

APPLICATION OF QUEST TURNAROUND ADVISORS, L.L.C.  
 FOR FIRST INTERIM AND FINAL ALLOWANCE OF COMPENSATION  
 AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
 FROM AUGUST 21, 2006 THROUGH JANUARY 4, 2007

**HEARING DATE:**  
 \_\_\_\_\_, 2007  
 at \_\_\_\_\_, m.

UNITED STATES BANKRUPTCY COURT  
 SOUTHERN DISTRICT OF NEW YORK

**NAME OF APPLICANT:**  
 Quest Turnaround Advisors, L.L.C.

In re: \_\_\_\_\_ x  
 :  
 : Chapter 11  
 :  
 : Case No. 02-41729 (REG)  
 :  
 : ADELPHIA COMMUNICATIONS CORPORATION, et al.,  
 : Debtors.  
 : \_\_\_\_\_ x

**ROLE IN CASE:**  
 Creditor Representative

Fees Previously Requested: \$ - 0 -  
 Fees Previously Awarded: \$ - 0 -  
 Expenses Previously Requested: \$ - 0 -  
 Expenses Previously Awarded: \$ - 0 -  
 Retainer on Account: \$ - 0 -

**CURRENT APPLICATION**  
**Fees Requested: \$479,015.00**  
**Expenses Requested: \$643,295.15**

Names of Professionals	Rate	Hours Billed:		Total For Application
		Current Application		
Jeffrey A. Brodsky	\$500	527.25		263,625.00
Samuel Dawidowicz	\$400	518.60		207,440.00
Barry D. Shalov	\$500	15.90		7,950.00
<b>Total</b>		<b>1,061.75</b>		<b>\$479,015.00</b>

**TOTAL BLENDED HOURLY RATE: \$451.16**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

**HEARING DATE:**  
\_\_\_\_\_, 2007

-----X  
In re: :  
: :  
ADELPHIA COMMUNICATIONS :  
CORPORATION, et al., :  
: :  
Debtors. :  
-----X

at \_\_\_ p.m.  
Chapter 11  
Case No. 02-41729 (REG)

**APPLICATION OF QUEST TURNAROUND ADVISORS, L.L.C.  
FOR FIRST INTERIM AND FINAL ALLOWANCE  
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD FROM AUGUST 21, 2006 THROUGH JANUARY 4, 2007**

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

Quest Turnaround Advisors, L.L.C. ("Quest"), Creditor Representative in the jointly-administered cases of the above-captioned debtors (the "Debtors"), hereby makes this application (the "Application"), pursuant to sections 330 and 331 of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), for its first interim and final allowance of compensation for professional services rendered and reimbursement of actual and necessary expenses incurred in connection with its services rendered to the Official Committee of Unsecured Creditors (the "Committee") for the period from August 21, 2006 through January 4, 2007. In support of the Application, Quest respectfully represents as follows:

**Background**

1. On June 10, 2002, Century Communications Corporation filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Most of the other Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code by June 25, 2002.

2. The Debtors' chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered pursuant to Bankruptcy Rule 1015(b).

3. On July 1, 2002, the United States Trustee for the Southern District of New York appointed the Committee to represent the interests of the unsecured creditors of the Debtors.

4. On July 24, 2006, the Debtors filed with the Securities and Exchange Commission, as an exhibit to the Debtors' Form 8-K dated July 24, 2006, the Second Amended and Restated Agreement Concerning Terms and Conditions of a Modified Chapter 11 Plan, dated as of July 21, 2006 (the "Plan Agreement"). The Plan Agreement contemplated the need to provide for the transition of services following the close of the sale of substantially all of the Debtors' assets (the "Sale Transaction"), including the designation of a Committee Designee whose role would be to serve as an insider to represent creditor interests in connection with the wind-down of the Debtors.

5. The Plan Agreement provides that the

Creditors' Committee shall select the Committee Designee in its sole discretion; provided, however, that (a) the Committee Designee shall have such experience and qualifications as are sufficient to enable the Committee Designee to perform its functions hereunder, (b) the Committee Designee shall not be a member of the Creditors' Committee or an employee or affiliate of a member of the Creditors' Committee, and (c) the Committee Designee shall be subject to Bankruptcy Court approval.

Plan Agreement at ¶ 9(A), n.8.

6. By motion dated September 26, 2006 (the "Quest Retention Motion"), the Committee moved to implement the aforementioned provision of the Plan Agreement by seeking Court authorization to employ Quest as "Creditor Representative," to perform the services, and under the terms, as set out more fully in the Quest Retention Motion.

7. By order dated October 13, 2006, this Court authorized the Committee to employ Quest as Creditor Representative, *nunc pro tunc* to August 21, 2006, pursuant to the Quest Retention Motion.

**RELIEF REQUESTED**

8. By this Application, Quest seeks: (a) a first interim and final allowance of compensation for professional services rendered by Quest as Creditor Representative for the period from August 21, 2006, through January 4, 2007 (the "Compensation Period") in the amount of \$479,015.00, representing 1,061.75 hours of professional services; and (b) reimbursement of actual and necessary costs and expenses incurred by Quest during the Compensation Period in the amount of \$643,295.15.<sup>1</sup>

9. Annexed hereto as Exhibit "A" is a summary of the professional persons who performed services on behalf of the Creditor Representative during the Compensation Period, the hours of services performed by each such person, the rate charged by Quest for the services of each such person, the total value of the services performed by each person and the total value of the services performed by Quest during the Compensation Period.

10. A summary of the actual, out-of-pocket costs and expenses incurred by Quest in as Creditor Representative is annexed hereto as Exhibit "B." These costs and expenses have been incurred in accordance with Quest's customary practice of charging clients for those expenses clearly related to and required by particular matters, rather than including such charges as part of Quest's hourly rates.

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<sup>1</sup> This amount includes \$637,700.43 in fees and expenses incurred by DLA Piper US LLP, as counsel to Quest, as more fully set forth below.

11. The bulk of the expenses incurred by Quest during the Compensation Period consists of the legal services provided to Quest by the law firm of DLA Piper US LLP (“DLA Piper”), and associated expenses incurred by DLA Piper in connection with such legal services. Annexed as Exhibit “C” is a detailed statement of the legal services rendered and expenses incurred by DLA Piper as counsel to Quest in connection with the performance of Quest’s duties as Creditor Representative during the Compensation Period. More detailed itemization of the services performed and time spent and expenses incurred directly by Quest in connection with Quest’s services during the Compensation Period is provided in the time and disbursement records annexed hereto as Exhibit "D." Such records are made contemporaneously with the rendition of services by the person rendering such services and in the ordinary course of Quest’s billing practices.

12. All services performed and expenses incurred by Quest for which compensation or reimbursement is requested herein were performed or incurred in Quest’s capacity as Creditor Representative, and were not for any other person or entity.

**SUMMARY DESCRIPTION OF  
SERVICES PERFORMED**

13. The services provided by Quest in its capacity as Creditor Representative during the Compensation Period included the services enumerated in the Plan of Reorganization and included, but were not limited to, the following:

- (a) Assisted Estate in drafting final Plan and Disclosure Statement;
- (b) Reviewed case in order to be prepared to perform responsibilities of Plan Administrator on Effective Date;

- (c) Worked with Debtor's senior management to develop staffing plans following the Effective Date;
- (d) Reviewed status and made independent assessment to quantify the amount of reserves that would be reasonably required by the Estate for pre-petition and post-petition tax liabilities;
- (e) Worked with Debtor to develop post consummation budget and determined other reserve requirements;
- (f) Worked with management to finalize Effective Date and Total Recovery Flow of Funds model; and
- (g) Reviewed remaining claims and litigation and worked with management to develop strategy for resolving these items following the Effective Date;

14. Quest respectfully submits that the professional services rendered by it in its capacity as Creditor Representative were necessary and have contributed to the effective administration of the Debtor's case.

15. The Court's determination of the reasonableness of services provided should be done in an "objective manner." In re Ames Dep't Stores, 76 F.3d 66, 72 (2d Cir. 1996). Quest respectfully submits that the services rendered and expenses incurred for the Compensation Period for which Quest seeks compensation and reimbursement clearly satisfy the reasonableness standard. Further, as set forth below, the services provided by Quest satisfy the test for reasonableness set forth in In re First Colonial Corp. of America, 544 F.2d 1291 (5th Cir.), reh'g denied, 547 F.2d 573, cert. denied, 431 U.S. 904 (1977):

- (a) Time and labor required: Quest expended 1,061.75 hours of professional time as Creditor Representative during the Compensation Period. The services required by Quest during this stage of its case imposed significant time demands upon Quest's professionals and often necessitated work beyond normal business hours.

- (b) Novelty and difficulty of questions and matters resolved: This case and the issues presented therein have required a high level of professional skill and expertise from professionals within Quest.
- (c) The reputation and skill of the professionals providing the services: As noted above, Quest has drawn upon the skill of some of its most experienced professionals in rendering its services to the Committee during the Compensation Period.
- (d) Preclusion of other employment: Quest's services as Creditor Representative on behalf of the Committee has not precluded employment by other clients. This case has, however, required considerable time commitments from several Quest members and employees.
- (e) Fees charged and fees awarded in similar cases: The fees sought by Quest in this Application are commensurate with fees awarded to Quest in other cases and the fees charged by comparable firms.
- (f) Time limitations: This case has required Quest to perform a vast variety of services and address numerous different issues on behalf of the Committee, often under significant time constraints.
- (g) Whether the fee is fixed or contingent: All fees sought by professionals under sections 330 and 331 of the Bankruptcy Code are contingent prior to approval by the Bankruptcy Court.
- (h) The "undesirability" of the case: Performance of services as Creditor Representative on behalf of the Committee in this case is not undesirable. As noted above, however, Quest's services as Creditor Representative in this case has required a significant commitment of time and effort by several of Quest's staff.
- (i) The results obtained: Quest's services were essential to the estate to enable Quest to perform its responsibilities in connection with consummation of the Plan and to enable Quest to assume and perform its duties as Plan Administrator.
- (j) The Committee's and Quest's professional relationship. On October 13, 2006, the Bankruptcy Court entered an order authorizing the Committee to retain Quest to perform services as Creditor Representative pursuant to the Plan Agreement.

16. As set forth in the Certification of Jeffrey Brodsky., annexed hereto as Exhibit "E," Quest believes that the Application is in compliance with the Administrative Order of the Bankruptcy Court for the Southern District of New York setting the guidelines for fees and disbursements for professionals in bankruptcy cases dated June 20, 1991, as amended on April

19, 1995 (the "Guidelines"), and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, dated January 30, 1996 (the "United States Trustee Guidelines"). In accordance with the Guidelines, time expended by Quest has been itemized based on each task performed on a particular day. Annexed hereto as Exhibit "F" is an analysis of time spent by Quest's professionals broken down by task category.

17. Further, Quest has assigned the work performed in this case to professionals having the experience and specialization to perform the services required efficiently and properly. The professionals providing the services for which compensation is sought pursuant to this application specialize in the fields of inter alia, insolvency and corporate finance.

18. Finally, in rendering services as Creditor Trustee, Quest has taken every care to provide the services as efficiently as possible and to avoid duplication of services.

19. Quest has not shared or agreed to share compensation or reimbursement to be awarded in this case with any other person.

20. No prior application has been made to this or any other Court for the relief requested herein for the Compensation Period.

21. Notice of the relief requested herein has been served on all parties required to be served pursuant to the Fee Order, including the Office of the United States Trustee, the Debtor, the Secured Lender, the Committee and all parties who have filed notices of appearance and requested such notice.



22. This application does not raise any novel issues of law. Accordingly, Quest respectfully requests that the Court dispense with the requirement of Local Bankruptcy Rule 9013-1(b) of submitting a separate memorandum of law.

**WHEREFORE**, Quest respectfully requests an order:

- (a) approving an interim allowance of \$479,015.00, for compensation for professional services rendered by Quest during the Compensation Period;
- (b) approving the reimbursement of Quest's actual, out-of-pocket expenses for the Compensation Period in the amount of \$643,295.15;
- (c) authorizing and directing the Debtor to pay Quest's approved fees and approved expenses for the Compensation Period, less any amounts previously or hereafter paid for such fees and expenses under the terms of the Fee Order;
- (d) granting such other and further relief as this Court deems just and proper.

Dated: March 27, 2007  
New York, New York

Respectfully submitted,

QUEST TURNAROUND ADVISORS, L.L.C.

By:           /s/Jeffrey A. Brodsky          

Jeffrey A. Brodsky  
RiverView at Purchase  
287 Bowman Avenue  
Purchase, NY 10577

Creditor Representative

**EXHIBIT A**

**SUMMARY OF HOURLY FEES BY PROFESSIONAL FOR  
THE PERIOD AUGUST 21, 2006 THROUGH JANUARY 4, 2007**

<b>Professional</b>		<b>Title</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
Jeffrey A.	Brodsky	Managing Director	\$500	527.25	263,625.00
Sam	Dawidowicz	Director	\$400	518.60	207,440.00
Barry	Shalov <sup>2</sup>	Managing Director	\$500	15.90	7,950.00
				1,061.75	<u>479,015.00</u>

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<sup>2</sup> From January 1, 2007 forward.

**EXHIBIT B**

**SUMMARY OF EXPENSES BY CATEGORY FOR THE PERIOD  
FROM AUGUST 21, 2006 THROUGH JANUARY 4, 2007**

<u>Category</u>	<u>Amount</u>
DLA Piper US LLP (legal expenses)	\$637,700.43
Travel Expense Reimbursement	4,924.71
Conference Calls	<u>670.01</u>
	<b>\$643,295.15</b>

**EXHIBIT C**

Detailed Statement of the Legal Services Rendered  
and Expenses Incurred by DLA Piper US LLP

**(The voluminous exhibit has been intentionally omitted. Copies may be obtained by contacting William Coleman at 212-776-3745, or [william.coleman@dlapiper.com](mailto:william.coleman@dlapiper.com).)**

## **EXHIBIT D**

Detailed Itemization of Services Performed by Quest Turnaround Advisors, L.L.C.

**(The voluminous exhibit has been intentionally omitted. Copies may be obtained by contacting William Coleman at 212-776-3745, or [william.coleman@dlapiper.com](mailto:william.coleman@dlapiper.com).)**

**EXHIBIT E**

Affidavit of Jeffrey A. Brodsky

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

**HEARING DATE:**  
\_\_\_\_\_, 2007

-----X  
In re: :  
: :  
ADELPHIA COMMUNICATIONS :  
CORPORATION, et al., :  
: :  
Debtors. :  
-----X

at \_\_ p.m.  
Chapter 11  
Case No. 02-41729 (REG)

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

JEFFREY A. BRODSKY, being duly sworn, deposes and says:

1. I am a member of the firm of Quest Turnaround Advisors, L.L.C. ("Quest"), which maintains office at RiverView at Purchase, 287 Bowman Avenue, Purchase, New York 10577. Quest has acted as Creditor Representative, pursuant to the Second Amended and Restated Agreement Concerning Terms and Conditions of a Modified Chapter 11 Plan, dated as of July 21, 2006 (the "Plan Agreement") in the above-referenced case.

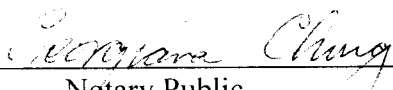
2. This affidavit is submitted pursuant to Bankruptcy Rule 2016 in connection with Quest's application (the "Application") for its first interim allowance of compensation for services rendered as Creditor Representative for the period from August 21, 2006 through 4, 2007, in the amount of \$479,015.00, and approval of reimbursement of expenses incurred in connection therewith in the sum of \$643,295.15.

3. All of the services for which compensation is sought by Quest were performed in Quest's capacity as Creditor Representative pursuant to the Plan Agreement and not on behalf of any other person.

4. Other than compensation arrangements between Quest and its professionals and staff, no agreement or understanding exists between Quest and any other entity for the sharing of compensation received or to be received for services rendered in or in connection with this case.

  
\_\_\_\_\_  
JEFFREY A. BRODSKY

Sworn to before me this  
21<sup>st</sup> day of March, 2007

  
\_\_\_\_\_  
Notary Public

**GEORGIANA CHUNG**  
**NOTARY PUBLIC, STATE OF NEW YORK**  
**NO. 01CH6116868**  
**QUALIFIED IN BRONX COUNTY**  
**CERTIFICATE FILED IN N.Y. COUNTY**  
**COMMISSION EXPIRES 10-12-03**



**EXHIBIT F**

**SUMMARY OF HOURLY FEES BY TASK CATEGORY FOR  
THE PERIOD AUGUST 21, 2006 THROUGH JANUARY 4, 2007**

<b><u>Description</u></b>	<b><u>Amount</u></b>
Attended Meetings	1,400.00
Drafting	9,285.00
Meetings	84,235.00
Meetings with Attorneys	2,600.00
Prepared Documents	34,045.00
Prepared Analyses	13,760.00
Prepared for	320.00
Prepared for Meeting	2,655.00
Telephone Conversations with	6,685.00
Reviewed Documents/Files	103,480.00
Reviewed and Drafted Documents	1,000.00
Reading	34,930.00
Teleconferences	57,695.00
Telephone Calls to	5,010.00
Analyzed	14,680.00
	<b>\$479,015.00</b>