

1 MURPHY SHENEMAN JULIAN & ROGERS  
A Professional Corporation  
2 J. CRAIG GILLILAND (S.B. No. 080090)  
MARGARET SHENEMAN (S.B. No. 072718)  
3 101 California Street, Suite 3900  
San Francisco, CA 94111  
4 Telephone Number: (415) 398-4700  
Facsimile Number: (415) 421-7879

5 Attorneys for the Official Unsecured Creditors'  
6 Committee and F. Wayne Elggren, as Estate  
Manager

ORIGINAL

FILED

JUL 23 1999

BANKRUPTCY COURT  
OAKLAND, CALIFORNIA

7  
8 UNITED STATES DISTRICT COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
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11 In re  
12 KENETECH WINDPOWER, INC.,  
13 Debtor.

Chapter 11  
Case No. 96-44426 T

ORDER GRANTING AMENDED FINAL  
FEE APPLICATION OF ARTHUR  
ANDERSEN LLP FOR ALLOWANCE  
AND PAYMENT OF COMPENSATION

Date: July 19, 1999  
Time: 10:00 a.m.  
Place: Courtroom 201  
1300 Clay Street  
Judge: The Honorable Leslie  
Tchaikovsky

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21 On July 19, 1999, a hearing was held in the above-captioned case before the  
22 undersigned United States Bankruptcy Judge on the "Partial Objection Of Estate Manager  
23 And Creditors' Committee To Final Fee Application Of Arthur Andersen LLP For Allowance  
24 And Payment Of Compensation". Counsel for the Committee and the Estate Manager, Mark  
25 A. Olson, a member of Murphy Sheneman Julian & Rogers, stated that the parties had  
26 resolved the dispute regarding Andersen's claim by their Stipulation for Resolution of  
27 Administrative Claim of Arthur Anderson ("Stipulation"), a copy of which is attached hereto  
28 as Exhibit A.

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JULIAN &  
ROGERS  
A PROFESSIONAL  
CORPORATION

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1 **IT HEREBY IS ORDERED THAT:**

2 1. Andersen's final fees in the amount of \$265,436.92, of which  
3 \$222,277.14 is attributable to prior interim fee awards and \$43,159.78 is attributable to the  
4 "Claim" (as defined in the Stipulation), incurred during the period of October 1, 1998  
5 through April 7, 1999, are allowed as an expense of administration in KWI's Chapter 11 case;  
6 Anderson's final expenses in the amount of \$1,308.00, of which \$1,308.00 is attributable to  
7 prior interim fee awards, are allowed as an expense of administration in KWI's Chapter 11  
8 case;

9 2. KWI is authorized and directed to pay Andersen \$43,159.78; and

10 3. The Stipulation (attached hereto as Exhibit A) is approved and  
11 Andersen's fees and expenses (as set forth more fully in the Stipulation), which includes the  
12 amounts allowed under Paragraph 1 of this Order are finally allowed as an expense of  
13 administration in KWI's Chapter 11 Case under 11 U.S.C. Section 330(a) and 503(b)(2).

14 DATED: July 23, 1999

Leslie Tchaikovsky  
15 THE HONORABLE LESLIE TCHAIKOVSKY  
16 UNITED STATES BANKRUPTCY JUDGE

1 MURPHY SHENEMAN JULIAN & ROGERS  
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6 Creditors' Committee and  
F. Wayne Elggren as Estate Manager  
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8 UNITED STATES BANKRUPTCY COURT  
9 NORTHERN DISTRICT OF CALIFORNIA

10  
11 In re

12 KENETECH WINDPOWER, INC.,

13 Debtor,

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Chapter 11

Case No. 96-44426 T

STIPULATION FOR RESOLUTION OF  
ADMINISTRATIVE CLAIM OF  
ARTHUR ANDERSEN LLP

DATE: July 19, 1999  
TIME: 9:30 a.m.  
PLACE: Courtroom 201  
1300 Clay Street  
Oakland, California  
The Honorable Leslie  
Tchaikovsky

