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Attorneys for California Independent System Operator Corporation

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

_____ )	Chapter 11 Case
In re )	
MIRANT CORPORATION, <u>et al.</u> , )	Case No. 03-46590 (DML)
)	Jointly Administered
Debtors. )	
_____ )	Hearing Date and Time: October 1, 2003
	at 10:30 a.m.

**STIPULATION RE RESPONSE DEADLINE AND HEARING ON CALIFORNIA  
INDEPENDENT SYSTEM OPERATOR CORPORATION'S  
MOTION FOR DETERMINATION OF RECOUPMENT RIGHTS, OR  
IN THE ALTERNATIVE, FOR RELIEF FROM THE AUTOMATIC STAY**

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

The California Independent System Operator Corporation ("CAISO"), on the one hand, and Mirant Corporation, et al., debtors and debtors in possession herein (collectively, the "Debtors"), on the other hand, by and through their respective attorneys of record, hereby stipulate and agree with respect to the following facts:

1. Certain of the Debtors commenced their cases by the filing of voluntary petitions for relief under chapter 11 of the Bankruptcy Code on July 14, 2003. On August 18, 2003, Mirant EcoEлектриca Investments I, Ltd. and Puerto Rico Power Investments, Ltd. commenced

chapter 11 cases under the Bankruptcy Code. The Debtors continue to manage and operate their businesses as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

2. On or about October 28, 2003, the CAISO filed its Motion For Determination Of Recoupment Rights, Or In The Alternative, For Relief From The Automatic Stay (the "Stay Relief Motion"). The hearing on the Stay Relief Motion is currently scheduled for November 25, 2003 at 10:30 a.m.

3. The Debtors and CAISO have been engaged in discussions regarding a consensual resolution of the issues raised by the Stay Relief Motion. The parties have exchanged proposals and plan to continue their discussions over the days prior to the hearing scheduled on the Stay Relief Motion.

4. The Debtors have not yet filed their response to the Stay Relief Motion, and have instead requested that the CAISO agree to an extension of the Debtors' response deadline. CAISO has agreed to afford the Debtors more time within which to respond to the Stay Relief Motion in the hope that all disputes will be resolved consensually.

WHEREFORE, it is hereby STIPULATED and AGREED as follows:

1. As set forth in the Notice of Agreed Extension of Time Within Which to Respond to California Independent System Operator Corporation's Motion for Determination of Recoupment Rights, or in the Alternative, for Relief From the Automatic Stay filed by the Debtors on or about November 14, 2003, the deadline for the Debtors to respond to the Stay Relief Motion shall be extended through and including November 21, 2003.


2. The hearing on the Stay Relief Motion currently scheduled for November 25, 2003 shall be treated by the parties as a preliminary hearing on the CAISO's Motion, and the parties shall advise the Court of the status of their settlement discussions at that time. The parties

shall not present substantive argument on the merits of the Stay Relief Motion at such hearing. In the event that the parties are unable to resolve their disputes prior to the November 25, 2003 preliminary hearing, the parties will request that the Court set a final hearing on the merits of the Stay Relief Motion on the first available hearing date that is approximately fourteen (14) days following November 25, 2003.

3. Except as specifically set forth herein, nothing herein is intended to, nor should be construed to, constitute a waiver or relinquishment of any party's rights, claims, causes of action or defenses, including, without limitation, any party's position with respect to the ultimate resolution of the Stay Relief Motion, all of which are expressly preserved.

Dated: Los Angeles, California  
November 19, 2003

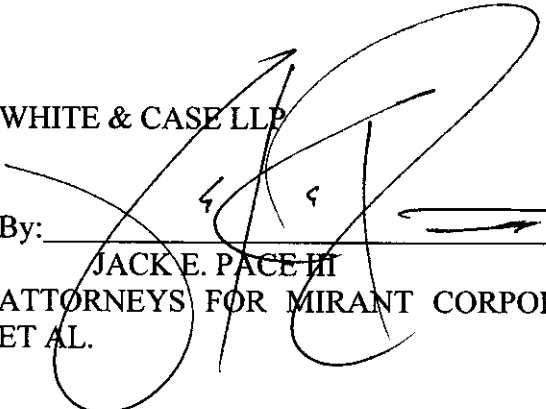
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& BRILL L.L.P.

By: 

DAVID L. NEALE  
ATTORNEYS FOR THE CALIFORNIA  
INDEPENDENT SYSTEM OPERATOR  
CORPORATION

Dated: New York, New York  
November 18, 2003

WHITE & CASE LLP

By: 

JACK E. PACE III  
ATTORNEYS FOR MIRANT CORPORATION,  
ET AL.

## CERTIFICATE OF SERVICE

The undersigned hereby certifies that I have caused service of a true and correct copy of the foregoing Stipulation upon all parties listed below via email, facsimile or overnight mail and upon all persons on the Limited Service List via first class mail, postage prepaid on the 19<sup>th</sup> day of November, 2003 in accordance with the Federal Rules of Bankruptcy Procedure:

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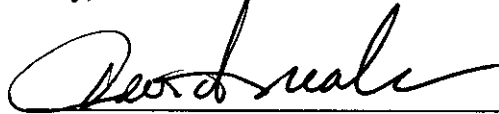
CT Corporation  
1515 Market Street  
Philadelphia, PA 19102

DOS Process

The New York Independent  
System Operator Inc.  
3890 Carmen Road  
Schenectady, NY 12303

New State State Department of State  
Division of Corporations, State Records, and  
Uniform Commercial Code  
41 State Street  
Albany, NY 12231-0001

Dated: Los Angeles, California  
November 19, 2003



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