

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re)	Chapter 11 Cases
Adelphia Communications Corp., <u>et al.</u> ,)	Case No. 02-41729 (REG)
Debtors.)	Jointly Administered

FINAL FEE APPLICATION FOR COMPENSATION OF SERVICES RENDERED AND REIMBURSEMENT FOR EXPENSES INCURRED BY FISHER & PHILLIPS LLP, SPECIAL COUNSEL FOR ADELPHIA COMMUNICATIONS CORPORATION, et al., FOR THE FINAL PERIOD JUNE 1, 2006 THROUGH FEBRUARY 13, 2007

TO THE HONORABLE ROBERT E. GERBER,
UNITED STATES BANKRUPTCY JUDGE:

Fisher & Phillips LLP (“F&P”), special counsel for the above-captioned debtors and debtors in possession in these cases (the “Debtors”), in support of its final fee application (the “Application”) for allowance of compensation for professional services rendered and reimbursement of expenses incurred from June 1, 2006 through February 13, 2007 (the “Period”), respectfully represents:

PRELIMINARY STATEMENT

1. By this Application and pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), F&P requests that this Court authorize: (a) final allowance of compensation for professional services F&P rendered to the Debtors during the Period in the amount of \$135,286.00 and (b) the reimbursement of actual and necessary expenses F&P

incurred in connection with the rendering of such professional services in the amount of \$8,907.30.

2. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334 and the "Standing Order of Referral of Cases to Bankruptcy Judges," dated July 10, 1984, of District Court Judge Robert T. Ward. Venue of these cases and this Application is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief sought herein are sections 330 and 331 of chapter 11 of the Bankruptcy Code and Rule 2016 of the Bankruptcy Rules.

GENERAL BACKGROUND

3. On June 25, 2002 (the "Petition Date"), Adelphia Communications Corporation and certain of its subsidiaries and affiliates commenced cases under chapter 11 of the Bankruptcy Code.

4. The Debtors are continuing in possession of their respective properties and the management of their respective businesses as debtors in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. By order dated June 26, 2002, the Debtors' cases, except for CML, were consolidated for procedural purposes only and are being jointly administered.

5. No trustee or examiner has been appointed in these cases.

6. On July 11, 2002, an Official Committee of Unsecured Creditors was appointed in these cases, and on July 31, 2002, an Official Committee of Equity Security Holders was appointed in these cases (together, the "Committees").

7. The Debtors First Modified Fifth Amended Joint Chapter 11 Plan for Adelphia Communications Corporation was confirmed on January 5, 2007, with an effective date of February 13, 2007.

8. Given that the following application offers no novel theory of law, F&P respectfully requests waiver of the memorandum of law requirement under Local rule 9013-1(b).

F&P'S SERVICE HISTORY TO DEBTOR

9. F&P's services in these cases have been substantial, necessary, and beneficial to the Debtors and to their estates, creditors, and other parties in interest. Throughout the Period, the variety and complexity of the issues involved in these cases and the need to address those issues in a timely manner have required F&P, in discharge of its professional responsibilities, to devote substantial time by various professionals.

10. F&P's initial retention was under the Order Pursuant to Sections 105(a), 327(e) and 328 of the Bankruptcy Code Authorizing Debtors-in-Possession to Employ Professionals Utilized in the Ordinary Course of Business, dated June 27, 2002, as subsequently amended from time to time (collectively, the "OCP Orders").

11. On or about June 1, 2006, F&P exceeded the fee cap established by the Ordinary Course Professional Orders. F&P subsequently filed an Affidavit, and Supplemental Affidavit, in support of Debtors retention ("Retention Affidavit") of F&P. This Court subsequently entered on December 18, 2006, the Order Authorizing Employment and Retention of F&P ("F&P Order").

12. Subsequent to the F&P Order, F&P has submitted monthly fee statements. Contemporaneous with this final Application, F&P filed its first interim fee application.

