

**SKADDEN, ARPS, SLATE
MEAGHER & FLOM LLP**
Special International Trade Counsel for
the Debtors and Debtors in Possession
1440 New York Avenue, N.W.
Washington, D.C. 20005
(202) 371-7000
Robert E. Lighthizer
John J. Mangan
James C. Hecht

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11 Case Nos.
	: :
BETHLEHEM STEEL CORPORATION,	: 01-15288 (BRL) through
et al.,	: 01-15302, 01-15308
	: through 01-15315
Debtors.	: (Jointly Administered)
	: :
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**SUMMARY SHEET FOR FINAL FEE APPLICATION OF SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP FOR COMPENSATION AND REIMBURSEMENT OF
EXPENSES UNDER 11 U.S.C. § 330 AND FED. R. BANKR. P. 2016(a) FOR THE
PERIOD FROM OCTOBER 15, 2001 THROUGH MAY 31, 2003**

FINAL APPLICATION

NAME OF APPLICANT:	Skadden, Arps, Slate, Meagher & Flom LLP
PERIOD FOR WHICH COMPENSATION IS SOUGHT:	October 15, 2001 through May 31, 2003
AUTHORIZED TO PROVIDE SERVICES TO:	Bethlehem Steel Corporation and its direct and indirect subsidiaries
DATE OF RETENTION ORDER:	January 4, 2002
AMOUNT OF COMPENSATION SOUGHT AS ACTUAL, REASONABLE AND NECESSARY:	\$4,662,177.50
AMOUNT OF EXPENSE REIMBURSEMENT SOUGHT AS ACTUAL, REASONABLE AND NECESSARY:	\$221,324.00
THIS IS A:	<input type="checkbox"/> interim <input checked="" type="checkbox"/> final application

PRIOR APPLICATIONS:

Date Filed	Period Covered	Interim Fees Requested and Awarded	Interim Expense Requested and Awarded
March 15, 2002	October 15, 2001 - January 31, 2002	\$777,146.00	\$60,458.00 (a)
July 16, 2002	February 1, 2002 - May 31, 2002	\$868,912.00	\$42,329.00 (b)
November 15, 2002	June 1, 2002 - September 30, 2002	\$1,146,052.00	\$60,403.00
February 27, 2003	October 1, 2002 - January 31, 2003	\$893,871.20	\$55,150.00
June 26, 2003	February 1, 2003 - May 31, 2003	\$43,761.00	\$2,984.00

(a) Expenses requested were reduced by \$699.00 per agreement with the U.S. Trustee

(b) Expenses requested were reduced by \$585.00 per agreement with the U.S. Trustee

Summary of Prior Applications:

Fees Previously Incurred:	\$4,662,177.50
Fees Previously Requested:	\$3,729,742.20
(Less 20% Holdback)	
Fees Previously Awarded:	\$3,729,742.20
Expenses Previously Requested	\$222,608.00
Expenses Previously Awarded	\$221,324.00

**TIME SUMMARY TO FINAL FEE APPLICATION OF
SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
(OCTOBER 15, 2001 THROUGH MAY 31, 2003)**

<u>Name</u>	<u>Year of Admission</u>	<u>Rate¹</u>	<u>Hours</u>	<u>Amount</u>
Partners				
James C. Hecht	1991	\$430	397.5	\$170,925.00
		\$480	1,975.4	\$948,192.00
		\$535	187.6	\$100,366.00
Frank T. Goldberg	1974	\$675	2.0	\$1,350.00
John J. Mangan	1968	\$540	295.5	\$159,570.00
		\$600	1,579.9	\$947,940.00
		\$635	190.9	\$121,221.50
Robert E. Lighthizer	1973	\$540	314.8	\$169,992.00
		\$600	1,766.4	\$1,059,840.00
		\$635	125.4	\$79,629.00
Barry E. Hawk	1965	\$725	0.7	\$507.50
James A. Losey	1991	\$430	12.6	\$5,418.00
		\$480	7.2	\$3,456.00
Total Partners			6,855.9	\$3,768,407.00
Counsel				
Lawrence V. Gelber	1992	\$440	40.0	\$17,600.00
Stephen P. Vaughn	1991	\$380	348.9	\$132,582.00
		\$430	1,736.3	\$746,609.00
		\$465	204.8	\$95,232.00
Stephen J. Narkin	1979	\$365	297.1	\$108,441.50
		\$440	1,595.6	\$702,064.00
		\$465	155.5	\$72,307.50

<u>Name</u>	<u>Year of Admission</u>	<u>Rate¹</u>	<u>Hours</u>	<u>Amount</u>
Ellen J. Schneider	1977	\$390	379.0	\$147,810.00
		\$440	1,761.2	\$774,928.00
		\$465	348.0	\$161,820.00
Ivan A. Schlager	1990	\$390	1.3	\$507.00
		\$440	47.8	\$21,032.00
Total Counsel			6,915.5	\$2,980,933.00
Associates				
Worth S. Anderson	1996	\$340	269.2	\$91,528.00
Jeffrey Gerrish	1994	\$340	154.5	\$52,530.00
		\$390	1,679.1	\$654,849.00
		\$425	156.6	\$66,555.00
Daniel L. Schneiderman	1996	\$330	116.7	\$38,511.00
		\$375	1,059.6	\$397,350.00
		\$410	101.0	\$41,410.00
Joseph Laroski	1998	\$290	338.6	\$98,194.00
		\$340	1,510.8	\$513,672.00
		\$375	273.2	\$102,450.00
John J. Todor	1998	\$340	1,171.1	\$398,174.00
		\$375	295.0	\$110,625.00
Holly A. Gimbel	1995	\$340	305.2	\$103,768.00
		\$390	997.8	\$389,142.00
		\$425	20.7	\$8,797.50
Jill A. Cramer	1999	\$260	92.9	\$24,154.00
		\$310	184.8	\$57,288.00
Junhee Kim	2001	\$275	776.5	\$213,537.50

<u>Name</u>	<u>Year of Admission</u>	<u>Rate¹</u>	<u>Hours</u>	<u>Amount</u>
Uma N. Everett	2001	\$215	987.0	\$212,205.00
		\$290	243.8	\$70,702.00
Mark B. Teerink	1997	\$290	139.0	\$40,310.00
		\$340	512.2	\$174,148.00
		\$375	38.9	\$14,587.50
Nancy H. Johnson	1987	\$275	0.5	\$137.50
Antonio La Pergola	2001	\$300	19.3	\$5,790.00
Jeffrey M. Traurig	1997	\$375	71.7	\$26,887.50
		\$410	1.4	\$574.00
Scott B. Nardi	1999	\$260	0.6	\$156.00
Haimera A. Workie	2000	\$275	5.0	\$1,375.00
Total Associates			11,522.7	\$3,909,407.50
Specialists				
Stephen F. Munroe	N/A	\$355	125.3	\$44,481.50
		\$390	1,328.1	\$517,959.00
		\$410	77.7	\$31,857.00
David J. Albright	N/A	\$275	136.2	\$37,455.00
		\$300	1,673.2	\$501,960.00
		\$315	132.2	\$41,643.00
Pamela A. Marcus	N/A	\$240	184.1	\$44,184.00
		\$265	1,123.7	\$297,780.50
		\$280	101.3	\$28,364.00
John Sember	N/A	\$230	61.8	\$14,214.00
		\$255	837.2	\$213,486.00
		\$280	107.6	\$30,128.00

<u>Name</u>	<u>Year of Admission</u>	<u>Rate¹</u>	<u>Hours</u>	<u>Amount</u>
Richard J. DeMaio	N/A	\$205	95.8	\$19,639.00
		\$230	885.3	\$203,619.00
		\$245	26.5	\$6,492.50
Floyd M. McGraw	N/A	\$225	26.5	\$5,962.50
		\$250	924.1	\$231,025.00
		\$265	73.0	\$19,345.00
Karen F. Meade	N/A	\$215	101.8	\$21,887.00
		\$240	668.8	\$160,512.00
Robert J. Smith	N/A	\$205	189.8	\$38,909.00
		\$230	884.7	\$203,481.00
Brian Flynn	N/A	\$175	47.0	\$8,225.00
		\$215	27.8	\$5,977.00
Total Specialists			9,839.5	\$2,728,586.00
Legal Assistants				
Legal Assistant A	N/A	\$140	3,179.3	\$445,102.00
		\$195	173.7	\$33,871.50
Legal Assistant B	N/A	\$120	1,607.3	\$192,876.00
		\$150	278.0	\$41,700.00
Legal Assistant C	N/A	\$105	3,901.0	\$409,605.00
Legal Assistant D	N/A	\$65	2,196.8	\$142,792.00
		\$75	1.4	\$105.00
Legal Assistant E	N/A	\$50	848.0	\$42,400.00
Total Legal Assistants			12,185.5	\$1,308,451.50

<u>Name</u>	<u>Year of Admission</u>	<u>Rate¹</u>	<u>Hours</u>	<u>Amount</u>
TOTAL SKADDEN, ARPS PROFESSIONALS		\$311	47,319.1	\$14,695,785.00
BETHLEHEM'S SHARE / FEES INCURRED				\$4,662,177.00
FEES REQUESTED ² (Less 20%)				\$3,729,742.00
PAYMENT RECEIVED FROM BETHLEHEM				\$3,729,742.00
HOLDBACK AMOUNT				\$932,435.00

¹ Rates increased effective January 1, 2002 and January 1, 2003 in accordance with practices customarily employed by the Firm and generally accepted by the client.

² Bethlehem's share of Steel Coalition fees plus Bethlehem's share of Plate Group fees plus exclusive Bethlehem matters.

Bethlehem Steel Corporation
Professional Fees by Billable Matter
October 15, 2001 through May 31, 2003

	Total	% of Total
Cold-Rolled Steel Investigations	\$1,507,626	32.3%
Sec 201 Investigation	\$1,132,818	24.3%
Admin. Reviews & Basic Trade Litigation	\$1,381,799	29.6%
Appeals and Remands	\$410,769	8.8%
Bethlehem Exclusive	\$229,165	4.9%
Grand Total	\$4,662,177	100.0%

SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP
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the Debtors and Debtors in Possession
1440 New York Ave., NW
Washington, DC 20005
(202) 371-7000
Robert E. Lighthizer
John J. Mangan
James C. Hecht

Hearing Date: December 17, 2003

Hearing Time: 10:00 a.m.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11 Case Nos.
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BETHLEHEM STEEL CORPORATION, : 01-15288 (BRL) through
et al., : 01-15302, 01-15308
 : through 01-15315
Debtors. : (Jointly Administered)
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APPLICATION OF SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP, INTERNA-
TIONAL TRADE COUNSEL FOR BETHLEHEM STEEL CORPORATION, SEEKING
FINAL ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES
UNDER 11 U.S.C. § 330 AND RULE 2016 OF THE FEDERAL RULES OF BANKRUPTCY
PROCEDURE

TO: THE HONORABLE BURTON R. LIFLAND,
UNITED STATES BANKRUPTCY JUDGE:

Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden, Arps" or the "Firm"), profession-
als for Bethlehem Steel Corporation and certain of its direct and indirect subsidiaries ("Bethle-
hem" or the "Debtors"), debtors and debtors-in-possession in the above-captioned Chapter 11
cases, hereby submits this final application (the "Application") seeking final allowance of
compensation and reimbursement of expenses pursuant to 11 U.S.C. § 330 and Rule 2016 of the
Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") for the period from October 15,

2001 through and including May 31, 2003 (the "Application Period"). In support of this Application, the Firm represents as follows:

Preliminary Statement

1. On October 15, 2001 (the "Petition Date"), Bethlehem filed a voluntary petition in this Court for reorganization relief under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended (the "Bankruptcy Code"). After the filing of the petition, the Debtors continued to operate its business and manage its properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. A Creditor's Committee was appointed by the U.S. Trustee on October 23, 2001. A Joint Fee Review Committee was appointed by the Court on January 23, 2002.

3. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2). Venue of these cases in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicate for the relief sought herein is section 330 of the Bankruptcy Code.

4. This Application has been prepared substantially in accordance with the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, adopted by the Court on April 19, 1995 (the "Local Guidelines"), and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (together with the Local Guidelines, the "Guidelines"). Pursuant to the Local Guidelines, a certification regarding compliance with the Local Guidelines is attached hereto as Exhibit A. The declaration required by Fed. R. Bankr. P. 2016 is attached hereto as Exhibit B.

Background

5. On December 21, 2001, the Debtors applied to the Court for an order approving the retention of Skadden, Arps as special international trade counsel (the "Retention Application"). By order dated January 4, 2002, the court approved the employment and retention of the Firm as special international trade counsel under section 327(e) of the Bankruptcy Code. A copy of the Court's retention order is attached hereto as Exhibit C. The order authorized the Firm to perform services under the terms set forth in the Firm's application and affidavit, dated December 21, 2001, effective nunc pro tunc as of October 15, 2001. More specifically, Skadden, Arps was authorized to provide services to Bethlehem in connection with trade matters as a member of a coalition of United States producers of carbon steel flat-rolled products (the "Coalition") and certain trade matters individually. In summary, trade matters include:

- (a) Coalition trade matters -
 - (i) legal and policy measures to offset effects of unfair trade and the serious injury to the United States steel industry caused by increased steel imports;
 - (ii) litigation regarding Section 201 through 204 of the Trade Act of 1974;
 - (iii) litigation regarding antidumping and countervailing duty cases, including investigations, administrative proceedings and disputes before international appellate bodies; and
 - (iv) legal and policy measures regarding international negotiations relating to trade remedies, national laws against unfair trade, and dispute settlement.
- (b) Bethlehem specific matters -
 - (i) general trade advice and representation in the Section 201 litigation with respect to long steel products.

6. By order dated October 15, 2001, the court established procedures for interim compensation and reimbursement of Chapter 11 professionals and committee members. On or about 20 days after the end of each month during the Application Period, or the following Monday if such date fell on a weekend date, Skadden, Arps provided Bethlehem and the U.S.

Trustee with a monthly statement of fees and disbursements accrued during such month. The order provided for interim compensation of eighty percent (80%) of the fees and one hundred (100%) of the expenses identified in each monthly statement to which no objection had been served.

7. By order dated June 4, 2002, the court ordered each professional to submit to the Joint Fee Review Committee a four-month budget for professional fees. Skadden, Arps complied with the order and provided members of the committee with separate four-month budgets on June 20, 2002, September 23, 2002, and January 16, 2003. The total budget for professional fees for services between June 1, 2002 and February 28, 2003 was \$3,074,000. The actual fees for that period were \$2,598,827.

8. Pursuant to paragraphs 1(a) and 1(b) of the Fee Procedures Order, and Section B.3 of the Local Guidelines, Skadden, Arps is submitting this Final Application to Bethlehem, counsel for the Debtors' postpetition lenders, counsel to the Committee, the co-chairs of the Committee and the United States Trustee.

Relief Requested

9. Skadden, Arps submits this Application for final allowance of (a) 100% of the compensation for professional services rendered to Bethlehem during the Application Period in the aggregate amount of \$4,662,177.50, and (b) 100% of the actual and necessary out-of-pocket disbursements and charges in the amount of \$221,324.00 incurred in the rendition of required professional services on behalf of Bethlehem during the Application Period. As set forth in the Retention Application for employment and retention as special trade counsel, all professional fees were discounted at a rate of 10 percent from normal billing rates. Over the Application Period, the total value of the discount was \$518,019.70. In addition, Skadden, Arps has voluntarily

reduced professional fees in connection with Chapter 11 retention and fee matters. Specifically, Skadden, Arps has not requested compensation for \$10,600.00 in professional fees incurred in preparation of the February 2003 statement and the fifth interim fee application. In addition, Skadden, Arps is not seeking compensation for the preparation of this Fee Application, which Skadden, Arps estimates will be more than \$16,000.00 in professional fees.

10. The Firm has received no promise of payment for professional services rendered or to be rendered in these cases other than in accordance with the retention order dated January 4, 2002, effective nunc pro tunc as of October 15, 2001.

11. The Firm maintains records of the time it expended in the rendition of all attorney, professional and para-professional services. The Firm's time records were made concurrently with the rendition of professional services, and redacted attorney, professional and para-professional daily time details of services performed during the Application Period by billing matter were annexed to each interim fee application as exhibits. Unredacted time records were provided to the U.S. Trustee as exhibits to monthly statements.

12. As described in the Firm's retention application and affidavit in support thereof, dated December 21, 2001, the Firm and Dewey Ballantine LLP ("Dewey") jointly serve as international trade counsel to the Coalition.¹ Attorneys, professionals and para-professionals of the Firm bill time and disbursements to matters designated as being for the Coalition. As such, it is not possible to segregate specific time entries and disbursements for each Coalition member. Each Coalition member is responsible for a certain percentage of the entire bill for each Coalition

¹ National Steel Corporation, Bethlehem and United States Steel Corporation were members of the Coalition as of October 15, 2001. As of March 1, 2003, Bethlehem was no longer a member of the Coalition and Skadden, Arps has not billed Bethlehem for Coalition services since same date.

matter. This allocation is based on a formula agreed to by all Coalition members. In addition to the Coalition matters, there are Plate Group matters. Bethlehem and United States Steel Corporation were the two members of the Plate Group. As with the Coalition, time and disbursements were billed to the Plate Group, not to specific members. The allocation for the Plate Group was based on a formula agreed to by both Plate Group members. Skadden, Arps also represented Bethlehem on certain matters, general trade advice and Chapter 11 retention, for which Bethlehem was responsible for all fees and disbursements.

13. Daily time records of services performed during the Application Period, on a monthly basis by billing matter, were attached as exhibits to each interim fee application.

14. An index to all of the exhibits is attached hereto immediately following (a) the affidavit required under Fed. R. Bankr. P. 2016 and (b) the certification required under the Guidelines, both of which appear at the end of this portion of the Application.

Summary Of Services Rendered By
Skadden, Arps During the Application Period

15. During the Application Period, Skadden, Arps was required to render services on multiple matters to Bethlehem on a daily basis. Skadden, Arps provided Bethlehem with a monthly statement which included a detailed description of services for each matter. Redacted descriptions and relevant time records were annexed to each monthly statement as exhibits. This section of the Application describes the more substantial services performed and the role played by Skadden, Arps during the Application Period, and highlights certain crucial items that required particularly intense dedication by Skadden, Arps' attorneys, professionals, and para-professionals.

16. As discussed above, Skadden, Arps and Dewey have in the past served as joint international trade counsel to the Coalition. The two firms coordinated regularly to avoid duplication of effort. It was essential to the success of Bethlehem's business that effective legal and public policy measures be taken to offset the effects of unfair trade and the serious injury to the United States steel industry caused by increased steel imports.

17. Bethlehem, as a member of the Coalition and the Plate Group, was a party to on-going trade proceedings concerning imports of hot-rolled carbon steel flat products ("Hot-Rolled Steel"), cold-rolled carbon steel flat products ("Cold-Rolled Steel"), cut-to-length plate ("Plate") and corrosion-resistant carbon steel flat products ("Corrosion-Resistant Steel"). These trade proceedings relate primarily to unfair trade practices for which the remedy is the imposition of antidumping and countervailing duties, which are designed to offset dumping and foreign government subsidies to create a level competitive playing field for domestic producers. In these proceedings, the Department of Commerce (the "DOC") and the International Trade Commission (the "ITC") initially conduct an investigation to determine whether to issue an antidumping or countervailing duty order. If an order is issued, the duty rate is then subject to change in subsequent annual administrative reviews. Further, after an order is in place for five years, the order comes up for review. At the conclusion of a five-year review, the order may be revoked if the DOC determines that revocation would not be likely to lead to continuation or recurrence of dumping or a countervailable subsidy, or if the ITC determines that revocation would not be likely to lead to continuation or recurrence of material injury.

18. Skadden, Arps actively represented Bethlehem with regard to matters relating to the steel safeguard investigation under Sections 201 to 204 ("Section 201") of the Trade Act of 1974 (19 U.S.C. §§ 2251 to 2254). Section 201 provides a remedy for domestic

industries from serious injury caused by increases in the amount of imports to the United States. If the ITC finds that increased imports are a substantial cause of serious injury to the domestic industry, it recommends a remedy to the President of the United States, who determines what relief, if any, will be imposed. Upon the June 22, 2001 request of the United States Trade Representative, the ITC initiated a Section 201 investigation into injury of the domestic steel industry. This was among the largest investigations ever undertaken by the ITC. Skadden, Arps and Dewey performed all of the legal work on behalf of the Coalition in the steel industry's Section 201 case with respect to flat-rolled products. In this case, the President announced a remedy with regard to numerous steel products, including various flat-rolled products, on March 5, 2002. Skadden, Arps also represented Bethlehem separately with respect to certain non-flat steel products in the Section 201 matter.

Section 201 Case Services

19. During the Application Period, Skadden, Arps and Dewey performed all of the legal work on behalf of the Coalition relating to the Section 201 case with respect to flat-rolled products.² Among other things, Skadden, Arps performed the following services:

- (i) preparing pre-hearing briefs on remedy issues; analyzing potential remedies from both an economic and legal perspective to determine the most appropriate recommendation for the ITC on flat-rolled products; legal and factual research regarding operation adjustment plans related to import competition; filing a pre-hearing remedy brief and adjustment plan;

² Additional details regarding services performed were included in each interim fee application.

- (ii) preparing for and participating in hearing on remedy; preparing and filing post-hearing brief on remedy issues;
- (iii) responding to numerous requests to exclude certain products from the scope of this case, including: analyzing the legal and factual basis for each request; conferring with company officials regarding exclusion requests; drafting and filing responses with DOC and the office of United States Trade Representative; representing domestic industry in meetings with DOC;
- (iv) responding to requests for information from the U.S. Government regarding issues such as restructuring, consolidation, and operation adjustment plans related to import competition;
- (v) preparing for and participating in meetings with the Trade Policy Staff Committee ("TPSC"), which advises the President on whether to grant relief under Section 201; preparing and filing brief and rebuttal brief with the TPSC in an effort to persuade the U.S. Government to adopt significant tariff relief; preparing presentations and background materials regarding same;
- (vi) analyzing the President's Section 201 decision, including legal documents issued by the U.S. Government to implement Section 201 relief; conducting legal and factual research related to Section 201 relief; preparing for and participating in meetings and telephone conferences with U.S. Government officials concerning implementation;
- (vii) analyzing additional requests made by various parties to the United States Trade Representative ("USTR") to exclude certain products from the scope of the Section 201 remedy; responding to requests, including analyzing company responses,

- drafting responses to each new or revised request and responding where appropriate to claims made by opposing parties; finalizing same and filing with the USTR;
- (viii) preparing for and participating in a series of meetings with DOC officials to discuss product exclusion requests;
 - (ix) analyzing litigation at the World Trade Organization ("WTO") concerning steel safeguard measures, including requests for dispute settlement panels brought against the United States by the European Union, Japan, Korea, China, Brazil and other WTO members; participating in meetings and teleconferences with U.S. Government officials regarding same; providing background materials and industry input with regard to key litigation issues;
 - (x) evaluating approximately 150 requests for product exclusions submitted to USTR for the first time on May 20, 2002 ("first group"); working with company officials on responses to the first group of exclusion requests under USTR/DOC procedures; conferring with company officials regarding product specifications; working with company officials on objector's questionnaires for objections raised by companies; finalizing and filing same with USTR and DOC;
 - (xi) analyzing products included in second, third, fourth and fifth groups of new exclusion requests; working with company officials on preparing responses to these requests; working with company officials on completing questionnaires setting forth objections raised by companies to requests in each of the rounds; finalizing and filing same with USTR and DOC;

