

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
Eastern Division

In Re:) BK No.: 12-49219, *et al.*
EDISON MISSION ENERGY, et al.,)
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) Chapter: 11
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)
)
Debtor(s))

**INTERIM ORDER APPROVING
THE DEBTORS' (A) PAYMENT OF CERTAIN
PREPETITION COMPENSATION AND REIMBURSABLE EMPLOYEE
EXPENSES, (B) CONTINUED EMPLOYEE MEDICAL AND OTHER BENEFITS,
AND (C) CONTINUED EMPLOYEE COMPENSATION AND BENEFITS PROGRAMS**

Upon the motion (the "Motion") of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order (this "Order") authorizing but not directing the Debtors to (a) pay certain prepetition wages, salaries and other compensation, taxes, withholdings, and reimbursable expenses, (b) pay and honor obligations relating to medical and other benefits programs, and (c) continue their employee compensation and benefit programs, all as more fully set forth in the Motion; and upon the First Day Declaration; and the Court having found that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and the Court having found that the Debtors provided appropriate notice of the Motion and the opportunity for a hearing on the Motion under the circumstances; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before the Court (the "Hearing"); and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth herein. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.
2. The final hearing (the "Final Hearing") on the Motion shall be held on Jan. 16, 2013 at 11:00 a.m. (Central Time). Any objections or responses to entry of a final order shall be filed and served on or before Jan. 9, 2013 at 4:00 p.m. (Central Time).
3. The Debtors are authorized, except to the extent provided in the paragraphs below, to continue to honor, in their discretion, the Employee Compensation and Benefits and to pay any prepetition amounts due in connection therewith.
4. The Debtors are authorized but not directed to continue the following Employee Compensation and Benefits, pending entry of the Final Order, on a postpetition basis, in the ordinary course of business, in accordance with the Debtors' prepetition policies and practices and, in the Debtors' discretion, to pay and honor prepetition amounts related thereto: (a) Unpaid Compensation, inclusive of

any Allocable Costs; (b) Deductions and Payroll Taxes; (c) Reimbursable Expenses (including expenses incurred pursuant to the Amex Corporate Card and P-Card programs); (d) the Health Plans; (e) the Health Spending Accounts and the Dependent Care Accounts; (f) the Employee Assistance Program; (g) the Comprehensive Disability Plan, the Long-Term Disability Plan, the Workers' Compensation, the BTA Insurance, the Life Insurance, the AD&D Insurance, and the Long-Term Care; (h) the Vacation Time, the Severance Program, and the Paid Time Off; (i) the 401(k) Plan, the Midwest Gen Bargaining Unit Plan, the Retirement Plan, and the Executive Retirement Plan; (j) the Safety Award Program, the Service Awards, and the Welder Awards; and (k) the Other Benefit Programs, including, but not limited to, the Employee Education Program, the Relocation Program, and the Transportation Program.

5. Amounts owed by the Debtors for such services rendered by the EIX Entities in connection with the Employee Compensation and Benefits postpetition shall constitute allowed administrative expenses under sections 503(b)(1) and 507(a)(2) of the Bankruptcy Code and may be paid by the Debtors without the need for further application or motion or Court order.

6. In accordance with this Order and any other order of this Court, each of the financial institutions at which the Debtors maintain their accounts relating to the payment of the obligations described in the Motion is directed to receive, process, honor, and pay any and all checks, drafts, wire transfers, and automated clearing house transfers issued, whether before or after the Petition Date, for payment of obligations described in the Motion to the extent that sufficient funds are on deposit in such amounts.

7. The Debtors are authorized to issue postpetition checks, or to effect postpetition wire transfer requests, in replacement of any checks or wire transfer requests in respect of payments of prepetition obligations described in the Motion that are dishonored or rejected.

8. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied by the contents of the Motion.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules of the United States Bankruptcy Court for the Northern District of Illinois are satisfied by such notice.

10. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

11. All postpetition payments from a Debtor to another Debtor are hereby accorded superpriority administrative expense status and shall have priority over any administrative claims that arise under section 503(b) of the Bankruptcy Code in accordance with the Court's order approving continued use of the Debtors' cash management system.

12. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, and subject to the administrative priority afforded pursuant to paragraph five of this Order, nothing in this Order shall be deemed: (a) an admission as to the validity of any claim against a Debtor entity; (b) a waiver of the Debtors' right to dispute any claim on any grounds; (c) a promise or requirement to pay any claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Order or the Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; or (f) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable law.

13. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant

to this Order in accordance with the Motion.

14. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Enter:



J. Cox

United States Bankruptcy Judge

Dated: **DEC 18 2012**

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