

VENABLE LLP
Ordinary Course Professional for the Debtors
and Debtors in Possession
1800 Mercantile Bank & Trust Bldg.
Two Hopkins Plaza
Baltimore, Maryland 21201
(410) 244-7400
G. Stewart Webb, Jr.
Richard L. Wasserman (RLW-8696)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

SUMMARY SHEET PURSUANT TO UNITED STATES TRUSTEE GUIDELINES
FOR REVIEWING APPLICATIONS FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES FILED UNDER 11 U.S.C. § 330 AND 331

FIRST AND FINAL APPLICATION

NAME OF APPLICANT:	Venable LLP	
TIME PERIOD:	June 1, 2002 through June 30, 2002	
ROLE IN THE CASE:	Ordinary Course Professional for the Debtors	
CURRENT APPLICATION:	Total Fees Incurred	\$50,794.50
	Total Expenses Incurred:	\$4,960.96
	Subtotal:	\$55,755.46
	Amount already paid per Court Order:	\$30,000.00
	Holdback Amount Requested:	\$25,755.46
PRIOR APPLICATIONS:	N/A	

HOURS BILLED

NAME OF PROFESSIONAL	DEPARTMENT AND YEAR ADMITTED	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
PARTNERS:				
Craig E. Smith	L – 1973	\$290	102.90	\$29,841.00
Brigid E. Kenney	E – 1977	\$330	2.80	\$924.00
G. Stewart Webb, Jr.	L – 1975	\$340	34.60	\$11,764.00
Totals			140.30	\$42,529.00

L - Litigation
E - Environmental

NAME OF PROFESSIONAL	DEPARTMENT AND YEAR ADMITTED	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
ASSOCIATES:				
Michael L. Hecht	L - 1999	\$180	1.00	\$180.00
Mark D. Maneche	L - 1994	\$225	32.40	\$7,290.00
Julia M. Kiraly	G - 2001	\$175	78.00	\$13,650.00
Theo I. Ogune	L - 2000	\$180	97.30	\$17,514.00
Totals			208.70	\$38,634.00

L - Litigation
G - Government

NAME OF PROFESSIONAL	DEPARTMENT	HOURLY RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
PARAPROFESSIONALS:				
None				
Total Paraprofessionals				\$0

PROFESSIONALS	BLENDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
TOTALS:			
Partners	\$303	140.30	\$42,529.00
Associates	\$185	208.70	\$38,634.00
Expenses Incurred			\$4,960.96
Subtotal			\$86,123.96
Venable's Billing Judgment Adjustment Prior to Billing			(\$30,368.50)
Total Fees and Expenses Billed			\$55,755.46
Amount Already Paid per Court Order			(\$30,000.00)
Holdback Amount Requested			\$25,755.46

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: through 01-15315 (BRL)
Debtors. : (Jointly Administered)
: :
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**FIRST AND FINAL APPLICATION OF VENABLE LLP,
AS ORDINARY COURSE PROFESSIONAL FOR THE DEBTORS,
FOR UNPAID HOLDBACK FEES AND EXPENSES INCURRED
FOR THE PERIOD JUNE 1, 2002 THROUGH JUNE 30, 2002**

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

Venable LLP, formerly known as Venable, Baetjer and Howard, LLP (“Venable”), ordinary course professional for Bethlehem Steel Corporation and its affiliated debtors in the above-captioned cases (collectively, the “Debtors”), for its first and final application pursuant to sections 330(a) and 331 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) for allowance of unpaid holdback fees and expenses incurred for the period June 1, 2002 through June 30, 2002 (the “Compensation Period”), respectfully represents:

**SUMMARY OF PROFESSIONAL COMPENSATION
AND REIMBURSEMENT OF EXPENSES REQUESTED**

1. This Application has been prepared 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”), 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 (the “UST Guidelines”) and the Amended Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Monthly Compensation and Reimbursement of Expenses of Professionals (the “Administrative Order,” and collectively with the Local Guidelines and UST Guidelines, the “Guidelines”) and in accordance with the Court’s October 15, 2001 Order allowing the employment of Venable as an ordinary course professional of the Debtors. Pursuant to the Local Guidelines, a certification regarding compliance with same is attached hereto as Exhibit “A.”

2. Venable seeks allowance of unpaid holdback fees and expenses incurred during the Compensation Period, in the aggregate amount of \$25,755.46. During the Compensation Period, Venable attorneys expended a total of 349 hours in connection with these cases.

3. There is no agreement or understanding between Venable and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these cases.

4. The fees charged by Venable in these cases are billed in accordance with its existing billing rates and procedures in effect during the

Compensation Period. The rates Venable charges for the services rendered by its professionals in these chapter 11 cases are the same rates Venable charges for professional services rendered in comparable nonbankruptcy related matters. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable nonbankruptcy cases in a competitive national legal market.

5. Pursuant to the UST Guidelines, annexed hereto as Exhibit "B" is a schedule setting forth all Venable professionals who have performed services in these chapter 11 cases during the Compensation Period, the capacities in which each such professional is employed by Venable, the department in which each professional practices, the hourly billing rate charged by Venable for services performed by such individuals, the aggregate number of hours expended in this matter and fees billed therefor, and the year in which each professional was first licensed to practice law.

6. Annexed hereto as Exhibit "C" is a schedule specifying the categories of expenses for which Venable is seeking reimbursement and the total amount for each such expense category.

7. Venable's litigation department does not organize its professional billing by project categories and therefore is unable to attach, as otherwise required by Section 11.13 of the UST Guidelines, a summary by project categories of the services performed by Venable during the Compensation Period.

8. Venable maintains computerized records of the time spent by all Venable attorneys in connection with representing the Debtors. Subject to redaction for the attorney-client privilege where necessary to protect the Debtors' estates, copies of these computerized records have been furnished to the Court and the United States

Trustee for the Southern District of New York (the “U. S. Trustee”) in the format specified by the UST Guidelines.

9. Prior to the commencement of these cases, the Debtors paid Venable at its usual billing rates for various services provided in its capacity as one of the Debtors' regular outside counsel.

BACKGROUND

10. On October 15, 2001 (the “Commencement Date”), the Debtors commenced cases under chapter 11 of the Bankruptcy Code. The chapter 11 cases are being jointly administered for procedural purposes. The Debtors continued to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

11. On October 15, 2001, the Court entered an Order (the "October 15 Order") authorizing the Debtors to employ Venable, which was then known as Venable, Baetjer and Howard, LLP, as an ordinary course professional. In accordance with the October 15 Order, the Debtors were authorized to pay Venable's fees and expenses up to \$30,000.00 per month. Because Venable's fees and expenses incurred during the Compensation Period exceeded the \$30,000.00 limit by \$25,755.46, this Application seeks allowance and payment of the unpaid holdback amount of \$25,755.46.

12. On January 29, 2001, the Debtors filed a Statement of Financial Affairs, Schedule of Assets and Liabilities and Schedule of Executory Contracts and Unexpired Leases (collectively, the “Schedules”).

13. No trustee or examiner has been appointed in the Debtors' chapter 11 cases. A statutory committee of unsecured creditors (the "Committee") was appointed on October 24, 2001.

14. Upon information and belief, Venable believes that the Debtors have paid all quarterly fees to the U. S. Trustee.

SUMMARY OF SERVICES

15. During the Compensation Period, Venable provided legal services to the Debtors in the areas of general litigation, employment law, corporate law and environmental law. The Compensation Period was the one month when the demands and necessities of the cases on which it worked required Venable to render legal services to the Debtors in an amount that exceeded the \$30,000.00 limit set in the October 15 Order. In large part, Venable's services during the Compensation Period were rendered in connection with the Macatee pension benefits litigation, in which Venable was required to engage in the extensive briefing of motions and cross-motions for summary judgment. A detailed listing of the services performed by Venable during the Compensation Period is included in the invoice attached hereto as Exhibit "D."

16. The foregoing professional services performed by Venable were necessary and appropriate to the administration of the Debtors' chapter 11 cases. The professional services performed by Venable were in the best interests of the Debtors and other parties in interest. Compensation for the foregoing services as requested is commensurate with the complexity, importance, and nature of the problems, issues, or tasks involved. The professional services were performed with expedience and in an efficient manner.

17. The professional services performed by Venable on behalf of the Debtors during the Compensation Period required an aggregate expenditure of 349 hours by Venable's partners and associates. Of the aggregate time expended, 140.30 hours were expended by partners of Venable and 208.70 hours were expended by associates.

18. During the Compensation Period, Venable's hourly billing rates for attorneys ranged from \$180.00 to \$340.00 per hour. Allowance of compensation in the amount requested would result in a blended hourly billing rate for attorneys of approximately \$233. (Taking into account the voluntary billing judgment adjustment made by Venable, the blended hourly rate is approximately \$146.) Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable bankruptcy cases in a competitive national legal market. As noted, attached hereto as Exhibit "B" is a schedule listing each Venable professional who performed services in these cases during the Compensation Period, the hourly rate charged by Venable for services performed by each such individual, and the aggregate number of hours and charges by each such individual.

ACTUAL AND NECESSARY DISBURSEMENTS

19. As set forth in Exhibit "C" hereto, Venable billed \$4,960.96 for disbursements and other charges incurred in providing professional services during the Compensation Period. With respect to photocopying expenses, Venable charged the Debtors \$.10 per page. With respect to facsimile expenses, Venable charged \$.35 per page. Each of these categories of expenses does not exceed the maximum rate set by the Guidelines. Only clients who actually use services of the types set forth in Exhibit "C" are separately charged for such services. The effect of including such expenses as part of

the hourly billing rates would impose that cost upon clients who do not require extensive photocopying and other facilities and services.

THE REQUESTED COMPENSATION SHOULD BE ALLOWED

20. Section 330 of the Bankruptcy Code provides that a court may award a professional employed under section 327 of the Bankruptcy Code “reasonable compensation for actual necessary services rendered . . . and reimbursement for actual, necessary expenses.” *Id.* § 330(a)(1). Section 330 also sets forth the criteria for the award of such compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded, the court should 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.

Id. § 330(a)(3).

21. In the instant case, Venable respectfully submits that the services for which it seeks compensation in this Application were necessary for and beneficial to the Debtors’ estates, and were in the best interests of the estates. Venable further submits

that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors, their estates, and all parties in interest. In the exercise of billing judgment at the time it submitted its bill for services rendered during the Compensation Period and as indicated in Exhibit D, Venable reduced the amount billed for its services on the Macatee litigation by \$28,468.50.

22. In sum, the services rendered by Venable were necessary and beneficial to the Debtors' estates, and were consistently performed in a timely manner commensurate with the complexity, importance, and nature of the issues involved, and approval of the compensation sought herein is warranted.

WAIVER OF MEMORANDUM OF LAW

23. This Application includes citations to the applicable authorities and does not raise any novel issues of law. Accordingly, Venable respectfully request that the Court waive the requirement contained in Rule 9013-1(b) of the Local Bankruptcy Rules for the Southern District of New York that a separate memorandum of law be submitted.

CONCLUSION

WHEREFORE, Venable respectfully requests that the Court enter an Order: (i) granting this Application; (ii) authorizing and directing the Debtors to pay to Venable the sum of \$25,755.46, representing Venable's unpaid holdback fees and

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expenses incurred during the Compensation Period; and (iii) granting Venable such other and further relief as is just.

Dated: Baltimore, Maryland
December 16, 2003

/s/ G. Stewart Webb, Jr.
G. Stewart Webb, Jr.
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