

EXHIBIT B

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
	:	
WORLDCOM, INC., et al.,	:	Case No. 02-13533 (AJG)
	:	
Debtors.	:	Jointly Administered
	:	
	:	

AMENDED ORDER PURSUANT TO SECTIONS 105(A)
AND 366(B) OF THE BANKRUPTCY CODE AUTHORIZING
WORLDCOM TO PROVIDE ADEQUATE ASSURANCE TO UTILITY COMPANIES

Upon the motion, dated July 21, 2002 (the "Motion"), of WorldCom, Inc. and certain of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, "WorldCom" or the "Debtors"), for an order pursuant to sections 105(a) and 366(b) of title 11, United States Code (the "Bankruptcy Code") establishing procedures for determining that all utility companies and telecommunications vendors (collectively, the "Utility Companies" and individually, "Utility Company") that provide electricity, telephone, telecommunications, or similar services (the "Utility Services") to the Debtors have been provided with adequate assurance of payment, all as more fully set forth in the Motion; and upon consideration of the supporting Affidavit of Susan Mayer Pursuant to Local Bankruptcy Rule 1007-2, sworn to on the 21st day of July, 2002; and upon the objections filed in connection with the Motion, and the record of the hearings held before the Court concerning the Motion ("the Hearings"); and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York, dated July 19, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a

core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and the relief requested in the Motion being in the best interests of the Debtors and their estates and creditors; and the Court having reviewed the Motion and having heard the statements in support of the relief requested therein at the Hearings; and the Court having determined that the legal and factual bases set forth in the Motion and at the Hearings establish just cause for the relief granted herein; and upon the entry of the Order Pursuant to Sections 105(a) and 366(b) of the Bankruptcy Code Authorizing WorldCom to Provide Adequate Assurance to Utility Companies dated August 14, 2002 (the "Utility Order"); and upon the motion dated August 26, 2002 by Pacific Gas & Electric to Amend and/or Clarify Court's Utilities Order, seeking amendment and/or clarification of the Court's Order Pursuant to Sections 105(a) and 366(b) of the Bankruptcy Code Authorizing WorldCom to Provide Adequate Assurance to Utility Companies (the "Motion to Clarify"); the Objection dated September 19, 2002 of the Official Committee of Unsecured Creditors to the Motion of Pacific Gas & Electric to Amend and/or Clarify Court's Utilities Order (the "Objection"); the Debtor's Response dated September 20, 2002 to the Motion of Pacific Gas & Electric to Amend and/or Clarify Court's Utilities Order (the "Response" and collectively with the "Motion to Clarify" and the "Objection" the "Additional Submissions"); upon review of the entire record of this case; and based upon the Additional Submissions; and the Court finding that a clarification to the order is appropriate, it is

ORDERED that the Utility Order is clarified as set forth herein; and it is further

ORDERED that pursuant to section 503(b)(1)(A) of the Bankruptcy Code, any and all unpaid charges for postpetition services provided by the Utility Companies to the Debtors constitute actual and necessary expenses of preserving WorldCom's estates; in addition, with respect to those claims for the amounts incurred after August 14, 2002, each Utility Company is hereby granted an administrative expense priority claim and such claim shall constitute a junior superpriority administrative claim in each of the WorldCom estates and such claim shall be "pari passu" with one another and shall be junior only (i) to the claims of the DIP Lenders (defined consistently with this Court's Interim order authorizing WorldCom's postpetition financing) as a result of the Interim or any final order, and (ii) to any intercompany junior liens and claims of each of the WorldCom Debtors, and shall be senior to any other administrative claim unless otherwise ordered by the Court; and it is further

ORDERED that the Debtors shall pay on a timely basis, in accordance with applicable contracts and tariffs, all undisputed invoices with respect to postpetition Utility Services rendered by the Utility Companies; and it is further

