

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

In re:

**RCN CORPORATION,
et al.,**
Debtors.

**Chapter 11
Case Nos. 04-13638 (RDD)**

Jointly Administered

**FIRST INTERIM APPLICATION OF
CAPITAL & TECHNOLOGY ADVISORS LLC
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Name of Applicant:	CAPITAL & TECHNOLOGY ADVISORS LLC
Authorized to Provide Professional Services to:	Official Committee of Unsecured Creditors of RCN Corporation, et al.
Date of Retention:	June 14, 2004
Period for which Compensation and Reimbursement is Sought:	June 14, 2004 – August 31, 2004
Amount of Compensation sought as actual, reasonable, and necessary:	\$385,000.00
Amount of Expense Reimbursement sought as actual, reasonable, and necessary:	\$25,434.71

This is the first interim application.

**CAPITAL & TECHNOLOGY ADVISORS LLC
RESTRUCTURING GROUP TIME**

Capital & Technology Advisors LLC (“CTA”), in its normal course of business, invoices its clients a flat monthly fee and does not charge by the hour. Thus, CTA does not ordinarily keep time records. However, for the benefit of the Court and in accordance with local rules, CTA is recording its hourly time and has provided summaries of the time spent by professionals during the Compensation Period (defined below). A copy of the time summaries for CTA is attached hereto as Exhibit A.

The total dollar value of the services rendered by CTA for which recovery is sought is \$410,434.71. Of this amount, CTA has received payments from the Debtors totaling \$321,869.71, through the application of a \$165,000 retainer that was deposited by the Debtors with CTA prior to the Petition Date (defined below) and receipt of a \$160,934.71 payment from the Debtors on October 6, 2004. The amount received by CTA from Debtors to date represents 80% of the total dollar value of the services for which recovery is sought for the period from June 14, 2004 through August 31, 2004 and 100% of the total dollar value of the reimbursable expenses relating to the same period.

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**FIRST INTERIM APPLICATION OF
CAPITAL & TECHNOLOGY ADVISORS LLC
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES**

Capital & Technology Advisors LLC (“CTA”), industry and technology advisors to the Official Committee of Unsecured Creditors (the “Committee”) of RCN Corporation, et al. (collectively, the “Debtors”) in connection with its first application (the “Application”) pursuant to 11 U.S.C. §§ 330 and 332, Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”); the Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy cases adopted on June 24, 1991 and amended April 21, 1995; the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. §330, effective January 30, 1996; and this Court’s Order, under 11 U.S.C. §§ 105(c) and 331, Establishing Procedures For Monthly Compensation and Reimbursement of Expenses For Professionals, dated June 22, 2004 (the “Administrative Fee Order”) for an interim allowance of compensation for services rendered and for reimbursement of expenses incurred therewith, respectfully represents:

INTRODUCTION

1. By this application, CTA seeks the interim award and full payment, without any holdback of fees, of compensation in the amount of \$385,000.00 for professional services rendered

and reimbursement of disbursements actually and necessarily incurred in the amount of \$25,434.71. These services were rendered, and disbursements recorded, from June 14, 2004 through August 31, 2004, both dates inclusive (the “Compensation Period”). In accordance with the Administrative Fee Order, CTA has received payments from the Debtors totaling \$321,869.71, through the application of a \$165,000 retainer that was deposited by the Debtors with CTA prior to the Petition Date (defined below) and receipt of a \$160,934.71 payment from the Debtors on October 6, 2004. The amount received by CTA from Debtors to date represents 80% of the total dollar value of the services for which recovery is sought for the First Interim Period and 100% of the total dollar value of the reimbursable expenses relating to the First Interim Period.

BACKGROUND

2. On May 27, 2004 (the “Petition Date”), the Debtors filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code. The Debtors continue to operate their business and manage their properties as debtors-in-possession pursuant to §§ 1107(a) and 1108 of the Bankruptcy Code.

3. This Court has jurisdiction over this application pursuant to 28 U.S.C. §§ 157 and 1334. Venue of this proceeding is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

4. CTA was retained as industry and technology advisor to the Committee to perform services set forth in our engagement letter dated as of June 14, 2004 (the “CTA Engagement Letter”). The employment of an industry and technology advisor in these cases has been and continues to be crucial to the Committee’s ability to, among, other things, (i) evaluate and analyze the activities of the Debtors and (ii) work with the Debtors in maximizing the value of the Debtors’ businesses and assets. In cases such as these, in which the Debtors’ businesses are highly specialized and technical in nature, the employment of an industry and technology advisor is

appropriate and necessary to assist the Committee and its other professionals in performing its fiduciary duty to maximize the assets of the Debtors' estates for the benefit of unsecured creditors. The Committee believes that CTA's depth of industry experience with telecommunications companies best serves the interests of the Committee and, by extension, the Debtors' unsecured creditors. The Committee has carefully tailored the scope and compensation of CTA's retention so that (i) the work performed by CTA will not be duplicative of the work performed by any other professionals retained by the Committee in these cases and (ii) the Debtors' estates do not incur unnecessary costs as a result of the Committee's retention of both Chanin Capital Partners LLC ("Chanin") and CTA. Attached hereto as Exhibit B to this Application is the scope of work to be performed by CTA on behalf of the Committee.

5. Pursuant to the CTA Engagement Letter, CTA is to receive a monthly fee of \$150,000 per month. The CTA Engagement Letter also provides for the reimbursement of all reasonable and actual out-of-pocket expenses and contains an agreement of the Committee and CTA that, to the extent a success fee in this case is requested by CTA, the Committee and CTA will negotiate such success fee in good faith.

6. The Court approved the Committee's retention of CTA as industry and technology advisors at a rate of \$150,000 per month, plus reimbursement of expenses and the right to request a success fee effective as of June 14, 2004, in the Final Retention Order dated July 26, 2004.

7. As stated in the Affidavit of Wayne Barr, Jr., annexed hereto as Exhibit D, all services for which CTA hereby requests compensation were performed for or on behalf of the Creditors' Committee in connection with these Chapter 11 Cases.

8. Pursuant to the Administrative Fee Order, CTA sent to the Debtors and to the

appropriate notice parties its (i) Monthly Fee Statement dated August 19, 2004 for the Period from June 14 – 30, 2004 in the amount of \$68,000.00 for fees and \$2,598.53 for expenses (the “June Monthly Fee Statement”), (ii) Monthly Fee Statement dated August 19, 2004 for the Period from July 1 – 31, 2004 in the amount of \$120,000 for fees and \$11,226.94 for expenses (the “July Monthly Fee Statement”), and (iii) Monthly Fee Statement dated September 17, 2004 for the Period from August 1 – 31, 2004 in the amount of \$120,000 for fees and \$11,609.24 for expenses (the “August Monthly Fee Statement” and, together with the June Monthly Fee Statement and the July Monthly Fee Statement, the “Monthly Fee Statements”).

9. Pursuant to the Administrative Fee Order, as of the date of this Application, CTA has received payments from the Debtors totaling \$321,869.71, through the application of a \$165,000 retainer that was deposited by the Debtors with CTA prior to the Petition Date and receipt of a \$160,934.71 payment from the Debtors on October 6, 2004. The amount received by CTA from Debtors to date represents 80% of the total dollar value of the services for which recovery is sought for the Compensation Period and 100% of the total dollar value of the reimbursable expenses relating to the Compensation Period. A summary of the actual expenses incurred is attached hereto as Exhibit C.

PROFESSIONAL SERVICES RENDERED

10. As is noted above, CTA is acting as the industry and technology advisor on behalf of the Creditors’ Committee on this matter. The professionals at CTA who have rendered professional services on this matter include Jared E. Abbruzzese, Wayne Barr, Jr., Peter D. Aquino,¹ Shawn

¹ Peter D. Aquino’s consulting arrangement with C&TA terminated on August 9, 2004. On August 19, 2004, the Debtors filed a motion requesting an order authorizing the retention of PDA Group, LLC (“PDA”), acting through Mr. Aquino, its sole principal, to perform consulting services relating to RCN’s market operations and the execution of sales and marketing strategies, for RCN. On September 8, 2004, the Court issued an order authorizing such retention.

O'Donnell, J. Peter Bade, Eduardo Sanchez and Tom Dunham.

11. During the Compensation Period, the Committee relied heavily on the experience and expertise of the above-named persons in dealing with matters relating to the Debtors' restructuring, including due diligence issues, monitoring the Debtors' business operations, business planning and strategy, and interfacing with the Debtors, their advisors and other parties-in-interest. As a result, CTA's highly skilled professionals devoted significant time and effort to perform properly and expeditiously the required professional services as more specifically detailed in Exhibit A.

12. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by CTA is fair and reasonable given (a) the complexity of these 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.

CONCLUSION

13. CTA respectfully requests an interim quarterly fee allowance for professional services rendered in the amount of \$385,000.00, representing the fees contemplated by the CTA Engagement Letter for the Compensation Period. CTA has also necessarily incurred disbursements in the amount of \$25,434.71, in the performance of CTA's duties to the Creditors' Committee during the Compensation Period. CTA respectfully requests the Court's approval of the reimbursement of such disbursements.

14. CTA respectfully requests that the Court not "hold back" any portion of the fees awarded. This Application covers the period ended August 31, 2004. Pursuant to the Administrative Fee Order, CTA's monthly fees are subject to a 20% "holdback." The amount of CTA's holdback for the period ended August 31, 2003 is \$77,000.00. CTA will have additional

20% holdbacks for the months of September 2004 and October 2004 (the “Additional 20% Holdbacks”). CTA respectfully suggests that based on the Additional 20% Holdbacks, there is no need for any holdback of this fees awarded pursuant to this Application.

15. No agreement or understanding exists between CTA and any other entity for the sharing of compensation received or to be received for services rendered in or in connection with theses cases. Attached hereto as Exhibit D is the Affidavit of Wayne Barr, Jr. CTA has not agreed to share any compensation to be received herein with any other person.

16. No prior application has been made in this Court or in any other court for the relief requested herein for the Compensation Period.

WHEREFORE, CTA respectfully requests a first interim award and the full payment, without any holdback of fees, of compensation for professional services rendered as industry and technology advisor to the Creditors’ Committee during the period from June 14, 2004 through August 31, 2004 in the sum of \$385,000.00, together with Court approval of the reimbursement of disbursements in the amount of \$25,434.71 and for such other and further relief as this Court deems just and proper.

Dated: October 21, 2004
Albany, New York

CAPITAL & TECHNOLOGY ADVISORS LLC

By: /s/ Wayne Barr, Jr.
Wayne Barr, Jr.
Member
18 Corporate Woods Boulevard, Third Floor
Albany, NY 12211
(518) 462-2632

*Industry and Technology Advisors to the Official
Committee of Unsecured Creditors of
RCN Corporation, et al.*

**SUMMARY OF TIME CHARGES FOR THE PERIOD
JUNE 14, 2004 THROUGH AND INCLUDING AUGUST 31, 2004**

Listed below are the professionals who performed services during the referenced periods, their full names and the time incurred by each.

June 14 – 30, 2004

Wayne Barr, Jr. – 4 hours

Date	Number of Hours	Description
6/30	4	Attend Committee meeting in NYC with J.Alix, Blackstone and Company representatives; follow up with C&TA staff regarding action items arising out of meeting.

Peter D. Aquino – 9 hours

Date	Number Of Hours	Description
Week of 6/14	9	Conference Calls with Company and with Committee, meeting with Mr. McCourt, Creditor Committee meetings, several conference calls with Committee members and internal C&TA staff

Shawn O'Donnell - 33 hours

Date	Number of Hours	Description
6/15	2.0	Worked on process committee, network expense committee; 9:00 am RCN call with J. Alix, 10:00 am committee call with J. Alix
6/17	3.0	Worked on Real Estate and Franchise issues; 1:30 pm call with RCN/J. Alix regarding Corp HQ lease
6/18	2.0	Worked on Real Estate and Franchise issues; J. Alix fees
6/21	5.0	Worked on bundle price offering, Real Estate issues, Franchise issues
6/22	3.0	Real Estate issues, Franchise issues; 9:00 am RCN committee call with J. Alix
6/25	2.0	Real Estate issues, Franchise issues
6/29	8.0	Real Estate issues, Franchise issues; 1:30 pm meeting with RCN to review Franchise and Real Estate progress, engineering meeting regarding Trooper, PA facility
6/30	8.0	Real Estate issues, Franchise issues; overall plan update; 9:30 am meeting with RCN, J. Alix Partners, Committee to review current company performance; 1:00 pm meeting with Executive Search firms

