

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934

NRG GENERATING (U.S.) INC.

(Name of Issuer)

Common Stock, par value \$.01 per share

(Title of Class of Securities)

628950 10 7

(CUSIP number)

Vice President and General Counsel

NRG Energy, Inc.

1221 Nicollet Mall, Suite 700

Minneapolis, MN 55403

(612) 373-5300

(Name, address and telephone number of person
authorized to receive notices and communications)

April 30, 1996

(Date of event which requires filing of this statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box .

Check the following box if a fee is being paid with the statement . (A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.)

Note. Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

/*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Page 1 of 6 Pages)

1 NAME OF REPORTING PERSONS
S.S OR I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS
NRG Energy, Inc. I.R.S. Identification No. 41-1724239

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*
WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO
ITEM 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

NUMBER OF 7 SOLE VOTING POWER
SHARES 2,710,357

BENEFICIALLY 8 SHARED VOTING POWER
OWNED BY 0

EACH 9 SOLE DISPOSITIVE POWER
REPORTING 2,710,357

PERSON WITH 10 SHARED DISPOSITIVE POWER
0

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
2,710,357

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
41.86%

14 TYPE OF REPORTING PERSON*
CO

ITEM 1. SECURITY AND ISSUER

This statement relates to the common stock, par value \$.01 per share (the "Common Stock"), of NRG Generating (U.S.) Inc., a Delaware corporation (the "Company"), formerly named O'Brien Environmental Energy, Inc. ("O'Brien"). The principal executive offices of the Company are located at 1221 Nicollet Mall, Suite 700, Minneapolis, MN 55403.

ITEM 2. IDENTITY AND BACKGROUND

This statement is being filed by NRG Energy, Inc., a Delaware corporation, with its principal place of business at 1221 Nicollet Mall, Suite 700, Minneapolis, MN 55403 ("NRG"). NRG is an independent power company whose principal business is the acquisition, development and operation of, and ownership of interests in, independent power and cogeneration facilities worldwide. NRG is a wholly owned subsidiary of Northern States Power Company ("NSP").

The directors and executive officers of NRG include David H. Peterson, Chairman, President and Chief Executive Officer, Douglas D. Antony, Director, Gary R. Johnson, Director, Edward J. McIntyre, Director, Julie A. Jorgensen, Vice President and General Counsel, Craig A. Mataczynski, Vice President, U.S. Business Development, Robert McClenachan, Vice President, International Business Development, Louise T. Routhe, Vice President, Human Resources and Administration, Ronald J. Will, Vice President, Operations and Engineering, Carl A. Carreca, Vice President and Executive Advisor, Michael J. Young, Corporate Secretary, Valorie A. Knudsen, Vice President, Finance and Controller, and Lee R. Carlson, Treasurer.

The directors of NSP include H. Lyman Bretting, David A. Christensen, W. John Driscoll, Dale L. Haakensted, James J. Howard, Chairman, Allen F. Jacobson, Richard M. Kovacevich, Douglas W. Leatherdale, John E. Pearson, G.M. Pieschel, Dr. Margaret R. Preska and A. Patricia Sampson. The executive officers of NSP include James J. Howard, President and Chief Executive Officer, Douglas D. Antony, Vice President - NSP Generation, Arland D. Brusven, Vice President - Finance and Treasurer, Gary R. Johnson, Vice President, General Counsel and Corporate Secretary, Cynthia L. Leshner, Vice President - Human Resources, Edward J. McIntyre, Vice President and Chief Financial Officer, Thomas A. Micheletti, Vice President - Public and Government Affairs, Roger D. Sandeen, Vice President, Chief Information Officer and Controller, Loren L. Taylor, Vice President - NSP Electric, Edward L. Watzl, Vice President - Nuclear Generation and Keith H. Wieteki, Vice President - NSP Gas.

All the directors and executive officers of NRG and NSP are collectively referred to as the "Related Persons."

Neither NRG nor any of the Related Persons has, during the past five years, been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors). Neither NRG nor any of the Related Persons has, during the last five years, been a party to any civil proceeding resulting in its being subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violations with respect to such laws.

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ITEM 3. SOURCE AND AMOUNT OF FUNDS OR OTHER CONSIDERATION

NRG acquired its 41.86% interest in the Company pursuant to the Composite Fourth Amended and Restated Plan of Reorganization for O'Brien (the "Plan"), confirmed by order of the United States Bankruptcy Court for the District of New Jersey under Chapter 11 of the United States Bankruptcy Code on February 22, 1996. A copy of the Plan is attached hereto as Exhibit 1. Pursuant to the Plan, NRG has made approximately \$107,318,062 available to the various holders of claims against and equity interests in O'Brien, \$71,240,000 of which funds NRG loaned to the Company (the "Cash Purchase Price"). Approximately \$28,678,062 of the Cash Purchase Price is allocable to the purchase of 41.86% of the Common Stock of the Company by NRG, \$20,178,062 of which was paid directly to the Company as part of the Cash Purchase Price, and \$7,500,000 of which was paid to the existing stockholders of O'Brien in respect of 15.845% of their shares of O'Brien's common stock (the "Old Common Stock"). The source of the above-referenced funds was NRG's working capital.

ITEM 4. PURPOSE OF TRANSACTION

NRG acquired the shares of Common Stock reported hereby pursuant to the Plan, and pursuant to the Amended and Restated Stock Purchase and Reorganization Agreement dated as of January 31, 1996 (the "Purchase Agreement"). A copy of the Purchase Agreements is attached hereto as Exhibit 2.

NRG intends to review its investment in the Company on a continuing basis and may, at any time, consistent with NRG's obligations under the federal securities laws, determine to increase or decrease its ownership of shares of Common Stock through purchases or sales of shares of Common Stock in the open

market or in privately-negotiated transactions. NRG's review of its investment in the Company will depend on various factors, including the Company's business prospects, other developments concerning the Company, general economic conditions, money and stock market conditions, and any other facts and circumstances which may become known to NRG regarding its investment in the Company. At this time, NRG has no plans to purchase shares of Common Stock in the open market or in privately negotiated transactions.

The Plan and the Purchase Agreement provide for seven directors of the Company. Pursuant to the Purchase Agreement, NRG has the right to appoint four of such seven directors. On April 30, 1996, the effective date of the Plan (the "Effective Date"), NRG chose to reserve its right to appoint one of such four directors until a later date. NRG expects to appoint a seventh director of the Company within the next several months.

O'Brien's Old Common Stock was traded on the American Stock Exchange (the "AMEX") until September, 1994, when the stock was delisted from the AMEX. The Company's Common Stock is currently trading on the Nasdaq's OTC Bulletin Board.

Except as set forth above, NRG has no present plans or proposals which relate to or would result in (i) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries; (ii) a sale or transfer of a material amount of assets of the Company or any of its subsidiaries; (iii) any material change in the present capitalization or dividend policy of the Company; (iv) any other material change in the Company's business or corporate structure; (v) changes in the Company's charter or bylaws or other actions which may impede the acquisition of control of

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the Company by any person; (vi) causing a class of securities of the Company to be delisted from a national securities exchange or cease to be quoted in an inter-dealer quotation system of a registered national securities association; (vii) a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act of 1934; or (viii) any action similar to any of those described above. However, NRG retains its rights to modify its plans with respect to the transactions described in this Item 4, to acquire or dispose of securities of the Company and to formulate plans and proposals which could result in the occurrence of any such events, subject to applicable laws and regulations.

ITEM 5. INTEREST IN SECURITIES OF THE ISSUER

As of April 30, 1996, NRG directly beneficially owned, and had the sole power to vote, 2,710,357 shares of Common Stock of the Company, which represented 41.86% of the outstanding shares of Common Stock of the Company.

Pursuant to the Plan, the holders of the Old Common Stock of O'Brien (the "Old Equity Holders") are entitled to receive a pro rata share of 3,764,457 shares, or 58.14% of the Common Stock of the Company in exchange for their shares of Old Common Stock. The Old Equity Holders of record on the Effective Date received a letter of transmittal from the stock transfer agent for the Old Common Stock. The Old Equity Holders who validly surrender their certificates of Old Common Stock, accompanied by an executed letter of transmittal, will receive approximately .22 shares of the Company's Common Stock in exchange for each share of Old Common Stock. As a co-proponent of the Plan, the Official Committee of Equity Security Holders had the right to appoint one director of the Company. In addition, the holders of O'Brien's Old Common Stock who are members of the Official Committee of Equity Security Holders had the right to appoint a second director of the Company jointly with Wexford Management Corp.

Except as disclosed above, NRG has not effected any transaction involving shares of Common Stock of the Company during the past 60 days.

ITEM 6. CONTRACTS, ARRANGEMENTS, UNDERSTANDINGS OR RELATIONSHIPS WITH RESPECT TO SECURITIES OF THE ISSUER

To the best knowledge of NRG, there are at present no contracts, arrangements, understandings or relationships (legal or otherwise) between NRG and any person with respect to any securities of the Company, including but not limited to, transfer or voting of any of the securities of the Company, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss or the giving or withholding of proxies, or a pledge or contingency the occurrence of which would give another person voting power or investment power over the Common Stock of the Company (other than standard default and similar provisions contained in loan agreements).

ITEM 7. MATERIAL TO BE FILED AS EXHIBITS

Exhibit 1 --Composite Fourth Amended and Restated Plan of Reorganization for O'Brien Environmental Energy, Inc., proposed by O'Brien Environmental Energy, Inc., the Official Committee of Equity Security Holders, Wexford Management Corp. and NRG Energy, Inc.

Exhibit 2--Amended and Restated Stock Purchase Agreement and Reorganization Agreement, dated as of January 31, 1996, between NRG Energy, Inc. and O'Brien Environmental Energy, Inc.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

NRG ENERGY, INC.

Dated: May 10, 1996

/s/ Michael J. Young

Name: Michael J. Young
Title: Secretary

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

----- x Chapter 11
In re: : Case No.: 94-26723 (RG)
O'BRIEN ENVIRONMENTAL ENERGY, INC. :
 :
 Debtor. :
 :
----- x

COMPOSITE FOURTH AMENDED AND RESTATED
PLAN OF REORGANIZATION FOR
O'BRIEN ENVIRONMENTAL ENERGY, INC.
PROPOSED BY O'BRIEN ENVIRONMENTAL ENERGY, INC.,
THE OFFICIAL COMMITTEE OF
EQUITY SECURITY HOLDERS,
WEXFORD MANAGEMENT CORP. AND NRG ENERGY, INC.

Dated January 31, 1996

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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

----- x Chapter 11
In re: : Case No.: 94-26723 (RG)
O'BRIEN ENVIRONMENTAL ENERGY, INC. :
:
Debtor. :
:
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COMPOSITE FOURTH AMENDED AND RESTATED
PLAN OF REORGANIZATION FOR
O'BRIEN ENVIRONMENTAL ENERGY, INC.
PROPOSED BY O'BRIEN ENVIRONMENTAL ENERGY, INC.,
THE OFFICIAL COMMITTEE OF
EQUITY SECURITY HOLDERS,
WEXFORD MANAGEMENT CORP. AND NRG ENERGY, INC.

O'Brien Environmental Energy, Inc. ("O'Brien"), the Official Committee of Equity Security Holders of O'Brien Environmental Energy, Inc. (the "Equity Committee"), Wexford Management Corp., a Delaware corporation ("Wexford"), and NRG Energy, Inc., a Delaware corporation ("NRG"), hereby propose the following plan of reorganization for O'Brien pursuant to Chapter 11 of the Bankruptcy Code (the "Plan"):

ARTICLE I: DEFINITIONS

Unless the context otherwise requires, the following capitalized terms shall have the following meanings when used herein. Any capitalized term used herein that is not defined below and is defined in the Acquisition Agreement shall have the meaning assigned to such term in the Acquisition Agreement. Any term used herein that is not defined below in this Article I and is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to such term in the Bankruptcy Code or Bankruptcy Rules, unless the context clearly requires otherwise.

1.1. "Acquired Subsidiaries" means (i) O'Brien Biogas Inc. I (SKB); (ii) O'Brien Biogas Inc. VI; (iii) O'Brien Biogas (Mazzaro) Inc.; (iv) O'Brien Biogas (Corona) Inc.; (v) O'Brien Biogas Inc. IV; (vi) O'Brien Biogas (Hackensack) Inc.; (vii) O'Brien Cogen Inc. II (Artesia); (viii) O'Brien Standby Power Energy, Inc.; (ix) O'Brien Biogas Inc. III (Atochem); and (x) O'Brien Biogas Inc. VII.

1.2. "Acquisition Agreement" means the Amended and Restated Stock Purchase and Reorganization Agreement to be executed by NRG and O'Brien, substantially in the form filed with the Bankruptcy Court on February 2, 1996.

1.3. "Additional Cash Amount" means the sum of (A) the aggregate

amount of any payments that would have been made to any Non-Accepting Secured Creditors had such Creditors received the Cash Payoff Treatment rather than the Collateral Putback

Treatment, and (B) the amount that the increase to the Cash Equity Contribution provided for in Section 2.5 of the Acquisition Agreement is determined to be greater than \$945,000.

1.4. "Administrative and Cure Claims Cash Payment" means the aggregate amount determined by the Bankruptcy Court prior to the Effective Date as being necessary to fund (a) Administrative Claims and Priority Claims that are Allowed and are due and payable on the Effective Date (excluding the DIP Loan Outstanding Amount and the Wexford Administrative Claim), (b) the Cure Payments and (c) the Administrative and Priority Claims Reserve. The Administrative and Cure Claims Cash Payment shall be funded from the Reserved Administrative and Cure Claims Cash Amount, the Additional Cash Amount, Excess Cash (to the extent available as provided in Section 6.12(c)) and, to the extent required by Section 6.10 below and subject to Section 10.8(b), the NRG Mandatory Supplemental Loan.

1.5. "Administrative and Priority Claims Reserve" means a segregated Cash fund in an amount that is determined by the Court prior to the Effective Date to be an appropriate reserve for the payment of the estimated allowable amount of all Unresolved Administrative and Priority Claims and which shall serve as the sole source of payment of any such claims that are Allowed by Final Order after the Effective Date or that are Allowed but by their respective terms not yet due and payable on the Effective Date.

1.6. "Administrative Claim" means (i) a Claim entitled to priority under Bankruptcy Code section 507(a)(1) (including any Claim of NRG in respect of the DIP Loan), (ii) a Claim in respect of any amounts required to be paid upon assumption of an executory contract or unexpired lease under Bankruptcy Code section 365(b)(1)(A) and (B), and (iii) any fees or charges assessed against the Debtor under chapter 123 of title 28, United States Code (28 U.S.C. Section 1911, et seq.).

1.7. "Administrative Claims Shortfall" has the meaning set forth in Section 10.8 (b).

1.8. "Administrative Shortfall Loan" has the meaning set forth in Section 10.8(b).

1.9. "Affiliate" means, with respect to any Entity, any other Person controlling, controlled by, or under common control with such Entity. For purposes of this definition, 'control' shall mean the power to direct, or cause the direction of, the management or policies of any Entity, whether through ownership of securities, by contract or otherwise.

1.10 "Aggregate Non-Reinstated Secured Claim Supplemental Payment" means the aggregate amount of the Non-Reinstated Secured Claim Supplemental Payments that are to be made to the holders of Allowed Non-Reinstated Secured Claims on the Effective Date.

1.11. "Allowed", "Allowed Claim" or "Allowed Interest" means, with reference to any Claim or Interest, (a) a Claim against or Interest in the Debtor, proof of which was filed within the applicable period of limitation fixed by the Bankruptcy Court, and which is not a Disputed Claim or Disputed Interest, (b) any Claim against or Interest in the Debtor, proof of which was not filed within the applicable period of limitation fixed by the Court and which has been listed by the Debtor in its Schedules as liquidated in amount and not disputed or contingent, (c) any Interest listed on the records of the Debtors transfer agent as of the Distribution Record Date, or (d) any Claim allowed by Final Order. An Allowed

Claim or Allowed Interest does not include any Claim or Interest or portion thereof which is a Disallowed Claim or Disallowed Interest or which has been subsequently withdrawn, disallowed, released or waived by the holder thereof or pursuant to a Final Order.

1.12. "Allowed General Unsecured Claim" means a General Unsecured Claim that is an Allowed Claim.

1.13. "Assumed Contracts" has the meaning set forth in Section 8.2.

1.14. "Bankruptcy Code" means title 11 of the United States Code, as amended and in effect on the Petition Date.

1.15. "Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure, as amended.

1.16. "Bidding Procedures Order" means the Order (1) Establishing and Approving Bidding Procedures, (2) Setting Sale/Confirmation Hearing (A) to Consider Higher and Better Offers, If Any, (B) to Approve (i) Sale of Assets, (ii) Assumption and Assignment, as well as Rejection, of Certain Executory Contracts, and (iii) Establishment of Cure Amounts, If Any, and Adequate Assurance Terms and (C) for Plan Confirmation and (3) Setting Dates for, inter alia, Filing of Competing Bids and Plans and Objections entered by the Court on August 30, 1995.

1.17. "Biogas Asset" means equipment owned by O'Brien that is used in connection with a biogas project operated by O'Brien or one of the Acquired Subsidiaries.

1.18. "Biogas Claim Reinstatement Treatment" means, as to a Secured Claim that is secured by a Lien on Biogas Assets, the following treatment: (A) such Secured Claim shall not be bifurcated into an Allowed Secured Claim and an Allowed Unsecured Claim based on a determination of a Deficiency Amount in respect of such Claim; (B) the Collateral securing such Claim shall be transferred to the Acquired Subsidiary that operates or, following the Effective Date, will operate the biogas project in which such Collateral is used and such Acquired Subsidiary shall assume all of O'Brien's obligations and liabilities in respect of such Claim; (C) if applicable, the maturity of such Claim shall be reinstated; (D) any defaults with respect to such Claim other than the kind specified in Bankruptcy Code section 365(b)(2) shall be cured by O'Brien; (E) the holder of such Claim shall be compensated by O'Brien for any damages incurred by such holder as a result of any reasonable reliance by such holder on any contractual provision or applicable law that entitles such holder to demand or receive accelerated payment of such Claim after any default with respect to such Claim; and (F) the legal, equitable and contractual rights to which such Claim entitles such holder shall otherwise be left unaltered.

1.19. "BONY Deferred Cash Payoff Treatment" means the following treatment accorded to The Bank of New York on the Effective Date with respect to its Class 12 Secured Claim: (a) the Class 12 Cure Payment and (b) The Bank of New York shall retain the Lien securing its Class 12 Secured Claim and shall receive on account of such Claim deferred cash payments from Reorganized O'Brien having a value, as of the Effective Date, equal to the Allowed Class 12 Secured Claim (excluding the Class 12 Cure Payment), which deferred cash payments shall be paid pursuant to a payment schedule and interest rate to be on terms acceptable to the BONY and set forth in a notice by NRG filed with the Court and served on The Bank of New York prior to commencement of the Confirmation Hearing.

1.20 "BPU Approval" has the meaning given to it in Article I of the Acquisition Agreement.

1.21. "Business Day" means any day excluding Saturday, Sunday and any

day which is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in such state are authorized or required by Law or other government action to close.

1.22. "Cash" means legal tender of the United States of America.

1.23. "Cash Payment Fund" means a Cash fund available to holders of Allowed General Unsecured Claims other than Wexford-Related Unsecured Claims that will be created on the Effective Date and into which there shall be deposited the General Unsecured Claims Cash Payment; provided that any amount deposited or held in the Cash Payment Fund in excess of the Required Unsecured Claims Payment shall be withdrawn from the Cash Payment Fund and deposited in the Post-Petition Interest Fund.

1.24. "Cash Payoff Treatment" means, as to any Allowed Secured Claim treated under the Plan, the following treatment: a cash payment on the Effective Date in the amount specified in the applicable section of Article V which, together with the applicable Non-Reinstated Secured Claim Supplemental Payment, shall be in full compromise and satisfaction of such Claim, provided that such treatment shall not be applicable to any such Claim, the holder of which (i) objects to any provision of the Plan or votes such Allowed Secured Claim or the General Unsecured Claim in respect of the Deficiency Amount of such Claim against the Plan and (ii) receives a Treatment Election Notice providing for Collateral Putback Treatment.

1.25. "Cash Purchase Price" has the meaning given to it in Section 2.2(a) of the Acquisition Agreement.

1.26. "Chapter 11 Case" means the case under Chapter 11 of the Bankruptcy Code with respect to the Debtor pending in the Court.

1.27. "Claim" means a claim, as defined in Bankruptcy Code section 101(5), against the Debtor that arises before the Effective Date.

1.28. "Class 12 Cure Payment" means a cash payment in the amount of \$192,000 on account of the arrearage owing by O'Brien on the Effective Date to The Bank of New York in respect of the Allowed Class 12 Claim of The Bank of New York.

1.29. "Class 15 Claim" means any Class 15A Claim, Class 15B Claim or Class 15C Claim.

1.30. "Class 15A Cash Payment Fund" shall mean that portion of the Cash Payment Fund equal to a fraction, the numerator of which is the aggregate amount of Allowed General Unsecured Claims in respect of Senior Debt and the denominator of which is the aggregate amount of all Allowed General Unsecured Claims other than the Wexford-Related Unsecured Claims.

1.31. "Class 15B Cash Payment Fund" shall mean that portion of the Cash Payment Fund equal to a fraction, the numerator of which is the aggregate amount of Allowed General Unsecured Claims other than those in respect of the Wexford-Related Class 15B

Claims, Senior Debt or Old Subordinated Noteholder Claims and the denominator of which is the aggregate amount of all Allowed General Unsecured Claims other than the Wexford-Related Unsecured Claims.

1.32. "Class 15B Distribution Amount" shall have the meaning given to it in Section 5.12 of the Plan.

1.33. "Class 15C Cash Payment Fund" shall mean that portion of the Cash Payment Fund equal to a fraction, the numerator of which is the aggregate amount of Allowed Old Subordinated Noteholder Claims other than the Wexford-Related Class 15C Claims and the denominator of which is the aggregate amount of

all Allowed General Unsecured Claims other than the Wexford-Related Unsecured Claims.

1.34. "Class 15C Distribution Amount" shall have the meaning given to it in Section 5.13 of the Plan.

1.35. "Class 15 Supplemental Payment" means a cash payment equal to the amount of interest that accrues, at 5% per annum, for the period from February 1, 1996 until the Effective Date, on \$69,467,000.

1.36. "Class 15A Supplemental Payment" shall mean that portion of the Class 15 Supplemental Payment equal to a fraction, the numerator of which is the aggregate amount of Allowed General Unsecured Claims in respect of Senior Debt and the denominator of which is the aggregate amount of all Allowed General Unsecured Claims other than the Wexford-Related Unsecured Claims.

1.37. "Class 15B Supplemental Payment" shall mean that portion of the Class 15 Supplemental Payment equal to a fraction, the numerator of which is the aggregate amount of Allowed General Unsecured Claims other than those in respect of the Wexford-Related Class 15B Claims, Senior Debt or Old Subordinated Noteholder Claims and the denominator of which is the aggregate amount of all Allowed General Unsecured Claims other than the Wexford-Related Unsecured Claims.

1.38. "Class 15C Supplemental Payment" shall mean that portion of the Class 15 Supplemental Payment equal to a fraction, the numerator of which is the aggregate amount of Allowed Old Subordinated Noteholder Claims other than the Wexford-Related Class 15C Claims and the denominator of which is the aggregate amount of all Allowed General Unsecured Claims other than the Wexford-Related Unsecured Claims.

1.39. "Co-Investment Agreement" means the Co-Investment Agreement between Reorganized O'Brien and NRG pursuant to which NRG shall grant Reorganized O'Brien a right of first refusal with respect to the Energy Development Projects (as defined in the Acquisition Agreement), substantially in the form attached as an Exhibit to the Acquisition Agreement.

1.40. "Collateral" means any property of the Debtor subject to a valid and enforceable Lien to secure the payment of a Claim.

1.41. "Collateral Putback Treatment" means, as to any Allowed Secured Claim treated under the Plan, the following treatment: the holder of such Allowed Claim will receive the Collateral securing such Claim on the Effective Date. If the Collateral Putback

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Treatment is applicable to a particular Secured Claim, the Allowed amount of such Claim shall be determined by the Court prior to the Effective Date.

1.42. "Committees" means the Creditors' Committee and the Equity Committee.

1.43. "Confirmation Date" means the date on which the Confirmation Order is entered.

1.44. "Confirmation Hearing" means the hearing conducted by the Court on confirmation of the Plan.

1.45. "Confirmation Order" means an order of the Court, approving NRG as the prevailing Competing Bidder (as defined in the Bidding Procedures Order), confirming the Plan pursuant to Bankruptcy Code section 1129, and approving and authorizing the Acquisition Agreement and the Transaction Documents to which O'Brien is to be a party, in the form filed by the Proponents together herewith with such changes thereto as the Court may require that are reasonably satisfactory to the Proponents.

1.46. "Contingent Claim" means a Claim that is contingent or unliquidated and that has not been Allowed by Final Order.

1.47. "Court" means the United States Bankruptcy Court for the District of New Jersey, Judge Rosemary Gambardella presiding, or such other court as may have jurisdiction over the Chapter 11 Case.

1.48. "Creditor Reinstatement Treatment" means either the Biogas Claims Reinstatement Treatment or the Reinstatement/Nonimpairment Treatment.

1.49. "Creditors' Committee" means the Official Committee of Unsecured Creditors of O'Brien appointed in the Chapter 11 Case of O'Brien.

1.50. "Cure Payments" means the aggregate amount required to be paid to any holders of Secured Claims on the Effective Date that are receiving the Biogas Claim Reinstatement Treatment or the Reinstatement/Nonimpairment Treatment under the Plan.

1.51. "Debtor" means O'Brien.

1.52. "Deferred Administrative Shortfall Amount" has the meaning given to it in Section 10.8.(b)

1.53. "Deferred DIP Loan Amount" shall have the meaning given to it in Section 6.12(a) of the Plan.

1.54. "Deferred Wexford Claim Amount" shall have the meaning given to it in Section 6.12(b) of the Plan.

1.55. "Deficiency Amount" means, with respect to a Claim that is secured by a Lien on Collateral, the amount by which the Claim exceeds the sum of (i) the amount realized or realizable upon the exercise of any set-off rights of the holder of such Claim against the Debtor under sections 506 and 553 of the Bankruptcy Code, plus (ii) if the Collateral securing such Claim is disposed of prior to the Effective Date, the amount of net

proceeds realized therefrom or, if the Collateral is not so disposed of, the value of the interest of the holder of the Claim in the Debtor's interest in such Collateral, as determined by the Court under section 506 of the Bankruptcy Code; provided, however, that if the holder of such Claim makes the election provided in section 1111(b) of the Bankruptcy Code, there shall be no Deficiency Amount in respect of such Claim.

1.56. "Designated Receivable" means the Insurance Receivable or the Pakistani Receivable.

1.57. "DIP Loan" shall have the meaning given to it in the Acquisition Agreement.

1.58. "DIP Loan Outstanding Amount" means the amount of the DIP Loan that is outstanding and due and owing to NRG immediately prior to consummation of the Plan on the Effective Date.

1.59. "Disallowed Claim" or "Disallowed Interest" shall mean a Claim against, or Interest in, the Debtor, or any portion thereof, that has been disallowed by Final Order.

1.60. "Disclosure Statement" means the Master Disclosure Statement filed by the Debtor, together with the supplemental disclosure statement relating to the Plan filed by the Proponents and any supplemental disclosure

statement filed by the Proponents of any other plan of reorganization for the Debtor with respect to such plan of reorganization, as filed with the Court pursuant to section 1125 of the Bankruptcy Code and the Bidding Procedures Order.

1.61. "Disclosure Statement Order" means the order of the Court entered on November 17, 1995, approving the Disclosure Statement pursuant to section 1125 of the Bankruptcy Code and establishing the procedures and method of providing notice of the Confirmation Hearing.

1.62. "Disputed Claim" or "Disputed Interest" means a Claim against, or Interest in, the Debtor, to the extent that a proof of claim or interest has been filed or deemed filed under applicable law, (i) as to which an objection has been filed, (ii) which is a Contingent Claim that has not been withdrawn or disallowed by Final Order, (iii) that is designated as disputed in the Debtor's Schedules, (iv) in an amount in excess of that amount which has been listed by the Debtor in its Schedules as other than disputed, contingent or unliquidated, or (v) that has not been listed in the Debtor's Schedules.

