

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)
EDISON MISSION ENERGY, et al.,) Chapter 11
Debtors.) Case No. 12-49219 (JPC)
) (Jointly Administered)
)
In re:) Chapter 11
EME HOMER CITY GENERATION L.P.,) Case No. 13-18703 (JPC)
Tax I.D. No. XX-XXX6938)
Debtor.) (Joint Administration Requested)
In re:) Chapter 11
EDISON MISSION FINANCE CO.,) Case No. 13-18704 (JPC)
Tax I.D. No. XX-XXX9202)
Debtor.) (Joint Administration Requested)
In re:) Chapter 11
HOMER CITY PROPERTY HOLDINGS, INC.,) Case No. 13-18705 (JPC)
Tax I.D. No. XX-XXX1685)
Debtor.) (Joint Administration Requested)

¹ The Debtors in the jointly administered chapter 11 case number 12-49219 (JPC), along with the last four digits of each Debtor's federal tax identification number, include: Edison Mission Energy (1807); Camino Energy Company (2601); Chestnut Ridge Energy Company (6590); Edison Mission Energy Fuel Services, LLC (4630); Edison Mission Fuel Resources, Inc. (3014); Edison Mission Fuel Transportation, Inc. (3012); Edison Mission Holdings Co. (6940); Edison Mission Midwest Holdings Co. (6553); Midwest Finance Corp. (9350); Midwest Generation EME, LLC (1760); Midwest Generation, LLC (8558); Midwest Generation Procurement Services, LLC (2634); Midwest Peaker Holdings, Inc. (5282); Mission Energy Westside, Inc. (0657); San Joaquin Energy Company (1346); Southern Sierra Energy Company (6754); and Western Sierra Energy Company (1447). The location of parent Debtor Edison Mission Energy's corporate headquarters and the Debtors' service address is: 3 MacArthur Place, Suite 100, Santa Ana, California 92707.

DEBTORS' MOTION FOR ORDER DIRECTING JOINT ADMINISTRATION OF INITIAL DEBTORS' AND HOMER CITY DEBTORS' CHAPTER 11 CASES

Edison Mission Energy and certain of its affiliates, as debtors and debtors in possession (collectively, the "Initial Debtors"), together with EME Homer City Generation L.P., Edison Mission Finance Co., and Homer City Property Holdings, Inc., as debtors and debtors in possession (collectively, the "Homer City Debtors" and, together with the Initial Debtors, the "Debtors"), respectfully state the following in support of this motion (this "Motion").²

Relief Requested

1. By this Motion, the Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A**, directing joint administration of the Homer City Debtors' chapter 11 cases with the jointly administered Initial Debtors' chapter 11 cases for procedural purposes only.

2. Specifically, the Debtors request that: (a) the Clerk of the Court maintain one consolidated docket and one file for the Initial Debtors' and Homer City Debtors' respective chapter 11 cases under Case No. 12-49219 (JPC), the case number assigned to Debtor Edison Mission Energy; and (b) the Initial Debtors' and Homer City Debtors' respective chapter 11 cases be administered under a consolidated caption, as follows:

² The facts and circumstances supporting this Motion are set forth in the *Declaration of Maria Rigatti in Support of Chapter 11 Petitions of and First Day Relief for Homer City Debtors* (the "Rigatti Declaration"), filed contemporaneously herewith.

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

In re:)	
)	Chapter 11
)	
EDISON MISSION ENERGY, <u>et al.</u> , ¹)	Case No. 12-49219 (JPC)
)	
Debtors.)	(Jointly Administered)
)	

3. The Debtors also request that the Clerk of the Court enter a docket entry, substantially similar to the following, on the docket of the Homer City Debtors’ chapter 11 cases to reflect the joint administration of the Initial Debtors’ and the Homer City Debtors’ respective chapter 11 cases:

An order has been entered in accordance with rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of these chapter 11 cases of Edison Mission Energy and its affiliated debtors. All further pleadings and other papers shall be filed in, and all further docket entries shall be made in, Case No. 12-49219 (JPC).

Jurisdiction

4. The United States Bankruptcy Court for the Northern District of Illinois (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

5. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, include: Edison Mission Energy (1807); Camino Energy Company (2601); Chestnut Ridge Energy Company (6590); Edison Mission Energy Fuel Services, LLC (4630); Edison Mission Fuel Resources, Inc. (3014); Edison Mission Fuel Transportation, Inc. (3012); Edison Mission Holdings Co. (6940); Edison Mission Finance Co. (9202); Midwest Holdings Co. (6553); EME Homer City Generation L.P. (6938); Homer City Property Holdings, Inc. (1685); Midwest Finance Corp. (9350); Midwest Generation EME, LLC (1760); Midwest Generation, LLC (8558); Midwest Generation Procurement Services, LLC (2634); Midwest Peaker Holdings, Inc. (5282); Mission Energy Westside, Inc. (0657); San Joaquin Energy Company (1346); Southern Sierra Energy Company (6754); and Western Sierra Energy Company (1447). The location of parent Debtor Edison Mission Energy’s corporate headquarters and the Debtors’ service address is: 3 MacArthur Place, Suite 100, Santa Ana, California 92707.

6. The statutory bases for the relief requested bases herein are section 101(2) of title 11 of the United States Code (the “Bankruptcy Code”), rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and rule 1015-1 of the Local Rules for the United States Bankruptcy Court for the Northern District of Illinois (the “Local Rules”).

Background

7. Edison Mission Energy, together with its Debtor and non-Debtor affiliates, is a leading independent power producing enterprise specializing in developing, operating, and selling energy and capacity from approximately 40 generating facilities in 12 states and the Republic of Turkey. The Debtors have approximately 925 employees and maintain headquarters in Chicago, Illinois and Santa Ana, California.

8. On December 17, 2012 (the “First Petition Date”), the Initial Debtors filed voluntary petitions with this Court under chapter 11 of the Bankruptcy Code. The Initial Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On December 18, 2012, the Court entered an order [Docket No. 115] approving procedural consolidation and joint administration of these chapter 11 cases pursuant to Bankruptcy Rule 1015(b) (as amended by the Court’s order entered on December 21, 2012 [Docket No. 154]).

9. Similarly, on the date hereof, each of the Homer City Debtors filed a voluntary petition with this Court under chapter 11 of the Bankruptcy Code. The Homer City Debtors are managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. Concurrently with the filing of this Motion, the Debtors requested procedural consolidation and joint administration of the chapter 11 cases of the Homer City Debtors and the Initial Debtors pursuant to Bankruptcy Rule 1015(b).

10. No party has requested the appointment of a trustee or examiner in these chapter 11 cases. On January 7, 2013, the U.S. Trustee for the Northern District of Illinois appointed an official committee of unsecured creditors (the “Committee”) in these chapter 11 cases [Docket No. 202] (as amended on January 18, 2013 [Docket No. 308])

The Homer City Debtors’ Chapter 11 Cases

11. EME Homer City Generation L.P. (“EMEHC”)³ is the former lessee and operator of the Homer City Generating Station in Homer City, Pennsylvania (the “Homer City Facility”). In the second half of 2012, EMEHC and certain stakeholders, including the Homer City Facility’s equity owners, negotiated and finalized a consensual restructuring that transferred beneficial ownership of the Homer City Facility and certain related assets and assumed liabilities to a third-party operator in exchange for a release from the Owner Lessors of its obligations under the leveraged lease of the Homer City Facility. To effect the restructuring, on November 6, 2012, Homer City Funding LLC (“Homer City Funding”), an unaffiliated securitization financing vehicle, commenced a prepackaged chapter 11 case in the United States Bankruptcy Court for the District of Delaware.⁴ Homer City Funding’s chapter 11 plan was confirmed on December 6, 2012, and the restructuring closed on December 14, 2012.

12. After the transfer of operation of the Homer City Facility, EMEHC continued to manage its remaining assets. On the date hereof (the “Homer City Petition Date”), each Homer City Debtor filed a petition with this Court under chapter 11 of the Bankruptcy Code. The

³ EMEHC is a limited partnership formed under Pennsylvania law. Initial Debtor Mission Energy Westside, Inc. is the general partner of and holds a .1 percent limited partnership interest in EMEHC. Initial Debtor Chestnut Ridge Energy Co. holds a 99.9 percent limited partnership interest in EMEHC. Edison Mission Finance Co. and Homer City Property Holdings, Inc. are corporations incorporated under California law. Each Homer City Debtor is an indirect subsidiary of Debtor Edison Mission Energy.

⁴ In re Homer City Funding LLC, No 12-13024 (KG) (Bankr. D. Del.).

Homer City Debtors continue to manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

13. On the Homer City Petition Date, the Homer City Debtors commenced cases under chapter 11 of the Bankruptcy Code. The Debtors request entry of an order directing that the Homer City Debtors' chapter 11 cases be jointly administered with the Initial Debtors' chapter 11 cases for procedural purposes only and that the Homer City Debtors be administered under the same caption for the Initial Debtors' chapter 11 cases (as was previously approved by this Court). As discussed in greater detail below, joint administration of the Homer City Debtors' and the Initial Debtors' respective chapter 11 cases will expedite the administration of the Homer City Debtors' chapter 11 cases and reduce administrative expenses without prejudicing any creditor's substantive rights. Accordingly, the Debtors respectfully request that the Court enter an order directing that the Homer City Debtors' chapter 11 cases be jointly administered with the Initial Debtors' chapter 11 cases.

Basis for Relief

14. Bankruptcy Rule 1015(b) provides, in pertinent part, that "(i)f . . . two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates." Fed. R. Bankr. P. 1015(b). The Debtors are "affiliates" as that term is defined under section 101(2) of the Bankruptcy Code. Accordingly, this Court is authorized to grant the relief requested herein.

15. Section 105(a) of the Bankruptcy Code also provides this Court with the power to grant the relief requested herein by the Debtors. Section 105(a) states that a bankruptcy court "may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code]."

16. Joint administration generally is non-controversial, and courts in this district routinely order joint administration in related cases. See, e.g., In re Play Soccer Chicago LLC, No. 12-30760 (ERW) (Bankr. N.D. Ill. Aug. 29, 2012); In re Shorebank Corp., No. 12-00581 (ABG) (Bankr. N.D. Ill. Jan. 11, 2012); In re GEI-RP (f/k/a Giordano's Enters., Inc.), No. 11-06098 (ERW) (Bankr. N.D. Ill. Feb. 17, 2011); In re Gas City, Ltd., No. 10-47879 (ERW) (Bankr. N.D. Ill. Oct. 27, 2010); In re XMH Corp. 1 (f/k/a Hartmarx Corp.), No. 09-02046 (BWB) (Bankr. N.D. Ill. Jan. 26, 2009); In re Bridgeview Aerosol, LLC, No. 09-41021 (PSH) (Bankr. N.D. Ill. Nov. 2, 2009); In re Kimball Hill, Inc., No. 08-10095 (SPS) (Bankr. N.D. Ill. Apr. 25, 2008).⁵

17. Given the integrated nature of the Debtors' chapter 11 cases, joint administration of the Initial Debtors' and the Homer City Debtors' respective chapter 11 cases will provide significant administrative convenience. For example, joint administration will provide a host of benefits to the Debtors and their stakeholders by, among other things: (a) permitting parties to send combined notices to both the stakeholders of the Homer City Debtors and the Initial Debtors and file pleadings on a single docket; (b) permitting counsel for all parties in interest to include the Homer City Debtors' and the Initial Debtors' respective chapter 11 cases in a single caption on documents that are filed and served in these cases, and (c) enabling parties in interest to be apprised of the various matters before the Court in each of these chapter 11 cases.

18. Moreover, joint administration will not adversely affect the Debtors' respective constituencies because this Motion requests only administrative, not substantive, consolidation of the estates. As a result, parties in interest will benefit from the cost reductions associated with the joint administration of the Initial Debtors' and the Homer City Debtors' respective chapter 11

⁵ Because of the voluminous nature of the orders cited herein, such orders have not been attached to the Motion. Copies of these orders are available upon request to the Debtors' counsel.

cases and will not be harmed by the relief requested. Accordingly, the Debtors submit that the joint administration of the Initial Debtors' and the Homer City Debtors' respective chapter 11 cases is in the best interests of their estates, their creditors, and all other parties in interest.

Notice

19. The Debtors have provided notice of this Motion to: (a) the Office of the U.S. Trustee for the Northern District of Illinois; (b) the entities listed on the List of Creditors Holding Unsecured Claims filed with the chapter 11 petitions of each of the Homer City Debtors, filed contemporaneously herewith; (c) the indenture trustee for the Debtors' senior unsecured notes; (d) counsel to the ad hoc committee of certain holders of the Debtors' senior unsecured notes; (e) the indenture trustee for the lessor notes related to the Debtors' Powerton generating station in Pekin, Illinois, and units 7 and 8 of the Debtors' Joliet, Illinois, generating station and the pass-through trustee for the related pass-through certificates; (f) counsel to the ad hoc committee of certain holders of pass-through certificates related to the Debtors' Powerton and Joliet generating stations; (g) the owner trusts and the equity investors for the Debtors' Powerton and Joliet generating stations (and their respective counsel, if known); (h) the lender under Debtor Edison Mission Energy's letter-of-credit facility; (i) the state attorneys general for states in which the Debtors conduct business; (j) United States Attorney for the Northern District of Illinois; (k) the Internal Revenue Service; (l) the Securities and Exchange Commission; and (m) the Environmental Protection Agency and similar state environmental agencies for states in which the Debtors conduct business. In light of the nature of the relief requested herein, the Debtors respectfully submit that no further notice is necessary.

