

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

U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
ENTERED
TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

In re)

MIRANT CORPORATION, *et al.*,)

Debtors.)

) Chapter 11 Case

) Case No. 03-46590-DML
) Jointly Administered

**ORDER ESTABLISHING PROCEDURES FOR
OBJECTIONS TO PROOFS OF CLAIM**

On April 14, 2004, the Court held a status conference on the Debtors' "Status Report Concerning Proposed Procedures To Omnibus Objections To Proofs Of Claim" (the "Status Report"), at which time the Court, counsel for the Debtors and other parties in interest discussed and proposed revisions to the Debtors' proposed claim objection procedures. On May 26, 2004, the Court held a hearing on the "Motion Pursuant To Section 105 Of The Bankruptcy Code And Federal Rule Of Bankruptcy Procedure 3007 For An Order Establishing Procedures For Omnibus Objections To Proofs of Claim" (the "Motion") filed by Mirant Corporation and its above-captioned affiliated debtors (collectively, the "Debtors") in these chapter 11 cases, pursuant to which the Debtors requested entry of this order establishing procedures for objecting to proofs of claim in these cases.

Based upon the Court's review of the record in these cases, the Status Report and the Motion,¹ and the "Objection by Pacific Gas and Electric Company to Motion Pursuant to Section 105 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3007 for an Order Establishing Procedures for Omnibus Objections to Proofs of Claim" (which has been withdrawn based on representations of counsel on the record); and after consideration of the comments

¹ Capitalized terms not defined herein have the meaning ascribed to them in the Status Report or the Motion.

made by counsel during the hearing on the Motion and Status Conference, the Court hereby finds that:

- (1) This Court has jurisdiction over this matter;
- (2) Notice of the Motion was appropriate given that, among other things, the Debtors served the Status Report on the parties on the Limited Service List;
- (3) The Objection Procedures attached hereto as Exhibit A will ensure that the Claimants receive appropriate due process protection, conserve the resources of the bankruptcy estates, and serve the interests of creditors and parties in interest;
- (4) Given that the Debtors have established a web site, www.alixpartners.com/cms (which can be reached by a link on the Debtors' web site, www.mirant-caseinfo.com), providing comprehensive information concerning Proofs of Claim, including the ability of any party to download a Proof of Claim, it is appropriate and in the interests of the estates that the Debtors are not required to attach copies of Proofs of Claim to the Objections;
- (5) It is reasonable to interpret Federal Rule of Civil Procedure 4(h)(1) and Federal Rule of Bankruptcy Procedure 7004(b)(3) as requiring service of a claim objection upon the party who signed the proof of claim, as a "managing or general agent" or "any other agent authorized by appointment," by virtue of the fact that such party signed the proof of claim. See Fed. R. Bankr. P. 3001(b).

Therefore, it is hereby:

ORDERED that the Motion is granted; and it is further

ORDERED that the Objection Procedures, including the Exhibits to the Objection Procedures (including the form of Objection Notice and Equity Notice), appended hereto as Exhibit A, are hereby approved; it is further

ORDERED that the Objection Procedures do not apply to the Tier IV Objections, except as specifically set forth in Exhibit A; it is further

ORDERED that the Debtors are authorized to file a single “Motion to Convert Claims Based on Equity Security Interests to Proofs of Interest” requesting that the Court convert the Claims Based on Equity Interests to Proofs of Interest; it is further

ORDERED that provided the Debtors serve the Equity Notice on the Limited Service List and all parties who filed Claims Based on Equity Interests, the Debtors are not required to serve the Proof of Interest Motion and any exhibits thereto on the parties who filed Claims Based on Equity Interests; it is further

ORDERED that the Debtors are not required to serve officers of any corporation affected by an Objection, provided that the Debtors serve any such Objection on the party whose name appears in the signature block on the proof of claim; it is further

ORDERED that within 30 days after the entry of this Order, the Debtors must cause to be published, in two (2) major publications, a notice stating that: (i) this Court has approved the Objection Procedures; (ii) the Objection Procedures are available on the claims web site (www.alixpartners.com/cms which can be reached by a link contained on the mirant-caseinfo.com web site) or from the Claims Agent directly; and (iii) the Objection Procedures authorize service upon the party whose name appears on the signature block of the Proof of Claim and any party who made an appearance in these cases on behalf of the party subject to the Objection; it is further

ORDERED that the Debtors may settle any objectionable Proofs of Claim and submit stipulations establishing a compromise between the Debtors and an affected Claimant, pursuant to the Settlement Procedures described in Exhibit A; it is further

ORDERED that except as otherwise provided in this Order, to the extent a Claimant, whose Proof of Claim is subject to an Objection and who is properly served with the Objection, does not file and serve a timely Response in compliance with the Objection Procedures and attend, in person or, consistent with this Court's procedures, by telephone, the scheduled hearing on the Objection, the Court may enter an order sustaining the Objection; it is further

ORDERED that, to the extent that any provision contained in this Order is inconsistent with this Court's "Order Granting Debtors' Motion Pursuant To Section 105 Of The Bankruptcy Code And Federal Rule Of Bankruptcy 9014 For An Order Establishing Uniform Schedule For The Filing And Service For Responses And Objections To Contested Matters" dated December 19, 2003, this Order shall control; and it is further

ORDERED that nothing in the Motion, this Order or the Objection Procedures constitutes a waiver of the Debtors' rights to assert any future claims, counterclaims, rights of offset or recoupment, preference actions, fraudulent-transfer actions, or any other bankruptcy or nonbankruptcy claims against the Claimants whose claims are subject to an Objection; it is further

ORDERED that any claim objection related to claims arising from, through or on account of the MIRMA leases or related documents (including without limitation, objections to claims that have been filed on behalf of or by any of the owner lessors, US Bank (as Lease Indenture Trustee, Pass Through Trustee or otherwise) or the pass through certificate holders) shall be deemed Tier IV Objections. The entities that are parties to the MIRMA leases or related

documents (including without limitation, the owner lessors, US Bank or the pass through certificate holders) retain all rights under applicable law, including, without limitation, the right: (i) to demand under Fed. R. Bankr. P. 3007, 7001 or otherwise that any claim objection be brought as an adversary proceeding; and (ii) to request a litigation schedule that they believe is consistent with the complexity of the issues raised by the claim objection.


ORDERED that (a) any objection to any claim filed by Pacific Gas and Electric ("PG&E") in any of the Debtors' cases will be a Tier IV Objection, and (b) if PG&E does not timely (i) conduct a "meet and confer" session with the objecting party, (ii) file a Response to an objection, or (iii) attend a hearing on an objection, the objecting party must provide PG&E written notice of the grounds to seek relief by default, and 14 calendar days for PG&E to remedy or address the alleged grounds for relief by default, prior to the objecting party seeking an order on the objection on the alleged default.

ORDERED that to the extent that Debtors object to a claim of the United States or its agencies, including the Internal Revenue Service, Debtors shall serve its objection to such claim in accordance with Fed. R. Bankr. P. 7004(b)(4) and (5), which governs service of process upon any agency of the United States, and provides that, in addition to serving the agency, service of the objection must be made by mail upon the United States Attorney in the district where the action is brought, and also upon the Attorney General of the United States in Washington, D.C.

ORDERED that any objections to the claims of the parties (or documents) identified on Exhibit B hereto shall be Tier IV Objections.

ORDERED that this Court shall, and hereby does, retain jurisdiction with respect to all matters arising or related to the implementation of this Order, including with respect to any modifications to this Order.

SIGNED: June 8, 2004



Honorable D. Michael Lynn
United States Bankruptcy Judge

² Capitalized terms not defined herein have the meaning ascribed to them in the Status Report or the Motion.

EXHIBIT A

OBJECTION PROCEDURES

A. Treatment of the Categories¹

Tier I – Duplicate and Amended or Superseded Claims

1. Tier I includes objections to (i) two or more Proofs of Claim asserting the same liability against the same Debtor;² or (ii) a Proof of Claim that was amended or superseded by a later filed Proof of Claim (the “Tier I Objections”).
2. The following procedures apply to Tier I Objections:
 - (a) The Debtors may object to no more than fifty (50) Proofs of Claim per pleading, but are authorized to file all of the Tier I Objections at the same time to be heard during a single hearing.
 - (b) An exhibit, substantially in the form attached hereto as Exhibit 1, will be attached to each Tier I Objection.
 - (c) Copies of the Proofs of Claim to which the Debtors are objecting will **not** be attached to the Tier I Objection. The Objection Notice, a form of which is appended hereto as Exhibit 2, indicates that copies of the Proofs of Claim can be downloaded from the Internet on www.alixpartners.com/cms (which can be reached by a link at the mirant-caseinfo.com web site) or by requesting copies from the Claims Agent directly.³

¹ Each pleading filed will include Objections from only one of these tiers, although all pleadings will be sequentially numbered, i.e. First Omnibus Objection (Tier I Objections), Second Omnibus Objection (Tier III(B) Objections), Third Omnibus Objection (Tier III(A) Objections).

² Provided, however, that the Proof of Claim and the duplicate Proof of Claim were both asserted against the same Debtor, and the “duplicate” claims were not identical claims asserted against multiple Debtors.

³ The Debtors have developed a comprehensive web site containing information about the Proofs of Claim. The site contains detailed information including the ability to download each Proof of Claim, information comparing the scheduled claim with the filed Proof of Claim and the date upon which each Proof of Claim was filed. In addition, each Objection will instruct parties that they can call the Claims Agent to obtain copies of particular claims.

- (d) The Objection Notice is issued by the Court and informs Claimants that their claims may be disallowed or expunged and encouraging them to read the Tier I Objection carefully.⁴
- (e) The Objection Notice and Tier I Objection, without copies of the Proofs of Claim, shall be served on the party whose name appears in the signature block on the Proof of Claim.
- (f) The Objection Notice and Tier I Objection, without copies of the Proofs of Claim, shall also be served upon counsel for the Committees, the Office of the United States Trustee and any party who made an appearance in these cases on behalf of any Claimant who filed a Proof of Claim to which the Debtors are objecting.
- (g) A timely response (as set forth in Section B, below, a “Response”) must be filed with the Court and received by the Debtors within thirty (30) calendar days after service of the Notice and Tier I Objection. The deadline to file a timely Response will be clearly set forth in the Objection Notice.
- (h) A hearing on the Tier I Objections will take place during the regularly scheduled Mirant hearing date that is at least forty (40) days after service of the Tier I Objection, and the date of such hearing will be clearly stated in the Objection Notice. The Debtors are permitted to file a reply (including evidence) to any Response to a Tier I Objection until three (3) days before a hearing on the Tier I Objection.
- (i) At the hearing on each Tier I Objection, the Debtors may submit to the Court a form of order sustaining each Tier I Objection to which the Debtors do not receive a timely, written Response. The Debtors will serve each such order upon (i) all claimants affected by the order and (ii) the Limited Service List, within three (3) business days after entry of such an order.

Tier II - Claims Based on Equity Interests

3. Tier II includes objections to Proofs of Claim based on ownership of equity securities⁵ (the “Tier II Equity Objections”).

⁴ Although the Objection Notice will be in the form provided by Exhibit 2, the Notice will be specifically tailored to address the particular Claimants.

⁵ Provided, however, that the Proof of Claim was not a claim for damages that the equity holder asserted as a creditor against any of the Debtors.

4. The following procedures apply to Tier II Equity Objections:
- (a) The Debtors will file a motion requesting that the Court convert Claims Based on Equity Interests to Proofs of Interest (the “Proof of Interest Motion”).
 - (b) An exhibit, substantially in the form attached hereto as Exhibit 3 (the “Equity Exhibit”), will be prepared and attached to the Proof of Interest Motion. Due to the size of the Proof of Interest Motion and the Equity Exhibit, the Proof of Interest Motion and Equity Exhibit will **not** be served on the parties who filed Claims Based on Equity Interests. Instead, the Equity Notice (appended hereto as Exhibit 4 and discussed below in paragraph (d) below) indicates that the Equity Exhibit is available on www.alixpartners.com/cms (which can be reached by a link at the mirant-caseinfo.com web site) or by requesting copies from the Claims Agent directly.
 - (c) Copies of each of the Claims Based on Equity Interests will **not** be attached to the Proof of Interest Motion. The Equity Notice is issued by the Court and provides that parties may obtain copies of these Proofs of Claims on www.alixpartners.com/cms (which can be reached by a link at the mirant-caseinfo.com web site) or by requesting copies from the Claims Agent directly.
 - (d) The Equity Notice is tailored to the specific interests of the parties who filed Claims Based on Equity Interests and clearly states that the interests of parties who filed Claims Based on Equity Interests will continue to exist despite expungement of the Claims Based on Equity Interests from the claims register.⁶
 - (e) The Equity Notice and the Proof of Interest Motion, without the Equity Exhibit, shall be served on the party whose name appears in the signature block on the Proof of Claim.
 - (f) The Equity Notice and the Proof of Interest Motion, **without** copies of the Proofs of Claim and **without** the Equity Exhibit, shall also be served upon counsel for the Committees, the Office of the United States Trustee, and any party who made an appearance in these cases on behalf of any Claimant who filed a Claim Based on Equity Interest. However, the Equity Exhibit will be served on counsel for the Equity Committee.

⁶ However, the Debtors have reserved the right to object to the validity of such interest, if necessary.

- (g) A timely Response (the requirements for which are set forth in section B, below) must be filed with the Court and served upon the counsel for the Debtors such that it is received by counsel for the Debtors within thirty (30) calendar days after service of the Equity Notice or Proof of Interest Motion. The deadline for filing a timely Response will be clearly set forth in the Equity Notice.
- (h) A hearing on the Proof of Interest Motion will take place during the regularly scheduled Mirant hearing date that is at least forty (40) calendar days after service of the Equity Notice and Proof of Interest Motion, and the date of such hearing will be clearly stated in the Equity Notice. The Debtors are permitted to file a reply (including evidence) to any Response to the Proof of Interest Motion until three (3) days before a hearing on a Proof of Interest Motion.
- (i) At the hearing on the Proof of Interest Motion, the Debtors may submit to the Court an order converting each Proof of Claim to a Proof of Interest, without any further notice to the parties who filed Claims Based on Equity Interests. With respect to those parties who filed and served a Response, if the Debtors and the Responding party are unable to reach a consensual resolution, the Court will resolve the matter during the hearing.

Tier III – Unsupported, Untimely Claims or Misclassified Claims

5. Tier III includes objections (the “Tier III Objections”)⁷ that fall within two subcategories –

- (1) Tier III(A) includes objections that seek to: (i) disallow a Proof of Claim based on the claimant’s failure to attach any documentation providing a basis for the claim asserted; (ii) reclassify the priority of a Proof of Claim where the Claimant failed to provide any documentation providing a basis for the asserted priority; (iii) identify the Debtor allegedly liable for the claim asserted in the Proof of Claim; and (vi) disallow late-filed Proofs of Claim (the “Tier III(A) Objections”).
- (2) Tier III(B) includes objections that seek to resolve claims that are the subject of disputes between the Debtors’ Books and Records and the Proofs of Claim (the “Tier III(B) Objections”).

⁷ Note that these are merely examples of the types of Proofs of Claim that will be addressed by the Tier III Objections. Other examples may include, but are not limited to “protective claims” filed by (a) contract counterparties in anticipation of the Debtors’ rejection of a contract, or (b) governmental units as estimations of potential tax claims.

6. The following procedures apply to the Tier III Objections:
- (a) The Debtors may object to no more than fifty (50) Proofs of Claim per pleading. The Court will hear no more than three (3) Tier III Objections (including no more than 150 Proofs of Claim) during a single hearing.
 - (b) An exhibit, substantially in the form attached hereto as Exhibit 1, will be attached to each Tier III Objection. In addition to including the name of claimant, claim number, and the claim amount, the exhibit will include the basis for the objection.
 - (c) Copies of the Proofs of Claim to which the Debtors are objecting will **not** be attached to the Tier III Objection. The Objection Notice, a form of which is appended hereto as Exhibit 2, is issued by the Court and indicates that copies of the Proofs of Claim can be downloaded from the Internet on www.alixpartners.com/cms (which can be reached by a link at the mirant-caseinfo.com web site) or by requesting copies from the Claims Agent directly.
 - (d) The Objection Notice is tailored to inform the Claimants that their claims may be disallowed or expunged and encourages them to read the Tier III Objection carefully.⁸ The Objection Notice provides contact information for a Debtor representative whom the Claimant may contact to discuss and/or resolve the Tier III Objection prior to the hearing.
 - (e) The Notice and Tier III Objection, **without** the Proofs of Claim, will be served on the party whose name appears in the signature block on the Proof of Claim.
 - (f) The Objection Notice and the Tier III Objection, **without** copies of the Proofs of Claim, shall also be served upon counsel for the Committees, the Office of the United States Trustee, and any party who made an appearance in these cases on behalf of any Claimant who filed a Proof of Claim to which the Debtors are objecting.
 - (g) A timely Response must be filed with the Court and received by the Debtors within thirty (30) calendar days after service of the Objection Notice and Tier III Objection, in accordance with Bankruptcy Rule 3007. The deadline to file a timely Response will be clearly set forth in the Notice.

⁸ Although the Objection Notice is in the form appended hereto as Exhibit 2, each Objection Notice will be specifically tailored to address the particular Claimants affected by each Objection.

- (h) A hearing on each Tier III Objection will be held at least forty (40) days after service of the Tier III Objection, and the date of such hearing will be clearly set forth in the Objection Notice. The Debtors are permitted to file a reply (including evidence) to any Response until three (3) days before a hearing on a Tier III Objection.
- (i) However, upon receipt of a timely Response, if the Debtors determine that discovery is necessary in advance of a trial on the matter, the Debtors will serve notice on the affected Claimant, counsel for the Committees and the Office of the United States Trustee, that the scheduled hearing will be converted to a status conference during which the parties will request that the Court issue a scheduling order to facilitate resolution of the litigation.
- (j) At the hearing on each Tier III Objection, the Debtors may submit to the Court a form of order sustaining each Tier III Objection to which the Debtors do not receive a timely, written Response. The Debtors will serve each such order upon (i) all claimants affected by the order and (ii) the Limited Service List, within three (3) business days after entry of such an order.

Tier IV – Substantive Objections Likely to be Litigated

7. Tier IV includes substantive objections to the merits of an asserted claim or liability that do not fall within one of the tiers described above (the “Tier IV Objections”). **The Tier IV Objections are excluded from the Objection Procedures, with the following exceptions :**

- (a) The Debtors will attach to each Tier IV Objection a detailed notice issued by the Court summarizing the grounds for the Debtors’ Tier IV Objection. That notice will be tailored to inform the Claimants that their claims may be disallowed or expunged and encourage them to read the Tier IV Objection carefully. The notice will furnish contact information for a Debtor representative whom the Claimant may contact to discuss and/or resolve the Tier IV Objection.
- (b) The notice and Tier IV Objection, with copies of the Proofs of Claim, will be served on the party whose name appears in the signature block on the Proof of Claim and counsel who made an appearance on behalf of the party.
- (c) The notice and Tier IV Objection, with copies of the Proofs of Claim, shall also be served upon all persons on the Limited Service List, which includes counsel for the Committees and the Office of the United States Trustee.

- (d) A status conference on a Tier IV Objection will be held at least thirty (30) calendar days after service of a Tier IV Objection, which date will be clearly set forth in the notice. Any Claimant desiring to contest the Tier IV Objections must appear at the status conference.
- (e) The Debtors and the Claimant are required to meet and/or confer within fifteen (15) days after service of the notice and the Tier IV Objection to discuss the preparation of an agreed scheduling order.⁹ Assuming both parties can agree to a scheduling order, such scheduling order will be presented to the Court at the status conference. If no agreed scheduling order is reached, the Court will set the scheduling deadlines.
- (f) If a Claimant fails to comply with the meet and confer requirement set forth in paragraph (e) above and appear at the status conference, the Debtors may submit to the Court a form of order sustaining the Tier IV Objection.