1.63. "Disputed Claims Reserve" shall have the meaning given to it in Section 10.7(c) of the Plan.

1.64. "Distribution Date" means (i) for any Claim or Interest that is an Allowed Claim or Allowed Interest on the Effective Date, the Effective Date or as soon thereafter as practicable, but in no event more than ten days thereafter and (ii) for any Claim or Interest that is a Disputed Claim or Disputed Interest on the Effective Date, the date as soon as practicable, but in no event more than 30 days, after the date on which such Claim or Interest becomes an Allowed Claim or Allowed Interest.

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1.65. "Distribution Record Date" means the close of business in the City of New York, State of New York, on the Effective Date or such other date as may be fixed by order of the Court.

1.66. "Distribution Reserves" means the Administrative and Priority Claims Reserve and the Disputed Claims Reserve.

1.67. "Effective Date" means a Business Day designated by the Proponents in accordance with the Acquisition Agreement, on which (i) the Confirmation Order is not stayed and (ii) all conditions to the consummation of the Plan have been satisfied or waived as provided in Article XI.

1.68. "Effective Date Administrative and Cure Payments" means the sum of the aggregate amount of Administrative Claims and Priority Claims that are Allowed and are due and payable on the Effective Date (excluding the DIP Loan Outstanding Amount and the Wexford Administrative Claim) and the Cure Payments.

1.69. "Effective Date Administrative Shortfall Loan" shall have the meaning set forth in Section 10.8(b).

1.70. "11% Subordinated Debentures (2010)" means the 11% Convertible Senior Subordinated Debentures issued by O'Brien, due March 15, 2010, pursuant to the 11% Subordinated Debentures (2010) Indenture.

1.71. "11% Subordinated Debentures (2011)" means the 11% Convertible Senior Subordinated Debentures issued by O'Brien, due March 15, 2011, pursuant to the 11% Subordinated Debenture (2011) Indenture.

1.72. "11% Subordinated Debentures (2010) Indenture" means the indenture, dated as of March 15, 1990, between O'Brien and Fidelity Bank, National Association, as Indenture Trustee.

1.73. "11% Subordinated Debentures (2011) Indenture" means the Indenture, dated as of March 14, 1991, between O'Brien and United Jersey Bank,

as Indenture Trustee.

1.74. "Entity" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, an estate, a trust, an unincorporated organization, a government or any subdivision thereof or any other person or entity.

1.75. "Equipment Held for Sale" shall mean any item of energy equipment, consisting mainly of gas and steam turbines, owned by Reorganized O'Brien following the Effective Date and not utilized in a project operated by a Subsidiary, including, to the extent applicable, the energy equipment described in the appraisal dated July 14, 1995 delivered to O'Brien by Belyea Company Incorporated and the appraisal dated June 13, 1995 delivered to O'Brien by Arthur Andersen & Co., SC.

1.76. "Equity Committee" has the meaning given to it in the first paragraph of the Plan.

1.77. "Equityholders Cash Payment" means the \$7.5 million Cash payment to be made pursuant to Section 5.14 of the Plan to the holders of Old Common Stock by

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NRG, an affiliate of NRG, or Reorganized O'Brien in such manner as agreed between counsel to NRG and counsel to the Equity Committee prior to the Effective Date.

1.78. "Estate" means the estate of the Debtor under section 541 of the Bankruptcy Code.

1.79. "Excess Cash" shall have the meaning given to it in Section 6.12(c) of the Plan.

1.80. "Fee Request Notice" shall have the meaning given to it in Section 10.2(b) of the Plan.

1.81. "Final Order" means (1) an order of the Court as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari, or other proceedings for reargument or rehearing shall then be pending or, (2) in the event that an appeal, writ or certiorari, reargument, or rehearing thereof has been sought, such order of the Court shall have been affirmed by the highest court to which such order was appealed, or certiorari has been denied, or from which reargument or rehearing was sought, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, however, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure may be filed with respect to the order.

1.82. "Final Resolution Date" means the date on which all Disputed Claims have been Allowed or disallowed by Final Order or withdrawn or otherwise finally resolved.

1.83. "5 Percent Shareholder" means a shareholder described in Section 382(k)(7) of the Tax Code.

1.84. "General Unsecured Claim" means any Claim other than an Administrative Claim, Priority Claim, Allowed Secured Claim, Old Subordinated Noteholder Securities Claim or Old Stockholder Securities Claim, including, but not limited to, (i) any Claim in respect of the Deficiency Amount of any Secured Claim classified in any of Classes 1 through 14 hereunder, as determined in accordance with Bankruptcy Code section 506, (ii) Old Subordinated Noteholder Claims held by holders of Old Subordinated Notes on the Distribution Record Date, and (iii) any Claim arising from the rejection by the Debtor of executory contracts and unexpired leases in accordance with Section 8.1 of the Plan.

1.85. "General Unsecured Claims Cash Payment" means \$77,967,000. Notwithstanding anything herein to the contrary and without limiting the generality of any provision hereof, neither Reorganized O'Brien nor NRG shall be entitled to the return of the General Unsecured Claims Cash Payment, the entire amount of which shall be distributable to the holders of Allowed Claims.

1.86. "Insurance Receivable" means the \$1 million insurance receivable described on the Pro Forma Balance Sheet of Parlin Cogen as of June 30, 1995.

1.87. "Interest" means the interest represented by any equity security, as defined in Bankruptcy Code section 101(16).

1.88. "ISRA Approval" has the meaning given to it in Section 3.10(b) of the Acquisition Agreement.

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1.89. "Lien" means any charge against or interest in property to secure payment of a debt or performance of an obligation.

1.90. "Liquidating Asset Management Agreement" shall mean the Asset Management Agreement into which O'Brien and Wexford or its Affiliate will enter, effective on the Effective Date, providing for the management of the Liquidating Assets by Wexford or such Affiliate, in substantially the form attached as an Exhibit to the Acquisition Agreement; provided that the fees payable under the Liquidating Asset Management Agreement shall be subject to Court approval prior to the payment thereof and modified if and to the extent necessary for such fees to be determined by the Court to be reasonable pursuant to Bankruptcy Code section 1129(a)(4).

1.91. "Liquidating Assets" means all of O'Brien's right, title and interest in and to (i) all of the outstanding common stock of Philadelphia Cogen and any management contracts relating to the Philadelphia Water Department Project to which O'Brien or any Affiliate thereof (other than Philadelphia Cogen) is a party; (ii) all of the equity interest in Philadelphia Biogas Supply, Inc., O'Brien Energy Services, Inc., Puma Power Plant, Ltd. and American Hydrotherm Corp.; and (iii) the Equipment Held for Sale.

1.92. "Management Agreement" means the management agreement into which Reorganized O'Brien and NRG (or one or more of its Affiliates) will enter, effective on the Effective Date, providing for the provision of certain services relating to the management of Reorganized O'Brien and its subsidiaries following the Effective Date, substantially in the form attached as an Exhibit to the Acquisition Agreement.

1.93. "Natwest" means National Westminster Bank, plc.

1.94. "New By-laws" means the new by-laws of Reorganized O'Brien to take effect on the Effective Date, substantially in the form attached as an Exhibit to the Acquisition Agreement.

1.95. "New Certificate of Designation" means a certificate of designation setting forth the terms of the New O'Brien Preferred Stock, which certificate of designation shall be filed with the Court not less than ten days prior to commencement of the Confirmation Hearing.

1.96. "New Certificate of Incorporation" means the amended and restated certificate of incorporation of Reorganized O'Brien to take effect on the Effective Date, substantially in the form attached as an Exhibit to the Acquisition Agreement.

1.97. "New O'Brien Common Stock" means shares of new common stock of Reorganized O'Brien, \$.01 par value, to be issued on the Effective Date pursuant to the Plan.

1.98. "New O'Brien Preferred Stock" means shares of Class A Preferred Stock of Reorganized O'Brien, \$.01 par value, having the rights, preferences and privileges provided in the New Certificate of Designation, to be issued to holders of Wexford-Related Unsecured Claims (as provided in Section 5.12 and 5.13).

1.99. "Newark Cogen" means O'Brien (Newark) Cogeneration, Inc.

1.100. "Newark Loan Proceeds" means \$24 million, representing the sum of the Newark Refinancing Proceeds and the proceeds of the NRG Newark Cogen Loan.

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1.101. "Newark Project" means the gas-fired Newark Cogeneration Facility owned by Newark Cogen.

1.102. "Newark Project Refinancing" means a refinancing of the debt that is secured by a mortgage on the Newark Project.

1.103. "Newark Refinancing Documentation" means the loan agreement, mortgage and other loan documentation relating to the Newark Project Refinancing.

1.104. "Newark Refinancing Proceeds" means the proceeds, net of closing costs and expenses and the existing mortgage debt being refinanced, realized from the Newark Project Refinancing of up to \$24 million, which proceeds shall be distributed by Newark Cogen to O'Brien on the Effective Date.

1.105. "Non-Accepting Secured Creditor" means any holder of an Allowed Secured Claim that objects to or votes against the Plan and as a result receives the Collateral Putback Treatment instead of the Cash Payoff Treatment.

1.106. "Non-Reinstated Secured Claim Supplemental Payment" means a cash payment to be made on the Effective Date to each holder of an Allowed Non-Reinstated Secured Claim equal to the amount of interest that accrues, at 5% per annum, for the period from February 1, 1996 until the Effective Date, on the Cash Payoff Treatment amount specified in the section of Article V that is applicable to such Allowed Non-Reinstated Secured Claim.

1.107. "Non-Reinstated Secured Claims" means those Secured Claims treated under the Plan that are not receiving Creditor Reinstatement Treatment.

1.108. "NRG" has the meaning set forth in the first paragraph of the Plan.

1.109. "NRG Discretionary Supplemental Loan" has the meaning set forth in Section 6.10.

1.110. "NRG Mandatory Supplemental Loan" has the meaning set forth in Section 6.10.

1.111. "NRG New Loan" means a loan that will be made by NRG to Reorganized O'Brien on the Effective Date in the amount of \$45 million pursuant to the NRG New Loan Agreement.

1.112. "NRG New Loan Agreement" means a loan agreement into which Reorganized O'Brien and NRG will enter, effective on the Effective Date, substantially in the form filed with the Court on January 2, 1996.

1.113. "NRG New Loan Expenses" means the reasonable out-of-pocket costs and expenses of NRG up to \$100,000 referred to in Section 9.5 of the NRG New Loan Agreement.

1.114. "NRG New Loan Proceeds" means the proceeds realized by

Reorganized O'Brien from the NRG New Loan, net of the NRG New Loan Expenses of up to \$100,000.

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1.115. "NRG Newark Cogen Loan" means a loan that will be made by NRG to O'Brien, on the Effective Date, pursuant to the NRG Newark Loan Documentation in an amount equal to the amount (if any) by which \$24 million exceeds the Newark Refinancing Proceeds, which loan will be secured, by a Lien on all payments received or receivable by O'Brien from Newark Cogen, whether by dividend, pursuant to any management agreement between O'Brien and Newark Cogen or otherwise.

1.116. "NRG Newark Cogen Loan Documentation" means the loan agreement, mortgage and other loan documentation relating to the NRG Newark Cogen Loan, substantially in the form filed with the Court on January 2, 1996.

1.117. "NRG Supplemental Loan" means the NRG Discretionary Supplemental Loan and the NRG Mandatory Supplemental Loan.

1.118. "NRG Supplemental Loan Documentation" means the loan agreement and other loan documentation relating to the NRG Supplemental Loan, substantially in the form filed with the Court on January 2, 1996, subject to such changes as are appropriate to give effect to Section 10.8(b) of the Plan.

1.119. "Objection Resolution Expenses" has the meaning set forth in Section 10.2(b) of the Plan.

1.120. "O'Brien" has the meaning set forth in the first paragraph of the Plan.

1.121. "O'Brien Parlin Paydown Contribution" means a contribution by O'Brien to Parlin Cogen on the Effective Date of \$1 million that will be applied to pay down the outstanding amount owing to Natwest under the Parlin Credit Agreement.

1.122. "O'Brien Parlin Reserve Contribution" means the amount of Cash that Reorganized O'Brien is required to contribute to Parlin Cogen to fund fully the Parlin Reserve, which shall be net of any Cash held by Parlin Cogen that is available to fund the Parlin Reserve.

1.123. "OES" means O'Brien Energy Services Company.

1.124. "Old Common Stock" means the authorized shares of Class A Common Stock and Class B Common Stock of O'Brien, par value \$.01 per share, issued and outstanding on the Petition Date.

1.125. "Old Indenture Trustees" means, collectively, United Jersey Bank, BankAmerica National Trust Company and Bankers Trust Company, in each case as an indenture trustee or successor indenture trustee or successor indenture trustees.

1.126. "Old Indentures" means the indentures pursuant to which the Old Subordinated Notes were issued by O'Brien.

1.127. "Old Options" means the options to purchase shares of Old Common Stock granted pursuant to the Old Stock Option Plans and any other outstanding options, warrants or other rights to acquire any such shares.

1.128. "Old Public Claims and Interests" means the Allowed Old Subordinated Noteholder Claims and Allowed Interests representing Old Common Stock.

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This term specifically excludes any Old Subordinated Noteholder Securities Claims and Old Stockholder Securities Claims.

1.129. "Old Stock Option Plans" means the 1987 Stock Option Plan, the 1989 Stock Option Plan, and the 1991 Stock Option Plan and any other stock option plan adopted by O'Brien.

1.130. "Old Stockholder Securities Claim" means a Claim for damages or rescission arising out of the purchase or sale of Old Common Stock, or for reimbursement, contribution or indemnification on account of such a Claim.

1.131. "Old Subordinated Noteholder Claims" means those Claims against O'Brien arising under any of the Old Subordinated Notes. The term specifically excludes any Old Subordinated Noteholder Securities Claims or any Claims held by the Old Indenture Trustees for fees and expenses that are not subordinated under the terms of the Old Debentures to the holders of Senior Debt.

1.132. "Old Subordinated Noteholder Securities Claim" means any Claim for damages or rescission arising from or out of the purchase or sale of an Old Subordinated Note, or for reimbursement, contribution or indemnification on account of such a Claim.

1.133. "Old Subordinated Notes" means (i) the 7 3/4% Subordinated Debentures, (ii) the 11% Subordinated Debentures (2010) and (iii) the 11% Subordinated Debentures (2011).

1.134. "Pakistani Receivable" means the \$1.24 million receivable held by O'Brien in respect of the Kribawa Project.

1.135. "Parlin Cogen" means O'Brien (Parlin) Cogeneration, Inc.

1.136. "Parlin Credit Agreement" means the Construction and Term Credit Agreement, dated March 1, 1989, between Parlin Cogen and Natwest, as amended.

1.137. "Parlin Reserve" means the \$3.5 million reserve required to be set aside pursuant to Section 7.1(c) of the Parlin Credit Agreement or such lower amount as Natwest may agree.

1.138. "Petition Date" means the date on which the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

1.139. "Philadelphia Cogen" means O'Brien (Philadelphia) Cogeneration, Inc., a Delaware corporation.

1.140. "Philadelphia Water Development Project" shall mean the cogeneration and standby electric generating facility currently owned by Philadelphia Cogen.

1.141. "Plan" means this Composite Fourth Amended and Restated Plan of Reorganization for O'Brien proposed by the Proponents, as it may be amended or supplemented as provided herein.

1.142. "Plan Cash Insufficiency" has the meaning set forth in Section 6.10.

1.143. "Plan Documents" means the documents referred to in the Plan that aid in effectuating the Plan and that, unless otherwise expressly provided herein, will be filed with the Court no later than ten days prior to commencement of the Confirmation Hearing.

1.144. "Post-Petition Interest Fund" means a cash fund consisting of

any amount initially deposited in the Cash Payment Fund that at any time is determined to be in excess of the Required Unsecured Claims Payment Amount, which cash fund shall be distributed to the holders of Allowed Non-Reinstated Secured Claims and Allowed General Unsecured Claims as and to the extent provided in Section 6.11.

1.145. "Present Value" means the value, as of the Effective Date, of cash payments to be made to holders of Allowed Non-Reinstated Secured Claims and Allowed General Unsecured Claims under the Plan, determined by discounting such payments to present value at the legal rate of interest or, for purposes of discounting to present value amounts deposited in the Cash Payment Fund, such other rate that the Bankruptcy Court may determine is required.

1.146. "Priority Claim" means a Claim entitled to priority under Bankruptcy Code sections 507(a)(3), 507(a)(4), or 507(a)(7) that is outstanding on the Effective Date.

1.147. "Pro Rata Share" means, with reference to any distribution on account of any Allowed Claim or Interest in any particular class, subclass or specified group of classes of Claims or Interests, a distribution equal in amount to the ratio (expressed as a percentage) that the amount of such Allowed Claim or Interest bears at the time of such distribution to the aggregate amount of all Claims (including Disputed Claims, but not including Disallowed Claims) or Interests in such class, subclass or specified group of classes and, with respect to any distribution on account of an Allowed Interest in respect of Old Common Stock, Pro Rata Share means a distribution equal to the ratio (expressed as a percentage) that the number of shares of such Old Common Stock bears at the time of such distribution to the aggregate amount of all shares of Old Common Stock (including shares of Class A Common Stock and Class B Common Stock of O'Brien); provided that in the case of any provision of the Plan that provides for a holder of an Allowed Class 15B Claim or Allowed Class 15C Claim to receive a Pro Rata Share of the Class 15B Cash Payment Fund or the Class 15C Cash Payment Fund, the Pro Rata Share of each holder of an Allowed Class 15B Claim or an Allowed Class 15C Claim shall be determined as though the Wexford-Related Class 15B Claims and Wexford-Related Class 15C Claims are not Class 15B Claims and Class 15C Claims, respectively.

1.148. "Professional Fees" means fees and expenses of professionals retained pursuant to an order of the Court pursuant to Bankruptcy Code section 327 or 1103 that are awarded by the Court under Bankruptcy Code section 330(a) in respect of services rendered by such professionals on or prior to the Effective Date.

1.149. "Purchased Company Shares" means the shares of New O'Brien Common Stock to be acquired by NRG under the Acquisition Agreement and the Plan representing 41.86% of the shares of New O'Brien Common Stock to be issued and outstanding on and after the Effective Date.

1.150. "Purchased Subsidiary Shares" means all of the issued and outstanding shares of capital stock of each of the Acquired Subsidiaries.

1.151. "Reinstatement/Nonimpairment Treatment" means, as to any Secured Claim treated under the Plan, the following treatment: (A) such Claim shall not be bifurcated into an Allowed Secured Claim and an Allowed Unsecured Claim based on a determination of a Deficiency Amount in respect of such Claim; (B) if applicable, the maturity of such Claim shall be reinstated; (C) any defaults with respect to such Claim other than the kind specified in Bankruptcy Code section 365(b)(2) shall be cured; (D) the holder of such Claim shall be compensated for any damages incurred by such holder as a result of any reasonable reliance by such holder on any contractual provision or applicable law that entitles such holder to demand or receive accelerated payment of such Claim after any default with respect to such Claim; and (E) the legal, equitable and contractual rights to which such Claim entitles the holder thereof shall otherwise be left unaltered.

1.152. "Rejected Contracts" has the meaning set forth in Section 8.1.

1.153. "Reorganized O'Brien" means O'Brien following consummation of the Plan on the Effective Date.

1.154. "Required Unsecured Claims Payment Amount" means cash payments that have a Present Value equal to the aggregate amount of all Allowed General Unsecured Claims other than the Wexford-Related Unsecured Claims.

1.155. "Reserved Administrative and Cure Claims Cash Amount" means cash equal to the sum of \$14,468,000.

1.156. "Retained Working Capital Amount" means Cash held by O'Brien on the Effective Date in an amount equal to \$1 million to be retained by Reorganized O'Brien on the Effective Date for working capital purposes.

1.157. "Schedules" means the schedules filed by the Debtor in its Chapter 11 Case pursuant to Bankruptcy Rule 1007, as such schedules may be amended from time to time in accordance with Bankruptcy Rule 1009.

1.158. "Secured Claim" means a Claim, to the extent of the value of any Lien on or security interest in property of the Debtor that secures payment of such Claim.

1.159. "Senior Debt" means the holders of 'Senior Debt' or 'Senior Indebtedness,' as those terms are defined in the Old Indentures and to which the holders of Old Subordinated Notes are subordinated pursuant to the Old Indentures. For purposes of this Plan, if the holder of each of Allowed Claims in respect to Senior Debt of CoreStates New Jersey National Bank, CoreStates Bank, First Fidelity Bank, N.A., and Heller Financial, Inc. accepts the Plan (both as the holder of Secured Claims treated as Classes 2, 3, 5 and 7 and as the holder of an Allowed General Unsecured Claim in respect of Senior Debt), the aggregate amount of Allowed Claims held by such holder that are treated in Class 15A shall be deemed to be \$11,002,070 (less \$455,000 in respect of the Secured Class 2 Claim of CoreStates New Jersey National Bank, \$495,000 in respect of the Secured Class 3 Claim of CoreStates Bank, \$155,588 in respect of the Secured Class 5 Claim of First Fidelity Bank, N.A. and \$1,360,000 in respect of the Secured Class 7 Claim of Heller Financial, Inc.). For purposes of this Plan, if The Bank of New York accepts the Plan (both as the holder of a Secured Claim treated in Class 11 and as the holder of an Allowed General Unsecured Claim in respect of Senior Debt), the Allowed Claims in respect to Senior Debt of The Bank of New York treated in Class 15A shall be deemed to be \$5,004,355 (less the sum of \$1,106,000 in respect of its Class 11 Secured Claim). To the extent that such Claims if deemed allowed

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pursuant to Section 1.151, include amounts for attorneys' fees, such amounts shall be subject to approval of the Bankruptcy Court in the event an objection is filed, other than by any of the Proponents, prior to the Confirmation Hearing.

1.160. "7 3/4% Subordinated Debentures" means the 7 3/4% Convertible Senior Subordinated Debentures issued by O'Brien, due March 15, 2002, pursuant to the 7 3/4% Subordinated Debentures Indenture.

1.161. "7 3/4% Subordinated Debentures Indenture" means the Indenture, dated as of March 15, 1987, between O'Brien and United Jersey Bank as Indenture Trustee.

1.162. "Stock Transfer Agent" has the meaning set forth in Section 6.6(a).

1.163. "Subsidiary" has the meaning set forth in the Acquisition Agreement.

1.164. "Supplemental Interest Amount" means the sum of (i) the Class 15 Supplemental Payment Amount and (ii) the Wexford-Related Class 15 Supplemental Payment.

1.165. "Tax Claim" means a Claim of the kind specified in section 507(a)(7) of the Bankruptcy Code.

1.166. "Tax Code" means the Internal Revenue Code of 1986, as amended from time to time.

1.167. "Transaction Documents" means the contracts, agreements, documents and instruments contemplated to be entered into by the terms of the Acquisition Agreement.

1.168. "Treatment Election Notice" has the meaning given to it in Section 5.1.

1.169. "Unresolved Administrative and Priority Claim" means an Administrative Claim or Priority Claim against the Debtor (i) in the case of a Claim as to which a proof of Claim has been filed prior to the Effective Date, that is a Disputed Claim on the Effective Date, or (ii) in the case of a Claim as to which a proof of claim has not been filed prior to the Effective Date, any other such Claim of any kind or nature that is not an Allowed Claim on the Effective Date other than an Administrative Claim that represents an undisputed liability incurred by the Debtor in the ordinary course of business during the Chapter 11 Case that in accordance with its terms is due and payable on the Effective Date; provided that "Unresolved Administrative and Priority Claim" shall not include (x) the Administrative Claim of NRG in respect of the DIP Loan Outstanding Amount; (y) the Wexford Administrative Claim or (z) any Professional Fees awarded prior to the Effective Date that are to be paid on or as soon as practicable but no more than five Business Days after the Effective Date pursuant to clause (v) of Article II hereof; in each case subject to any applicable bar date established by the Court upon motion filed by the Debtor.

1.170. "Wexford" has the meaning given to it in the first paragraph of the Plan.

1.171. "Wexford Administrative Claim" means an Administrative Claim of Wexford that, upon the Effective Date, will be deemed Allowed in the amount of \$200,000 and that will be in full settlement and satisfaction of any indemnification Claims of Wexford or its affiliates against the Debtor with respect to legal fees and expenses and any Claims under Bankruptcy Code section 503(b)(3)(D) based on Wexford having made a substantial

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contribution to the Chapter 11 Case; provided that such Administrative Claim shall be subject to approval of the Court under Bankruptcy Code section 1129(a)(4) as reasonable.

1.172. "Wexford-Related Class 15 Supplemental Payment" means the Wexford-Related Class 15B Supplemental Payment and the Wexford-Related Class 15C Supplemental Payment.

1.173. "Wexford-Related Class 15B Claims" has the meaning given to it in Section 5.12 of the Plan.

1.174. "Wexford-Related Class 15B Supplemental Payment" means a cash payment to be made on the applicable Distribution Date to each of the holders of Wexford-Related Class 15B Claims equal to the amount of interest that accrues, at 5% per annum, for the period from February 1, 1996 until the Effective Date, on the amount of such holder's Wexford-Related Class 15B Claims.

1.175. "Wexford-Related Class 15C Supplemental Payment" means a cash payment to be made on the applicable Distribution Date to each of the holders of

Wexford-Related Class 15C Claims equal to the amount of interest that accrues, at 5% per annum, for the period from February 1, 1996 until the Effective Date, on the amount of such holder's Wexford-Related Class 15C Claims.

1.176. "Wexford-Related Class 15C Claims" has the meaning given to it in Section 5.13 of the Plan.

1.177. "Wexford-Related Unsecured Claims" means, collectively, the Wexford-Related Class 15B Claims and the Wexford-Related Class 15C Claims.

ARTICLE II: UNCLASSIFIED CLAIMS

Unless otherwise agreed to by the holder of the Claim and the Debtor, each holder of an Allowed Administrative Claim or an Allowed Priority Claim against the Debtor shall receive on the Distribution Date Cash equal to the amount of such Allowed Claim; provided, however, that (i) Administrative Claims that represent undisputed liabilities incurred by the Debtor in the ordinary course of business during the Chapter 11 Case of the Debtor shall be paid in the ordinary course of business and in accordance with any terms and conditions that may be applicable under any agreements relating thereto; (ii) the Debtor shall provide for the full payment of any Administrative Claim or Priority Claim against the Debtor that constitutes an Unresolved Administrative and Priority Claim by establishing the Administrative and Priority Claims Reserve on the Effective Date, which, as provided in Section 10.8 of the Plan, shall be the sole source of payment in respect of such Claims after the Effective Date; (iii) the Administrative Claim of NRG in respect of the DIP Loan Outstanding Amount shall not be due and payable on the Effective Date and shall be repaid with deferred cash payments as and to the extent provided in Section 6.12(a); (iv) the Wexford Administrative Claim shall not be due and payable on the Effective Date and shall be repaid with deferred cash payments as and to the extent provided in Section 6.12(b) and (v) the amount of any Professional Fees awarded by the Court prior to the Effective Date (excluding any amount required to be held back pending allowance by the Court after the filing of final fee applications) shall be paid on the Effective Date to the professionals entitled thereto as soon as practicable but no later than five Business Days thereafter (subject to the effect of any order entered by the Court following the filing of final fee applications that

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finally determines the aggregate Allowed amount of Professional Fees to be awarded to such professionals).

Article III: Classification of Claims and Interests

Claims and Interests that are required to be classified under Bankruptcy Code section 1123(a)(1) are hereby divided into the following classes:

3.1 Class 1--BLT Leasing Corp. Class 1 consists of the Allowed Secured Claim of BLT Leasing Corp. in respect of its first priority Lien on a Caterpillar G399 generator set and related Collateral, as and to the extent specified in the applicable security documentation between BLT Leasing Corp. and O'Brien.

3.2 Class 2--CoreStates New Jersey National Bank. Class 2 consists of the Allowed Secured Claims of CoreStates New Jersey National Bank in respect of its first priority Liens on certain generator sets, turbine sets, boilers and related Collateral, as and to the extent specified in the applicable security documentation between CoreStates New Jersey National Bank and O'Brien. Each such Allowed Secured Claim that arises out of a particular equipment financing transaction shall be classified in a separate subclass.

3.3 Class 3--CoreStates Bank. Class 3 consists of the Allowed Secured Claims of CoreStates Bank in respect of its first priority Liens on certain turbine sets, and related Collateral, as and to the extent specified in the applicable security documentation between CoreStates Bank and O'Brien. Each

such Allowed Secured Claim that arises out of a particular equipment financing transaction shall be classified in a separate subclass.

3.4 Class 4--Financing for Science International, Inc. Class 4 consists of the Allowed Secured Claims of Financing for Science International, Inc., in respect of its first priority Liens on certain generator sets and related Collateral, as and to the extent specified in the applicable security documentation between O'Brien and Financing for Science International, Inc. Each such Allowed Secured Claim that arises out of a particular equipment financing transaction shall be classified in a separate subclass.

3.5 Class 5--First Fidelity Bank, N.A. Class 5 consists of the Allowed Secured Claims of First Fidelity Bank, N.A., in respect of its first priority Liens on certain generator sets and related Collateral, as and to the extent specified in the applicable security documentation between First Fidelity Bank, N.A. and O'Brien. Each such Allowed Secured Claim that arises out of a particular equipment financing transaction shall be classified in a separate subclass.

3.6 Class 6--General Electric Capital Corporation. Class 6 consists of the Allowed Secured Claims of General Electric Capital Corporation in respect of its first priority Liens on certain generator sets and related Collateral, as and to the extent specified in the applicable security documentation between O'Brien and General Electric Capital Corporation. Each such Allowed Secured Claim that arises out of a particular equipment financing transaction shall be classified in a separate subclass.

3.7 Class 7--Heller Financial, Inc. Class 7 consists of the Allowed Secured Claim of Heller Financial, Inc. in respect of its first priority Lien on certain steam turbine sets, generator sets and related Collateral, as and to the extent specified in the applicable security documentation between O'Brien and Heller Financial, Inc.

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3.8 Class 8--MDFC Equipment Leasing Corp. Class 8 consists of the Allowed Secured Claims of MDFC Equipment Leasing Corp. in respect of its first priority Liens on certain generator sets and related Collateral, as and to the extent specified in the applicable security documentation between O'Brien and MDFC Equipment Leasing Corp. and the Stipulation and Order entered into by the Court on August 7, 1995 (for the purposes of the Plan, any claims of MDFC Equipment Leasing Corp. under any equipment lease will be deemed to be Secured Claims, whether or not such lease is a 'true lease' or a lease that is intended to create a security interest). Each such Allowed Secured Claim that arises out of a particular equipment financing transaction shall be classified in a separate subclass.

3.9 Class 9--Meridian Bank. Class 9 consists of the Allowed Secured Claims of Meridian Bank in respect of its first priority Liens on certain generator sets and related Collateral, as and to the extent specified in the applicable security documentation between O'Brien and Meridian Bank. Each such Allowed Secured Claim that arises out of a particular equipment financing transaction shall be classified in a separate subclass.

3.10 Class 10--PECO Energy Company. Class 10 consists of the Allowed Secured Claim of PECO Energy Company in respect of its first priority Lien on shares of capital stock of Philadelphia Cogen and certain other Collateral, as and to the extent specified in the applicable security documentation between O'Brien and PECO Energy Company.

3.11 Class 11--The Bank of New York (Equipment). Class 11 consists of the Allowed Secured Claims of The Bank of New York in respect of its first priority Liens on certain gas turbine sets, generator sets, steam turbine sets and related Collateral, as and to the extent specified in the applicable security documentation between O'Brien and The Bank of New York. Each such Allowed Secured Claim that arises out of a particular equipment financing transaction shall be classified in a separate subclass.

3.12 Class 12--The Bank of New York (Documents). Class 12 consists of all Allowed Secured Claims of The Bank of New York in respect of its first priority Lien on certain agreements and a standby letter of credit, as and to the extent provided in the applicable security documentation between O'Brien and The Bank of New York.

3.13 Class 13--Natwest. Class 13 consists of two subclasses, Class 13A and Class 13B. Class 13A consists of the Allowed Secured Claims of Natwest in respect of its first priority Lien on the shares of common stock of Newark Cogen. Class 13B consists of the Allowed Secured Claims of Natwest in respect of its first priority Lien on the shares of common stock of Parlin Cogen.

3.14 Class 14--Other Secured Claims. Class 14 consists of Allowed Secured Claims against O'Brien other than those that are specifically classified in any of Classes 1 through 13. Each Allowed Secured Claim that is classified in Class 14 shall be classified in a separate subclass.

3.15 Class 15A--Senior Debt. Class 15A consists of Allowed General Unsecured Claims in respect of Senior Debt.

3.16 Class 15B--Non-Subordinated Unsecured Claims. Class 15B consists of Allowed General Unsecured Claims other than those in respect of Senior Debt or Old Subordinated Noteholder Claims.

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3.17 Class 15C--Old Subordinated Noteholder Claims. Class 15C consists of Allowed Old Subordinated Noteholder Claims.

3.18 Class 16--Old Common Stock. Class 16 consists of Allowed Interests in O'Brien represented by the Old Common Stock.

3.19 Class 17--Old Subordinated Noteholder Securities Claims. Class 17 consists of Allowed Old Subordinated Noteholder Securities Claims.

3.20 Class 18--Old Stockholder Securities Claims. Class 18 consists of Allowed Old Stockholder Securities Claims.

3.21 Class 19--Old Options. Class 19 consists of the Allowed Interests in O'Brien represented by the Old O'Brien Options.

Article IV: Treatment of Classes Not Impaired by the Plan

Classes not impaired by the Plan shall be treated as follows:

4.1 Class 1 (BLT Leasing Corp.). BLT Leasing Corp., as the holder of the Allowed Claim in Class 1, will receive the Reinstatement/Nonimpairment Treatment.

4.2 Class 6 (General Electric Capital). General Electric Capital Corporation, as the holder of the Allowed Class 6 Claim, will receive the Reinstatement/Nonimpairment Treatment.

4.3 Class 9 (Subclass of Meridian Bank--Collateral Used in Biogas Projects Formerly Owned by O'Brien). Meridian Bank, as the holder of Allowed Class 9 Claim that is secured by a Lien on equipment that is leased to the owners of Biogas projects formerly owned by O'Brien, will receive the Reinstatement/Nonimpairment Treatment.

4.4 Class 10 (PECO Energy Company). PECO Energy Company, as the holder of the Allowed Class 10 Claim, will receive the Reinstatement/Nonimpairment Treatment.

4.5 Class 13 (Natwest). Natwest, as the holder of Allowed Claims in Class 13A and 13B, will receive the Reinstatement/Nonimpairment Treatment.

Article V: Treatment of Classes Impaired by the Plan

Classes that are or may be impaired by the Plan shall be treated as follows:

5.1 Class 2 (CoreStates New Jersey National Bank). The Allowed Secured Claims in Class 2 will receive, on the Effective Date, the Cash Payoff Treatment in the amount of \$455,000, plus the applicable Non-Reinstated Secured Claim Supplemental Payment, and, when and as provided in Section 6.11, its Pro Rata Share of the Post-Petition Interest Fund; provided that, in the event the holder of such Claims objects to any provision of the Plan or votes such Claims or the General Unsecured Claim in respect of the Deficiency Amount of such Claims against the Plan, at the election of the Proponents made in a written notice served and filed with the Court no later than twenty days prior to commencement of the Confirmation Hearing (the "Treatment Election Notice"), such holder will receive the

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Collateral Putback Treatment in respect of such holder's Allowed Secured Claims, as and to the extent specified in the Treatment Election Notice.

5.2 Class 3 (CoreStates Bank). The Allowed Secured Claims in Class 3 will receive, on the Effective Date, the Cash Payoff Treatment in the amount of \$495,000, plus the applicable Non-Reinstated Secured Claim Supplemental Payment, and, when and as provided in Section 6.11, its Pro Rata Share of the Post-Petition Interest Fund; provided that, in the event the holder of such Claims objects to any provision of the Plan or votes the General Unsecured Claim in respect of the Deficiency Amount of its Secured Claims against the Plan, at the election of the Proponents made in a Treatment Election Notice no later than twenty days prior to commencement of the Confirmation Hearing, such holder will receive the Collateral Putback Treatment in respect of such holder's Allowed Secured Claims, as and to the extent specified in the Treatment Election Notice.

5.3 Class 4 (Financing for Science International, Inc.). The Allowed Secured Claims in Class 4 will receive, on the Effective Date, the Biogas Claim Reinstatement Treatment, and the obligations of the Debtor to Financing for Science International, Inc. that are treated in Class 4 and are to be assumed by the Acquired Subsidiary to which the Biogas Assets that secure such obligations are transferred shall be unconditionally guaranteed by NRG.

5.4 Class 5 (First Fidelity Bank). The Allowed Secured Claims in Class 5 will receive, on the Effective Date, the Cash Payoff Treatment in the amount of \$155,588, plus the applicable Non-Reinstated Secured Claim Supplemental Payment, and, when and as provided in Section 6.11, its Pro Rata Share of the Post-Petition Interest Fund; provided that, in the event the holder of such Claims objects to any provision of the Plan or votes the General Unsecured Claim in respect of the Deficiency Amount of its Secured Claims against the Plan, at the election of the Proponents made in a Treatment Election Notice no later than twenty days prior to commencement of the Confirmation Hearing, such holder will receive the Collateral Putback Treatment in respect of such holder's Allowed Secured Claims, as and to the extent specified in the Treatment Election Notice.

5.5 Class 7 (Heller Financial, Inc.). The Allowed Secured Claims in Class 7 will receive, on the Effective Date, the Cash Payoff Treatment in the amount of \$1,360,000, plus the applicable Non-Reinstated Secured Claim Supplemental Payment, and, when and as provided in Section 6.11, its Pro Rata Share of the Post-Petition Interest Fund; provided that, in the event the holder of such Claims objects to any provision of the Plan or votes the General Unsecured Claim in respect of the Deficiency Amount of its Secured Claims against the Plan, at the election of the Proponents made in a Treatment Election Notice no later than twenty days prior to commencement of the Confirmation Hearing, such holder will receive the Collateral Putback Treatment in respect of such holder's Allowed Secured Claims, as and to the extent specified in the Treatment Election Notice.

5.6 Class 8 (MDFC Equipment Leasing Corp.). The holder of the Allowed

Secured Claims in Class 8 will receive, on the Effective Date, in the case of the Retained Generator Equipment, as defined in the Stipulation and Order entered into on August 7, 1995, the treatment provided in such Stipulation and Order and, in the case of each such Secured Claim that is secured by any Biogas Assets, such Claim shall receive the Biogas Claim Reinstatement Treatment.

5.7 Class 9 (Meridian Bank). The Allowed Secured Claims in Class 9 (other than the subclass treated in Section 4.3) will receive, on the Effective Date, the Cash

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Payoff Treatment in the amount of \$140,000, plus the applicable Non-Reinstated Secured Claim Supplemental Payment, and, when and as provided in Section 6.11, its Pro Rata Share of the Post-Petition Interest Fund; provided that, in the event the holder of such Claims objects to any provision of the Plan or votes the General Unsecured Claim in respect of the Deficiency Amount of its Secured Claims against the Plan, at the election of the Proponents made in a Treatment Election Notice no later than twenty days prior to commencement of the Confirmation Hearing, such holder will receive the Collateral Putback Treatment in respect of such holder's Allowed Secured Claims, as and to the extent specified in the Treatment Election Notice.

5.8 Class 11 (Bank of New York--Equipment). The Allowed Secured Claims in Class 11 will receive, on the Effective Date, the Cash Payoff Treatment in the amount of \$1,106,000, plus the applicable Non-Reinstated Secured Claim Supplemental Payment, and, when and as provided in Section 6.11, its Pro Rata Share of the Post-Petition Interest Fund; provided that, in the event the holder of such Claims objects to any provision of the Plan or votes the General Unsecured Claim in respect of the Deficiency Amount of its Secured Claims against the Plan, at the election of the Proponents made in a Treatment Election Notice no later than twenty days prior to commencement of the Confirmation Hearing, such holder will receive the Collateral Putback Treatment in respect of such holder's Allowed Secured Claims, as and to the extent specified in the Treatment Election Notice.

5.9 Class 12 (The Bank of New York) Documents. The holder of the Allowed Secured Claim in Class 12 will receive the BONY Deferred Cash Payment Treatment.

5.10 Class 14 (Other Secured Claims). Each holder of an Allowed Secured Claim in Class 14 will receive, on the Effective Date, the Collateral Putback Treatment or such other treatment as may satisfy the requirements of Bankruptcy Code section 1129(b)(2)(A).

5.11 Class 15A (Senior Debt). Subject to Article VII, each holder of an Allowed Class 15A Claim will receive its Pro Rata Share of (i) on the applicable Distribution Date, the Class 15A Cash Payment Fund and the Class 15A Supplemental Payment, and (ii) when and as provided in Section 6.11, the Post-Petition Interest Fund.

5.12 Class 15B (Non-Subordinated Unsecured Claims). Subject to Article VII, each holder of an Allowed Class 15B Claim will receive its Pro Rata Share of (i) on the applicable Distribution Date, the Class 15B Cash Payment Fund and the Class 15B Supplemental Payment, and (ii) when and as provided in Section 6.11, the Post-Petition Interest Fund; provided that, in lieu of receiving any distributions from the Class 15B Cash Payment Fund or any portion of the Class 15B Supplemental Payment in accordance with the foregoing (but not in lieu of any distributions from the Post-Petition Interest Fund, which shall not be affected by this proviso), Wexford and any Affiliate of Wexford shall receive in respect of any Allowed Class 15B Claims held by Wexford and each such Affiliate ("Wexford-Related Class 15B Claims") the following less favorable treatment to which Wexford and each such Affiliate have agreed pursuant to Bankruptcy Code section 1123(a)(4): Wexford and each such Affiliate shall receive, (x) on the applicable Distribution Date, the applicable Wexford-Related Class 15B Supplemental Payment and (y) promptly after a final determination is made of the Present Value of the distributions from the Class 15B Cash Payment Fund that Wexford or such Affiliate would have received

pursuant to the foregoing provisions of this Section 5.12 had the amount in the Class 15B Cash Payment Fund been increased by the Allowed amount of the Wexford-Related Class 15B Claims and but for this proviso (the

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"Class 15B Distribution Amount"), shares of New O'Brien Preferred Stock with a liquidation and redemption preference equal to the Class 15B Distribution Amount. Notwithstanding anything to the contrary in this Section 5.12, the holder of any General Unsecured Claim in respect of a guarantee by the Debtor of an obligation of any Affiliate that is an Allowed Claim on the Effective Date shall not be treated as a Class 15 Claim and shall instead receive the Reinstatement/Nonimpairment Treatment. Notwithstanding anything in this Section 5.12 to the contrary, any Allowed Claim that is held by any Subsidiary of the Debtor shall not be treated as a Class 15 Claim and shall instead be deemed to be released and discharged as of the Effective Date.

5.13 Class 15C (Old Subordinated Noteholder Claims). Subject to Article VII, of (i) on the applicable Distribution Date, the Class 15C Cash Payment Fund and the Class 15C Supplemental Payment, and (ii) when and as provided in Section 6.11, the Post-Petition Interest Fund; provided that, in lieu of receiving any distributions from the Class 15C Cash Payment Fund in accordance with the foregoing (but not in lieu of any distribution from the Post-Petition Interest Fund, which shall not be affected by this proviso), Wexford and any Affiliate of Wexford shall receive in respect of any Allowed Class 15C Claims held by Wexford and each such Affiliate ("Wexford-Related Class 15C Claims") the following less favorable treatment to which Wexford and each such Affiliate have agreed pursuant to Bankruptcy Code section 1123(a)(4): Wexford and each such Affiliate shall receive (x) on the applicable Distribution Date, the applicable Wexford-Related Class 15C Supplemental Payment and (y) promptly after a final determination is made of the Present Value of the distributions from the Class 15C Cash Payment Fund that Wexford or such Affiliate would have received pursuant to the foregoing provisions of this Section 5.13 had the amount in the Class 15C Cash Payment Fund been increased by the Allowed amount of the Wexford-Related Class 15C Claims and but for this proviso (the "Class 15C Distribution Amount"), shares of New O'Brien Preferred Stock with a liquidation and redemption preference equal to the Class 15C Distribution Amount.

5.14 Class 16 (Old Common Stock). On the Effective Date, the Old Common Stock shall be canceled and extinguished, and on the Distribution Date each holder of an Allowed Class 16 Interest on the Distribution Record Date will receive its Pro Rata Share of the Equityholders Cash Payment and all of the New O'Brien Common Stock to be issued and outstanding on and after the Effective Date other than the Purchased Company Shares.

5.15 Class 17 (Old Subordinated Noteholder Securities Claims). If the holders of Class 17 Claims accept the Plan by the requisite majorities under Bankruptcy Code section 1126(c), such holders shall retain, and shall be entitled to assert following the Effective Date, their Class 17 Claims against O'Brien to the extent of any recoveries available to O'Brien in respect of any insurance policies providing any insurance coverage in respect of such Claims; provided that the holders of Class 17 Claims shall be entitled to no other distribution under the Plan in respect of such Claims and such Claims shall otherwise be discharged on the Effective Date. If the holders of Class 17 Claims do not accept the Plan by the requisite majorities under Bankruptcy Code section 1126(c), (i) the Proponents, prior to or at the Confirmation Hearing, shall seek the estimation of such Claims under Bankruptcy Code section 502(c) for allowance purposes at zero, and (ii) the holders of such Claims shall receive no distributions whatsoever on account of such Claims.

5.16 Class 18 (Old Stockholder Securities Claims). If the holders of Class 18 Claims accept the Plan by the requisite majorities under Bankruptcy Code section 1126(c),

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such holders shall retain, and shall be entitled to assert, following the Effective Date, their Class 18 Claims against O'Brien to the extent of any recoveries available to O'Brien in respect of any insurance policies providing any insurance coverage in respect of such Claims; provided that the holders of Class 18 Claims shall be entitled to no other distribution under the Plan in respect of such Claims and such Claims shall otherwise be discharged on the Effective Date. If the holders of Class 18 Claims do not accept the Plan by the requisite majorities under Bankruptcy Code section 1126(c), (i) the Proponents, prior to or at the Confirmation Hearing, shall seek the estimation of such Claims under Bankruptcy Code section 502(c) for allowance purposes at zero, and (ii) the holders of such Claims shall receive no distributions whatsoever on account of such Claims.

5.17 Class 19 (Old Options). On the Effective Date, all Old Options shall be canceled and extinguished, and each holder of an Allowed Class 19 Interest shall receive no distributions on account of its Interest.

Article VI: Means for Execution of Plan

6.1 Consummation of Acquisition and Plan. Promptly following the Confirmation Date, O'Brien shall execute and deliver the Acquisition Agreement and O'Brien shall execute and deliver each of the other Transaction Documents to which O'Brien is to be a party pursuant to the Acquisition Agreement. Pursuant to the Acquisition Agreement and the Plan, on the Effective Date, the Plan shall be implemented and the following shall take place:

(a) Acquisition Agreement Closing. The Closing shall occur under the Acquisition Agreement and in connection therewith NRG shall pay or cause to be paid to Reorganized O'Brien the Cash Purchase Price, and NRG or an Affiliate thereof designated by NRG shall acquire the Purchased Company Shares and the Purchased Subsidiary Shares free and clear of all Liens, Claims and Interests and Reorganized O'Brien shall issue to the Stock Transfer Agent for the benefit of holders of Allowed Class 16 Interests, a certificate representing the aggregate amount of shares of New O'Brien Common Stock to which such holders are entitled pursuant to Section 5.14;

(b) Cancellation of Old Common Stock. All Interests in O'Brien shall be canceled and extinguished and all certificates therefor shall be null and void, by operation of the Plan and without the need for any action to be taken by the certificate holder or by any other person;

(c) Distributions. The distributions, including the Equityholders Cash Payment, to be made pursuant to Articles II, IV and V on the Effective Date, shall be made or provided for and the Distribution Reserves shall be created, and held and administered by, Reorganized O'Brien in accordance with Section 10.7;

(d) NRG New Loan; Creation of Cash Payment Fund. (1) Reorganized O'Brien and NRG shall enter into the NRG New Loan Agreement, (2) NRG New Loan Expenses of up to \$100,000 will be paid from the proceeds of the NRG New Loan, (3) the General Unsecured Claims Payment Amount shall be deposited in the Cash Payment Fund, and (4) to the extent applicable, any amount held in the Cash Payment Fund in excess of the Required Unsecured Claims Payment Amount shall be withdrawn therefrom and deposited in the Post-Petition Interest Fund;

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(e) Additional Loan. If and to the extent required to be made pursuant to the Acquisition Agreement or the Plan, NRG shall make the NRG Mandatory Supplemental Loan; and

(f) Parlin Contributions. Reorganized O'Brien shall make any O'Brien Parlin Reserve Contribution and the O'Brien Parlin Paydown Contribution.

6.2 General Corporate Matters: Charter Amendment. Reorganized O'Brien shall take such action as is necessary under the laws of the state of Delaware, federal law and other applicable law to effect the terms and provisions of the

Plan. On the Effective Date, Reorganized O'Brien shall file the New Certificate of Incorporation and the New Certificate of Designation with the Secretary of State of the State of Delaware in accordance with sections 102 and 103 of Delaware General Corporation Law and the New By-laws shall be adopted.

6.3 Reconstituted Board of Directors of O'Brien. Effective on the Effective Date, the Board of Directors of Reorganized O'Brien shall consist of seven directors, of whom (i) four shall have been designated by NRG, (ii) one shall have been designated by Wexford, (iii) one shall have been designated by the Equity Committee and (iv) one shall have been jointly designated by Wexford and each of the holders of Old Common Stock who are members of the Equity Committee.

6.4 Corporate Action. Except as specifically provided in the Plan, the adoption of the New Certificate of Incorporation and New By-laws, the designation of directors for Reorganized O'Brien, the distribution of Cash and the adoption, execution and delivery of all contracts, instruments, indentures and other agreements related to any of the foregoing, including without limitation the Plan Documents, and the other matters provided for under the Plan involving corporate action to be taken by or required of the Debtor shall be deemed to have occurred and be effective as provided herein, and shall be authorized and approved in all respects, which authorization and approval shall be effective upon entry of the Confirmation Order, without any requirement of further action by stockholders or directors of the Debtor or Reorganized O'Brien.

6.5 Other Transaction Documents. On the Effective Date and as contemplated by the Acquisition Agreement, (i) NRG and Reorganized O'Brien shall enter into the Co-Investment Agreement; (ii) NRG (or one or more of its Affiliates) and Reorganized O'Brien shall enter into the Management Agreement; (iii) Reorganized O'Brien and Wexford (or an Affiliate thereof) shall enter into the Liquidating Asset Management Agreement; (iv) if the Newark Project Refinancing will occur on the Effective Date, Newark Cogen and the lender that is providing the Newark Project Refinancing shall enter into the loan documentation relating thereto; and (v) if the NRG Newark Cogen Loan is required to be made pursuant to the terms hereof and the Acquisition Agreement, NRG and Reorganized O'Brien shall enter into the NRG Newark Cogen Loan Documentation.

6.6 Distributions.

(a) Generally. All distributions required to be made by Reorganized O'Brien hereunder to holders of Allowed Claims and Allowed Interests shall be made by Reorganized O'Brien (except for the Equityholders Cash Payment, which shall be made by NRG, an affiliate of NRG or Reorganized O'Brien in such manner as agreed by counsel to the Equity Committee and NRG prior to the Effective Date), provided that (i) in the case of the holders of Old Subordinated Noteholder Claims, Reorganized O'Brien shall make the

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(b) Distributions Made as of Distribution Record Date. Only holders of record as of the Distribution Record Date shall be entitled to receive the distributions provided under the Plan in respect of Old Public Claims and Interests. As of the Distribution Record Date, the respective transfer ledgers in respect of the Old Subordinated Notes and Old Common Stock shall be closed. Reorganized O'Brien and its agents shall have no obligation to recognize any transfer of Old Subordinated Notes and Old Common Stock occurring after the Distribution Record Date. Reorganized O'Brien and its agents shall be entitled instead to recognize and, for purposes of making distributions under the Plan, deal only with those holders of record stated on the transfer ledgers maintained by the respective Registrar (as defined in the applicable Old Indenture) for the Old Subordinated Notes or by the Stock Transfer Agent as of the Distribution Record Date.

(c) Procedures for Distributions.

(i) On the Distribution Date, certificates representing the New O'Brien Common Stock shall be issued in accordance with the applicable terms of

the Plan. As soon as practicable, Reorganized O'Brien shall deliver a jumbo certificate to the Stock Transfer Agent, which shall deliver certificates to the holders of Old Common Stock that have validly surrendered the certificates representing such Old Common Stock (or other appropriate evidence of ownership if the Old Common Stock held by such holders is in book entry form).

(ii) As a condition to receiving distributions provided for by the Plan in respect of the Old Public Claims and Interests, any holder of an Allowed Claim or Interest that is included in the Old Public Claims and Interests shall be required to surrender the instrument or certificate evidencing such Allowed Claim or Interest, accompanied by duly executed and completed letters of transmittal in appropriate form (or other appropriate evidence of ownership if the Old Public Claims and Interests held by such holder are in book entry form), to Reorganized O'Brien. Distributions shall be made only to holders of Old Subordinated Notes and Old Common Stock that have surrendered such instruments or certificates (or, in the case of book entry securities, other appropriate evidence of ownership) as herein provided. Except as provided in Section 6.6(c)(iii), no distribution shall be made to any holder of an Old Subordinated Note or Old Common Stock that has not so surrendered such instruments or certificates held by it (or, in the case of book entry securities, provided other appropriate evidence of ownership).

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(iii) Unless waived by Reorganized O'Brien, any holder of an Allowed Claim or Interest that is included in the Old Public Claims and Interests and that is based upon an instrument or certificate which has been lost, stolen, mutilated or destroyed shall, in lieu of surrendering such instrument or certificate as provided in this section, deliver to Reorganized O'Brien (i) evidence satisfactory to Reorganized O'Brien of the loss, theft, mutilation or destruction of such instrument and (ii) such security or indemnity as may be reasonably required by Reorganized O'Brien to hold Reorganized O'Brien harmless from any damages, liabilities, or costs incurred in treating such Entity as a holder of such instrument or certificate. Thereafter, such Entity shall be treated as the holder of the instrument or certificate for all purposes of the Plan and shall, for all purposes under the Plan, be deemed to have surrendered the instrument or certificate representing such Old Public Claims or Interests.

(iv) Any holder of an Allowed Claim or Interest that is included in the Old Public Claims or Interests who shall not have surrendered or be deemed to have surrendered the instruments or certificates representing such Allowed Claim or Interest (or, in the case of book entry securities, other appropriate evidence of ownership) within twenty-four (24) months after the Effective Date shall have such Claim or Interest disallowed, shall receive no distributions on such Claim or Interest under the Plan and shall be forever barred from asserting any Claim or Interest. All such certificates representing shares of New O'Brien Common Stock distributable to holders of Old Common Stock shall be redistributed as soon as practicable after the end of the twenty-fourth month after the Effective Date to the other holders of Old Common Stock as of the Distribution Record Date who previously surrendered their certificates.

(d) Calculation of Distribution Amounts of Securities. No fractional shares of New O'Brien Common Stock shall be issued or distributed. Fractional shares of New O'Brien Common Stock shall be rounded to the next greater or lesser whole number as follows: (a) fractions of greater than 0.5 shall be rounded up to the next greater whole number and (b) fractions of 0.5 or less shall be rounded down to the next lesser whole number; provided that in no event shall there be issued to holders of Allowed Class 16 Interests under the Plan an aggregate number of shares that is less than a total of 58.14% of the issued and outstanding shares of New O'Brien Common Stock to be issued on and after the Effective Date.

(e) Delivery of Distributions. Subject to Bankruptcy Rule 9010, distributions to holders of Allowed Claims and Interests shall be mailed or otherwise delivered to the address of each such holder as set forth on the Schedules filed with the Court unless superseded by the address as set forth on the proofs of Claim or proofs of Interest filed by such holders (or at the last

known addresses of such a holder if no proof of Claim or proof of Interest is filed or if O'Brien has been notified in writing of a change of address). If any holder's distribution is returned as undeliverable, no further distributions to such holder shall be made unless and until Reorganized O'Brien is notified of such holder's then current address, at which time all missed distributions shall be made to such holder without interest. Amounts in respect of undeliverable distributions shall be held by Reorganized O'Brien until such distributions are claimed. All Claims for undeliverable distributions shall be made on or before the later of the second anniversary of the Effective Date and, in the case of holders of Disputed Claims that have not been Allowed, disallowed or withdrawn at such time, the date ninety (90) days after such Claim is Allowed, disallowed or withdrawn. After such date, all unclaimed property shall be the property of and released to Reorganized O'Brien and the claim of any holder with respect to such property shall be discharged and forever barred.

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(f) Time Bar to Cash Payments. Checks issued by Reorganized O'Brien in respect of Allowed Claims shall be null and void if not negotiated within six (6) months after the date of issuance thereof. Requests for reissuance of any check shall be made directly to Reorganized O'Brien by the holder of the Allowed Claim with respect to which such check originally was issued. Any claim in respect of such a voided check shall be made on or before the later of the second anniversary of the Effective Date and ninety (90) days after the six-month period following the date of issuance of such check. After such date, all claims in respect of void checks shall be discharged and forever barred.

(g) Cancellation of Old Indentures. Subject to Sections 6.6(a) and 14.8, the Old Indentures and the respective obligations of the Old Indenture Trustees thereunder shall be canceled and discharged on the Effective Date and deemed null and void and of no further force or effect thereafter, provided that such cancellation shall not impair the rights of the Old Indenture Trustees to compensation or reimbursement or their duty to make distributions pursuant to the Plan.

6.7 Distribution Dates. Any distribution required to be made under the Plan on a particular date shall be made on such date or as soon as practicable thereafter.

6.8 Vesting of Property. Except as otherwise provided in the Plan or the Confirmation Order, upon the Effective Date all property of O'Brien's Estate, wherever situated, shall vest in Reorganized O'Brien and shall be retained by Reorganized O'Brien or transferred or distributed as provided in the Plan. Upon the Effective Date, all property of the Estate, whether retained by Reorganized O'Brien or transferred or distributed, shall be free and clear of all Claims, Liens, and Interests, except the Claims, Liens, and Interests of Creditors expressly provided for in the Plan.

6.9 Consummation. Substantial consummation of the Plan, within the meaning of Bankruptcy Code section 1101(2), shall occur on the Effective Date.

6.10 NRG Supplemental Loan. If and to the extent that the Cash Payment Fund is not or may not be sufficient to provide for the payment, in full, of the Allowed amount of all Class 15 Claims or that funds required to make payments contemplated to be made to the holders of Allowed Claims under the Plan, as it may be amended from time to time, otherwise would not or may not be available (a "Plan Cash Insufficiency"), NRG, in its sole discretion, may make a loan (the "NRG Discretionary Supplemental Loan") to Reorganized O'Brien on the Effective Date in an amount to be determined by NRG in its sole discretion up to the amount of the Plan Cash Insufficiency. Subject to Section 10.8(b), to the extent that (i) the Administrative and Cure Claims Cash Payment exceeds the sum of the Additional Cash Amount (if any), any Excess Cash available to be applied pursuant to Section 6.12(c) and the Reserved Administrative and Cure Claims Cash Amount, or (ii) the aggregate amount of proceeds of Designated Receivables received by O'Brien or any of its Subsidiaries after November 17, 1995 but before the Effective Date that is available for distribution by Reorganized O'Brien on the Effective Date is less than \$2.24 million, NRG shall make a loan

(the "NRG Mandatory Supplemental Loan") to Reorganized O'Brien on the Effective Date equal to the sum of (x) the amount by which the Administrative and Cure Claims Cash Payment exceeds the sum of the Additional Cash Amount (if any), any Excess Cash available to be applied pursuant to Section 6.12(c) and Reserved Administrative and Cure Claims Cash Amount, and (y) the amount by which \$2.24 million exceeds the aggregate amount received by O'Brien or any of its Subsidiaries after November 17, 1995 but before the Effective Date in respect of the Designated Receivables that is available for distribution by Reorganized O'Brien on the Effective Date. The NRG Supplemental Loan shall be subordinate to the NRG New

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Loan and shall be made pursuant to the NRG Supplemental Loan Documentation. NRG shall be granted a security interest in any Designated Receivables existing on the Effective Date to secure repayment of the NRG Mandatory Supplemental Loan, and any payments received by Reorganized O'Brien after the Effective Date in respect of such Designated Receivables shall be applied, first, to pay down the NRG Mandatory Supplemental Loan then outstanding.

6.11 Post-Petition Interest Fund. Each holder of an Allowed Non-Reinstated Secured Claim and each holder of 15A, 15B or 15C will receive its Pro Rata Share of the Post-Petition Interest Fund on the Final Resolution Date (such Pro Rata Share to be determined as if each holder of an Allowed Non-Reinstated Secured Claim and the holders of General Unsecured Claims are entitled to receive such distribution, whether or not any such class forfeits its entitlement to such distribution provisions as provided below in this Section 6.11); provided that, if (i) any holder of an Allowed Non-Reinstated Claim fails to accept the Plan or objects to any provision of the Plan at the time of the Confirmation Hearing, (ii) the Class 15A Claims held by the holders of the Secured Claims in Classes 2, 3, 5, 7, 9 and 11 in respect of the Deficiency Amount of such Secured Claims fail to accept the Plan or (iii) any of Class 15B or 15C fails to accept the Plan by the requisite majorities in accordance with Bankruptcy Code section 1126(c), the amount of the distribution from the Post-Petition Interest Fund to which any such holder or the holders in any such non-accepting 15B or 15C Class (or, in the case of Class 15A, such Class containing holders that so fail to accept the Plan) shall be entitled to receive under the Plan, at the Proponents' option, shall be reduced or eliminated to the extent that distributions from the Post-Petition Interest Fund are not required to be made in order for the Plan to be confirmable.

6.12 Deferral of DIP Loan and Wexford Administrative Claim. (a) The DIP Loan Outstanding Amount shall be deferred and shall not be repaid on the Effective Date (the "Deferred DIP Loan Amount") except to the extent that Excess Cash remains available to repay the DIP Loan Outstanding Amount and the Wexford Administrative Claim after repaying the NRG Mandatory Supplemental Loan, to the extent of any such Loan made to cover the amounts specified in clause (y) of Section 6.10. To the extent such Excess Cash is available to repay less than the full amount of the DIP Loan Outstanding Amount and the Wexford Administrative Claim, the amount so available shall be applied to repay the DIP Loan Outstanding Amount and the Wexford Administrative Claim on a proportional basis. Subject to the provisions of Section 6.12(c) with regard to the application of Excess Cash, the Deferred DIP Loan Amount shall be repaid on a proportional basis (together with the Deferred Wexford Claim Amount) when and as the New O'Brien Preferred Stock is required or permitted to be redeemed pursuant to the New Certificate of Designation or Section 6.12(c).

(b) The Wexford Administrative Claim shall be deferred and shall not be paid on the Effective Date (the "Deferred Wexford Claim Amount") except to the extent that Excess Cash remains available to repay the Wexford Administrative Claim and the DIP Loan Outstanding Amount after repaying the NRG Mandatory Supplemental Loan, to the extent of any such Loan made to cover the amounts specified in clause (y) of Section 6.10. To the extent such Excess Cash is available to repay less than the full amount of the Wexford Administrative Claim and the DIP Loan Outstanding Amount, the amount so available shall be applied to repay the DIP Loan Outstanding Amount and the Wexford Administrative Claim on a proportional basis. Subject to the provisions of Section 6.12(c) with

regard to the application of Excess Cash, the Wexford Administrative Claim shall be paid on a proportional basis (together with the Deferred DIP Loan Amount) when and as the New O'Brien Preferred Stock issued to Wexford or any of its Affiliates in respect of the Wexford-Related Unsecured

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Claims is required or permitted to be redeemed pursuant to the New Certificate of Designation or Section 6.12(c).

(c) If, after setting aside the Administrative and Cure Claims Cash Payment, the aggregate amount of cash payments to be made to the holders of Allowed Secured Claims receiving the Cash Payoff Treatment under the Plan, the amount of the O'Brien Parlin Reserve Contribution, the O'Brien Parlin Paydown Contribution, the NRG New Loan Expenses, the Retained Working Capital Amount, the General Unsecured Claims Cash Payment, the Supplemental Interest Amount, and the Equityholders Cash Payment and there remains available and unapplied any portion of the Cash Purchase Price or Reorganized O'Brien otherwise then holds any other available cash, or funds are released from the Administrative and Priority Claims Reserve pursuant to Section 10.8, any such portion of the Cash Purchase Price, other available cash and funds so released from the Administrative and Priority Claims Reserve (collectively, "Excess Cash") shall be applied as provided in this Section 6.12(c). All Excess Cash shall be used, first, to fund the difference, if any, between the Administrative and Cure Claims Cash Payment and the sum of the Additional Cash Amount (if any) and the Reserved Administrative and Cure Claims Cash Amount, second, to repay the NRG Mandatory Supplemental Loan, and third, to repay NRG the then outstanding amount owing in respect of the DIP Loan and pay Wexford the remaining unpaid portion of the Wexford Administrative Claim, which shall be on a proportional basis in the event the remaining Excess Cash is not sufficient to pay the full amount outstanding in respect of the DIP Loan and the portion of the Wexford Administrative Claim remaining unpaid. If the remaining Excess Cash is sufficient to pay in full the then outstanding amount of the DIP Loan and any unpaid portion of the Wexford Administrative Claim, any amounts of Excess Cash available after paying in full such amounts will be applied in redemption of the New O'Brien Preferred Stock distributed under the Plan.

Article VII: Cramdown

If any impaired class of Claims or Interests shall fail to accept the Plan with the requisite majorities in accordance with Bankruptcy Code section 1126(c), the Proponents reserve the right to request that the Court determine that the Plan is fair and equitable as to, and does not discriminate against, each such Class and confirm the Plan in accordance with Bankruptcy Code section 1129(b). The Proponents hereby request the Court to determine that the Plan is fair and equitable as to, and does not unfairly discriminate against, Class 19 in accordance with Bankruptcy Code section 1129(b). If any holder of a Secured Claim in Class 2, 3, 5, 7, 9 (other than the subclass treated in Class 4.3) or 11 fails to accept the Plan or any of 15B or 15C fails to accept the Plan by the requisite majorities in accordance with Bankruptcy Code section 1126(c), (i) any such holder of a Secured Claim shall receive the Collateral Putback Treatment if and to the extent provided in any Treatment Election Notice which may be given to such holder and (ii) at the Proponents' option, the distributions from the Post-Petition Interest Fund which the holders in any such non-accepting Class are entitled to receive under Sections 5.1, 5.2, 5.4, 5.5, 5.7, 5.8, 5.12 or 5.13, as applicable, shall be reduced or eliminated to the extent provided, in the case of distributions from the Post-Petition Interest Fund, in Section 6.11. If the Class 15A Claims held by the holders of the Secured Claims in Classes 2, 3, 5, 7 and 11 in respect of the Deficiency Amount of such Secured Claims fail to accept the Plan, the distributions from the Post-Petition Interest Fund which the holders in Class 15A are entitled to receive under Section 5.1, at the Proponents' option, shall be reduced or eliminated to the extent provided in Section 6.11.

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Article VIII: Executory Contracts

8.1 Rejection of Executory Contracts. Pursuant to the Plan and Bankruptcy Code sections 365 and 1123(b)(2), each executory contract or unexpired lease to which O'Brien is a party that is listed on Schedule 8.1 hereto, and any Old Options, to the extent that such Old Options constitute executory contracts under Bankruptcy Code section 365 (the "Rejected Contracts") shall be rejected, effective on the Effective Date. Any Claim for damages arising from rejection of any Rejected Contract pursuant to the Plan shall be forever barred unless a proof of claim therefor in proper form is filed with the Court no later than twenty days after notice of the Confirmation Date is given to the non-debtor party to such Rejected Contract or such earlier date as may be set forth in an order of the Bankruptcy Court.

8.2 Assumption of Executory Contracts. Pursuant to sections 365 and 1123(b)(2) of the Bankruptcy Code, all executory contracts and unexpired leases to which the Debtor is a party that are not Rejected Contracts (the "Assumed Contracts") shall be assumed, effective on the Effective Date. All payments required by Bankruptcy Code section 365(b)(1)(A) or (B) shall be made by Reorganized O'Brien on the Effective Date or as soon thereafter as is practicable in such amount as may be determined, in each instance, by agreement between NRG and the non-debtor party to the contract or, in the case of any dispute, by Final Order of the Court.

Article IX: Rights and Obligations of Reorganized O'Brien as Plan Administrator

9.1 Appointment of Plan Administrator. Because the Proponents have jointly determined by written notice filed with the Court prior to entry of the Confirmation Order that the duties and responsibilities of plan administrator shall be performed by Reorganized O'Brien rather than an appointed plan administrator, all responsibilities of plan administration provided for herein shall be performed by Reorganized O'Brien.

9.2 Exculpation. No holder of a Claim or an Interest, or representative thereof, shall have or pursue any claim or cause of action (1) against Reorganized O'Brien for making distributions in accordance with the Plan, holding or administering the Distribution Reserves in accordance with the Plan or for implementing the provisions of the Plan, or (2) against any holder of a Claim or Interest for receiving or retaining payments or other distributions as provided for by the Plan.

9.3 Powers of Reorganized O'Brien. Pursuant to the terms and provisions of the Plan and the Confirmation Order, Reorganized O'Brien shall be empowered to (a) make distributions contemplated by the Plan, including without limitation by holding and administering the Distribution Reserves; (b) file and prosecute objections to Disputed Claims (other than Disputed Class 15 Claims); (c) employ, retain, or replace professionals to represent it with respect to the fulfillment of its responsibilities under the Plan and the Confirmation Order; and (d) exercise such other powers as may be vested in Reorganized O'Brien pursuant to an order of the Court or pursuant to the Plan.

9.4 Duties of Reorganized O'Brien. Pursuant to and subject to the terms and provisions of (and except as may otherwise be provided in) the Plan, Reorganized O'Brien shall have the duties of:

(a) carrying out the distribution provisions of the Plan;

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(b) managing property to be distributed in a manner designed to effectuate the Plan; and

(c) complying with all tax withholding and reporting requirements imposed on it by any governmental unit.

Article X: Procedures for Resolving and Treating Disputed Claims

10.1 Objection Deadline. Unless otherwise provided by order of the Court, no objections to Claims that are Allowed Claims on the Effective Date shall be filed after the Effective Date. No later than 60 days after the Effective Date, objections to Claims that are Disputed Claims on the Effective Date shall be filed with the Court and served upon the holders of each of the Disputed Claims.

10.2 Responsibility For Objection to Disputed Claims.

(a) Reorganized O'Brien. Reorganized O'Brien shall be responsible for objecting to the allowance of, settling and litigating any Disputed Claims (other than Disputed Class 15 Claims) following the Effective Date on behalf of Reorganized O'Brien, the entire cost of which, including any fees and expenses of its counsel and other professionals, shall be borne by Reorganized O'Brien. Nothing herein shall affect the right of any other party in interest to file an objection to any Disputed Claim. NRG shall have the right to object to the allowance of any Administrative Claim. None of the Proponents shall object to the allowance of the Wexford Administrative Claim.

(b) Creditors' Committee. Notwithstanding anything herein to the contrary, following the Effective Date, the Creditors' Committee shall be responsible for objecting to the allowance of, settling and litigating any Disputed Class 15 Claims on behalf of Reorganized O'Brien, the entire cost of which, including the fees and expenses of its counsel and other professionals (collectively, the "Objection Resolution Expenses"), shall be funded through and paid from the Cash Payment Fund. In connection with the prosecution of objections to Class 15 Claims, the Creditors' Committee shall have the exclusive right to assert all defenses, offsets, recoupments and counterclaims, including without limitation defenses under Section 502(d) of the Bankruptcy Code that are based upon claims or causes of action retained by the Reorganized Debtor under Section 14.3 or otherwise as a defense to the allowance of any Class 15 Claim; provided that any settlement of counterclaims asserted by the Creditors' Committee on behalf of Reorganized O'Brien in accordance with the foregoing shall require the consent of Reorganized O'Brien, and any disputes between the Creditors' Committee and Reorganized O'Brien with respect to the assertion and settlement of such counterclaims shall be resolved by the Bankruptcy Court. It is understood that the Creditors' Committee is intended to have the benefit of any such counterclaim up to the amount of the respective Disputed Class 15 Claim and that Reorganized O'Brien is intended to have the benefit of any such counterclaim in excess of the amount of the respective Disputed Class 15 Claim. The Creditors' Committee shall not object to any Claim acquired by Wexford or any Affiliate of Wexford prior to the commencement of the Confirmation Hearing except on the basis that all or any portion of any such Claim should be disallowed because the Debtor's records do not reflect the claimed amount as due and owing. Reorganized O'Brien shall reasonably cooperate with the Creditors' Committee in the Creditors' Committee's prosecution of objections to the allowance of Disputed Class 15 Claims, including by providing access to relevant documentation that the Creditors' Committee reasonably determines is necessary to prosecute objections to Disputed Class 15 Claims. The Objection Resolution Expenses shall be paid by Reorganized O'Brien solely from the Cash Payment

Fund without the necessity of any approval by the Court or review or other action by Reorganized O'Brien; provided that, at least fifteen days prior to any payment being made by Reorganized O'Brien in respect of any Objection Resolution Fees, the Creditors' Committee shall file with the Court and serve a notice (a "Fee Request Notice") setting forth the amount of Objection Resolution Expenses requested to be paid and the period covered thereby, and shall promptly provide to any of such parties who so request a copy of a statement of services rendered setting forth in appropriate detail a description of the services performed during the period in question on the following parties: (i) each holder of an Allowed Class 15A Claim, (ii) each holder of one of the five largest Class 15B Claims, (iii) each Old Indenture Trustee, (iv) Wexford and (v) Reorganized O'Brien; provided further that, if any holder of a Class 15 Claim that has not then been disallowed in full or withdrawn files with the Court and serves on the

Creditors' Committee and Reorganized O'Brien, within ten days after the Creditors' Committee shall have filed and served any Fee Request Notice in accordance with the foregoing, an objection to the payment of any fees or expenses that are the subject of such Fee Request Notice, Reorganized O'Brien shall not make payment from the Cash Payment Fund the amount as to which any such holder has so objected until such objection is withdrawn or the Court shall have resolved the objection. Reorganized O'Brien shall set aside in the Disputed Claims Reserve such amount as the Creditors' Committee may request to serve as a reserve for the payment of all Objection Resolution Expenses projected to be incurred following the Effective Date; provided that, promptly after the Final Resolution Date, any remaining amount so reserved shall be released and distributed to the holders of Allowed Class 15 Claims.

10.3 No Distributions Pending Allowance. Notwithstanding any other provision of the Plan, no payments or distributions shall be made with respect to a Disputed Claim unless and until such Claim shall be Allowed by Final Order or the time by which Reorganized O'Brien or the Creditors' Committee, as applicable, is required to file an objection to such Claim shall have passed without the timely filing of an objection.

10.4 Distributions After Allowance. Payments and distributions from Reorganized O'Brien to each holder of a Disputed Claim, to the extent that it ultimately becomes an Allowed Claim, shall be made in accordance with the provisions of the Plan governing the Class of Claims to which the Disputed Claim belongs. On the Distribution Date in respect of a Disputed Claim that becomes an Allowed Claim after the Effective Date, any Cash that would have been distributed in respect of the Disputed Claim had it been an Allowed Claim at the Effective Date shall be distributed, with interest thereon to the extent earned after the Effective Date and before the Distribution Date, net of any taxes paid pursuant to Section 10.9.

10.5 Treatment of Contingent Claims. Until such time as a Contingent Claim becomes an Allowed Claim, such Claim shall be treated as a Disputed Claim. In the case of the holder of a Claim against the Debtor that has recourse against an Affiliate of the Debtor or any collateral security provided by any Affiliate of the Debtor, the Allowable amount of such claim shall be estimated by the Court prior to or at the Confirmation Hearing and shall be reduced by the present value, as determined by the Court as of the Effective Date, of the amount or value that such holder is expected to realize as a result of recourse to such Affiliate or collateral security thereof.

10.6 Estimation of Claims. The Proponents may, prior to the Confirmation Date, and Reorganized O'Brien may, at any time thereafter, request that the Court estimate any Contingent Claim pursuant to section 502(c) of the Bankruptcy Code. In the event that the Court estimates any Contingent Claim, that estimated amount will constitute either the

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Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Court. If the estimated amount constitutes a maximum limitation on such Claim, Reorganized O'Brien or the Creditors' Committee, as applicable, may elect to pursue any supplemental proceedings to object to or estimate for allowance purposes any ultimate payment on such Claim.

10.7 Disputed Claims Reserve.

(a) From and after the Effective Date, distributions in respect of the Class 15 Supplemental Payment and from the Cash Payment Fund and the Post-Petition Interest Fund shall be reserved by Reorganized O'Brien for the holders of Disputed Class 15 Claims and deposited in segregated accounts to be held and administered by Reorganized O'Brien (the "Disputed Claims Reserve"). The distributions so deposited in the Disputed Claims Reserve shall be held in trust by Reorganized O'Brien for the benefit of the holders of Class 15 Claims. Except to the extent the Court shall determine that a good and sufficient reserve for Disputed Class 15 Claims is less than the full amount thereof, in determining the amount of the distributions due to the holders of Allowed Class 15 Claims

and the amount to be reserved for Disputed Class 15 Claims, the appropriate calculations shall be made as if all Disputed Claims were allowed as of the Effective Date in the full amount claimed by the holders thereof (which, in the case of Contingent Claims, shall be such maximum amount as may be estimated by the Court prior to or at the Confirmation Hearing). In the case of Disputed Class 15 Claims covered by any insurance policy under which the Debtor is the insured, the Debtor shall not be required to reserve an amount in excess of the respective Debtor's self-insured retention liability in respect of such Claim.

(b) In the case of a Claim that is asserted as an Administrative Claim or Priority Claim but which Reorganized O'Brien believes constitutes, in whole or in to reserve within the Disputed Claims Reserve for Disputed Class 15 Claims the amount of Cash that would have been distributable on the Effective Date if such Claim then constituted an Allowed Class 15 Claim, provided such Claim is treated as an Unresolved Administrative and Priority Claim and a reserve therefor is accordingly included in the Administrative and Priority Claims Reserve.

(c) All cash held in the Disputed Claims Reserve shall be invested in such investments as permitted under section 345 of the Bankruptcy Code. All interest earned on such investments shall be held in trust in the Disputed Claims Reserve and shall be distributed only in the manner set forth below in this Section 10.7.

(d) To the extent that a Disputed Class 15 Claim is Allowed after the Effective Date, the amount of Cash which the holder of such Claim theretofore would have been entitled to receive if such Claim had been an Allowed Class 15 Claim on the Effective Date, together with interest earned on such Cash (net of any taxes paid pursuant to Section 10.9), shall be released from the Disputed Claims Reserve and distributed to such holder.

(e) If and to the extent the holders of Allowed Class 15 Claims shall not, and upon receipt of such distributions will not, have received distributions under the Plan from the Cash Payment Fund equal to the Required Unsecured Claims Payment Amount, at the end of each calendar quarter following the Effective Date and on the Final Resolution Date, Reorganized O'Brien will distribute any amounts reserved from the Cash Payment Fund (and any interest earned thereon, net of any taxes paid pursuant to Section 10.9) and held in the Disputed Claims Reserve in respect of Disputed Class 15 Claims that have been disallowed by Final Order or withdrawn after the Effective Date or, if applicable, the end of the calendar

quarter following the Effective Date that immediately precedes such calendar quarter to the then holders of Allowed Class 15 Claims based on their Pro Rata Share. At the end of each calendar quarter following the Effective Date and on the Final Resolution Date, Reorganized O'Brien will distribute any amounts reserved in respect of the Class 15 Supplemental Payment (and any interest earned thereon, net of any taxes paid pursuant to Section 10.9) and held in the Disputed Claims Reserve in respect of Disputed Class 15 Claims that have been disallowed by Final Order or withdrawn after the Effective Date or, if applicable, the end of the calendar quarter following the Effective Date that immediately precedes such calendar quarter to the then holders of Allowed Class 15 Claims (other than the Wexford-Related Unsecured Claims) based on their Pro Rata Share. Following the disallowance by Final Order or the withdrawal of any Disputed Class 15 Claim after such time as the holders of Allowed Class 15 Claims shall have received distributions under the Plan from the Cash Payment Fund equal to the Required Unsecured Claims Payment Amount, Reorganized O'Brien will release the Cash held in the Disputed Claims Reserve in respect of such Disputed Class 15 Claim (and any interest earned thereon, net of taxes paid pursuant to Section 10.9) and deposit such amounts into the Post-Petition Interest Fund. Promptly after all Disputed Class 15 Claims shall have been Allowed or disallowed by Final Order or withdrawn after the Effective Date, Reorganized O'Brien shall make a final recalculation of amounts reserved from the Cash Payment Fund then held in the Disputed Claims Reserve and shall distribute all such amounts (together with any interest earned thereon net of

taxes paid pursuant to Section 10.9) to the holders of Allowed Class 15 Claims, to the extent such holders shall not, and upon such distribution will not, have received distributions under the Plan from the Cash Payment Fund equal to the Required Unsecured Claims Payment Amount, and shall deposit any remaining amounts into the Post-Petition Interest Fund. Notwithstanding any provision to the contrary herein, interim distributions from the Post-Petition Interest Fund may be made by Reorganized O'Brien, if and to the extent requested by the Creditors' Committee or ordered by the Court on motion of any holder of an Allowed Class 15 Claim.

(f) Prior to the Effective Date, the Court shall determine the maximum amount of Disputed Claims (including Contingent Claims) to the extent necessary for Reorganized O'Brien to calculate the amount of distributions to be held in the Disputed Claims Reserve.

10.8 Administrative and Priority Claims Reserve.

(a) Subject to Section 10.8(b), the Administrative and Priority Claims Reserve shall be established on the Effective Date in an amount determined by the Court prior to the Effective Date. The Administrative and Priority Claims Reserve shall serve as the sole source of payment of all Unresolved Administrative and Priority Claims that are determined by Final Order after the Effective Date to be Allowed Claims, irrespective of the aggregate amount at which the Unresolved Administrative and Priority Claims ultimately are allowed by the Court. As Unresolved Administrative and Priority Claims are determined by Final Order to be Allowed Claims following the Effective Date, the Allowed amount thereof or, in the case of Unresolved Administrative and Priority Claims that ultimately are determined to be Allowed Class 15 Claims, the amount distributable in respect thereof in accordance with Section 10.7, to the extent there are funds then remaining in the Administrative and Priority Claims Reserve, shall be released from the Administrative and Priority Claims Reserve and paid to the holder thereof. After (i) the time shall have expired by which any holder of an Administrative Claim or Priority Claim must file a proof of claim or be forever barred, (ii) the Court shall have determined by Final Order the Allowed amount of all Unresolved Administrative and Priority Claims and (iii) the Allowed amount of all Unresolved Administrative and Priority Claims shall have been paid in full from the Administrative and Priority Claims Reserve, any funds then remaining in the Administrative and

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Priority Claims Reserve shall be released therefrom and applied as Excess Cash as provided in Section 6.12(c)).

(b) Notwithstanding anything herein to the contrary, if the Administrative and Cure Claims Cash Payment exceeds the sum of the Additional any), any Excess Cash available to be applied pursuant to Section 6.12(c) on the Effective Date and the Reserved Administrative and Cure Claims Cash Amount (the amount of such excess being referred to as an "Administrative Claims Shortfall") and, therefore, NRG is required to make an NRG Mandatory Supplemental Loan pursuant to Section 6.10 in an amount equal to the Administrative Claims Shortfall (an "Administrative Shortfall Loan"), the time at which all or a portion of the Administrative Shortfall Loan shall be required to be made shall be deferred until after the Effective Date, as follows: (i) the amount of the Administrative Shortfall Loan required to be made on the Effective Date shall equal the amount by which the Effective Date Administrative and Cure Payments exceeds the sum of the Additional Cash Amount (if any), any Excess Cash available to be applied pursuant to Section 6.12(c) on the Effective Date and the Reserved Administrative and Cure Claims Cash Amount (the amount of such excess being referred to as the "Effective Date Administrative Shortfall Loan," with the amount of the Administrative Shortfall Loan in excess of the Effective Date Administrative Shortfall Loan (the amount of such excess being referred to as the "Deferred Administrative Shortfall Amount") being deferred and potentially reduced as provided below in clause (ii) of this Section 10.8(b), and (ii) at such time or times as Unresolved Administrative and Priority Claims become Allowed by Final Order after the Effective Date (or in the case of such Claims that are Allowed, but not yet due and payable on the Effective Date, at

such times as such Claims become due and payable after the Effective Date), and provided that NRG shall not theretofore have made deferred Administrative Shortfall Loans pursuant hereto in excess of the Deferred Administrative Shortfall Amount, NRG shall be required within 3 business days thereafter to make an advance to Reorganized O'Brien in respect of the Administrative Shortfall Loan pursuant to the NRG Supplemental Loan Documentation equal to the amount at which such Unresolved Administrative and Priority Claims have been so Allowed or become due and payable (less any amount then available in the Administrative and Priority Claims Reserve to pay such Claims), subject to the maximum amount thereof established by the Court prior to the Effective Date in connection with the fixing of the amount of the Administrative and Priority Claims Reserve. Any such advance, when received by Reorganized O'Brien, shall be promptly deposited in the Administrative and Priority Claims Reserve. Notwithstanding anything herein to the contrary, NRG in any event shall be required to make the Administrative Shortfall Loan on the Effective Date to the extent necessary to fund the payment of all Cure Payments and Administrative Claims and Priority Claims that are Allowed and due and payable on the Effective Date.

10.9 Payment of Taxes in Respect of the Distribution Reserves. Reorganized O'Brien shall pay, or cause to be paid, out of the interest earned on funds of each Distribution Reserve, any tax imposed by any governmental unit on the income generated by the funds held in that Distribution Reserve. Notwithstanding anything to the distribution in a Distribution Reserve to holders of an Allowed Claim, the amount of such interest shall be reduced by the amount of such taxes so paid by Reorganized O'Brien. Reorganized O'Brien shall also file or cause to be filed any tax or information returns related to the Distribution Reserves that are required by any governmental unit.

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Article XI: Conditions to Confirmation and Effective Date

11.1 Conditions to Confirmation. Confirmation of the Plan is subject to the prior or concurrent satisfaction or fulfillment of the conditions precedent that the Confirmation Order, shall have been entered by the Court no later than February 28, 1996.

11.2 Conditions to Effective Date. The consummation of the Plan on the Effective Date is subject to the prior or concurrent satisfaction or fulfillment of each of the following conditions precedent:

(a) all conditions to the obligations of the parties in Article 6 of the Acquisition Agreement to consummate the transactions to be consummated on the Closing Date thereunder (other than satisfaction or waiver of all conditions to the occurrence of the Effective Date hereunder) shall have been satisfied or waived as provided therein;

(b) all indentures, mortgages, security agreements and other agreements and instruments to be delivered under or necessary to effectuate the Plan and consummate the transactions to be consummated at the Closing (as defined in the Acquisition Agreement), including without limitation the NRG New Loan Agreement, the Co-Investment Agreement, the Management Agreement, and the Liquidating Asset Management Agreement shall have been executed and delivered by the Entities that are the parties thereto; and

(c) the Effective Date shall occur on or before March 15, 1996; provided that, if the Effective Date shall not have occurred on or before March 15, 1996 solely because ISRA Approval and/or BPU Approval shall not have been received, the Effective Date shall occur on the earlier of (i) five (5) Business Days after the first date on which both ISRA Approval and BPU Approval shall have been received or (ii) May 15, 1996.

11.3 Waiver of Conditions. The Proponents may waive any condition or any portion of any condition set forth in this Article XI at any time without notice and without leave of or order of the Court.

Article XII: Effects of Confirmation and Effectiveness of Plan

12.1 Discharge of Debtor. Any consideration distributed under the Plan shall be in exchange for and in complete satisfaction, discharge, and release of all Claims or Interests of any nature whatsoever against the Debtor or any of its assets or properties; and, except as otherwise provided herein, upon the Effective Date, the Debtor shall be deemed discharged and released to the fullest extent permitted by section 1141 of the Bankruptcy Code from any and all 'debts' (as that term is defined in Bankruptcy Code section 101(11) and Claims that arise prior to the Effective Date, including but not limited to debts of the kind specified in Bankruptcy Code section 502(g), 502(h), or 502(i), whether or not (a) a proof of Claim based upon such debt is filed or deemed filed under section 501 of the Bankruptcy Code; (b) a Claim based upon such debt is Allowed under section 502 of the Bankruptcy Code; or (c) the holder of a Claim based upon such debt has accepted the Plan. Effective as of the Effective Date, all holders of Claims and Interests shall be precluded from asserting against the Debtor, any of its assets or properties, or any property dealt with under the Plan any other or further Claim based upon any act or omission, transaction, or other activity of

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any kind or nature that occurred prior to the Effective Date, whether or not a proof of claim has been filed, such Claim is Allowed, or the holder of such Claim accepted the Plan.

12.2 Discharge of Liens. Except as otherwise provided in the Plan or in any contract, instrument, release, indenture or other agreement or document created in connection with the Plan, on the Effective Date, all mortgages, deeds of trust, liens or other security interests against the property of the Estate shall be fully released and discharged automatically and without the need for further action, and all of the rights, title and interest of any holder of such mortgages, deeds of trust, liens or other security interests will revert to Reorganized O'Brien and its successors and assigns. Notwithstanding the foregoing, each holder of a Claim in any of Classes 1 through 14 that is to receive full payment of its Claim in Cash on the Effective Date, in exchange for and as a condition to such holder's receiving such payment, shall execute and deliver to Reorganized O'Brien a Uniform Commercial Code termination statement, discharge of tax Lien, or other documents and instruments, all in such form and substance as the Proponents may reasonably require, reasonably necessary to evidence of record the discharge of the Lien or Liens securing such holder's Claim. If any such holder fails to execute and deliver to Reorganized O'Brien any such documents or instruments within 90 days after the tender thereof to such holder, then the effect shall be the same as though such holder's distribution had been tendered and remained unclaimed.

12.3 Injunction. Except as provided in the Plan or Confirmation Order, as of the a Claim or other debt or liability that is discharged or an Interest or other right of the Plan are permanently restrained and enjoined from taking any of the following actions on account of any such discharged Claims, debts or liabilities or terminated Interests or rights: (a) commencing or continuing in any manner any action or other proceeding against the Debtor or its property; (b) enforcing, attaching, collecting or recovering in any manner, any judgment, award, decree or order against the Debtor or its property; (c) creating, perfecting or enforcing any lien or encumbrance against the Debtor or its property; (d) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to the Debtor or its property; and (e) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan. As of the Effective Date, all Entities that have held, currently hold or may hold a Claim, demand, debt, right, cause of action or liability that is released pursuant to this Plan are permanently enjoined from taking any of the following actions on account of such released claims, demands, debts, rights, causes of action or liabilities: (i) commencing or continuing in any manner any action or other proceeding; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any lien or encumbrance; (iv) asserting a setoff, right of

subrogation or recoupment of any kind against any debt, liability or obligation due to any released entity; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan. By accepting distributions pursuant to the Plan, each holder of an Allowed Claim or an Allowed Interest receiving distributions pursuant to the Plan will be deemed to have specifically consented to the injunctions set forth in this Section.

12.4 Exculpations and Limitations of Liability. To the fullest extent permitted under applicable law, the Debtor, NRG, the Equity Committee, the Creditors' Committee, Wexford and their respective directors, officers and employees (provided that, in the case of the Debtor, only the current directors, officers and employees), agents, advisors, attorneys and members and professionals, acting in such capacity, will neither have nor incur any liability to any Entity for any act taken or omitted to be taken in connection with or

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related to the Chapter 11 Case or the formulation, preparation, dissemination, implementation, confirmation or consummation of the Plan, the Disclosure Statement or any contract, instrument, or other agreement or document created or entered into, or any other act taken or omitted to be taken in connection with the Plan or the Chapter 11 Case; provided, however, that the foregoing provisions of this Section 12.4 will have no effect on: (1) the liability of any Entity that would otherwise result from the failure to perform or pay any obligation or liability under the Plan or any contract, instrument, or other agreement or document to be delivered in connection with the Plan; and (2) the liability of any Entity that would otherwise result from any such act or omission to the extent that such act or omission is determined in a Final Order to have constituted gross negligence or willful misconduct.

Article XIII: Retention of Jurisdiction

13.1 Retention of Jurisdiction. Pursuant to sections 1334 and 157 of title 28 of the United States Code, from and after the Confirmation Date, the Court shall retain and have jurisdiction of all matters arising in, arising under, and related to the Chapter 11 Case and the Plan pursuant to, and for the purposes of, sections 105(a) and 1142 of the Bankruptcy Code and for, among other things, the following purposes:

(a) to hear and determine objections to allowance of Claims and Interests and any actions pursuant to Bankruptcy Code sections 510 and 542 through 553;

(b) to hear and determine any and all adversary proceedings, applications or litigated matters pending on the Effective Date or brought after the Effective Date;

(c) to hear and determine any and all applications for substantial contribution and for Professional Fees;

(d) to hear and determine, pursuant to the provisions of section 505 of the Bankruptcy Code, all issues related to the liability of the Debtor for any tax incurred prior to the Effective Date;

(e) to enable Reorganized O'Brien to commence and prosecute any and all proceedings relating to Claims or causes of action which arose prior to the Effective Date or to recover any transfers, assets, properties or damages to which it may be entitled;

(f) to allow or disallow any Disputed Claim;

(g) to enter and implement such orders as may be appropriate in the event confirmation of the Plan is for any reason stayed, reversed, revoked, modified or vacated;

(h) to modify any provision of the Plan to the extent permitted by the Bankruptcy Code and to correct any defect, cure any omission or reconcile any inconsistency in the Plan or the Confirmation Order as may be necessary to carry out the purposes and intent of the Plan;

(i) to hear and determine any dispute arising under the Plan or the Transaction Documents, or concerning the conduct of any parties in interest with respect to the Plan and the Transaction Documents or the conduct of the Chapter 11 Case, its implementation and execution of any necessary documents thereunder; and to

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hear and determine any requests to amend, modify or correct the Plan, provided that such matters are brought to the Court before substantial consummation as defined by Bankruptcy Code section 1101(2), and subject further to the restrictions provided by Bankruptcy Code section 1127(b);

(j) to enforce and implement the terms of the Plan, including the consummation thereof and the making of all payments required thereunder;

(k) to hear and determine any motion to assume, reject, or assign an executory contract or unexpired lease pursuant to Bankruptcy Code section 365;

(l) to enforce all discharge provisions of the Plan and Bankruptcy Code sections 1141 and 524 through appropriate means, including without limitation the granting of injunctive relief; and

(m) to enter such orders as may be necessary or appropriate in furtherance of consummation and implementation of the Plan.

13.2 Failure of Court to Exercise Jurisdiction. If the Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under, or related to the Chapter 11 Case including the matters set forth in Section 13.1 of the Plan, this Article XIII shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

Article XIV: Miscellaneous Provisions

14.1 Compliance With Tax Requirements. In connection with the Plan, Reorganized O'Brien shall comply with all withholding and reporting requirements imposed by federal, state, local and foreign taxing authorities, and all distributions hereunder shall be subject to such withholding and reporting requirements. Creditors may be required to provide certain tax information as a condition to receipt of distributions pursuant to the Plan.

14.2 Post-Confirmation Date Fees and Expenses of Professional Persons. After the Effective Date, Reorganized O'Brien shall, in the ordinary course of business and without the necessity for any approval by the Court, pay the reasonable fees and expenses of persons employed by Reorganized O'Brien related to implementation and consummation of the Plan; provided, however, that no such fees and expenses shall be paid except upon receipt by Reorganized O'Brien of a detailed written invoice.

14.3 Retention of Avoidance Actions. Pursuant to Bankruptcy Code section 1123(b)(3), following the Effective Date the Debtor shall retain all claims or causes of action included in its Estate, including without limitation any avoidance actions under sections 544, 549 and 550 of the Bankruptcy Code.

14.4 Binding Effect. The Plan shall be binding upon and inure to the benefit of the Debtor, the holders of Claims or Interests (whether or not such holders have filed a proof of Claim or Interest or have accepted the Plan), NRG, the Committees and Wexford and their respective successors and assigns; provided, however, that if the Plan is not confirmed, the Plan shall be deemed null and void and nothing contained herein shall be deemed (i) to constitute a

waiver or release of any Claims by the Debtor or any other Entity,

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(ii) to prejudice in any manner the rights of the Debtor or any other Entity, or
(iii) to constitute any admission by the Debtor or any other Entity.

14.5 Governing Law. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and the Bankruptcy Rules) or the Delaware General Corporation Law or the law of the jurisdiction of organization of any entity formed or to be formed pursuant to the Plan, the internal laws of the State of New Jersey shall govern the construction and implementation of the Plan and any agreements, documents, and instruments executed in connection with the Plan or the Chapter 11 Case, except as may otherwise be provided in such agreements, documents, and instruments.

14.6 Amendments and Modifications. The Proponents may, in accordance with section 1127(a) of the Bankruptcy Code, amend or modify the Plan prior to the entry of the Confirmation Order. Any such amendment or modification proposed prior to entry of the Disclosure Statement Order shall not require the consent of the Equity Committee or Wexford; provided, however, that, if any such amendment or modification is made without the consent of the Equity Committee or Wexford, such entity shall be eliminated as a proponent of the Plan. After the entry of the Confirmation Order, the Proponents may, in accordance with section 1127(b) of the Bankruptcy Code, amend or modify the Plan, or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan.

14.7 Revocation. Without limiting the application of Section 14.6 and subject to the obligations of O'Brien and NRG under the Acquisition Agreement and NRG's agreement set forth in a letter dated September 29, 1995 addressed to the Honorable Rosemary Gambardella and counsel to the Debtor (the "Bid Letter"), the Proponents reserve the right to revoke and withdraw the Plan prior to entry of the Confirmation Order. Notwithstanding the foregoing, unless the Proponents, by prior written notice to the Court, shall have waived the effectiveness of this provision, the Proponents shall be deemed to have revoked the Plan if the Effective Date shall not have occurred on or before the date specified in Section 11.2(c). If the Proponents revoke or withdraw the Plan pursuant to this Section 14.7, then the Plan shall be deemed null and void and, in such event, nothing contained herein shall be deemed to constitute a waiver or release of any Claims by or against the Debtor or any Entity in any further proceedings involving the Debtor. Notwithstanding anything to the contrary set forth herein, nothing contained herein shall be construed to modify any provision of the Acquisition Agreement or the Bid Letter or any of NRG's rights and obligations that may be expressly set forth in the Acquisition Agreement or Bid Letter.

14.8 No Modification of Subordination Rights. Notwithstanding any provision contained herein to the contrary, nothing in the Plan shall modify or be deemed to modify any subordination rights in favor of the holders of Senior Debt under the Old Indentures, and any distributions from the Class 15C Cash Payment Fund that, if made to the holders of Old Subordinated Noteholder Claims in accordance with Section 5.13, would violate the subordination provisions of the Old Indentures shall be deemed automatically assigned, and shall be paid by Reorganized O'Brien directly, to the holders of Senior Debt entitled thereto in accordance with the applicable terms of the Old Indentures.

14.9 Severability. Should any provision in the Plan be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any other provisions of the Plan.

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14.10 De Minimis Distributions. No distribution of less than ten dollars (\$10.00) in Cash shall be made to any holder of an Allowed Claim. Such undistributed amount will be the property of and released to Reorganized O'Brien.

14.11 Interpretation and Rules of Construction. Unless otherwise specified, all section, article, schedule and exhibit references in the Plan are to the respective section in, article of, or schedule or exhibit to, the Plan, as the same may be amended, waived, or modified from time to time. The rules of construction contained in section 102 of the Bankruptcy Code shall apply to the construction of the Plan.

14.12 Other Terms. The words 'herein,' 'hereof,' 'hereto,' 'hereunder,' and others of similar import refer to the Plan as a whole and not to any particular section, subsection, or clause contained in the Plan.

14.13 Headings. Headings are used in the Plan for convenience of reference only, and shall not constitute a part of the Plan for any other purpose. Headings shall not limit or otherwise affect the provisions of the Plan.

14.14 Incorporation of Exhibits. Each Schedule and Exhibit to the Plan annexed hereto and each of the Plan Documents are incorporated into and are a part of the Plan as if set forth in full herein.

14.15 Termination of Existence of Committees. The existence of the Equity Committee shall terminate on the Effective Date. The Creditors' Committee shall continue in existence following the Effective Date for the sole and limited purpose of performing its obligations under Section 10.2(b) of the Plan; provided that no expenses or other amounts shall be payable hereunder for services rendered or expenses incurred after the Effective Date, to or for the benefit of the Creditors' Committee or any member thereof other than the Objection Resolution Expenses that are payable pursuant to Section 10.2(b). Upon the Final Resolution Date, the existence of the Creditors' Committee shall terminate.

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Dated at New York, New York, this 31 day of January, 1996.

O'BRIEN ENVIRONMENTAL ENERGY, INC.

By /s/ John B. Kelly

Name: John B. Kelly

NRG ENERGY, INC.

By /s/ Craig A. Mataczynski

Name: Craig A. Mataczynski

OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS
OF O'BRIEN ENVIRONMENTAL ENERGY, INC.

By /s/ Larry Littman

Name: Larry Littman

WEXFORD MANAGEMENT CORP.

By /s/ Spyros S. Skouras, Jr.

Name: Spyros S. Skouras, Jr.

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Attorneys for Wexford Management Corp.

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AMENDED AND RESTATED STOCK PURCHASE
AND REORGANIZATION AGREEMENT

between

NRG ENERGY, INC.

and

O'BRIEN ENVIRONMENTAL ENERGY, INC.

Dated as of January 31, 1996

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AMENDED AND RESTATED STOCK PURCHASE
AND REORGANIZATION AGREEMENT

THIS AMENDED AND RESTATED STOCK PURCHASE AND REORGANIZATION AGREEMENT (this "Agreement"), dated as of January 31, 1996, is by and between NRG ENERGY, INC., a Delaware corporation (the "Purchaser") and, as of the date of its execution of this Agreement, O'BRIEN ENVIRONMENTAL ENERGY, INC., a Delaware corporation, as debtor and debtor in possession (the "Company").

W I T N E S S E T H :

WHEREAS, the Company is the debtor and debtor in possession in Chapter 11 case number 94-26723 (the "Case") pending before the United States Bankruptcy Court for the District of New Jersey (the "Bankruptcy Court");

WHEREAS, subject to the terms and conditions set forth herein, and pursuant to the Composite Fourth Amended and Restated Plan of Reorganization for the Company proposed by the Company, the Purchaser, Wexford and the Equity Committee (as each such term is defined below) dated January 31, 1996 (as confirmed by the Bankruptcy Court, the "Plan"), the Purchaser desires that it or its designee purchase (i) 41.86% of the issued and outstanding capital stock of the Company, as reorganized under the Plan on the Effective Date thereof (the Company as so reorganized, the "Reorganized Company") and (ii) all of the capital stock of each of the Acquired Subsidiaries (as defined below) (the acquisition of such stock of the Reorganized Company and the Acquired Subsidiaries is hereinafter referred to as the "Acquisition");

WHEREAS, pursuant to the Bidding Procedures Order (as defined below), the Bankruptcy Court determined at the Confirmation Hearing (as defined below) that the Plan-based Bid (as defined by the Bidding Procedures Order) represented by the Stock Purchase and Reorganization Agreement dated as of September 29, 1995, as executed by the Purchaser and filed with the Bankruptcy Court on November 17, 1995 (the "Existing Acquisition Agreement"), and as modified during the course of the Confirmation Hearing and enhanced as a result of the bidding process that took place at the conclusion of the Confirmation Hearing (the "NRG Enhanced Bid"), was the winning Competing Bid (as defined in the Bidding Procedures Order) and that the Purchaser therefore is the Successful Competing Bidder (as defined in the Bidding Procedures Order);

WHEREAS, the Purchaser and the Company desire to amend and restate the Existing Acquisition Agreement to reflect the terms of the NRG Enhanced Bid and certain amendments made to the Plan after November 17, 1995 and embodied in the Plan, as confirmed by the Bankruptcy Court.

NOW, THEREFORE, in consideration of the premises and the mutual covenants, agreements, representations and warranties herein contained, and subject to the conditions hereinafter set forth, and for the purpose of prescribing the terms and conditions of the Acquisition, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1 Certain Defined Terms. As used herein, each of the following terms shall have the meanings ascribed thereto below:

"Acquired Subsidiaries" shall mean (i) O'Brien Biogas Inc. I (SKB); (ii) O'Brien Biogas Inc. VI; (iii) O'Brien Biogas (Mazzaro) Inc.; (iv) O'Brien Biogas (Corona) Inc.; (v) O'Brien Biogas Inc. IV; (vi) O'Brien Biogas (Hackensack) Inc.; (vii) O'Brien Cogen Inc. II (Artesia); (viii) O'Brien Standby Power Energy, Inc.; (ix) O'Brien Biogas Inc. III (Atochem); and (x) O'Brien Biogas Inc. VII.

"Acquisition" shall have the meaning set forth in the Recitals to this Agreement.

"Action" shall mean any claim, action, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority.

"Additional NRG Equity Contribution" means the following amount (if any), which the Purchaser shall pay as part of the Cash Purchase Price: (i) the amount, if any, by which (A) the sum of the Reserved Administrative and Cure Claims Cash Amount, the aggregate amount of payments to be made on the Effective Date to holders of Allowed Secured Claims receiving the Cash Payoff Treatment under the Plan, the amount of the O'Brien Parlin Reserve Contribution, the amount of the O'Brien Parlin Paydown Contribution, the amount of the NRG New Loan Expenses, the Retained Working Capital Amount, the General Unsecured Claims Cash Payment, the Class 15 Supplemental Payment, the Wexford-Related Class 15 Supplemental Payment and the Equityholders Cash Payment exceeds (B) the sum of the Cash Purchase Price (prior to giving effect to clause (iii) of Section 2.2(a) and to any Administrative Shortfall Loan made on the Effective Date pursuant to Section 10.8(b) of the Plan) and any other available cash held by the Company immediately prior to the Closing (including without limitation any amounts theretofore received in respect of any Designated Receivable), reduced by (ii) the Substantially Impaired Assets Adjustment Amount (if any) and, if applicable, the \$4,000,000 adjustment provided for in Section 2.8.

"Administrative Shortfall Loan" shall have the meaning ascribed to such term in the Plan.

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"Affiliate" shall mean, with respect to any Person, any other Person controlling, controlled by, or under common control with such Person. For purposes of this definition, "control" shall mean the power to direct, or cause the direction of, the management or policies of any Person, whether through ownership of securities, by contract or otherwise.

"Agreement" shall mean this Agreement, the Exhibits and all Schedules hereto.

"Allocable Debt Percentage" shall mean 35%. This percentage is calculated as follows:

$$\begin{array}{r} \$45,000,000 \\ \hline \$45,000,000 + (\$35,761,000 / 41.86\%) \end{array} = 35\%$$

where,

\$45,000,000 = the initial principal amount of the NRG New Loan.

\$35,761,000 = the Cash Equity Contribution (prior to giving effect to certain potential adjustments thereto).

41.86% = percentage of equity being purchased by the Purchaser.

"Allocable Equity Percentage" shall mean 27%. This percentage is calculated as follows:

$$\frac{(\$35,761,000 / 41.86\%)}{\$45,000,000 + (\$35,761,000 / 41.86\%)} \times 41.86\% = 27\%$$

with the values used to calculate the Allocable Equity Percentage being derived as set forth above in the definition of Allocable Debt Percentage.

"Allowed Secured Claims" shall have the meaning ascribed to such term in the Plan.

"Assets" shall mean any and all assets owned by the Company or any Designated Subsidiary or in which the Company or such Designated Subsidiary has rights or privileges, and used by the Company or such Designated Subsidiary in its Business, of every type and description, real, personal and mixed, tangible or intangible, choate or inchoate, known or unknown, fixed or unfixed, accrued, absolute, contingent or otherwise, and whether or not specifically referred to in this Agreement.

"Assumed Contracts" shall have the meaning set forth in Section 3.20.

"Ballot and Solicitation Order" shall mean the Agreed Order Approving Voting and Balloting Procedures entered by the Bankruptcy Court on November 17, 1995,

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approving the procedures for the solicitation of acceptances and rejections of the Plan and the form of ballots related thereto.

"Bankruptcy Code" shall mean title 11 of the United States Code, 101, et seq., as amended and in effect on the Petition Date.

"Bankruptcy Court" shall mean the United States Bankruptcy Court for the District of New Jersey or any court of competent jurisdiction then presiding over the Case.

"Bar Date Order" shall mean the order of the Bankruptcy Court entered on December 14, 1995, setting December 29, 1995 as a bar date for the filing of certain administrative expense claims under Bankruptcy Code Section 503(b) against the Company.

"Bankruptcy Rules" shall mean the Federal Rules of Bankruptcy Procedure, as amended.

"Benefit Plan" shall mean any (i) pension, profit sharing, retirement, bonus, deferred compensation, stock purchase, stock option, vacation pay, retirement or severance pay plan or program, and (ii) medical, dental, disability or other such plan or program, whether for existing or former employees which is established, maintained or contributed to (or required to be contributed to) by the Company, any Designated Subsidiary or any ERISA Affiliate.

"Bidding Procedures Order" means the Order (1) Establishing and Approving Bidding Procedures, (2) Setting Sale/Confirmation Hearing (A) to Consider Higher and Better Offers, if any, (B) to Approve (i) Sale of Assets (ii) Assumption and Assignment, as well as Rejection, of Certain Executory Contracts, and (iii) Establishment of Cure Amounts, if any, and Adequate Assurance Terms, and (C) for Plan Confirmation, and (3) Setting Dates for, inter alia, filing of Competing Bids and Plans and Objections entered by the Bankruptcy Court on August 30, 1995.

"Books and Records" shall mean all books and records (or true and complete copies thereof), including all computerized books and records, including, without limitation, all such books and records relating to the purchase or sale of power, materials, supplies and services or dealings with customers.

"BPU Approval" means the approval by the New Jersey Board of Public Utilities of the amended power purchase agreements to be between Jersey Central Power & Light Company and, respectively, Newark Cogen and Parlin Cogen, as the form of such agreements may be modified as a condition to such approval with the Purchaser's consent, which shall not be unreasonably withheld or delayed.

"Business" shall mean, with respect to the Company or any Designated Subsidiary, the business and operations currently conducted by such Person.

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"Business Day" shall mean any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of New York or is a day on which banking institutions located in such state are authorized or required by Law or other government action to close.

"Case" shall have the meaning set forth in the Recitals to this Agreement.

"Cash Equity Contribution" shall mean that portion of the Cash Purchase Price funded by a cash payment by the Purchaser in respect of Purchased Shares in the amount of \$35,761,000, subject to adjustment as provided in Sections 2.4 and 2.5 and increased by the amount, if any, of the Additional NRG Equity Contribution.

"Cash Payoff Treatment" shall have the meaning ascribed to such term in the Plan.

"Cash Purchase Price" shall have the meaning set forth in Section 2.2(a).

"Claimants" shall mean the holders of claims against, or equity interests in, the Company.

"Class 15 Supplemental Payment" shall have the meaning ascribed to such term in the Plan.

"Closing" shall have the meaning set forth in Section 2.6.

"Closing Date" shall have the meaning set forth in Section 2.6.

"Closing Period" shall mean the period between September 29, 1995 and the Closing Date.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Co-Investment Agreement" shall mean the Co-Investment Agreement substantially in the form of Exhibit A.

"Committees" shall mean the statutory committees in the Case appointed pursuant to Section 1102 of the Bankruptcy Code.

"Company" shall have the meaning set forth in the preamble to this Agreement.

"Confidentiality Agreement" shall mean the confidentiality agreement between the Purchaser and the Company dated March 8, 1995.

"Confirmation Date" shall mean the date on which the Confirmation Order was entered.

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"Confirmation Hearing" shall mean the "Sale/Confirmation Hearing" as defined in the Bidding Procedures Order, which was conducted by the Bankruptcy Court on January 3, 4, 5, 10, 11, 17 and 18, 1996.

"Confirmation Order" shall have the meaning ascribed to such term in the Plan.

"Contracts" shall mean all contracts, agreements, indentures, notes, bonds, loans, instruments, leases, sub-leases, deeds of trust, conditional sales contracts, mortgages, franchises, licenses, commitments or other binding arrangements, express or implied, currently in effect.

"Creditors" shall mean any Person that holds a claim against the Company (i) that arose at the time of or before the commencement of the Case or (ii) of a kind specified in Section 502(g), 502(h) or 502(i) of the Bankruptcy Code.

"Designated Obligations" shall have the meaning set forth in Section 4.9.

"Designated Receivable" shall have the meaning ascribed to such term in the Plan.

"Designated Subsidiary" shall mean each of Newark Cogen, Parlin Cogen and OES.

"DIP Loan" shall have the meaning set forth in Section 3.8.

"DIP Loan Agreement" shall mean the Chapter 11 Financing Agreement between the Company and the Purchaser, in the form attached hereto as Exhibit B.

"DIP Loan Amendment" shall have the meaning set forth in Section 3.8.

"DIP Loan Outstanding Amount" shall have the meaning ascribed to such term in the Plan.

"Disclosure Statement" shall mean the Disclosure Statement, including all supplements thereto, relating to, inter alia, the Plan filed with the Bankruptcy Court pursuant to Section 1125 of the Bankruptcy Code.

"Disclosure Statement Notice Order" shall mean the order of the Bankruptcy Court, establishing the procedure and method of providing notice of the hearing to approve the Disclosure Statement pursuant to Section 1125 of the Bankruptcy Code.

"Disclosure Statement Order" shall mean the order of the Bankruptcy Court entered on November 17, 1995, approving the Disclosure Statement pursuant to Section 1125 of the Bankruptcy Code and establishing the procedure and method of providing notice of the hearing on confirmation of the Plan.

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"Dollars" and "\$" shall mean lawful currency of the United States of America.

"Edgeboro" shall mean the project commonly referred to as Edgeboro.

"Effective Date" shall have the meaning ascribed to such term in the Plan.

"Element" shall have the meaning set forth in Section 3.10(b).

"Encumbrance" shall mean any mortgage, leasehold interest, right of way, or encumbrance of any nature whatsoever.

"Environment" shall mean any indoor or outdoor ambient air, surface water, ground water, drinking water, building surface, material surface, land surface or subsurface strata.

"Environmental Investigation" shall have the meaning set forth in Section 3.11(a).

"Environmental Laws" shall mean any United States federal, state or municipal law (including common law), statute, ordinance, regulation, order, decree, judgment, decision, ruling, permit or authorization (each as may be in effect from time to time) relating or applicable to pollution or protection of human health or the Environment, including, without limitation, any of the foregoing relating or applicable to emissions, discharges, spills, Releases or threatened Releases of any Material of Environmental Concern into the Environment, or human or natural resource exposure to any Material of Environmental Concern, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of any Material of Environmental Concern.

"Environmental Liabilities" shall mean any liability or obligation, including, without limitation, liability for investigatory costs, oversight costs, remediation and cleanup costs, governmental or private response costs and cost recovery actions, natural resource damages, property damages, personal injuries, consequential economic damages, administrative, civil or criminal penalties or forfeitures, and attorneys' fees or other costs of defending an Action asserting liability under any Environmental Law.

"Environmental Notice" shall have the meaning set forth in Section 3.11(c).

"Environmental Report" shall have the meaning set forth in Section 3.11(b).

"Environmental Termination Notice" shall have the meaning set forth in Section 3.11(e).

"Equipment Held for Sale" shall mean any item of energy equipment, consisting mainly of gas and steam turbines, owned by the Company after the Effective Date and not utilized in a project operated by a Subsidiary, including, to the extent applicable, the energy equipment described in the appraisal dated July 14, 1995 delivered to the Company by

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Belyea Company Incorporated, and in the Appraisal dated June 13, 1995 delivered to the Company by Arthur Andersen & Co., SC.

"Equity Committee" shall mean the Official Committee of Equity Security Holders of the Company appointed in the Case.

"Equityholders Cash Payment" shall have the meaning ascribed to such term in the Plan.

"Equity Interest" shall mean any capital stock, equity security or other direct or indirect equity or ownership interest, or any option, warrant, right or security exercisable for or convertible into, any equity security or any direct or indirect equity or ownership interest.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean any Person with which the Company or any Designated Subsidiary would be treated as a single employer under ERISA Section 4001(b)(1) or the regulations thereunder.

"Estimated Environmental Compliance Cost" shall have the meaning set forth in Section 3.11(b).

"Existing Acquisition Agreement" shall have the meaning set forth in the Recitals to this Agreement.

"Existing Debentures" shall mean the following debentures of the Company:
(i) the 7-3/4% Convertible Senior Subordinated Debentures due in March, 2002,
(ii) the 11% Convertible Senior Subordinated Debentures due in March, 2010 and
(iii) the 11% Convertible Senior Subordinated Debentures due in March, 2011.

"Existing Shares" shall have the meaning set forth in Section 4.3(a).

"Final Environmental Compliance Cost" shall have the meaning set forth in Section 3.11(d).

"GAAP" shall mean generally accepted accounting principles in effect in the United States, consistently applied.

"General Unsecured Claims Cash Payment" shall have the meaning ascribed to such term in the Plan.

"Government Consents" means the notification requirements of the HSR Act, the filing requirements of ISRA and the BPU Approval.

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"Governmental Authority" shall mean any domestic or foreign federal, state or local court, agency, department, legislative body, commission, board or other administrative or governmental body.

"Grays Ferry" shall mean the project commonly referred to as Grays Ferry.

"Grays Ferry Partnership Agreement" shall mean the Partnership Agreement, dated as of October 29, 1991, between O'Brien (Schuylkill) Cogeneration, Inc. and Adwin Equipment Company, as amended by a First Amendment dated as of September 17, 1993 and a Second Amendment dated as of September 27, 1994.

"Holdback Escrow Account" shall have the meaning set forth in Section 3.12.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Intellectual Property Rights" shall mean, collectively, any and all patents, trademarks, service marks, copyrights, trade names, know how, technical information and data, trade secrets and other proprietary information or intellectual property rights.

"IRS" shall mean the Internal Revenue Service.

"ISRA" shall have the meaning set forth in Section 3.10.

"ISRA Approval" shall have the meaning set forth in Section 3.10(b).

"Knowledge" and "knowledge", with respect to (i) the Company, shall mean the actual knowledge of Sanders D. Newman, Esq., an Assistant Secretary and Director of the Company and (ii) the Purchaser, shall mean the actual knowledge of Craig A. Mataczynski, a Vice-President of the Purchaser, in either case without any obligation of due inquiry or any other investigation of any kind whatsoever.

"Law" shall mean any statute, law, rule, regulation, ordinance, order, decree, action, restriction, requirement or policy of any Governmental Authority.

"Liability" shall mean any debt, liability and obligation, whether accrued, contingent, disputed, undisputed, secured, unsecured, liquidated, unliquidated, matured or unmatured, including, without limitation, (a) those (i) arising under any Law or Order; (ii) in connection with any Benefit Plan; or (iii) arising under any Contracts; and (b) all environmental Liabilities.

"Lien" shall mean any lien, claim, Encumbrance, security interest, option, charge, restriction or right of any third party of any kind.

"Liquidating Asset Management Agreement" shall mean the Liquidating Asset Management Agreement between the Company and Wexford, substantially in the form of

Exhibit C; provided that the fees payable under the Liquidating Asset Management Agreement shall be modified if and to the extent necessary for such fees to be determined by the Court to be reasonable pursuant to Bankruptcy Code Section 1129(a)(4).

"Liquidating Assets" shall mean all of the Company's right, title and interest in and to (i) all of the outstanding common stock of Philadelphia Cogen and any management contracts relating to the Philadelphia Water Department Project to which the Company or any Affiliate thereto (other than Philadelphia Cogen) is a party; (ii) all of the equity interest in Philadelphia Biogas Supply, Inc., OES, Puma Power Plant, Ltd. and American Hydrotherm Corp.; and (iii) the Equipment Held for Sale.

"Management Agreement" shall mean the management agreement between the Company and the Purchaser substantially in the form of Exhibit D.

"Material Adverse Effect" shall mean any condition, change or event that, individually or in the aggregate, would materially and adversely affect the business, operations, properties, financial condition or prospects of the Company and its Subsidiaries taken as a whole.

"Material of Environmental Concern" shall mean any chemical and/or its derivatives, pollutant, contaminant, hazardous waste, toxic substance, hazardous substance, hazardous material or Petroleum Product.

"Newark Cogen" means O'Brien (Newark) Cogeneration, Inc.

"Newark Cogen Refinancing Proceeds" means the proceeds, net of closing costs and expenses and repayment of the existing debt being refinanced, realized from a Newark Project Refinancing.

"Newark Loan Proceeds" shall mean \$24,000,000, representing the sum of the Newark Cogen Refinancing Proceeds and the proceeds of the NRG Newark Cogen Loan.

"Newark Project" shall mean the gas-fired Newark Cogeneration Facility currently owned by Newark Cogen.

"Newark Project Refinancing" shall mean a refinancing of the debt that is secured by a mortgage on the Newark Project.

"New By-laws" shall mean the new by-laws of the Reorganized Company, to take effect on the Closing Date substantially in the form of Exhibit E.

"New Certificate of Incorporation" shall mean the amended and restated certificate of incorporation of the Reorganized Company to take effect on the Closing Date, substantially in the form of Exhibit F.

"New Common Stock" shall mean the Common Stock, par value \$.01 per share, of the Reorganized Company to be issued in accordance with the New Certificate of Incorporation and the Plan.

"New Directors" shall mean the members of the Board of Directors of the Reorganized Company, whose term shall commence as of the Closing Date and who shall be designated pursuant to the Plan.

"NJDEP" shall have the meaning set forth in Section 3.10(b).

"NRG Enhanced Bid" shall have the meaning set forth in the Recitals to this Agreement.

"NRG Mandatory Supplemental Loan" shall have the meaning set forth in the Plan.

"NRG New Loan" shall mean the loan in an initial principal amount equal to the NRG New Loan Initial Principal Amount to be made by the Purchaser to the Reorganized Company under the NRG New Loan Agreement.

"NRG New Loan Agreement" shall mean the loan agreement providing for the NRG New Loan substantially in the form filed with the Bankruptcy Court on January 2, 1996.

"NRG New Loan Expenses" shall mean the reasonable out-of-pocket costs and expenses of up to \$100,000 incurred by the Purchaser in connection with the NRG New Loan and referred to in Section 9.05 of the NRG New Loan Agreement.

"NRG New Loan Initial Principal Amount" means that principal amount of the NRG New Loan equal to \$45,000,000, subject to possible reduction to the extent the principal amount of the NRG New Loan is to be reduced as provided in Section 2.4.

"NRG New Loan Proceeds" means the proceeds realized by the Reorganized Company from the NRG New Loan, net of the NRG New Loan Expenses of up to \$100,000.

"NRG Newark Cogen Loan" shall mean a loan that will be made by the Purchaser to the Company, on the Closing Date, pursuant to the NRG Newark Cogen Loan Documentation in an amount equal to the amount, if any, by which \$24,000,000 exceeds the Newark Cogen Refinancing Proceeds, which loan will be secured by a Lien on all payments received or receivable by the Company from Newark Cogen, whether by dividend, pursuant to any management agreement between the Company and Newark Cogen, or otherwise, if and to the extent not prohibited by any loan or other financing agreement to which Newark Cogen or any of its Affiliates now or hereafter is a party.

"NRG Newark Cogen Loan Documentation" means the loan agreement, security agreement and other loan documentation relating to the NRG Newark Cogen Loan, substantially in the form filed with the Bankruptcy Court on January 2, 1996.

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"O'Brien Parlin Paydown Contribution" shall have the meaning ascribed to such term in the Plan.

"O'Brien Parlin Reserve Contribution" shall have the meaning ascribed to such term in the Plan.

"OES" shall mean O'Brien Environmental Services Company, a Delaware corporation.

"Order" shall mean any order, writ, judgment, injunction, decree, determination or award of a Governmental Authority.

"Organizational Documents" shall mean the certificate of incorporation, articles of association, partnership agreement, by-laws and other organizational documents of the Company and any Designated Subsidiary.

"Outside Date" shall have the meaning set forth in Section 7.2(g).

"Parlin Cogen" shall mean O'Brien (Parlin) Cogeneration, Inc.

"Permits" shall mean all permits, licenses, certificates, franchises and other authorizations, consents and approvals of any Governmental Authority.

"Permitted Liens" shall mean (i) Liens against property of the Company that are specifically identified and treated under the Plan, (ii) Liens that secure any Designated Obligation, and (iii) any other Lien disclosed to the Purchaser prior to the date hereof.

"Person" shall mean any natural person, corporation, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, governmental or regulatory body or other entity.

"Petition Date" means September 28, 1994, the date on which the Company commenced the Case in the Bankruptcy Court.

"Petroleum Products" shall mean petroleum, gasoline, oil, fuel oil, diesel fuel and petroleum solvents or derivatives.

"Philadelphia Cogen" means O'Brien (Philadelphia) Cogeneration, Inc., a Delaware corporation.

"Philadelphia Water Department Project" shall mean the cogeneration and standby electric generating facility currently owned by Philadelphia Cogen.

"Plan" shall have the meaning set forth in the Recitals to this Agreement.

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"Preliminary NOL-Related Injunction" means the Order Granting Preliminary Injunction Enjoining Certain Transfers of O'Brien Common Stock, entered by the Bankruptcy Court in the Case on October 27, 1995.

"Purchased Company Shares" shall mean the shares of New Common Stock to be acquired by the Purchaser pursuant to this Agreement and the Plan.

"Purchased Shares" shall have the meaning set forth in Section 2.1.

"Purchased Subsidiary Shares" shall mean all of the issued and outstanding capital stock of each of the Acquired Subsidiaries owned by the Company or any of the Subsidiaries.

"Purchaser" shall have the meaning set forth in the Preamble to this Agreement.

"Real Property" shall mean all real property and interests in real property, including, without limitation, buildings, structures and improvements (including construction in progress) located thereon, fixtures contained therein and appurtenances thereto.

"Rejected Contracts" shall have the meaning set forth in Section 3.20.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, placing, discharging, injecting, escaping, dumping or disposing into the Environment, whether intentional or unintentional.

"Remediation Agreement" shall have the meaning set forth in Section 3.10(b).

"Remediation Escrow Funds" shall have the meaning set forth in Section 3.11(e).

"Reorganized Company" shall have the meaning set forth in the Recitals to this Agreement.

"Representatives" shall mean with respect to either party, the directors, officers and employees of such party or its subsidiaries and its accountants, legal counsel, financial advisors, technical advisors and other such agents or representatives.

"Reserved Administrative and Cure Claims Cash Amount" shall have the meaning ascribed to such term in the Plan.

"Retained Working Capital Amount" shall have the meaning ascribed to such term in the Plan.

"SEC" shall mean the Securities and Exchange Commission.

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"Section 2.4 Expert" shall have the meaning specified in Section 2.4(b)(i)

"Section 2.4(a) Notice" shall have the meaning set forth in Section 2.4(a).

"Subsidiaries" shall mean each of the corporations and partnerships listed in Schedule 4.8.

"Subsidiary Equity Interests" shall mean any Equity Interests in any Subsidiary held directly by the Company or any Designated Subsidiary.

"Substantial Impairment" shall have the meaning set forth in Section 2.4(a).

"Substantially Impaired Assets Adjustment Amount" shall have the meaning set forth in Section 2.4(a).

"Substantially Impaired Assets" shall have the meaning set forth in Section 2.4(a).

"Termination Date" shall have the meaning set forth in Section 7.2.

"Termination Expenses" shall mean the documented out-of-pocket costs and expenses (including without limitation attorneys', financial advisors', accountants, engineers' and other consultants' fees) incurred by the Purchaser and its Affiliates in connection with (a) the preparation, negotiation and execution of letters of intent, this Agreement, the Plan and other Transaction Documents, (b) the investigation of the business and operations of the Company and other due diligence efforts of the Purchaser and its Affiliates and their professionals and advisors in connection with the Transactions and (c) the pursuit of the Transactions, including obtaining confirmation of the Plan; provided that in no event shall the Termination Expenses exceed an amount equal to (y) \$1,000,000 plus (z) \$250,000 for each thirty calendar day period (as may be pro-rated on per diem basis for any partial periods) after August 15, 1995, subject to a carry forward to any subsequent period to the extent the amount in any such period is less than \$250,000.

"Termination Fee" means \$2,000,000.

"Transaction Documents" shall mean the contracts, agreements, documents and instruments contemplated to be entered into by the terms of this Agreement and the Plan.

"Transactions" shall mean the Acquisition and related transactions contemplated hereby and under the Transaction Documents.

"UGST" shall have the meaning set forth in Section 3.10(b).

"Wexford" shall mean Wexford Management Corp., a Delaware corporation.

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"Wexford-Related Class 15 Payment" shall have the meaning ascribed to such term in the Plan.

"Woodward Clyde" shall have the meaning set forth in Section 3.11(a).

SECTION 1.2 Other Terms. Other terms may be defined elsewhere in the text of this Agreement and shall have the meaning indicated throughout this Agreement.

SECTION 1.3 Other Definitional Provisions.

(a) The words "hereof", "hereto", "herein", and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement. References herein to Sections, Exhibits and Schedules shall be construed as references to Sections, Exhibits and Schedules of this Agreement unless the context otherwise

requires.

(b) The terms defined in the singular shall have a comparable meaning when used in the plural, and vice versa.

ARTICLE II

THE ACQUISITION

SECTION 2.1 Issuance and Purchase of Shares. On the terms and subject to the conditions of this Agreement and in consideration of the payment by the Purchaser of the Cash Purchase Price, payable as set forth in Section 2.2, on the Closing Date, the Reorganized Company shall issue or sell to the Purchaser or its designee, as relevant, and the Purchaser or its designee shall purchase from the Reorganized Company, (i) the Purchased Company Shares; and (ii) the Purchased Subsidiary Shares (collectively, the "Purchased Shares"). At the Closing (i) the Purchased Company Shares shall constitute 41.86% of the issued and outstanding shares of New Common Stock, and (ii) the Purchased Subsidiary Shares shall constitute 100% of the issued and outstanding shares of capital stock of the Acquired Subsidiaries .

SECTION 2.2 Consideration.

(a) On the Closing Date, the Purchaser shall pay or cause to be paid to the Company for distribution to the Claimants in accordance herewith and with the Plan and the Confirmation Order, \$104,761,000, (i) reduced by the NRG New Loan Expenses of up to \$100,000, (ii) increased or reduced, as applicable, by the adjustments to the Cash Equity Contribution provided for in Sections 2.4, 2.5 and 2.8, (iii) increased by the amount of any Additional NRG Equity Contribution, and (iv) increased by the aggregate amount of any NRG Mandatory Supplemental Loan; provided that the NRG Mandatory Supplemental Loan shall be deferred until after the Effective Date as and to the extent provided in Section 10.8(b) of the Plan (the "Cash Purchase Price").

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(b) The Cash Purchase Price shall be paid by the wire transfer of immediately available funds to a bank account designated in writing by the Company, reduced by the Holdback Escrow Amount, if any, and by the amount of any then outstanding DIP Loan that the Purchaser elects, pursuant to Section 3.8, to offset against the Cash Purchase Price, subject to the terms of the DIP Loan Agreement and the Plan.

SECTION 2.3 [RESERVED]

SECTION 2.4 Substantially Impaired Assets.

(a) Adjustment. In the event that during the period from January 18, 1996 through the Closing, there shall have been a material adverse change in the Assets or Business of Parlin Cogen or Philadelphia Cogen (other than a material adverse change arising from any fact, condition or circumstance that (I) existed any time prior to January 18, 1996, (II) (A) was or (B) could have been or should have been discovered by the Purchaser (or any of its Representatives) any time prior to January 18, 1996, assuming in the case of clause (B) a discovery or due diligence process conducted in a reasonable manner and scope taking into account the condition, size, quantity, quality, type, value and status of the relevant Asset or Business, and (III) if so discovered by the Purchaser (or any of their respective Representatives) should have indicated to the Purchaser that a Substantial Impairment arising from such fact, condition or circumstance was reasonably likely to occur during the period from January 18, 1996 through the Closing) such that the Business of Parlin Cogen or Philadelphia Cogen cannot be conducted after the Closing Date in substantially the same manner as it was conducted as of January 18, 1996 ("Substantial Impairment"), then the Purchaser may elect to reduce the Cash Purchase Price by an amount (the "Substantially Impaired Assets Adjustment Amount") equal to, in the case of the Cash Equity Contribution, the Allocable Equity Percentage, and in the case of the aggregate principal amount of the NRG New Loan, the

Allocable Debt Percentage, of the fair market value of (y) all the Assets and Business of Parlin Cogen as of January 18, 1996 (if there has been Substantial Impairment to the Assets or Business of Parlin Cogen) or (z) the issued and outstanding capital stock of Philadelphia Cogen as of January 18, 1996 (if there has been Substantial Impairment to Philadelphia Cogen) (such Assets, Business or capital stock in the case of any such event being referred to herein respectively as "Substantially Impaired Assets"), as the case may be, as mutually determined by the Purchaser and the Company.

By written notice from the Purchaser to the Company delivered at least five (5) calendar days prior to the Closing (a "Section 2.4(a) Notice") the Purchaser shall notify the Company of the Substantially Impaired Assets Adjustment Amount, if any, attributable to the period from and including January 18, 1996 through the Closing Date.

(b) Dispute Resolution. If the Company and the Purchaser (or their respective Representatives) are unable to resolve any disagreement with respect to the Substantially Impaired Assets Adjustment Amount within five (5) calendar days following receipt by the Company of the Section 2.4(a) Notice then:

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(i) the matter(s) in dispute will be immediately referred to an independent third party valuation expert qualified to value the matter(s) in dispute (a "Section 2.4 Expert") (A) selected by the Company and the Purchaser mutually within five (5) calendar days following receipt by the Company of the Section 2.4(a) Notice or (B) if the Company and the Purchaser are unable to mutually select a Section 2.4 Expert within five (5) calendar days following receipt by the Company of the Section 2.4(a) Notice, designated by the Bankruptcy Court, which designation and valuation shall be final and binding on the parties, without right of appeal or other review; and

(ii) subject to the terms and conditions of this Agreement, the parties shall effect the Closing of the Transactions (notwithstanding such dispute and referral to the Section 2.4 Expert); provided that the Company shall receive from the Purchaser but place in an escrow account established by Order of the Bankruptcy Court at the Closing an amount equal to a good faith estimate of the disputed portion of the Substantially Impaired Assets Adjustment Amount as reasonably determined by the Purchaser; provided, further, that the Company shall have the obligation to place in the escrow account the respective amounts and types of Consideration described above only if the Purchaser delivers to the Company a report that sets forth in reasonable detail the basis for its estimate of the Substantially Impaired Assets Adjustment Amount.

SECTION 2.5 Edgeboro and Grays Ferry Development and Acquired Subsidiaries Cost Adjustment.

(a) In the event the Company makes capital contributions or incurs any development costs in connection with Edgeboro or Grays Ferry using funds provided to the Company under the DIP Loan Agreement, then the Cash Equity Contribution shall be increased by an amount equal to the sum of (i) the aggregate amount of such funds used to make capital contributions or to pay development costs in connection with Edgeboro, plus (ii) 41.86% of the aggregate amount of such funds used to make capital contributions or to pay development costs in connection with Grays Ferry, plus (iii) any interest accrued on the amounts specified in the foregoing clauses (i) and (ii) pursuant to the DIP Loan Agreement.

(b) In the event that from November 2, 1995 through the Closing Date the Company makes capital contributions or incurs any testing, equipment acquisition or other costs in connection with its obligations pursuant to Section 3.19 of this Agreement, regarding the preservation of tax credits relating to biogas projects, using funds provided to the Company under the DIP Loan Agreement, then the Cash Equity Contribution shall be increased by an amount equal to the lesser of (i) \$300,000 or (ii) the amount of such funds used to make such capital contributions or pay such testing, equipment acquisition or other costs.

SECTION 2.6 The Closing. The closing of the Acquisition (the "Closing") will take place at the offices of the Purchaser's counsel, Gibson, Dunn & Crutcher, 200 Park Avenue, New York, New York 10166, at 10:00 a.m. New York City time on a date

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designated by the Purchaser which is not later than ten (10) Business Days following the date on which all of the conditions set forth in Article VI have been satisfied or waived by the Purchaser, in the case of the conditions specified in Section 6.1, or by the Company, in the case of the conditions specified in Section 6.2; provided that, if the last condition set forth in Article VI to be satisfied is the condition in Section 6.1(b), and such condition is not satisfied until on or after February 15, 1996, such date so designated by the Purchaser shall not be later than five (5) Business Days following the date on which all such conditions have been satisfied or so waived. The date on which the Closing actually occurs shall be referred to herein as the "Closing Date."

SECTION 2.7 Closing Deliveries. At the Closing, subject to the satisfaction of the terms and conditions set forth herein, (i) the Purchaser will pay or cause to be paid or made available the Cash Purchase Price in the manner set forth in Section 2.2 and the Plan and deliver to the Company the other documents specified in Section 6.2, (ii) the Company shall deliver to the Purchaser (a) stock certificates representing the Purchased Shares registered in the name of the Purchaser or its designee and (b) the other documents specified in Section 6.1 and (iii) the other Transactions to be consummated on the Closing hereunder and on the Effective Date of the Plan shall be consummated.

SECTION 2.8 NOL Adjustment. If any of the "five percent" shareholders (as such term is used in Section 382 of the Code, but determined on the basis of the Class A stock and the Class B stock having an equal per share value) of the Company have, directly or indirectly, increased their ownership of the stock of the Company resulting in an increase by more than 50 percentage points in the aggregate (within the meaning of Section 382(g) of the Code, calculated on the basis of the Class A stock and the Class B stock having an equal per share value) at any time during the three-year period preceding the date of the Confirmation Hearing, then the Cash Purchase Price shall be reduced by \$4,000,000 (such reduction to be effected through a reduction in the amount of the Cash Equity Contribution). If the Preliminary NOL-Related Injunction remains in effect continuously until the Closing Date, no reduction in the Cash Purchase Price shall be made pursuant to this Section 2.8.

ARTICLE III

ADDITIONAL AGREEMENTS AND COVENANTS

SECTION 3.1 Access to Information.

(a) During the Closing Period, during reasonable business hours and upon reasonable notice, the Company shall make available to the Purchaser and its Representatives the Company's Books and Records. The Purchaser shall be entitled, through its Representatives, to make such investigation of the Business of the Company and the Subsidiaries as the Purchaser wishes; provided, that such investigation by the Purchaser shall not diminish, obviate or qualify in any respect any of the representations, warranties, covenants or agreements of the Company under this Agreement. Notwithstanding anything in

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this Section 3.4 to the contrary, the Company shall not be required to provide any Books or Records to the extent the disclosure of such Books and Records would compromise any attorney-client privilege between the Company and its counsel.

(b) During the Closing Period, the Company shall cooperate with the Purchaser and the Purchaser shall cooperate with the Company in the development and distribution of all news releases and other public information disclosures with respect to the Transactions, and neither the Company nor the Purchaser shall make any such disclosures without the consent of the other party (which consent shall not be unreasonably withheld); provided that nothing contained herein shall prevent the Company or the Purchaser from disclosing or making a public filing of any information which its respective counsel advises is required by applicable law; provided further that, in the event such disclosure or filing is required by either party, such party shall give such prior notice thereof to the other party hereto as is practical under the circumstances.

