U S BANKRUPTCY COURT
SOUTHERN DISTRICT OF MISSISSIPPI
FILED
AUG 2 0 2003
CHARLENE J KENNEDY CLERK
BY _____ DEPUTY CLERK

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

In re

MISSISSIPPI CHEMICAL
CORPORATION, et al

CASE NO 03-02984 WEE
Chapter 11
Jointly Administered

MOTION TO COMPEL ACCEPTANCE OF EXECUTORY CONTRACTS

Comes now Mississippi Power Company, one of the creditors of Mississippi Phosphates Corporation, a debtor herein, and moves the Court for entry of an order compelling the said debtor to accept or reject an executory contract for electric service between Mississippi Power Company and Mississippi Phosphates Corporation (sometimes hereinafter referred to as the "Debtor") and in support thereof would show unto the Court the following, to-wit

1 On May 15, 2003, (the "Petition Date"), the Debtors filed their voluntary petitions under Chapter 11 of the Bankruptcy Code 11 U S C §101, *et seq* The Debtors remain in possession of their property and continue to operate their businesses as debtors-in-possession pursuant to §§ 1107 and 1108

2 The movant, Mississippi Power Company is a corporation organized under and existing pursuant to the laws of the State of Mississippi

3 Mississippi Phosphates Corporation is a corporation organized under and existing pursuant to the laws of the State of Mississippi, with it principal place of business being located in Pascagoula, Jackson County, Mississippi

4 Mississippi Power Company is a public utility whose rates and charges are regulated by the Mississippi Public Service Commission Mississippi Power Company provides

259-17

electric utility service to all or part of twenty three counties in south Mississippi, including, but not limited to Jackson County, Mississippi

5 Mississippi Phosphates Corporation operates a heavy industrial plant in Pascagoula, Jackson County, Mississippi where it manufactures phosphate based agricultural fertilizers or components and additives therefor The manufacturing process requires the use of a substantial electrical load, all of which is provided by Mississippi Power Company and without which the manufacturing operations would cease

6 Electrical service is provided to the debtor pursuant to a contract entered into between Mississippi Power Company and the Debtor, dated May 1, 2001, a copy of which is attached hereto as Exhibit "A" The contract was for a term of two (2) years after which it would renew or continue until terminated by one of the parties after giving six (6) months notice of termination in writing to the other party As of the date of the filing of the petition in bankruptcy in this cause, notice of the termination had not been given so that the contract remains in effect and is an executory contract as defined in 11 USC § 365 At the time of the filing of the petition there was due and owing to Mississippi Power Company the sum of $496,331 00 for electric service provided to them before the filing of the petition in bankruptcy

7 By entering into the long term contract, the Debtor was not required to post a substantial deposit to assure the payment of the charges received under the contract Pursuant to the terms and conditions of the contract the Debtor guaranteed a minimum usage and received a more favorable rate for the electricity used than would have charged to a general customer in a similar position but who did not enter into such a contract As a result, the contract and the continuation of the contract serves an a substantial economic benefit to the Debtor

8 In order to lessen the burden of the cure obligation which would arise with the assumption of the contract, Mississippi Power Company has agreed to accept five monthly installment payments including four payment of $100,000 and one payment for the balance of the pre-petition charges, in addition to the payment to be made for the monthly service, until the obligation to cure the default is satisfied

RESPECTFULLY REQUESTED, this the _____ day of _____, 2003

Paul J Delcambre, Jr
BALCH & BINGHAM LLP
1310 25th Avenue
P O Box 130
Gulfport, MS 39502-0130
Ph (228) 864-9900
Fax (228) 864-8221
Attorney for Mississippi Power Company

CERTIFICATE OF SERVICE

I hereby certify that I have served a copy of the foregoing by facsimile and postage prepaid, this the ___ day of August, 2003, upon all parties listed on the attached Seventh Amended Shortened Service List filed August 15, 2003

Paul J Delcambre

CONTRACT FOR ELECTRIC SERVICE

THIS CONTRACT for electric service is entered into this 1st day of May, 2001, ("Effective Date") between Mississippi Power Company ("Company") and Mississippi Phosphates Corporation ("Customer")

IN CONSIDERATION of the mutual agreements hereinafter contained, IT IS AGREED

1 Scope Company will supply electric service to Customer, and Customer will purchase, receive and pay Company for such service in accordance with this Contract

2 Rules, Regulations and Rates Mississippi state law and the rules, regulations and applicable rate schedules of Company as may be filed with and regulated by the Public Service Commission govern this service and are incorporated herein by reference They are subject to change as provided by law Copies of current rules, regulations and applicable rate schedules are available from Company upon request and may be attached to this Contract

3 Term The term of this Contract shall be Two (2) year(s) from the commencement of electric service under this Contract. The Contract shall continue in effect thereafter until terminated by either party providing written notice to the other in accordance with the rules, regulations and applicable rate schedules

4 Service to Premises

The characteristics of the service to be furnished under this Contract are as follows

a Premises location Fertilizer Plant at Bayou Cassotte West of Hwy 611 in Jackson County

b Frequency Approximately sixty (60) hertz

c Voltage and Phase Other 22,860/13,200v wye, 4,160/2,400v wye, four wire, unreg

d Delivery Point connections of company's service conductors to customer's service entrance conductors located located adjacent to company's 115kV substation

e Rate Schedule(s) LGS-33

f Service level ☐ transmission ☐ primary ☒ secondary

g Rate Rider(s) load build up

h Commencement of electric service not later than May 1, 2001

i Contract Capacity 12,000 kVa

j Minimum billing demand See attached rate schedule and load build up letter

5 Payment During the term of this Contract, Customer will pay monthly charges calculated in accordance with the applicable rules, regulations and rate schedules

6 Equipment Customer, at its expense, shall maintain and operate its equipment so that it does not cause unacceptable voltage fluctuations, harmonically related disturbances, overload, or other disturbances on Company's electrical and communications systems, or affect the safe, economical and reliable operation of Company's electric system Customer, at its expense, shall immediately correct any such unacceptable use of electric power, including the provision of suitable apparatus to prevent or cure such effects where necessary

7 Limitation of Liability Company does not guarantee that service will be free from, and Company shall not be liable for, interruptions, surges, voltage fluctuations or disturbances Company shall have no liability for any loss or damage from any loss of service, or delay in providing service

8 Assignment of Contract Customer shall not assign this Contract without written consent of Company

9 Remedies In the event of default by either party, the non-defaulting party may pursue any and all judicial and administrative remedies and relief available

10 Non-waiver The parties agree that this Contract does not preclude Company from collecting any additional costs as directed or authorized by a legislative body, administrative body, or court having jurisdiction over such issues

11 Additional Provisions Additional provisions relating to specific rates and rate riders may be set forth in addenda to this Contract. Such addenda, when executed by the parties and attached hereto, shall become part of this Contract and be incorporated as if set forth fully herein The terms of any such addenda shall be controlling over any conflicting terms set forth herein

12 Miscellaneous A waiver of one or more defaults by either party shall not be deemed a waiver of any other or subsequent default by such party This Contract, upon becoming effective, shall cancel and supersede any previously existing agreement covering supply by Company to Customer of electric energy to any premises identified in one or more Premises Exhibits attached hereto This document, those documents incorporated by reference and any attachments constitute the entire agreement between the parties No modification of this Contract, except as provided in paragraph 2 above, shall be binding unless it is in writing and accepted by Customer and Company This Contract shall be governed by the laws of the State of Mississippi

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed by their duly authorized representatives, as of the Effective Date hereof

Mississippi Phosphates Corporation	Mississippi POWER COMPANY
By C E McCraw	By David E Ford
Title Sr Vice President - Operations	Title Director, Marketing and Sales

MISSISSIPPI POWER COMPANY
GULFPORT, MISSISSIPPI

5-1-2001

Mississippi Phosphates Corporation
P O Box 848
Pascagoula, Ms 39567

Gentlemen

Your electric service contract dated 5-1-2001, for the operation of your fertilizer Plant located in Pascagoula, Mississippi, calls for us to supply 12,000 kVa of electric power and for you to pay for not less than 9,000 kVa

Since you will not need the full amount of the above until several months after initiation of service under this contract at this facility, we, in consideration of this circumstance, will supply the power you need during this period, hereinafter referred to as the load build-up period, under the provisions of the above mentioned contract and will bill you thereunder for such supply as stated below

> During this load build-up period, which is estimated to be for 6 months' duration, we will compute the bill for each month of service at the provisions of the rate schedule of your contract, subject to the following determination of your monthly kVa requirement from us
>
> Your kVa requirement each month shall be the average kVa you require from us during a 15-minute period of your greatest use in the month, as measured by us with a suitable meter Such requirement shall not be less than your greatest kVa requirement during any preceding month of the period, nor less than 500 kVa

The provisions of this rider shall remain in effect until such time as your monthly kVa requirement equals or exceeds 12,000 kVa When such requirement is reached, and in no case later than the sixth month of service to this facility, we will bill your service that month and each month thereafter in accordance with the provisions of the rate schedule of the contract under reference The basic two year term of the aforesaid contract will be extended by the number of months required for your monthly kilowatt requirement to equal or exceed 12,000 kVa, but not in excess of six months

Very truly yours,

MISSISSIPPI POWER COMPANY

NOTE Signature by Director Of Marketing

ACCEPTED Mississippi Phosphates Corporation

By C E McGraw

OP

LARGE GENERAL SERVICE
ELECTRIC SERVICE
RATE SCHEDULE "LGS-33"

MISSISSIPPI POWER
A SOUTHERN COMPANY

Mississippi Public Service Commission Schedule No. 5

PAGE	EFFECTIVE DATE	DATE OF VERSION SUPERSEDED
1 of 3	October 19, 2000	October 19, 1999

APPLICABILITY

This rate schedule applies to electric service used by one customer in a single establishment on one premise Service under this schedule for requirements in excess of 40,000 kVA shall be at option of Company

All service under this rate schedule shall be received at one voltage from a single delivery point, shall be measured by one meter, is for exclusive use of customer, and shall not be resold or shared with others

AVAILABILITY AND KIND OF SERVICE

Service under this rate schedule is available on uniform basis throughout service territory of Company The kind of service under this schedule shall be three phase, unregulated, at customer's nominal operating voltage, or at a primary voltage designated as available by Company Service for requirements in excess of 6,000 kVA shall be served from lines rated at less than 115 kV only at option of Company

MONTHLY RATE FOR SECONDARY SERVICE

$ 850 00	base charge, plus
$ 5 00	per kVA for kVA required, plus
1 114	cents per kWh for all kWh not greater than 200 hours times the kVA billing requirement, plus
813	cents per kWh for all kWh in excess of 200 hours and not greater than 400 hours times the kVA billing requirement, plus
475	cents per kWh for all kWh in excess of 400 hours times the kVA billing requirement

DETERMINATION OF CUSTOMER'S MONTHLY KVA BILLING REQUIREMENT

Customer's kVA billing requirement each month shall be average kVA required from Company during fifteen minute period of greatest use in month, as measured by suitable meter, and rounded to nearest whole kVA In no case shall such kVA billing requirement be less than 75% of greatest kVA requirement established during preceding months of May through October, inclusive, nor less than 75% of contracted kVA (85% of contracted kW), nor less than five hundred (500) kVA

ADJUSTMENT FOR DELIVERY VOLTAGE

When Company renders service at a transmission voltage (115 kV or higher) available under this rate schedule, customer's billing will be credited 55 cents per month per kVA billing requirement When service is rendered at an available primary voltage, customer's billing will be credited 25 cents per month per kVA billing requirement

LARGE GENERAL SERVICE
ELECTRIC SERVICE
RATE SCHEDULE "LGS-33"

MISSISSIPPI POWER
A SOUTHERN COMPANY

Mississippi Public Service Commission Schedule No. 5

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TERM OF CONTRACT

Minimum term of service to an establishment under this rate schedule shall be five years, and continuing thereafter until terminated by six months' written notice by either party to other Provided however, when a customer has been served under the terms of another of the Company's rate schedules and the Company is not required to furnish additional facilities investment to serve that customer under this schedule, the customer may be granted a term of service under this schedule of less than five years, provided that the sum of the time actually served under the prior rate schedule and the term of service of this schedule shall be at least five years, but in no case shall the term of service under this rate schedule be less than one year

