

AMENDMENT NO. 2 TO
INTERCOMPANY REVOLVING LOAN AGREEMENT

THIS AMENDMENT NO. 2 TO INTERCOMPANY REVOLVING LOAN AGREEMENT (this "Amendment"), dated as of December [___], 2011, is entered into by and between Dynegy Northeast Generation, Inc., a Delaware corporation, as a debtor-in-possession ("DNE"), Hudson Power, L.L.C., a Delaware limited liability company, as a debtor-in-possession ("Hudson"), Dynegy Danskammer, L.L.C., a Delaware limited liability company, as a debtor-in-possession ("Danskammer"), Dynegy Roseton, L.L.C., a Delaware limited liability company, as a debtor-in-possession ("Roseton" and, collectively with DNE, Hudson and Danskammer, "Borrowers"), and Dynegy Holdings, LLC, a Delaware limited liability company ("Lender"). All capitalized terms used herein without definition shall have the same meanings as set forth in the Loan Agreement.

WITNESSETH:

WHEREAS, on November 7, 2011 (the "Petition Date"), Borrowers commenced Chapter 11 Case Nos. 11-38107, 11-38108, 11-38110 and 11-38109 (the "Chapter 11 Cases") by filing a voluntary petition for reorganization under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. 101 et seq. (the "Bankruptcy Code"), with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). Borrowers continue to operate their businesses and manage their property as debtors and debtors-in-possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code;

WHEREAS, Borrowers and Lender are currently party to that certain Intercompany Revolving Loan Agreement dated as of November 15, 2011 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"); and

WHEREAS, Borrowers and Lender have agreed to amend the Loan Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises, the terms and conditions stated herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, such parties hereby agree as follows:

1. Amendment. Subject to the satisfaction of the conditions precedent set forth in Section 2 below, the Loan Agreement is hereby amended as follows:

(a) The definition of "Final Order" set forth in Section 1 of the Loan Agreement is hereby amended and restated in its entirety as follows:

"Final Order" means the order of the Bankruptcy Court entered in the Chapter 11 Cases on December [___], 2011 (Docket No. [___]), after a final hearing (assuming satisfaction of the standards prescribed in Sections 362, 363 and 364 of the Bankruptcy Code and Bankruptcy Rule 4001 and other applicable law), together with all extensions, modifications and amendments thereto, which, among other matters but not by way of limitation, authorizes Borrowers to obtain

credit, incur and guaranty debt, and provide for the superpriority of Lender's claim under this Agreement.

(b) The definition of "Maturity Date" set forth in Section 1 of the Loan Agreement is hereby amended to delete therefrom the date "May 6, 2012" and insert therefor the following date: "August 1, 2012".

(c) The definition of "Maximum Amount" set forth in Section 1 of the Loan Agreement is hereby amended and restated in its entirety as follows:

"Maximum Amount" means, as of any date of determination, an amount equal to the Revolving Commitment as of that date.

(d) Sections 5(a) and (b) of the Loan Agreement are hereby amended and restated in their entirety as follows:

(a) (i) *Not later than January 20, 2012, Borrowers shall provide to Lender a cash forecast for Borrowers for the 13-week period commencing February 6, 2012, setting forth projected cash receipts and cash disbursements, to be in form, scope and substance acceptable to Lender and (ii) not later than April 20, 2012, Borrowers shall provide to Lender a cash forecast for Borrowers for the 13-week period commencing May 7, 2012, setting forth projected cash receipts and cash disbursements, to be in form, scope and substance acceptable to Lender (each such cash forecast, an "Additional Approved Budget").*

(b) *The Initial Approved Budget and each Additional Approved Budget may be updated at any time with the written consent of Lender (any such approved update, a "Supplemental Approved Budget"; the Initial Approved Budget, the Additional Approved Budgets and any Supplemental Approved Budgets, collectively, shall constitute the "Approved Budget").*

2. Conditions to Effectiveness. This Amendment shall become effective as of the date first above written upon satisfaction of each of the following (unless otherwise waived by Lender):

(a) Amendment. This Amendment or counterparts hereof shall have been duly executed by, and delivered to, Borrowers and Lender; and

(b) Approvals. Lender shall have received satisfactory evidence that Borrowers have obtained all required consents and approvals of all Persons, including all requisite Governmental Authorities, to the execution, delivery and performance of this Amendment.

3. Effect on the Loan Agreement.

(a) Upon the effectiveness of this Amendment, on and after the date hereof, each reference in the Loan Agreement to "this Agreement," "hereunder," "hereof," "herein" or

words of like import shall mean and be a reference to the Loan Agreement, as amended and modified hereby.

(b) Except as expressly set forth herein, (i) the execution, delivery and effectiveness of this Amendment shall neither operate as a waiver of any rights, power or remedy of Lender under the Loan Agreement or any other documents executed in connection with the Loan Agreement, nor constitute a waiver of any provision of the Loan Agreement nor any other document executed in connection therewith and (ii) the Loan Agreement shall remain in full force and effect in accordance with its original terms.

4. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK.

5. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

6. Counterparts. This Amendment may be executed by one or more of the parties on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A facsimile copy of any signature hereto shall have the same effect as the original thereof.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed as of the date first above written.

LENDER

DYNEGY HOLDINGS, LLC

By: _____

Name:

Title:

BORROWERS

HUDSON POWER, L.L.C.

By: _____
Name:
Title:

DYNEGY DANSKAMMER, L.L.C.

By: _____
Name:
Title:

DYNEGY ROSETON, L.L.C.

By: _____
Name:
Title:

DYNEGY NORTHEAST GENERATION, INC.

By: _____
Name:
Title: