

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MAINE

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

**STATEMENT OF FEES FOR SERVICES RENDERED AND EXPENSES
INCURRED BY PRICEWATERHOUSECOOPERS LLP AS ACCOUNTANT
AND AUDITOR TO PEGASUS SATELLITE TELEVISION, INC.
AND CERTAIN OF ITS SUBSIDIARIES AND AFFILIATES FOR THE PERIOD
BEGINNING SEPTEMBER 1, 2004 AND ENDING SEPTEMBER 30, 2004**

PricewaterhouseCoopers LLP (“PricewaterhouseCoopers”), accountant and auditor to Pegasus Satellite Television, Inc. and certain of its subsidiaries and affiliates, submits for review its monthly statement (the “Monthly Statement”) of fees and out-of-pocket expenses for the period beginning September 1, 2004 and ending September 30, 2004 (the “Third Compensation Period”). In support of the Monthly Statement, PricewaterhouseCoopers states as follows:

1. On June 2, 2004, Pegasus Satellite Communications, Inc. and certain of its affiliates (collectively, the “Debtors”)¹ each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code, (the “Bankruptcy Code”) in the Bankruptcy Court for the District of Maine (the “Bankruptcy Court”).

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., WTLH License Corp.

2. On July 22, 2004, the Bankruptcy Court signed an order (the “Retention Order”) authorizing the retention of PricewaterhouseCoopers as Accountant and Auditor to the Debtors on the terms and conditions provided in the Retention Order.

3. On June 24, 2004, the Bankruptcy Court signed an Order under 11 U.S.C. §§ 331 and 105(a) Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals (the “Interim Compensation Order”). Pursuant to the Interim Compensation Order, the Bankruptcy Court authorized a 10% fee “holdback” for all professionals of the Debtors’ estates that comply with the procedures provided therein.

4. For the Third Compensation Period, PricewaterhouseCoopers’ fees for providing professional services to the Debtors totaled \$40,028.40. In connection with services rendered, PricewaterhouseCoopers has recorded actual and necessary out-of-pocket expenses in the amount of \$785.53. There may exist additional out-of-pocket expenses that PricewaterhouseCoopers has incurred but not yet processed due to timing, which expenses will be submitted at a later date. Attached hereto as Exhibit A is a schedule summarizing actual and necessary expenses recorded during the Third Compensation Period.

5. A summary of all fees and out-of-pocket expenses applied for in this Monthly Statement is outlined below:

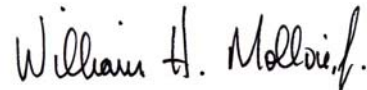
Interim Period	Total Fees	Less Holdback @ 10%	Fees Due	Total Expenses	Amounts Due
September 1, 2004 – September 30, 2004	\$40,028.40	\$4,002.84	\$36,025.56	\$785.53	\$36,811.09

6. Attached hereto as Exhibit B is a schedule of the hours billed by each professional at PricewaterhouseCoopers for the Hourly Services, their background experience, and their respective hourly rates, during the Third Compensation Period. Attached hereto as

Exhibit B1 is a schedule of the detailed time records for each activity associated with the Hourly Services fees.

7. Attached hereto as Exhibit C is a summary of the fees by project category during the Third Compensation Period.

PricewaterhouseCoopers LLP
Two Commerce Square
Suite 1700, 2001 Market Street
Philadelphia PA 19103

A handwritten signature in black ink that reads "William H. Molloie, Jr." with a stylized flourish at the end.

William H. Molloie, Jr.
Partner

Pegasus Satellite Television, Inc., et al.
PricewaterhouseCoopers LLP
Exhibit A: Summary and Detail of Expenses
For the Period September 1, 2004 through September 30, 2004

Date	Professional	Expenses	Description
<u>Summary of Expenses</u>			
	Hotel	\$464.99	
	Meals	\$72.79	
	Mileage	\$15.00	
	Parking/Tolls	\$21.75	
	Transportation	\$211.00	
	Total Expenses	<u>\$785.53</u>	* See Detail Below
 <u>Hotel</u>			
9/9/2004	Soo-Kiat Loo	\$464.99	Sarbanes Oxley 404 - Hilton, Philadelphia: 9/7 - 9/9 : 2 nights
	Hotel Total	<u>\$464.99</u>	
 <u>Meals</u>			
9/7/2004	Soo-Kiat Loo	\$9.23	Sarbanes Oxley 404 - Dinner;ACME, Bala Cynwyd; Self
9/7/2004	Soo-Kiat Loo	\$10.00	Sarbanes Oxley 404 - Lunch; Murray's, Bala Cynwyd; Self
9/9/2004	Soo-Kiat Loo	\$8.92	Sarbanes Oxley 404 - Lunch; Saladworks, Bala Cynwyd; Self
9/16/2004	Orlando, Marissa L	\$29.12	Annual - Working Lunch to discuss 10K-A and 10Q-A; Bala Cynwad; Daniel Condrasky, Linuo Yang, Sarah Stover, Marissa Orlando
9/9/2004	Yang, Linuo	\$7.64	Quarterly - Bala Cynwyd, Linuo Yang, working dinner
9/28/2004	Yang, Linuo	\$7.88	Quarterly - Overtime dinner; Bala Cynwyd; Linuo Yang
	Meals Total	<u>\$72.79</u>	
 <u>Mileage</u>			
9/15/2004	Stover, Sarah E	\$1.50	Mileage - 4 miles.
9/10/2004	Yang, Linuo	\$13.50	Quarterly - Mileage from Wayne to Philadelphia; Linuo Yang
	Mileage Total	<u>\$15.00</u>	
 <u>Parking/Tolls</u>			
9/10/2004	Yang, Linuo	\$21.75	Quarterly - Parking in the office; Linuo Yang, meeting with Dan/Bill
	Parking/Tolls Total	<u>\$21.75</u>	
 <u>Transportation</u>			
9/7/2004	Soo-Kiat Loo	\$108.00	Sarbanes Oxley 404 - 1-way Amtrak from DC to Philadelphia
9/7/2004	Soo-Kiat Loo	\$28.00	Sarbanes Oxley 404 - Taxi Charge
9/9/2004	Soo-Kiat Loo	\$28.00	Sarbanes Oxley 404 - Taxi Charge
9/9/2004	Soo-Kiat Loo	\$47.00	Sarbanes Oxley 404 - 1-way Amtrak from Philadelphia to DC
	Total	<u>\$211.00</u>	
	Total Expenses - September 2004	<u>\$785.53</u>	

Pegasus Satellite Television, Inc., et al.

PricewaterhouseCoopers LLP

**Exhibit B: List of Professionals - Tax Advisory Services
For the Period September 1, 2004 through September 30, 2004**

Professional	Position of the Applicant, Number of Years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Total Billed Hours	Hourly Billing Rate	Total Fees
<u>Hourly Advisory Fee Services</u>				
Boyle, Jeffrey R	Partner; 16 years of financial accounting experience including audit, internal controls and other consulting engagements (5 years as partner); all experience with PwC, CPA license obtained in 10/1991, Internal Control and Risk Management expertise	2.0	\$525.00	\$1,050.00
Clark, Andrea L	Manager; 6-years of bankruptcy and litigation experience; 3 years of other accounting and auditing relevant experience; Certified Public Accountant (CPA); Litigation and bankruptcy matters	14.2	\$320.00	\$4,544.00
Condrasky, Daniel J	Senior Manager of Assurance Practice in the Technology Info-Comm and Communications group, 9 years of experience, CPA	2.0	\$367.20	\$734.40
Graeber, Marla	Director; 10+ years with PwC - 5 in assurance w/focus on internal controls, 5+ in advisory w/focus on process improvement and risk management; past 2 years focused on SOX readiness; BS - Accounting/Info Systems	2.0	\$416.00	\$832.00
Huff, Shannon	Associate; 12 months as intern; no other previous experience; Dispute analysis and investigations	8.7	\$175.00	\$1,522.50
Loo, Soo-Kiat	Senior Associate; 7 years with PwC; Process Improvement and Internal Controls	53.0	\$260.00	\$13,780.00
Meyers, Carl Richard	Tax Senior Manager, 10 years of work experience, expertise: corporation taxation, CPA	1.0	\$265.00	\$265.00

Pegasus Satellite Television, Inc., et al.

PricewaterhouseCoopers LLP

Exhibit B: List of Professionals - Tax Advisory Services

For the Period September 1, 2004 through September 30, 2004

Professional	Position of the Applicant, Number of Years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Total Billed Hours	Hourly Billing Rate	Total Fees
Pogharian, Jeffrey	Senior Associate; 1.5 years of Sarbanes-Oxley experience, 7 years of advisory/consulting experience; BA - Business Administration	64.0	\$260.00	\$16,640.00
Rognier, Bryan	Senior Associate; 3 years as Associate; no prior relevant experience; BA - Economics; Dispute analysis and investigations	0.9	\$210.00	\$189.00
Yang, Linuo	Senior Associate of Assurance Practice in the Technology Info-Comm and Communications group, 4 years of experience, CPA	2.3	\$205.00	\$471.50
	Total Professional Fees and Hours Incurred	150.1		\$40,028.40

Pegasus Satellite Television, Inc., et al.

