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PROPOSED ATTORNEYS FOR THE DEBTORS AND DEBTORS-IN-POSSESSION
 IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE NORTHERN DISTRICT OF TEXAS
 FORT WORTH DIVISION

In re)	Chapter 11 Case
MIRANT CORPORATION, <u>et al.</u> ,)	Case No. 03-46590 (DML)11
)	Jointly Administered
Debtors.)	
)	Hearing Date and Time: To Be Set

**APPLICATION FOR ENTRY OF AN ORDER PURSUANT TO
 SECTION 327(a) OF THE BANKRUPTCY CODE AUTHORIZING THE
 EMPLOYMENT AND RETENTION OF CHARLES RIVER ASSOCIATES
 INCORPORATED AS ENERGY CONSULTANTS FOR THE DEBTORS**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE:

Mirant Corporation (“Mirant”) and its affiliated debtors (collectively, the “Debtors”), as debtors-in-possession, file this application for entry of an order authorizing the retention of Charles River Associates Incorporated (“CRA”) as energy consultants for the Debtors (the “Application”), and respectfully represent as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider the Application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), and (O). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The relief requested in the Application is authorized under 11 U.S.C. § 327 and may be implemented in accordance with Fed.R.Bankr.P 2014. This Application also includes an initial disclosure required by 11 U.S.C. § 329, Fed.R.Bankr.P. 2016(b), and Local Bankruptcy Rule 2016.1.

PROCEDURAL BACKGROUND

2. The Cases. On July 14 and 15, 2003, Mirant Corporation and seventy-four of its affiliates filed voluntary petitions in this court for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

3. Joint Administration Request is Pending. The Debtors have moved the court to jointly administer the bankruptcy estates of the Debtors.

4. The Creditors’ Committee. No creditors’ committee has yet been appointed in these cases by the United States Trustee. Further, no trustee or examiner has been requested or appointed in any of the Debtors’ chapter 11 cases.

RETENTION OF CHARLES RIVER ASSOCIATES INCORPORATED

5. By this Application, the Debtors seek to employ and retain CRA as energy consultants for the Debtors in connection with various matters, including the Debtors’ commencement and prosecution of their chapter 11 cases as described herein, nunc pro tunc to the Petition Date. Pursuant to section 327(a) of the Bankruptcy Code, the Debtors request that

the Court approve the employment of CRA as their energy consultants during these chapter 11 cases.

6. The Debtors are in the process of formulating their year business plan. In conjunction with the business plan process, a reorganization plan will be promulgated, which will require analysis of enterprise valuation, debt capacity, and the types of equity securities to be issued as part of that reorganization plan. Thus, the Debtors have concluded that they require the services of a consultant with energy industry expertise in order to fulfill their fiduciary duty and explore all options available, thereby maximizing value.

7. The Debtors have selected CRA as their energy consultants because of the firm's knowledge of the Debtors' businesses and financial affairs, its extensive broad-based experience and knowledge, and in particular, its recognized expertise in providing energy consulting services in financially distressed situations.

8. Prepetition, CRA was retained to assist the Debtors in the evaluation of strategic alternatives and to render energy consulting services to the Debtors in connection with their restructuring efforts. Since its retention, CRA has provided energy consulting services in connection with the commencement of the Debtors' chapter 11 cases. The Debtors expect that CRA, in its role as energy consultant, will continue to provide services to the Debtors in connection with their restructuring efforts.

9. As a result of its prior and current representation of the Debtors, CRA has the necessary background to deal effectively and efficiently with many of the potential energy industry specific issues and problems that may arise in the context of the Debtors' chapter 11 cases. The Debtors believe that CRA is both well-qualified and uniquely able to represent them in their chapter 11 cases in a most efficient and timely manner.

10. CRA is a preeminent consulting firm, with a reputation for creativity in complex situations. CRA and/or its principals have been involved as energy consultants to a diverse group of companies, including, among numerous others, Enron Corporation, PG&E, and Williams. In addition, it has extensive experience working on cases involving financially troubled foreign companies.

