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ATTORNEYS FOR THE NEW YORK DEBTORS

**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:
)	June 19, 2006 at 9:00 a.m.
_____)	

NEW YORK DEBTORS' SECOND SUPPLEMENT TO THEIR MOTION PURSUANT TO BANKRUPTCY CODE §§ 105, 361, 363, 364, AND RULE 9019 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE FOR ORDER APPROVING USE OF PROPERTY OF THE ESTATE, ADEQUATE PROTECTION, FINANCING AND SETTLEMENT BETWEEN MIRANT BOWLINE, LLC, MIRANT LOVETT, LLC, HUDSON VALLEY GAS CORPORATION, MIRANT NEW YORK, INC., THE TOWN OF HAVERSTRAW, THE HAVERSTRAW-STONY POINT CENTRAL SCHOOL DISTRICT, THE VILLAGE OF HAVERSTRAW, THE VILLAGE OF WEST HAVERSTRAW, AND THE COUNTY OF ROCKLAND

TO THE HONORABLE D. MICHAEL LYNN, U.S. BANKRUPTCY JUDGE:

COME NOW, Mirant Bowline, LLC ("Mirant Bowline"), Mirant Lovett, LLC ("Mirant Lovett"), Hudson Valley Gas Corporation ("Hudson Valley"), and Mirant New York, Inc. ("Mirant New York," and together with Mirant Bowline, Mirant Lovett and Hudson Valley, the "NY Debtors"), as debtors-in-possession, and hereby file this Second Supplement to their *Motion Pursuant to Bankruptcy Code §§ 105, 361, 363, 364, and Rule 9019 of the Federal Rules of*

*Bankruptcy Procedure for Order Approving Use of Property of the Estate, Adequate Protection, Financing and Settlement Between Mirant Bowline, LLC, Mirant Lovett, LLC, Hudson Valley Gas Corporation, Mirant New York, Inc., the Town of Haverstraw, the Haverstraw-Stony Point Central School District, the Village of Haverstraw, the Village of West Haverstraw, and the County of Rockland (the “Motion”).*¹

1. The Town of Stony Point (“Stony Point”) was a proposed party to the Proposed Settlement which is the subject of the Motion. However, the NY Debtors have been advised that on June 14, 2006, the Town Board of Stony Point, New York rejected the Proposed Settlement.

2. The NY Debtors have further been advised that several other of the New York Taxing Authorities have voted to approve the Proposed Settlement.

3. Notwithstanding their strong desire to achieve a complete, global resolution of the tax disputes involving the Bowline Facility and the Lovett Facility, the NY Debtors intend to go forward with the hearing on the Motion and to seek approval of the Proposed Settlement with those New York Taxing Authorities that are willing to settle.

4. Accordingly, the Motion is hereby amended to seek, in the alternative, authorization to consummate the Proposed Settlement with the County, Haverstraw, Haverstraw Village, West Haverstraw Village, and the School District.

WHEREFORE, based upon the foregoing, the NY Debtors request that the Court enter an Order authorizing the NY Debtors to proceed with the Proposed Settlement and for any other or further relief that is necessary and proper.

¹ Unless otherwise defined herein, capitalized terms have the same meaning ascribed to them in the Motion.

Dated: June 15, 2006.

Respectfully submitted,

/s/ Jeff P. Prostok
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CERTIFICATE OF SERVICE

The undersigned hereby certifies that he has authorized BSI as service agent to cause to serve a true and correct copy of the foregoing document upon all parties listed on the attached New York Debtors' Service List and upon all persons on the Limited Service List via email, facsimile or overnight mail on the 15th day of June, 2006 in accordance with the Federal Rules of Bankruptcy Procedure:

/s/Jeff P. Prostok
Jeff P. Prostok

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