- (xii) analyzing revised product exclusion requests filed by various parties; working with company officials on preparing supplemental responses objecting to the revised product exclusion requests; finalizing and filing with DOC and USTR;
- (xiii) responding to decisions by the U.S. Government to grant exclusion requests despite objections from the domestic industry;
- (xiv) analyzing proposed procedures for annual reviews of exclusion requests published by USTR; drafting of comments on same; finalizing and filing same with USTR and DOC;
- (xv) analyzing technical corrections to Annex modifying the Harmonized Tariff Schedule; preparing letter to USTR and DOC regarding additional corrections needed to be made to the Annex; finalizing and filing same with USTR and DOC;
- (xvi) monitoring developments regarding a steel import licensing system, as well as a mechanism to measure surges of imports from those countries excluded from Section 201 relief; analyzing proposed rules issued by the U.S. Government regarding same; drafting comments; finalizing and filing same with DOC; analyzing final rules issued by the U.S. Government regarding same;
- (xvii) conducting legal and factual research on a broad range of critical issues related to Section 201 relief, including such issues as the effect of Section 201 relief on import levels and the extent to which such relief has affected steel consumers; conferring with company officials and U.S. Government officials regarding such issues; preparing memoranda and background materials regarding same;

- (xviii) preparing and filing comments on process for the anniversary round of product exclusion requests;
- (xix) preparing for the anniversary round; drafting and sending detailed instructions to company officials; analyzing hundreds of specific exclusion requests and comparing same to requests in prior rounds; compiling index; analyzing company responses; finalizing and filing 90 objections to hot-rolled exclusion requests, 25 objections to cold-rolled exclusion requests, and 7 objections to corrosion-resistant exclusion requests;
- (xx) Analyzing studies and claims by adverse parties that U.S. steel consumers are being harmed by Section 201 relief; identifying flaws in allegations by adverse parties and preparing detailed critiques of such allegations; working with industry allies to rebut claims by adverse parties, through communications both with U.S. Government officials and the press;
- (xxi) Identifying specific steel consumers that have publicly claimed to have been injured by Section 201 relief; conducting research regarding the validity of such claims; preparing memoranda and background materials regarding same; conferring with company officials and U.S. Government officials regarding same;
- (xxii) Conducting legal and factual research into issues presented by mid-term review of Section 201 relief conducted by ITC, including the extent to which the ITC has considered consumer impact and testimony in past reviews and ITC's legal mandate with respect to mid-term reviews of safeguard actions;
- (xxiii) Responding to efforts by certain opponents of Section 201 relief to persuade the U.S. Government officials to ask for a parallel investigation by the ITC regarding

the effects of Section 201 relief on steel consumers in conjunction with the mid-term review; conducting legal and factual research into issues presented by such proposals; preparing background materials regarding same;

- (xxiv) Analyzing supplemental submissions filed by certain parties in response to companies' objections relating to requests to exclude four hot-rolled products and four cold-rolled products; conducting factual research; drafting and filing responses with DOC.

20. Of the total amount requested for fees in this Application, approximately 24.3% is attributable to services in conjunction with the Section 201 investigation.

Cold-Rolled and Hot-Rolled Steel Investigations Services

21. During the Application Period, the Firm actively represented Bethlehem in antidumping and countervailing duty cases regarding Cold-Rolled Steel and antidumping and countervailing duty cases regarding Hot-Rolled Steel. These cases were critical to allow Bethlehem to obtain relief from unfairly-traded imports of these steel products.

Services regarding the Cold-Rolled Steel investigations included:

- (i) analyzing respondents' initial and supplemental responses to antidumping and countervailing duty questionnaires issued by DOC; analyzing written submissions and sales data for deficiencies; performing computer analyses of sales and cost of production data to identify deficiencies in responses; drafting and filing comments on deficiencies with DOC; drafting and filing allegations concerning additional subsidies; drafting and filing argumentation regarding various specific issues raised in the course of the antidumping investigations;

- (ii) performing analysis required to initiate sales-below-cost allegation; preparing and filing sales-below-cost allegation for respondents from Australia, Sweden and Venezuela;
- (iii) drafting and filing pre-preliminary brief regarding the Brazil countervailing duty investigation; analyzing DOC's preliminary determination;
- (iv) analyzing requests to exclude over sixty certain products from the scope of the investigation; discussing same with company representatives, counsel for other Petitioners and DOC officials; preparing submissions on behalf of all Petitioners responding to exclusion requests;
- (v) performing comprehensive analyses of narrative responses and computerized databases to identify issues for inclusion in pre-preliminary briefs; drafting and filing pre-preliminary briefs;
- (vi) analyzing DOC's preliminary antidumping determinations and analysis memoranda; analyzing margin calculation margin programs to identify ministerial errors; drafting and filing ministerial error comments;
- (vii) preparing and filing pre-verification comments, raising certain issues to be addressed during verification;
- (viii) performing comprehensive analyses of narrative responses and computerized databases to identify issues for inclusion in case briefs; analyzing verification exhibits and verification reports to identify potential issues; assessing impact of each issue on baseline margin; drafting and filing case briefs;

- (ix) analyzing case briefs filed by respondents; conducting additional research on key issues; drafting rebuttal briefs; finalizing and filing same with DOC;
- (x) analyzing DOC's preliminary scope determination; analyzing briefs challenging the scope determination; conducting research; drafting and filing rebuttal brief; participating in hearing with DOC officials regarding scope issues;
- (xi) analyzing comments and briefs filed by respondents regarding scope; drafting and filing response to same; analyzing final scope rulings issued by DOC;
- (xii) reviewing DOC decision memoranda and disclosure materials to identify potential ministerial errors in the final determinations; preparing and filing ministerial error allegations with regard to the Netherlands, South Africa and Taiwan;
- (xiii) analyzing respondents' responses to questionnaires issued by ITC during the preliminary phase of the investigation; preparing for and participating in conference before ITC Staff; drafting and filing post-conference brief; attending and reporting on affirmative ITC vote regarding preliminary phase;
- (xiv) analyzing and commenting on draft ITC questionnaires for the final phase of the investigation; analyzing factual information relating to current and anticipated conditions in the U.S. and foreign markets;
- (xv) working with company officials to prepare and file responses to questionnaires issued by ITC; analyzing questionnaire responses prepared by other parties to identify critical issues likely to be addressed in the pre-hearing brief;
- (xvi) conferring with potential witnesses and other company officials regarding current market conditions; conferring with economic experts regarding same;

- (xvii) conducting research of legal and factual issues arising from the preparation of the pre-hearing brief at the ITC; analyzing issues to be addressed in pre-hearing brief, and during ITC hearing, as a result of the existence of Section 201 relief on Cold-Rolled Steel; drafting pre-hearing brief; finalizing and filing same;
- (xviii) preparing for and participating in ITC's final hearing;
- (xix) conducting legal and factual research regarding issues to be addressed in post-hearing brief for ITC; drafting post-hearing brief; finalizing and filing same;
- (xx) analyzing numerous post-hearing ITC briefs submitted by subject foreign producers to identify issues to be addressed in final comments;
- (xxi) conducting additional legal and factual research; drafting final comments; finalizing and filing same;
- (xxii) attending vote at the ITC; conferring with company officials regarding same.

Services regarding the Hot-Rolled Steel investigations included:

- (i) analyzing final DOC determinations; drafting and filing ministerial error allegations; drafting and filing summons to commence appeal of DOC determinations at the Court of International Trade ("CIT");
- (ii) attending and reporting on final affirmative ITC vote.

22. Of the total amount requested for fees in this application, approximately 32.3% is attributable to services in conjunction with the Cold-Rolled Steel and Hot-Rolled steel investigations.

