

Hearing
Date: 4/06/05
Time: 11:00 a.m.
Mode: Live
Place: Portland
Objection Date: 3/24/05

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE**

_____)	
In re:)	Chapter 11
PEGASUS SATELLITE TELEVISION, INC., <u>et al.</u> ,)	Case No. 04-20878
Debtors.)	(Jointly Administered)
_____)	

**SECOND INTERIM FEE APPLICATION OF PIERCE ATWOOD LLP FOR THE PERIOD
FROM SEPTEMBER 1, 2004 THROUGH NOVEMBER 30, 2004**

Name of Applicant:	Pierce Atwood LLP
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors
Date of Retention:	July 13, 2004, <i>nunc pro tunc</i> to June 2, 2004
Amount of Compensation Sought as Actual, Reasonable and Necessary:	\$7,407.00
Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:	\$375.80
Total Amount Sought this Application:	
Total Amount Paid to Date:	\$40,553.63
Remaining Balance for Fees:	\$740.70

This is an Interim Application.

No time was expended in the preparation of this application during the periods covered by this Application. Allowance for time spent in preparation of this Application will be sought in a future fee application.

Prior Monthly Fee Statements:

<u>Date</u>	<u>Period Covered</u>	<u>Amount</u>	<u>Status</u>
October 28, 2004	9/1/04-9/30/04	\$1,189.00 - Fees \$40.35 - Expenses	Certificate of No Objection Filed 11/19/04
February 3, 2005	10/1/04-10/31/04	\$4,129.00 - Fees \$331.65 - Expenses	Certificate of No Objection Filed 2/24/05
February 3, 2005	11/1/04-11/30/04	\$2,089.00 - Fees \$3.80 - Expenses	Certificate of No Objection Filed 2/24/05

SUMMARY OF TIME ON INTERIM FEE APPLICATION
JUNE 2, 2004 THROUGH AUGUST 31, 2004

Name of Professional	Position of the Applicant, Number of years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate (including changes)	Total Hours Billed	Total Compensation
Jacob A. Manheimer	Partner since 1991. Joined firm as an Associate in 1986. Admitted to Bar in 1983.	\$290.00	20.80	\$6,003.00
Michelle S. Pottle	Paralegal. Joined firm in 1998.	\$75.00	16.0	\$1,200.00
Keith J. Cunningham	Partner since 2002. Joined firm as an Associate in 1996. Admitted to Bar in 1988.	\$255.00	.80	\$204.00
Total			37.60	\$7,407.00
Blended Hourly Rate		\$196.99		

EXPENSE SUMMARY
JUNE 2, 2004 THROUGH AUGUST 31, 2004

Expense Category	Service Provider (If Applicable)	Total Expenses
Photocopy Charges (@ .10 per page)		\$45.30
Telephone Charges		\$4.10
Online Research	Pacer	\$88.48
Office Supplies		\$30.00
Meals		\$48.32
Secretarial Overtime		\$159.60
Total		\$375.80

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In re:)	
)	Chapter 11
PEGASUS SATELLITE TELEVISION, INC., <u>et al.</u> ,)	Case No. 04-20878
)	
Debtors.)	(Jointly Administered)
)	

**SECOND INTERIM APPLICATION FOR COMPENSATION AND
REIMBURSEMENT OF EXPENSES OF PIERCE ATWOOD
AS CO-COUNSEL TO THE OFFICIAL COMMITTEE’S OF UNSECURED CREDITORS**

NOW COMES Pierce Atwood (the “Applicant”), as co-counsel to the Official Committee of Unsecured Creditors (the “Committee”) of Pegasus Satellite Television, Inc., et al¹ the above-captioned debtors (the “Debtors”), pursuant to 11 U.S.C. § 330, F.R. Bankr. P. 2016 and D. Me. LBR 2016-1, and makes this Application for an award of \$7,407.00 for fees, and \$375.80 for reimbursement of expenses (the “Fee Application”).

INTRODUCTION

In support of the Fee Application, the Applicant states as follows:

1. On June 2, 2004 (the “Petition Date”), the Debtors commenced these chapter 11 cases by each filing a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”). On the Petition Date, the Debtors also jointly filed motions or applications seeking certain typical “first day” orders, including an order to have these cases jointly administered.

¹ The Debtors are: Argos Support Services Company, Bride Communications, Inc., B.T. Satellite, Inc., Carr Rural TV, Inc., DBS Tele-Venture, Inc., Digital Television Services of Indiana, LLC, DTS Management, LLC, Golden Sky DBS, Inc., Golden Sky Holdings, Inc., Golden Sky Systems, Inc., Henry County MRTV, Inc., HMW, Inc., Pegasus Broadcast Associates, L.P., Pegasus Broadcast Television, Inc., Pegasus Broadcast Towers, Inc., Pegasus Media & Communications, Inc., Pegasus Satellite Communications, Inc., Pegasus Satellite Television of Illinois, Inc., Pegasus Satellite Television, Inc., Portland Broadcasting, Inc., Primewatch, Inc., PST Holdings, Inc., South Plains DBS, LP., Telecast of Florida, Inc., WDSI License Corp., WILF, Inc., WOLF License Corp., and WTLH License Corp.

2. The Debtors are continuing in possession of their properties and are operating and maintaining their businesses as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No request has been made for the appointment of a trustee or examiner in these cases.

BASIS FOR THE APPLICATION

3. On June 10, 2004 (the “Committee Formation Date”), pursuant to section 1102 of the Bankruptcy Code, the United States Trustee for the District of Maine (the “U.S. Trustee”) appointed the Committee. On June 14, 2004, the U.S. Trustee filed an Amended Notice of Appointment of Creditors Committee, adding one additional committee member. The Committee currently consists of seven members.² On June 14, 2004, the Committee selected Akin Gump Strauss Hauer & Feld LLP (“Akin Gump”) as its lead counsel and Pierce Atwood to service as co-counsel to the Committee as well as Greenhill & Co., LLC and Capital Technology Advisors, LLC to serve as financial advisors to the Committee. On June 25, 2004, the Committee filed an Application to Employ Pierce Atwood as co-counsel to the Committee *Nunc Pro Tunc* to June 2, 2004. In particular, and as more fully set forth in the Retention Application, Applicant received approval to advise the Debtors with respect to the following matters:

- A. advising the Committee with respect to its rights, duties and powers in these chapter 11 cases;
- B. assisting and advising the Committee in its consultations with the Debtors relative to the administration of these chapter 11 cases;
- C. assisting the Committee in analyzing the claims of the Debtors’ creditors and the Debtors’ capital structure and in negotiating with holders of claims and equity interests;
- D. assisting the Committee in its investigation of the acts, conduct, assets, liabilities and financial condition of the Debtors and of the operation of the Debtors’ businesses;

² The Committee is comprised of the following entities: Wachovia Bank, as Indenture Trustee; JP Morgan Bank, as Indenture Trustee; HSBC Bank USA, as Successor Indenture Trustee; D.E. Shaw Laminar Portfolios, LLC; Singer Children Management Trust and Affiliates; LC Capital Master Fund; and Silver Point Capital and affiliates.

- E. assisting the Committee in its analysis of, and negotiations with, the Debtors or any third party concerning matters related to, among other things, the assumption or rejection of certain leases of non-residential real property and executory contracts, asset dispositions, financing of other transactions and the terms of one or more plans of reorganization for the Debtors and accompanying disclosure statements and related plan documents;
- F. assisting and advising the Committee as to its communications to the general creditor body regarding significant matters in these chapter 11 cases;
- G. representing the Committee at all hearings and other proceedings;
- H. reviewing and analyzing applications, orders, statements of operations and schedules filed with the Court and advising the Committee as to their propriety, and to the extent deemed appropriate by the Committee, support, join or object thereto;
- I. assisting the Committee in lobbying, if appropriate;
- J. assisting the Committee in preparing pleadings and applications as may be necessary in furtherance of the Committee's interests and objectives;
- K. preparing, on behalf of the Committee, any pleadings, including without limitation, motions, memoranda, complaints, adversary complaints, objections or comments in connection with any of the foregoing;
- L. investigating and analyzing any claims against the Debtors' non-debtor affiliates; and
- M. performing such other legal services as may be required or are otherwise deemed to be in the interests of the Committee in accordance with the Committee's powers and duties as set forth in the Bankruptcy Code, the Bankruptcy Rules or other applicable law.

Applicant's retention was approved by this Court by order dated July 13, 2004.

4. On June 24, 2004, this Court entered that certain Order Under §§ 331 and 105(a) Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the "Interim Compensation Order"). Pursuant to the procedures set forth in the Interim Compensation Order, professionals may apply for monthly compensation and reimbursement (each such statement, a "Monthly Fee Statement"), and the notice parties listed in the Interim Compensation Order may object to such request. If no notice party objects to a professional's Monthly Fee Statement within twenty (20) days

after the date of service of the Monthly Fee Statement, the applicable professional may submit to the Court a certificate of no objection, whereupon the Debtors are authorized to pay interim compensation and reimbursement of 90% of the fees and 100% of the expenses requested.

5. The Interim Compensation Order also provides that professionals are to file and serve upon the notice parties an interim request (an “Interim Fee Application”) for interim Court approval and allowance of the Monthly Fee Statements filed during the quarter covered by that Interim Fee Application. If the Courts grants the relief requested by the Interim Fee Application, the Debtors are authorized and directed to pay the professional 100% of the fees and expenses requested in the Monthly Fee Statements covered by that Interim Fee Application, less any amounts previously paid in connection with the Monthly Fee Statements. Any payment made pursuant to the Monthly Fee Statements of an Interim Fee Application is subject to final approval of all fees and expenses at a hearing on the professional’s final fee application.

