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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

_____ )	
In re )	Chapter 11 Case
)	
Adelphia Communications Corporation, <u>et al.</u> , )	Case No. 02-41729 (REG)
)	
Debtors. )	(Jointly Administered)
_____ )	

**NOTICE OF FINAL FEE APPLICATION OF  
COVINGTON & BURLING LLP FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL TO  
ADELPHIA COMMUNICATIONS CORPORATION, ET AL.,  
FOR THE PERIOD FROM JUNE 25, 2002, THROUGH FEBRUARY 13, 2007**

Name of Applicant:	Covington & Burling LLP
Authorized to Provide Professional Services to:	Adelphia Communications Corporation, <u>et al.</u>
Date of Retention:	September 23, 2002, <i>nunc pro tunc</i> , to June 25, 2002
Final Period for which Compensation and Reimbursement is sought:	June 25, 2002, through February 13, 2007
Final Amount of Compensation sought as Actual, Reasonable and Necessary:	\$12,079,764.35
Final Amount of Expense Reimbursement sought as Actual, Reasonable and Necessary:	\$ 492,236.98

**CUMULATIVE SUMMARY OF INTERIM APPLICATIONS  
OF COVINGTON & BURLING LLP FOR SERVICES RENDERED  
AND REIMBURSEMENT OF EXPENSES  
FOR THE PERIOD JUNE 25, 2002, THROUGH FEBRUARY 13, 2007**

Interim Applications		Requested Fees and Expenses		Approved Fees and Expenses <sup>1</sup>	
Date Filed	Period Covered	Requested Fees	Requested Expenses	Amount of Fees Approved	Amount of Expenses Approved
11/27/02 D.I. 1183 (1st)	6/26/02 – 10/31/02	\$6,041,017.60	\$228,639.07	\$6,041,017.60	\$228,639.07
4/21/03 D.I. 1623 (2nd)	11/1/02 – 2/28/03	\$1,016,211.50	\$ 37,002.40	\$ 891,417.00	\$ 55,711.00
9/18/03 D.I. 2414 (3rd)	3/1/03 – 6/30/03	\$ 320,122.42	\$ 18,708.72		
2/13/04 D.I. 3715 (4th)	7/1/03 – 10/31/03	\$ 139,740.50	\$ 11,085.74	\$ 128,879.50	\$ 11,085.74
6/30/04 D.I. 5463 (5th)	11/1/03 – 2/29/04	\$ 309,703.50	\$ 6,138.91	\$ 286,773.34	\$ 6,138.91
12/10/04 D.I. 6588 (6th)	3/1/04 – 6/30/04	\$ 104,765.50	\$ 2,719.42	\$ 96,962.09	\$ 2,719.42
5/5/05 D.I. 7429 (7th)	7/1/04 – 10/31/04	\$1,354,217.50	\$ 78,381.02	\$1,268,261.59	\$ 78,381.02
9/21/05 D.I. 8544 **** Amended 5/12/06 D.I. 10813 (8th)	11/1/04 – 2/28/05	\$1,026,820.50	\$36,662.38	\$ 980,027.23	\$ 36,662.38
2/28/06 D.I. 9897 (9th)	3/1/05 – 8/31/05	\$ 801,107.50	\$ 25,843.59	PENDING	
6/8/06 D.I. 11145 (10th)	9/1/05 – 2/28/06	\$ 491,781.50	\$ 16,485.05	PENDING	
10/16/06 D.I. 12187 (11th)	3/1/06 – 8/31/06	\$ 496,752.50	\$ 11,647.22	PENDING	
3/27/07 (12th)	9/1/06 – 2/13/07	\$ 596,784.50	\$ 18,923.58	PENDING	
<b>Total</b>		\$12,699,025.02	\$492,237.10	\$9,693,338.35	\$419,337.54

<sup>1</sup> The approved fees and expenses reflect all reductions that were agreed to by Covington with the Fee Committee.

