



Orig - sent to Mr. A. Howard
Feb. 16th
for Mr. S. Blow - (P)

corrected
corresp

LETTER OF CREDIT

JPMorgan Chase Bank
C/O JPMORGAN TREASURY
SERVICES ATTN:STANDBY LETTER
OF CREDIT DEPARTMENT
10420 HIGHLAND MANOR DRIVE
4TH FL.
TAMPA, FLORIDA

Letter of Credit No P-233504
Irrevocable Standby Letter of Credit

FEB
Orig - files

C 97-F-1563

Copies:

Mr. A. Howard
Mr. S. Blow
Mr. D. Vanort
AKJ Harrison

(the "LC Bank")

Date and Place of Issue:
December 31, 2002
TAMPA, FLORIDA

Date and Place of Expiration:
TAMPA, FLORIDA

Stated Expiration Date:
December 5, 2003
(the "Stated Expiration Date")

Applicant:
GenHoldings I, LLC, on account of Athens
Generating Company, L.P.
7500 Old Georgetown Road, 13th Floor
Bethesda, MD 20814-6161
(the "Applicant")

Beneficiary:
New York State Public Service
Commission
3 Empire State Plaza
Albany, NY 12223
(the "Beneficiary")

Stated Amount:
Up to an aggregate of NINETEEN MILLION ONE
HUNDRED FORTY THOUSAND DOLLARS (US
\$19,140,000)

Credit Available With:
JPMorgan Chase Bank
By: Negotiation, Against Presentation of the
Documents Detailed Herein Drawn on JPMorgan
Chase Bank

Ladies and Gentlemen:

We hereby establish and open our irrevocable standby letter of credit no. P-233504 (this "Letter of Credit") regarding the Athens Generating Plant (Case 97-F-1563) facility (the "Facility") and irrevocably authorize you to draw on us for the account of the Applicant, in accordance with the terms and conditions hereinafter set forth, up to an aggregate of NINETEEN MILLION ONE HUNDRED FORTY THOUSAND DOLLARS (US \$19,140,000) (as reduced in accordance with the terms hereof, the "Stated Amount"), available against presentation of a dated drawing request drawn on JPMorgan Chase Bank, manually signed by the Chairman of the New York State Public Service Commission or a duly authorized designee appropriately completed in the form of Annex 1 hereto (a "Drawing Request"). This Letter of Credit is effective immediately.

All Drawing Requests and other communications with respect to this Letter of Credit shall be in writing, addressed to us at JPMorgan Chase Bank, C/O JPMORGAN TREASURY SERVICES, GLOBAL TRADE SERVICES, 10420 HIGHLAND MANOR DRIVE, TAMPA, FLORIDA 33610 telephone: 866-632-5101, facsimile: 813-432-5161, Attention: Standby Letter Of Credit Department referencing this Letter of Credit and presented to us by delivery in person or facsimile transmission at such address or facsimile number, provided that the original of any Drawing Request or other communication shall be sent to us at such address by overnight courier for receipt by us within two Business Days of the date of any such facsimile transmission.

All Drawing Requests must bear the following clause:

"The undersigned hereby draws on Letter of Credit No.P-233504, dated December 31, 2002"

If a Drawing Request is presented in compliance with the terms of this Letter of Credit to us at the address or facsimile number set forth above by 10:00 a.m. TAMPA time on any Business Day (as hereinafter defined), payment will be made not later than 3:00 p.m. Tampa time on the succeeding business day and if such Drawing Request is so presented to us after 10:00 a.m. Tampa time on any Business Day, payment will be made on the second succeeding Business Day not later than 1:00 p.m. Tampa time. Payment under this Letter of Credit shall be made in immediately available funds by wire transfer deposit into the standby trust fund of the Applicant in accordance with the Beneficiary's instructions.

As used in this Letter of Credit, "Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized or required by law to remain closed in the State of Florida.

This Letter of Credit shall expire upon the earliest to occur of (1) the surrender by you of this original Letter of Credit together with your consent to cancellation, (2) our honoring of drafts presented hereunder that, in the aggregate, equal the Stated Amount (after giving effect to any reductions in the Stated Amount in accordance with the terms hereof), (3) 12:01 a.m., TAMPA time, on the date specified in a notice of termination sent by us to you and the Applicant in the form of Annex 2 hereto (a "Termination Notice") stating that this Letter of

Credit will terminate on such date, which date shall be no less than 30 days after the date of such notice, and (4)12:01 a.m., TAMPA time, on the Stated Expiration Date.

This Letter of Credit may not be transferred in whole or in part without our consent.

In the event that a Drawing Request fails to comply with the terms of this Letter of Credit, we shall provide you prompt notice of same stating the reasons therefor and shall upon your instructions hold any non-conforming drawing request and other documents at your disposal or return any non-conforming drawing request and other documents to you at the address set forth above by delivery in person or facsimile transmission (with originals thereof sent by overnight courier for receipt within two Business Days). Upon being notified that a Drawing Request does not comply with this Letter of Credit, you may attempt to correct such non-complying Drawing Request in accordance with the terms of this Letter of Credit.

This Letter of Credit sets forth in full the terms of our undertaking and this undertaking shall not in any way be modified, amended, limited or amplified by reference to any document, instrument or agreement referred to herein, except only with respect to references to the drawing requests and notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument, or agreement except for such drawing requests and notices.

Partial drawings under this Letter of Credit are allowed and each Drawing Request honored by us under this Letter of Credit shall reduce the current Stated Amount by the amount of the payment made by us in respect of such Drawing Request.

All banking charges, including any advising and negotiating bank charges, are for the account of the Applicant.

This Letter of Credit shall not be amended except with the written concurrence of the LC Bank, the Beneficiary and the Applicant.

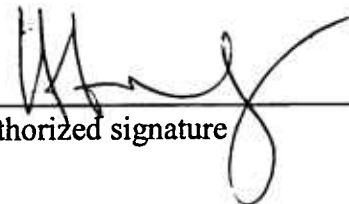
We hereby agree with you that a Drawing Request drawn strictly in compliance with the terms of this Letter of Credit and amendments thereto shall meet with due honor upon presentation.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision in force as of January 1, 1994, as amended), International Chamber of Commerce Publication Number 500 (the "Uniform Customs"). This Letter of Credit shall be deemed to be a contract made under the laws of the State of New York and shall, as to matters not governed by the Uniform Customs, be governed by and construed in accordance with the laws of such State.

We irrevocably agree with you that any legal action or proceeding with respect to this Letter of Credit shall be brought in the courts of the State of New York or of the United States of America. By signing this Letter of Credit, we irrevocably submit to the jurisdiction of such courts solely for the purposes of this Letter of Credit. We hereby waive, to the fullest

extent permitted by law, any objection we may now or hereafter have to the laying of venue in any such action or proceeding in any such court.

JPMORGAN CHASE BANK


Authorized signature

[Letterhead of Beneficiary]

DRAWING REQUEST

[Date]

JPMorgan Chase Bank
C/O JPMORGAN TREASURY SERVICES
ATTENTION STANDBY LETTER OF CREDIT DEPT.
10420 HIGHLAND MANOR DRIVE, 4FL.
TAMPA, FLORIDA 33610

Ladies and Gentlemen:

The undersigned hereby draws on Letter of Credit No.P-233504, dated December 31, 2002 (the "Letter of Credit"), in the amount of \$_____. Capitalized terms used but not defined herein have the meanings given to such terms in the Letter of Credit.

In connection with this drawing, we hereby certify that *[insert one of the following—*

[Athens Generating Company, L.P. has failed or refused to complete site restoration in the event construction of the Facility is not completed and the amount drawn hereunder does not exceed the current Stated Amount.]

[we have received a Termination Notice from you stating that the Letter of Credit will terminate on _____, _____, the Applicant has not replaced the Letter of Credit at least 30 days prior to its termination date and the amount drawn hereunder does not exceed the current Stated Amount.]

[the Letter of Credit will expire on _____, _____, the Applicant has not replaced the Letter of Credit at least 30 days prior to its expiration date and the amount drawn hereunder does not exceed the current Stated Amount.]

You are directed to make payment of the requested drawing to the account established pursuant to the Standby Trust Agreement, dated as of [_____], 2003 (the "Standby Trust Agreement"), between Athens Generating Company, L.P. and [*Insert name of trustee*], account number _____, ABA number _____, at [*insert bank name and address*].



IN WITNESS WHEREOF, the undersigned has executed and delivered this drawing request on this ____ day of _____, ____

NEW YORK STATE PUBLIC SERVICE
COMMISSION

By: _____
Name:
Title:

cc: GenHoldings I, LLC, on account
of Athens Generating Company, L.P.
7500 Old Georgetown Road, 13th Floor
Bethesda, MD 20814-6161

[Letterhead of LC Bank]

NOTICE OF TERMINATION OF LETTER OF CREDIT

[Date]

New York State Public Service Commission
3 Empire State Plaza
Albany, NY 12223

GenHoldings I, LLC, on account of
Athens Generating Company, L.P
7500 Old Georgetown Road, 13th Floor
Bethesda, MD 20814-6161

Ladies and Gentlemen:

Reference is made to Letter of Credit No.P-233504, dated December 31, 2002,
issued by us in favor of the New York State Public Service Commission (the "Letter of Credit").

This constitutes our notice to you pursuant to the Letter of Credit that the Letter of
Credit will terminate on _____, _____.

Very truly yours,

JPMORGAN CHASE BANK

By: _____

Name:

Title: