

Objection Deadline: February 2, 2009 at 4:00 p.m. (prevailing Eastern Time)  
Hearing Date (if necessary): February 6, 2009 at 10:00 a.m. (prevailing Eastern Time)

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*Proposed Counsel to the Debtors  
and Debtors in Possession*

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

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:  
**In re:** :  
:  
: **Chapter 11 Case No.**  
:  
**STAR TRIBUNE HOLDINGS** : **09-10244 (RDD)**  
**CORPORATION, et al.,** :  
: **(Jointly Administered)**  
:  
**Debtors.**<sup>1</sup> :  
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**DEBTORS' MOTION FOR ENTRY OF AN ORDER (i) PROHIBITING  
UTILITIES FROM ALTERING, REFUSING OR DISCONTINUING SERVICE,  
(ii) DEEMING UTILITY COMPANIES ADEQUATELY ASSURED OF FUTURE  
PERFORMANCE AND (iii) ESTABLISHING PROCEDURES FOR  
DETERMINING REQUESTS FOR ADDITIONAL ADEQUATE ASSURANCE**

Star Tribune Holdings Corporation (“**Star Tribune Holdings**”) and The Star  
Tribune Company (“**Star Tribune**” and, together with Star Tribune Holdings, the  
“**Debtors**”) respectfully represent:

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<sup>1</sup> The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company. The employer tax identification numbers and addresses for each of the Debtors are set forth in the Debtors' chapter 11 petitions.

### **Background and Jurisdiction**

1. On January 15, 2009 (the “**Petition Date**”), each Debtor commenced with this Court a voluntary case under chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. These chapter 11 cases are being jointly administered pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure.

2. Additional information about the Debtors’ businesses and the events leading up to the Petition Date can be found in the Affidavit of David W. Montgomery, Chief Financial Officer of Star Tribune, which is incorporated herein by reference.

3. The Court has subject matter jurisdiction to consider this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b) and may be determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

### **Relief Requested**

4. Section 366 of the Bankruptcy Code prevents utility companies from discontinuing, altering or refusing service to a debtor during the first 30 days of a chapter 11 case. However, after such 30-day period, a utility company has the option of terminating its services pursuant to section 366(c)(2) of the Bankruptcy Code if a debtor has not furnished adequate assurance of payment.

5. By this motion (the “**Motion**”), the Debtors seek entry of an order in the form attached hereto as Exhibit A (the “**Order**”) prohibiting utilities from altering, refusing or discontinuing service, deeming utilities adequately assured of future

performance and establishing procedures for determining requests for additional adequate assurance.

### **The Utilities**

6. In connection with the operation of their businesses and management of their properties, the Debtors obtain utility services (collectively, the “**Utility Services**”) from several utilities, as that term is used in section 366 of the Bankruptcy Code (the “**Utilities**”). Annexed hereto as Exhibit B is a list of Utilities that provide Utility Services to the Debtors as of the Petition Date. The relief requested herein is for all Utilities providing Utility Services to the Debtors, and is not limited to those listed on Exhibit B.<sup>2</sup> The Debtors reserve the right to supplement Exhibit B by filing a notice (a “**Supplemental Notice**” and, together with Exhibit B, as may be so supplemented, the “**Utilities List**”) at a later date with the Court.

7. During the past 12 months, the Debtors paid an average of approximately \$297,419 per month on account of Utility Services. The Debtors have a good payment history with the Utilities. To the best of the Debtors’ knowledge, there are few, if any, defaults or arrearages of any significance with respect to the Debtors’ undisputed Utility Services invoices, other than payment interruptions that may be caused by the commencement of these chapter 11 cases.

8. Uninterrupted Utility Services are essential to the Debtors’ ongoing operations and, therefore, to the success of the Debtors’ reorganization. The Debtors cannot continue to operate their businesses without Utility Services. The Debtors operate

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<sup>2</sup> The inclusion of any entity on, as well as any omission of any entity from, Exhibit B is not an admission by the Debtors that such entity is, or is not, a utility within the meaning of section 366 of the Bankruptcy Code, and the Debtors reserve all rights with respect thereto.

a large newspaper and media business that depends on the reliable delivery of power and other Utility Services, and because of the nature of the Debtors' operations, it is essential that the Utility Services continue uninterrupted. Should any Utility refuse or discontinue service, even for a brief period, the operations of the Debtors' offices and printing facilities could be severely disrupted. The impact of this disruption on the Debtors' business operations and revenue would be extremely harmful and could jeopardize the Debtors' reorganization efforts.

### **Adequate Assurance**

9. The Debtors intend to pay all post-petition obligations owed to the Utilities in a timely manner. As of December 28, 2008, the Debtors had approximately \$26.8 million in cash and cash equivalents.

10. The Debtors propose to provide a deposit<sup>3</sup> (the “**Adequate Assurance Deposit**”) equal to two weeks of Utility Service, calculated as a historical average over the past 12 months, to any Utility that requests such a deposit in writing as set forth below, *provided* that such requesting Utility does not already hold a deposit equal to or greater than two weeks of Utility Services, and *provided further* that such Utility is not currently paid in advance for its Utility Services. As a condition of requesting or accepting an Adequate Assurance Deposit or any portion thereof, the Debtors propose that the requesting Utility shall be deemed to have stipulated that the Adequate Assurance Deposit constitutes adequate assurance of payment to such Utility within the meaning of section 366 of the Bankruptcy Code and shall be prohibited from challenging or opting

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<sup>3</sup> Section 366(c)(1)(A) of the Bankruptcy Code defines “assurance of payment” to mean, among other things, a cash deposit.

out of the Adequate Assurance Procedures (as defined below), filing an Additional Assurance Request (as defined below) or requesting any additional adequate assurance of payment of any kind at any time, notwithstanding any attempt by such Utility to reserve a right to seek any such relief.

11. The Debtors request that they be authorized to pay on a timely basis, in accordance with their pre-petition practices, all undisputed invoices for Utility Services rendered by Utilities to the Debtors after the Petition Date.

12. The Debtors submit that the Adequate Assurance Deposit, in conjunction with the Debtors' ability to pay for future Utility Services in the ordinary course of business (collectively, the "**Proposed Adequate Assurance**"), constitutes sufficient adequate assurance to the Utilities. If any Utility believes additional assurance is required, they may request such assurance pursuant to the following procedures.

**The Proposed Adequate Assurance Procedures**

13. In light of the severe consequences to the Debtors of any interruption in services by the Utilities, but recognizing the right of the Utilities to evaluate the Proposed Adequate Assurance on a case-by-case basis, the Debtors propose that the Court approve the Order, which sets forth the following procedures (the "**Adequate Assurance Procedures**"):

(a) Any Utility requesting payment of an Adequate Assurance Deposit must send to (i) the Debtor, The Star Tribune Company, 425 Portland Avenue, Minneapolis, MN 55488, Attn: Chuck Brown and (ii) the attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York, 10017, Attn: Lynn I. Poss (the "**Request Parties**") a written request (a "**Deposit**

**Request**”) that names the Utility and includes payment instructions for the Adequate Assurance Deposit.

(b) Upon the receipt of a Deposit Request, the Debtors shall provide the requesting Utility with the corresponding Adequate Assurance Deposit, *provided, however*, that such requesting Utility does not already hold a deposit equal to or greater than two weeks of Utility Services, and *provided further* that such Utility is not currently paid in advance for its Utility Services. Any Utility that submits a Deposit Request and already holds a deposit of less than two weeks of Utility Service shall receive an amount equal to the difference between the deposit held and the Adequate Assurance Deposit. Any Utility that is currently paid in advance for its Utility Services shall continue to be paid pursuant to the ordinary course of business.

(c) Any Utility desiring additional adequate assurance in the form of a deposit, prepayment or mechanic otherwise different from the Proposed Adequate Assurance must file with the Court and serve on the Request Parties a request (an **“Additional Assurance Request”**), which must be in writing and set forth (i) the amount and form of additional assurance payment requested, (ii) the location for which the Utility Services are provided and the relevant account numbers, (iii) the Debtors’ payment history for the most recent 12 months, (iv) a list of any deposits, prepayments or other security currently held by the Utility on account of the Debtors, (v) a description of any prior material payment delinquency or irregularity and (vi) an explanation of why the Utility believes the Proposed Adequate Assurance is not sufficient adequate assurance of payment. Any

request for additional adequate assurance filed before entry of this Order shall be deemed to be an Additional Assurance Request.

(d) The Debtors may, in their discretion, resolve and settle any Additional Assurance Request by mutual agreement with the Utility and without further order of the Court. The Debtors shall not be required to provide a Utility that files an Additional Assurance Request with an Adequate Assurance Deposit until such Additional Assurance Request is resolved. If the Debtors determine that the Additional Assurance Request is not reasonable and are not able to reach a consensual resolution with the Utility, the Debtors will file a motion (which may address the Additional Assurance Requests of multiple Utilities) and request a hearing before this Court to determine the adequacy of assurance of payment with respect to a particular Utility (the “**Determination Hearing**”) pursuant to section 366(c)(3) of the Bankruptcy Code *provided* that, notwithstanding any other provision of this Order, any Utility may seek an expedited Determination Hearing pursuant to Local Rule 9077-1 and paragraph 18(d) of the Case Management Order.

(e) Pending resolution of a Utility’s Additional Assurance Request by the Court, such Utility shall be prohibited from discontinuing, altering, or refusing service to the Debtors.

(f) Any Utility that does not submit a Deposit Request or does not file and Additional Assurance Request shall be deemed to have been provided with adequate assurance of payment as required by section 366 of the Bankruptcy Code and shall be prohibited from discontinuing, altering or refusing to provide

Utility Services, including on account of unpaid charges for pre-petition Utility Services.

14. The Debtors request that each Utility shall be deemed to have adequate assurance of payment unless and until (a) the Debtors, in their sole discretion, agree to a Deposit Request or Additional Assurance Request or agree to alternative adequate assurance of payment with the Utility or (b) this Court enters an order requiring that additional adequate assurance of payment be provided.

15. Any period of time prescribed or allowed by the Order will be computed in accordance with Bankruptcy Rule 9006.

#### **Subsequent Modifications of Utility List**

16. Although the Debtors have made a good faith effort to identify all of the Utilities that currently provide Utility Services to the Debtors, it is possible that some Utilities may not be listed on Exhibit B. To the extent that the Debtors identify additional Utilities, the Debtors will file a Supplemental Notice and will (a) serve the Order and the Supplemental Notice by e-mail or fax (or, where the Debtors do not have the e-mail address or fax number for a Utility, by first-class mail) on all Utilities listed in such Supplemental Notice and (b) post the Supplemental Notice on the independent website created and maintained by the Debtors. The Debtors request that the Order be binding on all Utilities, regardless of when such Utility was added by Supplemental Notice.

17. Nothing in the Order will constitute a finding that any entity is or is not a Utility under section 366 of the Bankruptcy Code, whether or not such entity is included in the Utilities List.

### Applicable Authority

18. The relief requested herein will ensure that the Debtors' operations will not be disrupted. If a disruption occurred, the impact on the Debtors' business operations and revenue would be extremely harmful. Furthermore, the relief requested provides the Utilities with a fair and orderly procedure for determining requests for additional or different adequate assurance. Without the Adequate Assurance Procedures, the Debtors could be forced to address numerous requests by Utilities in a disorganized manner at a critical period in these chapter 11 cases and during a time when the Debtors' efforts could be more productively focused on the continuation of the Debtors' operations for the benefit of all parties in interest.

19. Section 366 of the Bankruptcy Code protects a debtor against the immediate termination of utility services after commencing its case. Under that section, a utility company may not, during the first 30 days of a chapter 11 case, alter, refuse, or discontinue services to, or discriminate against, a debtor solely on the basis of the commencement of the case or the failure of the debtor to pay a pre-petition debt. 11 U.S.C. § 366.<sup>4</sup> A utility company may, however, do so if, following such 30-day period,

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<sup>4</sup> Section 366 of the Bankruptcy Code applies to entities that are traditionally viewed as utilities, such as those that provide electricity, telephone service or water, and to any entity that supplies services that cannot be readily obtained or replaced elsewhere, or which constitutes a monopoly with respect to the services that it provides to the debtor. *See, e.g., One Stop Realtour Place, Inc. v. Allegiance Telecom of Pennsylvania, Inc. (In re One Stop Realtour Place, Inc.)*, 268 B.R. 430, 436-37 (Bankr. E.D. Pa. 2001) (provider of telephone service is a utility regardless of whether telephone service may be available from another provider); *In re Coastal Dry Dock & Repair Corp.*, 62 B.R. 879, 883 (Bankr. E.D.N.Y. 1986) (landlord of the Brooklyn Navy Yard "occupies 'a special position with respect to the debtor' in its role as the [debtor's] utility supplier"). Despite the wide latitude afforded in determining those entities that constitute utilities under section 366, some of the companies listed in Exhibit B may also provide goods or services to the Debtors in a capacity other than that of a utility. With respect to any such goods or services, such companies are not entitled to adequate assurance under section 366. Moreover, the Debtors are not foreclosed from taking the position that any of the entities listed on Exhibit B are not utilities within the meaning of section 366.

the debtor does not provide “adequate assurance” of payment for post-petition services in a form “satisfactory” to the utility, subject to the Court’s ability to modify the amount of adequate assurance. Pursuant to section 366(c)(3)(B), in determining whether an assurance of payment is adequate, the court may not consider (a) the absence of security before the petition date, (b) the debtor’s history of timely payments or (c) the availability of an administrative expense priority.

20. While the 2005 amendments to the Bankruptcy Code provided guidance as to the required nature of adequate protection, the Court retains the discretion to determine the amount of adequate assurance necessary or to change the fundamental requirement that assurance of payment must simply be adequate. *Compare* 11 U.S.C. § 366(b) (2005) (“On request of a party-in-interest and after notice and a hearing, the court may order reasonable modification of the amount of the deposit or other security necessary to provide adequate assurance.”) *with* 11 U.S.C. § 366 (c)(3)(A) (“On request of a party-in-interest and after notice and a hearing, the court may order modification of the amount of an assurance payment under paragraph (2) [which is governed by an adequacy standard]”). Courts construing section 366(b) have long recognized that in determining adequate assurance, the Court is not required to give the Utilities the equivalent of a guaranty of payment, but must only determine that the utility is not subject to an unreasonable risk of nonpayment for post-petition services. *See In re Adelpia Bus. Solutions, Inc.*, 280 B.R. 63, 80 (Bankr. S.D.N.Y. 2002); *In re Caldor*, 199 B.R. 1, 3 (S.D.N.Y. 1996); *In re Santa Clara Circuits West, Inc.*, 27 B.R. 680, 685 (Bankr. D. Utah 1982); *In re George C. Frye Co.*, 7 B.R. 856, 858 (Bankr. D. Me. 1980). Historically, whether a utility is subject to an unreasonable risk of nonpayment must be determined

from the facts and circumstances of each case. *See In re Adelpia Bus. Solutions, Inc.*, 280 B.R. at 80; *Mass. Elec. Co. v. Keydata Corp. (In re Keydata Corp.)*, 12 B.R. 156, 158 (Bankr. D. Mass. 1981). While section 366(c) limits the factors a court may consider, it is likely that determinations of adequate assurance will remain within the Court's discretion. *Cf. In re Adelpia Bus. Solutions, Inc.*, 280 B.R. at 80; *Marion Steel Co. v. Edison Co. (In re Marion Steel Co.)*, 35 B.R. 188, 195 (Bankr. D. Ohio 1983). The Debtors believe that the Proposed Adequate Assurance is sufficient and reasonable and constitutes adequate assurance of payment under section 366(c) of the Bankruptcy Code.

21. The relief requested in this Motion and the Adequate Assurance Procedures proposed herein are similar to the relief granted in other recent chapter 11 cases filed after the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, Pub. L. No. 109-8, § 102, 119 Stat. 23, 25 (codified at 15 U.S.C.A. § 301 (2005 & Supp. 2006)) became effective. *See, e.g., In re Frontier Airlines Holdings, Inc.*, Case No. 08-11298 (RDD) (Bankr. S.D.N.Y. May 2, 2008) (approving deposit equal to two weeks of utility service, calculated as a historical average over the previous twelve months to any utility provider that (a) requested such a deposit in writing, (b) did not already hold a deposit equal to or greater than two weeks of utility service and (c) was not already paid in advance); *In re PLVTZ, Inc.*, Case No. 07-13532 (Bankr. S.D.N.Y. Nov. 9, 2007) (Interim Order) (approving deposit of two weeks of utility service to any provider that (a) requested such a deposit in writing no later than 30 days after the petition date and (b) did not already hold a deposit equal to or greater than two weeks of utility service); *In re Dana Corp.*, Case No. 06-10354 (Bankr. S.D.N.Y. Nov. 20, 2006) (approving deposit equal to two weeks of utility service, calculated as a historical average over the previous

twelve months to any utility provider that (a) requested such a deposit in writing, (b) did not already hold a deposit equal to or greater than two weeks of utility service and (c) was not already paid in advance); *In re Dura Auto. Sys., Inc.*, Case No. 06-11202 (Bankr. Del. Oct. 31, 2006 (Interim Order), Nov. 20, 2006 Final Order)) (approving deposit equal to two weeks of utility service, calculated as a historical average over the previous twelve months to any utility provider that was not already paid in advance for its services); *In re Silicon Graphics, Inc.*, Case No. 06-10977 (Bankr. S.D.N.Y. May 25, 2006) (approving deposit equal to two weeks of utility service, calculated as a historical average over the previous twelve months to any utility provider that (a) requested such a deposit in writing, (b) did not already hold a deposit equal to or greater than two weeks of utility service and (c) was not already paid in advance); *In re Calpine Corp.*, Case No, 05-60200 (Bankr. S.D.N.Y. Jan. 18, 2006) (same); *In re Refco, Inc.*, Case No, 05-60006 (RDD) (Bankr. S.D.N.Y. Dec. 9, 2005) (approving deposit of a sum equal to 50% of the estimated costs of monthly utility consumption).

22. Further, the Court has the power, under section 105(a) of the Bankruptcy Code to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). The proposed procedures will ensure the Debtors’ continued Utility Services without unduly prejudicing the Utilities.

23. Based on the foregoing, the Debtors submit that the relief requested herein is necessary and in keeping with the spirit and intent of section 366 of the Bankruptcy Code, is not prejudicial to the rights of any Utility, is in the best interests of the Debtors’ estates and creditors and, therefore, that it is appropriate for the Court to grant this Motion.

## Objections

24. The deadline to file an objection (“**Objection**”) to this Motion shall be 4:00 p.m. (prevailing Eastern Time) on February 2, 2009 (the “**Objection Deadline**”). An Objection shall be considered timely only if, on or prior to the Objection Deadline, it is (a) filed with the Court and (b) served upon and actually received by (i) the Office of the U.S. Trustee, 33 Whitehall Street, 21st Floor, New York, NY 10004, Attn: Brian Masumoto (by a hard copy, with all exhibits), (ii) attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, NY 10017, Attn: Marshall S. Huebner and Timothy E. Graulich, (iii) conflicts counsel to the Debtors, Curtis, Mallet-Prevost, Colt & Mosle LLP, 101 Park Avenue, New York, NY 10178, Attn: Steven J. Reisman and Tim Barnes, (iv) the attorneys for any committee of unsecured creditors then appointed in these cases, (v) the attorneys to the agent for the Debtors’ first lien pre-petition lenders, Latham & Watkins LLP, 885 Third Avenue, New York, NY 10022, Attn: Mark A. Broude and (vi) the Debtors’ authorized notice agent, The Garden City Group, Inc., Attn: David A. Isaac.

25. Unless otherwise ordered by the Court, a reply to an Objection may be filed with the Court and served on or before 12:00 p.m. (prevailing Eastern Time) on February 4, 2009.

26. If no Objections are timely filed and served as set forth herein, the Debtors shall, on or after the Objection Deadline, submit to the Court a final order granting the relief requested herein, which order shall be submitted and may be entered with no further notice or opportunity to be heard afforded to any party. If an Objection is timely filed, a hearing will be held at 10:00 a.m. (prevailing Eastern Time) on February 6, 2009.

27. The foregoing notice procedures satisfy Bankruptcy Rule 9014 by providing the counterparties with notice and an opportunity to object and be heard at a hearing. *See, e.g., In re Drexel Burnham Lambert*, 160 B.R. 729, 734 (S.D.N.Y. 1993) (an opportunity to present objections satisfies due process); *In re Colorado Mountain Cellars, Inc.*, 226 B.R. 244, 246 (D. Colo. 1998) (a hearing is not required to satisfy Bankruptcy Rule 9014). Furthermore, the proposed notice procedures protect the due process rights of the parties in interest without unnecessarily exposing the Debtors' estates to unwarranted administrative expenses.

#### **Notice**

28. No trustee, examiner or creditors' committee has been appointed in these chapter 11 cases. The Debtors have served notice of this Motion on each of (i) the Core Parties, (ii) the Non-ECF Service Parties (each as defined in the Order Establishing Certain Notice, Case Management and Administrative Procedures entered by this Court on January 16, 2009 (the "**Case Management Order**")) and (iii) each Utility identified on Exhibit B to this Motion.

#### **No Previous Request**

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

WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and such other and further relief as is just and proper.

New York, New York  
Dated: January 21, 2009

By: /s/ Marshall S. Huebner  
Marshall S. Huebner  
Timothy E. Graulich  
Lynn I. Poss

DAVIS POLK & WARDWELL  
450 Lexington Avenue  
New York, New York 10017  
Telephone: (212) 450-4000  
Facsimile: (212) 701-6001

*Proposed Counsel to the Debtors  
and Debtors in Possession*

# **EXHIBIT A**

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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:  
**In re:** :  
: **Chapter 11 Case No.**  
:  
**STAR TRIBUNE HOLDINGS** : **09-10244 (RDD)**  
**CORPORATION, et al.,** :  
: **(Jointly Administered)**  
:  
**Debtors.**<sup>1</sup> :  
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**ORDER (i) PROHIBITING UTILITIES FROM ALTERING, REFUSING OR  
DISCONTINUING SERVICE, (ii) DEEMING UTILITY COMPANIES  
ADEQUATELY ASSURED OF FUTURE PERFORMANCE AND (iii)  
ESTABLISHING PROCEDURES FOR DETERMINING  
REQUESTS FOR ADDITIONAL ADEQUATE ASSURANCE**

Upon the motion dated January 21, 2009 (the “**Motion**”)<sup>2</sup> of Star Tribune Holdings Corporation (“**Star Tribune Holdings**”) and The Star Tribune Company (“**Star Tribune**” and, together with Star Tribune Holdings, the “**Debtors**”), for an order prohibiting utilities from altering, refusing, or discontinuing service, deeming utilities adequately assured of future performance and establishing procedures for determining requests for additional adequate assurance, as more fully described in the Motion; and upon consideration of the Affidavit of David W. Montgomery filed in support of the Debtors’ first-day pleadings; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § 1334 and the Standing Order of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern

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<sup>1</sup> The Debtors are Star Tribune Holdings Corporation and The Star Tribune Company.

<sup>2</sup> Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to such term in the Motion.

District of New York dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the requested relief being a core proceeding the Bankruptcy Court can determine pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided pursuant to the Case Management Order and it appearing that no other or further notice need be provided; and the relief requested in the Motion being essential to the continued operation of the Debtors' business and in the best interests of the Debtors and their estates and creditors; and the Court having reviewed the Motion [and having held a hearing with appearances of parties in interest noted in the transcript thereof (the "**Hearing**")]; and the Court having determined that the legal and factual bases set forth in the Motion [and at the Hearing] establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor, and it is further

ORDERED that the Debtors are authorized to pay on a timely basis, in accordance with their pre-petition practices, all undisputed invoices for utility services (collectively, the "**Utility Services**") rendered by utilities (as that term is used in section 366 of the Bankruptcy Code, the "**Utilities**") to the Debtors after the Petition Date; and it is further

ORDERED that the Debtors shall provide a deposit in an amount equal to two weeks of Utility Service (the "**Adequate Assurance Deposit**"), calculated as a historical average over the past 12 months, to each Utility that requests such a deposit in writing as set forth below, *provided* that such requesting Utility does not already hold a deposit

equal to or greater than two weeks of Utility Service, and *provided further* that such Utility is not currently paid in advance for its services; and it is further

ORDERED that the Utilities, whether under direct relationship with the Debtors or through the Debtors' landlords or service agencies, including but not limited to the Utilities identified on Exhibit B to the Motion, as may be supplemented by the Debtors from time to time by the filing of a notice with the Court (a "**Supplemental Notice**" and, together with Exhibit B to the Motion, as may be so supplemented from time to time, the "**Utilities List**"), are prohibited from discontinuing, altering, or refusing service to, or discriminating against, the Debtors, or requiring additional adequate assurance of payment other than the Adequate Assurance Deposit (and, in conjunction with the Debtors' ability to pay for Utility Services in the ordinary course of business, the "**Proposed Adequate Assurance**"), except in compliance with the following procedures (the "**Adequate Assurance Procedures**"):

(a) Any Utility requesting payment of an Adequate Assurance Deposit must send to (i) the Debtor, The Star Tribune Company, 425 Portland Avenue, Minneapolis, MN 55488, Attn: Chuck Brown and (ii) the attorneys for the Debtors, Davis Polk & Wardwell, 450 Lexington Avenue, New York, New York, 10017, Attn: Lynn I. Poss (the "**Request Parties**") a written request (a "**Deposit Request**") that names the Utility and includes payment instructions for the Adequate Assurance Deposit.

(b) Upon the receipt of a Deposit Request, the Debtors shall provide the requesting Utility with the corresponding Adequate Assurance Deposit, *provided, however*, that such requesting Utility does not already hold a deposit

equal to or greater than two weeks of Utility Services, and *provided further* that such Utility is not currently paid in advance for its Utility Services. Any Utility that submits a Deposit Request and already holds a deposit of less than two weeks of Utility Service shall receive an amount equal to the difference between the deposit held by such Utility and the Adequate Assurance Deposit. Any Utility that is currently paid in advance for its Utility Services shall continue to be paid in the ordinary course of business.