**CUMULATIVE COMPENSATION SUMMARY BY PROJECT CATEGORY**

Project Category <sup>2</sup>	28056.101 Adelphia Special Committee of Independent Directors		28056.201 Equity Committee Litigation		29584.00002 U.S. Attorney's Office Investigation		29584.00003 Securities Disclosure Advice		29584.00004 D&O Insurance Dispute	
	Hours	Fees	Hours	Fees	Hours	Fees	Hours	Fees	Hours	Fees
Total Hours and Fees from Petition Date <sup>3</sup>										
Task Code 1 – Legal and Factual Development	28,570.90	\$6,702,570.60			4,072.20	\$1,716,353.50	35.30	\$15,377.00	1,035.00	\$572,207.50
Task Code 2 – Prep of SEC Filings (28056) Gov't Mtgs and Presentations	166.90	54,955.50			519.10	266,112.00	99.50	48,234.50		
Task Code 3 – Spec Comm Mtgs (28056) Client Meetings	339.20	171,834.50			112.50	57,478.50	108.40	61,389.50	35.90	22,161.00
Task Code 4 – General Representation	528.00	214,491.50			54.60	28,105.50	9.60	6,080.00	45.70	21,838.00
Task Code 5 – Bankruptcy Administration	1,397.00	483,368.50			93.50	38,188.00	51.60	21,929.50	3.70	1,221.00
Task Code 6 – Non-Working Travel	742.40	197,596.50					6.00	1,860.00		
Task Code 7 – Providing Info to US Gov't (28056) SEC Disclosure Documents	1,953.20	505,437.50			36.00	22,487.50	1,442.00	620,207.50		
Task Code 8 – Inquiry Re Les Gelber Options (28056) SEC Comment Responses	4.30	752.50					118.70	63,032.00		
Task Code 9 – Deloitte Depo- Witness (28056) General Disclosure Advice	30.90	21,321.00			0.20	126.00	556.50	258,180.50		
Task Code 10 – Deloitte Depo – Counsel (28056)	94.50	35,857.00								
<b>NO TASK CODES FOR 201</b>			206.10	\$145,544.00						

<sup>2</sup> It should be noted that the lines between certain billing categories are not always precise, and certain aspects of the billing categories may overlap. Accordingly, in some instances, time, although involving the same underlying matters, may be charged by different professionals to different categories.

<sup>3</sup> Compensation was not sought for all of the time expended. In certain instances, the compensation sought was reduced by Covington in the exercise of billing judgment or in accordance with agreements with the Fee Committee.

**VOLUNTARY FEE AND EXPENSE REDUCTIONS**  
**(Reductions Made *Prior* to Submission to or Review by the Fee Committee)**

<b>Interim Application</b>	<b>Fee Reduction</b>	<b>Expense Reduction</b>
First Interim (6/26/02 – 10/31/02)	\$38,355.00	\$3,675.95
Second Interim (11/1/02 – 2/28/03)	\$1,087.50	\$696.00
Third Interim (3/1/03 – 6/30/03)	\$17,886.58	\$ 405.00
Fourth Interim (7/1/03 – 10/31/03)		\$21.00
Fifth Interim (11/1/03 – 2/29/04)		\$142.50
Sixth Interim (3/1/04 – 6/30/04)	\$2,404.50	\$36.00
Seventh Interim (7/1/04 – 10/31/04)	\$552.50	\$43.50
Eighth Interim (11/1/04 – 2/28/05)	\$138,612.00	\$111.00
Ninth Interim (3/1/05 – 8/31/05)	\$23,180.00	\$411.50
Tenth Interim (9/1/05 – 2/28/06)	\$20,380.00	\$156.00
Eleventh Interim (3/1/06 – 8/31/06)	\$7,787.00	\$146.94
Twelfth Interim (9/1/06 – 2/13/07)	\$10,373.00	\$78.00
<b>Total</b>	<b>\$260,618.08</b>	<b>\$5,923.39</b>

**NEGOTIATED FEE AND EXPENSE REDUCTIONS**  
**(Negotiated with the Fee Committee and/or the Office of the U.S. Trustee)**

