



2. Pursuant to its Tariff and Settlement and Billing Protocol, the CAISO settles transactions by market participants on a monthly basis, collecting net amounts owed and distributing those amounts to net creditors after deducting applicable Grid Management Charges, and other fees and charges.

3. Mirant Americas Energy Marketing, LP (“MAEM”), one of the debtor entities in the above-captioned proceedings under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended, participates and conducts business in the markets administered by the CAISO.

4. Subject to the resolution of any necessary postpetition recalculations of prepetition transactions in the CAISO markets, the parties estimate that MAEM has credits of approximately \$7,096,133 for prepetition energy sales made by MAEM in the markets administered by the CAISO (“MAEM June Claim”), and debits of approximately \$449,988 by MAEM for prepetition energy purchases made by MAEM and Grid Management Charges in the markets administered by the CAISO (“CAISO June Claim”), for the month of June 2003.

5. For the month of July 2003, subject to any adjustments due to recalculations of prepetition transactions, the parties estimate that MAEM had credits of approximately \$2,927,918 for prepetition energy sales made by MAEM in the markets administered by the CAISO (“MAEM July Claim”), and debits of approximately \$176,168 by MAEM for prepetition energy purchases made by MAEM and Grid Management Charges in the markets administered by the CAISO (“CAISO July Claim”).

6. With respect to any postpetition transactions conducted by MAEM with or through CAISO, Mirant Corporation and its affiliated debtors (collectively, the “Debtors”), as debtors-in-possession, plan to continue to participate in the CAISO-administered markets in the

normal course of business. Accordingly, the Debtors plan to pay any postpetition claims for energy and other products they purchase and receive payment for the energy and other products they provide in the CAISO-administered markets on a net basis after any appropriate netting.

7. Pursuant to the CAISO's Tariff and Settlement and Billing Protocol, after the netting of the prepetition amounts owing to MAEM against the prepetition amounts owing to CAISO, the CAISO would owe MAEM approximately \$6,646,145 for the month of June 2003 and approximately \$2,751,750 for the month of July 2003.

8. This Court has jurisdiction over these matters and the relief requested in accordance with 28 U.S.C. §§ 157 and 1334.

9. Due notice of the Motions has been provided as set forth in the certificates of service attached to the Motions, and no other or further notice need be provided.

IT IS THEREFORE ORDERED AS FOLLOWS:

A. Subject to the terms of this Order, the Motions are granted in part and denied in part, as follows.

B. As requested by the CAISO in its Stay Motion, the netting by the CAISO of the CAISO June Claim against the MAEM June Claim is hereby authorized, subject to the provisions of paragraph E below.

C. As requested by the CAISO in its Stay Motion, the netting by the CAISO of the CAISO July Claim against the MAEM July Claim is hereby authorized, subject to the provisions of paragraph E below.

D. As requested by the Debtors in the Turnover Motion, and following the above-referenced netting of prepetition claims authorized herein and upon this Order becoming final, the CAISO immediately shall pay to MAEM the undisputed net amounts owed to it (to the extent

unpaid), subject to the parties' final agreement on the amounts estimated to be approximately \$6,646,145 for the month of June 2003 and approximately \$2,751,750 for the month of July 2003.

E. The MAGI Committee, the Mirant Committee, the Equity Committee and any other interested party shall each have forty-five days from the date of entry of this Order to file an objection (the "Objection Deadline") with the Court contesting the relief granted herein. If any such party files an objection and the Court sustains that objection following a hearing, the parties shall take all necessary actions to comply with the Court's order. If none of the Mirant Committee, the MAGI Committee, the Equity Committee or the any other interested party files an objection by the Objection Deadline, each shall be deemed to waive and be forever barred from raising any objection to the netting provided for in paragraphs B and C, supra.

F. Except as provided herein, this effectuation of the netting described in paragraphs B and C, supra, is without prejudice to any legal position or argument of, or any claim, demand, action or cause of action against, the CAISO or the Debtors or any dispute between or among any of them, and all such legal positions, arguments, claims and disputes, and all rights and defenses in respect thereof, are expressly preserved. Accordingly, the Order shall not be admissible in these chapter 11 proceedings or any future litigation related to these proceedings, for any purposes, except to effectuate or otherwise enforce this Order and as a resolution of the Motions and the adversary proceeding described in paragraph G, infra.

G. Upon entry of this Order, Debtors will file a stipulation of dismissal with prejudice with respect to Adversary Proceeding No. 03-4349, pertaining to Debtors' Complaint for Turnover of Property filed against the CAISO on September 4, 2003.

H. Except as otherwise provided herein, the Motions are denied.

Dated: November 25, 2003.



---

HONORABLE D. MICHAEL LYNN  
UNITED STATES BANKRUPTCY JUDGE

**PREPARED BY:**

Judith Elkin  
State Bar No. 06522200  
**HAYNES AND BOONE, LLP**  
901 Main Street  
Suite 3100  
Dallas, TX 75202  
(214) 651-5000

-and-

Thomas E Lauria  
State Bar No. 11998025  
**WHITE & CASE LLP**  
Wachovia Financial Center  
200 South Biscayne Blvd.  
Miami, Florida 33131  
(305) 371-2700

**ATTORNEYS FOR THE DEBTORS AND  
DEBTORS-IN-POSSESSION**