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ATTORNEYS FOR THE DEBTORS AND DEBTORS-IN-POSSESSION

**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
Debtors.)	Jointly Administered

**APPLICATION FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. § 327(e)
AUTHORIZING THE EMPLOYMENT AND RETENTION OF
COUCH WHITE, LLP AS SPECIAL COUNSEL TO THE DEBTORS
EFFECTIVE AS OF THE PETITION DATE**

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 Pursuant to 11 § 327(e) Authorizing the Employment of Couch White, LLP as Special Counsel to the Debtors (the “Application”), and in support of this Application, Debtors respectfully represent as follows:

JURISDICTION

1. This Court has jurisdiction to consider this Application pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

PROCEDURAL BACKGROUND

2. On July 14, 2003 (the “Petition Date”), each of the Debtors filed a voluntary petition in this court for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (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. On the Petition Date, the Debtors filed a motion to jointly administer their bankruptcy estates, which motion was approved by Order of this Court dated July 15, 2003.

4. Creditors' Committees. On July 18, 2003, the Office of the United States Trustee for the Northern District of Texas announced the formation of two official unsecured creditors' committees; one for Mirant Corporation and the other for Mirant Americas Generation, LLC. The appointment lists of members of both official unsecured creditors' committees were filed in their respective chapter 11 cases on July 25, 2003.

5. No trustee or examiner has been requested or appointed in any of the Debtors' chapter 11 cases.

FACTUAL BACKGROUND

Mirant's Business Operations.

6. Mirant and its direct and indirect subsidiaries comprise one of the world's largest generators and marketers of electricity. Through its direct and indirect subsidiaries,

Mirant produces, sells and delivers reliable energy products and services to utilities, municipal systems, aggregators, electric-cooperative utilities, producers, generators, marketers and large industrial customers in North America, the Philippines and the Caribbean. Mirant's core business centers on the production and sale of electricity and electrical capacity (essentially the ability to produce electricity on demand). Mirant currently owns or controls more than 21,800 megawatts of electric generating capacity around the world, of which more than 18,000 megawatts is located in the United States. In 2002, Mirant produced 73 million megawatt-hours of electricity, sold 312 million megawatt-hours of electricity and sold or marketed an aggregate average of 21 billion cubic feet per day of natural gas.

7. Mirant employs in excess of 7,000 employees worldwide, of which approximately 1,100 employees are based at Mirant's corporate headquarters in Atlanta and approximately 5,900 employees are based at operating facilities. In 2002, Mirant recorded a \$542 million loss in earnings before interest, taxes and depreciation ("EBITDA") on a consolidated basis. Its 2002 operating revenues were approximately \$6.4 billion.

Retention of Couch White, LLP

8. By this Application, the Debtors seek to employ and retain Couch White, LLP ("Couch White") as special counsel to the Debtors effective as of the Petition Date. Pursuant to section 327(e) of the Bankruptcy Code, the Debtors request the Court approve the retention of Couch White as their attorneys to provide the legal advice that Debtors require to continue to operate their business as they did pre-petition. Specifically, Couch White has been representing and providing advice to Mirant in connection with the following matters:

- Environmental compliance, building permits, land use and nuisance complaints arising from its operations in New York state.

- Government and regulatory issues arising in both New York and Massachusetts.
- The Bowline 3 project, including without limitation, the issuance, maintenance and retention of building and construction permits, real property taxes, including the enforcement of a settlement with respect thereto with a value in excess of \$30 million, as well as certain ISO generator interconnection issues and certain construction contracts.
- Certain matters either regulated by or before the New York State Public Service Commission, including without limitation, (1) Hudson Valley Gas Corporation project; (2) 345 kv electric transmission line; (3) pipeline safety code issues; (4) Case No. 99-E-1470 which involves the rates which Mirant generation facilities pay for standby electricity; and (5) proposed renewal rates and standards.
- A case seeking restitution for erroneous capping of certain bids.
- At the New York Independent System Operator (“NYISO”) in connection with operating and management issues that arise at the NYISO which affect all of Mirant’s New York power transactions.
- Certain real property tax assessments relating to the Lovett generation station.
- Its Bowline 1 and 2 projects, including the issuance, maintenance and retention of certain water use permits.
- A gas turbine real property tax issue and hydroelectric real property tax issue involving approximately \$1 million and \$2 million in tax refunds, respectively, and which petitions must be filed by July 31, 2003.
- The Nehmadi matter, which is a boundary line dispute.
- Issues arising with respect to the Hudson Valley Gas Corporation.
- The Iroquois Hunting and Fishing Club property line dispute.
- The Town of Bethel Project, including certain reservoirs and Federal Energy Regulatory Commission (“FERC”) license issues.
- The Millennium Pipeline Project.
- Certain matters before the New York State Department of Environmental Conservation, including (1) Mirant’s hydroelectric facilities and (2) capacity violations for both Bowline and Lovett generation facilities.

- The sale of certain assets to a third party.

9. The Debtors believe that representation by Couch White will be needed in matters that the Debtors have or may encounter which the Debtors, for the reasons stated below, believe will be more efficiently handled by Couch White. This will avoid unnecessary litigation and reduce the overall expenses of administering this case. Thus, the Debtors seek to engage Couch White as special counsel.

10. The Debtors have selected Couch White as their special counsel because of the firm's extensive experience with and knowledge of the Debtors' businesses and financial affairs. Couch White has been rendering advice with respect to a variety of legal issues to the Debtors since April, 1998. Due to Couch White's familiarity with the Debtors' financial structure, contractual relationships and business operations and affairs, as well as its recognized national reputation and expertise in the areas for which it is being retained, the Debtors believe that Couch White is uniquely qualified to assist them in these matters.

11. Couch White will carefully coordinate their efforts with bankruptcy counsel and other professionals retained by the Debtors and clearly delineate their duties to prevent any duplication of effort. The Debtors believe that rather than resulting in any extra expense to the Debtors' estates, the efficient coordination of efforts of counsel will greatly add to the effective administration in these Chapter 11 cases.

12. It is necessary that the Debtors employ Couch White to render the foregoing professional services. Couch White has stated its desire and willingness to act in these cases and render the necessary professional services as special counsel for the Debtors. To the best of Debtors' knowledge, Couch White and its partners and associates do not have any connection with or any interest adverse to the Debtors, their creditors, or any other party in

interest, or their respective attorneys and accountants, except as may be set forth in the affidavit of Algird F. White, Jr., a partner of Couch White annexed hereto as Exhibit “A” (the “White Affidavit”).

13. The Debtors understand that Couch White hereafter intends to apply to the Court for allowances of compensation and reimbursement of expenses in accordance with the applicable provisions of the Bankruptcy Code (or as otherwise allowed by order of this Court), the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and the Local Bankruptcy Rules for the Northern District of Texas (the “Local Rules”) for all services performed and expenses incurred after the Petition Date.

14. Pursuant to section 328(a) of the Bankruptcy Code, the Debtors may retain Couch White on any reasonable terms and conditions. The Debtors submit that the most reasonable terms and conditions are those charged by Couch White to the Debtors and other clients on a daily basis in a competitive market for legal services. Therefore, the Debtors and Couch White have agreed that Couch White shall be paid its customary hourly rates for services rendered that are in effect from time to time, as set forth in the White Affidavit, and shall be reimbursed according to Couch White’s customary reimbursement policies.

15. The Debtors have been informed that Algird F. White, Jr., as well as other partners in, counsel to and associates of Couch White who will be performing services for the Debtors during these chapter 11 cases, are members in good standing of the courts in which they are admitted to practice. Any of the Couch White attorneys who are not already admitted to practice before this Court, and whose appearance before the Court is necessary and appropriate, will seek admission pro hac vice.

16. Couch White has in the past represented and/or currently represents Mirant and its affiliated Debtors, as well as their affiliated non-debtor entities in connection with various non-bankruptcy matters including those listed in paragraph 13 herein, as well as the following:

- Due diligence on asset purchases.
- Negotiation of asset purchase agreements.
- Representation before the New York State Public Service Commission, the New Hampshire Board of Public Utilities and the Federal Energy Regulatory Commission.
- Government relations representation in New York and Massachusetts.
- Real Property tax representation and litigation.
- Representation at the New York Independent System Operator.
- Land use litigation.
- Environmental litigation and permitting.
- General regulatory and legal counseling.

17. To the best of the Debtors' knowledge, information and belief, Couch White represents no interest adverse to the Debtors or to their estates in the matters for which Couch White is proposed to be retained. The Debtors submit that the employment of Couch White would be in the best interests of the Debtors, their estates and creditors. The White Affidavit, executed on behalf of Couch White in accordance with the provisions of section 327 of the Bankruptcy Code, Federal Rule of Bankruptcy Procedure 2014, Local Bankruptcy Rule 2016(b) and U.S. Trustee Guidelines, is incorporated herein by reference. The Debtors' knowledge, information and belief regarding the matters set forth in this Application are based, and made in reliance, upon said declaration.

18. The Debtors firmly believe that Couch White is the most qualified firm to represent the Debtors with respect to the matters on which it has been engaged. If the Debtors were required to retain counsel other than Couch White with respect to such matters, the Debtors, their estates and all parties in interest would be unduly prejudiced by the time and expense necessarily attendant to such counsel's familiarization with the intricacies of the factual and legal issues associated with such matters.

19. In the event that any affiliates of the Debtors subsequently commence chapter 11 cases, which are jointly administered with these cases, the Debtors request that the relief requested herein apply to such debtors and their respective estates. Couch White agrees to file such additional affidavit as necessary pursuant to sections 327(e) and 328 of the Bankruptcy Code with regard to such debtors and their estates.

NOTICE

20. The Debtors have served notice of this Application on the United States Trustee for the Northern District of Texas, the statutory committees appointed in these chapter 11 cases and the creditors holding the fifty (50) largest unsecured claims against the Debtors' estates on a consolidated basis. Because of the administrative nature of the relief requested herein, the Debtors submit no other or further notice be given.

21. No previous request for relief sought herein has been made by the Debtors to this or any other court.

WHEREFORE, the Debtors respectfully request that the Court enter an order (i) approving the retention of Couch White, LLP as special counsel for the Debtors pursuant to section 327(e) of the Bankruptcy Code, and (ii) granting the Debtors such other and further relief as is just and proper.

RESPECTFULLY SUBMITTED this 8th day of August, 2003.

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By /s/ Robin E. Phelan

Robin Phelan
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Judith Elkin
State Bar No. 06522200
Ian Peck
State Bar No. 240013306

-and-

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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 upon all parties on the attached service list via United States first class mail, postage prepaid, on the 8th day of August, 2003, in accordance with the Federal Rules of Bankruptcy Procedure.

/s/ Robin E. Phelan

EXHIBIT “A”

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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
)	
Debtors.)	Jointly Administered
_____)	

**AFFIDAVIT OF ALGIRD F. WHITE, JR. IN CONNECTION WITH THE RETENTION
OF
COUCH WHITE, LLP AS SPECIAL COUNSEL FOR THE DEBTORS**

STATE OF NEW YORK)
) ss.:
COUNTY OF ALBANY)

Algird F. White, Jr., being duly sworn, deposes and says:

1. I am a Partner of the firm of Couch White, LLP (“Couch White” or the “Firm”). I am admitted to practice before the United States District Courts for the Northern, Southern, Eastern and Western Districts of New York. I am admitted to practice before the United States Court of Appeals for the Second Circuit and the Supreme Court of the United States. I am a member in good standing of the Bar of the State of New York. Unless otherwise stated herein, I have personal knowledge of the facts stated herein. To the extent that any information disclosed herein requires amendment or modification upon Couch White’s

completion of further analysis or as additional creditor information becomes available to it, a supplemental affidavit will be submitted to the Court reflecting same.

2. I am filing this Affidavit in support of the Application of Mirant Corporation (“Mirant”) and its affiliated debtors (collectively, the “Debtors”), as debtors-in-possession, for entry of an Order Pursuant to 11 U.S.C. § 327(e) Authorizing the Employment and Retention of Couch White as special counsel for the Debtors in these chapter 11 cases (the “Application”).

3. This Affidavit is also submitted as the statement required pursuant to sections 328(a), 329 and 504 of title 11, United States Code (11 U.S.C. §§ 101 et seq.) (the “Bankruptcy Code”) and Rules 2014(a) and 2016(b) of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

4. All attorneys comprising or employed by Couch White who will perform services for the Debtors are duly admitted to practice law in one or more states.

5. As set forth in the Application, since April 1998, Couch White has advised the Debtors with respect to a variety of legal issues. More recently, Couch White has represented the Debtors in connection with:

- Couch White currently represents Mirant New York in connection with environmental compliance, building permits, land use and nuisance complaints arising from its operations in New York state.
- Couch White currently represents Mirant in connection with government and regulatory issues arising in both New York and Massachusetts.
- Couch White currently represents Mirant in connection with the Bowline 3 project, including without limitation, the issuance, maintenance and retention of environmental, building and construction permits, real property taxes, including the enforcement of a settlement with respect thereto (along with Bowline 1 and 2) with a value in excess of \$30 million, as well as certain ISO generator interconnection issues and certain construction contracts.

- Couch White currently represents Mirant in connection with certain matters either regulated by or before the New York State Public Service Commission, including without limitation, (1) Hudson Valley Gas Corporation project; (2) 345 kv electric transmission line; (3) pipeline safety code issues; (4) Case No. 99-E-1470 which involves the rates which Mirant generation facilities pay for standby electricity; and (5) proposed renewable resources rates and standards.
- Couch White currently represents Mirant in connection with a case seeking restitution for erroneous capping of certain bids.
- Couch White currently represents Mirant at the New York Independent System Operator (“NYISO”) in connection with operating and management issues that arise at the NYISO which affect all of Mirant’s New York power transactions.
- Couch White currently represents Mirant in connection with certain real property tax assessments relating to the Lovett generation station.
- Couch White currently represents Mirant in connection with its Bowline 1 and 2 projects, including the issuance, maintenance and retention of certain water use permits.
- Couch White currently represents Mirant in connection with a gas turbine real property tax issue and hydroelectric real property tax issue involving approximately \$1 million and \$2 million in tax refunds, respectively, and which petitions must be filed by July 31, 2003.
- Couch White currently represents Mirant in connection with the Nehmadi matter, which is a boundary line dispute.
- Couch White currently represents Mirant in connection with issues arising with respect to the Hudson Valley Gas Corporation.
- Couch White currently represents Mirant in connection with the Iroquois Hunting and Fishing Club property line dispute.
- Couch White currently represents Mirant in connection with the Town of Bethel Project, including certain reservoirs and Federal Energy Regulatory Commission (“FERC”) license issues.
- Couch White currently represents Mirant in connection with the Millenium Pipeline Project.
- Couch White currently represents Mirant in connection with certain matters before the New York State Department of Environmental Conservation, including (1) Mirant’s hydroelectric facilities and (2) opacity violations for both Bowline and Lovett generation facilities.

- Couch White currently represents Mirant in connection with the sale of certain assets to a third party.

6. Within the year prior to the commencement of the Debtors' chapter 11 cases, Couch White received payment from the Debtors and their affiliated non-debtors of approximately \$2,901,018.03 for professional services rendered and expenses incurred by Couch White prior to the Petition Date. Couch White is owed approximately \$400,259.25 with respect to services rendered to and costs incurred on behalf of the Debtors prior to the Petition Date. Couch White currently holds no retainers for payment of professional services to be rendered and expenses incurred with respect to these chapter 11 cases.

7. In preparing this affidavit and the other descriptions of presently known connections and relationships set forth herein, I used a set of procedures developed by Couch White to ensure full compliance with the requirements of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of the Court. In accordance with such procedures, I performed, or caused to be performed, a review of the connections and relationships between Couch White and the Debtors' known lenders, bondholders and indenture trustees, the Debtors' 50 largest unsecured creditors (on a consolidated basis), the Debtors' accountants and other professionals, the Debtors' principals and significant stockholders, as well as other parties in interest with respect to these chapter 11 cases. In conducting this review, Couch White searched its database of clients and opposing parties for the names of the foregoing parties. Attached as Exhibit A hereto is a schedule identifying the parties Couch White searched in its database of clients and opposing parties.

8. In light of the extensive number of creditors and other parties in interest, Couch White has been unable to conclusively identify all potential relationships. To the extent that I become aware of any additional relationships, I will file promptly a supplemental affidavit.

9. Couch White is a firm with offices in Albany, New York and Washington, D.C. Couch White has represented, currently represents and may in the future represent various creditors, equity holders, affiliates and other parties in interest in matters unrelated to the Debtors and these chapter 11 cases. Except as set forth herein, neither I, my firm, nor any partner, counsel, associate or professional of Couch White represents any entity having an adverse interest to the Debtors.

- a. Officers or Directors. Couch White has not represented any of the Debtors' officers or directors.
- b. Professionals Representing the Debtors and Other Parties in Interest. As a routine part of its practice Couch White appears in cases, proceedings, and transactions involving many different attorneys, accountants, financial consultants, real estate consultants and investment bankers, including other known professionals representing the Debtors and other parties in interest. Couch White has not represented any of the Debtors' professionals and will not represent any of the aforementioned parties or any of their respective affiliates or subsidiaries in connection with these chapter 11 cases.
- c. Debtors' Lenders. Couch White does not represent and has not represented any of the Debtors' lenders in connection with these chapter 11 cases. However, each of the entities listed in this paragraph and/or their affiliates may be considered to be (1) a former client of Couch White in matters unrelated to these chapter 11 cases, (2) a current client of Couch White in matters unrelated to these cases, (3) a separate affiliate of clients who are or were represented by Couch White in matters unrelated to these cases, (4) a party in interests in litigation brought by or against former or current clients of Couch White in matters unrelated to these cases, or (5) a member of committees or groups in which Couch White has represented the committee or group as a whole, or in part. Moreover, Couch White may currently represent and in the past may have represented clients adverse to the parties listed below and/or their affiliates. The lender with which Couch White may have a relationship is General Electric.
- d. Bondholders/Indentures. Couch White does not represent and has not represented any of the Debtors' bondholders or the indenture trustees with respect to the Debtors' outstanding bonds in connection with these chapter 11 cases. Couch White has not represented any of the bondholders or indenture trustees of the Debtors.
- e. 50 Largest Unsecured Creditors. Couch White does not represent and has not represented any of the Debtors' fifty largest unsecured non-insider creditors in connection with these chapter 11 cases. However, each of the parties listed in this paragraph and/or their affiliates may be considered to

be a (1) former client of Couch White in matters unrelated to these chapter 11 cases, (2) current client of Couch White in matters unrelated to these cases, (3) separate affiliate of clients who are or were represented by Couch White in matters unrelated to these cases, (4) party in interests in litigation brought by or against former or current clients of Couch White in matters unrelated to these cases, or (5) member of committees or groups in which Couch White has represented the committee or group as a whole, or in part. Moreover, Couch White may currently represent and in the past may have represented clients adverse to the parties listed below and/or their affiliates. The unsecured creditor with which Couch White may have relationships is General Electric. Couch White has not and will not represent any of the aforementioned creditors, or any of their respective affiliates or subsidiaries, in connection with these chapter 11 cases.

f. Debtors' 5% Stockholders. Couch White does not represent and has not represented any of the Debtors' five percent stockholders.

10. Certain interrelationships exist among the Debtors and affiliated non-debtor entities. Nevertheless, the Debtors have advised Couch White that the Debtors' relationships to each other and to these affiliated non-debtor entities do not pose any conflict of interest because of the general unity of interest among the Debtors. Couch White has represented and/or currently represents the following Mirant affiliates: Hudson Valley Gas Corporation, Mirant Americas, Inc., Mirant Bowline, LLC, Mirant Lovett, LLC, Mirant New England, Inc., Mirant New England, LLC, Mirant New York, Inc., Southern Energy Bowline, LLC, Southern Energy Lovett, LLC and Southern Energy, Inc. Insofar as I have been able to ascertain, I know of no conflict of interest that would preclude Couch White's joint representation of the Debtors in these cases.

11. Based upon the information available to me, after following the procedures described herein, and except as otherwise described herein, Couch White neither holds nor represents an interest adverse to the Debtors and their estates with respect to the matters for which it is to be employed.

12. Couch White understands that the Debtors have employed White & Case LLP and Haynes and Boone LLP as bankruptcy counsel, as well as a number of other

professionals in connection with the prosecution of these chapter 11 cases. Couch White intends to carefully coordinate its efforts and clearly delineate its respective duties with these and other professionals retained in these cases so as to prevent inefficient duplication of services. Rather than resulting in any extra expense to the Debtors' estates, it is anticipated that the efficient coordination of services of the respective firms will materially add to the progress and effective administration of these chapter 11 cases.

13. Couch White has in the past represented and/or currently represents Mirant and its affiliated Debtors, as well as their affiliated non-debtor entities in connection with various non-bankruptcy matters including those listed in paragraph 5 herein, as well as the following:

- Due diligence on asset purchases.
- Negotiation of asset purchase agreements.
- Representation before the New York State Public Service Commission, the New Hampshire Board of Public Utilities and the Federal Energy Regulatory Commission.
- Government relations representation in New York and Massachusetts.
- Real Property tax representation and litigation.
- Representation at the New York Independent System Operator.
- Land use litigation.
- Environmental litigation and permitting.
- General regulatory and legal counseling.

14. It is contemplated that Couch White's services for the Debtors will be compensated at the Firm's regular hourly rates for similar services, and the Firm will be reimbursed for all reasonable and necessary expenses pursuant to the provisions of sections 330 and 331 of the Bankruptcy Code. Couch White's current customary hourly rates for attorneys and paraprofessionals range from \$90 to \$350 per hour. These rates are subject to periodic

change in the ordinary course of business. Couch White also charges its clients in all areas of practice for expenses incurred in connection with each client's case.

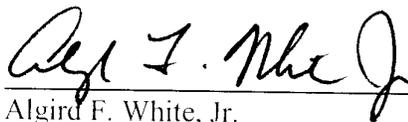
15. No promises have been received by Couch White or any partner, counsel, associate or professional of Couch White, as to payment or compensation in connection with these cases in accordance with the provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules and Orders of the Court. Couch White has no agreement with any other entity to share with such entity any compensation received by Couch White.

16. Couch White intends to apply for compensation for professional services to be rendered in connection with these chapter 11 cases and for reimbursement of expenses incurred, in accordance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules and Orders of the Court.

17. Based upon the foregoing, I respectfully submit that the requirements for Couch White's retention as counsel to the Debtors has been met.

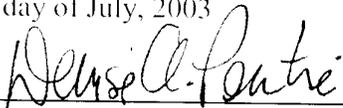
18. The foregoing constitutes the statement of Couch White pursuant to sections 328(a), 329 and 504 of the Bankruptcy Code and Bankruptcy Rules 2014(a) and 2016(b)

Executed this 30th day of July, 2003, at ALBANY, NEW YORK



Algird F. White, Jr.
A partner of the Firm

Sworn to before me on this
30th day of July, 2003



Notary Public

My Commission Expires:

DENISE A. POUTRE
Notary Public, State of New York
Qualified in Albany County
No. 4957937
Commission Expires October 23, 2005

**THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

In re)	
MIRANT CORPORATION, <u>et al.</u> ,)	Chapter 11 Case
Debtors.)	Case No. 03-46590(DML)11
)	Jointly Administered
)	

**INTERIM ORDER PURSUANT TO 11 U.S.C. § 327(e) AUTHORIZING THE
EMPLOYMENT AND RETENTION OF COUCH WHITE, LLP AS
SPECIAL COUNSEL FOR THE DEBTORS EFFECTIVE AS OF THE PETITION DATE**

Came on for consideration the Application for Entry of an Order pursuant to 11 U.S.C. § 327(e) Authorizing the Employment and Retention of Couch White, LLP (“Couch White”) as Special Counsel for the Debtors (the “Application”), of Mirant Corporation and its affiliated debtors (collectively, the “Debtors”). The Court finds that it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. The Court further finds that this is a core proceeding pursuant to 28 U.S.C. § 157. After reviewing the Affidavit of Algird F. White, Jr., a partner of Couch White, in support of the Application, a copy of which is annexed as an exhibit to the Application (the “White Affidavit”), and the Affidavit of John Ragan in Support of First Day Motions and Applications sworn to on the 14th day of July, 2003, and the other motions, pleadings, and papers filed in these Chapter 11 cases, together with the representations on the record, the Court finds that, on an interim basis, (i) the proposed employment of Couch White as special counsel to the Debtors is in the best interest of the Debtors and their respective estates, and (ii) Couch White and its partners, counsel and associates do not hold or represent an interest adverse to the Debtors or their estates in the matters upon which they are to be engaged such that would disqualify Couch White from the representation of the Debtors as special counsel. The

Court further finds that the Application should be **GRANTED** on an interim basis subject to the terms set forth below. IT IS THEREFORE

ORDERED that the Application is granted on an interim basis (the “Interim Order”); and it is further

ORDERED that the retention of Couch White as special counsel to the Debtors and Debtors-in-Possession is hereby GRANTED on an interim basis pursuant to 11 U.S.C. § 327(e) for the purposes set forth in the Application and White Affidavit, effective as of July 14, 2003 (the “Petition Date”); and it is further

ORDERED that, within three (3) business days of the entry of this Interim Order, counsel for the Debtors shall serve the Interim Order upon all parties entitled to receive notice of the Application; and it is further

ORDERED that Couch White shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code and such Bankruptcy Rules as may then be applicable, from time to time, and such other procedures as may be fixed by order of this Court; and it is further

ORDERED that this Interim Order shall be effective from July 14, 2003 through and including the date of the final hearing on the Application; and it is further

ORDERED that to the extent of any conflict between the terms and conditions of the Application and the Interim Order, the terms and conditions of this Interim Order shall govern; and it is further

ORDERED that this Interim Order shall become a Final Order on the twenty-seventh (27th) day after entry of this Interim Order without further notice or hearing unless an

objection to the Interim Order is timely filed with the Court and served on counsel for the Debtors on or before twenty-six (26) days after entry of the Interim Order.

DATED: _____

HONORABLE D. MICHAEL LYNN
UNITED STATES BANKRUPTCY JUDGE

Upon Submission, Please Return to:

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Judith Elkin
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ATTORNEYS FOR THE DEBTORS AND
DEBTORS-IN-POSSESSION