(c) During the Closing Period, the Company shall afford to the Purchaser and its Representatives reasonable access to the Real Property owned or leased by the Company or any Subsidiary or, subject to any prohibitions or restrictions set out in any leasehold Contract or any document related thereto, any leasehold interest of the Company for performance of any investigations, surface and subsurface sampling or testing and necessary remedial actions the Purchaser may elect to conduct. The Purchaser shall provide reasonable advance notice to the Company and shall conduct such activities consistent with the Company's safety policies and procedures applicable to activities conducted at or on the Real Property or any leasehold interest of the Company or any Subsidiary and, to the extent practicable, during the Company's normal business hours.

SECTION 3.2 Filings. During the Closing Period, each of the Company and the Purchaser shall file or cause to be filed with the Federal Trade Commission and the United States Department of Justice any notifications required to be filed under the HSR Act with respect to the Acquisition and to the extent not previously filed. During the Closing Period, each party shall consult with the other as to the appropriate time of filing of such notifications and shall use its reasonable efforts to make such filings at the agreed upon time, and to respond promptly to any requests for additional information made by either of such agencies.

SECTION 3.3 Conduct of Business. During the Closing Period, the Company shall use its reasonable efforts, and shall cause each Subsidiary to use its reasonable efforts, to conduct its Business substantially in the ordinary course. If any event occurs that requires the Company or such Subsidiary as a matter of Law to take any action not in the ordinary course, the Company will so notify the Purchaser in advance of the taking of any such action. During the Closing Period, the Company shall not and shall ensure that each Subsidiary does not, take or fail to take any action, enter into or assume, any Contract, or enter into any amendment of any such Contract, that would materially adversely affect the Business of the Company or any of its Subsidiaries. Without limiting and subject to the foregoing sentences in this Section 3.3, during the Closing Period, none of the Company or any Subsidiary shall undertake any of the following actions, without the Purchaser's prior

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written consent, which consent shall not be unreasonably withheld, delayed or conditioned (the Purchaser acknowledges that, if the Closing has not theretofore occurred, it may be necessary for the Company to obtain debtor-in-possession financing on or after March 1, 1996 of up to \$250,000 per month for the same purposes as identified in the DIP Loan Agreement):

(a) amend its Organizational Documents or merge with or into or consolidate with any other Person, or change or agree to change the character of its Business in any manner;

(b) waive any right material to any of the Assets owned by it, either individually or in the aggregate;

(c) dispose of any of its assets;

(d) enter into any contract involving a commitment or obligation of the Company having a value of \$100,000 or more, which obligation may be secured by a Lien on any Assets in whole or in part;

(e) terminate any contract, or enter into any contract or amend, modify, waive, supplement or make prepayments under any contract, in each case involving a commitment or obligation of the Company having a value of \$100,000 or more; or

(f) exercise or fail to exercise any material option with respect to the Assets available to such Person which expires on or prior to the Closing Date without prior written notice to the Purchaser; provided, that the Purchaser shall give notice to the Company at least ten (10) Business Days prior to the expiration date of any such option, in the event the Purchaser desires the Company or the relevant Subsidiary to take a course of action in respect to such option; or

(g) authorize, issue, sell, purchase, or create any Lien or Encumbrance on any of its Equity Interests or declare, set aside, or pay any dividends on, or reclassify, redeem or otherwise acquire any Equity Interest.

During the Closing Period, the Company and the relevant Subsidiaries shall use their reasonable efforts to continue to develop Edgeboro and Grays Ferry in the ordinary course of their Business and in a manner consistent with the development of previous projects by the Company and such Subsidiaries and, the Company and the relevant Subsidiaries shall not take any material action, or fail to take any material action with respect to such projects, whether or not such action or inaction would be in the ordinary course of business or consistent with past practices, without the prior written consent of the Purchaser, which consent shall not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, the Company and such Subsidiaries shall not be required to make such capital contributions or incur any development costs in connection with such projects unless sufficient funds to make such capital contributions or incur any development costs are

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provided under the DIP Loan in which case such contributions shall be made to and such development cost shall be paid in respect of the applicable entities.

SECTION 3.4 Employee Matters. Except as may be required by applicable Law or in accordance with any Benefit Plan document applicable at the time, neither the Purchaser nor the Company shall have any obligation to maintain any Benefit Plan or any particular level of benefits and all such Benefit Plans and benefits may be terminated or modified at any time after the Closing in the sole discretion of the Purchaser.

SECTION 3.5 Conditions. The Purchaser and the Company agree that during the Closing Period, each such party will use reasonable efforts to fulfill the conditions set forth in Article VI as promptly as practicable but in no event later than the Outside Date.

SECTION 3.6 Notice of Actions and Proceedings During the Closing Period, the Company shall promptly notify the Purchaser of any written notice received by the Company with respect to Actions commenced or, to its knowledge, threatened, involving or affecting the Company or any Subsidiary or any of their respective Businesses or which could have a Material Adverse Effect.

SECTION 3.7 Corporate Governance. Effective on the Closing Date and as specified in the Plan, the Board of Directors of the Reorganized Company shall consist of seven New Directors, of whom (i) four shall have been designated by the Purchaser, (ii) one shall have been designated by Wexford, (iii) one shall have been designated by the Equity Committee and (iv) one shall have been jointly designated by Wexford and each of the holders of Existing Shares who are members of the Equity Committee, provided that, at the option of the Purchaser, the Board of Directors of the Reorganized Company shall consist of six New Directors, of whom three shall have been designated by the Purchaser

and the remaining three shall have been designated as described in clauses (ii), (iii) and (iv), above.

SECTION 3.8 DIP Loan. At or prior to the Closing, but subject to Article II and Section 6.12(a) of the Plan, the Company shall repay to the Purchaser all amounts (including principal, accrued interest and all other amounts) outstanding (any such amount, a "DIP Loan") under the DIP Loan Agreement; provided that, at or prior to the Closing, the Company and the Purchaser shall execute and the Bankruptcy Court shall approve the DIP Loan Amendment in form of Exhibit G hereto (the "DIP Loan Amendment") that eliminates the proviso in Section 1.9 of the DIP Loan Agreement that, based on the amount of DIP Loan proceeds used by the Company to make capital contributions or pay development costs in connection with Edgeboro or Grays Ferry, reduces the amount required to be paid to the Purchaser to satisfy the Company's obligations in respect of the DIP Loans (which proviso is superseded by the provisions of Section 2.5 hereof). Subject to Article II and Section 6.12(a) of the Plan, to the extent a DIP Loan remains outstanding as of the Closing Date, the Purchaser may, at its election, set off the amount of such DIP Loan against the Purchase Price and the Company shall accept payment of such reduced Purchase Price on the Closing Date as payment in full of the Purchase Price hereunder. All amounts payable at the Closing of the

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DIP Loan Agreement with respect to professional fees shall be subject to the approval of the Bankruptcy Court.

SECTION 3.9 Bankruptcy Filings. During the Closing Period, the Company shall deliver to the Purchaser (i) copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers that the Company files in the Case within a reasonable time after filing, but with respect to any such papers that relate to the Purchaser, not less than twenty-four (24) hours before the filing of such papers and (ii) copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers filed in the Case.

SECTION 3.10 Environmental Remediation Obligations.

(a) The parties hereto acknowledge that the Transactions may be subject to compliance with the Industrial Site Recovery Act, N.J.S.A. 13:1K-6 et seq., the regulations promulgated thereunder and any amending or successor legislation and regulations ("ISRA").

(b) To permit completion of the Transactions in compliance with ISRA, during the Closing Period, the Company shall use reasonable efforts to comply with ISRA by seeking to obtain one of the following, at the Company's discretion, from the Industrial Site Evaluation Element or its successor ("Element") of the New Jersey Department of Environmental Protection or its successor ("NJDEP"): (i) a non-applicability letter; (ii) a de minimis quantity exemption; (iii) approval of the Company's negative declaration; or (iv) approval of a remediation agreement as that term is used in N.J.S.A. 13:1K-9(e) (a "Remediation Agreement") (each of the items referred to in clauses (i)-(iv) above being referred to herein as an "ISRA Approval"); provided, that if any Remediation Agreement includes an ongoing remediation waiver pursuant to N.J.S.A. 13:1K-11.5 or a release from an underground storage tank ("UGST") waiver pursuant to N.J.S.A. 13:1K-11.6, the cost of completing the ongoing remediation or remediating the release from the UGST will be included in the Estimated Environmental Compliance Cost and the Final Environmental Compliance Cost.

(c) If remediation pursuant to one or more Remediation Agreements is required by the Element, then the Purchaser, subject to the provisions of Section 3.11, shall be responsible for implementing each Remediation Agreement and satisfying all other requirements under ISRA, including, but not limited to, obtaining a no further action letter from the Element upon compliance with such Remediation Agreement. During the Closing Period, the Company shall, at its sole cost and expense, cooperate with the Purchaser in providing any

information within the Company's control and by executing any documents (other than financial assurances) deemed necessary by the Element in connection with the ISRA process.

(d) The Purchaser, to the extent required, shall provide remediation funding sources satisfactory to the Element. The Purchaser shall be entitled to fund from the

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Holdback Escrow Account (if any funds are placed in such account by the Company) (i) the provision of remediation funding sources and all reasonable fees and expenses of attorneys and consultants and (ii) all cost of investigation and remediation incurred in connection with the soil and groundwater clean-up required by any Remediation Agreement; provided, that the Purchaser shall remediate on a reasonably low-cost basis so long as any amount in the Holdback Escrow Account is available to fund such remediation; provided further, that Purchaser shall expend up to \$3,000,000 from its own funds before expending any funds from the Holdback Escrow Account pursuant to Section 3.11(e).

SECTION 3.11 Other Environmental Matters.

(a) During the Closing Period, the Purchaser and the Company shall jointly engage, at the Purchaser's expense, Dames & Moore to conduct Phase I and Woodward Clyde Consultants ("Woodward Clyde") to conduct Phase II environmental assessments of the Real Property owned by Parlin Cogen or Newark Cogen and leasehold interests owned or leased by the Company or the Designated Subsidiaries (the "Environmental Investigation").

(b) The objective of the Environmental Investigation shall be to (i) identify those activities necessary to comply in all respects with ISRA and, if necessary, obtain a no further action letter; and (ii) estimate the reasonably low cost for implementing those activities necessary to comply in all respects with ISRA requirements relating thereto (cumulatively, the "Estimated Environmental Compliance Cost"); provided, that the determination of the reasonably low cost of implementing those activities necessary to comply in all respects with ISRA shall be based either on (A) the least stringent remediation standards applicable to the subject property as used on the date hereof, or (B) any alternative non-residential use soil and groundwater remediation standard that is approved by the Element for application in connection with this ISRA process, whichever is less stringent; and provided, further, that the determination of the reasonable low cost of implementing those activities necessary to comply in all respects with ISRA shall not incorporate the use of a Declaration of Environmental Restrictions of any other site use restrictions or engineering controls which require written approval by any third party (including, without limitation, NJDEP or the owner or operator of any Real Property) where it is not reasonably certain that such written approval will be obtained. Woodward Clyde shall submit to the Purchaser and the Company a written report (the "Environmental Report") describing the results of the Environmental Investigation and identifying the Estimated Environmental Compliance Cost.

(c) Within five (5) Business Days of receipt by the Purchaser and the Company of the Environmental Report and the proposed Remediation Agreement(s), if applicable, either the Purchaser or the Company may deliver a written notice (an "Environmental Notice") to the other of any objections, and the bases therefor, which they may have to the Estimated Environmental Compliance Cost contained in the Environmental Report. Failure of any party to deliver an Environmental Notice within the prescribed time will constitute such party's acceptance of the Estimated Environmental Compliance Cost contained in the Environmental Report.

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(d) If the Purchaser and the Company are unable to resolve any disagreement with respect to the estimated Environmental Compliance Cost within five (5)

Business Days of their respective receipt of an Environmental Notice, then the dispute involving the Environmental Compliance Cost will be immediately referred to the Bankruptcy Court for final resolution, which resolution shall be final and binding on the parties, without right of appeal or other review. All such disputes must be resolved prior to the Closing Date. The Estimated Environmental Compliance Cost, as the same may be confirmed or modified by mutual agreement among the parties or by the foregoing dispute resolution procedures is hereinafter referred to as the "Final Environmental Compliance Cost."

(e) If the Final Environmental Compliance Cost exceeds \$3,000,000, the Purchaser may, by written notice (an "Environmental Termination Notice") to the Company within five (5) Business Days of the determination of the Final Environmental Compliance Cost, elect not to complete the Transactions and to terminate this Agreement; provided, that if the Company, by written notice to the Purchaser within five Business Days of the Company's receipt of the Environmental Termination Notice (i) elects to contribute funds (the "Remediation Escrow Funds") to the Holdback Escrow Account in an amount equal to the amount by which the Final Environmental Compliance Cost exceeds \$3,000,000, and (ii) agrees to contribute said Remediation Escrow Funds to the Holdback Escrow Account (the Company may elect to contribute the Remediation Escrow Funds from the Cash Purchase Price on the Closing Date), then notwithstanding the Environmental Notice, the Purchaser shall be obligated to consummate the Transactions upon the Company's contribution of such Remediation Escrow Funds, subject to the conditions set forth herein.

(f) (i) The Purchaser shall be responsible for all costs relating to the preparation of the Environmental Report and (ii) the Purchaser and the Company shall bear their own costs relating to any challenge to the Estimated Environmental Compliance Cost.

SECTION 3.12 Holdback. Notwithstanding anything to the contrary contained herein, to fund the remediation obligations of the Purchaser pursuant to Sections 3.10 and 3.11, subject to Section 3.11(e), the Remediation Escrow Funds, if any, will be placed in an escrow account established by order of the Bankruptcy Court at the Closing (the "Holdback Escrow Account"). Such amount will be paid to the Purchaser from time to time to the extent that the Bankruptcy Court determines that the Purchaser requires funding in respect of its remediation obligations pursuant to Sections 3.10 or 3.11. Notwithstanding anything in this Agreement to the contrary, on the later of (A) six (6) months after the Closing Date and (B) upon completion of all work under the Remediation Agreement(s) and subsequent receipt of the related no further action letter(s) from the Element, any remaining balance in the Holdback Escrow Account shall be released in accordance with the Plan so long as no dispute is pending as of such date as to whether the amounts are to be released.

SECTION 3.13 [RESERVED].

SECTION 3.14 Newark Refinancing. The Purchaser acknowledges and agrees that its obligations to consummate the Transactions and to pay or cause to be paid the

Cash Purchase Price as described in Section 2.2(a) is not conditioned on the Newark Project Refinancing, or the realization of any Newark Cogen Refinancing Proceeds.

SECTION 3.15 Financial Statements. During the Closing Period the Company shall, and shall cause the Subsidiaries and its and their Representatives to, cooperate with the Purchaser and its designated firm of independent public accountants (the "Purchaser's Accountants") in the preparation of Audited Consolidated Balance Sheets as of June 30, 1995 (or such other date as may be reasonably specified by the Purchaser), together with notes thereto, and related Consolidated Statements of Stockholders' Equity and Consolidated Statements of Cash Flows of the Consolidated Company, together with the notes thereto, for the year ended June 30, 1995 (or such other date as may be

reasonably specified by the Purchaser), certified by the Purchaser's Accountants. The expenses of the preparation of such audited financial statements shall be paid by the Purchaser.

SECTION 3.16 Acquired Subsidiaries. During the Closing Period, the Company shall use its reasonable efforts to cooperate with the Purchaser to ensure that all material Assets relating to the : (i) SmithKline Beecham Biogas and standby energy projects are held by O'Brien Biogas Inc. I (SKB) and O'Brien Standby Power Energy, respectively; (ii) Corona Biogas project are held by O'Brien Biogas (Corona) Inc.; (iii) Duarte biogas project are held by O'Brien Biogas Inc. VI; (iv) Mazzaro biogas project are held by O'Brien Biogas (Mazzaro) Inc., (v) Edgeboro biogas project are held by O'Brien Biogas Inc. (IV); (vi) Hackensack Meadowlands biogas project are held by O'Brien Biogas (Hackensack) Inc.; and (vii) California Milk Producers project are held by O'Brien Cogeneration, Inc. II and, if necessary, will cooperate with Purchaser to ensure that all contracts being performed by any one of the foregoing entities have been amended, modified or assigned as necessary to ensure that the party performing such contract is the party named in the document evidencing such contract. In any case in which an Acquired Subsidiary has separate Company net operating loss carry forwards, the use of which would be limited after the sale of the capital stock of such Acquired Subsidiary to the Purchaser, if requested to do so by the Purchaser, and if doing so would not result in the Company having liability for income taxes as a result of the elections in excess of the amount of such liability absent such election, the Company shall join with the Purchaser in making a joint election pursuant to Section 338(h)(10) of the Code with respect to the Purchaser's acquisition of any or all of the Acquired Subsidiaries. The Company shall be liable for all Taxes resulting from such elections.

SECTION 3.17 [RESERVED].

SECTION 3.18 [RESERVED].

SECTION 3.19 Cooperation Re Preservation of Tax Credits. The Company agrees to, and to cause the Acquired Subsidiaries to reasonably cooperate on a timely basis with the Purchaser in connection with any necessary pump tests or other tests, other actions or commitments that the Purchaser may request with regard to any biogas project operated by the Company or any

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Acquired Subsidiary, in order to preserve Code Section 29 tax credits that may be available in connection therewith.

SECTION 3.20 Assumption and Rejection of Executory Contracts. All unexpired leases and executory contracts to which the Company was a party on the Petition Date set forth on Schedule 3.20 hereof (the "Rejected Contracts") shall be rejected pursuant to the Plan in accordance with sections 365 and 1123(b)(2) of the Bankruptcy Code at or prior to the Effective Date. Pursuant to sections 365 and 1123 of the Bankruptcy Code, the Company shall assume, effective on the Effective Date, all unexpired leases and executory contracts to which the Company was a party on the Petition Date other than the Rejected Contracts and such unexpired leases and executory contracts previously rejected by the Company pursuant to section 365 of the Bankruptcy Code (the "Assumed Contracts").

SECTION 3.21 Cooperation Re: BPU Approval. The Company agrees to reasonably cooperate with and provide such assistance as the Purchaser may reasonably request so that BPU Approval may be obtained by Jersey Central Power & Light Company and the Purchaser as promptly as reasonably practicable; provided that the Purchaser acknowledges that the Company is not a party to, and has had no involvement with, the agreements as to which the BPU Approval is being sought and the proceedings taken by Jersey Central Power & Light Company and the Purchaser in connection with seeking the BPU Approval, and nothing in this Section 3.21 affects the obligations of the Purchaser under Section 3.5 hereof, including without limitation the Purchaser's obligations thereunder relating to the condition specified in Section 6.1 (b) as it applies to

obtaining the BPU Approval on or prior to the Closing Date; provided further that the Purchaser shall not be entitled to assert any damage claim based on any breach by the Company of its obligations under this Section 3.21.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to the Purchaser as follows:

SECTION 4.1 Corporate Organization.

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite power and authority to enter into this Agreement and the other Transaction Documents to be executed and delivered by the Company pursuant hereto, to perform its obligations hereunder and thereunder, to consummate the Transactions to be consummated by it and to own and hold its Assets and to conduct its Business as heretofore conducted.

(b) Each Designated Subsidiary is a corporation duly organized, validly existing and in good standing under the laws of the jurisdiction of incorporation set forth in

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Schedule 4.1(b). Each Designated Subsidiary has all requisite power and authority to enter into the Transaction Documents to be executed and delivered by it pursuant hereto, to perform its obligations thereunder, to consummate the Transactions to be consummated by it and to own and hold its Assets and to conduct its Business as heretofore conducted.

SECTION 4.2 Authorization. Except for compliance with the notification requirements of the HSR Act (which requirements Purchaser acknowledges have been satisfied) and the filing requirements of ISRA, the Company and each Designated Subsidiary has all requisite power and authority required to enter into, execute and deliver this Agreement and the other Transaction Documents to which it is or will be a party and to perform fully its obligations hereunder and thereunder. Subject to obtaining the Government Consents, this Agreement has been, and upon execution and delivery by the Company and each Designated Subsidiary of all other Transaction Documents to which it is or will be a party, such documents are or will be, duly authorized, executed and delivered and constitute (or with respect to all other Transaction Documents contemplated hereby will constitute) the legal, valid and binding obligations of the Company or such Designated Subsidiary enforceable against the Company or such Designated Subsidiary in accordance with their respective terms.

SECTION 4.3 Capitalization.

(a) The authorized capital stock of the Company consists of (i) 10,000,000 shares of Preferred Stock, par value \$.01 per share, of which no shares are issued and outstanding, (ii) 40,000,000 shares of Class A Common Stock, par value \$.01 per share, of which 13,055,597 shares are issued and outstanding and (iii) 10,000,000 shares of Class B Common Stock, par value \$.01 per share, of which 4,070,770 shares are issued and outstanding (such issued and outstanding shares of capital stock are hereafter referred to as the "Existing Shares").

(b) All of the Subsidiary Equity Interests are duly authorized and validly issued, fully paid and nonassessable and are owned beneficially and of record by the Company free and clear of any Lien other than (i) Permitted Liens, if any, and (ii) Liens arising through the Purchaser or as a result of the Purchaser's actions. Except as disclosed on Schedule 4.3, there are no outstanding options, warrants or other rights to acquire any Equity Interest in the Company or any Subsidiary that is owned directly by the Company or any Designated Subsidiary.

SECTION 4.4 No Violation of Orders. To the knowledge of the Company, the

execution and delivery of this Agreement, the consummation of the Transactions and the performance by the Company and the Designated Subsidiaries of this Agreement and the Transaction Documents will not violate any Order against, or binding upon, the Company, any Designated Subsidiary, or any of their respective Assets, except for violations that would not in the aggregate for all such Persons have, or be reasonably likely to have, a material adverse

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effect on the Assets of such Persons or the ability of the Company and the Designated Subsidiaries to consummate the Transactions.

SECTION 4.5 Litigation. Other than the Case and except as set forth on Schedule 4.5, to the knowledge of the Company, (i) there are no suits, actions or proceedings or (ii) any investigations for which the Company has received written notice (whether or not the defense thereof or Liabilities in respect thereof are covered by insurance), in either case, pending or, to the extent the Company has received written notice, threatened against the Company or any Designated Subsidiary or involving any of the Assets owned by any such Person.

SECTION 4.6 Broker. Neither the Company nor any Designated Subsidiary has retained or utilized the services of any broker or finder in connection with the Transactions for which the Company or such Subsidiary could be liable for payment of any amount.

SECTION 4.7 Title to Assets. The Company and each Designated Subsidiary owns and has good title thereto, valid leasehold rights in or, in the case of Intellectual Property Rights, valid rights to use all of its respective Assets, and all such Assets are not co-owned with any other such Person. Upon consummation of the Transactions, the Company or the relevant Designated Subsidiary will have good and valid title thereto, free and clear of any Lien, except for (i) Liens arising through the Purchaser or as a result of the Purchaser's actions; (ii) Permitted Liens and (iii) other Liens, if any, which do not, individually or in the aggregate, materially impair the continued use and operation of the Company or such Designated Subsidiary or, in the case of material assets, do not materially detract from the value of such assets.

SECTION 4.8 Affiliates. Schedule 4.8 lists all of the Affiliates of the Company and identifies those Affiliates of the Company that have not engaged in any business operations other than the ownership of Assets.

SECTION 4.9 Designated Obligations. The amounts owing by the Company or the relevant Subsidiary with respect to the Liabilities set forth on Schedule 4.9 (the "Designated Obligations") do not exceed the amounts set forth in Schedule 4.9.

SECTION 4.10 Benefit Plans. None of the Benefit Plans are employee pension benefit plans, as defined in Section 3(2) of ERISA (including multi-employer plans (as defined in ERISA Section 3(37))), no such Benefit Plan has existed within the five-year period prior to the date of this Agreement, and no Benefit Plan is intended to be qualified under Code Section 401(a).

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ARTICLE V

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents, warrants and covenants to the Company as follows:

SECTION 5.1 Organization and Authority of the Purchaser. The Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

SECTION 5.2 Authority to Execute and Perform Agreements. Except for the Government Consents, the Purchaser has all requisite power and authority

required to enter into, execute and deliver this Agreement and the other Transaction Documents to which it is a party, and to perform fully its obligations hereunder and thereunder. This Agreement has been, and, subject to obtaining the Government Consents, upon execution and delivery by the Purchaser of the Transaction Documents to which it is a party, such documents will be, duly authorized, executed and delivered and constitute (or with respect to all other Transaction Documents contemplated hereby will constitute) the legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their respective terms.

SECTION 5.3 Financing. The Purchaser has the financial ability to consummate the contemplated Transactions.

SECTION 5.4 No Broker. The Purchaser has not retained or utilized the services of any financial advisor, broker or finder in connection with the Transactions for which the Company could be liable for payment of any amount except as otherwise provided herein.

ARTICLE VI

CONDITIONS TO THE ACQUISITION

SECTION 6.1 Conditions to the Purchaser's Obligations to Consummate the Acquisition. The obligations of the Purchaser to consummate the Acquisition and the other Transactions to be consummated at the Closing as contemplated by this Agreement shall be subject to the satisfaction or waiver by the Purchaser in writing on or prior to the Closing Date of each of the following conditions:

(a) Representations and Warranties. Each of the representations and warranties of the Company contained in this Agreement shall be true and correct in all material respects (provided that any representation or warranty qualified by a "materiality" standard shall be deemed not to be so qualified for the purposes of this Section 6.1(a) in order that such representation or warranty not be subject to a "double materiality" standard for the purposes of this Section 6.1(a)) as of September 29, 1995 and as of the Closing Date

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(excluding any failure of any such representation and warranty so to be true and correct because of a fact, condition or circumstance of which the Purchaser had knowledge on January 11, 1996), with the same effect as though such representations and warranties had been made on and as of such dates (except representations and warranties that are made as of a specific date need be true and correct only as of such date); and each of the covenants and agreements of the Company and each Subsidiary to be performed during the Closing Period or such other time period as specifically set forth in a particular covenant or agreement shall have been duly performed by the prescribed date or for the duration of the prescribed time period, in all material respects (excluding any failure of any such covenants and agreements so to be duly performed arising from or relating to any fact, condition or circumstance of which the Purchaser had knowledge on January 11, 1996).

(b) Consents. All the Government Consents shall have been received on or prior to the Closing Date.

(c) No Orders. On the Closing Date, there issued by a Governmental Authority of competent jurisdiction in effect that directs that the Transactions not be consummated.

(d) No Material Adverse Effect. With respect to Newark Cogen, there shall have been no material adverse change in the Assets, the operations or the Businesses of such Person since January 11, 1996. Notwithstanding the foregoing in this Section 6.1(d), the violation, revocation, invalidity, non-transferability or non-procurement of any Permit (or any of the terms or provisions thereof or any Laws specifically pertaining to the issuance of any Permit) relating to Newark Cogen at any time, and any other adverse circumstance essentially arising therefrom, shall not be taken into account in

determining the occurrence of a material adverse change unless such circumstance arises out of a change in the manner in which Newark Cogen operates its Business after the date hereof.

(e) The Plan.

(i) The Bar Date Order, the Disclosure Statement Order and the Ballot and Solicitation Order shall not have been modified, amended, dissolved, revoked or rescinded in any material respect detrimental to the Purchaser.

(ii) The Plan shall not have been amended, supplemented or modified in any respect other than as permitted by the terms of the Plan.

(iii) The Confirmation Order shall have been entered, ten (10) days shall have expired since entry of the Confirmation Order, no stay of the Confirmation Order shall be in effect and the Confirmation Order shall not have been modified, amended, dissolved, revoked or rescinded.

(iv) All conditions precedent to the consummation of the Plan on the Effective Date (other than the satisfaction or waiver of the conditions of the

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obligations of the Purchaser set forth in Section 6.1 or the Company set forth in Section 6.2) shall have been satisfied or waived as provided therein.

(v) The Company shall have complied in all material respects with the Bankruptcy Code, the Bankruptcy Rules and all orders promulgated thereunder.

(f) Certain Closing Deliveries.

(i) Opinion of Counsel. The Purchaser shall have received from the Company an opinion of Sills, Cummis, Zuckerman, Radin, Tischman, Epstein & Gross, counsel to the Company, as to this Agreement having been duly authorized by the Bankruptcy Court as expressly set forth in the Confirmation Order and the Confirmation Order being in full force and effect on the Closing Date, subject to customary assumptions and qualifications, including without limitation those assumptions and qualifications set forth on Exhibit H hereto.

(ii) Management Agreement. The Company shall have entered into the Management Agreement with the Purchaser or one or more of its Affiliates.

(iii) DIP Loan Amendment. The Company shall have entered into the DIP Loan Amendment with the Purchaser.

(iv) Other Documents. The Purchaser shall have received from the Company or the relevant Subsidiary any other documents required to be delivered by the Company or such Subsidiary to the Purchaser pursuant to the provisions of this Agreement, the Transaction Documents and the Plan.

(g) Simultaneous Closing. Subject to the terms and conditions set forth in this Agreement, the closing of the Transactions contemplated to be consummated at the Closing shall occur simultaneously.

(h) Exercise of Rights under Liens. The Businesses (and the related Assets thereof) of Newark Cogen and Parlin Cogen shall not have been sold, assigned, transferred or delivered to any Person (other than the Purchaser or one or more of its Affiliates) through the enforcement of any Lien.

(i) Certificate of Incorporation, By-laws and Other Related Agreements. The Company shall have caused its Certificate of Incorporation and its By-laws to be amended and restated in the form of the New By-laws and the New Certificate of Incorporation.

SECTION 6.2 Conditions to the Obligation of the Company to Consummate the Acquisition. The obligation of the Company to consummate the Acquisition and the other Transactions to be consummated at the Closing as contemplated by this

Agreement shall be subject to the satisfaction or waiver in writing by the Company on or prior to the Closing Date of each of the following conditions:

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(a) Representations and Warranties. Each of the representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects (provided that any representation or warranty qualified by a "materiality" standard shall be deemed not to be so qualified for the purposes of this Section 6.2(a)) in order that such representation or warranty not be subject to a "double materiality" standard for the purposes of this Section 6.2(a) as of September 29, 1995, and as of the Closing Date, with the same effect as though such representations and warranties had been made on and as of the such dates (except representations and warranties that are made as of a specific date need be true and correct only as of such date); and each of the covenants and agreements of the Purchaser to be performed during the duration of the Closing Period or such other time period as specifically set forth in a particular covenant or agreement shall have been duly performed by the prescribed date or for the duration of the prescribed time period, in all material respects.

(b) No Orders; Government Consents. On the Closing Date, there shall be no Order of any nature issued by a Governmental Authority of competent jurisdiction in effect that directs that the Transactions not be consummated. All of the Government Consents shall have been received on or prior to the Closing Date.

(c) Entry of the Confirmation Order; Consummation of the Plan. The Confirmation Order shall have been entered, ten (10) days shall have expired since entry of the Confirmation Order, no stay of the Confirmation Order shall be in effect, the Confirmation Order shall not have been modified, amended, dissolved, revoked or rescinded and all conditions precedent to the consummation of the Plan on the Effective Date (other than the satisfaction or waiver of the conditions to the obligations of the Purchaser set forth in Section 6.1 and the Company set forth in Section 6.2) shall have been satisfied or waived as provided therein.

(d) Certain Closing Deliveries.

(i) Good Standing. The Company shall have received from the Purchaser a certificate as to the good standing of the Purchaser from the Secretary of State of Delaware which shall be dated no more than one (1) Business Day prior to the Closing Date.

(ii) Co-Investment Agreement. The Purchaser and the Company shall have entered into the Co-Investment Agreement.

(iii) Loan Documents. Unless the NRG Newark Cogen Loan is not required to be made pursuant hereto, the Purchaser and Newark Cogen (and/or, if applicable, the Company) shall have entered into the NRG Newark Cogen Loan Documentation; and unless the NRG Mandatory Supplemental Loan is not required to be made pursuant hereto, NRG and the Company shall have entered into the NRG Supplemental Loan Documentation.

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(iv) Management Agreement. The Purchaser or one or more of its Affiliates shall have entered into the Management Agreement with the Company.

(v) Other Documents. The Company shall have received from the Purchaser any other documents required to be delivered by the Purchaser to the Company pursuant to the provisions of this Agreement, the Transaction Documents or the Plan.

(e) ISRA Approval. The Company shall have obtained ISRA Approval.

ARTICLE VII

AMENDMENT; TERMINATION; LIQUIDATED DAMAGES

SECTION 7.1 Amendment. Subject to any Bankruptcy Court approval requirement that may be applicable, this Agreement may be amended by the written agreement of the Company and the Purchaser at any time prior to the Closing Date.

SECTION 7.2 Termination. This Agreement may be terminated prior to the Closing as follows (the actual date on which this Agreement is terminated being referred to herein as the "Termination Date"):

- (a) at any time on or prior to the Closing Date, by mutual written consent of the Purchaser and the Company;
- (b) at the election of the Company, if any one or more of the conditions to the obligations of the Company to close as set forth in Section 6.2 has not been fulfilled prior to the Outside Date;
- (c) at the election of the Purchaser, upon the terms specified in Section 3.11(e) or if any one or more of the conditions to the obligations of the Purchaser to close as set forth in Section 6.1 has not been fulfilled prior to the Outside Date;
- (d) at the election of the Company, if the Purchaser has materially breached any representation, warranty, covenant or agreement contained in this Agreement, which breach cannot be or is not cured prior to the Outside Date;
- (e) at the election of the Purchaser, if the Company has materially breached any representation, warranty, covenant or agreement contained in this Agreement, which breach cannot be or is not cured prior to the Outside Date;
- (f) by either the Purchaser or the Company, if any Governmental Authority of competent jurisdiction shall have issued an Order, or taken any other action restraining, enjoining or otherwise prohibiting the Transactions (which the party

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seeking to terminate this Agreement shall have used all reasonable efforts to have lifted or reversed) and such Order shall have become final and nonappealable; or

- (g) by either the Purchaser or the Company if the Closing has not occurred on or before March 15, 1996 (the "Outside Date"), time being of the essence; provided that, if the Closing shall not have occurred on or before March 15, 1996 solely because ISRA Approval and/or BPU Approval shall not then have been received, the Outside Date automatically shall be extended until the earlier of (i) five (5) Business Days after the first date on which both ISRA Approval and BPU Approval shall have been received or (ii) May 15, 1996.

SECTION 7.3 Effect of Termination. If this Agreement is terminated and the Transactions are not consummated, this Agreement shall become void and of no further force and effect, except that any such termination shall be without prejudice to the rights and obligations of the parties hereto under Section 7.4.

SECTION 7.4 Minimum Damages if Breach by Purchaser. If the Closing does not occur as a result of a material breach by the Purchaser of its obligations under this Agreement, the Company shall be entitled to a minimum damage amount of \$1,000,000.

SECTION 7.5 Limitation on Purchaser's Damages

- (a) If the Closing does not occur as a result of a material breach or breaches by the Company of its obligations under this Agreement, then the

Purchaser shall be entitled to payment of the Termination Expenses and Termination Fee. Payment of the Termination Expenses and Termination Fee shall (i) be full consideration for the Purchaser's and its Affiliates' efforts and expenses in connection with the letters of intent, this Agreement, the Plan, the other Transaction Documents and all Transactions contemplated thereby, including the substantial due diligence efforts of the Purchaser and its Affiliates and their professionals and advisors, and (ii) constitute liquidated and agreed damages in respect of this Agreement and the Transactions, and the Company shall have no further liability to the Purchaser or its Affiliates. The Purchaser believes that it is impossible to determine accurately the amount of all damages that it would incur by virtue of a breach by the Company of its obligations to proceed with the Transactions, and its sole and exclusive remedy for any such breach shall be to receive payment of the Termination Expenses and Termination Fee. Except as provided in this Section 7.5(a), the Purchaser shall have no right or remedy against the Company, at law or in equity, by reason of a breach by the Company of its obligation to proceed with the Transactions.

(b) The Termination Expenses and Termination Fee shall constitute first priority administrative expenses of the Company pursuant to section 503(b) of the Bankruptcy Code and shall be paid upon the entry of any Order of the and after the Outside Date until payment in full of the Termination Fee and the Termination Expenses, interest shall accrue on any unpaid portion of the Termination Fee and the Termination Expenses at a rate per annum equal to the

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prime commercial lending rate announced from time to time by The Chase Manhattan Bank, N.A.

ARTICLE VIII

[RESERVED]

ARTICLE IX

MISCELLANEOUS

SECTION 9.1 Expenses. Except as otherwise provided herein, the parties hereto shall bear their own respective costs and expenses (including, but not limited to, all compensation and expenses of counsel, financial advisors, consultants, actuaries and independent accountants) incurred in connection with the preparation and execution of this Agreement and consummation of the Transactions.

SECTION 9.2 Entire Agreement; Disclosures in Writing. Except as otherwise contemplated herein, this Agreement together with the Exhibits and Schedules hereto, the Transaction Documents and the Confidentiality Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

SECTION 9.3 Counterparts. This Agreement and any amendments hereto may be executed in one or more counterparts, each of which shall be deemed to be an original by the party executing such counterpart, but all of which shall be considered one and the same instrument.

SECTION 9.4 Headings; Table of Contents. The section and paragraph headings contained in this Agreement and the table of contents (other than the Table of Definitions) are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

SECTION 9.5 Notices. All notices hereunder shall be deemed given if in writing and delivered or sent by telecopy, courier or by registered or certified mail (return receipt requested) to the following addresses or telecopier numbers (or at such other addresses or telecopier numbers as shall

be specified by like notice):

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(a) if to the Company, to:

O'Brien Environmental Energy
225 South 8th Street
Philadelphia, PA 19106
Attention: John Kelly
Telephone: 215-627-5500
Telecopier: 215-922-5227

With a copy to:

Sills, Cummis, Zuckerman, Radin,
Tischman, Epstein & Gross, P.A.
One Riverfront Plaza
Newark, NJ 07102
Attention: Robert Crane, Esq.
Telephone: 201-643-7000
Telecopier: 201-643-6500

(b) if to Purchaser, to:

NRG Energy, Inc.
1221 Nicollet Mall, Suite 700
Minneapolis, MN 55403
Attention: Vice President, Business Development
Telephone: 612-373-5300
Telecopier: 612-373-5430

With copies to:

NRG Energy, Inc.
Legal Department
1221 Nicollet Mall, Suite 700
Minneapolis, MN 55403
Attention: Vice President and General Counsel
Telephone: 612-373-5300
Telecopier: 612-373-5392

Any notice given by delivery, mail or courier shall be effective when received. Any notice given by telecopier shall be effective upon oral or machine confirmation of transmission.

SECTION 9.6 Governing Law; Jurisdiction of Court. This Agreement shall be governed and construed in accordance with the laws of the State of New Jersey applicable to agreements made and to performed entirely within such state and, to the extent applicable, the Bankruptcy Code. All disputes arising out of or related to this Agreement, including,

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without limitation, any dispute relating to the interpretation, meaning or effect of any provision hereof, will be resolved in the Bankruptcy Court and the parties hereto each submit to the exclusive jurisdiction of the Bankruptcy Court for the purpose of adjudicating any such dispute.

SECTION 9.7 Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY WAIVES TRIAL BY JURY IN ANY LITIGATION ARISING OUT OF THIS AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY IN ANY COURT IN WHICH SUCH LITIGATION MAY BE BROUGHT.

SECTION 9.8 No Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein

express or implied shall give or be construed to give to any other Person any legal or equitable rights hereunder; provided that, upon the occurrence of the Closing, Wexford shall be a third party beneficiary with respect to the Liquidating Asset Management Agreement and to Wexford's right to designate directors of the Reorganized Company pursuant to Section 3.7.

SECTION 9.9 Survival of Representations and Warranties; Limited Remedies. The representations and warranties of the parties set forth in this Agreement shall not survive the Closing. Notwithstanding anything in this Agreement to the contrary, in the event the Company or any Designated Subsidiary breaches any of its obligations under this Agreement, the Purchaser shall have the remedies provided in Sections 3.12, 7.2 and 7.5 of this Agreement.

SECTION 9.10 Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, including any Person appointed for or in connection with any chapter 11 case involving the Company or any Subsidiary in any subsequent case under the Bankruptcy Code in which the Company or such Subsidiary may be debtor. Except as provided in the preceding sentence, this Agreement and the rights and remedies hereunder, shall are not assignable by the Company or the Purchaser, except that the Purchaser may assign its rights and remedies hereunder to any one or more of its Affiliates.

SECTION 9.11 Further Assurances.

(a) The Company, on the one hand, and the Purchaser, on the other, agree, to the extent necessary (and only to such extent), on or any time after the Closing Date, to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such actions, as the other may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

(b) The Purchaser agrees that, after the Closing, it shall take reasonable efforts to ensure that the New Common Stock is, as promptly as practicable, listed on an appropriate national securities exchange and, to the extent practicable, actively traded.

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SECTION 9.12 Waivers and Amendments; Non-Contractual Remedies. This Agreement may be amended, superseded, canceled, renewed or extended, and the terms and conditions hereby may be waived, only by a written instrument signed by the parties or, in the case of a waiver, by the party waiving compliance. Except as otherwise provided herein, no delay on the part of any party in exercising any right, power or privilege hereunder, nor any single or partial exercise of any such right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other such right, power or privilege hereunder. The rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies that any party may otherwise have at law or in equity.

ARTICLE X

DISCLAIMER

Without limiting the representations, warranties, covenants and agreements set forth herein, the Purchaser acknowledges and agrees that the Purchaser and its Representatives and Affiliates have the experience and knowledge to evaluate the Assets and the related Businesses of the Company and its Subsidiaries; that the Purchaser and its Representatives have had access to such information and documents and to such of the Real Property and tangible personal property relating thereto as the Purchaser and its Representatives and Affiliates shall have requested to see and/or review; that the Purchaser and its Representatives have had a full opportunity to meet with appropriate management and employees of the Company and its Subsidiaries, as well as with any other Persons as the Purchaser may have desired to communicate with, to discuss any matter relating to such Assets, Businesses or Subsidiaries; and

that, in determining to acquire the Purchased Shares, the Purchaser and its Representatives have made their own investigation into, and based thereon, the Purchaser has formed an independent judgment concerning all of the same. IT IS THEREFORE EXPRESSLY UNDERSTOOD AND AGREED THAT THE PURCHASER SHALL ACCEPT THE CONDITION OF THE ASSETS "AS IS, WHERE IS" WITHOUT ANY REPRESENTATION, WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE AS TO THE CONDITION, SIZE, EXTENT, QUANTITY, QUALITY, TYPE, VALUE OR STATUS OF SUCH PROPERTY OR BUSINESSES; PROVIDED, THAT THE PURCHASER MAY RELY PRIOR TO THE CLOSING ON THE REPRESENTATIONS AND WARRANTIES SET FORTH IN ARTICLE IV AND THE FOREGOING SHALL NOT LIMIT THE AGREEMENTS AND COVENANTS SET FORTH HEREIN.

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IN WITNESS WHEREOF, this Agreement has been signed on behalf of each of the parties hereto as of the date above-written.

O'BRIEN ENVIRONMENTAL ENERGY, INC.

By: /s/ John B. Kelly

Name: John B. Kelly
Title: Chief Administrative Officer

NRG ENERGY, INC.

By: /s/ Craig A. Mataczynski

Name: Craig A. Mataczynski
Title: Vice President, U.S. Business
Development

WA952080.105/171+

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Schedule 3.20

REJECTED CONTRACTS

1. Lease Agreement, as amended, between Pennsport Partnership, as lessor, and O'Brien with respect to the premises/grounds known as Reynolds-Morris House, 225 South Eighth Street, Philadelphia
2. Lease Agreement between Pennsport, as lessor, and O'Brien with respect to the premises at 231 South Eighth Street, Philadelphia
3. Lease Agreement between Christiana River Holdings, LTD and O'Brien with respect to real estate located at 100 South West Street, Wilmington
4. Lease Agreements between Berger & Co., as lessor, and O'Brien for 218 South Eighth Street, Philadelphia

5. Lease Agreement between 1401 Arcadia Road, as lessor, and O'Brien for 1401 Service Road, Lancaster

6. All vehicle leases and all equipment leases relating to the above properties

7. Consulting Agreement with Bradley Resources Company and Combined Energy Companies dated January 18, 1993

Schedule 4.1(b)

With respect to all Designated Subsidiaries, the state of incorporation is Delaware, and each Designated Subsidiary is validly existing and in good standing in Delaware.

Schedule 4.3

Outstanding Warrants, Options and Rights to Acquire Interest

The Company has no outstanding warrants and options except as disclosed in any document required to be filed by the Company pursuant to the Securities Exchange Act of 1934.

Pursuant to Section 7.05 of the Second Amended and Restated Articles of Limited Partnership of O'Brien California Cogen Limited A California Limited Partnership, dated as of March 29, 1990 among O'Brien Cogeneration, Inc. II as general partner and Artesia Turbine Cogeneration Corporation as limited partner, the sale of O'Brien Cogeneration, Inc. II's partnership interest is subject to a first right to purchase by other partners.

The Revocable Trust of Marcia Reines Perelman may claim to have various rights of first refusal with respect to O'Brien (Philadelphia) Cogeneration, Inc., and the underlying project.

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Schedule 4.5

LITIGATION

1. Parties: BBC/DRI Blacklick Joint Venture, Plaintiff v. O'Brien Methane Production, Inc., Defendant.
Court: American Arbitration Association, Philadelphia, PA.

2. Parties: Georgie Ann Eley, Individually and as Administrator ad Prosequendum on behalf of the Estate of Joseph Eley, Jr., deceased, and as General Administratrix on behalf of Tomicka Yolanda Eley and Joseph Eley, 3rd, infant, Plaintiffs v. O'Brien (Newark) Cogeneration, Inc., Hawker Siddeley Construction Co., Arthur Architect, ABC Company, XYZ Inc., John Doe, Jane Doe, Richard Roe, Peter Poe and Manny Moe (fictitious names), Defendants, and O'Brien (Newark) Cogeneration, Inc., Defendant/Third Party Plaintiff v. Hawker Siddeley Group, PLC and John Brown, Inc., Third Party Defendants.
Court: Superior Court of New Jersey, Law Division, Essex County.

3. Parties: Kelly Ann Motichka, Individually and as Administrator ad Prosequendum and General Administrator on behalf of the Estate of Andrew Motichka, deceased, and as guardian ad litem on behalf of Katelyn Motichka, infant, and Mary Motichka, Plaintiffs v. O'Brien (Newark) Cogeneration, Inc.,

Hawker Siddeley, John Brown, Inc. (for discovery purposes only), ABC Company, DEF Company, HIJ Company, KMN Company, John Doe, Richard Roe, Peter Poe, Paul Coe, Mary Moe and Sally Loe (fictitious names), Defendants, and O'Brien (Newark) Cogeneration, Inc., Defendant/ Third Party Plaintiff v. John Brown, Inc., Third Party Defendant.

Court: Superior Court of New Jersey, Law Division, Essex County.

4. Parties: Bridget E. McLoughlin, Individually and as Administrator ad Prosequendum and General Administrator of the Estate of Michael A. McLoughlin, deceased, Patrick J. McLoughlin, Patrick J. McLoughlin, Jr., and Regina Mary McLoughlin, Plaintiffs v. O'Brien (Newark) Cogeneration, Inc., Hawker Siddeley Construction Co., Arthur Architect, ABC Company, XYZ Inc., John Doe, Jane Doe, Richard Roe, Peter Poe and Manny Moe (fictitious names), Defendants, and O'Brien (Newark) Cogeneration, Inc., Defendant/Third Party Plaintiff v. Hawker Siddeley Group, PLC and John Brown, Inc., Third Party Defendants.

Court: Superior Court of New Jersey, Law Division, Essex County.

5. Parties: O'Brien (Newark) Cogeneration, Inc., Plaintiff v. Federal Insurance Company, Defendant.

Court: Superior Court of New Jersey, Law Division, Essex County.

6. Parties: Tech-Site, Inc., a Virginia corporation, Plaintiff v. O'Brien Energy Services Company, a Delaware Corporation, Defendant.

Court: Circuit Court for the County of Henrico.

7. Parties: CNF Constructors, Inc. v. Hawker Siddeley Power Engineering, Inc., O'Brien Cogeneration (Hartford) Inc. and O'Brien Cogeneration (Hartford) Limited Partnership.

Court: Superior Court, Judicial District of New Haven, Connecticut.

8. Parties: James M. Blackman and Virginia Frantz, on behalf of themselves and all persons similarly situated, Plaintiffs v. O'Brien Environmental Energy, Inc., Frank L. O'Brien, III, Joel D. Cooperman, William Forman, Bruce L. Levy and Sanders Newman, Defendants.

Court: United States District Court, Eastern District of Pennsylvania.

9. Parties: Pueblo Chemical, Inc., Plaintiff v. O'Brien Environmental Energy, Inc., Frank L. O'Brien, III, Joel D. Cooperman, William Forman and Charles L. Andes, Defendants.

Court: Court of Chancery of the State of Delaware in and for New Castle County.

10. Parties: Resolution Trust Corporation, in its capacity as Receiver for Atlantic Financial Savings, F.A., Plaintiff v. Clarence J. O'Brien, II, Frank L. O'Brien, III, O'Brien Energy Systems, Inc., O'Brien Mobile Power Rental Company, III, Enterprises, Inc., III, Enterprises, Inc. I, Puma Manufacturing Ltd., Puma Power Plant Limited, O'Brien Power Equipment, Inc., and Powerhouse Contractors, Inc., Defendants.

Court: United States District Court, Eastern District of Pennsylvania.

11. Parties: Alan G. Stevens, on behalf of himself and all persons similarly situated, Plaintiff v. O'Brien Environmental Energy, Inc., Frank L. O'Brien, III, Joel D. Cooperman, William Forman, Bruce L. Levy, Sanders Newman and Morgan Guaranty Trust Co., Defendants.

Court: United States District Court, Eastern District of Pennsylvania.

12. Parties: David B. Zlotnick, individually and on behalf of all those similarly situated, Plaintiff v. O'Brien Environmental Energy, Inc., Defendant.

Court: Court of Common Pleas, Philadelphia County, Pennsylvania.

13. Parties: Hawker Siddeley Power Engineering, Inc. v. O'Brien California Cogen Limited, a California Limited Partnership, O'Brien Cogeneration, Inc. II and O'Brien Energy Systems, Inc.

Court: District Court of Harris County, Texas, 157th Judicial District.

14. Parties: Manus Corporation, Plaintiff v. O'Brien Energy Systems, Inc., Defendant.

Court: Court of Common Pleas, Allegheny County, Pennsylvania, Civil Division.

15. Parties: O'Brien Energy Systems, Inc., a Delaware Corporation, Plaintiff v. Pacific Gas & Electric Company, a California Corporation, and Does 1 through 50, inclusive, Defendants.

Court: Superior Court of the State of California, County of San Francisco.

16. Parties: Timothy R.E. Keeney, Commissioner of Environmental Protection v. O'Brien Cogeneration (Hartford), Inc.

Court: Superior Court, Judicial District of Hartford.

17. Parties: GEC Alsthom International, Inc. v. O'Brien Energy Services Company, Stewart & Stevenson Operations, Inc. and ABC Company, a fictitious name.

Court: Superior Court of New Jersey, Law Division, Essex County.

18. Parties: International Capital Funding Corporation and International Funding Resources, Inc., Plaintiffs v. Rocoda Environmental Systems, Inc., Robert Kuhnle Recovery Corporation of America, The Renwick Organization and O'Brien Energy Services Company, Defendants.

Court: Circuit Court of Florida, 17th Judicial Circuit, Broward County.

19. Parties: Michael Brady and Beverly Brady, Plaintiffs v. Ecolochem, Inc., The Newark Group, Inc. and Newark Boxboard, Inc., Defendants. (The Newark Group, Inc. and Newark Boxboard, Inc. have made a demand on O'Brien (Newark) Cogeneration, Inc. for indemnity and defense.)

Court: Superior Court of New Jersey, Law Division, Middlesex County.

20. United States Environmental Protection Agency audit letter re: O'Brien (Parlin) Cogeneration dated April 12, 1995.

21. Dispute between Adex International, Inc. and O'Brien Energy Services Company relating to a \$50,000 deposit paid by O'Brien Energy Services Company to Adex International, Inc. and other monies allegedly owed by O'Brien Energy Services Company to Adex International, Inc.

Schedule 4.8

AFFILIATES

Enercol Energy Systems, Ltd.
Gasoo 29, Inc, I *
O'Brien (Antioch) Cogen, Inc.*
O'Brien Biogas, Inc. II*
O'Brien Biogas (Hamms), Inc. *
O'Brien Biogas (Orange County), Inc. *
O'Brien Cogeneration (Hartford) Inc. *
O'Brien Delaware Investment Holding Company *
O'Brien Energy Europe, Ltd.
O'Brien Energy Offshore, Inc *
O'Brien Energy Services Company
O'Brien Energy Systems, Inc. *
O'Brien Fuel Management Corp.
O'Brien Fuels, Inc. *
O'Brien Methane Production, Inc. *
O'Brien (Newark) Cogeneration, Inc.
O'Brien Newark Supply Corporation *
O'Brien (Parlin) Cogeneration, Inc.
O'Brien Parlin Supply Corporation *
O'Brien (Philadelphia) Cogeneration, Inc.
O'Brien Quincy, Inc. *
O'Brien (Riverdale) Cogeneration, Inc. *

O'Brien Riverdale Supply, Inc. *
 O'Brien Salinas, Inc. *
 O'Brien Salinas Supply Corporation *
 O'Brien (Schuylkill) Cogeneration, Inc.
 O'Brien Sociedad Anonima *
 O'Brien (South Chicago) Cogeneration, Inc. *
 O'Brien (South Lee) Cogeneration, Inc. *
 O'Brien Supply Inc. I *
 O'Brien Supply Inc. II *
 O'Brien (Tinicum) Standby Power, Inc. *
 Philadelphia Biogas Supply, Inc. *
 Philadelphia Ventures, Inc.*
 Power Property Consultants, Inc. *
 Powerent, Inc. *
 Puma Power Plant Limited
 SDN Power, Inc. *
 Grays Ferry Cogeneration Partnership
 Indian Nation Illuminating Company *
 Kartret Switchgear Ltd.
 O.B.E. Fuel Management, Inc. *
 O'Brien (Newark) Fuel
 Management, Inc. *
 O'Brien (Parlin) Fuel Management, Inc. *
 O'Brien California Cogen Limited
 O'Brien Cogeneration (Hartford) Limited Partnership
 O'Brien Mobile Power Rental Company *
 O'Brien Power Equipment, Inc.
 O'Brien Thermal Technologies, Inc. *
 O'Brien Salinas Supply Corporation, I *
 American Hydrotherm Corporation
 American Thermotech, Inc. *
 Burr Controls, Inc.
 Powerent Limited
 Puma Export Finance Ltd.
 Puma Far East, Ltd.
 Puma Freight Forwarding Ltd.
 Puma Manufacturing Ltd.

Asterisk indicates that such Affiliate has not engaged in any business operations other than the ownership Assets.

Schedule 4.9

DESIGNATED OBLIGATIONS

1. Obligation to NatWest in respect of the Parlin facility in an aggregate principal amount of \$60,310,000 as of June 30, 1995 plus accrued interest thereon.
2. Obligations to NatWest in respect of the Newark facility in an aggregate principal amount of not more than \$25,010,000 as of June 30, 1995.
3. Obligations to Beldon and Blake in respect of the Methane Production Facilities in an aggregate principal amount of not more than \$1,066,000 plus accrued interest thereon.
4. Obligations to Jefferson Bank, formerly The Bank of Chester County, under a Note and Mortgage Security Agreement dated August 24, 1993 in an aggregate principal amount of \$472,482 as of June 30, 1995 plus accrued interest thereon in the amount of \$8,013 plus late charges in the amount of \$4,888.