21 This Stipulation (the "Stipulation") is executed as of July 19, 1999, by and  
22 among the Unsecured Creditors' Committee of KENETECH Windpower, Inc. (the  
23 "Committee"), of KENETECH Windpower, Inc., ("KWI"), by and through F. Wayne  
24 Elggren as the Estate Manager ("Estate Manager"), Arthur Andersen LLP ("Creditor"), and  
25 KENETECH Corporation ("K Corp") (collectively, the "Parties"), by and through their  
26 respective counsel, with reference to the following facts and recitals:

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ROGERS

A PROFESSIONAL  
CORPORATION

STIPULATION FOR RESOLUTION OF ADMINISTRATIVE  
CLAIM OF ARTHUR ANDERSEN LLP

EXHIBIT 7





1           4.       **Successors and Assigns:** This Stipulation shall be binding upon, and shall  
2 inure to the benefit of Creditor, KWI, the Estate Manager, the Committee, and K Corp and  
3 their respective representatives, successors, and assigns.

4           5.       **Applicable Law:** Except for issues related to the approval of this Stipulation  
5 by the Bankruptcy Court, which shall be governed by the Bankruptcy Code, this Stipulation  
6 shall be governed in all respects, including validity and interpretation, by the laws of the  
7 State of California.

8           6.       **Representation By Counsel:** The Parties acknowledge that each has had the  
9 opportunity to be represented by legal counsel of its choosing throughout the negotiations  
10 that preceded the execution of this Stipulation and that each has chosen whether or not to  
11 seek such independent counsel. Any rule of construction providing for ambiguities to be  
12 construed against the draftsman of this Stipulation therefore shall be inapplicable.

13          7.       **No Admissions:** Neither this Stipulation, nor any of its terms, nor any  
14 negotiations or proceedings in connection with this Stipulation, shall constitute or be  
15 evidence of an admission on the part of any Party of any liability or wrongdoing whatsoever,  
16 or the merit or lack of merit of any claim or defense.

17          8.       **Consent To Jurisdiction and Venue:** The Parties consent to the  
18 determination by the Bankruptcy Court, in a contested matter as a "core proceeding" (as such  
19 term is defined in 28 U.S.C. § 157 or any successor provision), of any and all disputes  
20 concerning this Stipulation, including disputes involving the validity, interpretation, effect, or  
21 enforcement of this Stipulation, and the Parties agree that the Bankruptcy Court shall be the  
22 exclusive forum to hear, determine and enter appropriate orders and judgments regarding all  
23 such disputes.

24          9.       **Effective Date:** Following execution by the Parties, this Stipulation shall  
25 become effective when, but only when, the Bankruptcy Court authorizes and approves this  
26 Stipulation and enters an order allowing Creditor's Claim against KWI in the amount set  
27 forth in Paragraph 1.A. hereof. If this Stipulation ultimately does not become effective by  
28 October 19, 1999 (or such later date as all the Parties hereto may agree in writing), the

1 undertakings, compromises, and releases set forth herein shall be of no further force and  
2 effect, and the Parties shall be returned to the *status quo ante* as if the Stipulation had not  
3 been executed.

4 10. **Counterparts:** This Stipulation may be executed in several counterparts, all  
5 of which when taken together will constitute one agreement. This Stipulation may be  
6 executed by telecopied signatures, which execution shall have the same force and effect as an  
7 original signature hereon.

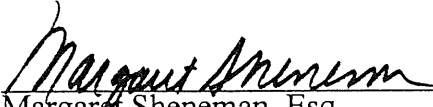
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9 ARTHUR ANDERSEN LLP

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12 By: Tassilo von Koch

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14 KENETECH Windpower, Inc.

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25 Margaret Sheneman, Esq.  
26 Counsel for the Committee

27  
28 KENETECH Corporation

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Kathryn A. Coleman, Esq.  
Gibson, Dunn & Crutcher  
Counsel for KENETECH Corporation

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12 By: Tassilo von Koch

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STIPULATION FOR RESOLUTION OF ADMINISTRATIVE  
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