13. F&P, by this application, seeks a final award in full of compensation for services rendered and reimbursement for expenses incurred during the Period.

F&P'S FEES AND EXPENSES

14. No agreement or understanding exists between F&P and any other entity for sharing compensation received in connection with this case.

15. F&P's hourly rates and fees charged are comparable to those in the marketplace, both in and out of bankruptcy proceedings, and are comparable to those charged to, and paid by, other F&P clients.

16. F&P maintains computerized and paper copy records of the time expended by professionals in this case. These records are made contemporaneously with the rendition of the services performed, in increments of tenths of an hour, set forth in reasonable detail, and recorded on separate matters when reasonably expected to continue at least three months.

17. For the convenience of the Court and parties-in-interest, Exhibit A contains a list of the professionals and staff members who have worked on those matters during the Period, the professional fees charged, the hourly billing rate during the Period, and the amount of F&P's fees attributable to each individual.

18. For the convenience of the Court and parties-in-interest, Exhibit B contains a list of all the matters for which F&P's services were rendered and the aggregate amount of fees and hours expended for each of those matters.

19. F&P maintains computerized and paper copy records of the all actual and necessary out-of-pocket expenses incurred in connection with this case.

20. For the convenience of the Court and parties-in-interest, Exhibit C contains a schedule of expense categories and the amounts requested for reimbursement of each.

SUMMARY OF SERVICES RENDERED

21. Summaries for each matter handled by F&P, and the commensurate listing of each professional for same, would unduly burden the Court. Instead, F&P's employment matters can be summarized more understandably by the following:

A. Defense Of Employment Matters In Various Types Of Claims

F&P's representation of the Debtors has involved defending claims alleging the following: Workers compensation retaliation, race discrimination, harassment and retaliation, national origin discrimination, harassment and retaliation, disability discrimination and failure to accommodate, unequal pay, wage complaints, negotiation of severance agreements, employment related Serious and Willful Injury Claim. The above types of claims have been alleged in internal complaints, attorney demand letters, commission charges and lawsuits.

B. Defense Of Employment Matters In Jurisdictions Across The Country

The employment claims referenced above have been alleged, negotiated and defended in jurisdictions throughout the country.

C. Defense Of Employment Matters – Status

The employment claims referenced above are in some cases settled, in some cases dismissed, and in others, pending resolution.

22. An exhibit of F&P's invoices for the Period, including detailed narratives and expenses, for all matters would be in excess of 240 pages and would therefore be unduly burdensome to the Court. Copies of same have been provided to Legal Cost Control, Inc. ("LCC") per instructions from counsel to the Fee Committee, contained in F&P's First Interim Application. As mentioned above, Exhibit B lists the hours and fees associated with each

discrete matter handled by F&P, while Exhibit D lists the professional contributions based on more general matter category descriptions.

23. In addition to the services provided during the Period, F&P anticipates that a total of 12 hours will be incurred preparing the Interim and Final Fee Applications, for an approximate total of \$2,400. That amount will be billed to the Debtors in the next fee cycle.

REQUEST FOR COMPENSATION

24. The allowance of final compensation for services rendered and reimbursement of expenses incurred in bankruptcy cases is expressly provided for in 11 U.S.C. § 331. The level of compensation, under 11 U.S.C. § 330, must be “reasonable” and for “actual, necessary services.”

25. F&P submits that the services provided, as described here, required substantial time and skill, were performed diligently, with duplication of effort minimized and are therefore reasonable, actual and necessary. F&P billed 574.30 hours for \$135,286.00 in fees, resulting in a blended rate of \$235.57. F&P submits that this rate is also reasonable.

26. F&P incurred actual and necessary expenses, as detailed in Exhibit E and summarized in Exhibit C, for and based on the following:

- a) Copying – billed at \$0.15 per page which covers supply and equipment costs and is the same rate used for non-bankruptcy clients.
- b) Facsimile – outgoing transmissions only billed at \$0.40 a minute, based on the usage time and carrier charges which also covers supply and equipment costs and is the same rate used for non-bankruptcy clients.
- c) Postage – billed at actual costs.
- d) Long Distance Telephone Charges - billed at \$0.10 to \$0.20 a minute, based on the usage time and carrier charges which also covers supply and equipment costs and is the same rate used for non-bankruptcy clients.

- e) Travel Charges – billed at actual cost plus nominal apportionments for travel and rental car insurance, when applicable.
- f) Computer Research – based on actual aggregate cost with volume discounts passed through to client.
- g) Court Costs - billed at actual costs.
- h) Subpoena Costs - billed at actual costs.
- i) Document Retrieval Costs - billed at actual costs.
- j) Delivery Services - billed at actual costs.
- k) Mediation Costs - billed at actual costs.
- l) Court Reporter Costs - billed at actual costs.

27. F&P's policy is to always minimize costs when possible, for both bankrupt and non-bankrupt clients, and submits that the above were actual, necessary and reasonable.

KEY FACTORS FOR FINAL APPLICATIONS

28. F&P's role and objective in these cases was to provide legal representation and advice regarding employment matters. F&P submits that it provided effective representation in protecting the Debtors, thereby giving value to the Debtors.

29. As mentioned above, the time billed, rates and professionals rendering service to the Debtors, can be found in Exhibit A.

30. F&P was retained to provide legal representation regarding labor and employment matters and with the exception of fee application preparation, have worked and billed on those types of matters exclusively.

31. F&P has coordinated with the Debtors and with other professionals in all aspects of work to minimize any duplications of effort.

32. F&P submits that the representation provided has been beneficial to the Debtors in minimizing costs of employment litigation and preserving the rights of the Debtors.

33. F&P attorneys practice only labor and employment law and therefore provide efficient and effective representation commensurate with each particular employment matter handled.

34. The opposition encountered during our representation of the Debtors was the type one normally expects in adverse litigation matters. A detailed explanation of each would be unduly burdensome for the Court, but can be summarized as part of the litigation process.

35. F&P has made every effort to comply with the Fee Committee Memorandum.

36. F&P, in exercise of its billing judgment, voluntarily wrote off a total of \$1,413.00 in fees prior to submitting the amount to the Debtors.

37. F&P is not aware of any request to reduce any amounts in this application or in response to the fee statements with the exception of one invoice, for \$192.50, for which there were accounting questions related to the invoice number. The amount has not been resolved, but F&P believes it is a question being addressed by the Debtors accounts payable department and does not involve any substantive issue.

PROCEDURE

38. F&P has submitted its First Interim Fee Application contemporaneous with this Final Fee Application.

39. F&P has received compensation in this case, first under the OCP Orders and then pursuant to the F&P Order, as for Fees: \$664,280.60, and Expenses: \$76,487.99.

40. F&P has provided notice of this Final Application to: (i) the Debtors; (ii) the Office of the United States Trustee; (iii) all other parties previously requesting service post-effective date and (iv) the Fee Committee.

CERTIFICATION

The undersigned hereby certifies that, to the best of my knowledge, information and belief, formed after reasonable inquiry:

a) this application complies with the mandatory guidelines set forth by the Court and relevant code and;

b) that the fees and expenses sought fall within the aforementioned guidelines.


CONCLUSION

WHEREFORE, F&P respectfully requests that this Court enter a Final Order awarding F&P:

- a) final compensation from the Debtors for services rendered from June 1, 2006 through February 13, 2007, in the amount of \$135,286.00;
- b) reimbursement of actual, necessary expenses incurred in connection with these services, in the amount of \$8,907.30;
- c) such other and further relief as may be just and proper.

Respectfully submitted,

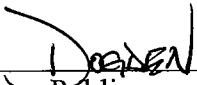
FISHER & PHILLIPS LLP



By: _____

Theresa M. Gallion, Esq.
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Sworn to before me this
28th day of March, 2007



Notary Public