<b>Interim Application</b>	<b>Fees Requested</b>	<b>Expenses Requested</b>	<b>Fee and Expenses Reduction</b>	<b>Percentage Reduction</b>
First Interim (6/26/02 – 10/31/02)	\$6,041,017.60	\$228,639.07	\$540,107.09	7.26%
Second Interim (11/1/02 – 2/28/03)	\$1,016,211.50	\$ 37,002.40		
Third Interim (3/1/03 – 6/30/03)	\$ 320,122.42	\$ 18,708.72		
Fourth Interim (7/1/03 – 10/31/03)	\$ 139,740.50	\$ 11,085.74	\$10,861.00	7.20%
Fifth Interim (11/1/03 – 2/29/04)	\$ 309,703.50	\$ 6,138.91	\$ 22,930.16	7.26%
Sixth Interim (3/1/04 – 6/30/04)	\$ 104,765.50	\$ 2,719.42	\$ 7,803.41	7.26%
Seventh Interim (7/1/04 – 10/31/04)	\$1,354,217.50	\$78,381.02	\$ 85,955.91	6.00%
Eighth Interim (11/1/04 – 2/28/05)	\$1,026,820.50	\$36,662.38	\$ 46,788.36	4.40%
<b>Total</b>	<b>\$10,312,599.02</b>	<b>\$419,337.66</b>	<b>\$714,445.93</b>	<b>6.66%</b>

## CUMULATIVE EXPENSE SUMMARY

Expense Category	Total Expenses <sup>4</sup> From The Petition Date
Color Printing	\$ 1,209.00
Scanning	1,477.50
Duplicating	142,038.20
Other Duplicating	8,928.20
Outside Printing	2,671.08
Computer Research	87,346.59
Local Transportation	15,181.39
Parking	442.00
Court Filing Fees	50.00
Supplies	10,288.31
Computer Software	253.95
Local Meals	11,664.01
Staff Client Overtime	2,231.75
Overtime Meals	3,826.16
Overtime Transportation	4,713.94
Temporary Help	1,764.66
Overtime Meals (Sodexo)	32.90
Non-Legal Consulting	4,982.24
Legal Consulting	2,196.00
Court Reporter	119.20
Depositions & Transcripts	199.15
Witness Fees	375.07
External Facsimile	267.10
Facsimile	4,264.50
Long Distance Calls	5,258.67
Travel	23,449.98
Travel Meals	1,189.94
Lodging	31,240.53
Air Rail Travel	46,792.37
Telephone Calls	6,265.92
Word Processing	710.50
OT Word Processing	360.00
Outside Word Processing	565.85
Computer Service	29,837.36
Miscellaneous	7.00
Petty Cash Advance	100.00
Document Retrieval Services	7,109.23
Fax Long Distance	332.28
Color Copying	286.00
Professional Services	1,189.77
Couriers and Messengers	2,141.71
Metered Mail	1,765.19
Federal Express	12,824.30

<sup>4</sup> The expenses in the table may not reflect the actual amount of reimbursement sought by Covington. Reimbursement was not sought for all of the expenses charged or incurred. In certain instances, the reimbursement sought was reduced in the exercise of billing judgment or in accordance with agreements with the Fee Committee.

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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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Adelphia Communications Corporation, <u>et al.</u> , )	Case No. 02-41729 (REG)
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Debtors. )	(Jointly Administered)
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**FINAL FEE APPLICATION OF COVINGTON & BURLING LLP FOR SERVICES  
RENDERED AND REIMBURSEMENT OF EXPENSES AS SPECIAL COUNSEL TO  
ADELPHIA COMMUNICATIONS CORPORATION, ET AL.,  
FOR THE PERIOD FROM JUNE 25, 2002, THROUGH FEBRUARY 13, 2007**

Pursuant to 11 U.S.C. §§ 330 and 331 and Rule 2016 of the Federal Rules of Bankruptcy Procedure, Covington & Burling LLP (“Covington”), special counsel to Adelphia Communications Corporation, et al. (hereinafter “the Debtors”), respectfully submits this application (the “Application”) for final approval and allowance of compensation for professional services rendered and expenses incurred for the period from June 25, 2002, through February 13, 2007 (the “Final Compensation Period”), in the aggregate amount of \$12,572,001.33.<sup>1</sup>

<sup>1</sup> This consists of the total fees and expenses previously approved by this Court pursuant to Covington’s interim fee applications (\$10,112,675.89) plus the fees and expenses sought in Covington’s pending interim applications for the 9th through the 12th interim periods (\$2,459,325.44).