11. The employment of CRA is appropriate and necessary to enable the Debtors to execute faithfully their duties as debtors and debtors-in-possession. Subject to further order of this Court, it is proposed that CRA be employed to:

- a. Assist in the evaluation of the Debtors' businesses and prospects;
- b. Assist in the development of the Debtors' long-term business plan;
- c. Analyze the Debtors' projects and business plan and evaluate alternatives;
- d. Provide strategic advice with regard to energy industry specific issues;
- e. Participate in negotiations among the Debtors and their suppliers, and other interested parties with respect to any energy-related transactions;
- f. Provide testimony in these chapter 11 cases concerning any of the subjects encompassed by CRA's energy consulting services, if appropriate and as required;
- g. Assist and advise the Debtors concerning the terms, conditions and impact of any transaction proposed by CRA; and
- h. Provide such other advisory services as are customarily provided in connection with the analysis and negotiation of energy-related transactions.

12. It is necessary that the Debtors employ energy consultants to render the foregoing professional services. CRA has stated its desire and willingness to act in these cases and render the necessary professional services as energy consultants for the Debtors.

13. To the best of the Debtors' knowledge, the officers and employees of CRA do not have any connection with or any interest adverse to the Debtors, their creditors, or any other party in interest herein, or their respective attorneys and accountants, except as set forth herein and in the annexed affidavit of James C. Burrows, President & CEO of CRA (the "Burrows Affidavit").

14. Notwithstanding the foregoing, the Debtors hereby disclose to the Court, in connection with the representation of all of the Debtors by CRA, that there are certain interrelationships between and among the Debtors. The Debtors do not believe, however, that their relationships to one another pose any conflict of interest in these chapter 11 cases because of their general unity of interest at all levels. Accordingly, the Debtors submit that CRA's representation of all the Debtors is permissible under the Bankruptcy Code and is in the best interests of all parties in interest.

15. The Debtors firmly believe that CRA is qualified to represent their interests and the interests of their estates. Were the Debtors required to retain energy consultants other than CRA in connection with the prosecution of their chapter 11 cases, the Debtors, their estates and all parties in interest would be unduly prejudiced by the time and related expense for such consultants to familiarize themselves with the intricacies of the Debtors' business operations and capital structure.

16. Prior to the Petition Date, CRA received from the Debtors a retainer of \$300,000.00 in the aggregate for services rendered in connection with these chapter 11 cases and other matters. CRA applied its prepetition fees and expenses against this amount and is currently holding the remaining amount as a chapter 11 retainer. CRA will not draw down on its chapter 11 retainer without express approval of the Court.

17. The Debtors understand that CRA intends to apply to the Court for allowances of compensation and reimbursement of expenses as permitted by and in accordance with applicable provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Local Rules and Orders of this Court for all services performed and expenses incurred after the Petition Date.

18. Subject to the provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules and orders of the Court, the Debtors propose to pay CRA its customary hourly rates for services rendered that are in effect from time to time, as set forth in the Burrows Affidavit, and to reimburse CRA according to its customary reimbursement policies, and submits that such rates are reasonable.

NOTICE

19. Notice of this Application has been given in accordance with the Court’s order directing that service be made on the Limited Service List. The Debtors submit that no other or further notice need be provided.

20. No previous application for the relief sought herein has been made to this or any other court.

CONCLUSION

WHEREFORE the Debtors respectfully request entry of an order (i) approving the Debtors' retention of CRA as energy consultants for the Debtors pursuant to Bankruptcy Code section 327(a), and (ii) granting the Debtors such other and further relief as is just.

Dated: Fort Worth, Texas
July 22, 2003

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By: /s/ Ian T. Peck
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Judith Elkin
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Ian Peck
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-and-

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PROPOSED ATTORNEYS FOR THE
DEBTORS AND DEBTORS-IN-POSSESSION

CERTIFICATE OF SERVICE

The undersigned hereby certifies that he has authorized BSI as service agent to cause to serve a true and correct copy of the foregoing Application and Affidavit in accordance with the Court's order directing that service be made on the Limited Service List on the 22nd day of July, 2003 in accordance with the Federal Rules of Bankruptcy Procedure.

/s/ Ian T. Peck _____

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PROPOSED ATTORNEYS FOR THE DEBTORS AND DEBTORS-IN-POSSESSION
 IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE NORTHERN DISTRICT OF TEXAS
 FORT WORTH DIVISION

In re)	Chapter 11 Case
MIRANT CORPORATION, et al.,)	Case No. 03-_____ ()
Debtors.)	Jointly Administered

AFFIDAVIT OF JAMES C. BURROWS

COMMONWEALTH OF MASSACHUSETTS)
) ss.:
 COUNTY OF SUFFOLK)

Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure, James Burrows, being duly sworn, deposes and says:

1. I am Chief Executive Officer of Charles River Associates Incorporated ("CRA") and am duly authorized to make this Affidavit on behalf of CRA. I make this Affidavit in support of the application of Mirant Corporation and its affiliated debtors (collectively, the "Debtors"), as debtors-in-possession, for an order authorizing the Debtors to retain CRA as their energy consultants (the "Application"). The facts set forth in this Affidavit are personally known

to me, and, if called as a witness, I could and would testify thereto. Unless otherwise defined, all capitalized terms used herein have the meanings given to them in the Application.

2. To the best of my knowledge, information and belief, insofar as I have been able to ascertain after reasonable inquiry, other than in connection with these cases, neither I, nor CRA, nor any officer or employee thereof, as far as I have been able to ascertain, has any connection with the Debtors, their creditors, the United States Trustee or any other party with an actual or potential interest in these chapter 11 cases or their respective attorneys or accountants, except as set forth below:

(a) To the best of its knowledge, CRA does not represent, and has not represented, any entity other than the Debtors in matters related to these chapter 11 cases.

(b) Prior to the Petition Date, CRA performed professional services for the Debtors, as described in the Application. The Debtors do not owe CRA any amount for services performed prior to the Commencement Date. Prior to the Petition Date, CRA was provided a retainer for services to be rendered on behalf of the Debtors in the amount of \$300,000. CRA currently holds such retainer and shall not apply same to services to be performed in these cases without further Order of this Court.

(c) From time to time, CRA may represent certain creditors of the Debtors and other interested parties in these chapter 11 cases in matters unrelated to these chapter 11 cases. As described below, however, CRA has undertaken a detailed search to determine, and disclose, whether it represents or has represented any significant creditors, equity security holders, insiders or other parties in interest in such unrelated matters.

(d) CRA has approximately 525 employees. It is possible that certain employees of CRA hold interests in mutual funds or other investment vehicles that may own debt or equity interests in the Debtors.

3. To check and clear potential conflicts of interest in these cases, CRA researched its client database and performed reasonable diligence to determine whether it had any relationships with the following entities (collectively, the "Interested Parties"):

- (a) the Debtors and their non-debtor affiliates;
- (b) the Debtors' directors and officers and certain major business affiliations, as provided to CRA by the Debtors;
- (c) the Debtors' 20 largest unsecured creditors on a consolidated basis, as identified in their chapter 11 petitions;
- (d) other material trade creditors and lessors, as provided to CRA by the Debtors;
- (e) parties to significant litigation with the Debtors, as provided to CRA by the Debtors; and
- (f) the Debtors' prepetition secured lender, as provided to CRA by the Debtor;

The identities of the Interested Parties as provided by the Debtors are set forth on Schedule 1 attached hereto and incorporated herein by reference. CRA's research of its relationships with the Interested Parties indicated that CRA has not represented nor does it currently represent any of these entities in matters related to these chapter 11 cases.

4. If CRA discovers additional information regarding any connections to Interested Parties in these chapter 11 cases that require disclosure, CRA will file a supplemental disclosure with the Court as promptly as possible.

5. Neither I, nor CRA, nor any officer or employee thereof, as far as I have been able to ascertain, holds or represents any interest adverse to the Debtors or their respective estates with respect to the matters on which CRA is proposed to be employed.

6. Subject to the Court's approval, CRA will charge for its energy consultant services on an hourly basis in accordance with its ordinary and customary hourly rates in effect on the date services are rendered. The hourly rates of CRA professionals vary according to each employee's level of experience. Also, CRA periodically adjusts its hourly rates in the ordinary course of business. The names and current hourly rates of the CRA professionals and paraprofessionals currently expected to have primary responsibility for providing services to the Debtors are attached hereto as Schedule 2 and are incorporated herein by reference.