Administrative Review Services

23. During the Application period, Skadden, Arps and Dewey also represented the Coalition and the Plate Group in periodic administrative reviews of existing antidumping and countervailing duty orders, which can result in the upward or downward adjustments in the level of duties. They also represented the Coalition and Plate Group in certain five-year reviews, which determine whether orders will be continued for additional five years. In support of all ongoing and future litigation, the Coalition and the Plate Group authorized Skadden, Arps and Dewey to perform certain services on an ongoing basis. These services were identified by the categories used in Skadden, Arps's regular monthly bills to Bethlehem. Services included:

- (i) *Hot-Rolled Steel from Japan, 1st Administrative Review* - analyzing final determination for ministerial errors;
- (ii) *Hot-Rolled Steel from Japan, 2nd Administrative Review* - conducting research regarding claims by the Japanese producers that they made no shipments during the period in question;
- (iii) *Hot-Rolled Steel from Japan, 3rd Administrative Review* - analyzing import data to determine the volume and average unit values for imports of hot-rolled steel from Japan; preparing and filing request for review; analyzing submission by a Japanese producer claiming that it had no shipments of the subject merchandise during the period of review; preparing and filing submission withdrawing from the administrative review;
- (iv) *Corrosion-Resistant Steel from Canada, 9th Administrative Review* - analyzing import data to determine the volume and average unit values for imports of corrosion-resistant steel from Canada; preparing and filing request for review;

- preparing and filing request for duty absorption inquiry; performing initial analysis of questionnaire responses filed by respondents to identify omissions, inconsistencies and items requiring further clarification; conducting initial analysis of computerized data; beginning to draft deficiency comments regarding responses; preparing and filing new factual information with respect to respondents;
- (v) *Cut-to-Length Plate from Mexico, 8th Administrative Review* - analyzing responses to questionnaire issued by DOC; drafting and filing deficiency comments with DOC; analyzing supplemental responses to antidumping questionnaires issued by DOC; performing computer analysis of sales and cost of production data to identify deficiencies in responses and impact of various issues on the dumping margin; finalizing and filing comments addressing deficiencies in supplemental responses; preparing pre-preliminary comments; finalizing and filing same with DOC; preparing brief rebutting claim by a Mexican producer that it fully complied with the DOC's requests for information; finalizing and filing same with DOC; reviewing preliminary results issued by DOC; performing computer analysis of sales and cost of production data to identify deficiencies in responses and impact of various issues on the dumping margin; analyzing new 2001 financial data submitted by respondent; drafting and filing deficiency comments regarding same; drafting and filing pre-verification comments; analyzing exhibits submitted by respondent at verification; analyzing case brief filed by respondent; drafting and filing rebuttal brief;
- (vii) *Cut-to-Length Plate from Mexico, 9th AD Review* - analyzing import data to determine the volume and average unit values for imports of cut-to-length plate

- from Mexico; preparing and filing request for review; analyzing respondent's claim of no U.S. shipments; conducting research to determine if there were any shipments to the U.S.;
- (viii) *Hot-Rolled Steel from South Africa, 1st Administrative Review* - conducting legal research into certain issues; analyzing financial statements of respondents;
 - (ix) *Hot-Rolled Steel from Netherlands, 1st Administrative Review* - preparing and filing request for review of antidumping order;
 - (x) *Hot-Rolled Steel from South Africa, 1st Administrative Review* - conducting factual research regarding possible new subsidy programs; analyzing financial statements; drafting and filing request for review of countervailing duty order;
 - (xi) *Cut-to-Length Plate from Japan, India, and Indonesia, 2nd Administrative Review* - preparing and filing requests for review;
 - (xii) *Byrd Amendment Disbursements* - analyzing notice and report issued by the U.S. Customs Service regarding the duties available for disbursement to the companies under the Continued Dumping and Subsidy Offset Act of 2000 (the "Byrd Amendment"); conferring with company officials regarding same;
 - (xiii) Five-Year Reviews
Cut-to-Length Plate from South Africa and China, DOC -
preparing and filing notice of intent to participate in five-year reviews; analyzing preliminary and final determinations issued by DOC in the antidumping duty investigations as well as the history of the investigations; analyzing the

suspension agreements and all submissions regarding same; analyzing import data; performing research on relevant economic and market information; analyzing import data from China and South Africa; analyzing suspension agreements governing same; updating legal research; drafting and filing substantive responses for both China and South Africa;

Plate from South Africa, China, Ukraine and Russia, ITC -

preparing and filing notice of intent to participate in five-year review; performing initial analysis of legal and factual issues to be addressed; conducting legal and factual research regarding issues raised by Notice of Institution, including the likelihood of increased imports from China, Russia, Ukraine and South Africa in the event that the suspension agreements are terminated; drafting response to same; finalizing and filing same with ITC; analyzing responses submitted by other parties; preparing and filing answers to questions from ITC staff;

- (xiv) *Legislative* - working with other steel producers and unions to encourage vigorous efforts by the U.S. Government to address the steel crisis; developing and implementing a comprehensive strategy to use the legislative process to preserve and strengthen U.S. trade laws; working with allies to develop strategy and plans regarding Section 201 relief; preparing materials in response to attacks on President's steel program; developing legislative agenda for 2003;

- (xv) *Defense of Trade Laws* - responding to articles in the press as well as other studies attempting to weaken support for U.S. trade laws; analyzing efforts by certain major U.S. trading partners to use WTO negotiations to weaken U.S. trade laws and preparing materials regarding same; analyzing report regarding WTO dispute settlement process and preparing materials regarding same; preparing background materials regarding significance of U.S. trade laws; conducting research regarding trade laws in other countries; conducting factual research regarding certain issues relevant to DOC's ongoing inquiry concerning the possible termination of Ukraine's status as a non-market economy for purposes of Title VII investigations; drafting and filing submission to DOC regarding same; analyzing comments by other parties on Ukraine's non-market economy status ("NME") status; conducting factual research regarding certain issues relevant to DOC's new inquiry concerning the possible termination of Romania's status as an NME; analyzing preliminary policy decision issued by DOC regarding the treatment of Section 201 duties in the calculation of U.S. price in antidumping proceedings; preparing background materials regarding same;
- (xvi) *International Negotiations* - analyzing materials regarding WTO ministerial meeting in Doha, Qatar regarding proposed negotiations concerning antidumping and countervailing duty rules; identifying threats to U.S. trade laws posed by new negotiations; working with industry groups regarding strategy for negotiations and proposals to strengthen international disciplines; analyzing developments regarding: (a) accession negotiations and accession of

China, (b) Russia's potential accession to WTO, and (c) potential creation of Free Trade Area of the Americas;

(xvii) *World Trade Organization* - participating in various dispute settlement proceedings on behalf of the Coalition where issues critical to U.S. trade laws are at stake, including WTO disputes concerning U.S. Government decisions regarding (a) Hot-Rolled Steel from Japan, (b) Cut-to Length Plate from India, (c) Corrosion-Resistant Steel from Japan, (d) the methodology used by the U.S. Government in determining the countervailing duty margin applicable to government-owned companies that have been privatized, and (e) the Byrd Amendment;

(xviii) *President's Steel Plan* - analyzing developments regarding international negotiations on the elimination of excess and uneconomic world steelmaking capacity; developing materials to support industry positions; analyzing materials regarding disciplines on market-distorting practices prepared by staff for the Organization for Economic Co-operation and Development ("OECD"); researching issues regarding same; preparing for and attending meeting with OECD staff to discuss working group activities and draft paper; preparing comments on draft paper by the Disciplines Study Group of the OECD; conducting economic research to develop defense of antidumping disciplines; finalizing comments; analyzing proposals regarding potential fund to aid in permanent closure of uneconomic steel capacity; preparing background materials regarding same; conferring with company officials regarding OECD

negotiations; participating in meetings and teleconferences regarding OECD negotiations;

- (xix) *Monitoring / Circumvention* - responding to request to exclude certain products from the scope of various trade investigations; conducting analysis to detect circumvention of orders and suspension agreements; analyzing suspension agreement provisions and trade statistics regarding certain steel products;
- (xx) *Suspension Agreements & Scope, Cut-to-Length Plate* - (a) conducting research to determine if the reference price from the Chinese suspension agreement is appropriate for certain plate products; preparing and filing brief regarding same; (b) analyzing request from a Japanese producer to exclude certain products from antidumping order on cut-to-length plate; drafting and filing response regarding same; (c) analyzing normal value calculations in connection with South African suspension agreement;
- (xxi) *Strategy and Planning* - developing strategy with company counsel and officials regarding ongoing litigation and potential future litigation;
- (xxii) *Project Management* - planning assignments to achieve priorities and maximize efficiency.

24. Of the total amount requested for fees in this application, approximately 29.6% is attributable to services in conjunction with the Administrative Review and Support categories.

Appeal Services

25. Skadden, Arps and Dewey also litigated appeals and remands to the administering agencies of final antidumping and countervailing duty decisions with respect to various flat-rolled products. During the Application period, Skadden, Arps rendered services regarding the following:

(i) Appeals at Court of International Trade ("CIT") of Five-Year Review Determinations by ITC involving Corrosion-Resistant Steel and Cut-to-Length Plate

Corrosion-Resistant Steel: preparing for and participating in oral argument at the CIT regarding ITC's decision not to revoke antidumping and countervailing duty orders; analyzing CIT's decision remanding ITC's determination; researching key issues raised in decision; analyzing re-determination issued by the ITC; analyzing comments on remand determination filed by plaintiffs; conducting legal and factual research; drafting and filing comments on remand determination; analyzing brief filed by ITC regarding remand determination;

Cut-to-Length Plate: preparing for and participating in oral argument at the CIT regarding ITC's decision not to revoke antidumping and countervailing duty orders; analyzing CIT's decision remanding ITC's determination; analyzing re-determination issued by the ITC; analyzing comments of respondents on re-determination; preparing and filing brief responding to same; analyzing CIT decision regarding the ITC's remand determination; conferring with company officials regarding same; analyzing motion for reconsideration filed by plaintiffs; preparing response to same;

- (ii) Appeals at CIT of DOC determination involving hot-rolled steel from the Netherlands - preparing and filing motion to intervene in appeals brought by Corus Group; preparing and filing required documents to gain access to business proprietary information on the record; analyzing complaint filed by Corus Group; conducting initial research and developing strategy regarding same; drafting and filing joint status report in action brought by U.S. producers; drafting Petitioners' opening brief; finalizing and filing brief with CIT; analyzing opening brief from Corus Group; conducting legal and factual research regarding certain issues raised in same; drafting Petitioners' response brief; preparing and filing appendix to brief; analyzing brief filed by the U.S. Government; preparing for oral argument; participating in same;
- (iii) Appeals at CIT of ITC determination involving hot-rolled steel from the Netherlands - preparing and filing motion to intervene in appeals brought by Corus Group; preparing and filing required documents to gain access to business proprietary information on the record; analyzing complaint filed by Corus Group; conducting initial research and developing strategy regarding same; analyzing opening brief submitted by Corus Group steelmaker; drafting and filing response brief; preparing for oral argument; participating in same;
- (iv) Appeal at U.S. Court of Appeals for the Federal Circuit ("CAFC") of DOC determination involving hot-rolled steel from Japan - preparing and filing notice of appearance and certificates of interest; updating legal research; analyzing opening brief filed by U.S. Government; preparing and filing brief; analyze the U.S. Government's opening brief and supplemental brief; analyz-

ing response brief filed by Japanese steelmaker; preparing and filing the joint appendix; conducting legal and factual research; drafting and filing reply brief; analyzing U.S. Government's reply brief; preparing for oral argument; analyzing record and updating legal research; participating in oral argument;

- (v) Appeal at CIT of decision to grant Section 201 relief regarding tin mill products - preparing and filing motion to intervene; analyzing pleadings submitted by parties to determine likely issues; preparing opposition to the plaintiff's motion for a preliminary injunction; finalizing and filing same; analyzing briefs filed by the plaintiff, the U.S. Government, and another defendant-intervenor with regard to the plaintiff's motion for preliminary injunction, as well as cross-motions for summary judgment filed by the plaintiff and the U.S. Government; analyzing opinion issued by the CIT; conferring with company officials regarding same;
- (vi) Appeal at CAFC of CIT decision involving cold-rolled steel from the Netherlands - analyzing final results of changed circumstance review issued by DOC; drafting and filing stipulation of dismissal; analyzing instructions issued by DOC for the liquidation of entries and final assessment of duties; analyzing instructions issued by DOC for the liquidation of entries and final assessment of duties; conferring with company officials regarding status;
- (vii) Appeal at CAFC of CIT decision involving tin plate, ITC investigation - analyzing original and remand decisions by CIT; analyzing opening briefs filed with CAFC; drafting and filing amicus curiae brief and motion for same;

- analyzing opposition to motion to submit amicus brief; filing response to same;
- (viii) Appeal at CIT of DOC determination involving hot-rolled steel from Brazil, CVD suspension agreement - drafting and filing a memorandum to CIT citing "supplemental authority" in support of our position; analyzing responses to same;
 - (ix) Appeal at CIT of DOC investigation involving hot-rolled steel from Brazil- analyzing decision issued by the CIT dismissing Brazilian respondents' appeal for lack of subject matter jurisdiction;
 - (x) North America Free Trade Agreement ("NAFTA") Binational Panel Review of ITC Five-Year Review determination involving Corrosion-Resistant Steel - analyzing briefs filed by respondents; drafting and filing response brief with Panel;
 - (xi) Appeal at CIT of 5th Administrative Review determination involving Corrosion-Resistant Steel from Japan - preparing for and participating in oral argument;
 - (xii) Appeal at CIT of ITC 1999 determination involving Cold-Rolled Steel - preparing for and participating in oral argument; reviewing decision issued by CIT;
 - (xiii) Appeals at CIT of ITC and DOC 2001 determinations involving Cold-Rolled Steel - preparing summons and complaint to initiate appeal of ITC investigation; conducting legal research; analyzing complaints filed by other parties; preparing and filing motion to consolidate; preparing for and participating in

conference with the Clerk of CIT regarding procedural matters; conducting initial analysis to identify appeal issues stemming from DOC investigations; preparing and filing summons and complaint to initiate appeal of DOC determination regarding cold-rolled steel from Taiwan;

- (xiv) Remands - In a number of cases, actions at the CIT and NAFTA binational proceedings result in a remand back to the DOC or the ITC. During the Application period, the Firm actively participated in a number proceedings as a result of remand determinations;

26. Of the total amount requested for fees in this application, approximately 8.8% is attributable to services in conjunction with the above appeals.

Bethlehem Specific Services

27. During the Application Period, Skadden, Arps provided services exclusively to Bethlehem in connection with general trade advice and also incurred fees in connection with Skadden, Arps' retention and filing of monthly statements and fee applications in Bethlehem's Chapter 11 cases. As such, Bethlehem is responsible for 100% of the bill. Services regarding general trade advice included preparing for and making a presentation regarding current trade issues at the request of Bethlehem officials. Services regarding bankruptcy retention included preparing monthly fee statements, interim fee applications, and other retention and fee issues.

28. Of the total amount requested for fees in this Application, approximately 0.9%, or \$42,983.00 is attributable to general trade advice and approximately 4%, or \$186,182.00, is attributable to preparation of monthly statements and interim fee applications

in conjunction with retention in Bethlehem's Chapter 11 cases, including disclosure research and review.

29. The trade matters discussed above were clearly necessary and beneficial to Bethlehem. By litigating cases for antidumping and countervailing duty orders, and then by defending those orders through administrative reviews and five-year reviews, Skadden, Arps helped Bethlehem limit the ability of unfairly-traded imports to enter the U.S. market, take customers away from U.S. producers, and drive down prices for flat-rolled steel. By litigating the steel safeguard case, Skadden, Arps helped to obtain for Bethlehem temporary relief from imports that stabilized market conditions and assisted the industry in recovery from serious injury it had suffered during the steel crisis. By fighting to preserve U.S. trade laws from being weakened by Congress or through international negotiations, Skadden, Arps helped to ensure that those laws would continue to serve as effective barriers to unfair trade.

30. Together, Skadden, Arps' efforts have significantly restricted the ability of unfairly-traded and injurious imports to take customers from U.S. producers or to depress domestic steel prices. These efforts were directly beneficial to Bethlehem because they allowed Bethlehem to sell more steel – at better prices – than it could have otherwise. Indeed, given the seriousness of the threat posed by imports to domestic steel producers, these efforts were necessary to improve Bethlehem's operating performance and to preserve the long-term value of its assets.

APPLICABLE AUTHORITY

31. When awarding compensation to counsel for a debtor pursuant to section 330 of the Bankruptcy Code,³ the factors to be considered by this Court include whether (i) the services performed were beneficial, at the time rendered, toward the completion of the case, (ii) the services performed were commensurate with the complexity, importance, and nature of the issues addressed, and (iii) the compensation is reasonable when compared with the cost of comparable non-bankruptcy services. 11 U.S.C. § 330(a)(3); see also 5 Collier, Bankruptcy ¶ 330.04[1], [7] (15th rev. ed. 2002) ("[t]he majority of courts have determined the 'necessity' of particular services from the perspective of the time that the services were rendered rather than based on hindsight after the services have been performed Although section 330 requires a determination by the court that the services were

³ 11 U.S.C. § 330(a) provides in pertinent part:

(a)(1)[T]he Court may award to ... a professional person employed under section 327 or 1103 -

- (A) reasonable compensation for actual, necessary services rendered by the trustee, examiner, professional person, or attorney and by any paraprofessional person employed by any such person; and
- (B) reimbursement for actual, necessary expenses

* * *

(3)(A) In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including -

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

'reasonably likely' to result in a benefit to the estate, there is no requirement that the services at issue resulted in an actual benefit to the estate").

32. The services that Skadden, Arps performed on the Debtors' behalf in these cases were necessary and reasonable and have benefitted Bethlehem's estates.

33. Skadden, Arps submits that no new or novel issue of law is presented with respect to the matters contained herein. Because the relevant authorities in support of the requested relief are cited in the Application, Skadden, Arps requests that the requirement of the service and filing of a separate memorandum of law under Local Bankr. R. 9013-1(b) be deemed satisfied.

STANDING AT THE BAR AND EXPERIENCE

34. The partner in charge of the Firm engagement was Robert E. Lighthizer. Mr. Lighthizer is one of the leading trade practitioners and experts in the United States, with extensive experience at the most senior levels in the executive branch and legislative branch of the U.S. Government, as well as in private practice. He has long been active in all aspects of trade law, from crafting and enacting legislation, to negotiating treaties, to implementing major trade agreements, to litigating, interpreting, and advising a wide variety of clients regarding complex trade issues. Mr. Lighthizer supervised and coordinated the activities of the Firm's attorneys and was involved in all aspects of the trade matters, including developing and implementing an overall strategy for litigation matters and legislative efforts; arguing cases before the U.S. International Trade Commission; and conferring with senior legislative and executive branch officials regarding issues of importance to the Debtors.

ALLOWANCE OF COMPENSATION AND DISBURSEMENTS

35. Compensation sought. Because of the benefits realized by the estate, the nature of these cases, the standing at the bar of the Firm and the attorneys, professionals, and para-professionals who rendered services, the amount of work done, the time consumed, and the skill required, the Firm requests that it be allowed \$4,662,177.50 in compensation fees for professional services rendered during the Application Period.

36. Reimbursement of expenses. The Firm requests that it be granted reimbursement for expenses in the amount of \$221,324.00, which represents Bethlehem's share of the actual and necessary expenses incurred in the rendition of professional services during the Application Period. The disbursements requested are comprised of the following:

Disbursements

<u>Category</u>	
Out-of-Town Travel	\$7,357
Local Travel and Meals	\$55,874
Computer Legal Research	\$216,489
Reproduction	\$276,493
Courier/Express/Postage	\$28,990
Telecommunications	\$7,136
Translations	\$7,480
Court Reporting	\$6,347
Outside Research Services	\$14,384
Market Research	\$1,170
Filing/Court Fees	\$105
Grand Total	\$621,825
Bethlehem's Share	\$222,608.00
Less reduction made at request of U.S. Trustee	\$ 1,284.00
Total Expenses Requested	\$221,324.00

WHEREFORE, the Firm respectfully requests that the court enter an order granting it final allowance for professional services rendered as attorneys, professionals, and para-professionals for Bethlehem during the Application Period in the sum of \$4,662,177.50, plus reimbursement of actual and necessary expenses incurred in the sum of \$221,324.00. To date, Skadden, Arps has received payment in the amount of \$3,729,742.00 from Bethlehem. Skadden, Arps requests that Bethlehem, upon approval of this Application, submit payment for the 20% holdback, or \$932,435.00.

Dated: Washington, DC
November 14, 2003

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP
Attorneys for Bethlehem Steel Corporation

By: _____

James C. Hecht
(A Member of the Firm)

1440 New York Ave., NW
Washington, DC 20005
(202) 371-7370

EXHIBIT A

SKADDEN, ARPS, SLATE,
 MEAGHER & FLOM LLP
 Special International Trade Counsel for
 the Debtors and Debtors in Possession
 1440 New York Ave., NW
 Washington, DC 20005
 (202) 371-7000
 Robert E. Lighthizer
 John J. Mangan
 James C. Hecht

UNITED STATES BANKRUPTCY COURT
 SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
	:	
BETHLEHEM STEEL	:	Case Nos.
CORPORATION, et al.,	:	01-15288 (BRL) through
	:	01-15302, 01-15308 through
Debtors.	:	01-15315 (BRL)
	:	(Jointly Administered)
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CERTIFICATION UNDER GUIDELINES FOR FEES
 AND DISBURSEMENTS FOR PROFESSIONALS IN RESPECT
 OF FINAL APPLICATION OF SKADDEN , ARPS,
 SLATE, MEAGHER & FLOM LLP SEEKING ALLOWANCE
OF COMPENSATION AND REIMBURSEMENT OF EXPENSES

JAMES C. HECHT, an attorney admitted to the bar of the District of
 Columbia, Texas, the Court of International Trade, and the Court of Appeals for the
 Federal Circuit, certifies that:

1. I am a member of Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden, Arps"), which maintains offices for the practice of law at 1440 New York Avenue, NW, Washington, DC 20005 and, in this District, at Four Times Square, New York, NY 10036.

2. Skadden, Arps was retained as International Trade counsel for Bethlehem Steel Corporation and certain of its direct and indirect subsidiaries ("Bethlehem"), debtors and debtor's-in-possession in the above-captioned Chapter 11 case, pursuant to an order of the court dated January 4, 2002, effective nunc pro tunc as of October 15, 2001. The accompanying application of Skadden, Arps, dated November 14, 2003 (the "Application"), seeks final allowance of compensation and reimbursement of expenses under 11 U.S.C. § 330 and Fed. R. Bankr. P. 2016 for all fees and expenses for the period from October 15, 2001 through May 31, 2003. The nature and scope of Skadden, Arps' services is more fully described in the Application. This certification is made in support of the Application and in compliance with the Administrative Order of this court, dated June 21, 1991, as amended on April 19, 1995 (the "Administrative Order"), setting forth guidelines for fees and disbursements for professionals in bankruptcy cases in the U.S. District Court for the Southern District of New York, and with the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (collectively with the Administrative Order, the "Guidelines").

3. I have read the Application and I certify, to the best of my knowledge, information, and belief formed after reasonable inquiry, as follows:

a. The fees and expenses requested by Skadden, Arps in the Application are reasonable and were necessary and incidental to the services performed for Bethlehem;

b. The fees and expenses sought in the Application comply with the Guidelines, except as otherwise specifically noted herein or in the Application;

c. Skadden, Arps made every effort to comply with the Guidelines as to the recording of time by Skadden, Arps' professionals and paraprofessionals.

d. Except to the extent that fees or disbursements are prohibited by the Guidelines, the fees and expenses sought in the Application are billed at rates and in accordance with practices customarily employed by Skadden, Arps and generally accepted by the clients of Skadden, Arps.

e. By order dated October 15, 2001, the court established procedures for interim compensation and reimbursement of Chapter 11 professionals and committee members. On or about 20 days after the end of each month during the Application Period, or the following Monday if such date fell on a weekend date, Skadden, Arps provided Bethlehem and the U.S. Trustee with a monthly statement of fees and disbursements accrued during such month.