## **BACKGROUND**

1. On June 25, 2002 (the "Petition Date"), the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.
2. From the Petition Date through February 13, 2007, the Debtors operated their businesses and managed their properties as debtors-in-possession, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On January 5, 2007, this Court confirmed the Debtors' joint plan of reorganization. The plan became effective on February 13, 2007.
3. On September 23, 2002, this Court entered an order authorizing the retention of Covington as special counsel *nunc pro tunc* to the Petition Date.
4. Covington has received no payment or promises of payment from any source other than the Debtors for services rendered during the Final Compensation Period in connection with the case. There is no agreement or understanding between Covington and any other person for the sharing of any compensation to be received for services rendered by Covington in the case.

## **REQUEST FOR FINAL APPROVAL OF COMPENSATION AND REIMBURSEMENT OF EXPENSES**

5. By this Application, Covington seeks final allowance for the Final Compensation Period of \$12,079,764.35 as compensation for professional services rendered. The requested fees consist of (i) \$9,693,338.35 in fees previously approved by the Court on an interim basis; (ii) \$1,789,641.50 in fees in pending interim fee applications for the ninth through eleventh interim periods; and (iii) \$596,784.50 in fees requested in Covington's twelfth interim fee application filed contemporaneously herewith.
6. By this Application, Covington also seeks final allowance of \$492,236.98 as reimbursement for actual and necessary expenses and other charges incurred for the Final



Compensation Period. The requested expenses and other charges consist of (i) \$419,337.54 in expenses and other charges previously approved by the Court on an interim basis; (ii) \$53,975.86 in expenses and other charges in pending interim fee applications for the ninth through eleventh interim periods; and (iii) \$18,923.58 in expenses and other charges requested in Covington's twelfth interim fee application filed contemporaneously herewith.

7. Set forth above in the table "Cumulative Compensation Summary by Project Category" is a summary of the hours for the Final Compensation Period and the corresponding value of those hours at Covington's customary billing rates for each project category. Compensation was not sought for all of the time expended. The compensation shown in the table does not reflect reductions taken by Covington in the exercise of billing judgment or in accordance with agreements with the Fee Committee.

8. Set forth above in the table "Cumulative Expense Summary" is a summary of the expenses and other charges incurred for the Final Compensation Period. The expenses in the table do not reflect the actual amount of reimbursement sought by Covington. Reimbursement was not necessarily sought for all of the expenses or charges incurred. In certain instances, the reimbursement sought was reduced in the exercise of billing judgment or in accordance with agreements with the Fee Committee.

9. In accordance with the factors enumerated in 11 U.S.C § 330, the amount requested is fair and reasonable given (a) the complexity of the cases; (b) the time expended; (c) the nature and extent of the services rendered; (d) the value of such services; and (e) the costs of comparable services other than in a case under this title.

10. Covington's requests reflect the requisite time, skill, and effort expended during the Final Application Period. The services provided by Covington included the following: (a) at the request of the Special Committee, investigating, analyzing, and reporting on

a wide range of wrongful and questionable practices at Adelphia Communications Corporation (the “Company”); (b) providing assistance to the Company in responding to discovery requests and issues related to the Special Committee investigation from parties engaged in litigation with the Company; (c) providing assistance to Company counsel with respect to discovery matters relating to litigation on behalf of the Company; (d) ensuring that documents in Covington’s possession were properly preserved in light of discovery requests by other parties in litigation; (e) representing the Company in defending the criminal investigation of the Company by the U.S. Attorney’s Office for the Southern District of New York (the “USAO”); (f) defending the civil enforcement action by the U.S. Securities and Exchange Commission (the “SEC”); (g) negotiating a non-prosecution agreement with the USAO (the “NPA”), a consent judgment with the SEC and a settlement of claims with members of the Rigas family, and assisting in securing court approvals of the foregoing agreements; (h) assisting the Company in performing its obligations under the NPA, and prosecuting its claims in connection with criminal forfeiture proceedings instituted by the USAO; (i) advising the Company regarding the overall structure for its annual report on Form 10-K for the year ended December 31, 2003; (j) assisting the Company in preparing correspondence to and meeting with staff of the SEC regarding proposed disclosure plan and certain accounting issues; (k) providing assistance in reviewing and revising drafts of the Company’s proposed Form 10-K for the year ended December 31, 2003; (l) advising the Company with respect to the structure and content of its annual report on Form 10-K for the year ended December 31, 2004, and issues related thereto; (m) advising the Company with respect to periodic reporting under the Securities Exchange Act of 1934; (n) advising the Company in connection with its efforts to secure payment from its directors and officers liability insurers for the defense and settlement costs incurred in connection with actions by the United States

government; (o) preparing interim fee applications and monthly statements; and (p) complying with the Fee Committee and Fee Procedures Protocol.

11. The following summary highlights the major areas to which Covington devoted substantive time and attention during the Final Application Period. The full breadth of Covington's services is reflected in Covington's time records annexed to Covington's interim fee applications.

12. During the first interim application period, Covington, at the request of the Special Committee, investigated, analyzed, and reported on a wide range of wrongful and questionable practices and transactions at the Company, primarily from the 1999 to 2002 period, but extending back in some cases to the Company's formation as a public company.

Covington's investigation of such practices and transactions involved conducting more than 100 witness interviews, undertaking a massive document review, and coordinating with forensic accountants. During this time period, Covington also assisted the Company in meeting its production obligations to the government, primarily in response to subpoenas from the SEC and the USAO.

13. During the second interim application period, Covington substantially completed its investigatory effort, with respect to both its document review and interview processes, undertaking additional interviews and follow-up interviews where necessary. Also, during the second interim application period, Covington continued to draft certain sections of the lengthy report that summarizes the results of the Special Committee's investigation and also, with the assistance of forensic accountants, continued to review and revise the entirety of that draft. Covington also expended substantial effort in organizing and referencing the documentary materials referenced in the draft summary.

14. During the third interim application period, Covington completed its investigation of several questionable transactions and practices by reviewing documents and interviewing witnesses, and thus largely concluding the full-blown phase of its investigation for the Special Committee. Covington also expended considerable effort finalizing the investigation of certain new issues specifically referred to it by the Company's Board of Directors, in particular, those concerning matters raised by a former employee of the Company.

15. During the fourth interim application period, Covington, at the specific request of the Board of Directors, engaged in work to investigate other issues involving that former employee.

16. During the fifth interim application period, Covington's work was principally devoted to interviews, analysis, and the drafting and editing of a detailed report to the Board of Directors concerning those issues.

17. During the sixth interim application period, Covington completed that report. In addition, Covington performed services necessary to enable Company counsel to meet its discovery obligations in litigation involving the Company, and responded to other requests from Company counsel for information related to Covington's investigation. Covington also prepared for and provided testimony required by subpoena in the criminal trial *United States v. Rigas*.

18. During the seventh interim application period and continuing through February 13, 2007, Covington continued to respond to requests from Company counsel regarding discovery matters relating to Covington's representation of the Special Committee, and also undertook to ensure that documents in its possession were properly preserved in light of pending discovery requests by other parties in litigation. Additionally, Covington, at the specific request of the Debtors, represented them in defending the criminal investigation of the Company by the

USAO, defending the civil enforcement action by the SEC, negotiating the NPA, a consent judgment with the SEC and a settlement of claims with members of the Rigas family, and assisting in securing court approvals of the foregoing agreements. Covington also assisted the Company in performing its obligations under the NPA, and prosecuting its claims in connection with criminal forfeiture proceedings instituted by the USAO. In addition, Covington advised the Company regarding the overall structure for its annual reports on Form 10-K. Covington also assisted the Company in preparing correspondence to and meeting with SEC staff regarding the Company's proposed disclosure plan and certain accounting issues; provided assistance in reviewing and revising drafts of the Company's periodic reports under the Securities Exchange Act of 1934; and advised the Company with respect to other obligations under the federal securities laws, including issuances of securities under the Securities Act of 1933. Covington also advised the Company in its efforts to secure payment from its directors and officers liability insurers for the defense and settlement costs incurred in connection with actions by the United States government, including costs incurred for services rendered by Covington in connection with the USAO Matters.

19. The services rendered by Covington were within the scope of its employment and as requested by the Debtors. In the rendition of its legal services, Covington coordinated with the Debtors' bankruptcy counsel to avoid or limit any duplication of effort with those of the Debtors' other professionals.

20. For the reasons discussed in paragraphs 10 through 18 above, the services rendered by Covington were both necessary to the administration of the cases and of benefit to the Debtors and their respective estates. In addition, the foregoing services substantially benefited the Debtors and their respective estates by, among other things, avoiding the criminal prosecution and the potential destruction of the Debtors, and the loss of billions of dollars of

value. Moreover, Covington's services resulted in the dismissal of the SEC's claims for billions of dollars of disgorgement and restitution, and the recovery (through the forfeiture process) of approximately one billion dollars worth of property that had been misappropriated by members of the Rigas family. These results facilitated the successful sale of the Debtors to Time Warner and Comcast for over \$17 billion.

21. The services provided by Covington during the Final Application Period were performed diligently and efficiently, and within a reasonable amount of time commensurate with the complexity, importance and nature of the problems, issues or tasks addressed. In an attempt to be cost-effective and to render its services in as efficient a manner as practicable, Covington utilized associates and paraprofessionals, whenever possible, and delegated tasks to lower-cost junior attorneys, or, for discrete matters, to attorneys with specialized expertise in the particular task at issue. While that approach may have required intra-office conferences or involved individual attorneys who spent only a few hours on the matter at hand, the net result was enhanced cost efficiency. The blended hourly rate for all attorneys and paraprofessionals was within the range of fees normally charged for similar services rendered in a Chapter 11 case by major law firms in New York City and the Washington, D.C. areas.

22. As set forth above in the table "Voluntary Fee and Expense Reductions", *prior* to the submission and/or review of its interim fee applications by the Fee Committee, Covington voluntarily reduced its fees and expenses requested in its first through twelfth interim fee applications by an aggregate amount of \$266,541.47.

23. As set forth above in the table "Negotiated Fee and Expense Reductions", pursuant to agreements with the Office of the United States Trustee and/or the Fee Committee, Covington has voluntarily reduced its fees and expenses requested in its first through eighth interim fee applications by an aggregate amount of \$714,445.93.

24. As a result of the voluntary reductions taken by Covington prior to the submission and/or review of its interim fee applications by the Fee Committee (\$266,541.47) and the negotiated fee and expense reductions with the Fee Committee and/or the Office of the U.S. Trustee (\$714,445.93), Covington has reduced its fees and expenses by an aggregate of \$980,987.40 or 7.8 percent of its total fees and expenses.

25. During the Final Compensation Period, Covington received partial payment of the holdback pursuant to interim fee orders. The unpaid balance of the holdback through February 13, 2007, is \$1,540,494.70.<sup>2</sup>

### **PROCEDURE**

26. Notice of this Application has been provided to: (a) the Debtors; (b) counsel to the Debtors; (c) counsel to the Administrative Agents for the Debtors' prepetition lenders; (d) counsel to the Administrative Agents for the Debtors' postpetition lenders; (e) counsel to the Creditors Committee; (f) the Office of the United States Trustee; (g) counsel to the Equity Committee; (h) the Fee Committee; and (i) all other parties that have filed a notice of appearance in these cases prior to the date hereof. Covington submits that given the circumstances and the notice of the relief requested herein, no other or further notice is required.

27. As this motion presents no novel issue of law, it is requested that the Court dispense with the requirement of Local Bankruptcy Rule 9013-1(b) that a memorandum of law be submitted herewith.

28. No previous request for the relief sought herein has been made to this or any other court.

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<sup>2</sup> This consists of \$1,303,476 in unpaid partial holdbacks through January 31, 2006, plus 20% of the requested fees for the period from February 1, 2006, through February 13, 2007 (\$237,018.70).

## CONCLUSION

29. For the reasons discussed above, Covington's services have resulted in substantial benefit to the Debtors and their estates. Accordingly, Covington respectfully submits that its request for compensation and reimbursement of expenses is reasonable and is more than justified by the benefits received by the Debtors and their estates, and that the request, therefore, should be allowed in full.

*[signatures on following page]*



WHEREFORE, Covington respectfully requests the Court (a) to approve, pursuant to 11 U.S.C. §§ 327, 330 and 503, final compensation and reimbursement of expenses and other charges in the amount of \$12,572,001.33 (which consists of \$12,079,764.35 in fees, and \$492,236.98 in expenses and other charges); (b) to authorize the payment of such amounts by the Debtors to Covington, less any amounts previously paid to Covington; and (c) to grant such further relief as is just and proper.

**COVINGTON & BURLING LLP**

By: /s/ Andrew A. Ruffino  
Leonard Chazen  
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**Special Counsel to the Debtors and  
Debtors-in-Possession**

Dated: March 30, 2007