

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

In re: \_\_\_\_\_  
: \_\_\_\_\_  
: Chapter 11  
: Case No. 01-16034 (AJG)  
: Jointly Administered  
**Debtors.**

Fees Previously Requested: \$0.00  
Fees Previously Awarded: \$0.00  
Expenses Previously Requested: \$0.00  
Expenses Previously Awarded: \$0.00  
Retainers Paid (aggregate): \$0.00

NAME OF APPLICANT: HARRISON J. GOLDIN AND HEARING  
GOLDIN ASSOCIATES, LLC DATE: \_\_\_\_\_  
To be determined.

ROLE IN CASE: ENA EXAMINER AND  
SPECIAL CONSULTANT  
AND FINANCIAL ADVISOR  
TO HARRISON J. GOLDIN,  
ENA EXAMINER

APPLICATION  
FOR FINAL COMPENSATION:  
FEES REQUESTED: \$11,781,077.25\*  
EXPENSES REQUESTED: \$1,641,685.88\*\*

NAME OF PROFESSIONALS	TITLE	MOST CURRENT RATES	TOTAL HOURS BILLED IN		TOTAL TIME CHARGES FOR ALL INTERIM APPLICATIONS
			ALL APPLICATIONS	APPLICATIONS	
Harrison J. Goldin	Examiner	\$635	4869.1		\$2,945,697.00
Mark Slane	Managing Director	\$535	5226.9		\$2,391,744.00
Seymour Preston	Managing Director	\$535	27.1		\$14,499.00
David Pauker	Managing Director	\$500	58.7		\$29,350.00
Marc Landy	Director	\$400	353.1		\$140,416.00
John Bambach	Director	\$450	6.0		\$2,700.00
Andy Craven	Manager	\$350	6607.7		\$2,105,023.00
Tom Foster	Manager	\$350	1044.4		\$333,603.00
Eran Tagor	Manager	\$350	622.5		\$201,478.00
John Lemanski	Manager	\$300	94.6		\$22,605.00
Manish Kumar	Sr. Analyst	\$325	111.80		\$36,148.00
David Prager	Sr. Analyst	\$300	5728.1		\$1,472,740.00
Tom Brady	Sr. Analyst	\$300	1704.7		\$443,490.00
Adam Boyd	Analyst	\$235	5986.9		\$1,127,140.00
Shelley Novoseller	Analyst	\$235	511.3		\$107,336.00

\* Takes into account voluntary reduction in fees.

\*\* Takes into account voluntary reduction for expenses.

NAME OF PROFESSIONALS	TITLE	MOST CURRENT RATES	TOTAL HOURS BILLED IN ALL APPLICATIONS	TOTAL TIME CHARGES FOR ALL INTERIM APPLICATIONS
Craig Bloom	Analyst	\$200	2142.5	\$370,100.00
Terri Bertone	Associate	\$140	295.6	\$39,851.00
<b>TOTALS:</b>			<b>35,391.00</b>	<b>\$11,783,917.00**</b>

Total Blended Hourly Rate: \$333.00

Total Amount of Fees Requested (taking into account voluntary reduction): \$11,781,077.25

---

\*\*\* Does not take into account voluntary reduction in fees.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X

In re

ENRON CORP., *ET AL.*,

Debtors.

Chapter 11

Case No. 01-16034 (AJG)

Jointly Administered

-----X

**EIGHTH AND FINAL JOINT APPLICATION OF  
HARRISON J. GOLDIN AND GOLDIN ASSOCIATES, L.L.C.  
FOR FINAL ALLOWANCE OF COMPENSATION FOR PROFESSIONAL  
SERVICES RENDERED AND FOR REIMBURSEMENT OF  
ACTUAL AND NECESSARY EXPENSES**

TO: THE HONORABLE ARTHUR J. GONZALEZ,  
UNITED STATES BANKRUPTCY JUDGE:

Harrison J. Goldin (the “Examiner”), the court-appointed examiner in the Enron North America Corp. bankruptcy proceeding, and Goldin Associates, L.L.C. (“Goldin Associates”), special consultant and financial advisor to the Examiner (the Examiner and Goldin Associates, collectively, the “Applicants”), by this joint application (the “Joint Application”) respectfully move this Bankruptcy Court, pursuant to sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), as complemented by Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for (i) the final allowance and payment in full for fees incurred for services rendered in the amount of

\$11,781,077.25<sup>1</sup> and for the reimbursement of expenses in the amount of \$1,641,685.88,<sup>2</sup> incurred during the period commencing March 12, 2002 through and including July 15, 2004 (the “Total Compensation Period”), consisting of (a) compensation for professional services rendered in the amount of \$694,407.00<sup>3</sup> and reimbursement of the actual, reasonable and necessary out-of-pocket expenses incurred in the amount of \$61,837.33, during the period beginning May 1, 2004 through and including July 15, 2004 (the “Eighth Interim Period”); (b) the aggregate amount of holdbacks (the “Holdback”) in the amount of \$1,836,065.50 relating to professional services rendered during the period beginning March 12, 2002 through and including July 15, 2004 (the “Holdback Period”); (c) amounts totaling \$78,358.50 in fees and \$2,948.03 in expenses where a reservation of rights has previously been interposed in response to a reduction in fees or expenses recommended by the Fee Committee (as defined below); and (d) compensation for professional services rendered and reimbursement of the actual and necessary out of pocket expenses incurred during all prior interim periods and (ii) final approval of all prior awards of or requests for compensation and reimbursement of expenses which were granted to or requested by Applicants

---

<sup>1</sup> The amount of fees requested by Applicants herein takes into account Applicants’ agreement to voluntarily reduce their fees by \$2,840.00.

<sup>2</sup> The amount of expenses Applicants seek reimbursement for herein takes into account Applicants’ agreement to voluntarily reduce the amount of their expenses by \$8,060.72.

<sup>3</sup> In the time narratives for May, 2004, Applicants inadvertently listed 20.7 hours in services for the Examiner on May 7, 2004 (work code 41000); the correct amount of hours for the Examiner for work code 41000 on May 7, 2004 was 2.7 hours, for a difference of \$11,430 in fees. An appropriate reduction has been noted herein and in the accompanying time narratives annexed hereto as Exhibit “B” and Exhibit “F”

for services rendered and expenses incurred during all prior interim periods. In support of this Joint Application, Applicants respectfully represent as follows: <sup>4</sup>

### **JURISDICTION**

1. This Court has jurisdiction of this Joint Application pursuant to 28 U.S.C. §§ 1334 and 157 and the “Standing Order of Referral of Cases to Bankruptcy Judges” of the United States District Court for the Southern District of New York (Ward, Acting C.J.), dated July 10, 1984. Venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). The statutory predicates for the relief sought herein are sections 330 and 331 of the Bankruptcy Code, as complemented by Bankruptcy Rule 2016.

### **BACKGROUND**

2. On December 2, 2001 (the “Petition Date”) Enron Corp. (“Enron”),<sup>5</sup> Enron North America Corp. (“ENA”)<sup>6</sup> and certain of their subsidiaries and affiliates (collectively, and together with Enron and ENA, the “Debtors”) filed voluntary petitions in this Court for reorganization under Chapter 11 of the Bankruptcy Code.

---

<sup>4</sup> Applicants, on a monthly basis, have been filing with the Bankruptcy Court and serving upon the relevant parties in interest monthly fee statements in accordance with the Bankruptcy Court’s Administrative Fee Order (as defined below). Pursuant to the Administrative Fee Order, if no objections are timely filed to Applicants’ monthly fee statements, Applicants are paid 80% of their fees and 100% of their expenses. However, Applicants are still required to prepare, file and serve appropriate interim and final fee applications requesting approval of such fees and expenses.

<sup>5</sup> Unless otherwise noted, references to “Enron” in this Joint Application refer to Enron individually and *not* its direct and indirect subsidiaries.

<sup>6</sup> Unless otherwise noted, references to “ENA” in this Joint Application cover ENA and its direct and indirect Debtor subsidiaries collectively, but not ENA’s non-Debtor subsidiaries. References to Enron North America Corp. alone are “ENA Corp.”

3. Pursuant to an Order of this Court dated December 3, 2001, the Debtors' bankruptcy cases were consolidated for administrative purposes only and are being jointly administered. Since December 3, 2001, certain other affiliates or subsidiaries of Enron have filed voluntary petitions for relief with this Court and such cases have been administratively consolidated with those of the Debtors. Such affiliates or subsidiaries shall be included within the definition of Debtors herein unless otherwise noted.

4. Since filing their petitions for relief, the Debtors have continued to manage and operate their businesses as debtors-in-possession pursuant to §§ 1107 and 1108 of the Bankruptcy Code. On December 12, 2001, the United States Trustee for the Southern District of New York appointed a single statutory committee of unsecured creditors for all of the Debtors (the "Creditors' Committee" or "Committee"). The hearing (the "Confirmation Hearing") respecting confirmation of the Debtors' joint Chapter 11 plan (the "Plan") commenced on June 3, 2004 and concluded on June 18, 2004; the Bankruptcy Court confirmed the Plan by entering the Confirmation Order on July 15, 2004.

5. By an Order dated February 21, 2002 and an Order dated March 6, 2002 (the "March 6 Order"), the Bankruptcy Court appointed an examiner pursuant to § 1106(b) of the Bankruptcy Code to investigate and file an interim report (the "Interim Report") on, *inter alia*, (i) the adequacy of Enron's assets to repay certain intercompany transfers between ENA and its parent, Enron and (ii) the allocation of certain overhead expenses to ENA.

6. In addition to the requirement that he prepare an Interim Report, the March 6 Order also directed that the Examiner (i) be given notice of, and participate in, all meetings of the Cash Management Committee and the Bankruptcy Transaction Review Committee (the

“BTRC”) (March 6 Order, at p. 3); (ii) “immediately report to this Court any expenditure that [he] deems to be improper” (*id.*); (iii) file with the Bankruptcy Court weekly (the “Weekly Reports”) a “list of all deposits and disbursements made into and out of the Consolidation Account, as that term is defined in the Amended Cash Management Order . . .” (*id.*); and (iv) file monthly reports (the “Monthly Reports”) “regarding the status of ENA Cash [as defined in the March 6 Order] . . . , including gross and net collections and expenditures and the status of ENA assets and liabilities . . . .” March 6 Order, at p. 5.

7. Since the entry of the March 6 Order the Examiner’s role has been expanded by subsequent Orders of the Bankruptcy Court to include (i) being the plan facilitator in the ENA bankruptcy proceedings (*see* “Order Pursuant to Section 1121(d) of the Bankruptcy Code and Bankruptcy Rule 1007, Extending Exclusive Periods During Which Debtors May File Chapter 11 Plans and Solicit Acceptances Thereof,” dated April 24, 2002, referred to herein as the “April 24 Order”); (ii) periodically preparing and filing reports containing a recommendation as to any further extensions of the exclusive periods for ENA to file a plan of reorganization and solicit acceptances thereof (*see, e.g.*, “Order Pursuant to Section 1121(d) of Bankruptcy Code Extending Exclusive Periods for Enron North America Inc. [sic] to Propose Chapter 11 Plan and Solicit Acceptances Thereof,” dated September 25, 2002); (iii) participating in Enron’s Management Committee in matters relating to the Debtors’ Key Employee Retention Program (the “KERP”) (*see* “Order Pursuant to Section 363(b)(1) of the Bankruptcy Code Approving and Authorizing Key Employee Retention Program and Authorizing Administrative Expense Priority for Indemnification Claims Arising From Postpetition Services of Directors and Officers Pursuant to Sections 503(b) and 507 of the Bankruptcy Code,” dated May 8, 2002); (iv)

reviewing and investigating the intercompany claims and/or transfers between Enron Natural Gas Marketing Corp. (“ENGMCO”) and ENA and/or Enron and its other subsidiaries, as well as what consideration was given for any such transfers (*see* “Order Expanding Duties of Enron North America Corp. Examiner,” dated May 8, 2002, referred to herein as the “Expansion Order”); (v) preparing various follow-up reports and additional reports regarding, *inter alia*, (a) a proposed methodology for repayment of the Net Intercompany Receivable (as defined in the Interim Report); (b) intercompany advances between ENA and its subsidiaries and Enron and between ENA and its subsidiaries; and (c) cash sweeps from ENA Corp. subsidiaries to ENA Corp. (*see generally*, Expansion Order); and (vi) investigating and reporting on matters concerning certain identified entities (the “Identified Entities”) and their role in all transactions involving special purpose entities (the “SPE Investigation”) created or structured by the Debtors or at the behest of the Debtors (*see* “Order Expanding the Duties Of Harrison J. Goldin, the Court-Appointed Examiner in the Enron North America Corp. Bankruptcy Proceeding, to Include the Investigation of Certain Entities Involved in Transactions Pertaining to Special Purpose Entities,” dated June 2, 2003, referred to herein as the “SPE Expansion Order”).

8. In addition, the “Order Approving and Authorizing Debtors’ Allocation Formula for Shared Overhead Expenses,” dated November 21, 2002 (the “Overhead Allocation Order”), further expanded the Examiner’s duties by directing that he, *inter alia*, (i) participate in a process for monitoring the Debtors’ application of the Allocation Formula<sup>7</sup> “to ensure that the Allocation Formula protects the rights and interests of the Debtors, Non-Debtors and their

---

<sup>7</sup> “Allocation Formula” is defined in the “Motion of Debtors Pursuant to Section 363 of the Bankruptcy Code for Order Approving Allocation Formula for Shared Overhead Expenses,” dated September 30, 2002, as the Debtors’ “method of allocation for shared overhead and other expenses.”



respective creditors . . . .” (Overhead Allocation Order ¶ 23) and (ii) expand the scope of his Monthly Reports to include “such updates on the application of the Allocation Formula as is reasonable under the circumstances” (*id.* ¶ 27).

### **THE ENRON FEE COMMITTEE AND ITS PROCEDURES**

9. By Order dated April 26, 2002 the Bankruptcy Court appointed a fee committee (the “Fee Committee”) to “establish budget procedures and to review the fees incurred by Court-approved professionals and the interim and final fee applications filed by such professionals.” “Order Supplementing Administrative Order Dated January 17, 2002 Establishing Procedures for Interim Compensation and Reimbursement of Expenses by Professionals by Establishing Fee Committee, Directing Preparation of Professional Budgets and Formatting for Presentation of Billing Statements,” dated April 26, 2002 (the “Supplemental Administrative Fee Order”), at p. 1.

10. The Supplemental Administrative Fee Order provided that all professionals appointed or retained in these cases were required to prepare and submit a Professional Budget (as defined therein) to the Fee Committee; pursuant to procedures adopted by the Fee Committee, the Professional Budget was due in or about September, 2002. Applicants prepared and submitted to the Fee Committee their Professional Budget on September 6, 2002, covering fees projected to be incurred during the period September 1, 2002 through June 30, 2003. Applicants have not prepared a budget comparison for fees actually incurred during the Seventh Interim Period. The Professional Budget previously submitted by Applicants concerned two of the four months which comprise the Fifth Interim Period and none of the months which comprise the Sixth Interim Period. In addition, the expansion of the Examiner’s

role respecting the investigation of the Identified Entities made any comparison of fees for this period less reliable than the comparison for the Third Interim Period (*i.e.*, September 1, 2002 through December 31, 2002) (the first period covered by the Professional Budget). Accordingly, the preparation of a budget comparison would have only burdened the estate with the cost of the analysis while not providing any meaningful assistance to the Fee Committee.

11. As of the date of this Joint Application, the Fee Committee has reviewed, prepared and filed advisory reports respecting the interim fee applications covering periods through and including the Fourth Interim Period (*i.e.*, January 1, 2003 through April 30, 2003); likewise, the Bankruptcy Court has held hearings on interim fee applications covering periods through and including the Fourth Interim Period. As of the date of this Joint Application, advisory reports have not been prepared by the Fee Committee and the Bankruptcy Court has not held hearings on Applicants' interim fee applications for services rendered and expenses incurred during the Fifth Interim Period through the Seventh Interim Period.

12. In its advisory reports respecting Applicants' First through Fourth Interim Fee Applications, the Fee Committee has recommended certain reductions for the following categories of fees and expenses incurred by Applicants: (i) administrative tasks; (ii) travel time; (iii) conflicts and retention; (iv) secretarial and clerical functions; (v) invoice/bill preparation; and (vi) travel expenses. Applicants have agreed with certain reductions recommended by the Fee Committee; respecting the remaining recommended reductions, as the Fee Committee has consistently recommended reductions for the same categories of fees and expenses over the first four interim periods and has recommended similar reductions with respect to fees and expenses incurred by other professionals in these cases, Applicants reserved their rights to contest the Fee

Committee's recommended reductions at a later date (*i.e.*, the final fee hearing) and argue that such services and/or expenses are fully compensable.

13. As the Fee Committee has only had an opportunity to review and prepare advisory reports for fees and expenses incurred through the Fourth Interim Period, there remains fees incurred for services performed and expenses incurred during the four succeeding interim periods that must be reviewed by the Fee Committee. Accordingly, there likely will be additional reductions recommended by the Fee Committee in the future, presumably consistent with its prior recommended reductions. Therefore, to save estate resources and not duplicate effort, Applicants will not address the merits of the Fee Committee's recommended reductions in this Joint Application but will reserve the right to file a supplemental response when all advisory reports for all interim periods are finalized and filed with the Bankruptcy Court.

**THE APPOINTMENT OF THE EXAMINER AND RETENTION OF GOLDIN ASSOCIATES AS HIS SPECIAL CONSULTANT AND FINANCIAL ADVISOR**

14. By an Order dated March 12, 2002 Harrison J. Goldin (the "Examiner") was appointed Examiner of ENA. By an Order dated March 27, 2002 the Bankruptcy Court approved the retention by the Examiner of Goldin Associates as special consultant and financial advisor to the Examiner.

15. Pursuant to the Order approving the Examiner's appointment and the Order approving the retention of Goldin Associates, each Applicant is to be compensated for services rendered herein pursuant to sections 330 and 331 of the Bankruptcy Code and the local rules and Orders of this Court, including this Court's (i) "Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim

Compensation and Reimbursement of Expenses of Professionals,” dated January 17, 2002 (the “Administrative Fee Order”); (ii) the “Supplemental Administrative Fee Order”; (iii) “Second Supplemental Order Regarding (A) Procedures for Interim Compensation and Reimbursement of Expenses and (B) Preparation of Professional Budgets and Formatting for Presentation of Billing Statements,” dated May 24, 2002; (iv) “Third Supplemental Order Regarding (A) Procedures For Interim Compensation and Reimbursement of Expenses and (B) Preparation of Professional Budgets And Formatting for Presentation of Billing Statements,” dated July 15, 2002; (v) “Fourth Supplemental Order Regarding (A) Procedures For Interim Compensation and Reimbursement of Expenses and (B) Preparation of Professional Budgets And Formatting for Presentation of Billing Statements,” dated August 14, 2002; and (vi) “Fifth Supplemental Order Regarding (A) Procedures For Interim Compensation and Reimbursement of Expenses and (B) Preparation of Professional Budgets And Formatting for Presentation of Billing Statements,” dated December 19, 2002; and (vi) “Sixth Supplemental Order Regarding (A) Procedures for Requests for Interim Compensation and Reimbursement of Expenses and (B) Preparation of Professional Budgets and Formatting for Presentation of Billing Statements,” dated July 11, 2003 (the “Sixth Supplemental Administrative Fee Order”). Applicants are not subject to any other express terms or conditions of compensation or employment, including caps or limitations on fees or other charges.

16. In seeking compensation in these Chapter 11 cases, Applicants have utilized their existing hourly rate structure in accordance with the Administrative Orders of the United States Bankruptcy Court for the Southern District of New York, dated June 20, 1991, as amended April 21, 1995 (which established a series of formal “Guidelines for Fees and

Disbursements for Professionals in Southern District of New York Cases”) and the provision of the Executive Office of United States Trustees’ Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 (the “U.S. Trustee Guidelines”), dated March 22, 1995 (collectively, the “Guidelines”). Annexed hereto as Exhibit “A” is a summary listing of the time spent on these Chapter 11 cases by Applicants during the Eighth Interim Period and their respective billing rates. The hourly rates set forth in Exhibit “A” are the same as those charged by the listed professionals on comparable matters and Applicants believe these rates are consistent with those charged by comparable professionals of the Examiner’s stature and comparable national firms of Goldin Associates’ size and stature.

