

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF ILLINOIS  
Eastern Division

In Re:	)	BK No.: 12-49219
EDISON MISSION ENERGY, et al.,	)	(Jointly Administered)
	)	Chapter: 11
	)	Honorable Jacqueline Cox
	)	
Debtor(s)	)	

**ORDER AUTHORIZING DEBTORS TO CONTINUE SURETY BOND PROGRAM**

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 continue the Surety Bond Program, including the maintenance and posting of collateral as may be required in accordance with the Surety Indemnity Agreements, 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 as set forth herein. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.
2. The Debtors are authorized but not directed to maintain their Surety Bond Program without interruption, including, but not limited to, the maintenance of cash collateral, and to perform under the Surety Indemnity Agreements.
3. The Debtors are authorized but not directed to pay all obligations relating to the Surety Bond Program, including, but not limited to the payment of premiums.
4. The Debtors are authorized but not directed to renew surety bonds or obtain (with five (5) days' prior written notice to counsel to the official committee of unsecured creditors (the "Committee") and counsel to the ad hoc committee of certain holders of the Debtors' senior unsecured notes (the "Noteholder Group")) new surety bonds or execute other agreements in connection with their Surety Bond Program and to provide cash collateral in connection therewith; provided, that, the Debtors shall (i) within three (3) business days from the entry of this Order provide the Committee and counsel to the Noteholder Group with a list of all outstanding surety bonds as of the Petition Date and (ii) provide the Committee and counsel to the Noteholder Group with notice of any renewals of any surety bonds within

ten (10) business days of such renewal.

5. 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.

6. 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.

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

8. 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.

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

10. 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.

11. Notwithstanding the relief granted in this Order and any actions taken pursuant to such relief, 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.

12. The Debtors are authorized but not directed to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

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

Enter:

*Jacqueline P. Cox*  
*J.P. Cox*

United States Bankruptcy Judge

Dated:

**17 JAN 2013**

**Prepared by:**

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