

TO THE HONORABLE LESLIE TCHAIKOVSKY, UNITED STATES
BANKRUPTCY JUDGE, THE OFFICE OF THE UNITED STATES
TRUSTEE, AND OTHER PARTIES ENTITLED TO NOTICE:

I.

FINAL FEE APPLICATION AND REQUEST FOR
REIMBURSEMENT OF COSTS AND EXPENSES

By this "Final Fee Application Combined With Seventh Interim Application Of Bingham Dana LLP For Allowance And Payment Of Compensation And Reimbursement Of Expenses (For The Period From June 1, 1998 Through April 7, 1999)" (this "Application"), Bingham Dana LLP ("BD"), special corporate counsel to KENETECH Windpower, Inc. ("KWI"), requests that this Court for the period from May 29, 1996, through April 7, 1999 (the "Final Fee Application Period") (a) allow on a final basis, as an expense of administration in KWI's chapter 11 case, BD's fees in the amount of \$508,535.50 comprised of (i) \$498,696.50 previously awarded on account of prior interim fee applications, (ii) \$3,939.00 in fees for the period from June 1, 1998 through April 7, 1999, and (iii) \$5,900.00 in fees for post April 7, 1999 time spent (x) preparing this Application, including time estimates for completion, service and filing, (y) appearing via telephone at the hearing thereon, and preparation of the order with respect thereto, and (b) allow on a final basis, as an expense of administration in KWI's chapter 11 case, BD's costs in the amount of \$99,937.90, comprised of (i) \$98,939.31 previously awarded on account of prior interim fee applications, and (ii) \$998.50 for the period from June 1, 1998 through April 7, 1999, (c) authorize F. Wayne Elggren, Estate Manager (the "Estate Manager") under the "Debtor's and Creditors' Committee's First Amended Plan of Reorganization (October 22, 1998)" (the "Plan") confirmed

January 27, 1999, the effective date of which occurred on April 8, 1999, to pay any unpaid amounts in respect thereof, and (d) authorize the Estate Manager to review and pay, consistent with the practices of this Court, any additional costs attributable to the Final Fee Application Period but which have not yet been paid by BD and billed to the KWI billing file.

Pursuant to this Court's "Order Establishing Procedures For Interim Payment of Fees And Reimbursement of Expenses For Professionals And Committee Members" (the "Interim Payment Order") and the court orders set forth below, BD has been heretofore compensated in full for its fees and costs incurred from May 29, 1996, through May 31, 1998 as follows:

Title of Order	Date of Entry	Fees Allowed and Paid	Costs Allowed and Paid
"Order Granting First Interim Application Of Bingham Dana LLP For Allowance And Payment Of Compensation And Reimbursement Of Expenses (For The Period From May 29, 1996, Through September 30, 1996)"	April 11, 1997	\$53,371.45	\$6,269.71
"Order Granting Second Interim Application Of Bingham Dana LLP For Allowance And Payment Of Compensation And Reimbursement Of Expenses (For The Period From October 1, 1996, Through January 31, 1997)"	April 22, 1997	\$29,526.00	\$2,549.14
"Order Granting Third Interim Application Of Bingham Dana LLP For Allowance And Payment Of Compensation And Reimbursement Of Expenses (For The Period From February 1, 1997, Through May 31, 1997)"	September 24, 1997	\$48,608.00	\$6,142.34
"Order Granting Fourth Interim Application Of Bingham Dana LLP For Allowance And Payment Of Compensation And Reimbursement Of Expenses (For The Period From June 1, 1997, Through September 30, 1997)"	January 7, 1998	\$152,157.50	\$21,282.17

II.

**SEVENTH INTERIM APPLICATION FOR ALLOWANCE AND
PAYMENT OF COMPENSATION AND REIMBURSEMENT OF
EXPENSES (JUNE 1, 1998 – APRIL 7, 1999)**

The following portion of this Application sets forth a narrative description of the services rendered and costs incurred by BD during the Seventh Interim Period, from June 1, 1998 through April 7, 1999, the day prior to the Effective Date of the Plan. The fees and costs during the Seventh Interim Period are the only fees and costs not previously reviewed by this Court on an interim basis. By this portion of this Application, BD requests that this Court, as part of its final award of fees and costs allow, as an expense of administration in KWI's chapter 11 case, BD's fees in the amount of \$3,939.00 and expenses in the amount of \$998.59 for the period from June 1, 1998, through April 7, 1999 (the "Interim Application Period").

BD has prepared this portion of this Application (and all prior applications) pursuant to the Interim Payment Order and the Court's generally-applicable "Guidelines For Compensation And Expense Reimbursement Of Professionals And Trustees" (the "Compensation Guidelines").

A. INTRODUCTION

1. KWI filed a voluntary petition under chapter 11 on May 29, 1996 (the "Petition Date") and, on June 26, 1996, this Court entered an order authorizing KWI's employment of BD as special corporate counsel. On January 27, 1999, the Plan was confirmed in the above-captioned case. On April 8, 1999, the Effective Date of the Plan occurred. As of that date, F. Wayne Elggren was appointed Estate Manager pursuant to the terms of the Plan. In his capacity as

Estate Manager, F. Wayne Elggren is authorized to manage and administer the affairs of the KWI chapter 11 estate.

2. From the Petition Date to the Effective Date, KWI operated as a debtor and debtor in possession on a positive cash flow basis, generating in excess of \$70,000,000 for the payment of claims allowed in this case. As a result, KWI's estate, which began the case with only minimal cash on hand, has (a) paid all of its costs of administration to date on a current basis, (b) set up reserves totaling more than \$11,000,000 as of the Effective Date, and (c) paid to holders of allowed Class 1 and Class 5 Claims more than \$52 million. In addition, KWI anticipates receipt from the continued liquidation of assets of more than \$10 million.

3. In its role as special corporate counsel to KWI, BD in the Seventh Interim Period (i) performed 20.2 hours of services, for which it would charge its regularly paying clients \$3,939.00 as based upon BD's normal hourly rates and billing practices, and (ii) incurred expenses of \$998.59. BD's final request for the Seventh Interim Period is in the total amount of \$4,937.59. Copies of BD's record of services rendered for the Seventh Interim Period, as prepared and maintained by BD in the ordinary course of its business, are attached hereto as Exhibits A and B. All of BD's records of services rendered and expenses incurred for the Interim Application Period were prepared and maintained by BD in the ordinary course of its business.

4. In addition, because BD prepared this Application after April 7, 1999, the time attributable to BD's services in this regard occurred after the conclusion of the Interim Application Period. However, pursuant to the Plan, the fees and costs attributable to this Application are to be paid as part of the final fee application process from the reserve established for pre-Effective Date

administrative claims. Annexed hereto as Exhibit F is a true and correct copy of BD's fees incurred post-April 7, 1999 in preparation of this Application, including BD's estimate to finalize this Application, attend the fee hearing and prepare the final order for total additional fees in the amount of \$5,900.00.

5. Pursuant to the Interim Payment Order, KWI has paid BD \$4,149.79 which sum represents approximately eighty percent (80%) of BD's fees and one hundred percent (100%) of BD's expenses attributable to the months of June and August of 1998. Accordingly, in addition to final confirmation of the fees and costs paid to date, the net additional amount requested by BD is \$6,687.80, representing \$4,937.59 in fees and costs incurred minus \$4,149.79 in fees and costs paid plus \$5,900.00 for the preparation and approval of this Application.

III.

SUMMARY OF SERVICES RENDERED

6. The members of BD have extensive experience in the areas of project finance, operations and maintenance agreements, asset disposition matters and general corporate law. A summary of the background and qualifications of the members of BD who rendered more than two hours of services to KWI during the Seventh Interim Period is attached hereto as Exhibit D.

7. Pursuant to Items 3 and 9 of the Compensation Guidelines and Item B of the United States Trustee Fee Application Guidelines, BD has categorized the services rendered by its professionals and paraprofessionals in the following classifications:

- A. Fee Applications (090384/094200)
- B. ESI Post-Closing Matters (094646)

A summary of the hours, hourly rate, and fees attributable to the relevant BD professionals for each of the above-noted categories is attached hereto as Exhibit E.

8. Detailed descriptions of the various services rendered by BD professionals and paraprofessionals are set forth in the time entries attached hereto as Exhibits A and B. As indicated by those time entries, the professionals and paraprofessionals of BD performed various discrete tasks for KWI during the Seventh Interim Period, the description of which would be unproductive, BD therefore summarizes below only the services it has rendered to KWI, based upon the above-noted billing categories.

- A. Fee Applications (090384/094200)

9. In the Interim Application Period, BD professionals rendered a limited range of services that are attributable to the Fee Application category. BD prepared, filed, attended via teleconference a hearing on, prepared and filed a supplemental declaration regarding, and obtained Court approval of, its comprehensive sixth interim fee and expense application, which explained in detail the nature of services rendered by BD to KWI during the prior interim application period. Finally, pursuant to the Interim Payment Order, BD prepared two "monthly applications" for interim payment, each of which summarized the services rendered by BD during the individual months of the Interim Application Period.

10. In the aggregate, BD professionals rendered 17.30 hours of services, for total fees of \$3,344.50, attributable to the preparation of the Sixth

Interim Application and monthly fee applications and notices for June 1998 and August 1998.

B. ESI Post-Closing Matters (094646)

11. BD professionals provided services to KWI in the Seventh Interim Period relating to the post-closing of the Altamont windplant sale to ESI.

12. BD professionals participated in telephone conferences and reviewed final closing documentation.

13. In the aggregate BD professionals rendered 2.10 hours of service, for total fees of \$430.50 attributable to the post-closing matters regarding the Altamont windplant sale to ESI.

IV.

SUMMARY OF EXPENSES INCURRED

14. It is the normal billing practice of BD to pass on to its clients the cost of certain disbursements incurred in connection with its representation of such clients. The cost of mailings, photocopying, long distance telephone calls and out-of-town travel expenses have been charged to KWI in the Seventh Interim Period in compliance with the Compensation Guidelines. With respect to out-of-town travel expenses, the President of KWI pre-approved all travel and overnight stays with respect to professionals of the estate. BD personnel did not travel out-of-town or incur any overnight stay expenses in connection with this case in the Seventh Interim Period. Photocopying has been invoiced at .20¢ per page. Telephone and mailing expenses have been invoiced at BD's actual cost. All plane travel has been at coach airfare. Copies of BD's record of expenses for the Seventh Interim Period, as prepared and maintained by BD in the ordinary course of its business, are attached hereto as Exhibit C. Please note that some

disbursement charges relate to activities during prior fee periods, and reflect a delay in BD's accounting process.

V.

REQUEST FOR FINAL COMPENSATION

15. Section 330 of the Code provides for the award to employed professional persons of:

- (1) reasonable compensation for actual, necessary services, rendered by such . . . professional person . . . based on the nature, the extent, and the value of such services, the time spent on such services, and the cost of comparable services other than in a case under this title; and
- (2) reimbursement for actual, necessary expenses.

11 U.S.C. §330(a); see In re Yermakov, 718 F.2d 1465, 1471 (9th Cir. 1983) (“The primary method used to determining a reasonable attorney fee in a bankruptcy case is to multiply the number of hours expended by an hourly rate.”)

16. As fully set forth in Exhibits A and B hereto, the amount charged by BD for services rendered and recorded as special counsel to KWI for the Interim Application Period, as based upon BD's normal guideline hourly rates is \$3,939.00. Moreover, BD has incurred actual, necessary expenses totaling \$998.59 as fully set forth in Exhibit C hereto, for which it seeks reimbursement. By this Application, therefore, BD seeks (a) an award in the amount of \$4,937.59, representing one hundred percent (100%) of the fees and one hundred percent (100%) of the expenses incurred during the Interim Application Period and reflected in this Application, (b) final approval of fees previously awarded in the amount of \$498,696.50, (c) final approval of costs previously awarded in the