No Prior Request

20. No prior request for the relief sought in this Motion has been made to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court enter an order, substantially in the form attached hereto as **Exhibit A**, granting the related relief requested herein and such other and further relief as the Court deems appropriate.

Dated: May 2, 2013

/s/ David R. Seligman, P.C.

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EXHIBIT A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re:)
EDISON MISSION ENERGY, et al.,¹) Chapter 11
Debtors.) Case No. 12-49219 (JPC)
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In re:) Chapter 11
EME HOMER CITY GENERATION L.P.,) Case No. 13-18703 (JPC)
Tax I.D. No. XX-XXX6938)
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In re:) Chapter 11
HOMER CITY PROPERTY HOLDINGS, INC.,) Case No. 13-18705 (JPC)
Tax I.D. No. XX-XXX1685)
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¹ The Debtors in the jointly administered chapter 11 case number 12-49219 (JPC), along with the last four digits of each Debtor's federal tax identification number, include: Edison Mission Energy (1807); Camino Energy Company (2601); Chestnut Ridge Energy Company (6590); Edison Mission Energy Fuel Services, LLC (4630); Edison Mission Fuel Resources, Inc. (3014); Edison Mission Fuel Transportation, Inc. (3012); Edison Mission Holdings Co. (6940); Edison Mission Midwest Holdings Co. (6553); Midwest Finance Corp. (9350); Midwest Generation EME, LLC (1760); Midwest Generation, LLC (8558); Midwest Generation Procurement Services, LLC (2634); Midwest Peaker Holdings, Inc. (5282); Mission Energy Westside, Inc. (0657); San Joaquin Energy Company (1346); Southern Sierra Energy Company (6754); and Western Sierra Energy Company (1447). The location of parent Debtor Edison Mission Energy's corporate headquarters and the Debtors' service address is: 3 MacArthur Place, Suite 100, Santa Ana, California 92707.

**ORDER DIRECTING JOINT ADMINISTRATION OF
INITIAL DEBTORS' AND HOMER CITY DEBTORS' CHAPTER 11 CASES**

Upon the motion (the "Motion")² of the Initial Debtors, together with the Homer City Debtors (collectively the "Debtors"), for the entry of an order (the "Order") directing the joint administration of the Debtors' related chapter 11 cases; it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors and other parties in interest; the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; consideration of the Motion and the Rigatti Declaration and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); venue being proper before this court pursuant to 28 U.S.C. §§ 1408 and 1409; notice of the Motion having been adequate and appropriate under the circumstances; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth herein.
2. The Homer City Debtors' chapter 11 cases and the Initial Debtors' chapter 11 cases are consolidated for procedural purposes only and shall be jointly administered by this Court under Case No. 12-49219 (JPC).
3. Nothing contained in the Motion or this Order shall be deemed or construed as directing or otherwise effecting a substantive consolidation of the Initial Debtors' and the Homer City Debtors' respective chapter 11 cases.
4. The caption of the jointly administered cases should read as follows:

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

)	
In re:)	Chapter 11
)	
EDISON MISSION ENERGY, <u>et al.</u> , ¹)	Case No. 12-49219 (JPC)
)	
Debtors.)	(Jointly Administered)
)	

5. A docket entry shall be made in each of the above-captioned cases substantially as follows:

An order has been entered in accordance with rule 1015(b) of the Federal Rules of Bankruptcy Procedure directing the procedural consolidation and joint administration of these chapter 11 cases of Edison Mission Energy and its affiliated debtors. All further pleadings and other papers shall be filed in, and all further docket entries shall be made in, Case No. 12-49219 (JPC).

6. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

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

Dated: _____, 2013
Chicago, Illinois

Jacqueline P. Cox
United States Bankruptcy Judge

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Edison Mission Energy (1807); Camino Energy Company (2601); Chestnut Ridge Energy Company (6590); Edison Mission Energy Fuel Services, LLC (4630); Edison Mission Fuel Resources, Inc. (3014); Edison Mission Fuel Transportation, Inc. (3012); Edison Mission Holdings Co. (6940); Edison Mission Finance Co. (9202); Midwest Holdings Co. (6553); EME Homer City Generation L.P. (6938); Homer City Property Holdings, Inc. (1685); Midwest Finance Corp. (9350); Midwest Generation EME, LLC (1760); Midwest Generation, LLC (8558); Midwest Generation Procurement Services, LLC (2634); Midwest Peaker Holdings, Inc. (5282); Mission Energy Westside, Inc. (0657); San Joaquin Energy Company (1346); Southern Sierra Energy Company (6754); and Western Sierra Energy Company (1447). The location of parent Debtor Edison Mission Energy's corporate headquarters and the Debtors' service address is: 3 MacArthur Place, Suite 100, Santa Ana, California 92707.