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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re : Chapter 11  
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RCN CORPORATION, et al., : Case No. 04-13638 (RDD)  
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Debtors. : (Jointly Administered)  
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RCN CORPORATION and :  
RCN CABLE TV OF CHICAGO, INC., :  
:  
Plaintiffs :  
:  
v. : Adv. No. 04-03666 (RDD)  
:  
CITY OF CHICAGO, :  
:  
Defendant. :  
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**EX PARTE MOTION FOR ORDER SHORTENING NOTICE PERIOD AND  
ESTABLISHING OBJECTION DEADLINE AND HEARING ON  
MOTION OF DEBTORS FOR APPROVAL OF SETTLEMENT  
AGREEMENT BETWEEN RCN CORPORATION, RCN  
CABLE TV OF CHICAGO, INC., AND THE CITY OF CHICAGO**

RCN Corporation ("RCN") and certain of its direct and indirect  
subsidiaries, debtors and debtors-in-possession in the above-captioned cases (the

"Debtors"), hereby move (the "Motion"), under sections 102 and 105 of 11 U.S.C. §§ 101-1330 (as amended, the "Bankruptcy Code"), Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rule 9006-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules"), for entry of an order shortening the notice period and establishing a hearing date and time and an objection deadline with respect to the Motion (the "Settlement Motion") of the Debtors for Approval of Settlement Agreement Between RCN Corporation, RCN Cable TV of Chicago, Inc. ("RCN-Chicago") and the City of Chicago (the "City"). In support of the Motion, the Debtors, through their undersigned counsel, respectfully state as follows:

### **INTRODUCTION**

1. At the same time as the Debtors filed this motion, the Debtors also filed their Settlement Motion, seeking, among other things, approval of the Agreement. Rather than repeat the factual assertions set forth in the Settlement Motion, the Debtors adopt such assertions and incorporate them by reference herein.

2. In the Agreement, RCN and RCN-Chicago agreed to file the Settlement Motion, no later than five business days after execution of the Agreement. See Agreement § 3.B.v. RCN and RCN-Chicago also agreed to use their reasonable best efforts to obtain approval of the Agreement from this Court. See id. § 6.B.

Finally, the Parties agreed that time was of the essence with respect to the Agreement. See id. § 9.C.

3. In addition, as set forth herein, the Debtors believe that the confirmation of the Plan, at least with respect to RCN-Chicago, depends on the approval by this Court of the Agreement. Accordingly, the Debtors believe it is necessary to have the Settlement Motion heard prior to the date of the hearing on confirmation of the Plan, i.e., prior to December 8, 2004. The Debtors have, therefore, filed this Motion seeking to shorten the notice period with respect to the Settlement Motion, as set forth herein.

#### **JURISDICTION AND VENUE**

4. The Court has jurisdiction over this matter under 28 U.S.C. §§ 157 and 1334. Venue is proper under 28 U.S.C. §§ 1408 and 1409. This is a core proceeding under 28 U.S.C. § 157(b)(2).

5. The statutory predicates for the relief requested herein are 11 U.S.C. §§ 102 and 105.

#### **RELIEF REQUESTED**

6. Through the Motion, the Debtors respectfully request that the Court enter an order establishing the objection deadline with respect to the Settlement Motion as November 30, 2004 at 4:00 p.m. (prevailing Eastern time). The

Debtors also request that the Court schedule a hearing with respect to the Settlement Motion on December 2, 2004 at 10:00 a.m. (prevailing Eastern time).

**BASIS FOR RELIEF**

7. The Debtors submit that these notice procedures are fair and reasonable under the circumstances. Specifically, as noted above, RCN and RCN-Chicago have committed to obtaining authority from this Court to enter into the Agreement as soon as possible. Moreover, the Debtors believe that approval of the Agreement is critical to the confirmation of the Plan with respect to RCN-Chicago.

8. The Agreement resolves substantial disputes between the City and RCN-Chicago. As set forth in the Settlement Motion, unless the Agreement is approved prior to the Confirmation Hearing, the Debtors do not believe that it will be possible to confirm a plan of reorganization for RCN-Chicago. If the Agreement is not approved prior to the Confirmation Hearing, the Debtors may be compelled to withdraw RCN-Chicago from the Plan and delay the Confirmation Hearing with respect to RCN-Chicago.

9. Accordingly, the Debtors must obtain approval of the Agreement on or before December 8, 2004. Therefore, as set forth in the proposed form of order filed herewith, and in order to provide interested parties with as much notice as is practicable under the circumstances, the Debtors request that the Court set the objection deadline for the Settlement Motion as November 30, 2004 at 4:00 p.m.

(Eastern), and that the Court further schedule a hearing on the Settlement Motion on December 2, 2004 at 10:00 a.m. (Eastern).

10. The parties have worked to resolve their disputes as expeditiously as possible. Following the execution of the Agreement on November 12, 2004, undersigned counsel for the Debtors finalized the Settlement Motion and accompanying proposed order as quickly as possible. Accordingly, this motion was not necessitated by any delay by the parties. Instead, as set forth above, the shortened notice period requested herein is necessary in order to obtain approval of the Agreement prior to the date of the Confirmation Hearing.

#### **APPLICABLE AUTHORITY**

11. The Debtors request approval of shortened notice and objection procedures for the Settlement Motion in accordance with Bankruptcy Code section 102, this Court's Order under 11 U.S.C. §§ 102 and 105 and Fed. R. Bankr. P. 2002, 9006 and 9007 Establishing Certain Notice, Case Management and Administrative Procedures (Docket No. 6) (the "Case Management Order"), entered on June 2, 2004, and Bankruptcy Rules 2002, 9006, and 9007.

12. In the Settlement Motion, the Debtors seek authority from the Court to (i) enter into the Agreement, (ii) enter into the Dark Fiber Agreement, (iii) reject certain of the Franchise Agreements and (iv) assume certain of the Franchise Agreements, as modified. In support of the Settlement Motion, the Debtors rely on

Bankruptcy Code sections 363 and 365. Motions for the use of estate property other than in the ordinary course under Bankruptcy Code section 363(b) generally require twenty days' notice. See 11 U.S.C. § 363(b); Fed. R. Bankr. P. 2002(a)(2). Similarly, a motion to approve a compromise or settlement generally can only be approved after the notice and hearing required by Bankruptcy Rule 2002. See id. 2002(a)(3); 9019(a). The hearing on such proposed use or settlement generally may not occur on less than 20 days notice. See id. 2002(a)(2), (a)(3).

13. However, Bankruptcy Code section 102(1) provides that the words "after notice and a hearing" mean "after such notice as is appropriate in the particular circumstances." 11 U.S.C. § 102(1). Moreover, Bankruptcy Code section 105 provides that the Court "may issue any order . . . necessary or appropriate to carry out the provisions of . . . [the Bankruptcy Code]." Id. § 105(a). Similarly, Bankruptcy Rules 2002(a)(2), 2002(a)(3) and 9006(c) authorize this Court to shorten the 20 day notice period and limit the parties to whom notice must be given "for cause." Similarly, this Court's Case Management Order, which sets hearing dates and notice deadlines for presenting matters in connection with such dates, allows matters to be heard on shortened time "for cause."

14. The Debtors believe that cause exists to shorten the notice period as requested herein. As set forth above and in the Settlement Motion, the Debtors believe that approval of the Agreement is necessary for the confirmation of

the Plan with respect to RCN-Chicago. Moreover, the Parties have agreed to exercise their best efforts to have the Agreement approved as quickly as possible. Accordingly, the Debtors have sought to have the Settlement Motion heard prior to the Confirmation Hearing on December 8, 2004.

15. The United States Trustee for the Southern District of New York and the Creditors' Committee have indicated to the Debtors that they will not object to the shortened notice proposed herein. The Debtors, therefore, believe that the notification and objection procedures set forth herein strike an appropriate balance between the needs of the parties to have the Settlement Motion heard prior to the date of the Confirmation Hearing and the rights of any parties that may have objections to the Settlement Motion to respond to such motion.

16. The Debtors submit that no new or novel issue of law is presented with respect to the matters contained herein. Thus, the Debtors request that the requirement of the service and filing of a separate memorandum of law under Local Bankr. R. 9013-1(b) be deemed satisfied .

WHEREFORE, the Debtors respectfully request that the Court enter an order (i) granting the Motion, (ii) shortening the notice period for the Settlement

Motion and (iii) granting such other and further relief as is just and proper.

Dated: New York, New York  
November 19, 2004

SKADDEN, ARPS, SLATE, MEAGHER  
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/s/ D. J. Baker

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UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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**ORDER SHORTENING NOTICE PERIOD AND  
ESTABLISHING OBJECTION DEADLINE AND HEARING  
ON MOTION OF DEBTORS FOR APPROVAL OF  
SETTLEMENT AGREEMENT BETWEEN RCN CORPORATION,  
RCN CABLE TV OF CHICAGO, INC., AND THE CITY OF CHICAGO**

Upon consideration of the motion (the "Motion")<sup>1</sup> of the Debtors for entry of an order shortening the notice period and establishing a hearing date and time and an objection deadline with respect to the Motion of Debtors for Approval of

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

Settlement Agreement between RCN Corporation, RCN Cable TV of Chicago, Inc., and the City of Chicago (the "Settlement Motion"); and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors and their estates; and upon the Motion and all of the proceedings had before the Court; and after due deliberation thereon and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED AND DECREED THAT:

1. The Motion is GRANTED.
2. The objection deadline for the Settlement Motion is November 30, 2004 at 4:00 p.m. (prevailing Eastern time).
3. The hearing on the Settlement Motion is scheduled for December 2, 2004 at 10:00 a.m. (prevailing Eastern time).
4. Notwithstanding any Bankruptcy Rule to the contrary, this Order shall take effect immediately upon its entry.
5. The requirement under Local Bankr. R. 9013-1(b) of the service and filing of a separate memorandum of law is satisfied by the Motion.

Dated: New York, New York  
November \_\_, 2004

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Honorable Robert D. Drain  
UNITED STATES BANKRUPTCY JUDGE