(c) Any Utility desiring additional adequate assurance in the form of a deposit, prepayment or mechanic otherwise different from the Proposed Adequate Assurance must file with the Court and serve on the Request Parties a request (an “**Additional Assurance Request**”), which must be in writing and set forth (i) the amount and form of additional assurance payment requested, (ii) the location for which the Utility Services are provided and the relevant account numbers, (iii) the Debtors’ payment history for the most recent 12 months, (iv) a list of any deposits, prepayments or other security currently held by the Utility on account of the Debtors, (v) a description of any prior material payment delinquency or irregularity and (vi) an explanation of why the Utility believes the Proposed Adequate Assurance is not sufficient adequate assurance of payment. Any request for additional adequate assurance filed before entry of this Order shall be deemed to be an Additional Assurance Request.

(d) The Debtors may, in their discretion, resolve and settle any Additional Assurance Request by mutual agreement with the Utility and without further order of the Court. The Debtors shall not be required to provide a Utility

that files an Additional Assurance Request with an Adequate Assurance Deposit until such Additional Assurance Request is resolved. If the Debtors determine that the Additional Assurance Request is not reasonable and are not able to reach a consensual resolution with the Utility, the Debtors will file a motion (which may address the Additional Assurance Requests of multiple Utilities) and request a hearing before this Court to determine the adequacy of assurance of payment with respect to a particular Utility (the “**Determination Hearing**”) pursuant to section 366(c)(3) of the Bankruptcy Code, *provided* that notwithstanding any other provision of this Order, any Utility may seek an expedited Determination Hearing pursuant to Local Rule 9077-1 and paragraph 18(d) of the Case Management Order.

(e) Pending resolution of a Utility’s Additional Assurance Request by the Court, such Utility shall be prohibited from discontinuing, altering, or refusing service to the Debtors.

(f) Any Utility that does not submit a Deposit Request or does not file an Additional Assurance Request shall be deemed to have been provided with adequate assurance of payment as required by section 366 of the Bankruptcy Code and shall be prohibited from discontinuing, altering or refusing to provide Utility Services, including on account of unpaid charges for pre-petition Utility Services; and it is further

ORDERED that each Utility shall be deemed to have adequate assurance of payment unless and until (a) the Debtors, in their sole discretion, agree to a Deposit Request or Additional Assurance Request or agree to alternative adequate assurance of

payment with the Utility or (b) this Court enters an order requiring that additional adequate assurance of payment be provided; and it is further

ORDERED that nothing herein constitutes a finding that any entity is or is not a Utility hereunder or under section 366 of the Bankruptcy Code, whether or not such entity is included in the Utilities List; and it is further

ORDERED that the Debtors shall (a) serve a copy of this Order and the Motion upon each of the Utilities identified on Exhibit B to the Motion by e-mail or fax or (where the Debtors do not have the e-mail address or fax number for a Utility, by first-class mail) and (b) post the Order on the independent website (the “**Website**”) created and maintained by the Debtors; and it is further

ORDERED that the Debtors shall (a) serve the Order and any Supplemental Notice by e-mail or fax or (where the Debtors do not have the e-mail address or fax number for a Utility) by first-class mail on all Utilities listed in such Supplemental Notice and (b) post the Supplemental Notice on the Website; and it is further

ORDERED that the Debtors are authorized and empowered to take all actions necessary to implement the relief granted in this Order; and it is further

ORDERED that this Court retains jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order; and it is further

ORDERED that nothing in this Order or the Motion shall be deemed to constitute the post-petition assumption or adoption of any agreement pursuant to section 365 of the Bankruptcy Code; and it is further

ORDERED that any period of time prescribed or allowed by this Order shall be computed in accordance with Bankruptcy Rule 9006.

New York, New York  
Dated: \_\_\_\_\_, 2009

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THE HONORABLE ROBERT D. DRAIN  
UNITED STATES BANKRUPTCY JUDGE

## **EXHIBIT B**

Utility/Provider	Address	Postal Code	Fax Number	Account Number/ Invoice Number	Type of Utility Service	14-Day Average
A+ Conferencing	<u>Payment Address:</u> PO Box 631089 Houston TX	77263-1089	713-780-5931	APC0008491	A+ Conferencing	\$30.36
Ace Solid Waste Inc	<u>Payment Address:</u> 6601 McKinley ST Ramsey MN	55303	763-427-1691	095946	Ace Solid Waste Inc	\$49.40
Alliant Energy	<u>Payment Address:</u> PO Box 3066 Cedar Rapids IA	52406-3066		20-02-104-0340-02 Albert Lea 20-44-206-0940-05 Owatonna	Alliant Energy	\$103.42
Allied Waste Services	<u>Payment address for all</u> PO Box 9001154 Louisville KY  <u>Physical addresses</u> 700 40 <sup>th</sup> Ave NE Sauk Rapids MN 56379  9813 Flying Cloud Dr Eden Prairie MN 55347	40290-1154		3-0891-0093518 Princeton 3-0894-1119486 909 1 <sup>st</sup> st N 3-0894-1122043 801 2 <sup>nd</sup> Ave N 3-0894-1342278 425 Portland	Allied Waste Services	\$1,918.08
Alliedtelecom	<u>Payment Address:</u> PO Box 758792 Baltimore MD	21275-8792	202-541-9050	37958 INVC	Alliedtelecom	\$100.00
American Messaging	<u>Physical location</u> PO Box 293450 Lewisville TX  <u>Payment address</u> PO Box 5749 Carol Stream IL 60197-5749	75029		D2029940IL	American Messaging	\$72.22

Utility/Provider	Address	Postal Code	Fax Number	Account Number/ Invoice Number	Type of Utility Service	14-Day Average
Ascent Media	<u>Physical address</u> 90 So 11 <sup>th</sup> St Minneapolis MN  <u>Payment address</u> Department 2146 Los Angeles CA 90084-2146	55403	1233857	1233857	Ascent Media	\$430.68
Bridge Water Telephone Company	<u>Payment Address:</u> NW 8702 PO Box 1450 Minneapolis MN	557485-8702		0665STAR-S -08348	Bridge Water Telephone Company	\$465.33
CenterPoint Energy Services  (Heritage Location Only)	<u>Physical Address:</u> 800 North 1st St.  <u>Payment Address:</u> JPMorgan Chase Bank Houston, TX  CenterPoint Energy Services 800 LaSalle Ave. Minneapolis, MN	55402-2006	612 321-5081	709373401	CenterPoint Energy Services  (Heritage Location Only)	\$381.09
CenterPoint Energy  (Portland and Fleet Garage Location's Only)	<u>Physical Address:</u> PO Box 1144 Minneapolis, MN  <u>Payment Address:</u> PO Box 4671 Houston, TX 77210-4671	55440-1144	612 321-5081	800 No. 1st 53721; 909 No. 2nd 5444511; 427 Portland 5312120; 700 So. 4th 5307335-9; 716 So. 4th 5423368; Owatonna 6044609; Mankato 6099303; Alexandria 6364372; Fridley 7240192-0; Princeton 6255990; Chanhassen 5210890; Shakopee 5300417; Bloomington 5461122; New Hope 5484723; St Louis Park 5724367; St Louis Park 5724374; Burnsville 5759000; Brooklyn Park 5621610	CenterPoint Energy  (Portland and Fleet Garage Location's Only)	\$6,688.29

Utility/Provider	Address	Postal Code	Fax Number	Account Number/ Invoice Number	Type of Utility Service	14-Day Average
City Dray Inc	<u>Payment Address:</u> 16407US Hwy 71 Wadena MN	56482		0182	City Dray Inc	\$18.72
City Of Mankato	<u>Payment Address:</u> PO Box 3368 Mankato MN	56002-3368	507-388-7530	03-2446	City Of Mankato	\$9.11
City of Minneapolis - Water / Sewer	<u>Physical Address:</u> City of Minneapolis – Utility Billing 250 S. 4th St. Minneapolis, MN  <u>Payment Address:</u> PO Box 77028 Minneapolis, MN 55480-7728	55415-1328  55480-7728	612 673-2684	501 So. 4th 801- 5099.300; 521 So. 4th 801- 5098.300; 425 Portland 426- 0780.300; 627 So. 3rd St. 801- 5086.300; 628 So. 4th St. 801- 5087.300; 301 Portland 801- 5088.300; 329 Portland 133- 1538.300; 323 Park Ave. 133- 1162.300; 716 So. 4th St. 63- 0377.300; 700-710 4th St. 63- 1549.300; 800 No. 1st 607- 0040.300; 909 No. 2nd 53- 1016.300; 607-0040.300 800 1 <sup>st</sup> St N 63-1549.300; 700-710 4 <sup>th</sup> St S 63- 0377.300; 716 4 <sup>th</sup> St S 133- 1538.300; 329 Portland 133- 1162.300; 323 Park Ave 53- 1016.300; 909 2 <sup>nd</sup> St N 426-	City of Minneapolis - Water / Sewer	\$7,072.70

Utility/Provider	Address	Postal Code	Fax Number	Account Number/ Invoice Number	Type of Utility Service	14-Day Average
				0780.0300; 425 Portland 801- 5099.300; 5014 <sup>th</sup> St S 801- 5088.300; 301 Portland 801- 5087.300; 628 4 <sup>th</sup> St S 801- 5086.300; 627 3 <sup>rd</sup> St S 801-5098- 300 521 4 <sup>th</sup> St S		
City Of St Louis Park	<u>Payment Address:</u> PO Box 16801 St Louis Park MN	55416-0001		0071282008	City Of St Louis Park	\$65.83
City Of Wadena	<u>Payment Address:</u> Box 30 Wadena MN	56482		105-0473.00	City Of Wadena	\$37.71
Comcast	<u>Payment Address:</u> PO box 3002 Southeastern PA  PO Box 3001 Southeastern PA	19398-3002  19398-3001		8772 10 590 0000700 8772 10 600 1625536 2118 10 600 1645351	Comcast	\$147.24
Connexus Energy	<u>Physical address</u> 14601 Ramsey Blvd Ramsey MN  <u>Payment address</u> PO Box 1808 Minneapolis MN	56303  55480-1808		454804-270250 31503 125 ½ ST NW 454804-176536 9956 HWY 10	Connexus Energy	\$415.26
East Central Sanitation	<u>Payment Address:</u> PO Box 671 Cambridge MN	55008		120705	East Central Sanitation	\$41.08

Utility/Provider	Address	Postal Code	Fax Number	Account Number/ Invoice Number	Type of Utility Service	14-Day Average
Embarq	<u>Payment Address:</u> PO Box 660068 Dallas TX PO Box 218489 Kansas City MO	75266-0068  64121-9489		320-763-7765-764  416 R14-8444 999	Embarq	\$565.36
Frontier Communications	<u>Physical address</u> 14450 Burnhaven Drive Burnsville MN  <u>Payment address</u> PO Box 1108 Burnsville MN	55337  55337-0108		SP 02 000096 66505 E 1 ASNGLP SP 02 000321 59653 E 2 ASBGLP	Frontier Communications	\$264.28
Gardonville Cooperative	<u>Payment Address:</u> 800 Central Ave N Brandon MN	56315		BRA 0000724	Gardonville Cooperative	\$13.02
Global Crossing Telecommunications	<u>Payment Address:</u> PO Box 790407 St Louis MO	63179-0407		8685598	Global Crossing Telecommunications	\$13.74
Hickory Tech	<u>Payment Address:</u> PO Box 3188 Milwaukee WI	53201-3188		155231	Hickory Tech	\$69.45
Lakers New Prague Sanitary	<u>Payment Address:</u> 3275 East 26 <sup>th</sup> ST Webster MN	55088		182959	Lakers New Prague Sanitary	\$41.53
New Prague Utilities Commission	<u>Payment Address:</u> 118 Central Ave N New Prague MN	56071		2-386-2213	New Prague Utilities Commission	\$67.52

Utility/Provider	Address	Postal Code	Fax Number	Account Number/ Invoice Number	Type of Utility Service	14-Day Average
Nrg Energy Center Minneapolis	<u>Physical Address:</u> 2600 IDS Center 80 South 8th St. Minneapolis, MN  <u>Payment Address:</u> PO Box 3161 Carol Stream, IL 60132-3161	60132-3161	612 349-6067	(numbers not used)  800 No 1st. St. - Heritage Building  425 Portland - Minneapolis Star and Tribune	Nrg Energy Center Minneapolis	\$81,592.00
Owatonna Public Utilities	<u>Payment Address:</u> 208 S Walnut PO Box 800 Owatonna MN	55060		99609-00/6-13-113/319/A	Owatonna Public Utilities	\$12.10
PDS Communications	<u>Payment Address:</u> 1879 Burkle Road White Bear Lake MN	55110	651-203-0306	STRIBBLAINE	PDS Communications	\$214.65
Qwest	Various- SEE LIST			See list	Qwest	\$23,420.52
R & R Properties	<u>Payment Address:</u> PO Box 277 Dundas MN	55019			R & R Properties	\$127.56
RIC Property Management Inc	<u>Payment Address:</u> 355 S Garfield Cambridge MN	55008		Cambridge lease	RIC Property Management Inc	\$59.59
Shakopee Public Utilities	<u>Payment Address:</u> PO Box 470 255 Sarazin St Shakopee MN	55379-0470	952-445-7767	5681-002 711 Canterbury 5681-003 721 Centerbury	Shakopee Public Utilities	\$156.15
Smh Properties Llc	<u>Payment Address:</u> PO Box 765 Lakeland MN	55043		98 St Croix Tr N	Smh Properties Llc	\$145.26

Utility/Provider	Address	Postal Code	Fax Number	Account Number/ Invoice Number	Type of Utility Service	14-Day Average
Sprint	<u>Payment Address:</u> PO Box 4181 Carol Stream IL  <u>Correspondence Address:</u> PO Box 8077 London KY 40742	60197-4181		478483026 989549233	Sprint	\$763.63
T W Properties	<u>Payment Address:</u> 9011 North Shore Dr Spicer MN	56288		Willmar lease	T W Properties	\$167.30
TDS Metrocom – MN	<u>Payment Address:</u> PO Box 94510 Palatine IL	60094-4510		320 252 2400	TDS Metrocom – MN	\$47.61
Terry’s Disposal	<u>Payment Address:</u> PO Box 56 Harris MN	55032		168	Terry’s Disposal	\$64.02
UCN	<u>Payment Address:</u> PO Box 410468 Salt Lake City UT 7730 Union Park Av Sutie 500 Midvale UT	84141  84047-5572		4579676	UCN	\$2,151.29
Verizon Wireless	<u>Payment Address:</u> 1305 Solutions Center Chicago IL	60677		VE1MCCLA	Verizon Wireless	\$14,432.49
VISI	<u>Payment Address:</u> 10290 w 70 <sup>th</sup> St Eden Prairie MN	55344		60224	VISI	\$7.76
Waste Management	<u>Payment Address:</u> PO Box 438 Attn Star Tribune Billing Savage MN	55378		1629456-0491-4 Multi-depots	Waste Management	\$979.41
West Central Sanitation	<u>Payment Address:</u> PO Box 796 Willmar MN	56201		3521900 1655700	West Central Sanitation	\$33.76

Utility/Provider	Address	Postal Code	Fax Number	Account Number/ Invoice Number	Type of Utility Service	14-Day Average
Xcel Energy	<u>Payment Address:</u> P.O. Box 9477 Minneapolis, MN	55484-9477	800 311-0050	425 Portland 51-4831367-7; 329 Portland 51-6309644-8; 700 So. 4th 51-6133414-7; 700 So. 4th 51-6743897-3; 700 So. 4th 51-5004361-9; 800 No. 1st 51-5280673-0; 909 No. 2nd 51-4447411-7; 310 Chicago 51-6265298-4; 500 So. 4th 51-6219271-6; 510 So. 4th 51-5378263-1 Various depots 51-6066542-9 Chris Harte 51-8512691-8 Mankato 51-5498659-3	Xcel Energy	\$71,117.24