17. Applicants maintain time records in the regular course of their practice with entries made by each person working on the cases contemporaneously with the rendering of the service. Most time records for the Eighth Interim Period were annexed as exhibits to Applicants’ monthly fee statements previously filed herein and are collectively annexed hereto as Exhibit “B.” These time narratives detail chronologically, by professional, the substantial amount of time devoted by Applicants to these Chapter 11 cases during the Eighth Interim Period, and the complex and difficult issues encountered by the Examiner and dealt with by Goldin Associates on the Examiner’s behalf. However, pursuant to the Sixth Supplemental Administrative Fee Order, the Examiner and his professionals, including Goldin Associates, are not to file with the Bankruptcy Court their time records detailing services rendered respecting the examination of the Identified Entities (the “SPE Time Records”), but instead are to file a summary schedule (the “SPE Time Records Summary Schedule”) containing “the name of each professional and paraprofessional that worked on the case in connection with the investigation of

the Identified Entities during the period covered by the fee statement or fee application, his or her position, the year that the professional was licensed to practice (if applicable), the hours worked by each professional and/or paraprofessional in connection with the investigation of the Identified Entities, the hourly rate for each professional and/or paraprofessional and the aggregate amount billed for the period covered by the fee statement or fee application.” Sixth Supplemental Administrative Fee Order ¶ 1(e). Applicants’ SPE Time Records Summary Schedule for the Eighth Interim Period is annexed hereto as Exhibit “C.”

18. In addition, Applicants maintain contemporaneous records of disbursements. Annexed hereto as Exhibit “D” is a summary listing of disbursements made by Applicants during the Eighth Interim Period.

**APPLICANTS’ PRIOR INTERIM AWARDS OF  
COMPENSATION AND REIMBURSEMENT OF EXPENSES**

19. During the course of the Debtors’ Chapter 11 cases, Applicants have filed seven previous applications for an allowance of compensation and reimbursement of expenses herein. Set forth below is a summary setting forth, *inter alia*, the amount of fees and expenses sought in connection with each such application, the amounts awarded<sup>8</sup> and the percentage “holdbacks” imposed by the Bankruptcy Court:

---

<sup>8</sup> The amounts awarded by the Bankruptcy Court do not take into consideration fees requested by Applicants that have been objected to by the Fee Committee but where a reservation of rights has been interposed by Applicants with respect to such objection; the fees objected to where there is a reservation of rights will be addressed at the final fee hearing in these cases or at such other time as the Bankruptcy Court directs.

(a) First Interim Fee Application Dated June 13, 2002

Period Covered:	March 12, 2002 - March 31, 2002
Fees Sought:	\$228,709.25
Fees Awarded:	\$221,848.00
Holdback Percentage:	10%
Expenses Sought:	\$33,859.39
Expenses Awarded:	\$33,845.39
Date of Fee Order:	February 14, 2003

(b) Second Interim Fee Application Dated November 14, 2002

Period Covered:	April 1, 2002 - August 31, 2002
Fees Sought:	\$1,780,879.75
Fees Awarded:	\$1,760,020.50
Holdback Percentage:	10%
Expenses Sought:	\$261,004.16
Expenses Awarded:	\$256,914.89
Date of Fee Order:	July 18, 2003

(c) Third Interim Fee Application Dated March 17, 2003

Period Covered:	September 1, 2002 - December 31, 2002
Fees Sought:	\$1,438,620.25
Fees Awarded:	\$1,418,976.50
Holdback Percentage:	10%
Expenses Sought:	\$196,397.62
Expenses Awarded:	\$193,406.89
Date of Fee Order:	December 16, 2003

(d) Fourth Interim Fee Application Dated July 14, 2003

Period Covered:	January 1, 2003 - April 30, 2003
Fees Sought:	\$1,700,631.75
Fees Awarded:	\$1,666,797.50
Holdback Percentage:	10%
Expenses Sought:	\$230,016.07
Expenses Awarded:	\$226,101.32
Date of Fee Order:	July 30, 2004

(e) Fifth Interim Fee Application Dated November 14, 2003

Period Covered:	May 1, 2003 - August 31, 2003
Fees Sought:	\$2,146,189.50
Fees Awarded:	\$N/A (Fee hearing has not taken place)
Holdback Percentage:	N/A
Expenses Sought:	\$321,219.65
Expenses Awarded:	\$N/A
Date of Fee Order:	N/A

(f) Sixth Interim Fee Application Dated March 12, 2004

Period Covered:	September 1, 2003 - December 31, 2003
Fees Sought:	\$2,404,091.00
Fees Awarded:	\$N/A (Fee hearing has not taken place)
Holdback Percentage:	N/A
Expenses Sought:	\$313,217.73
Expenses Awarded:	\$N/A
Date of Fee Order:	N/A

(g) Seventh Interim Fee Application Dated July 14, 2004

Period Covered:	January 1, 2004 - April 30, 2004
Fees Sought:	\$1,390,388.75
Fees Awarded:	\$N/A (Fee hearing has not taken place)
Holdback Percentage:	N/A
Expenses Sought:	\$232,194.65
Expenses Awarded:	\$N/A
Date of Fee Order:	N/A

**ACTIVITIES PERFORMED DURING PRIOR INTERIM PERIODS**

20. In their seven previous interim fee applications, Applicants summarized the significant activities that took place during the relevant time periods and detailed the services provided and expenses incurred by or on behalf of the Examiner; those prior interim fee applications filed by Applicants are hereby incorporated by reference. Annexed hereto as Exhibit "E" is a summary listing of the time spent on these Chapter 11 cases by Applicants during the Total Compensation Period. In addition, annexed hereto as Exhibit "F," for the convenience of



the Bankruptcy Court and interested parties, are Applicants' contemporaneous time records for the Total Compensation Period (except for the SPE Time Records for the Total Compensation Period which have not been filed herein pursuant to the Sixth Supplemental Administrative Fee Order, but which are summarized in Exhibit "G").<sup>9</sup> The time records annexed hereto as Exhibit "F" provide a thorough description of the services rendered by Applicants during the Total Compensation Period.

21. Also annexed hereto as Exhibit "H" is a summary listing of all disbursements made by Applicants on behalf of the Examiner during the Total Compensation Period.<sup>10</sup>

**SUMMARY OF SIGNIFICANT ACTIVITIES  
DURING THE EIGHTH INTERIM PERIOD**

22. In accordance with the Guidelines, Applicants will summarize, instead of burdening the Bankruptcy Court with specific detail of every service performed during the Eighth Interim Period, some of the major areas in which they devoted their efforts and attention. As noted, annexed hereto as Exhibit "B," for the convenience of the Bankruptcy Court and interested parties, are Applicants' contemporaneous time narratives (except for the SPE Time Records which have not been filed herein pursuant to the Sixth Supplemental Administrative Fee Order, but which are summarized in Exhibit "C") that provide a complete description of the services

---

<sup>9</sup> Exhibit "F" contains all of Applicants' contemporaneous time records for the Total Compensation Period without regard to services performed where the Fee Committee has recommended a reduction and Applicants have either (i) agreed to such reduction or (ii) reserved their rights to contest such reduction at a later date.

<sup>10</sup> Exhibit "H" contains a summary listing of all of Applicants' disbursements incurred during the Total Compensation Period without regard to expenses where the Fee Committee has recommended a reduction and Applicants have either (i) agreed to such reduction or (ii) reserved its rights to contest such reduction at a later date.

rendered by Applicants during the Eighth Interim Period, aside from those services rendered in connection with the SPE Investigation.

**A. Services Provided by the Examiner**

**1. Case Administration and Attendance at Cash Management and BTRC Meeting**

23. The Examiner remained active in these cases during the Eighth Interim Period. He continued to spend a significant amount of time reviewing voluminous documents, participating in conference calls and attending meetings to stay current with the events in these cases, specifically ENA, and all important issues relating to his role and expanded duties herein. These varied tasks were performed by the Examiner, either from his offices in New York or, on a periodic basis, from the Debtors' headquarters in Houston, Texas.