ORDERED that WorldCom and the Utility Companies shall negotiate in good faith to establish an expedited dispute resolution procedure that includes an arbitrator, mediator, or similar trier of fact with respect to disputes involving postpetition invoices in an amount not to exceed a sum to be determined upon a recommendation from the Debtors within fifteen (15) days after the entry of this order ("Debtors' Recommendation") with an opportunity by the Utility Companies to object five (5) days thereafter ("Utilities' Recommendations" and together with the Debtors' Recommendation, the "Recommendations"); *provided, however*, that unless the Court orders otherwise, upon receiving the

Recommendations the Court shall issue an order without further hearing resolving any dispute concerning the Recommendations; and it is further

ORDERED that, in the event of a payment default for postpetition Utility Services, a Utility Company may (i) take appropriate action under any applicable tariff or regulation, *provided, however*, that such action is without prejudice to the Debtors' right to seek injunctive relief from this Court, or (ii) send notice by facsimile to WorldCom, with a copy to counsel for WorldCom and the Creditors' Committee, and if payment of the undisputed portion is not made by wire transfer or similar good federal funds within three (3) business days thereafter, such Utility Company may seek, by order to show cause, an order requiring immediate payment or such other relief as is appropriate, with objection returnable not less than two (2) business days thereafter; and it is further

ORDERED that, immediately upon the receipt by WorldCom of an Enforcement Notice (as defined in this Court's interim order authorizing WorldCom's postpetition financing (the "DIP")), WorldCom shall provide a copy of such notice to the Utility Companies by e-mail within two (2) business days following receipt of an Enforcement Notice; and it is further

ORDERED that WorldCom shall provide to each Utility Company that has executed an appropriate confidentiality agreement, a weekly report setting forth (i) WorldCom's unrestricted cash and (ii) the availability under the DIP; and it is further

ORDERED that WorldCom and any requesting Utility Company shall exchange contact information of employees with sufficient authority to deal with disputes, if any, regarding postpetition payments; and it is further

ORDERED that, in addition to any rights under section 366 of the Bankruptcy Code, the Utility Companies shall have the right to petition for reconsideration of this Order upon a material and adverse change with respect to, including but not limited to, WorldCom's "administrative solvency," liquidity or other financial condition, or with respect to the volume and/or types of service a Utility Company is providing to the Debtors, and to seek an order requiring WorldCom, among other things, to provide deposits or letters of credit, or prepay for future Utility Services; and it is further

ORDERED that WorldCom and the Utility Companies that are both creditors to, and debtors of, WorldCom, shall negotiate in good faith to establish procedures for the mutual setoff of payments for prepetition services (the "Prepetition Procedures") and for the mutual setoff of payments for postpetition services (the "Postpetition Procedures"); *provided, however*, that nothing herein shall be deemed to grant any Utility Company the right to setoff postpetition amounts owing to WorldCom against prepetition amounts such Utility Company is owed by WorldCom or to eliminate the requirement of mutuality in order to assert a right of setoff; *provided further, however*, that, to the extent WorldCom and a Utility Company are unable to agree upon either a Prepetition Procedures or a Postpetition Procedures, WorldCom or such Utility Company may seek relief from this Court; and it is further

ORDERED that, to the extent termination of services to WorldCom's customers in necessary, WorldCom shall comply with all applicable regulatory requirements, including, but not limited to, timely service of notices to customers consistent with 47 U.S.C. § 214; and it is further

ORDERED that WorldCom shall serve notice of this Order on the Utility Companies identified on Exhibit A annexed to the Motion by first-class mail within five (5) business days of its entry; and it is further

ORDERED that nothing herein shall prejudice WorldCom's or any Utility Company's right to assert that such Utility Company is or is not a utility as contemplated in section 366 of the Bankruptcy Code; and it is further

ORDERED that the relief granted herein shall not constitute an approval or assumption of any agreement pursuant to section 365 of the Bankruptcy Code and, to the extent WorldCom seeks to assume or assign any executory contract or unexpired lease that may exist between WorldCom and a Utility Company, WorldCom shall comply with the applicable provisions of the Bankruptcy Code; provided, however, that nothing herein shall be deemed to establish that any contract is or is not subject to section 365 of the Bankruptcy Code.

Dated: New York, New York
October 2, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE