

Mirant's CFO to depart

Severance at least \$4.1 million

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Eighteen months after she jumped ship from almost-bankrupt Delta Air Lines to already bankrupt Mirant Corp., M. Michele Burns is out of a job.

Mirant announced Wednesday that Burns, the company's chief financial officer, and two other senior executives will be leaving the company.

Burns won't leave empty-handed.

According to her contract, Burns' will walk away from her tenure at Mirant with \$4.1 million to \$4.25 million in severance — roughly the same severance given to former Chief Executive Officer Marce Fuller.

That's in addition to at least \$4.1 million Burns earned in Mirant pay, bonus and other payments since jumping from Delta in the spring of last year, and to the free airline flights for life and other considerations she received from Delta.

As Delta's CFO, Burns was among a cadre of top executives who benefited from a highly controversial package of bonuses and pension guarantees that cost the ailing company millions of dollars.

Burns has been a key figure at Mirant, serving as not only its CFO but its chief restructuring officer, charged with moving the company through and out of Chapter 11 bankruptcy.

She was once seen as the heir apparent to Fuller.

But the board that selected Burns and once seemed poised to award Fuller's job to Burns is almost all gone now, replaced by members blessed by the Mirant creditors who will soon own most of its post-bankruptcy stock.

The high-level housecleaning comes just weeks after Mirant announced the selection of Ed Muller, a veteran of Edison Mission Energy, to replace Fuller as CEO and A.W. "Bill" Dahlberg as chairman.

Mirant is also replacing its general counsel, Doug Miller. Both Burns and Miller will be replaced with executives who have worked with Muller's old company.

A third executive, Regulatory Affairs Vice President Aldie Warnock, has resigned, Mirant said.

The company announced no replacement.

James Iaco Jr., 61, will replace Burns as CFO this month.

Iaco is a private investor who served as a division president and CFO of Edison Mission between 1994 and 2000.

S. Linn Williams, 59, will replace Miller.

A private investor and arbitrator with the International Chamber of Commerce, Williams was Edison's general counsel from 1994 to 1998 and led the company's European division from 1998 to 2000.

In a written release, Muller said both men bring "extensive, valuable experience to the new Mirant" and praised their "collective knowledge of energy markets, finance, law and operations.

Both Burns and Miller will stay on with Mirant until the company emerges from Chapter 11 bankruptcy at the end of the year.