ALAN PEDLAR (State Bar No. 72216), and GEORGE C. WEBSTER II (State Bar No. 82870) Members of STUTMAN, TREISTER & GLATT PROFESSIONAL CORPORATION 3699 Wilshire Boulevard, Suite 900 Los Angeles, California 90010 Telephone: (213) 251-5100



MAY 04 1999

BANKRUPTCY COURT OAKLAND, CALIFORNIA

Reorganization Counsel for Debtor and Debtor in Possession

7 Debtor's Mailing Address:
KENETECH Windpower, Inc.
6952 Preston Avenue
Livermore, California 94550

### UNITED STATES BANKRUPTCY COURT

#### NORTHERN DISTRICT OF CALIFORNIA

Case No. 96 44426 T 11 In re 12 KENETECH WINDPOWER, INC., fka Chapter 11 U.S. WINDPOWER, INC., 13 FINAL FEE APPLICATION COMBINED Debtor. WITH EIGHTH INTERIM APPLICATION 14 OF STUTMAN, TREISTER & GLATT 15 PROFESSIONAL CORPORATION FOR ALLOWANCE AND PAYMENT OF COMPENSATION AND REIMBURSEMENT 16 OF EXPENSES (FOR THE PERIOD FROM OCTOBER 1, 1998, THROUGH 17 APRIL 7, 1999) 18 Hearing 19 June 14, 1999 Date: Time: 10:00 a.m. 20

Date: June 14, 1999
Time: 10:00 a.m.
Place: Courtroom 201
1300 Clay Street
Oakland, CA 94612

24 | //

21

22

23

1

2

3

5

9

10

24 || / / /

25 | ///

26 | ///

27 | ///

28 | ///

In re KENETECH Windpower, Inc., Case No. 96 44426 T
Final Fee Application Combined With Eighth Interim Fee Application Of Stutman, Treister & Glatt
Professional Corporation (For The Period From October 1, 1998, Through April 7, 1999)

### TABLE OF CONTENTS

2	Page
3	I. FINAL FEE APPLICATION AND REQUEST FOR REIMBURSEMENT OF COSTS AND EXPENSES
4 5	II. EIGHTH INTERIM APPLICATION FOR ALLOWANCE AND PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES (OCTOBER 1, 1998-APRIL 7, 1999)
6	A. Introduction5
7	III. SUMMARY OF SERVICES RENDERED 8
8	A. Case Administration (3998-010)
9	B. Meetings/Communications With Creditors (3998-020)15
10	C. General Business Operations (3998-030)16
11	1. Insurance Coverage (3998-032)
12	2. Subsidiary Merger (3998-033)
13	D. Fee And Employment Applications (3998-040)18
14	
15	
16	-
17	1. KPCI/EIF Claims (3998-073)
18	2. EPRI/Niagara Mohawk Claims (3998-077)22
19	3. BLM Claim (3998-079)22
20	4. Trade Damage Claims (3998-700)23
21	5. Portland General Claim (3998-699)24
22	6. Avon Bearing Claim (3998-701)25
23	7. Sibley Freeman Claim (3998-702)25
24	8. Discrimination Claims (3998-703)26
25	9. Claims Assignment (3998-704)27
26	10. Alameda County Tax Claim (3998-706)27
27	11. Other Tax Claims (3998-707)28
	12. Non-Trade Damage Claims (3998-708)28
28	13. Claims Cap Issues (3998-709)29

In re KENETECH Windpower, Inc., Case No. 96 44426 T

Final Fee Application Combined With Eighth Interim Fee Application Of Stutman, Treister & Glatt

Professional Corporation (For The Period From October 1, 1998, Through April 7, 1999)

				1 ' 01 '
1		14.	Partr	nership Claims29
2			a.	General (3998-740)30
3			b.	Communications With Client (3998-743)31
4			С.	Communications With Committee (3398-744). 31
5			d.	Communications With Claimants (3998-745). 32
6			е.	Revision of Settlement Agreement (3998-746)32
7 8			f.	Revision of Inter-Creditor Agreement (3998-747)33
9			g.	Revision Of Related Documents (3998-748)33
10	G.	Asset	: Anal	Lysis And Recovery (3998-080)
11	Н.	Asset	Disp	position (3998-090)34
12		1.	KC Or	ne Notes (3398-903)35
13		2.	BRPU	Settlements (3998-904) and (3998-940)35
14			a.	SCE BRPU-Meetings/Strategy (3998-941)36
15			b.	SCE BRPU-Briefing (3998-942)
16			С.	SDG&EMeetings/Strategy (3998-943)37
17		3.	KVS 3	33/45 Technology Sale (3998-905)
18		4.	Maine	e Sale (3998-908)
19		5.	Sale	Of Building (3998-911)
20			a.	Building SaleSubsidiary Ownership (3998-914)39
21			b.	Sale of BuildingAncillary Document (3998-915)39
			_	
23			С.	Sale of BuildingNegotiation Sessions (3998-916)40
24			d.	Pleadings Re Sale of Building (3998-917) 41
25		6.		3 And WPP94 Assets (3998-912 and 3998-
27	I.	Plan	•	Disclosure Statement (3998-100)
28		1.		Negotiations With Committee And Creditors 3-102)

1		2. Drafting Of Plan (3998-103)44
2		3. Drafting Of Disclosure Statement (3998-104)45
3		4. Drafting Of Related Pleadings (3998-105)46
4		5. Tax Issues (3998-107)47
5		6. Plan Effective Date (3998-108)
6		7. Initial Distribution (3998-109)
7		8. Drafting Plan Documents (3998-111)49
8		9. Objections To Confirmation Related Matters (3998-112)49
9	J.	Employee Benefits And Plans (3998-110)50
10	К.	Litigation50
11		1. Enercon Litigation (3998-121)50
12		2. Gerard Litigation (3998-124)51
13		3. Circuit Technology (3998-125)51
14	L.	Altamont Pass Sale51
15		1. Post Closing Activity (3998-550)51
16		2. Documentation of Closing Documents (3998-766). 52
17 18		3. Hancock SettlementPost-Closing Activity (3398-767)
19	IV. SUMMA	RY OF EXPENSES INCURRED53
20	Α.	Air Fare53
21	В.	Air Freight54
22	c.	Car Rental54
23	D.	Computer Research55
24	E.	Court Costs
25	F.	Hotel55
26	G.	Parking Charges55
27	Н.	Photocopying Expenses (Internal And External)56
28	I.	Postage 56

	1			
1		J.	Taxi/Airport Transportation Expenses5	6
2		К.	Telecopy Expenses5	7
3		L.	Telephone Charges (Long-Distance)5	7
4		М.	Travel Expenses/Business Meals5	8
5	V. E	REQUES'	FOR FINAL COMPENSATION	8
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17	:			
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
/ X	1.1			

2

1

3

4

5 |

6

7

8

9

11

1213

14

1516

17

18

19

20

21

22

23

24

25

26

27

28

TO THE HONORABLE LESLIE TCHAIKOVSKY, UNITED STATES BANKRUPTCY

JUDGE, THE UNITED STATES TRUSTEE, AND PARTIES ENTITLED TO

NOTICE:

I.

# FINAL FEE APPLICATION AND REQUEST FOR REIMBURSEMENT OF COSTS AND EXPENSES

Stutman, Treister & Glatt Professional Corporation ("ST&G"), 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, ST&G's fees in the amount of \$3,418,695.00, comprised of (i) \$2,933,204.50 in previously awarded and paid fees on account of prior interim fee applications, (ii) \$472,933.501 in fees for the period from October 1, 1998 through April 7, 1999, and (iii) \$12,557.00 in fees for post-April 7, 1999 time spent (x) in preparing the monthly fees statement for the period March 1, 1999, through April 7, 1999, (y) in preparing this final fee application, including a three hour time estimate for completion of the fee application and its service and filing, and (z) a \$1,000 estimate for attendance at the hearing on this Application and preparation of the order with respect thereto, (b) allow on a final basis, as an expense of administration in KWI's chapter 11 case, ST&G's costs in the amount of

This amount includes a credit of \$1,251.00 for a \$10/hr reduction in Mr. Fein's hourly rate to \$395/hr based on the 125.1 hours billed to the case since October 1, 1998. Similar reductions have voluntarily been made in connection with prior interim fee applications and awards.

\$374,021.40, comprised of (i) \$307,948.95 in previously awarded and paid costs on account of prior interim fee applications, and (ii) \$66,072.45 in costs for the period from October 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 ST&G and billed to the KWI billing file.

Pursuant to the 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, ST&G has been heretofore compensated in full for its fees and costs incurred from May 29, 1996, through September 30, 1998 as follows:

20	Title of Order	Date of Entry	Fees Allowed and Paid	Costs Allowed and Paid
22	"Order Granting First Interim Application Of Stutman, Treister & Glatt Professional Corporation For Allowance And Payment Of	4/10/97	\$373,358.50	\$61,261.49
23	Compensation And Reimbursement Of Expenses (For The Period From May 29,			
24	1996, Through September 30, 1996)"			
25	"Order Granting Second Interim Application Of Stutman, Treister & Glatt Professional	4/14/97	\$390,550.50	\$42,202.60
26	Corporation For Allowance And Payment Of Compensation And Reimbursement Of			
27	Expenses (For The Period From October 1, 1996, Through January 31, 1997)"			
28				

In re KENETECH Windpower, Inc., Case No. 96 44426 T

Final Fee Application Combined With Eighth Interim Fee Application Of Stutman, Treister & Glatt

Professional Corporation (For The Period From October 1, 1998, Through April 7, 1999)

