubic feet per day of natural gas.

5. As of July 31, 2003, Mirant employs about 6,700 employees worldwide. Approximately 1,000 employees are based at Mirant's corporate headquarters in Atlanta, and approximately 5,700 employees are based at operating facilities. Approximately 1,000 employees are subject to collective bargaining agreements. In 2002, Mirant recorded a \$542 million loss in earnings before interest, taxes and depreciation on a consolidated basis. Its 2002 operating revenues were approximately \$6.4 billion.

Facts relevant to the Motion.

6. WGGC is a Debtor and a debtor-in-possession in these chapter 11 cases and owns and operates a 605-megawatt generating facility located at Thomaston, Georgia (the "Project") as a going concern. The Project generates natural gas and sells the power to major utilities, municipal authorities and electric cooperatives in the South East region under certain power purchase agreements (the "Power Purchase Agreements"). As of the date hereof, the majority, if not all, of WGGC's revenues are derived from services provided under these Power Purchase Agreements.

7. WGGC entered into that certain Credit Agreement, dated December 12, 2000 (as amended, modified or otherwise supplemented from time to time, the "Prepetition Credit Agreement", and together with all agreements, documents, notes, instruments and any

other agreement delivered pursuant thereto or in connection therewith, the “Prepetition Loan Documents”), with Deutsche Bank AG, New York Branch, in its capacity as Agent (the “Agent”) for the benefit of certain lenders (together with the Agent, the “Lenders”) party to the Prepetition Credit Agreement. Pursuant to the Prepetition Credit Agreement, the Agent and the Lenders agreed to make loans and advances (collectively, the “Prepetition Obligations”) to WGGC in the principal amount of \$150,000,000 in term loans to WGGC for the purposes of financing the acquisition, development and construction of the Project.

8. Concurrently with the execution of the Prepetition Credit Agreement, WGGC granted to the Agent for the ratable benefit of the Lenders, pursuant to various security agreements, pledge agreements, mortgages and other agreements, pledges, first priority security interests and liens to secure the Prepetition Obligations (collectively, the “Liens”) on all or substantially all of WGGC’s then existing and after acquired real property and personal property and assets. In addition, the members in WGGC pledged their membership interests in WGGC to the Agent for the ratable benefit of the Lenders to secure the Prepetition Obligations. All of the collateral so granted to the Agent to secure the Prepetition Obligations is hereinafter referred to as the “Prepetition Collateral”.

9. The Prepetition Collateral includes, without limitation, cash proceeds of the Prepetition Collateral, whether existing before or after the commencement of the WGGC Chapter 11 Case (subject to the limitations set forth in section 552 of the Bankruptcy Code, to the extent applicable), which cash constitutes the Lenders’ cash collateral within the meaning of section 363(a) of the Bankruptcy Code (the “Cash Collateral”). All of the funds and revenues available to WGGC for the maintenance of its business operations, whether held before or after

the Petition Date, constitute Cash Collateral. As of the date of this Motion, WGGC holds approximately \$47.1 million in Cash Collateral.

10. The Lenders assert that, as of the Petition Date, WGGC was in default under the Prepetition Loan Documents, and WGGC was truly and justly indebted to the Lenders under and in accordance with the Prepetition Loan Documents in the aggregate principal sum of not less than \$139,500,000, together with interest accrued thereon, plus costs, fees and expenses (collectively, the “Prepetition Indebtedness”).

WGGC needs Access to the Cash Collateral.

11. As all of the funds available to WGGC are Cash Collateral, WGGC is unable to use these funds, even to satisfy the costs of maintaining its business in the ordinary course, absent the Lenders’ consent or a court order under section 363(b) of the Bankruptcy Code. Additionally, pursuant to sections 361 and 363 of the Bankruptcy Code, the Lenders are entitled to adequate protection of their interest in the Prepetition Collateral, including the Cash Collateral, for and to the extent of any diminution in value of the Prepetition Collateral, resulting from, without limitation, the WGGC’s use of the Cash Collateral.

12. Since the commencement of the chapter 11 cases, WGGC has had little or no access to cash, and, during the negotiation of the terms for the consensual use of Cash Collateral with the Lenders, has relied exclusively on intercompany borrowings from certain of the Debtors to fund its operations.² As of the date hereof, the Debtors estimate that WGGC owes approximately \$5.0 million on account of intercompany borrowings. Upon approval of the

² As with the Debtors’ other generating assets Mirant Services, LLC and Mirant Americas Energy Marketing LP, each debtors and debtors in possession herein, provide WGGC with the goods and services necessary to operate the Project, which accounts are settled in arrears.

Stipulation (defined below), WGGC will promptly repay all accrued and past due intercompany borrowings.

13. Without access to the Cash Collateral, WGGC will be unable to continue operating the Project as a going concern. The Debtors believe that maintaining WGGC's operations, including the operation of the Project, will yield values far in excess of values that will otherwise be derived by a shut-down of the business and a wholesale liquidation of the assets at distressed prices. For this reason, the Debtors and the Lenders have negotiated a stipulation and an agreed order, substantially in the form annexed hereto as Exhibit A, to govern WGGC's use of the Cash Collateral and for the adequate protection of the Lenders' interest in the Prepetition Collateral (the "Stipulation").

Stipulation between WGGC and the Lenders.

14. Pursuant to the terms of the Stipulation, WGGC is permitted to use Cash Collateral according to an agreed budget (the "Budget", which the Debtors intend to file with the Court prior to the hearing in respect of the Motion). The Stipulation also provides, among other things, that WGGC will grant the Lenders replacement liens and the Lenders pay periodic cash payments equal to the amount of current interest at the non-default rate owing under the Prepetition Credit Agreement to adequately protect against the diminution of the Lenders' interests in the Prepetition Collateral. The relevant terms of the Stipulation are as follows:

Use of Cash Collateral.

15. Under the Stipulation, WGGC is permitted to use the Cash Collateral in accordance with the Budget to fund the costs necessary to operate its business, including funding for items such as insurance, rent, utility charges and general overhead costs. Additionally, WGGC is permitted to use Cash Collateral (a) to fund the costs of administering WGGC's chapter 11 case, including reasonable professional fees, and (b) to pay adequate protection

payments to the Lenders. WGGC will hold the remaining funds not used for these purposes as a working capital reserve. To use this working capital reserve, WGGC must obtain written consent from the Agent or a further order from this Court. WGGC, however, may apply these reserve funds (x) to reduce the principal amount of the Prepetition Obligations without further notice or (y) upon notice to the Agent, to fund emergency expenditures up to a maximum aggregate amount of \$200,000, which may be increased upon written consent of the Agent or further order of the Court.

Replacement Liens.

16. The Stipulation provides that WGGC will grant replacement liens as adequate protection against the diminution of the Lenders' interest in the Prepetition Collateral resulting from the Debtors' use, sale or lease other disposition of such collateral. Pursuant to section 361 and 363 of the Bankruptcy Code, WGGC will grant to the Agent (for the ratable benefit of the Lenders) the following:

- (i) first priority liens and security interests on all assets of WGGC (whether heretofore or hereafter acquired) not otherwise encumbered by validly perfected and unavoidable liens or security interests as of the Petition Date, including cash maintained in various accounts with the Agent; and
- (ii) junior liens and security interests on all assets of WGGC encumbered as of the Petition Date by any valid, enforceable, perfected and unavoidable liens or security interests (other than the Liens) (any such liens or security interests, the "Senior Liens"), junior and subordinate to such Senior Liens (collectively, the "Lender Replacement Liens" and the collateral securing the Lender Replacement Liens, the "Postpetition Replacement Collateral").

The Lender Replacement Liens, however, are subject to a carve out amount of not more than \$500,000, which is reserved for the payment of (i) fees under 28 U.S.C. § 1930 and to the Clerk of Court and (ii) fees and expenses of professionals retained pursuant to orders of this Court by WGGC and the Committees (the "Carve Out").

17. Under the Stipulation, the Lender Replacement Liens are to be perfected as of the Petition Date, may not be made subject to or pari passu with any postpetition lien or security interest, and are enforceable against a later-appointed chapter 11 trustee or chapter 7 trustee, should the case be converted, except as otherwise ordered by this Court.

18. Furthermore, to the extent that, notwithstanding the adequate protection provided to the Lenders, the Lenders have a claim allowable under section 507(a)(1) of the Bankruptcy Code (the “Lender Adequate Protection Claim”), arising from the stay of action against the Prepetition Collateral under section 362 of the Bankruptcy Code or from the use, sale or lease of the Prepetition Collateral under section 363 of the Bankruptcy Code, such Lender Adequate Protection Claim shall have priority over all other claims as provided by section 507(b) of the Bankruptcy Code, subject only to the Carve Out.

Periodic Payments.

19. As further adequate protection, the Stipulation requires WGGC to pay periodic cash payments, equal to the interest accrued and unpaid (calculated as the non-default rate pursuant to the Prepetition Credit Agreement) on the amount of the Prepetition Obligations outstanding as of the Petition Date. Also within three (3) business days of entry of an order entered by this Court approving the Stipulation, WGGC must make a payment to the Agent equal to the interest accrued and unpaid (calculated at the non-default rate pursuant to the Prepetition Credit Agreement) from the Petition Date until the entry of such order.³

20. Additionally, the Stipulation provides that the Lenders are entitled to prompt reimbursement from WGGC, without the necessity of a fee application or this Court’s

³ The Debtors estimate that, as of December 1, 2003, an amount equal to approximately \$5.23 million of accrued but unpaid interest will be owing.

approval, (a) for the reasonable costs and expenses incurred, either before and after the Petition Date, in connection with (i) the Lenders' claims and liens and (ii) actions to preserve, protect and/or enforce their rights and remedies under, and (b) to administer, the Prepetition Credit Agreement, the Prepetition Loan Documents and the order of this Court.

Termination Events.

21. The Stipulation provides that WGGC's authority to use Cash Collateral will terminate automatically upon the occurrence of a Termination Event, absent an order of this Court authorizing WGGC otherwise. A "Termination Event" includes the occurrence of one or more of the following:

- The entry of an order reversing, staying, vacating or otherwise modifying in any material respect the terms of the Stipulation.
- The entry of any order in the WGGC chapter 11 case or any successor case, which order constitutes the stay, modification, appeal, or reversal of the Stipulation or which otherwise affects the effectiveness of the Stipulation.
- The entry of any order in the WGGC chapter 11 case appointing any examiner having expanded powers or a trustee to operate all or any part of WGGC's business.
- The entry of any order dismissing the WGGC chapter 11 case or converting the WGGC chapter 11 case to a case under chapter 7 of the Bankruptcy Code.
- The entry of any order in the chapter 11 cases substantively consolidating the WGGC estate with any of the other Debtors' estates.
- The entry of any order which (a) provides relief from the automatic stay otherwise imposed pursuant to section 362 of the Bankruptcy Code, which order permits any creditors, other than the Lenders to realize upon, or to exercise any right or remedy with respect to, assets of WGGC, upon which the Agent has a first priority, of more than a de minimus value (\$300,000 in the aggregate) or material adverse effect on WGGC's business including its ongoing liquidation.
- The entry of any order, or the filing by any Debtor of a motion seeking entry of an order, rejecting or otherwise terminating any of the contracts set forth in Exhibit C to the Stipulation (the "Scheduled Contracts").

- At the option of the Agent and on not less than five business days notice to the Debtors and each of the Committees, the breach of any term, covenant, condition or provision of the Stipulation by WGGC, which would reasonably be expected to have a material adverse effect on the Collateral or the rights of the Lenders.

Reservation of Rights.

22. Notwithstanding the terms of the Stipulation, both WGGC and the Lenders reserve their rights to request further relief from this Court. The Stipulation expressly provides that WGGC reserves its right to investigate and challenge the validity, perfection, priority or enforceability of the Prepetition Indebtedness or any liens or security interests securing the Prepetition Indebtedness, as well as its right to pursue any claims or causes of action WGGC may have against the Lenders. Likewise, the Stipulation states that the Lenders reserve their right to: (i) request different or additional adequate protection and/or object to professional fees and expenses sought from WGGC's estate; (ii) relief from or modification of the automatic stay to access the Prepetition Collateral; (iii) request different or additional liens, security interests, superpriority claims and other protections; (iv) pursue claims or causes of action that the Lenders may have against WGGC; (v) request conversion of WGGC's chapter 11 case to a chapter 7 case; and/or (vi) propose a chapter 11 or other plan, subject to the provisions of section 1121 of the Bankruptcy Code.

RELIEF REQUESTED

23. By this Motion, the Debtors respectfully request entry of an order approving the Stipulation, authorizing (i) WGGC to use the Cash Collateral from the Petition Date through and including the Termination Date (as defined by the Stipulation) only in accordance with the terms of the Stipulation and subject to the conditions set forth in this Court's

Order and (ii) to provide the Lenders with adequate protection for any diminution in the value of the Prepetition Collateral resulting from WGGC's use of the Cash Collateral.

Bankruptcy Code Section 363(c)(2) Empowers the Court to Authorize the Debtors' Use of Cash Collateral.

24. Section 363 of the Bankruptcy Code governs a debtor's ability to use, sell, or lease property of the estate. Specifically, section 363(c)(2) of the Bankruptcy Code restricts a debtor's ability to use cash collateral. That section provides, in pertinent part:

The trustee [or debtor in possession] may not use, sell, or lease cash collateral under paragraph (1) of this subsection unless –

(A) each entity that has an interest in such cash collateral consents;
or

(B) the court, after notice and a hearing, authorizes such use, sale, or lease in accordance with the provisions of this section.

11 U.S.C. § 363(c)(2). Section 363(a) of the Bankruptcy Code defines “cash collateral” as including cash and cash equivalents “whenever acquired,” in which the estate and an entity other than the estate have an interest, and “the proceeds, products, offspring, rents or profits of property subject to a security interest as provided in Section 552(b) of this title whether existing before or after the commencement of a case under this title.” 11 U.S.C. § 363(a).

25. Section 363(e) of the Bankruptcy Code provides that “on request of an entity that has an interest in property . . . proposed to be used, sold, or leased, by the trustee, the court, with or without a hearing, shall prohibit or condition such use, sale, or lease as is necessary to provide adequate protection of such interest.” 11 U.S.C. § 363(e). Adequate protection is defined in section 361 of the Bankruptcy Code and includes, but is not limited to:

- (a) lump sum or periodic cash payments to the extent that such use will result in a decrease in value of such entity's interest in the property;

- (b) provisions for an additional or replacement lien to the extent that the use of the property will cause a decrease in the value of such entity's interest in the property; and
- (c) such other relief as will result in the realization by the entity of the indubitable equivalent of such entity's interest in the property.

11 U.S.C. § 361.

26. The purpose of the requirement of adequate protection is to protect a secured creditor from the diminution in the value of its interest in particular collateral resulting from the debtor's use of such collateral. See In re Gallegos Research Group, Corp., 193 B.R. 577, 584 (Bankr. D. Colo. 1995) (noting that all forms of adequate protection are designed to protect secured creditors from diminution in the value of their collateral); In re WPRV-TV, Inc., 102 B.R. 228, 230 (Bankr. Okla. 1988) ("adequate protection is granted to compensate the Creditor for any decrease in value which may result from the retention of property by the Debtors"); In re Beker Indus., 58 B.R. 725, 736 (Bankr. S.D.N.Y. 1986) (focus is on protection of the secured creditor from diminution in the value of its collateral during reorganization process).

The Interests of the Lenders Are Adequately Protected under the Stipulation.

27. The terms of the Stipulation are designed fairly to permit WGGC's use of Cash Collateral necessary to preserve the value of its estate while providing appropriate adequate protection to the Lenders. The Liens will protect against any diminution in the value of the Prepetition Collateral resulting from the Debtors' use, sale or lease or other disposition of the Prepetition Collateral and the Cash Collateral. Courts have found that replacement liens are an appropriate means of providing adequate protection. See, e.g., In re O'Conner, 808 F.2d 1393, 1398 (10th Cir. 1987); In re Wrecclesham Grange, Inc., 221 B.R. 978, 981 (Bankr. M.D. Fla. 1997) (noting that a replacement lien of equal value on postpetition rents is adequate protection);

In re Stein, 19 B.R. 458, 460 (Bankr. E.D. Pa. 1982) (continued lien on debtors' crops, livestock and equipment resulted in an increase rather than a decrease in collateral, and debtors were granted authority to use cash collateral to meet operating expenses during chapter 11 proceedings); see also 11 U.S.C. § 361(b).

28. Additionally, the Periodic Payments, which are equal to the non-default interest that the Lenders would otherwise receive from their loans, will adequately protect the Lenders from any diminution in the value of the Prepetition Collateral. Periodic cash payments are also recognized as an appropriate form of adequate protection. See, e.g., Confederation Life Ins. Co. v. Beau Rivage Ltd., 126 B.R. 632, 641 (N.D. Ga. 1991) (adequate protection under section 361 can be interest payments or can reduce the principal on a debt owed); In re Cason, 190 B.R. 917, 924 (Bankr. N.D. Ala. 1995) ("Where there is the possibility of a diminution of a creditor's collateral interest, a debtor may be required to provide the creditor with adequate protection, such as periodic cash payments.").

29. Importantly, the Stipulation contemplates a complete reservation of rights to challenge the validity and enforceability of the Lenders' liens and claims. Thus, no party in interest, including WGGC, will be prejudiced by approval of the Stipulation.

30. No previous motion for the relief sought herein has been made to this or any other court.

CONCLUSION

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested in this Motion and enter an order approving the Stipulation and all provisions contained therein and all other such relief as this Court deems just.