6. Applicant has filed the following Monthly Fee Statements for interim compensation and reimbursement of expenses in connection with this Second Interim Application for Compensation:

(a) Statement of Fees for Services Rendered and Expenses Incurred by Pierce Atwood as Co-Counsel to the Official Committee of Unsecured Creditors for the Period Beginning September 1, 2004 and Ending September 30, 2004, filed October 28, 2004, and docketed on the Court’s docket as docket no. 673 (the “September Fee Statement”);

(b) Statement of Fees for Services Rendered and Expenses Incurred by Pierce Atwood as Co-Counsel to the Official Committee of Unsecured Creditors for the Period Beginning October 1, 2004 and Ending October 31, 2004 filed February 2, 2005, and docketed on the Court’s docket as docket no. 955 (the “October Fee Statement”); and

(c) Statement of Fees for Services Rendered and Expenses Incurred by Pierce Atwood as Co-Counsel to the Official Committee of Unsecured Creditors for the Period Beginning November 1, 2004

and Ending November 30, 2004, filed February 3, 2005, and docketed on Court's docket as docket no. 961 (the "November Fee Statement").

7. The period for objecting to the fees and expense reimbursement requested in the September October and November Fee Statements passed without any objections being filed, whereupon the Applicant filed a certificates of no objection with the Court and requested payment from the Debtors.

8. On or about October 21, 2004 the Applicant filed its First Interim Application for Allowance and Payment of Compensation for Services and Reimbursement of Expenses (the "First Application"). On November 26, 2004, the Court granted the Applicant's First Application. To date the Applicant has been paid \$40,553.63 by the Debtor. There remains a balance on this account in the amount of \$740.72. This represents the 10% holdback amount from the September Fee Statement (\$118.90), the October Fee Statement (\$412.90) and the November Fee Statement (\$208.90).

8. Applicant received no payment and no promises for payment from any other source for services rendered in these chapter 11 cases. There is no agreement between Applicant and any other party for the sharing of compensation to be received for the services rendered by the Applicant in these chapter 11 cases. All professional and paraprofessional services for which compensation is sought herein were rendered solely on behalf of the Debtors in these cases.

9. This is the second Interim Fee Application for compensation for services rendered and expenses incurred that the Applicant has filed with the Court in connection with these chapter 11 cases, which covers the period from September 1, 2004 through November 30, 2004, inclusive.

RELIEF REQUESTED

10. By this Second Interim Fee Application, Applicant respectfully requests that the Court approve the interim allowance and award compensation for professional services rendered and reimbursement of actual and necessary expenses incurred by Applicant as co-counsel to the Official Committee of Unsecured Creditors between September 1, 2004 and November 30, 2004, both dates

inclusive. The amount of fees sought for services rendered during this period is \$7,407.00 represented 37.60 hours in professional and paraprofessional time for such services, and reimbursement of actual and necessary expenses incurred by Applicant during said period in connection with these services is requested in the amount of \$375.80 less any amounts previously paid to Applicant pursuant to the Monthly Fee Statements and the procedures set forth in the Interim Compensation Order. The professional services provided and the actual and necessary expenses incurred are fully described in the September Fee Statement, the October Fee Statement and the November Fee Statement.

11. Applicant submits that the services performed by its professionals and paraprofessionals, specified in detail in the September Fee Statement, October Fee Statement and November Fee Statement, were necessary and have directly contributed to the effective administration of these chapter 11 cases.

12. Applicant further submits that the hourly rates charged by its professionals and paraprofessionals during the period covered by this Application are no greater than the customary hourly rates for such individuals both inside and outside of bankruptcy cases. Applicant believes these rates are comparable to or less than those charged by the bankruptcy and other professionals of other firms of comparable size, stature, and experience.

13. A breakdown of the hours expended by each of Applicant's professionals and paraprofessionals on the individual matters in these cases is contained on the September Fee Statement, October Fee Statement and November Fee Statement.

NOTICE

14. Notice of this Fee Application has been served upon the Notice Parties. Such notice is in accordance with the procedures set forth in the Interim Compensation Order.

NO PRIOR REQUEST

15. No previous motion for the relief requested herein has been made to this or any other Court.

WHEREFORE, after appropriate notice and hearing, Pierce Atwood LLP respectfully requests the Court to approve, pursuant to 11 U.S.C. §§ 327, 331 and 503, interim compensation in the amount of \$7,407.00 and reimbursement of expenses in the amount of \$375.80, less any amounts previously paid to the Applicant pursuant to the Monthly Fee Statements and the procedure set forth in the Interim Compensation Order, to authorize the Debtors to remit to Applicant any amounts due and owing in accordance with the Interim Compensation Order, and to grant such other and further relief as is just and proper.

Dated: Portland, Maine
March 4, 2005

/s/ Jacob A. Manheimer
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