24. Specifically, the Examiner continued to attend certain meetings and participate in conference calls with counsel and consultants for the Debtors, the Official Creditors' Committee and/or other creditor constituencies on a variety of matters. In addition, the Examiner reviewed numerous miscellaneous pleadings and schedules with respect to a variety of topics that arose throughout the course of the Eighth Interim Period and related to or concerned ENA and/or the Examiner's duties herein. These topics included, but were not limited to: (i) the Plan; (ii) various proposed settlements; (iii) discovery procedures related to plan confirmation; and (iv) issues regarding these cases in general.

25. Pursuant to the March 6 Order the Examiner and/or his representative are required to attend and participate in all Cash Management Committee and BTRC meetings. (March 6 Order, at p. 3) As in prior periods, the Examiner spent time during the Eighth Interim

Period preparing for, attending and participating in certain Cash Management Committee meetings and BTRC meetings. To prepare for these meetings the Examiner reviewed extensive materials related to the various meetings, including weekly reporting packages provided by the Debtors. The Examiner also participated in various teleconferences and/or meetings with his staff at Goldin Associates respecting the subject matter of the meetings. In addition, the Examiner participated in certain weekly meetings during which the Debtors provided status updates regarding the liquidation of the Wholesale Book and other ENA assets. Lastly, the Examiner frequently met with his staff at Goldin Associates regarding the status of all pending projects and reporting requirements and the management and staffing of same.

**2. Reports Filed by the Examiner  
During the Eighth Interim Period**

26. Throughout the Eighth Interim Period, the Examiner continued his active involvement in all phases of the preparation of his Court-mandated reports. The Examiner's time and effort during the Eighth Interim Period resulted in the preparation and/or filing of the following reports: (i) the May Exclusivity Report (as defined below), dated May 4, 2004; (ii) successive Weekly Reports numbered one-hundred ten (110) through one-hundred nineteen (119); and (iv) the Twenty-Fifth and Twenty-Sixth Monthly Reports.

**a. The May Exclusivity Report**

27. As described in the Sixth Interim Joint Fee Application, the Examiner spent much of the Sixth Interim Period in intense negotiations with the Debtors and the Creditors' Committee, in an effort to reach a global compromise. The Examiner ultimately reached a modified global compromise with the Debtors and the Creditors' Committee, resolving all

material issues respecting the Plan in December, 2003. Given this agreement, the Examiner determined that an extension of the Debtors' solicitation period through April 30, 2004 was appropriate under the circumstances of these cases.

28. The hearing respecting confirmation of the Debtors' Chapter 11 plan was originally scheduled to commence on April 20, 2004. However, in order to address various issues associated with confirmation, the confirmation hearing was adjourned to June 3, 2004. As the Debtors' exclusive period to solicit acceptances of their Chapter 11 plan was set to expire April 30, 2004, the Debtors filed the "Motion of Debtors for Order Pursuant to Section 1121(d) of the Bankruptcy Code Extending Exclusive Period for Debtors to Solicit Acceptances of their Joint Chapter 11 Plan," dated April 23, 2004, requesting a further extension of their exclusive period to solicit acceptances of their Chapter 11 plan to July 31, 2004. Based on (i) the adjournment of the confirmation hearing; (ii) the extension of numerous deadlines affecting the voting process respecting the Debtors' Chapter 11 plan and the schedule of depositions respecting confirmation witnesses, and other deponents; and (iii) the volume of objections filed respecting confirmation and the numerous issues raised therein, the Examiner determined that a further extension of the Debtors' solicitation period through July 31, 2004 was appropriate. The Examiner, with assistance from Kaye Scholer and Goldin Associates, therefore spent time at the end of the Seventh Interim Period and at the beginning of the Eighth Interim Period discussing and analyzing the issues associated with this latest extension request and preparing the "Report of Harrison J. Goldin, the Court-Appointed Examiner in the Enron North America Corp. Bankruptcy Proceeding, Regarding (I) Developments in the Joint Chapter 11 Plan Process and (II) the Appropriateness of An Extension of the Debtors' Exclusive Period to Complete the Solicitation

Process for the Joint Chapter 11 Plan,” (the “May Exclusivity Report”), which was ultimately filed with the Bankruptcy Court on May 4, 2004.

**b. Examiner’s Weekly and Monthly Reports**

29. Pursuant to the March 6 Order, the Examiner must provide “this Court a weekly list of all deposits and disbursements made into and out of the Consolidation Account, as that term is defined in the Amended Cash Management Order.” (March 6 Order, at p. 3) During the Eighth Interim Period, the Examiner continued preparing appropriate Weekly Reports; this entailed: (i) reading and analyzing the worksheets and narratives for each Weekly Report; (ii) reviewing various voluminous documents and worksheets; and (iii) finalizing the Weekly Reports.

30. Additionally, the Examiner, pursuant to the March 6 Order, was required to file with the Bankruptcy Court and serve on ENA creditors Monthly Reports detailing “the status of ENA Cash including gross and net collections and expenditures and the status of ENA assets and liabilities.” (March 6 Order, at p. 5) As in prior interim periods, during the Eighth Interim Period, the Examiner continued to spend time: (i) actively taking part in multiple conference calls and meetings with Goldin Associates and Kaye Scholer, discussing information to be included in each Monthly Report; (ii) reviewing, revising, and commenting upon the various sections contained in each Monthly Report; (iii) reviewing certain documents and worksheets relevant to the Monthly Reports; and (iv) finalizing the Monthly Reports.

**3. The Examiner’s Plan Facilitator Role**

31. As discussed in previous interim fee applications, on December 17, 2003 the Debtors filed a third amended plan of reorganization and disclosure statement which reflected the outcome of the negotiations among the Examiner, on the one hand, and the Debtors and

Creditors' Committee on the other hand. The Debtors' subsequently filed a fourth amended plan and disclosure statement on January 4, 2004. After hearings on the sufficiency of the Debtors' disclosure statement, as amended, the Bankruptcy Court entered an Order (the "Disclosure Statement Approval Order") on January 9, 2004 approving the Debtors' fifth amended disclosure statement ("Fifth Amended Disclosure Statement"); the Fifth Amended Disclosure Statement, along with the fifth amended plan, were filed with the Bankruptcy Court on January 12, 2004.

32. During the Eighth Interim Period, the Examiner, with the assistance of Kaye Scholer and Goldin Associates, spent a considerable amount of time addressing issues associated with the confirmation process.

a. **Discovery Procedures in Connection with Confirmation of the Plan**

33. Based on the Disclosure Statement Approval Order and certain other Orders entered in these cases, the Debtors sought the entry of an order, by notice of presentment dated January 30, 2004, establishing, *inter alia*, procedures and deadlines for appropriate discovery in connection with confirmation of the Plan. On February 13, 2004 the Bankruptcy Court entered an "Order Establishing, Among Other Things, Procedures and Deadlines Concerning Objections to Confirmation and Discovery in Connection Therewith" (the "Confirmation Discovery Procedures Order"), approving the Debtors' procedures, as modified. After entry of the Confirmation Discovery Procedures Order the parties proceeded with discovery pursuant to the Court-mandated procedures.<sup>11</sup> Specifically, a Document Depository was

---

<sup>11</sup> With the Confirmation Hearing adjourned to June 3, 2004, certain of the deadlines contained in the Confirmation Discovery Procedures Order, as well as certain other relevant Orders entered in these cases, were extended.

established on March 3, 2004 (the Examiner, with assistance from Kaye Scholer and Goldin Associates, produced voluminous documents to be included therein).

34. On March 3, 2004 the Debtors also published the names of the witnesses they anticipate presenting at the Confirmation Hearing and the general topics of the testimony of any such witness. Thereafter, several parties-in-interest served additional discovery demands on the Debtors, the Creditors' Committee and the Examiner and designated additional witnesses for deposition, including a witness from Goldin Associates. Depositions began on April 11, 2004 and concluded during the latter part of May, 2004. The Examiner, with the assistance of Kaye Scholer and Goldin Associates, spent a considerable amount of time during the latter part of the Seventh Interim Period and the beginning of the Eighth Interim Period preparing for all depositions, with an emphasis on the deposition of the professional from Goldin Associates.

35. During the Seventh Interim Period, Kaye Scholer (i) attended various status conferences respecting discovery associated with the Confirmation Hearing and (ii) responded to the discovery demands made on the Examiner. In connection with the discovery demands made on the Examiner, he was involved in a discovery dispute with the Baupost Group, L.L.C. and Racepoint Partners L.P. (collectively "Baupost") at the end of the Seventh Interim Period which ran into the Eighth Interim Period. The Examiner, with the assistance of Kaye Scholer and Goldin Associates, responded to correspondence from Baupost respecting the appropriateness of withholding certain documents. Letter briefs were exchanged and provided to the Bankruptcy Court and a hearing on the matter was held on May 11, 2004. The Bankruptcy Court ultimately ruled on the issue on May 13, 2004, finding that the Examiner appropriately withheld certain documents pursuant to valid privileges.

**b. The Confirmation Hearing and Related Matters**

36. As noted, the Confirmation Hearing commenced on June 2, 2004 and concluded on June 18, 2004. The Examiner, as well as Goldin Associates and Kaye Scholer, has been intimately involved in the confirmation process since January, 2004, taking part in the discovery process, reviewing and analyzing certain settlements and participating in the confirmation hearing. During the events leading up to the Confirmation Hearing and during the Confirmation Hearing itself, the Examiner was in frequent contact with Kaye Scholer, being fully briefed and advised of all relevant matters as they occurred. In addition, the Examiner was directed by the Bankruptcy Court to file a statement setting forth citations to the record respecting statements made by his counsel at the Confirmation Hearing held on June 16, 2004. The Examiner, with the assistance of Kaye Scholer and Goldin Associates, prepared, finalized and filed these citations to the record on June 22, 2004.<sup>12</sup>

37. Following the Confirmation Hearing, the Debtors and various parties who filed objections to the Plan submitted to the Bankruptcy Court various drafts of proposed findings of fact and conclusions of law. After reviewing these drafts and noting certain issues affecting ENA, the Examiner, with the assistance of Kaye Scholer and Goldin Associates, prepared and filed the "Statement by Harrison J. Goldin, the Court-Appointed Examiner in the Enron North America Corp. Bankruptcy Proceeding, in Response to (I) the Debtors' Proposed Findings of Fact and Conclusions of Law Respecting Confirmation of the Debtors' Fifth Amended Joint Chapter

---

<sup>12</sup> The statements made by the Examiner's counsel at the June 16, 2004 hearing dealt primarily with the improvements to the global compromise negotiated by the Examiner from the original deal agreed to by the Debtors and the Creditors' Committee. The enhancements included, *inter alia*, (i) a shift of assets from Enron to ENA of in excess of \$1 billion in value; (ii) recognition that creditors holding Enron guaranties (approximately 40% of the ENA creditors) would receive an additional 50% recovery in the 30% substantive consolidation scenario of the Distribution Model; and (iii) a cash election option for ENA creditors only from a \$125 million cash pool.



11 Plan, as Modified and (II) Certain Objectors' Counter-proposed Findings of Fact and Conclusions of Law Respecting Confirmation of the Debtors' Fifth Amended Joint Chapter 11 Plan, as Modified," dated July 7, 2004. In addition, in response to the Debtors' proposed form of a confirmation order the Examiner submitted a letter to the Bankruptcy Court on July 14, 2004 raising certain discrete issues concerning ENA and the mechanics of the Confirmed Plan; these issues concerned (i) certain provisions in the Plan Supplement documents and (ii) the funding of expenses for the Litigation Trust and the Special Litigation Trust. The Examiner and Goldin Associates worked with Kaye Scholer in drafting and finalizing this letter.

38. On July 15, 2004 the Bankruptcy Court's findings of fact and conclusions of law (the "Findings and Conclusions"), as well as the Confirmation Order, were entered. The Findings and Conclusions are replete with references to the ENA Examiner and his role in the plan confirmation process.

#### **4. Investigation of Certain Identified Entities**

39. As detailed in previous interim fee applications, the Examiner provided the Bankruptcy Court with the Final SPE Report in November, 2003 and publicly filed it in December, 2003. Therefore, aside from miscellaneous housekeeping matters, the Examiner had previously completed all substantive tasks associated with the SPE Expansion Order.

40. The Enron Corp. Examiner had similarly completed his investigation. Accordingly, on November 2, 2003, the Enron Corp. Examiner filed the "Motion of Neal Batson, the Enron Corp. Examiner, with Respect to Certain Procedural Issues in Connection with the Termination of the Enron Corp. Examination" (the "Enron Corp. Examiner's Motion"). The Enron Corp. Examiner sought to be discharged from his duties so that he could resume the

practice of law, be exculpated from “wasteful, collateral litigation involving the reporting process,” be protected from parties issuing or serving upon him or his professionals any formal or informal discovery requests and be relieved of the obligation to maintain most of the material accumulated during his investigation.

41. Shortly thereafter, the Examiner sought, solely in connection with the SPE Investigation (and not respecting his other duties concerning ENA), entry of an order granting him identical relief as that obtained by the Enron Corp. Examiner pursuant to the Enron Corp. Examiner’s Motion. During the Seventh Interim Period, the Examiner, with the assistance of Kaye Scholer, drafted and filed the “Application of Harrison J. Goldin, the Court-Appointed Examiner in the Enron North America Corp. Bankruptcy Proceeding, for an Order Granting Certain Procedural Relief in Connection with the ENA Examiner’s Investigation of Identified Entities,” dated April 16, 2004 (the “Examiner SPE Procedural Motion”).

42. The Examiner spent time during the Eighth Interim Period (i) reviewing and analyzing the objections to the Examiner SPE Procedural Motion, especially the objection filed by KPMG and (ii) commenting on various drafts of an appropriate reply to the objections filed in response to the Examiner SPE Procedural Motion and a revised proposed form of order. The Examiner SPE Procedural Motion was ultimately granted by the Bankruptcy Court and an Order was entered on June 3, 2004.

##### **5. Fee Applications and Related Issues**

43. During the Eighth Interim Period the Examiner continued to review and comply with the Fee Committee’s promulgated procedures. To that end, the Examiner performed services including, but not limited to, providing comments after his review of the various monthly

fee statements and the Seventh Interim Joint Fee Application. He also worked with Kaye Scholer and Goldin Associates in forming appropriate responses to the Fee Committee's preliminary advisory report and advisory report respecting the Fourth Interim Joint Fee Application.

**B. Services Provided by Goldin Associates**

44. During the Eighth Interim Period, a team of Goldin Associates professionals continued to work on-site at Enron's headquarters in Houston. The Examiner was present as well on occasion. Accordingly, weekly travel back and forth between the Goldin offices in New York and the Enron Building in Houston, as well as between the homes of Goldin Associates' professionals and the Enron Building in Houston, continued to be required.

45. Since Goldin Associates' retention by the Examiner in March, 2002, it has taken on numerous projects on behalf of the Examiner as directed in various Orders of the Bankruptcy Court. Most recently, in June, 2003, the Examiner's role was expanded to include an investigation of the Identified Entities and their role in the Debtors' SPE transactions. In this regard, the Examiner's staff was expanded to support this expanded role.

46. In addition to the numerous services referenced above, the major areas of activity performed by Goldin Associates during the Eighth Interim Period are summarized below.

**1. Case Administration and Attendance at Cash Management and BTRC Meetings**

47. Goldin Associates, in assisting the Examiner, spent time during the Eighth Interim Period continuing to stay current with (i) the events in these cases, with a focus on ENA and (ii) all important issues relating to the Examiner's role and expanded duties herein. The professionals at Goldin Associates accomplished their duties by reviewing voluminous and

complex documents, attending numerous meetings and participating in various conference calls on a variety of subjects.

48. In connection with the Examiner's varied tasks, Goldin Associates regularly met with and participated in conference calls with the Debtors' management. Additionally, members of the Goldin Team attended numerous meetings and reviewed various schedules, spreadsheets, reporting packages and a variety of other documents regarding the numerous issues which have arisen in these cases which specifically or possibly could affect ENA and/or the Examiner's role herein.

49. As noted, pursuant to the March 6 Order the Examiner and/or his representative are required to attend and participate in all Cash Management Committee and BTRC meetings. To that end, the Examiner's staff at Goldin Associates, during the Eighth Interim Period, spent time preparing for, attending and participating in various Cash Management Committee and BTRC meetings. Specifically, each week, Goldin Associates continued to attend all Cash Committee meetings, BTRC meetings and pre-BTRC meetings.

50. To participate effectively at the BTRC meetings, members of the Goldin Team had to review presentation materials prior to each meeting; Enron's accounting staff provided the Goldin Team with massive back-up support detail for all Enron and ENA disbursements which had to be reviewed and analyzed. The volume of transactions which the Examiner and his advisors have been required to review in detail is enormous.

51. After reviewing the extensive materials provided in connection with these meetings (included the weekly reporting package provided by the Debtors), Goldin Associates frequently held various teleconferences and/or meetings with the Examiner (and, on occasion with

Kaye Scholer) respecting the subject matter of the materials and meetings. Accordingly, preparing for and participating in these meetings continued to be extremely labor-intensive and time-consuming and required the participation of many members of the Goldin Team during the Eighth Interim Period.

52. Goldin Associates, along with the Examiner on occasion, also participated in weekly meetings held at Enron's Houston headquarters, wherein the Debtors provided regular status updates regarding the Wholesale Book and other ENA assets. Moreover, during the Eighth Interim Period, Goldin Associates met periodically with the ENA Representative to discuss generally, among other things, cash management, dissolution expenditures and disbursement issues. Lastly, the Examiner met frequently with the Goldin Team to discuss the status of pending projects and reporting requirements and the management and staffing of same.

**2. Reports Filed by the Examiner  
During the Eighth Interim Period**

**a. The May Exclusivity Report**

53. As noted, during the Seventh Interim Period and at the beginning of the Eighth Interim Period, Goldin Associates assisted the Examiner in finalizing the May Exclusivity Report. The Goldin Team actively participated in the discussions concerning the appropriateness of a further extension for ENA of its exclusive period to solicit acceptances of the Fifth Amended Plan and reviewed and commented upon the drafts of the report prior to its filing.

**b. Examiner's Weekly and Monthly Reports**

54. During the Eighth Interim Period, Goldin Associates continued to play a critical and primary role in preparing the Court-mandated Weekly Reports; this process included: (i) participating in conference calls and meetings and corresponding with various professionals

involved in these cases concerning ENA's cash; (ii) preparing and revising appropriate detailed worksheets demonstrating the amount of ENA's deposits and disbursements on a weekly basis after thoroughly reviewing ENA's cash activity; (iii) reviewing the final version of each Weekly Report and annexed exhibits to ensure their accuracy.

55. Additionally, during the Eighth Interim Period, the Goldin Team spent considerable time: (i) reviewing and analyzing numerous documents, financial information and other materials which related to matters addressed in each Monthly Report; (ii) participating in many conference calls and meetings with the Examiner and the Examiner's counsel at Kaye Scholer regarding information to be included in each Monthly Report; (iii) preparing numerous detailed sections for each Monthly Report concerning ENA's cash, assets and certain liabilities; (iv) participating in various meetings and/or conference calls with the Debtors' professionals concerning the information contained in the Monthly Reports; (v) reviewing and commenting upon the various narratives for each Monthly Report; and (vi) preparing, reviewing and finalizing the various Exhibits contained in each Monthly Report.

### **3. The Examiner's Plan Facilitator Role**

56. In addition to the detail referenced above respecting the Examiner's plan facilitator role, during the Eighth Interim Period, Goldin Associates provided the Examiner with analytical and other support in connection with the plan confirmation process and the Examiner's plan facilitator role. Goldin Associates also assisted with the discovery process in connection with confirmation of the Plan. As explained above, on February 13, 2004 the Bankruptcy Court entered the Confirmation Discovery Procedures Order, approving the Debtors' procedures, as modified. After entry of the Confirmation Discovery Procedures Order the parties proceeded with

discovery pursuant to the Court-mandated procedures. Various professionals at Goldin Associates, as well as the Examiner, assisted in the preparation for the deposition of the Goldin Associates professional held in May, 2004.

57. Also in connection with the Plan confirmation process, Goldin Associates reviewed and analyzed: (i) information supplied by the Debtors and their claims agent, as well as information filed with the Bankruptcy Court, which related to ENA's largest creditors; (ii) proposed financial swap settlements; (iii) a proposed allocation of value respecting certain servicing agreements; (iv) the Debtors' and other parties' proposed findings of fact and conclusions of law, as well as the Debtors' proposed form of the confirmation order; (v) the impact of the CrossCountry sale on ENA creditors; (vi) numerous files respecting proposed entity dissolutions; (vii) Blackstone's valuation update materials; and (viii) drafts of the Debtors' proposed global compromise motion. Goldin Associates also worked with the Debtors and their professionals in developing a list of twenty of the largest ENA creditors, as mandated by the Plan.

#### **4. General ENA Examiner Matters**

58. As directed in the Overhead Allocation Order, Goldin Associates continued to monitor the application of the Debtors' Allocation Formula and reviewed the allocation model with Enron accounting managers. Information respecting the application of the Allocation Formula was provided to parties in interests through the Examiner's various Monthly Reports filed during the Eighth Interim Period; Goldin Associates collected and analyzed the information respecting this assignment and prepared appropriate sections and spreadsheets to be included in the Monthly Reports.

**5. The Investigation of the Identified Entities**

59. As explained above, pursuant to the Seventh Supplemental Administrative Fee Order, the Examiner and his professionals, including Goldin Associates, are not to file with the Bankruptcy Court their SPE Time Records with their fee applications, but instead are to file a summary schedule of such services.

60. As also explained above, the Examiner provided the Court with the Final SPE Report in November, 2003 and publicly filed it in December, 2003. Therefore, aside from miscellaneous housekeeping matters, Goldin Associates previously completed all tasks associated with the SPE Expansion Order, except that during the Eighth Interim Period, Goldin Associates reviewed and analyzed the objection filed by KPMG to the Examiner SPE Procedural Motion and assisted Kaye Scholer in formulating an appropriate reply.

**6. Fee Applications and Related Matters**

61. During the Eighth Interim Period, Goldin Associates devoted time to reviewing and complying with the procedures promulgated by the Fee Committee. In this regard, the services performed during the Eighth Interim Period included, but were not limited to (i) reviewing and providing comments on monthly fee statements and the Seventh Interim Joint Fee Application and (ii) reviewing, analyzing and formulating responses to the Fee Committee's preliminary advisory report and advisory report respecting the Fourth Interim Joint Fee Application.

**DETERMINATION OF APPLICANTS' REQUESTED FEE**

62. In seeking compensation in these cases, Applicants utilized their existing hourly rate structure in accordance with the Guidelines. For purposes of this Joint Application,



Applicants calculated their request for compensation by multiplying (a) the hours of time spent on services rendered, by (b) the applicable hourly rate assigned to each professional rendering such services.<sup>13</sup>

63. Applicants deem the fair and reasonable value of their professional services rendered during the Eighth Interim Period to be the sum of \$694,407.00. Based upon the total time expended Applicants believe the Eighth Interim Period compensation, as well as the compensation for the Total Compensation Period, to be appropriate.

64. By this Joint Application, Applicants also seek reimbursement of their actual, reasonable and necessary out-of-pocket expenses in the aggregate amount of \$\$61,837.33 incurred during the course of rendering professional services during the Eighth Interim Period, which reimbursement is sought in accordance with the Guidelines.

#### **FINAL COMPENSATION REQUESTED BY APPLICANTS**

65. By this Joint Application, Applicants also request a final allowance of \$13,422,763.13 for the Total Compensation Period, representing \$11,781,077.25 as compensation for professional services rendered (inclusive of the Holdback and all amounts where a reservation of rights was interposed) and \$1,641,685.88 as reimbursement for actual and necessary expenses (inclusive of all amounts where a reservation of rights was interposed) incurred by Applicants. Pursuant to Applicants' prior Monthly Fee Statements and previous interim fee applications filed in these cases, Applicants have received various payments for fees and disbursements incurred during the Total Compensation Period. The Holdback (which represents the total amount of the

---

<sup>13</sup> As indicated in the attached Exhibits, Applicants have calculated their request for compensation in connection with non-working travel time by utilizing the applicable hourly rate assigned to each professional and multiplying same by 50%.

holdbacks from prior interim compensation periods as well as the monthly 20% holdback incurred during the months that comprise the Eighth Interim Period), totaling \$1,836,065.50, remains due and payable by the Reorganized Debtors to Applicants. Additionally, as will be demonstrated in a subsequent pleading, Applicants believe that all amounts for services rendered or expenses incurred where a reservation of rights was interposed in response to a recommended reduction by the Fee Committee are fully compensable; accordingly \$81,306.53 remains due and payable to Applicants for such services rendered and expenses incurred. Since being retained in these cases, Applicants have voluntarily agreed to reduce its fees and expenses by an aggregate amount of \$10,900.72.

66. As noted, the detailed time records, expense reports, monthly fee statements and interim fee applications describing the professional services rendered and the expenses incurred during all periods prior to the Eighth Interim Period have been previously filed with the Bankruptcy Court; they are incorporated herein by reference, but not reiterated so as to burden the Bankruptcy Court and interested parties with unnecessary duplicative material.

67. As noted above and in previous interim fee applications, Applicants have performed an extraordinary amount of services in these cases. Throughout these cases, the Examiner and Goldin Associates have prepared or have assisted in the preparation of over 115 Weekly Reports, 25 Monthly Reports, six exclusivity reports and various other reports, as well as numerous other statements, objections and responsive pleadings which were ultimately filed with the Bankruptcy Court. Applicants have staffed these cases with a small core group of professionals to ensure efficiency and to minimize costs wherever possible. When needed, Goldin Associates utilized additional professionals to provide specific expertise (for example, during the

SPE Investigation). Applicants believe they have performed in an efficient and cost-effective manner throughout these cases and that such assistance has helped produce the results achieved in these cases. Accordingly, Applicants' request for final approval of all fees and the reimbursement of all expenses incurred in these cases during the Total Compensation Period should be approved as requested herein.

WHEREFORE, Applicants respectfully request that the Bankruptcy Court issue and enter an order granting it (i) the final allowance and payment in full for fees incurred for services rendered in the amount of \$11,781,077.25 and for the reimbursement of expenses in the amount of \$1,641,685.88, incurred during the Total Compensation Period, consisting of (a) compensation for professional services rendered in the amount of \$694,407.00 and reimbursement of the actual, reasonable and necessary out-of-pocket expenses incurred in the amount of \$61,837.33, during the Eighth Interim Period; (b) the aggregate amount of the Holdback in the amount of \$1,836,065.50 relating to professional services rendered during the Holdback Period; (c) amounts totaling \$78,358.50 in fees and \$2,948.03 in expenses where a reservation of rights has previously been interposed in response to a reduction in fees or expenses recommended by the Fee Committee; and (d) compensation for professional services rendered and reimbursement of the actual and necessary out of pocket expenses incurred during all prior interim periods(ii) final

approval of all prior awards of or requests for compensation and reimbursement of expenses which were granted to or requested by Applicants for services rendered and expenses incurred during all prior interim periods; and (iii) such other and further relief as the Bankruptcy Court may deem just and proper.

Dated: New York, New York  
October 29, 2004

s/ Harrison J. Goldin  
Harrison J. Goldin  
400 Madison Avenue  
New York, NY 10017  
(212) 593-2255

Examiner in the Enron North America Corp.  
Bankruptcy Proceeding

GOLDIN ASSOCIATES, L.L.C.

By: s/ Mark Slane  
Mark Slane  
400 Madison Avenue  
New York, NY 10017  
(212) 593-2255

Special Consultant and Financial Advisor to  
Harrison J. Goldin, Examiner in the Enron North  
America Corp. Bankruptcy Proceeding