Dated: Fort Worth, Texas
November 18, 2003

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And –

By: /s/ Michelle C. Campbell

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ATTORNEYS TO THE DEBTORS
AND DEBTORS IN POSSESSION

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he has authorized BSI as service agent to cause to serve a true and correct copy of the foregoing document upon all parties listed below via facsimile and upon all persons on the Limited Service List via e-mail, fax, or overnight delivery, on the 18th day of November, 2003 in accordance with the Federal Rules of Bankruptcy Procedure:

/s/ Michelle C. Campbell

Sam Stricklin Bracewell & Patterson 500 N. Akard Street Suite 4000 Dallas, Texas 75201-3387 Fax: 214-758-8395	Robert Rosenberg Mark Broude Latham & Watkins LLP 885 Third Avenue New York, New York 10022 Fax: 212-751-4864
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EXHIBIT A

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

In re:	§	Chapter 11
	§	
Mirant Corporation, <u>et al.</u> ,	§	Case No. 03-46590-DML
	§	(Jointly Administered)
Debtors.	§	

**STIPULATION AND AGREED ORDER AUTHORIZING (I) USE OF CASH
COLLATERAL PURSUANT TO 11 U.S.C. § 363 AND BANKRUPTCY RULES
4001(b) AND (d) AND (II) GRANT OF ADEQUATE PROTECTION PURSUANT
TO 11 U.S.C. §§ 361 AND 363**

On November 18, 2003, Mirant Corporation and its affiliated debtors, on behalf of West Georgia Generating Company, L.L.C. (“WGGC”), a debtor and debtor in possession in the above captioned chapter 11 cases, filed a motion (the “Motion”) seeking an order (1) authorizing WGGC to use the Cash Collateral (as defined below) which is presently subject to the security interests of Deutsche Bank AG, New York Branch, in its capacity as Agent (the “Agent”) for the ratable benefit of certain lenders (the “Lenders”) party to the Prepetition Credit Agreement (as defined below) and (2) granting certain substitute and additional liens and other relief to the Agent for its benefit and the ratable benefit of such Lenders. WGGC has requested, and the Agent and the Lenders have consented to, the limited use of Cash Collateral by WGGC during the postpetition period from and including the Petition Date through and including the Termination Date (the “Cash Collateral Period”), subject to the terms and conditions set forth in this Stipulation and Agreed Order Authorizing Use of Cash Collateral (the “Order”).

The Court having considered the Motion; and in accordance with Rule 4001(b) and (d) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), due and proper notice of the Motion having been provided; and a hearing having been held before this Court on December __, 2003 to consider the Motion (the “Final Hearing”); and upon all the pleadings filed with the Court in connection with the Final Hearing and all of the proceedings held before the Court and upon the record made at the Final Hearing; and the Court having noted the appearances of all parties in interest present at the Final Hearing and in the record of the Court; and objections, if any, to the relief requested in the Motion having been withdrawn, resolved or overruled by the Court; and after due deliberation and consideration and good and sufficient cause appearing therefor,

THE COURT HAS BEEN ADVISED THAT WGGC, THE AGENT AND THE LENDERS HAVE STIPULATED FOR ALL PURPOSES IN THE CASE AS FOLLOWS:

A. Commencing on July 14, 2003 and concluding on July 15, 2003 (the “Petition Date”), WGGC, Mirant Corporation (“Mirant”) and certain of Mirant’s domestic subsidiaries filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). From time to time thereafter, certain of Mirant’s other subsidiaries have filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (Mirant and each such entity seeking relief under chapter 11, a “Debtor” and, collectively, the “Debtors”). WGGC continues to operate its business and manage its properties as debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

B. The chapter 11 case of WGGC (the “WGGC Chapter 11 Case”) has been consolidated for procedural purposes only and is being jointly administered with the other Debtors’ chapter 11 cases (the “Mirant Chapter 11 Cases”, and together with the WGGC Chapter

11 Case, the “Chapter 11 Cases”). On July 25, 2003, the Office of the United States Trustee (i) appointed an Official Committee of Unsecured Creditors of Mirant Corporation (the “Mirant Committee”) and thereafter, (ii) appointed an Official Committee of Unsecured Creditors of Mirant Americas Generation, LLC (the “MAG Committee”). On September 18, 2003, the Office of the United States Trustee appointed an Official Committee of Equity Security Holders of Mirant Corporation (the “Equity Committee”, and collectively with the Mirant Committee and the MAG Committee, the “Committees”). No trustee or examiner has been appointed in the WGGC Chapter 11 Case nor has a request for the appointment of a trustee or examiner been made.

C. This Court has jurisdiction over the WGGC Chapter 11 Case pursuant to 28 U.S.C. §§ 157(b) and 1334. Consideration of this Order constitutes a core proceeding as defined in 28 U.S.C. § 157(b)(2). The statutory predicates for the relief requested herein are sections 105, 361, 362 and 363 of the Bankruptcy Code and Bankruptcy Rules 4001(b), (c) and (d). Venue of the WGGC Chapter 11 Case in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

D. On December 12, 2000, WGGC, the Agent and the Lenders entered into that certain Credit Agreement (as amended, modified or otherwise supplemented from time to time, the “Prepetition Credit Agreement”, and together with all agreements, documents, notes, instruments and any other agreement delivered pursuant thereto or in connection therewith, the “Prepetition Loan Documents”) pursuant to which the Agent and the Lenders agreed to make loans and advances (collectively, the “Prepetition Obligations”) to WGGC in the principal amount of \$150,000,000.

E. To secure the Prepetition Obligations, concurrently with the execution of the Prepetition Credit Agreement, WGGC granted to the Agent for the ratable benefit of the Lenders, pursuant to various security agreements, pledge agreements, mortgages and other agreements, pledges, first priority security interests and liens (collectively, the “Liens”) on all or substantially all of WGGC’s then existing and after acquired real property and personal property and assets, accounts receivable, inventory, instruments and chattel paper evidencing accounts receivable or into which any accounts receivable have been, or thereafter were, converted, securities, limited liability company interests, partnership interests, security entitlements, financial assets and investment property, wherever located, then owned or thereafter acquired or arising, and other real property and tangible and intangible personal property, and the proceeds, products, rents and profits of all of the foregoing. In addition, the members in WGGC pledged their membership interests in WGGC to the Agent on behalf of the Lenders to secure the Prepetition Obligations. All of the collateral so granted to the Agent to secure the Prepetition Obligations is hereinafter referred to as the “Prepetition Collateral”.

F. The Agent and Lenders assert that, as of the Petition Date, WGGC was in default under the Prepetition Loan Documents, and WGGC was truly and justly indebted to the Agent and the Lenders under and in accordance with the Prepetition Loan Documents in the aggregate principal sum of not less than \$139,500,000, together with interest accrued thereon, plus costs, fees and expenses (collectively, the “Prepetition Indebtedness”).

G. Under the Prepetition Loan Documents, the Prepetition Collateral includes, without limitation, cash proceeds of the Prepetition Collateral, whether existing before or after the commencement of the WGGC Chapter 11 Case (subject to the limitations set forth in section 552 of the Bankruptcy Code, to the extent applicable), which cash constitutes the Agent’s

and the Lenders' cash collateral within the meaning of section 363(a) of the Bankruptcy Code (the "Cash Collateral"). The Agent and the Lenders are entitled, pursuant to sections 361 and 363 of the Bankruptcy Code, to adequate protection of their interest in the Prepetition Collateral, including the Cash Collateral, for and to the extent of any diminution in value of the Prepetition Collateral, resulting from, without limitation, the use of the Cash Collateral and the use, sale or lease of the Prepetition Collateral (other than the Cash Collateral).

H. Good cause has been shown for entry of this Order. The relief requested herein is necessary, essential and appropriate for the continued survival and operation of WGGC's business, absent which WGGC's ability to maximize the value of its estate for the benefit of its creditors will be irreparably jeopardized. WGGC does not have sufficient available sources of working capital and financing to carry on the operation of its business without the use of the Cash Collateral. In absence of the use of Cash Collateral, the continued operation of WGGC's business will not be possible, and serious and irreparable harm to WGGC, its estate and its creditors would occur. Entry of this Order will minimize disruption of WGGC's business and operations and will permit WGGC to meet operating expenses as described herein.

I. Based on the stipulation of the parties, this Court concludes that entry of this Order is therefore in the best interests of WGGC, its estate and its creditors, as its implementation will, among other things, permit WGGC to maintain the operation of its business, preserve the value of WGGC's estate and enhance WGGC's prospects for a successful reorganization.

J. The Agent and the Lenders will not agree to the use of the Cash Collateral absent the approval of the terms and conditions set forth herein, and the relief hereinafter ordered is necessary to avoid irreparable harm to WGGC, its estate and its creditors.

K. Notice of the Final Hearing and the terms hereof has been given to (i) the Office of the United States Trustee for the Northern District of Texas; (ii) counsel to the Agent; (iii) counsel to the Committees; and (iv) all parties that have requested notice in these proceedings.

L. The terms of the proposed use of the Cash Collateral, as modified herein, reflect WGGC's exercise of prudent business judgment consistent with its fiduciary duties, and are supported by reasonably equivalent value and fair consideration.

M. Based upon the foregoing findings and conclusions, and upon the record made by WGGC at the Final Hearing, and any objections to this Order having been withdrawn, resolved or overruled, and good and sufficient cause appearing therefor,

IT IS HEREBY ORDERED that:

Authorization

1. Capitalized terms used herein not otherwise defined shall have the meaning assigned thereto in the Prepetition Credit Agreement.
2. The Motion is granted to the extent and in the manner set forth herein.
3. WGGC is expressly authorized to use the Cash Collateral from the Petition Date through and including the Termination Date (as defined below) only on the terms and subject to the conditions set forth in this Order.
4. Notwithstanding any termination of WGGC's authority to use the Cash Collateral pursuant to the terms hereof, all liens, security interests, priorities, rights and remedies provided to the Agent and/or the Lenders pursuant to this Order or the Prepetition Loan Documents shall survive such termination and remain in full force and effect with respect to (i)

any Prepetition Indebtedness outstanding on the Termination Date, and (ii) any claims and obligations arising under this Order outstanding on the Termination Date.

5. WGGC is authorized to use Cash Collateral to fund costs necessary to operate WGGC's business, including funding WGGC's general working capital requirements for items such as insurance, rent, utility charges, budgeted capital expenditures and general overhead all in accordance with the budget annexed hereto as Exhibit A (the "Budget"), which Budget may be modified and/or extended upon written agreement of the Agent without further notice or order of the Court. In addition to the foregoing, WGGC is authorized to use Cash Collateral to (a) fund the costs associated with administration of the chapter 11 case, including reasonable professional fees and expenses allowed and payable under sections 330 and 331 of the Bankruptcy Code or any order of the Court governing procedures for interim compensation and reimbursement of expenses of professionals, as the same may be due and payable, but solely to the extent that any such costs, fees and expenses are directly allocable to WGGC, its estate or the WGGC Chapter 11 Case and (b) make adequate protection payments to the Agent and the Lenders as provided in Paragraphs 10 and 11 below. The Agent reserves all rights to object to the professional fees and expenses, if any, that are sought from WGGC's estate. Cash Collateral not otherwise utilized for the foregoing purposes shall be held by WGGC as a working capital reserve (the "Reserve"). WGGC may utilize the Reserve for working capital needs solely upon (x) receipt of written consent of the Agent, or (y) further order of the Court; provided, however, that WGGC may, at its option and without further notice or order of the Court, release funds from the Reserve, from time to time, either (i) to the Agent for the ratable benefit of the Lenders, such funds to be applied to and reduce dollar for dollar the principal amount of Prepetition Obligations then outstanding (the "Principal Reduction Option"), or (ii) upon notice to the

Agent, to fund emergency expenditures required for the operation and maintenance of WGGC's business, in accordance with prudent utility practice, up to a maximum aggregate amount of \$200,000, which amount may be increased upon written consent of the Agent or further order of the Court.

6. WGGC reserves the right to investigate and challenge the validity, perfection, priority or enforceability of the Prepetition Indebtedness or any liens or security interests securing the Prepetition Indebtedness. Notwithstanding anything herein to the contrary, Cash Collateral may be used to object to or contest in any manner, or otherwise challenge, the validity, perfection, priority or enforceability of the Prepetition Indebtedness or any liens or security interests securing the Prepetition Indebtedness; provided, however, that up to \$30,000 of Cash Collateral may be used to investigate the validity, perfection, priority or enforceability of the Prepetition Indebtedness or any liens or security interests securing the Prepetition Indebtedness, which amount may be increased upon further order of the Court.

Lender Replacement Liens

7. As adequate protection to the Agent and the Lenders for any diminution in the value of the Prepetition Collateral resulting from the Debtors' use, sale or lease or other disposition of the Prepetition Collateral and the Cash Collateral (the amount of any such diminution being referred to hereinafter as the "Diminution Claim"), WGGC hereby grants to the Agent, for the ratable benefit of the Lenders (effective as of the Petition Date and without the necessity of the execution by WGGC, or filing of, security agreements, pledge agreements, mortgages, financing statements or otherwise) pursuant to Sections 361 and 363(c) of the Bankruptcy Code:

- (i) first priority liens and security interests on all assets of WGGC (whether heretofore or hereafter acquired) not otherwise encumbered by validly perfected and unavoidable liens or security interests as of the Petition Date, including cash

maintained in various accounts with the Agent; and

(ii) junior liens and security interests on all assets of WGGC encumbered as of the Petition Date by any valid, enforceable, perfected and unavoidable liens or security interests (other than the Liens) (any such liens or security interests, the “Senior Liens”), junior and subordinate to such Senior Liens (collectively, the “Lender Replacement Liens” and the collateral securing the Lender Replacement Liens, the “Postpetition Replacement Collateral”);

subject to (a) the allowed unpaid fees and expenses payable under Sections 330 and 331 of the Bankruptcy Code to professional persons retained pursuant to orders of the Court by WGGC or the Committees (to the extent payable from Cash Collateral pursuant to the provisions of paragraph 5 hereof), (b) reimbursement of expenses incurred by members of any Committee in the performance of their duties that are allowed by the Court and (c) payment of fees pursuant to 28 U.S.C. § 1930 and to the clerk of the Court in an aggregate amount for clauses (a), (b) and (c) not to exceed \$500,000 (clauses (a), (b) and (c) collectively, the “Carve-Out”); provided, however, that so long as no Termination Event shall have occurred and be continuing, WGGC shall be permitted to pay compensation and reimbursement of expenses allowed and payable under sections 330 and 331 of the Bankruptcy Code or any order of the Court governing procedures for interim compensation and reimbursement of expenses of professionals, to the extent payable from Cash Collateral pursuant to the provisions of paragraph 5 hereof, as the same may be due and payable, and the same shall not reduce the Carve-Out. The foregoing shall not in any way prejudice or prevent the Agent or the Lenders from objecting, for any reason, to any requests, motions or applications made in the Court, including any applications for interim or final allowances of compensation for services rendered or reimbursement of expenses referred to above or otherwise incurred under sections 105(a), 330, 331, 503(b), 507(b) or 1114 of the Bankruptcy Code, by any party in interest.

8. The Lender Replacement Liens shall be deemed perfected as of the Petition Date, shall not be made subject to or pari passu with any lien or security interest arising after the Petition Date, and, except as otherwise specifically provided in this Order, shall be valid and enforceable against any trustee appointed in the WGGC Chapter 11 Case or in a subsequent proceeding upon the conversion of the WGGC Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code; provided, however, that to the extent the Court enters an order avoiding the Liens, the Lender Replacement Liens in respect thereto shall be so avoided. For the sake of clarity and specificity, nothing contained herein shall in any way be construed as an order limiting or otherwise impairing the Agent's and/or the Lenders' or WGGC's rights as provided in Section 552 of the Bankruptcy Code.

9. To the extent that, notwithstanding the adequate protection provided to the Lenders by this Order, the Lenders have a claim allowable under section 507(a)(1) of the Bankruptcy Code (the "Lender Adequate Protection Claim"), arising from the stay of action against the Prepetition Collateral under section 362 of the Bankruptcy Code or from the use, sale or lease of the Prepetition Collateral under section 363 of the Bankruptcy Code, such Lender Adequate Protection Claim shall have priority over all other claims as set forth in section 507(b) of the Bankruptcy Code, subject only to the Carve Out.

Adequate Protection Payments

10. As additional adequate protection hereunder, WGGC shall pay to the Agent, for the ratable benefit of the Lenders, periodic cash payments at such times and in such approximate amounts as set forth in the Budget, which amounts shall be equal to interest on the amount of the Prepetition Obligations outstanding as of the Petition Date (calculated at the nondefault rate applicable to such amounts in accordance with the Prepetition Credit Agreement)

(the “Periodic Payments”), which payments shall be adjusted accordingly upon exercise of the Principal Reduction Option. To the extent not already paid, WGGC shall (i) within three (3) business days of the date of this Order, pay to the Agent an amount is equal to all accrued and unpaid interest due on or prior to the date hereof on account of the Prepetition Obligations (calculated at the nondefault rate applicable to such amounts in accordance with the Prepetition Credit Agreement) (the “Accrued Payment”).¹

11. Without prejudice to the Agent’s and Lenders’ rights to seek additional adequate protection at any time, as further adequate protection hereunder for the benefit of the Agent and the ratable benefit of the Lenders, the Agent and the Lenders shall be entitled to reimbursement by WGGC promptly, and without the necessity of the filing of fee applications or the obtaining of Court approval with respect thereto, of reasonable costs and expenses incurred both before and after the Petition Date in connection with (i) the Agent’s and the Lenders' claims and liens, and (ii) actions to preserve, protect and/or enforce their rights and remedies under, and to administer, the Prepetition Credit Agreement, the other Prepetition Loan Documents and this Order (collectively with the Periodic Payments and the Accrued Payment, the “Adequate Protection Payments”).

12. Notwithstanding anything to the contrary, the payment of the Adequate Protection Payments shall be without prejudice to the rights of any party in interest to seek a determination from this Court as to the appropriate characterization of such payments and the obligations relating thereto, including without limitation whether such payments shall be appropriately characterized as payments of principal or otherwise disgorged.

¹ The Debtors estimate that as of the December 1, 2003, the Accrued Payment is equal to approximately \$5.23 million.

Cash Management System/Bank Accounts

13. Notwithstanding any understanding or prior order of this Court to the contrary, as an express condition to WGGC's use of Cash Collateral hereunder, WGGC shall, and is hereby authorized and directed to, (i) maintain its existing cash management system as in existence as of the Petition Date and (ii) maintain the bank accounts and accounts collection arrangement as in existence as of the Petition Date as specified in the Prepetition Loan Documents or any account control agreement satisfactory to the Agent and to instruct all account debtors and other parties now or hereafter obligated to direct payments as provided in the Prepetition Loan Agreement and/or such account control agreement.

Automatic Perfection/Financing Documents

14. Without the necessity of the filing of financing statements, mortgages or other documents, this Order shall be sufficient evidence of the Agent's and the Lenders' perfected liens on and security interests in all Collateral as described herein to secure the Diminution Claims, provided, however, that notwithstanding the provisions of section 362 of the Bankruptcy Code, the Agent and/or the Lenders may, at its sole option, file or record or cause WGGC to execute, file or record, at WGGC's expense, such UCC financing statements, notices of liens and security interest, mortgages and other similar documents as the Lenders and/or the Agent may require. Notwithstanding the foregoing, WGGC and its officers or agents on its behalf are authorized and directed, if so requested by the Agent or any Lender, to execute such documents including, without limitation, pledges, mortgages, deeds of trust and Uniform Commercial Code financing statements and to pay all costs and expenses as may be reasonably required to provide further evidence of the perfection of the Agent's and the Lenders' liens on the Collateral as provided herein. The stay imposed by section 362(a) of the Bankruptcy Code is hereby lifted to allow the filing and recording of a certified copy of this Order or any such

financing statements, notices of lien, mortgages, deeds of trust or similar instruments, and all such documents shall be deemed to have been filed or recorded coincident with the execution of this Order.

15. The Agent and the Lenders may, in their absolute and sole discretion, file a photostatic copy of this Order as a financing statement in any jurisdiction, and in such event, the subject filing or recording officer is authorized and directed to file or record such copy of this Order.

Reporting

16. WGGC shall, from time to time, (i) provide the Agent and any of its representatives, financial advisors or other professionals access to WGGC's books and records, budgets, facilities, contracts and other data relating to the assets and liabilities of WGGC, upon request, during normal business hours and shall allow the Agent and any of its representatives, financial advisors or other professionals to inspect, review and photocopy the same upon request and (ii) provide the Agent and the Lenders with various reports and other information as set forth on Exhibit B hereto.

Fair and Reasonable

17. Based upon the terms of this Order and the Agent's and the Lenders' consent thereto, the payments, liens, security interests, superpriority claims and other protections provided in this Order are fair and reasonable to protect the interests of the Agent and the Lenders.

18. The automatic stay of section 362 of the Bankruptcy Code shall be modified solely to the extent necessary to implement the provisions of this Order.

19. Notwithstanding any stay, modification, vacation, or reversal of this Order, any indebtedness, obligation or liability incurred by WGGC pursuant to this Order arising prior to the later of the effective date of such stay, modification, vacation or reversal, or each Agent's and each Lender's receipt of notice thereof, shall be governed in all respects by the original provisions of this Order, and each Agent and each Lender shall continue to be entitled to all of the rights, remedies, privileges and benefits, including any payments authorized herein and all security interests, liens and priorities granted herein, with respect to all such indebtedness, obligations or liabilities incurred or existing prior to such date, and with respect to WGGC's use of the Cash Collateral prior to such date. Without limiting the generality of the foregoing, in the event this Court or any other court hereafter modifies any of the provisions of this Order, such modifications shall not affect the rights, remedies, liens and priorities of the Agent and the Lenders granted or acknowledged pursuant to this Order with respect to the Prepetition Indebtedness and any Cash Collateral which is used prior to any such modifications.

Asset Sales

20. Nothing in this Order shall be construed as or deemed to constitute the consent of any Agent or any Lender to the use, sale or lease of the Collateral, including the Cash Collateral, outside the ordinary course of WGGC's business or on any terms other than as expressly provided in this Order. Except for transactions expressly permitted in the Prepetition Loan Agreement, WGGC shall not sell, transfer, lease, encumber or otherwise dispose of any of the property of its estate without the approval of this Court.

Termination Events

21. WGGC's authority to use Cash Collateral shall automatically expire on the occurrence of any Termination Event (the "Termination Date"), unless extended by further order

of the Court. The rights and obligations of WGGC, the Agent and the Lenders with respect to all transactions and the use of Cash Collateral which have occurred prior to the termination of WGGC's authority to use Cash Collateral hereunder shall survive such termination. As used in this Order, the term "Termination Event" shall mean the occurrence of any of the following:

- The entry of an order reversing, staying, vacating or otherwise modifying in any material respect the terms of this Order.
- The entry of any order in the WGGC Chapter 11 Case or any successor case, which order constitutes the stay, modification, appeal, or reversal of this Order or which otherwise affects the effectiveness of this Order.
- The entry of any order in the WGGC Chapter 11 Case appointing any examiner having expanded powers or a trustee to operate all or any part of WGGC's business.
- The entry of any order dismissing the WGGC Chapter 11 Case or converting the WGGC Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code.
- The entry of any order in the Chapter 11 Cases substantively consolidating the WGGC estate with any of the other Debtors' estates.
- The entry of any order which (a) provides relief from the automatic stay otherwise imposed pursuant to section 362 of the Bankruptcy Code, which order permits any creditors, other than the Agent or the Lenders to realize upon, or to exercise any right or remedy with respect to, assets of WGGC, upon which the Agent has a first priority, of more than a de minimus value (\$300,000 in the aggregate) or material adverse effect on WGGC's business including its ongoing liquidation.
- The entry of any order, or the filing by any Debtor of a motion seeking entry of an order, rejecting or otherwise terminating any of the contracts set forth in Exhibit C hereto (the "Scheduled Contracts").
- At the option of the Agent and on not less than five business days notice to the Debtors and each of the Committees, the breach of any term, covenant, condition or provision of this Order by WGGC, which would reasonably be expected to have a material adverse effect on the Collateral or the rights of the Agent or Lenders.

22. WGGC shall not, without notice and a hearing, enter into any agreement to permit any creditor to take any setoff against any of WGGC's prepetition indebtedness pursuant to section 553(b)(1) of the Bankruptcy Code or otherwise. WGGC shall not, without notice to the Agent, file any motion seeking to reject or otherwise terminate any Scheduled Contract.

Survival

23. The provisions of this Order and any actions taken pursuant hereto shall survive entry of any order (a) converting the WGGC Chapter 11 Case to a Chapter 7 case, (b) dismissing the WGGC Chapter 11 Case or pursuant to which this Court abstains from hearing the WGGC Chapter 11 Case, or (c) confirming any plan of reorganization in the WGGC Chapter 11 Case. The terms and provisions of this Order and the Agent's and the Lenders' claims, liens and security interests granted pursuant to this Order shall continue in full force and effect notwithstanding the entry of any such order. The Court shall retain jurisdiction to enforce the provisions of this Order.

Preservation of Rights

24. Except as otherwise specifically provided herein, execution of this Order, the grant of adequate protection hereunder and the terms and provisions hereof shall be without prejudice to any and all rights, remedies, claims and causes of action which the Agent and/or any Lender may have against WGGC or any third parties, without prejudice to any and all rights, remedies, claims and causes of action which WGGC may have against the Agent and/or the Lenders, and without prejudice to the right of the Agent and/or any Lender to seek relief from the automatic stay in effect pursuant to section 362 of the Bankruptcy Code, or any other relief under the Bankruptcy Code or applicable nonbankruptcy law, including, without limitation, the right of

the Agent and/or the Lenders to (i) request different or additional adequate protection of their interests in the Prepetition Collateral (including, without limitation, the Cash Collateral) or relief from or modification of the automatic stay under section 362 of the Bankruptcy Code, (ii) request different or additional liens, security interests, superpriority claims and other protections, (iii) request conversion of the WGGC Chapter 11 Case to a case under Chapter 7 of the Bankruptcy Code, and/or (iv) propose, subject to the provisions of Section 1121 of the Bankruptcy Code, a Chapter 11 plan or plans.

No Release of Parties

25. Nothing contained in this Order shall be deemed to terminate, modify or release any obligations of any nondebtor guarantor or any affiliate of WGGC who is party to any of the Prepetition Loan Documents to the Agent or any Lender with respect to the obligations owed to the Agent and the Lenders, or the Prepetition Indebtedness, or otherwise.

No Third-Party Beneficiaries

26. No rights are intended to be created hereunder for the benefit of any third party or creditor or any direct or indirect incidental beneficiary except as specifically provided herein.

No Lender Control

27. Neither the Agent or the Lenders shall be deemed in control of WGGC by reason of the rights provided hereunder, the Prepetition Loan Documents, or their exercise of such rights.

Limitations on Section 506(c) Charges

28. No costs or expenses of administration or other charge, lien, assessment or claim incurred at any time during the Cash Collateral Period or any person or entity shall be

imposed against the Agent or the Lenders, their claims, or their collateral under section 506(c) of the Bankruptcy Code or otherwise, unless, prior to incurring such costs or expenses: (i) the party proposing to incur such cost or expense shall obtain the written consent of the Agent or the Lenders allowing such charge to be imposed against the Agent or the Lenders, their claims or their collateral under section 506(c) of the Bankruptcy Code, or (ii) this Court enters an order allowing such charge to be imposed against the Agent or the Lenders, their claims or their collateral under section 506(c) of the Bankruptcy Code. Nothing in this Order shall constitute the consent by the Agent or the Lenders to the imposition of any costs or expense of administration or other charge, lien, assessment or claim against the Agent or the Lenders, their claims or their collateral under section 506(c) of the Bankruptcy Code or otherwise.

Effectiveness

29. This Order shall constitute findings of fact and conclusions of law and shall take effect and be fully enforceable immediately upon execution by this Court. Except as otherwise provided herein, the terms of this Order shall, upon execution of this Order by the Court, be immediately valid and binding upon WGGC, the Agent, the Lenders, all other creditors of WGGC, the Committees and any other statutory committees appointed in these cases, all other parties in interest, and their respective successors and assigns, including any trustee or other fiduciary hereafter appointed in the WGGC Chapter 11 Case or in any superseding Chapter 7 case as a legal representative of WGGC's estate from and after the execution of this Order by this Court. Except as expressly set forth in this Paragraph, all relief set forth in this Order is final relief.

Waiver, Modification and Amendment

30. No waiver, modification, or amendment of any of the provisions hereof shall be effective unless it is (a) set forth in writing, (b) approved by this Court and (c) (i) with respect to any waiver, modification or amendment which pertains to the use of Cash Collateral, is approved by the Agent and each Lenders.

Notice

31. WGGC shall, within three (3) business days following entry of this Order, mail copies thereof, to the United States Trustee for the Northern District of Texas, counsel to the Committees, counsel to the Agent and the Lenders, all parties who appeared or otherwise responded to the relief requested herein, and any other party which has filed a request for notices with this Court and served such notice upon WGGC's counsel.

32. WGGC shall serve on the Agent's counsel, Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022, Fax: 212-751-4864 (Attention: Robert Rosenberg and Mark Broude) and Bracewell & Patterson, 500 N. Akard Street, Suite 4000 Dallas, Texas 75201, Fax: 214-758-8395 (Attention: Sam Stricklin), copies of all pleadings and memoranda of law filed by WGGC.

33. To the extent there is any conflict between the Motion, any other agreements and the terms of this Order, this Order shall govern.

IT IS SO ORDERED.

Dated: _____, 2003

United States Bankruptcy Judge

APPROVED AS TO FORM AND CONTENT:

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Attorneys for Mirant Corporation, et. al.

Attorneys for Deutsche Bank AG, New
York Branch as Agent

EXHIBIT A
[TO BE PROVIDED]

EXHIBIT B
[TO BE PROVIDED]

EXHIBIT C

SCHEDULED CONTRACTS

- (a) that certain Master Power Purchase and Sale Agreement, dated as of October 4, 2001 between West Georgia Generating Company, L.L.C. ("Borrower") and Mirant Americas Energy Marketing, LP;
- (b) that certain Negotiated Contract for the Purchase of Firm Capacity and Energy, dated as of July 18, 1996, between Georgia Power Company ("GPC") and Borrower (as successor in interest to Cataula Generating Company, L.P.);
- (c) that certain Negotiated Contract for the Purchase of Firm Capacity and Energy, dated as of September 10, 1999, between GPC and Borrower; and
- (d) that certain Power Purchase Agreement, dated as of August 16, 1999, between the Municipal Electric Authority of Georgia and Borrower.