7. In accordance with CRA's normal procedures, CRA will maintain detailed, contemporaneous records of time and any actual and necessary expenses incurred in connection with the rendering of the energy consultant services described above by category and nature of services rendered.

8. The proposed employment of CRA is not prohibited by or improper under Rule 5002 of the Federal Rules of Bankruptcy Procedure. CRA and the professionals it employs are qualified to represent the Debtors in matters for which the Debtors are seeking to retain CRA.

9. CRA intends to apply to the Court for payment of compensation and reimbursement of expenses in accordance with applicable provisions of the Bankruptcy Code,

the Bankruptcy Rules and the Local Rules of this Court, and pursuant to any additional procedures that may be established in these cases and made applicable to CRA.

10. Based upon the foregoing, I respectfully submit that the requirements for CRA's retention as energy consultants to the Debtors have been met.

Executed this 14th day of July, 2003, at Boston, Massachusetts.

James C. Burrows

James C. Burrows

Sworn to before me on this
14 day of July, 2003

[Signature]

Notary Public

My Commission Expires: 6 Sept. 2007

Schedule I

Name of Entity Sounded	Name of Entity and/or Address of Entity that is a CERA Client	Date of Default	Type of Representation
Cleco	Cleco Corporation	Representation in business matters	litigation or general unrelated to the Debtors.
CMS	CMS Energy	Representation in business matters	litigation or general unrelated to the Debtors.
Dominion Resources	Dominion Resources, Inc.	Representation in business matters	litigation or general unrelated to the Debtors.
KEPCO	KEPCO (Korean Electric Power Company)	Representation in business matters	litigation or general unrelated to the Debtors.
Mirant	Mirant Corporation	Current matter.	
Southern Company	Southern Company	Representation in business matters	litigation or general unrelated to the Debtors.
Southern Energy SEI	Southern Energy Southern Energy Asia-Pacific Limited SEI Asia Pacific	Representation in business matters	litigation or general unrelated to the Debtors.
Western Power	Western Power	Representation in business matters	litigation or general unrelated to the Debtors.
ADB	Asian Development Bank (ADB)	Representation in business matters	litigation or general unrelated to the Debtors.
Allstate	Allstate Insurance Company	Representation in business matters	litigation or general unrelated to the Debtors.
Citibank	Citibank	Representation in business matters	litigation or general unrelated to the Debtors.
Confidential Client	Client name will be released under seal upon request.	Representation in business matters	litigation or general unrelated to the Debtors.
Societe Generale	Societe Generale Cowen SG Cowen	Representation in business matters	litigation or general unrelated to the Debtors.
Morgan Stanley	Morgan Stanley Dean Witter Morgan Stanley Group, Inc.	Representation in business matters	litigation or general unrelated to the Debtors.
Allegheny	Allegheny Energy Supply (AES)	Representation in business matters	litigation or general unrelated to the Debtors.
American Electric	American Electric Power Company (AEP)	Representation in business matters	litigation or general unrelated to the Debtors.
Aquila	Aquila Merchant Services, Inc.	Representation in business matters	litigation or general unrelated to the Debtors.
BP	British Petroleum (BP) BP Products North America Inc.	Representation in business matters	litigation or general unrelated to the Debtors.
Calpine	Calpine Corporation	Representation in business matters	litigation or general unrelated to the Debtors.
Constellation	Constellation Energy Source	Representation in business matters	litigation or general unrelated to the Debtors.
Duke Energy	Duke Energy Corporation	Representation in business matters	litigation or general unrelated to the Debtors.
Dynegy	Dynegy Inc.	Representation in business matters	litigation or general unrelated to the Debtors.
Enron	Enron North America	Representation in business matters	litigation or general unrelated to the Debtors.
Energy	Energy-Koch Trading	Representation in business matters	litigation or general unrelated to the Debtors.

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a CRA Client	Brief Description of Representation
Exelon	Exelon Corporation	business matters unrelated to the Debtors. Representation in litigation or general business matters unrelated to the Debtors.
FP&L	Florida Power & Light Company (FP&L)	Representation in litigation or general business matters unrelated to the Debtors.
Confidential Client	Client name will be released under seal upon request.	Representation in litigation or general business matters unrelated to the Debtors.
New York Independent System	New York Independent System Operator, Inc. (NYISO)	Representation in litigation or general business matters unrelated to the Debtors.
Norfolk Southern	Norfolk Southern Railroad Company	Representation in litigation or general business matters unrelated to the Debtors.
NRG	NRG Power Marketing, Inc.	Representation in litigation or general business matters unrelated to the Debtors.
Occidental	Occidental Petroleum	Representation in litigation or general business matters unrelated to the Debtors.
PG&E	Pacific Gas & Electric Company (PG&E)	Representation in litigation or general business matters unrelated to the Debtors.
PSEG	PSEG Energy Resources & Trade PSEG Power	Representation in litigation or general business matters unrelated to the Debtors.
Reliant Energy	Reliant Energy	Representation in litigation or general business matters unrelated to the Debtors.
Reliant Resources	Reliant Resources, Inc.	Representation in litigation or general business matters unrelated to the Debtors.
Sempra	Sempra Energy	Representation in litigation or general business matters unrelated to the Debtors.
Teco	Teco Power Service	Representation in litigation or general business matters unrelated to the Debtors.
Tractebel	Tractebel Inc.	Representation in litigation or general business matters unrelated to the Debtors.
Williams Energy	Williams Energy Services Company	Representation in litigation or general business matters unrelated to the Debtors.
Cinergy	Cinergy	Representation in litigation or general business matters unrelated to the Debtors.
Conoco	ConocoPhillips Exploration	Representation in litigation or general business matters unrelated to the Debtors.
General Electric	General Electric Company (GE)	Representation in litigation or general business matters unrelated to the Debtors.
MidAmerican	MidAmerican Energy Company	Representation in litigation or general business matters unrelated to the Debtors.
Mitsui	Mitsui	Representation in litigation or general business matters unrelated to the Debtors.
OGE Energy	OGE Energy Corporation	Representation in litigation or general business matters unrelated to the Debtors.
Suncor	Suncor Energy Inc.	Representation in litigation or general business matters unrelated to the Debtors.
Texaco	ChevronTexaco	Representation in litigation or general business matters unrelated to the Debtors.
White & Case	White & Case, LLP	Representation in litigation or general business matters unrelated to the Debtors.

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is CRA Client	Brief Description of Representation
Deloitte	Deloitte & Touche	Representation in litigation or general business matters unrelated to the Debtors.
Ernst	Ernst & Young, LLP	Representation in litigation or general business matters unrelated to the Debtors.
KPMG	KPMG LLP	Representation in litigation or general business matters unrelated to the Debtors.
Pricewaterhouse	PricewaterhouseCoopers	Representation in litigation or general business matters unrelated to the Debtors.
Haynes & Boone	Haynes & Boone	Representation in litigation or general business matters unrelated to the Debtors.
Confidential Client	Client name will be released under seal upon request.	Representation in litigation or general business matters unrelated to the Debtors.
Citigroup	Citigroup	Representation in litigation or general business matters unrelated to the Debtors.
Utilicorp	Aquila Merchant Services	Representation in litigation or general business matters unrelated to the Debtors.
Wells Fargo	Wells Fargo & Company	Representation in litigation or general business matters unrelated to the Debtors.

SCHEDULE 2**Schedule 2**
BILLING RATES FOR CRA

<u>CRA PROFESSIONAL</u>	<u>BILLING RATE (per hour)</u>
William Hieronymus	\$550.00
Ira Shavel	\$450.00
William Babcock	\$450.00
John Parsons	\$450.00
Jack Yeager	\$525.00
Scott Nieman	\$325.00
Julie Somers	\$325.00
Nikhil Gupta	\$250.00
Analysts/Associates	\$150.00 - \$275.00
Support	\$95.00

Expenses for travel are billed at cost. Library search, outside photocopying, and data acquisition services charges include an amount calculated to recover the fixed costs of providing these services. Miscellaneous expenses for telephone, facsimile, on-site copying, courier, shipping, postage, and supplies are allocated on a pro rata basis and are billed at cost. Standard fees for computer hardware, software, support, and network services are US\$16/labor hour and US\$10/CPU minute for SUN processing.