1 2	Title of Order	Date of Entry	Fees Allowed and Paid	Costs Allowed and Paid
3	"Order Granting Third Interim Application Of Stutman, Treister & Glatt Professional	9/2/97	\$437,117.00	\$32,817.27
4	Corporation For Allowance And Payment Of Compensation And Reimbursement Of			
5	Expenses (For The Period From February 1, 1997, Through May 31, 1997)"			
6	"Order Granting Fourth Interim Application Of Stutman, Treister & Glatt Professional	12/23/97	\$463,404.00	\$36,785.72
7	Corporation For Allowance And Payment Of Compensation And Reimbursement Of			
8	Expenses (For The Period From June 1, 1997, Through September 30, 1997)"			
9	"Order Granting Fifth Interim Application Of	4/21/98	\$545,020.50	\$68,652.57
10	Stutman, Treister & Glatt Professional Corporation For Allowance And Payment Of	4/21/90	7545,020.50	700,002.01
11	Compensation And Reimbursement Of Expenses (For The Period From October 1,			
12	1997, Through January 31, 1998)"			
13	"Order Granting Sixth Interim Application Of Stutman, Treister & Glatt Professional	8/17/98	\$286,264.00	\$28,282.74
14	Corporation For Allowance And Payment Of			
15	Compensation And Reimbursement Of Expenses (For The Period From February 1,			
16	1998, Through May 31, 1998),"	1 /0 /00	0427 400 00	¢27 046 F6
17	"Order Granting Seventh Interim Application Of Stutman, Treister & Glatt Professional	1/8/99	\$437,490.00	\$37,946.56
18	Corporation For Allowance And Payment Of Compensation And Reimbursement Of			
19	Expenses (For The Period From June 1, 1998, Through September 30, 1998)			
20	TOTAL INTERIM AWARDS TO DATE		\$2,933,204.50	\$307,948.95

In addition, for the Eighth Interim period, 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"), ST&G has been heretofore compensated, subject to final court approval, for 80% of its fees incurred and 100% costs incurred from September 30, 1998, through April 7, 1999 (the "Interim Application Period")

as follows:

In re KENETECH Windpower, Inc., Case No. 96 44426 T Page 3 Final Fee Application Combined With Eighth Interim Fee Application Of Stutman, Treister & Glatt Professional Corporation (For The Period From October 1, 1998, Through April 7, 1999)

Month	Interim Fees Paid	Interim Costs Paid
October, 98	\$90,736.00	\$18,470.25
November, 98	\$64,823.20	\$20,425.98
December 98	\$69,746.40	\$13,105.38
January 99	\$42,562.00	\$6,611.25
February 99	\$45,098.00	\$4,780.96
3/1/99-4/7/99	\$58,127.20	\$3,375.62
TOTALS	\$371,092.80	\$66,769.44

Accordingly, ST&G's final fees and costs incurred in this case, and for which it seeks final allowance are:

Interim Period	Fees Requested	Costs Requested
5/29/96-9/30/98	\$2,933,204.50	\$307,948.95
Eighth Interim Period	\$472,933.50 <sup>2</sup>	\$66,072.45 <sup>3</sup>
Final Fee Application Preparation	\$12,557.00 <sup>4</sup>	\$0.005
TOTAL REQUEST	\$3,418,695.00	\$374,021.40

This figure includes a voluntary reduction of \$10/hour on the 125.10 hours billed by Ronald L. Fein to the KWI case in the last interim period. Prior fee awards already reflect such a reduction in Mr. Fein's billing rate.

These costs reflect an adjustment of \$162.00 to reverse an airfare charge erroneously billed to the KWI file during the Eighth Interim Period and paid by KWI. This figure is lower than interim costs paid as a result of a final review of costs charged to KWI and reversal of certain entries.

<sup>&</sup>lt;sup>4</sup> See discussion set forth in Paragraph 4 below.

Subject to court approval, additional costs incurred which are attributable to the Final Fee Application Period, but which have not yet been paid by ST&G and billed to the KWI billing file, including filing and service costs affiliated with this Application, are to be reviewed and paid by the Estate Manager consistent with the practices of this Court.

# 

## EIGHTH INTERIM APPLICATION FOR ALLOWANCE AND PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES (OCTOBER 1, 1998-APRIL 7, 1999)

The following portion of this Application sets forth a narrative description of the services rendered and costs incurred by ST&G during the Interim Application Period, from October 1, 1998 through April 7, 1999, the day prior to the Effective Date of the Plan. The fees and costs of the Eighth Interim Period are the only fees and costs not previously reviewed by this Court and paid in full on an interim basis. By this portion of the Application, ST&G 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, ST&G's fees in the amount of \$472,933.50 and expenses in the amount \$66,072.45 for the period from October 1, 1998, through April 7, 1999 (the "Interim Application Period").

ST&G has prepared this portion of the 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 of the Bankruptcy Code (the "Code") on May 29, 1996 (the "Petition Date"). On May 30, 1996, this Court entered an order authorizing KWI's employment of ST&G as reorganization counsel. On January 27, 1999, the Plan was confirmed in the abovecaptioned case. On April 8, 1999, the Effective Date of the