B. Response Applicable to Tier I – Tier III Objections.

8. Parties who disagree with an Objection, including a Tier IV Objection, are required to file a Response. However, the following procedures apply only to Responses to Tier I – Tier III Objections.¹⁰ Each such Response must contain, at a minimum, the following:

- (a) A caption setting forth the name of the Court, the name of the Debtors, the case number and the title of the Objection to which the Response is directed;
- (b) The name of the Claimant and description of the basis for the amount of the Proof of Claim;
- (c) A concise statement setting forth the reasons why the Court should not sustain the Tier IV Objection, including, but not limited to, the specific factual and legal bases upon which the Claimant will rely in opposing the Objection;

⁹ Examples of the deadlines that the scheduling order will include are: (i) a deadline for the claimant to respond to the Tier IV Objection; (ii) a deadline for the Debtors to reply; (iii) a time-line regarding discovery; and (iv) anticipated trial date.

¹⁰ As noted, Tier IV Objections are carved out of the Response procedures that apply to Tier I – Tier III Objections. Responses to Tier IV objections will be governed by the scheduling order entered with respect to each of the Tier IV Objections, as set forth in paragraph 7 above.

- (d) A copy of the Proof of Claim and any other documentation or other evidence of the claim, to the extent not included with the Proof of Claim, upon which the Claimant will rely in opposing the Objection at the Hearing;
- (e) A declaration of a person with personal knowledge of the relevant facts that support the Response;¹¹
- (f) The name, address(es), telephone number and facsimile number of the person(s) (who may be the Claimant and/or the Claimant's legal representative) to whom counsel for the Debtors should serve any reply to the Response.
- (g) To facilitate a resolution of the Objection, the Objection Notice encourages Responding Claimants to furnish the Debtors with the name, address(es), telephone number and facsimile number of the person(s) (who may be the Claimant and/or the Claimant's legal representative) who possess the authority to reconcile, settle, or otherwise resolve the Objection on the Claimant's behalf.
- (h) The Response must be served upon Debtors' counsel in a manner that ensures receipt thereof by Debtors' counsel no later than 4:00 p.m. prevailing central time on or before thirty (30) calendar days after the date of service of the Objection (the "Response Deadline").
- (i) To the extent that a Response is filed with respect to any claim dealt with in an Objection, each such claim will constitute a separate contested matter as contemplated by Bankruptcy Rule 9014. Any order entered by the Court with respect to an Objection shall be deemed a separate order with respect to each Proof of Claim.
- (j) If a Claimant whose Proof of Claim is subject to an Objection, and who is properly served with an Objection, does not file and serve a timely Response in compliance with the foregoing procedures and attend the scheduled hearing on the Objection, the Court may sustain the Objection without further notice to the Claimant.

C. Settlement of Claims .

9. In order to consensually resolve an objectionable Proof of Claim, the Debtors may, but are not required to, file a motion under Rule 9019 of the Federal Rules of

¹¹ However, this requirement does not apply to any Responses to the Tier II "Motion to Convert Claims Based on Equity Interests to Proofs of Interest," as reflected in the Equity Notice.

Bankruptcy Procedure (the “Bankruptcy Rules”) for approval of stipulations setting forth the terms of any such compromises (“9019 Motion”).

10. Certain “negative notice” periods apply to the approval of a 9019 Motion. The “negative notice” period required by each 9019 Motion corresponds to the amount of the settlement contained within the stipulation(s) attached thereto. If the settlement is for an amount less than \$100,000, a “negative notice” period of seven (7) calendar days is applicable. If the settlement is for an amount greater than \$100,000, but less than \$250,000, a “negative notice” period of fourteen (14) calendar days is applicable. If the settlement exceeds \$250,000, a “negative notice” period of twenty-one (21) calendar days is applicable.

11. The Debtors may seek approval of multiple (not to exceed fifteen) stipulations, of a similar monetary amount, in any given 9019 Motion.

12. The Debtors may file a 9019 Motion seeking approval of the settlement of a Proof of Claim that is not subject to a formal Objection filed with the Court.

13. An objection to a 9019 Motion must be filed and served upon Debtors’ counsel such that it is received by Debtors’ counsel before the expiration of the applicable “negative notice” period. If a 9019 Motion seeks approval of more than 1 stipulation, the objection must identify the stipulation(s) subject to the objection. An objection to a particular stipulation subject to a 9019 Motion will not prevent the entry or appeal of orders with respect to the remaining stipulations subject to the same 9019 Motion. If an objection to a 9019 Motion is properly filed and served, the 9019 Motion (only with respect to the stipulation(s) to which objections were filed) will be set for hearing on the next regularly scheduled Mirant hearing date.

14. If there are no objections to a 9019 Motion before the expiration of the applicable negative notice period, on the day following the expiration of the applicable negative notice period, the Debtors may submit to the Court separate orders approving each settlement subject to the 9019 Motion.

Amended Claims

Claim #	Date Filed	Debtor	Name and Address of Claimant	Secured	Administrative	Priority	Unsecured	Total
Claim To Be Expunged								
Remaining Claim								
Claim To Be Expunged								
Remaining Claim								
Claims To Be Expunged Totals								

Exhibit 2

**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: [_____]

NOTICE OF MIRANT'S OBJECTION TO YOUR PROOF OF CLAIM

TO THE CLAIMANTS IDENTIFIED ON EXHIBIT __ AND SUBJECT TO THE ATTACHED OBJECTION:

PLEASE TAKE NOTICE that Mirant Corporation and its chapter 11 debtor affiliates (collectively, "Mirant") filed an objection to the proof(s) of claim you filed against Mirant's bankruptcy estates (the "Objection"). That Objection is appended to this Notice and is entitled "Debtors' Objection to Tier I Proofs of Claim [Group 1]". **Your proof(s) of claim may be disallowed or reduced as a result of the Objection. Therefore, you should read this Notice and the attached Objection carefully.**

YOUR CLAIM IS OBJECTED TO BECAUSE THE COURT'S RECORDS INDICATED YOU HAVE MADE MORE THAN ONE CLAIM FOR A SINGLE RIGHT TO PAYMENT AGAINST THE SAME DEBTOR. THE OBJECTION IS NOT INTENDED TO DEPRIVE YOU OF RECOVERY ON THAT RIGHT TO PAYMENT. IT IS INTENDED TO PREVENT DUPLICATE RECOVERIES ON THE SAME RIGHT OF PAYMENT.

IF YOU AGREE WITH THE OBJECTION TO YOUR CLAIM, YOU DO NOT NEED TO TAKE ANY ACTION IN RESPONSE TO THIS NOTICE OR THE OBJECTION.

PLEASE TAKE FURTHER NOTICE that Mirant personnel will be available to discuss and potentially resolve Mirant's objection to your proof of claim without the need for you to file a response or attend a hearing. To facilitate such a discussion, you may call [____], within thirty (30) days after the date on which this Notice was served. Mirant personnel will be available to handle factual inquiries regarding the Objection. Legal matters, however, will be referred to Mirant's attorneys. When you contact Mirant, please refer to the Objection as the "Tier I and Group 1 Objection."

Your discussions with Mirant personnel or Mirant's attorneys may result in an agreement to settle Mirant's objection to your proof of claim. If you do not reach a written

agreement with Mirant before the deadline to file a response to the Objection (which is _____, 2004), you **must** file a response, in compliance with the procedures set forth below. **Speaking with Mirant personnel or Mirant's attorneys will not satisfy the requirement that you must reach a written agreement before _____, 2004 (or file a Response and attend the Hearing, as discussed below).**

PLEASE TAKE FURTHER NOTICE that on _____, 2004 at _____, [_____]], the Court will hold a hearing on the Objection (the "Hearing"). You do not need to attend the Hearing unless (1) you disagree with the relief requested in the Objection and (2) you filed a Response in accordance with the procedures set forth below.

PLEASE TAKE FURTHER NOTICE that, if you disagree with the Objection and are unable or unwilling to resolve the Objection with Mirant before _____, you or your attorney **must** (1) attend the Hearing in person or, consistent with court procedures, by telephone and (2) file a written response to the Objection with the Clerk of the United States Bankruptcy Court, Eldon B. Mahon U.S. Courthouse, 501 West Tenth Street, Fort Worth, Texas 76102-3643 **no later than _____, 2004 at 4:00 p.m. prevailing Central Time**. You must file and serve copies of your response on Mirant's attorneys: Attn: Kerri Lyman, White & Case LLP, 633 West Fifth Street, Suite 1900, Los Angeles, CA 90071; (fax) 213-687-0758; so as to be **received** no later than _____, **2004 at 4:00 p.m.** prevailing Central Time (the "Response Deadline").

PLEASE TAKE FURTHER NOTICE that your Response must contain, at a minimum, the following:

- (i) A caption setting forth the name of the Court, the name of the debtors, the case number and the title of the Objection to which the Response is directed;
- (ii) The name of the claimant and description of the bases for the amount of the proof of claim;
- (iii) A concise statement setting forth the reasons why the proof of claim should not be disallowed for the reasons set forth in the Objection, including, but not limited to, the specific factual and legal bases upon which the claimant will rely in opposing the Objection;
- (iv) A copy of the proof of claim and any other documentation or other evidence of the claim, to the extent not included with the proof of claim, upon which the claimant will rely in opposing the Objection at the hearing;
- (v) A declaration of a person with personal knowledge of the relevant facts that support the Response; and
- (vi) The name, address(es), telephone number and facsimile number of the person(s) (who may be the claimant and/or the claimant's legal

representative) to whom counsel for the Debtors should serve any reply to the Response.

- (vii) In order to facilitate a resolution of the Objection, you are encouraged to provide the name, address(es), telephone number and facsimile number of the person(s) who possess the authority to reconcile, settle, or otherwise resolve the Objection on your behalf.

PLEASE TAKE FURTHER NOTICE that, if you or your designated attorney or representative does not timely file and serve the Response in accordance with the above-referenced procedures and attend the Hearing (in the absence of a written agreement between you and Mirant providing otherwise), the Court may enter an order granting the relief requested in the Objection. If you or your designated representative or attorney do file a Response and attend the Hearing, the matter will be resolved during the Hearing. Only those Responses made in accordance with the above-referenced requirements and timely filed and received by the Court and Mirant's attorneys will be considered by the Court at the Hearing. **If you fail to respond in accordance with this Notice, the Court may grant the relief requested in the Objection without further notice or hearing.**

PLEASE TAKE FURTHER NOTICE that nothing in this Notice or the accompanying Objection constitutes a waiver of Mirant's right to assert any claims, counterclaims, rights of offset or recoupment, preference actions, fraudulent-transfer actions, or any other bankruptcy or nonbankruptcy claims against you. Mirant also reserves the right to assert additional objections to your proof(s) of claim.

PLEASE TAKE FURTHER NOTICE that you may obtain copies of any proof of claim filed against Mirant's bankruptcy estates on the Internet at: www.alixpartners.com/cms or by going to Mirant's web site, www.mirant-caseinfo.com, and clicking on the link to the claims web site. If you do not have access to the Internet, you can request a copy of any proof of claim from Bankruptcy Services, Inc., 757 Third Avenue, 3rd Floor, New York, NY 10017, or by calling [_____].

Dated:

By: The Honorable D. Michael Lynn
United States Bankruptcy Judge
United States Bankruptcy Court
Eldon B. Mahon U.S. Courthouse
501 West Tenth Street
Fort Worth, Texas 76102-3643

In re: Mirant Corporation et al.
 Case No. 03-46590 (DML)

Equity Interest Claims

Claim #	Date Filed	Debtor	Name and Address of Claimant	Secured	Administrative	Priority	Unsecured	Total
Claim To Be Classified as Equity Interest								
Claim To Be Classified as Equity Interest								

Claims To Be Classified as Equity Interest Totals

Exhibit 4

**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: [_____]

NOTICE OF THE DEBTORS' INTENT TO CONVERT CLAIMS BASED ON EQUITY INTERESTS TO PROOFS OF INTEREST

TO CERTAIN MIRANT SHAREHOLDERS AND ANY OTHER PARTIES WHO FILED CLAIMS BASED ON EQUITY INTERESTS AGAINST MIRANT'S CHAPTER 11 ESTATES:

PLEASE TAKE NOTICE that you are receiving this notice because you filed one or more proofs of claim against Mirant Corporation or its chapter 11 debtor affiliates (collectively, "Mirant") based on your ownership of an equity interest (i.e. common(?) stock) in a Mirant entity.

PLEASE TAKE FURTHER NOTICE that the Bankruptcy Code provides that an equity interest in a chapter 11 debtor is not a "claim" but, rather, an "interest." The Bankruptcy Code provides: "A creditor or indenture trustee may file a proof of claim. An equity security holder may file a proof of interest." 11 U. S.C. § 501(a).

Under the Bankruptcy Code, an equity interest in a chapter 11 debtor is classified and treated separately from a claim against a chapter 11 debtor. Accordingly, holders of equity interests are not required to file "proofs of claim" in chapter 11 cases. In this case, the Court issued an order providing that holders of equity interests in the Mirant entities also are not required to file a "proof of interest" if such interest is based solely on ownership of an equity interest in any of the Mirant entities. (That order is available on the Internet at www.mirant-caseinfo.com). Thus, holders of equity interests in the Mirant entities were not required to take any action in these cases to substantiate or protect their equity interests. You will not be penalized for filing a proof of claim. However, your interests as an equity owner should not be reflected on the court's record of proofs of claim. Accordingly, Mirant must take measures to convert your proof of claim to a proof of interest.

PLEASE TAKE FURTHER NOTICE that Mirant has filed a motion with the Bankruptcy Court seeking to convert your proof of claim to a proof of interest. That motion, the "Debtors' Motion To Convert Claims Based on Equity Interests to Proofs of Interest" (the "Motion"), is available on the Internet at: www.mirant-caseinfo.com. If you do not have Internet access, you can obtain a copy of the Motion by calling: []

PLEASE TAKE FURTHER NOTICE that if you agree that the proof of claim you filed in Mirant's chapter 11 cases represents your ownership of an equity interest in the Mirant entities, you do not need to take any action in response to this Notice. If you disagree that the proof of claim you filed in Mirant's chapter 11 cases represents solely your equity interest in a Mirant entity, you are required to do two things: (1) file a Response to the Motion (in accordance with the requirements set

forth below) and (2) attend the Hearing on the Motion (the date and time of which are set forth below). Otherwise, the Court most likely will grant the relief requested in the Motion and convert your proof of claim to a proof of interest.

PLEASE TAKE FURTHER NOTICE that Mirant personnel will be available to discuss this Notice and the Motion. If you believe that Mirant incorrectly construed your proof of claim as a claim based on an equity interest, you have the opportunity to reach a resolution with Mirant without the need for you to file a Response or attend the Hearing. In order to facilitate these discussions, you must call [____], within thirty (30) days after the date on which this Notice was served (____, 2004). Mirant personnel will be available to discuss the conversion of your proof of claim to a proof of interest. Any legal matters that arise during such a discussion, however, will be referred to Mirant's attorneys.

PLEASE TAKE FURTHER NOTICE OF THE REQUIREMENTS FOR THE RESPONSE: If you believe that your proof of claim should remain a proof of claim and not be converted to a proof of interest, you must file a written response to the Motion with the Clerk of the United States Bankruptcy Court, Eldon B. Mahon U.S. Courthouse, 501 West Tenth Street, Fort Worth, Texas 76102-3643 **no later than _____, 2004 at 4:00 p.m. prevailing Central Time**. You must file and serve copies of your Response on the following parties: (a) Attn: Kerri Lyman, White & Case LLP, 633 West Fifth Street, Suite 1900, Los Angeles, CA 90071, (fax) 213-687-0758; (b) Attn: Leslie Scharf, Esq., Brown Rudnick Berlack Israels LLP, 120 West 45th Street, New York, NY 10036, (fax) 212-704-0196; and (c) Attn: Mark Taylor, Esq., Hohmann, Taube & Summers, L.L.P., 100 Congress Avenue, Austin, Texas 78701, (fax) 512-472-5248; so as to be **received** no later than _____, **2004 at 4:00 p.m.** prevailing Central Time (the "Response Deadline"). Your Response should contain the following:

- (i) A caption setting forth the name of the Court, the name of the debtors, the case number and the title of the Objection to which the Response is directed;
- (ii) The name of the claimant and description of the bases for the amount of the proof of claim;
- (iii) A concise statement setting forth the reasons why the proof of claim should not be disallowed for the reasons set forth in the Objection, including, but not limited to, the specific factual and legal bases upon which the claimant will rely in opposing the Objection;
- (iv) A copy of the proof of claim and any other documentation or other evidence of the claim, to the extent not included with the proof of claim, upon which the claimant will rely in opposing the Objection at the hearing;
- (v) The name, address(es), telephone number and facsimile number of the person(s) (who may be the claimant and/or the claimant's legal representative) to whom counsel for the Debtors should serve any reply to the Response.
- (vi) In order to facilitate a resolution of the Objection, you are encouraged to provide the name, address(es), telephone number and facsimile number of the person(s) who possess the authority to reconcile, settle, or otherwise resolve the Objection on your behalf.

PLEASE TAKE FURTHER NOTICE that the Bankruptcy Court will hold the Hearing on the Motion on _____, 2004 at _____, [_____]]. Again, you do not need to attend the Hearing unless (1) you disagree that your proof of claim should be converted to a proof of interest and (2) you filed a Response in accordance with the procedures set forth above.

PLEASE TAKE FURTHER NOTICE that, if you do not timely file and serve the Response in accordance with the above-referenced procedures and attend the Hearing, or you have not entered into a written settlement with Mirant resolving the Motion as it relates to your proof of claim, the Court may enter an order granting the Motion and converting your proof of claim to a proof of interest. If you properly and timely file a Response in accordance with the above procedures and you or your representative attend the Hearing, the matter will be resolved during the Hearing. Only those Responses made in accordance with the above-referenced requirements and timely filed and received by the Court and Mirant's attorneys will be considered by the Court at the Hearing. **If you fail to respond in accordance with this Notice, the Court may grant the relief requested in the Motion without further notice or hearing.**

PLEASE TAKE FURTHER NOTICE that nothing in this Notice or the Motion constitutes a waiver of Mirant's right to assert any claims, counterclaims, rights of offset or recoupment, preference actions, fraudulent-transfer actions, or any other bankruptcy or nonbankruptcy claims against you. **Mirant also reserves the right to assert any future objections to your proof(s) of interest and/or proof(s) of claim.**

PLEASE TAKE FURTHER NOTICE that the Office of the United States Trustee in these cases appointed an Official Committee of Equity Security Holders (the "Equity Committee") to represent your interests, and that committee is represented by counsel. Counsel for the Equity Committee is: BROWN RUDNICK BERLACK ISRAELS LLP; Attn: Howard Siegel; City Place I, 185 Asylum Street; Hartford, Connecticut 06103-3402; (tel) (860) 509-6500; (email) hsiegel@brbilaw.com, and HOHMANN, TAUBE & SUMMERS, L.L.P.; Attn: Mark Taylor; 100 Congress Avenue; Austin, Texas 78701; (tel) 512-472-5997; (email) markt@hts-law.com. Counsel for the Equity Committee will appear at the Hearing on the Motion.

Dated:

By: The Honorable D. Michael Lynn
United States Bankruptcy Judge
United States Bankruptcy Court
Eldon B. Mahon U.S. Courthouse
501 West Tenth Street
Fort Worth, Texas 76102-3643

EXHIBIT B

1. Boston Edison Company
2. Cambridge Electric Light Company
3. Commonwealth Electric Company
4. CSX Transportation, Inc.
5. Edison Mission Energy
6. EME del Caribe
7. MIRMA Lease-Related Objections (Objections related to the MIRMA Leases and related documents (including without limitation, objections to claims filed on behalf of or by any of the owner lessors, US Bank (as Lease Indenture Trustee, Pass Through Trustee or otherwise) or the pass through certificate holders).
8. Morgan Stanley (f/k/a Morgan Stanley Dean Witter & Co., f/k/a Morgan Stanley Group Inc.)
9. Morgan Stanley Capital Group, Inc.
10. Nstar Gas Company
11. Pacific Gas and Electric Company
12. Potomac Electric Power Company and its affiliates
13. Southern California Edison Company
14. WPS Energy Services, Inc.