

**ENTERED**

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

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

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 3, 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Final Hearing and in the record of the Court; and objections, if any, to the relief requested in the Motion having been withdrawn, resolved or overruled by the Court; and after due deliberation and consideration and good and sufficient cause appearing therefor,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, (c) administrative expenses incurred outside the ordinary course of business as approved by this Court, and (d) 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), (c) and (d) not to exceed \$500,000 (clauses (a), (b), (c), and (d) 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”).<sup>1</sup>

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.

Cash Management System/Bank Accounts

---

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

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

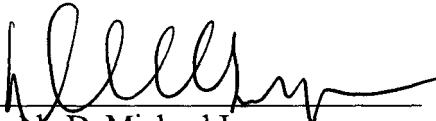
31. WGGC shall, within three (3) business days following entry of this Order, mail copies thereof, to the United States Trustee for the Northern District of Texas, counsel to the Committees, counsel to the Agent and the Lenders, all parties who appeared or otherwise responded to the relief requested 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.

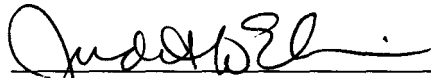
33. To the extent there is any conflict between the Motion, any other agreements and the terms of this Order, this Order shall govern.


IT IS SO ORDERED.

Dated: December 3, 2003

  
\_\_\_\_\_  
Honorable D. Michael Lynn  
United States Bankruptcy Judge

APPROVED AS TO FORM AND CONTENT:

  
\_\_\_\_\_  
Judith Elkin  
Haynes and Boone, LLP  
901 Main Street  
Suite 3100  
Dallas, Texas 75202-3789

  
\_\_\_\_\_  
Sam Stricklin  
Bracewell & Patterson  
500 N. Akard Street  
Suite 4000  
Dallas, Texas 75201-3387

Thomas E Lauria  
White & Case LLP  
Wachovia Financial Center  
200 Biscayne Blvd.  
Miami, FL 33131

Robert J. Rosenberg  
Mark Broude  
Latham & Watkins LLP  
885 Third Avenue  
New York, New York 10022

**Attorneys for the Debtors and  
Debtors-in-Possession**

**Attorneys for Deutsche Bank AG, New  
York Branch as Agent**

EXHIBIT A

West Georgia Generating Company  
Cash Flow Budget  
December 2003-March 2004

	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>
<b>Revenues:</b>				
<b>Capacity Revenues:</b>				
Total Capacity Payment	511,843	1,255,883	993,815	541,748
<b>Energy Revenues:</b>				
Total Energy Revenues	1,453	35,875	86,264	266,974
<b>Total Revenues</b>	<b>513,295</b>	<b>1,291,758</b>	<b>1,080,079</b>	<b>808,722</b>
<b>Expenses:</b>				
O&M Monthly Payment	212,900	212,900	212,900	212,900
Maintenance Extra Work	14,000	14,000	14,000	24,000
Maintenance Contract Performance Pmt.		900,000	-	-
Fuel Costs	1,505	36,314	89,375	272,522
Fixed Gas Transportation	10,000	10,000	10,000	10,000
Transmission	5,000	5,000	5,000	5,000
Electricity	12,000	12,000	12,000	12,000
Municipal Water	2,000	2,000	2,000	2,000
Balancing Agreement Charge	1,000	1,000	1,000	1,000
Nonhazardous Waste Disposal	1,000	1,000	1,000	1,000
Fees, Permits & Legal	10,000	5,000	5,000	10,000
Hazardous Waste Removal	3,000	3,000	3,000	3,000
Contractor	10,000	10,000	10,000	10,000
Insurance		650,000		
Ad Valorem Tax				
Travel and Meals	1,000	1,000	1,000	1,000
Financing and Bank Fees	25,000	75,000		25,000
IT Support Costs	5,760	5,760	5,760	5,760
Other	3,500	3,500	3,500	3,500
<b>Total Direct Expenses</b>	<b>317,665</b>	<b>1,947,474</b>	<b>375,535</b>	<b>598,682</b>
Capital Expenditures		4,037	29,533	19,033
<b>Total Operating Expenses</b>	<b>317,665</b>	<b>1,951,511</b>	<b>405,068</b>	<b>617,715</b>
<b>Total Operating Cash Flow</b>	<b>195,630</b>	<b>(659,753)</b>	<b>675,011</b>	<b>191,007</b>
<b>Non Operating Expenses:</b>				
Debt Principal Payment				
Interest Expense	2,587,725			1,153,560
Interest Income				
<b>Total Non-Operating Expenses</b>	<b>2,587,725</b>	<b>-</b>	<b>-</b>	<b>1,153,560</b>
Accrued Interest and Swap Pmt.	2,645,230			
Accrued Accounts Payable (Post-petition)	5,000,000			
<b>Total Expenses</b>	<b>10,550,620</b>	<b>1,951,511</b>	<b>405,068</b>	<b>1,771,275</b>
Net Cash Change	(10,037,325)	(659,753)	675,011	(962,553)
Net Nov. Cash Flow (est.)	148,295			
Actual Beginning Balance (as of 10/31/2003)	47,116,772			
<b>Ending Cash Balance</b>	<b>37,227,743</b>	<b>36,567,990</b>	<b>37,243,000</b>	<b>36,280,447</b>

1 ) Budget Variance of up to 10% per budget category is permitted without approval Further budget variance allowed with Agent consent

## EXHIBIT B

Below are the reporting requirements of the Prepetition Credit Agreement, which WGGC will resume submitting to the Lenders upon entry of this Order. The items below cite the applicable provisions of the Prepetition Credit Agreement.

- (1) Unaudited financials of WGGC within 60 days of the end of a quarter (Sec. 5.5.1(a)).
- (2) Audited financials of WGGC (Sec. 5.5.1(b)), when and to the extent available.
- (3) Unaudited and Audited Mirant Corp. and MAEM financials as they are available.
- (4) A narrative summary describing and assessing any material non-compliance with Applicable Permits and Legal Requirements within 60 days of the end of each year (Sec. 5.8.1).
- (5) Promptly upon receipt any notices, information or reports that could materially affect the operation of the Project or the economics thereof (Sec. 5.8.3).
- (6) Within 30 days of the end of each year a representation that the insurance requirements of Exhibit K have been implemented and complied with in all material respects (Sec. 5.8.4) to the extent that such insurance is commercially reasonably available or an explanation as to why such requirements have not been met.
- (7) Within 60 days of the end of each quarter a report summarizing (a) any Material Project Documents entered into or terminated and (b) the Project's operating, maintenance, and performance (Sec. 5.8.5).
- (8) Promptly upon request, reports, statements, lists of property, accounts, budgets, forecasts and other information as reasonably available and as reasonably required by the Agent and/or the Independent Consultants (Section 5.8.2).
- (9) "Dispatch versus Market Activity Reports," when and to the extent available.
- (10) Notices of certain events, in accordance with and as set forth in Section 5.4 of the Prepetition Credit Agreement, other than events resulting directly from the commencement of the chapter 11 case.

## 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.