The order provided for interim compensation of eighty percent (80%) of the fees and one hundred (100%) of the expenses identified in each monthly statement to which no objection had been served.

f. By order dated June 4, 2002, the court ordered each professional to submit to the Joint Fee Review Committee a four-month budget for professional fees. Skadden, Arps complied with the order and provided members of the committee with separate four-month budgets on June 20, 2002, September 23, 2002, and January 16, 2003.

g. Skadden, Arps does not make a profit on those expenses for which it seeks reimbursement in the Application;

h. Word processing and secretarial services are not included in Skadden, Arps' overhead for the purpose of setting billing rates and such charges are customarily billed separately. Word processing and secretarial services are not billed to Bethlehem.

i. Copies of the Application are being served on interested parties, including (a) Tracy H. Davis, Esq., a representative of the Office of the United States Trustee (the "OUST") for the Southern District of New York or her designee from the OUST, (b) Stephen J. Selden, Esq., Deputy General Counsel of the Debtors or his designee, and (c) the designated member of the Committee or other member as designated, in compliance with the Order Approving Appointment of Joint Review Committee, dated January

23, 2002, and Supplemental Order Approving Appointment of Joint Review Committee, dated June 4, 2002. Pursuant to paragraph A.2 of the Local Guidelines, as of the date hereof, Skadden, Arps has not received the Debtors' approval of this application.

Dated: Washington, DC
November 14, 2003

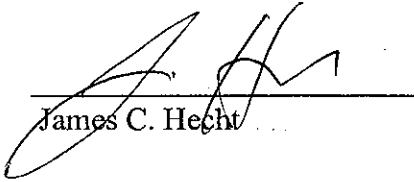

James C. Hecht

EXHIBIT B

SKADDEN, ARPS, SLATE,
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Special International Trade Counsel for
the Debtors and Debtors in Possession
1440 New York Ave., NW
Washington, DC 20005
(202) 371-7000
Robert E. Lighthizer
John J. Mangan
James C. Hecht

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re	:
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BETHLEHEM STEEL	:
CORPORATION, et al.,	:
	:
Debtors.	:
	:
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Chapter 11
Case Nos.
01-15288 (BRL) through
01-15302, 01-15308 through
01-15315 (BRL)
(Jointly Administered)

DECLARATION UNDER FED. R. BANKR. P. 2016

JAMES C. HECHT declares as follows:

1. I am a member of Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden, Arps"), which maintains offices for the practice of law at 1440 New York Avenue, NW, Washington, DC 20005 and, in this District, at Four Times Square, New York, New York 10036.

2. Skadden, Arps has acted as counsel for, and rendered professional services in this case to, Bethlehem Steel Corporation and certain of its direct and indirect subsidiaries ("Bethlehem" or the "Debtors"), debtors and debtor's-in-possession herein. I submit this declaration in support of Skadden, Arps' application, dated November 14, 2003 (the "Application"), seeking final allowance of compensation and reimbursement of expenses under 11 U.S.C. § 330 and Fed. R. Bankr. P. 2016 for all fees and expenses for the period from October 15, 2001 through May 31, 2003 (the "Application Period")

3. The compensation sought in the Application is based on the customary compensation charged by comparably skilled attorneys, professionals and para-professionals at Skadden, Arps in cases other than cases under Title 11, although the professional fees are discounted by 10% for Bethlehem.

4. Except for sharing arrangements among Skadden, Arps and its affiliated law practice entities and their respective members, Skadden, Arps has no agreement with any other persons for the sharing of compensation received or to be received for professional services rendered in or in connection with this case, nor will any be made except as permitted under 11 U.S.C. § 504(b)(1).

5. Skadden, Arps filed with the Court its first request for allowance of interim compensation and reimbursement of expenses in this case on March 15, 2002. Skadden, Arps filed with the Court its second request for allowance of interim compensation and reimbursement of expenses in this case on July 16, 2002.

Skadden, Arps filed with the Court its third request for allowance of interim compensation and reimbursement of expenses in this case on November 15, 2003. Skadden, Arps filed with the Court its fourth request for allowance of interim compensation and reimbursement of expenses in this case on February 27, 2003. Skadden, Arps filed with the Court its fifth request for allowance of interim compensation and reimbursement of expenses in this case on June 26, 2003. To date, Skadden, Arps has received \$3,952,351 pursuant to the Interim Compensation Order dated October 15, 2001, in compensation for services rendered to, and expenses incurred on behalf of, Bethlehem. Of the total amount, \$838,303 was for services rendered and expenses incurred during the first application period, or October 15, 2001 through January 31, 2002; \$911,828 was for services rendered and expenses incurred during the second application period, or February 1 through May 30, 2002; \$1,206,453 was for services rendered and expenses incurred during the third application period, or June 1 through September 30, 2002; \$949,022 was for services rendered and expenses incurred during the fourth application period, or October 1, 2002 through January 31, 2003; and \$46,745 was for services rendered and expenses incurred during the fifth application period, or February 1, 2003 through May 31, 2003.

I declare under the penalty of perjury that to the best of my knowledge, information, and belief formed after reasonable inquiry, the foregoing is true and correct.

Dated: Washington, DC
November 14, 2003

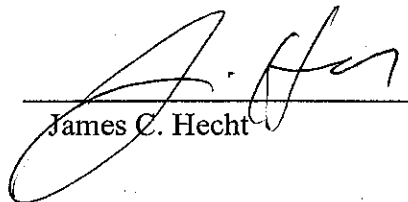

James C. Hecht

EXHIBIT C

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

<hr/>		X
In re	:	Chapter 11 Case Nos.
	:	
BETHLEHEM STEEL CORPORATION,	:	01-15288(BRL) through
et al.	:	01-15302, 01-15308 through
	:	01-15315(BRL)
	:	(Jointly Administered)
Debtors.	:	
	:	
<hr/>		X

**ORDER GRANTING APPLICATION TO RETAIN AND
EMPLOY SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP AND
DEWEY BALLANTINE LLP AS SPECIAL INTERNATIONAL TRADE COUNSEL**

Upon consideration of the application dated December 21, 2001 (the "Application") of Bethlehem Steel Corporation and certain of its direct and indirect subsidiaries, as debtors and debtors in possession (collectively, the "Debtors"), seeking an order pursuant to section 327(e) of title 11, United States Code (the "Bankruptcy Code") authorizing and approving the retention and employment of Skadden, Arps, Slate, Meagher & Flom LLP ("Skadden") and Dewey Ballantine LLP ("Dewey") as their special international trade counsel effective as of the commencement of these cases; and upon the Affidavit of Robert E. Lighthizer, Esq., a member of Skadden, in support of the Application (the "Skadden Affidavit") and the Affidavit of Thomas R. Howell, Esq., a member of Dewey, in support of the Application (the "Dewey Affidavit"); and it appearing that notice was appropriate under the circumstances; and it appearing that the relief requested in the Application is in the best interests of the Debtors' estates and their creditors; and capitalized terms not defined herein having the meanings ascribed to them in the Application; and good and sufficient cause appearing therefor, it is hereby

ORDERED that in accordance with section 327(e) of the Bankruptcy Code, the Debtors are authorized to retain the firms of Skadden and Dewey as special international trade counsel under the terms set forth in the Application and the Skadden and Dewey Affidavits, effective nunc pro tunc as of October 15, 2001; and it is further

ORDERED that Skadden and Dewey shall be compensated in accordance with the procedures set forth in sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Rules of the United States Bankruptcy Court for the Southern District of New York and such procedures as may be fixed by order of this Court; and it is further

ORDERED that the requirement under Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York for the filing of a memorandum of law is waived.

Dated: New York, New York
January 4, 2002

/s/ Burton R. Lifland
HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE