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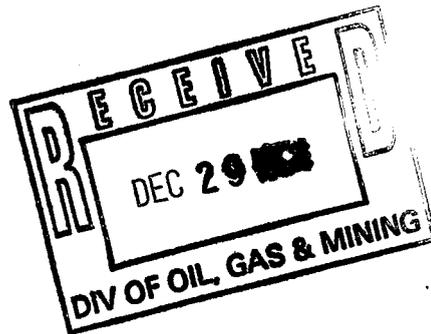
LOUIS H. CALLISTER, SR.  
(1904-1983)  
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TO CALL WRITER DIRECT

December 28, 1994

<sup>1</sup>ALSO MEMBER ARIZONA BAR  
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HAND DELIVERED



Mr. Lowell Braxton  
Deputy Director  
Division of Oil, Gas & Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, UT 84180-1203

Re: Application for Change in Ownership and Control of  
Sunnyside Cogeneration Associates  
Permit #ACT/007/035 #2

*Copy Action, Joe, PAN*

Dear Lowell:

Our firm is Utah Counsel for Sunnyside Cogeneration Associates ("SCA"), the owner and operator of the above mentioned permit. It may be necessary to apply for a change in the ownership and control of SCA, a Utah joint venture; however, this application is subject to the closing of a purchase agreement that is pending now in New York City, New York.

As you are aware, SCA is a Utah joint venture of two different Delaware corporations, Kaiser Systems, Inc., and Kaiser Power of Sunnyside, Inc. These general partners of SCA are wholly owned subsidiaries of Sunnyside Power Corporation, a Utah corporation, which in turn is also a wholly owned subsidiary of Environmental Power Corporation, a Delaware Corporations.

Assuming the pending sale is completed, the ownership of the SCA general partner, Kaiser Systems, Inc. would transfer to NRG Sunnyside Inc., a wholly-owned subsidiary of NRG Energy, Inc., a Delaware corporation. The ownership of the remaining SCA general partner, Kaiser Power of Sunnyside, Inc., would transfer to B&W Sunnyside L.P., a Delaware limited partnership whose sole general partner is B&W Sunnyside Inc., a Delaware corporation and wholly-owned subsidiary of Babcock & Wilcox Investment Company, a Delaware corporation.

Mr. Lowell Braxton  
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The ownership of the Permit, the project, and the operation of the same would still be vested in SCA. We have requested the purchasers to supply the names, addresses and social security numbers of the officers and directors of new purchasing entities. In the event that the pending sale is closed, this information will be forwarded for your review and approval. It is our understanding that DOGM will run a SMRCA § 510(c) check on each officer and director of the new entities to determine if any have been involved with a SMRCA permit violation in the past.

If we can provide any additional information, other than mentioned above, please call.

Sincerely,

CALLISTER NEBEKER & McCULLOUGH



Fred W. Finlinson

FWF:mm  
cc: Mike Watson