PricewaterhouseCoopers LLP

Exhibit B1: Detail of Professional Fees - Audit and Advisory Services

For the Period September 1, 2004 through September 30, 2004

Date	Professional	Hours	Rate per hour	Fees	Description
<u>Sarbanes-Oxley Section 404</u>					
9/8/2004	Boyle, Jeffrey R	1.0	\$525.00	\$525.00	Discussions with staff on project progress.
9/22/2004	Boyle, Jeffrey R	1.0	\$525.00	\$525.00	Review of templates/Quality Control.
9/1/2004	Graeber, Marla	2.0	\$416.00	\$832.00	Review work product deliverable.
9/1/2004 - 9/10/2004	Loo, Soo-Kiat	53.0	\$260.00	\$13,780.00	Final confirmation review with Pegasus SMEs. Final consolidation of "Gap" analysis.
9/1/2004 - 9/10/2004	Pogharian, Jeffrey	64.0	\$260.00	\$16,640.00	Final Workshop review with Pegasus SMEs. Final Quality Control review with PwC. Final consolidation of "Gap" analysis. Final Documentation review with Jeff Boyle and Pegasus Steering Committee. Delivery of final documentation to Pegasus Steering Committee.
Sarbanes-Oxley Section 404 Advisory Services - Total		121.0		\$32,302.00	
<u>Monthly and Interim Fee Applications</u>					
9/7/2004	Clark, Andrea L	0.8	\$320.00	\$256.00	Review fee statement previously prepared (.1); Discussion with Linuo Yang re: fee invoice.
9/7/2004	Clark, Andrea L	0.3	\$320.00	\$96.00	Extract June text; Email task outstanding to L. Yang and S. Huff re: inception and August invoice.
9/7/2004	Huff, Shannon	1.3	\$175.00	\$227.50	Running Long text WIPS, Preparing exhibits, creating summary schedule
9/7/2004	Yang, Linuo	0.9	\$205.00	\$184.50	Discuss billing procedures with Andrea Clark
9/7/2004	Meyers, Carl Richard	1.0	\$265.00	\$265.00	Update activity descriptions and provide professional qualification.
9/8/2004	Huff, Shannon	0.8	\$175.00	\$140.00	Continuing to input data into exhibits.
9/9/2004	Clark, Andrea L	0.5	\$320.00	\$160.00	Draft email re: time descriptions request from S. Huff
9/9/2004	Clark, Andrea L	0.4	\$320.00	\$128.00	Continue modification to S. Huff email re: time request.
9/9/2004	Clark, Andrea L	0.2	\$320.00	\$64.00	Review inception exhibit.
9/9/2004	Clark, Andrea L	3.5	\$320.00	\$1,120.00	Review GFS WIP extraction; application employment; local rules; Draft explanation guidelines for Team; Email additional email management re: input required by them re: rates, fixed fee and SO bill issuance; Obtain fee invoice from PACER; Follow-up with SO Team re: compliance with local rules.
9/9/2004	Huff, Shannon	0.5	\$175.00	\$87.50	Updating exhibits.
9/10/2004	Huff, Shannon	0.2	\$175.00	\$35.00	Update status w/ A. Clark.
9/17/2004	Clark, Andrea L	0.1	\$320.00	\$32.00	Follow-up email re: status of monthly invoice.
9/20/2004	Clark, Andrea L	0.3	\$320.00	\$96.00	Review first monthly invoice and prepare modifications. Call J. Boyle re: invoicing for Sarbanes matter.
9/22/2004	Clark, Andrea L	0.3	\$320.00	\$96.00	Discussion with J. Boyle re: SO billing requirements.
9/22/2004	Clark, Andrea L	0.2	\$320.00	\$64.00	Discussion with Naden
9/22/2004	Clark, Andrea L	0.5	\$320.00	\$160.00	Discussion with J. Pogharian re: monthly application for SO time.
9/22/2004	Clark, Andrea L	0.5	\$320.00	\$160.00	Continue review of initial fee application.
9/23/2004	Clark, Andrea L	0.4	\$320.00	\$128.00	Discussion with S. Huff re: invoice; Follow-up emails re: expenses information.
9/23/2004	Clark, Andrea L	0.2	\$320.00	\$64.00	Discussion with Linuo and Dan re: billing.
9/23/2004	Huff, Shannon	2.0	\$175.00	\$350.00	Continued to update June/July fee application with time submitted by PwC professionals.
9/24/2004	Clark, Andrea L	0.1	\$320.00	\$32.00	Follow-up re: status of June/July invoice.
9/24/2004	Clark, Andrea L	0.4	\$320.00	\$128.00	Follow-up emails re: fee invoice.
9/24/2004	Clark, Andrea L	0.1	\$320.00	\$32.00	Follow-up re: status of June/July invoice.
9/24/2004	Clark, Andrea L	0.2	\$320.00	\$64.00	Continue follow-up status.
9/24/2004	Huff, Shannon	1.9	\$175.00	\$332.50	Continued to update June/July fee application with time submitted by PwC professionals.
9/24/2004	Rognier, Bryan	0.5	\$210.00	\$105.00	Assist SHuff, reconcile amounts.
9/27/2004	Clark, Andrea L	0.2	\$320.00	\$64.00	Draft August fee invoice.
9/27/2004	Clark, Andrea L	1.0	\$320.00	\$320.00	Continue drafting August and September fee invoice.
9/27/2004	Clark, Andrea L	0.2	\$320.00	\$64.00	Continue drafting August and September fee invoice.

Pegasus Satellite Television, Inc., et al.

PricewaterhouseCoopers LLP

Exhibit B1: Detail of Professional Fees - Audit and Advisory Services

For the Period September 1, 2004 through September 30, 2004

Date	Professional	Hours	Rate per hour	Fees	Description
9/27/2004	Clark, Andrea L	0.3	\$320.00	\$96.00	Extraction of expense reports from GFS.
9/27/2004	Clark, Andrea L	0.3	\$320.00	\$96.00	Insertion of details re: July expenses.
9/27/2004	Huff, Shannon	0.9	\$175.00	\$157.50	Continued to update June/July fee application with time submitted by PwC professionals.
9/27/2004	Rognier, Bryan	0.2	\$210.00	\$42.00	Assist Shuff with June/July invoice.
9/28/2004	Clark, Andrea L	0.3	\$320.00	\$96.00	Continue drafting August fee invoice.
9/28/2004	Clark, Andrea L	0.1	\$320.00	\$32.00	Creation of fixed fee exhibits for August invoice.
9/28/2004	Clark, Andrea L	0.4	\$320.00	\$128.00	Continue drafting August fee invoice.
9/28/2004	Clark, Andrea L	0.2	\$320.00	\$64.00	Continue follow-up re: June/July invoice.
9/28/2004	Clark, Andrea L	0.2	\$320.00	\$64.00	Draft email to professionals re: outstanding June/July information.
9/28/2004	Clark, Andrea L	1.5	\$320.00	\$480.00	Continue preparation of the August fee invoice.
9/28/2004	Huff, Shannon	0.9	\$175.00	\$157.50	Continued to update June/July fee application with time submitted by PwC professionals.
9/28/2004	Rognier, Bryan	0.2	\$210.00	\$42.00	Assist SHuff, reconciling.
9/29/2004	Clark, Andrea L	0.1	\$320.00	\$32.00	Discussion with L. Yang re: August invoice.
9/29/2004	Huff, Shannon	0.1	\$175.00	\$17.50	Continued to update June/July fee application with time submitted by PwC professionals.
9/29/2004	Yang, Linuo	1.4	\$205.00	\$287.00	1 hr - Conference call with Bill and Dan to go over billing detail; 0.4 hours - discuss with Andrea Clark on billing matters
9/29/2004	Condrasky, Daniel J	2.0	\$367.20	\$734.40	1 hr conference call with L Yang and W Molloie to discuss the time reporting requirements of the Bankruptcy court and develop an approach for submitting past time. 1 hr to gather time and description data for time incurred on bankruptcy matters.
9/30/2004	Clark, Andrea L	0.1	\$320.00	\$32.00	Status emails re: follow-up June/July invoice.
9/30/2004	Clark, Andrea L	0.3	\$320.00	\$96.00	Discussion with Linuo re: August billing.
9/30/2004	Huff, Shannon	0.1	\$175.00	\$17.50	Continued to update June/July fee application with time submitted by PwC professionals.
	Monthly and Interim Fee Applications - Total	<u>29.1</u>		<u>\$7,726.40</u>	
	Grand Total	<u>150.1</u>		<u>\$40,028.40</u>	

Pegasus Satellite Television, Inc., et al.
PricewaterhouseCoopers LLP
Exhibit C: Summary of Fees by Project Category
For the Period September 1, 2004 through September 30, 2004

Project Category	Total Billed Hours	Total Fees
<u>Hourly Advisory Fee Services</u>		
Sarbanes-Oxley Section 404 Advisory Services	121.00	32,302.00
Monthly and Interim Fee Applications	29.10	7,726.40
	<hr/>	<hr/>
Hourly Advisory Fee Services	150.1	\$40,028.40
	<hr/>	<hr/>
Total Hours and Fees	150.1	\$40,028.40
	<hr/>	<hr/>
Total Expenses		\$785.53
Total Fees and Expenses		\$40,813.93
		<hr/>