Service under this rate schedule is subject to service rules of Company

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI

In re	)	
	)	
MISSISSIPPI CHEMICAL CORPORATION *et al* [1]	)	CASE NO 03-02984-WEE
	)	Chapter 11
Debtors	)	**Jointly Administered**
	)	

SEVENTH AMENDED SHORTENED SERVICE LIST FILED AUGUST 15 2003

Debtors	
John M Flynt Mississippi Chemical Corporation P O Box 388 Yazoo City, MS 39194	James W O'Mara Douglas C Noble Phelps Dunbar LLP Suite 500, SkyTel Centre North 200 South Lamar Street Post Office Box 23066 Jackson Mississippi 39225-3066
Alan J Bogdanow William D Young Vinson & Elkins L L P 3700 Trammel Crow Center 2001 Ross Avenue Dallas, TX 75201-2975	Peter S Kaufman Henry F Owsley Gordian Group, L L C 499 Park Avenue, 5th Floor New York, NY 10022
Bankruptcy Management Corporation Attn Tinamarie Feil 1330 E Franklin Ave El Segundo, CA 90245	

Harris Trust and Savings Bank	
James E Spiotto Chapman and Cutler 111 W Monroe Street Chicago, Illinois 60603	Stephen W Rosenblatt Butler, Snow, O'Mara, Stevens & Cannada Post Office Box 22567 Jackson, MS 39225-2567
FTI Consulting Inc Attn Robert Paul 333 West Wacker Dr Ste 600 Chicago IL 60606	

[1] The Debtors are the following entities Mississippi Chemical Corporation, Mississippi Nitrogen, Inc , MissChem Nitrogen, L L C , Mississippi Chemical Company, L P , Mississippi Chemical Management Company, Mississippi Phosphates Corporation, Mississippi Potash, Inc , Eddy Potash, Inc , Triad Nitrogen, L L C , and Melamine Chemicals, Inc

Official Unsecured Creditors Committee	
Anthony Princi Thomas L Kent Orrick, Herrington & Sutcliffe LLP 666 Fifth Avenue New York New York 10103	Chanin Capital Partners Attn Mark Rubin 330 Madison Avenue, 11th Floor New York, NY 10017
Harris, Geno & Dunbar Attn Craig Geno P O Box 3919 Jackson MS 39207-3919	Conseco Capital Management Corp Greg J Sekata 11825 N Pennsylvania Street Carmel IN 46032
Perry Capital LLC Richard Paige 599 Lexington Ave New York, NY 10022	Integrity Life Insurance Bernard M Casey 420 East Fourth Street Cincinnati, OH 45202

U S Trustee	
Ronald H McAlpin Assistant U S Trustee Suite 706 100 W Capitol Street Jackson, Mississippi 39269	

Bondholders/ Shareholder	
Indenture Trustee BancorpSouth Bank Attn Lisa Neeld /Corporate Trust Post Office Box 1605 Jackson, MS 39215	Stephen H Leech, Jr Attorney at Law P O Box 3623 Jackson, MS 39207
John Tishler Robert A Guy, Jr & Eric B Schultenover Waller Lansden Dortch & Davis 511 Union Street, Ste 2100 Nashville, TN 37219	Walter Newman 539 Trustmark Bank Bldg Jackson, MS 39201

Governmental Agencies	
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Parties Requesting Notice	
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[signature on following page]

Respectfully submitted,

MISSISSIPPI CHEMICAL CORPORATION, *et al.*

By _____

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CERTIFICATE OF SERVICE

I do hereby certify that I have this date sent, a true and correct copy of the above and foregoing pleading to all parties listed below *via* electronic mail The Debtors' Noticing Agent, BMC, shall hereafter serve a copy of same to all parties on the Shortened Service List set forth above

James E Spiotto Chapman and Cutler 111 W Monroe Street Chicago, Illinois 60603	Stephen W Rosenblatt Butler, Snow, O'Mara, Stevens & Cannada Post Office Box 22567 Jackson, MS 39225-2567
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John C Tishler Waller, Lansden, Dortch & Davis 511 Union Street, Suite 2100 Nashville, TN 37219	J Walter Newman, IV 539 Trustmark Building Jackson, MS 39201

SO CERTIFIED, this the 15 day of August, 2003

JAMES W O'MARA
DOUGLAS C NOBLE
CHRISTOPHER R MADDUX