

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

ENTERED

AWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

In re:
MIRANT CORPORATION, et al.,
Debtors.

Chapter 11
Case No. 03-46590 (DML)
(Jointly Administered)

**ORDER GRANTING MODESTO IRRIGATION DISTRICT'S MOTION FOR
DETERMINATION OF RECOUPMENT RIGHTS OR IN THE ALTERNATIVE,
MOTION FOR RELIEF FROM THE AUTOMATIC STAY**

Upon consideration of the Motion of Modesto Irrigation District Determination of Recoupment Rights Or In the Alternative, Motion For Relief From The Automatic Stay (the "Motion");¹ and sufficient notice of the Motion having been given to parties in interest as required under the circumstances; and it appearing that no other or further notice of the Motion need to be given; and the Court having determined that good cause exists for granting the relief from stay requested in the Motion; and there having been no objections filed concerning the Motion; and the Debtors having advised the Court that they have no objection to the granting of this Order as set forth herein; and after due deliberation and sufficient cause appearing therefore, it is hereby so

ORDERED that the relief requested in the Motion is granted, permitting MID to net the amounts owing between MID and MAEM without the necessity for the Court to make a determination as to whether setoff or recoupment is the appropriate relief; and it is further

ORDERED that the automatic stay, to the extent otherwise applicable, is hereby lifted so as to authorize the immediate exercise of setoff rights by Modesto Irrigation District ("MID") against Debtor Mirant Americas Energy Marketing, L.P. ("MAEM") under the Western Systems

¹ All undefined capitalized terms herein shall have the same meaning as set forth in the Motion.

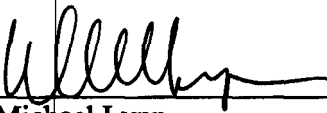
Power Pool Agreement (the "WSPP Agreement") and the Netting Exhibit of the WSPP Agreement, an October 19, 2000 WSPP Agreement, and August 9, 2001 WSPP Transaction Agreement and various next-day WSPP Transaction Agreements that were consummated during June 2003 (collectively, the "MID/MAEM Contracts") to setoff the amount of \$226,050.00 owed to MID from MAEM against the amount of \$618,640.00 owed to MAEM from MID, leaving a balance of \$392,590.00, which amount has already been paid to MAEM; and it is further

ORDERED that the Debtors and MID will net post petition amounts in the ordinary course of business pursuant to the terms of the WSPP Agreement; and it is further

ORDERED that the Debtors and MID are authorized to take all necessary steps to implement the terms of this Order; and it is further


ORDERED that this Court shall retain jurisdiction regarding the implementation of this Order.

SO ORDERED this 12 day of November, 2003.



D. Michael Lynn
United States Bankruptcy Judge

Agreed to as to form and substance:

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