J. Peter Bade - 61 hours

Date	Number of Hours	Description
6/3	4.00	Cash Forecast/Waiver analysis and call on NOL's
6/5	1.00	Calls on disclosure issue
6/6	1.00	Two calls on disclosure issues
6/7	3.00	Review new Real Estate and Franchise Agreement files sent to us
6/8	2.00	Review new Real Estate and Franchise Agreement files sent to us
6/9	2.00	Call on 8-K, verify that numbers reflect Blackstone plan
6/10	1.00	Analysis/Discussion on pending Real Estate transaction
6/11	3.00	Analysis/Discussion on pending Real Estate transaction
6/14	1.00	Analysis/Discussion on pending Real Estate transaction
6/15	2.00	Weekly Calls
6/17	6.00	Analysis/Discussion on pending Real Estate transaction
6/18	4.00	Cash Budget Sign-Off, Conversation w/Charles Braley, and AP Fee Quick Analysis
6/21	3.00	Comparative research. Cablevision new offering
6/22	2.00	Weekly Calls
6/23	3.00	Committee call, fee review, refine and distribute real estate document
6/28	4.00	Call with Sandra Horwitz and David Retter, new committee members
6/29	4.00	Travel to RCN HQ in Princeton, discuss issues with O'Donnell
6/29	4.00	Meeting with Engineering (network configuration), Deb Royster (Franchise progress), Review New RE chart
6/29	2.00	Analyze New Real Estate Chart
6/30	3.00	Update meeting in NYC: Cost progress (Dubel, Horvat, Hogan, Royster)
6/30	1.00	Follow-up with O'Donnell, Barr, Abbruzzese

July 1 – 31, 2004

Wayne Barr, Jr. – 9 hours

Date	Number Of Hours	Description
7/19	4	Review and analyze real estate issues, franchise issues; and overall plan; 8:30 am RCN Professionals meeting to review POR options
7/20	2	Discuss and analyze open issues with C&TA staff
7/21	3	Attend committee meetings

Peter D. Aquino – 32 hours

Date	Number of Hours	Description
7/13	5	Various conference calls regarding franchise, real estate and miscellaneous issues. DB meeting
7/19	6	Review and analyze real estate issues, franchise issues; and overall plan; 8:30 am RCN Professionals meeting to review POR options
7/20	3	Continued review and discussion with Dubel and committee of outstanding issues
7/21	4	Real Estate issues, Franchise issues; overall plan update; 9:00 am pre-meeting with Committee; 10:00 am meeting with RCN management, advisors, committee to review POR options
7/22	4	On-site work at RCN with Pete Bade
7/23	4	On-site work at RCN with Pete Bade
7/27	6	Real Estate issues, Franchise issues; overall plan update; committee call to review POR analysis; mtg with McCourt

Shawn O'Donnell - 71 hours

Date	Number of Hours	Description
7/1	2	Real Estate issues, Franchise issues; overall plan update
7/2	5	Real Estate issues, Franchise issues; overall plan update; 9:00 am Call with RCN committee; 9:30 am call with RCN, Chanin, CTA regarding SGA cost cutting
7/6	4	Real Estate issues, Franchise issues; overall plan update; 9:30 am central RCN Committee call
7/12	6	Real Estate issues, Franchise issues; overall plan update
7/13	7	Real Estate issues, Franchise issues; overall plan update; 9:00 am RCN conf call, 1:45 pm RCN committee call; 5:00 pm RCN franchise update call
7/15	3	Real Estate issues, Franchise issues; overall plan update
7/16	4	Real Estate issues, Franchise issues; overall plan update
7/19	7	Real Estate issues, Franchise issues; overall plan update; 8:30 am RCN Professionals meeting to review POR options

7/20	3	Real Estate issues, Franchise issues; overall plan update; 6:15 pm conference call with Chanin to review cost saving opportunities
7/21	6	Real Estate issues, Franchise issues; overall plan update; 9:00 am pre-meeting with Committee; 10:00 am meeting with RCN management, advisors, committee to review POR options
7/22	1	Real Estate issues, Franchise issues; overall plan update
7/23	2	Real Estate issues, Franchise issues; overall plan update
7/26	1	Real Estate issues, Franchise issues; overall plan update
7/27	5	Real Estate issues, Franchise issues; overall plan update; 1:00 pm cdt RCN committee, debtor, advisor call to review POR analysis
7/28	5	Real Estate issues, Franchise issues; overall plan update; 8:00 am cdt RCN committee conf call
7/29	6	Real Estate issues, Franchise issues; overall plan update
7/30	4	Real Estate issues, Franchise issues; overall plan update; network analysis

J. Peter Bade - 90 hours

Date	Number of Hours	Description
7/2	1.5	Call with Horvat and Hogan, update on plan issues
7/5	3	Prepare and revise memo regarding VoIP impacts on RCN
7/6	3	Weekly calls
7/7	2	Call and re: Equity Committee request letter
7/12	2	Preparation for tomorrow's Deutsche bank meeting
7/13	6	Meeting with Deutsche Bank; Horvat update call to discuss real estate status, franchise update call
7/14	1	Call with O'Donnell, overview of company
7/15	1	Milbank update call, review outstanding real estate properties
7/16	3	Real Estate and Franchise agreements--update analysis and discuss with PA
7/19	6	Meeting at Blackstone offices, prepare real estate and franchise schedule to determine costs and obligations
7/20	4	Develop informal presentation for committee members re expenses
7/21	6	Meeting at Skadden's offices. Skadden, Blackstone, Company, Committee, CTA and Chanin; Pre-meeting to review informal expense presentation and main meeting where company outlines restructuring scenarios
7/22	10	Analysis of company's scenarios, outline analysis with Horvat of AP per Al Fisola; Travel to RCN HQ in Princeton, discuss issues with PA, meetings at RCN Princeton to discuss current performance and analysis framework with Horvat
7/23	10.5	Meeting with Dubel, meetings with functional groups at RCN Princeton--real estate, franchise, programming, NYC operations; Travel back to Washington DC
7/26	6	Horvat update call, build schedules for tomorrow's meeting,

		Milbank regulatory call, second and third Horvat call to confirm schedules
7/27	6	RCN meeting preparation and meeting in NYC with Company, Skadden, Blackstone, CTA, and Chanin
7/28	10	Committee call, start market performance analysis; At RCN Princeton, meetings with Tony Horvat review real estate and subs to file; Travel RCN to Washington, Market performance analysis, SGA breakdown
7/29	4	Review company's potential subsidiary filings with PA, review preliminary market performance data with PA; Discuss subsidiary filing with Committee members
7/30	5	SGA Breakdown--remaining non-Staff targets, Review Cash Variance report, Market Connection Analysis

Eduardo Sanchez -- 9 hours

Date	Number of Hours	Description
7/6	1	Participate in Weekly Conference Call with Creditors Committee to stay apprised of case
7/13	1	Participate in Weekly Conference Call with Creditors Committee to stay apprised of case
7/20	1	Participate in Weekly Conference Call with Creditors Committee to stay apprised of case
7/27	6	Meeting with Debtors and Creditors Committee. NYC

Tom Dunham -- 8 hours

7/23	8	Travel to and work at Princeton RCN office with PA and PB for meetings with functional groups at RCN Princeton--real estate, franchise, programming, NYC operations
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August 1 – 31, 2004

Jared E. Abbruzzese – 3.5 hours

Date	Number of Hours	Description
8/02	1	Participate in conference calls with committee and debtor
8/10	1	Call with C&TA staff regarding status of open issues, participate in weekly conference call
8/23	.5	Obtain update from C&TA staff regarding filing of DS and POR
8/30	1	Participate in conference calls with committee and debtor

Wayne Barr – 20.5 hours

Date	Number of Hours	Description
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8/02	1	Participate in committee conference call and RCN update call
8/10	1	Internal discussion regarding open issues, participate in weekly conference call
8/13	1	Participate in committee call
8/16	1	Review outstanding real estate and franchise issues; discuss with C&TA staff
8/17	1.5	Participate in weekly update call with committee and company
8/18	4	Participate in meeting at Skadden
8/19	4	Review and have internal discussions regarding contract analysis; review disclosure statement and POR in anticipation of filing
8/20	5	Numerous conference calls regarding outstanding DS and POR issues; continued review of DS and POR in advance of finalization
8/23	1	Participate in committee update call
8/30	1	Participate in committee call

Shawn O'Donnell - 122 hours

Date	Number of Hours	Description
8/02	5.0	Review Real Estate issues, Franchise issues; overall plan update; network analysis; 2:30 pm Committee call, 4:00 pm RCN update call
8/03	4.0	Review Real Estate issues, Franchise issues; overall plan update; network analysis
8/04	7.0	Review Real Estate issues, Franchise issues; overall plan update; valuation analysis; network analysis; 3:00 pm meeting with Committee, Blackstone, to review Blackstone valuations
8/05	5.0	Review Real Estate issues, Franchise issues; overall plan update; valuation analysis; network analysis
8/06	7.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; 10:00 am meeting with RCN personnel to review PA network plans
8/09	6.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; 4:00 pm central Real Estate/Franchise update call
8/10	6.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; 9:30 am central Committee conference call
8/11	5.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis
8/12	8.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; Starpower due diligence; 10:30 am Starpower Due diligence meeting
8/13	4.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; Starpower due diligence; 10:00 am edt meeting with committee, management, CRO
8/16	3.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; Starpower due diligence; 4:00 pm cdt

		Weekly Real Estate/Franchise update conference call
8/17	5.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; Starpower due diligence; 9:30 cdt Committee conference call
8/18	8.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; Disclosure statement analysis, contract analysis, POR analysis; 10:30 edt Committee all hands meeting to review POR issues
8/19	6.0	Review Real Estate issues, Franchise issues; PA network reconfiguration analysis; Disclosure statement analysis, contract analysis, POR analysis
8/20	10.0	Real Estate issues, Franchise issues; PA network reconfiguration analysis; Disclosure statement analysis, contract analysis, POR analysis; 10:00 am edt meeting with committee regarding POR and disclosure statement; 11:00 pm disclosure statement call with company
8/23	5.0	Real Estate issues, Franchise issues; PA network reconfiguration analysis; Disclosure statement analysis, contract analysis, POR analysis; 4:00 pm cdt RCN Update call
8/25	8.0	Real Estate issues, Franchise issues; PA network reconfiguration analysis; contract analysis; 9:00am all day meeting on SGA savings update with RCN and AP
8/26	5.0	Real Estate issues, Franchise issues; PA network reconfiguration analysis; contract analysis; 3:00 pm central call with RCN and AP to review executory contracts
8/27	6.0	Real Estate issues, Franchise issues; PA network reconfiguration analysis; contract analysis
8/30	4.0	Real Estate issues, Franchise issues; PA network reconfiguration analysis; contract analysis; 4:00 pm cdt RCN Update call
8/31	5.0	Real Estate issues, Franchise issues; PA network reconfiguration analysis; contract analysis

J. Peter Bade - 177 hours

Date	Number of Hours	Description
8/01	7.50	Subsidiary analysis and review of smaller subsidiaries; participate in Committee call; CRO Update call
8/03	8.0	Call with Milbank to discuss issues surrounding smaller subsidiaries; participate in weekly Committee call; revise CTA view of distributed/market value, begin research regarding connections analysis, participate in Starpower update call
8/04	11.5	Revamp CTA distributed value/enterprise value chart; attend Blackstone valuation meeting in NYC; review Blackstone valuation materials
8/05	10.5	Complete first draft of market connection analysis, review cash report, review Chanin valuation analysis, compare to Blackstone; participate in Chanin valuation call, travel to Princeton

8/06	8.50	Meeting with RCN personnel to discuss network reconfiguration, travel from RCN HQ at Princeton
8/09	8.00	Remaining real estate analysis, review spreadsheet of cost-benefit for Trooper, PA facility; participate in call with CRO discuss real estate
8/10	7.00	Participate in Committee call, review draft POR and disclosure statement
8/11	4.00	Review Starpower JV agreement, preparation for site visit tomorrow
8/12	8.00	Site visit to Starpower in Lanham MD
8/13	8.00	Participate in update with JDubel with emphasis on franchise progress; participate in call with Gary Schaffer to review subsidiaries, update CTA subsidiary analysis, compare CTA Feb plan to Company's April and Aug 3rd plan
8/16	8.00	Tour of Merrifield facility; participate in meeting with PK Rami, GM of NY. Discuss plan for his market, service delivery centralization strategy, new commission plan, market organization, and leakage; participate in CRO call. Discuss Real Estate and Franchise Agreements
8/17	7.00	Participate in Committee call; review Market Profitability Reports, Frame Analysis
8/18	8.00	All-hands meeting in NYC
8/19	8.00	Review Contracts at Debtor Subsidiaries; review Claims, participate in broader call to resolve outstanding POR and DS issues, review drafts of these documents
8/20	10.00	Participate in Committee call, broader call to resolve outstanding POR and DS issues, subsequent review of drafts of POR and DS; Participate in calls to finalize POR and DS
8/23	3.00	CRO call, discuss RE and Franchise
8/24	10.5	Committee call, review latest cash forecast, analyze cash forecast for Professional Fee level, review contracts for Schedules D&E of DS; participate in Chanin call, travel to company
8/25	13.00	Meetings at RCN Princeton NJ, review Customer Service and Tech Ops cost savings initiatives and review network reconfiguration--Trooper, Merrifield, and Boston Hub consolidation; participate in call with Chanin personnel; travel from RCN
8/26	7.00	Review all information provided for cost savings initiatives; Contract review and call to discuss company progress (reject/assume), memo to committee summarizing real estate and status of cost savings initiatives
8/27	8.00	Contract status calls/e-mails, Review all information provided for cost savings initiatives and develop missing data and list of next questions
8/30	6.00	Isolate and resolve four "assume" contracts, CRO call to review real estate and franchise, evaluate details of CS savings, review dial access LOB and prepare one page summary for S. O'Donnell
8/31	8.00	Review Commercial LOB white paper, initiate cost savings

		presentation, review contracts, evaluate company's analysis re: programming contracts
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SUMMARY OF SERVICES PROVIDED

The following summary of services rendered during the period from June 14, 2004 through August 31, 2004 is not intended to be a detailed description of the work performed, rather it merely highlights certain areas in which services were rendered to the Creditors' Committee. The services rendered by CTA during the Compensation Period are as follows:

- a) analyze the Debtors' telecommunications operations, service delivery and technological capabilities, each as it applies to the Debtors' current financial condition and its prospects for the Debtors' future performance;
- b) conduct a detailed review of the Debtors' recent and historic financial performance, business plan, marketing plan, revenue forecasts, capital program, management and competitive environment. C&TA will continue to review and comment on the Debtors' long-term business plan projections and be in a position to validate such projections or propose alternatives;
- c) assist the Committee in evaluating the Debtors' proposed Plan of Reorganization and developing, evaluating, structuring and negotiating the final, definitive terms and conditions of a restructuring or plan of reorganization, including the value of the securities, if any, that may be distributed to unsecured creditors under any such restructuring or plan; analyze any merger, acquisition, divestiture, joint venture, or other transactions proposed by the Debtors;
- d) assist the Committee in evaluating the Debtors' proposed bank debt refinancing transaction;
- e) review and advise the Committee with respect to operating cash flow risks and opportunities associated with the Debtors' proposed Plan of Reorganization;
- f) assist and advise the Committee in connection with the Debtors' current contracts, both from a market level evaluation, and overall usefulness of such contracts in the context of the Debtors' proposed Plan of Reorganization and business plan; and
- g) provide such other advice and assistance as may be reasonably requested by the Committee from time to time.

EXHIBIT C

**CAPITAL & TECHNOLOGY ADVISORS LLC
EXPENSE SUMMARY FOR THE PERIOD JUNE 14, 2004 – AUGUST 31, 2004**

EXPENSE CATEGORY	TOTAL EXPENSES
Travel(1)	\$15,728.63
Lodging	\$8,459.37
Meals While Traveling	\$1,168.94
Miscellaneous(2)	\$77.77
TOTAL:	\$25,434.71

- (1) Includes airfares, car rental, fuel and taxi expenses
- (2) Includes telecommunications

4. No agreement or understanding exists between CTA and any other entity for the sharing of compensation received or to be received for services rendered in or in connection with these cases.

/s/ Wayne Barr, Jr.
Wayne Barr, Jr.

Sworn to before me this

21st day of October, 2004.

/s/ Karen Armsby
Notary Public in and for the State of New York