

**EXHIBIT C**

1 UNITED STATES BANKRUPTCY COURT  
2 SOUTHERN DISTRICT OF NEW YORK

3  
4 IN RE: . Case No. 02-41729  
5 ADELPHIA COMMUNICATIONS, . New York, New York  
6 Debtors. . Thursday, October 27, 2005  
7 . . . . . 9:48 a.m.

8 VOLUME I, Part 1 (Pages 1-200)  
9 TRANSCRIPT OF MOTION FOR APPROVAL OF DISCLOSURE STATEMENT  
10 BEFORE THE HONORABLE ROBERT E. GERBER  
11 UNITED STATES BANKRUPTCY JUDGE

12 APPEARANCES: (On the Record)

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1 assets.

2 THE COURT: Right.

3 MR. SPIOTTO: And, therefore, there had to be a --

4 THE COURT: You're saying the allocation is suspect?

5 MR. SPIOTTO: I'm saying they -- it would be helpful  
6 to an investor to know what they believe the value was on  
7 liquidation or going concern value and what they're getting  
8 from the sale proceeds. And I believe it's traditional in most  
9 disclosure statements to provide that.

10 THE COURT: Mr. Massel, I need you to rise again  
11 because I thought that was the whole purpose of what the estate  
12 was doing as part of its allocation process.

13 MR. MASSEL: Your Honor, I think if the point is -- we  
14 are doing the valuation in the plan and in the chart that I'm  
15 describing, and the liquidation analysis that will allocate the  
16 value of this sale transaction to the relevant debtor groups so  
17 that the creditors will know under the Time Warner/Comcast  
18 transaction what it is that they are getting.

19 I'm not sure I understand what other information would  
20 be relevant to this point. A theoretical value with DCF, a  
21 multiples analysis or something else I don't think bears any  
22 relevance whatsoever. It's the sale transaction that we are  
23 putting in the disclosure statement and will break up on a  
24 debtor group basis.

25 THE COURT: All right. I agree. What the debtor is

1 proposing is the way to skin the cat.

2 Next point?

3 MR. SPIOTTO: Your Honor, the issue of the groupings.  
4 This is a partnership issuer of notes and they had previously  
5 in the plan they filed, the third amended, had the general  
6 partner who had been acquired by Frontier -- by ACC, Adelphia  
7 Communication Corp., having it in ACC Ops. They then in  
8 response said, well, they're going to put the debtor -- put the  
9 general partner back or parts of the general partner back.  
10 There is no explanation of why. And it's sort of contrary both  
11 to the acquisition agreement, no explanation to that, it's  
12 contrary to what was represented to people, and it frustrates  
13 the whole nature of the partnership and partnership liability  
14 ultimately to the general partner.

15 And we're asking for an explanation of the groupings  
16 because a change occurred, you know, post-filing of this most  
17 recent claim. We haven't seen how they're going to do that.

18 The other point, Your Honor, is previously people had  
19 not been impaired. Now they're impaired. And I think there's  
20 a need for an explanation why two previous plans and statements  
21 had been where they were after even the sale of the assets not  
22 being impaired and now there is an impairment.

23 THE COURT: To what extent, Mr. Spiotto, are you aware  
24 of case law that requires debtors to explain why their plans  
25 are amended over time?

1 MR. SPIOTTO: I think, Your Honor, it goes to the  
2 point of what a reasonable investor would want to know why  
3 their's was a change in position and why they are changing what  
4 they previously said was groupings of creditors into a  
5 different grouping.

6 THE COURT: Okay. But can you answer my question?

7 MR. SPIOTTO: I think it goes to the notion of  
8 reasonable information to an investor.

9 THE COURT: No. But I was talking about case law,  
10 some other judge having agreed with the contention you're  
11 making.

12 MR. SPIOTTO: I believe whether it's Metro Craft -- I  
13 mean, there's a number of cases which outline the elements you  
14 need to have and I think an explanation if you're grouping  
15 debtors as to why you group them. They have an explanation of  
16 both substantive consolidation, but they don't go in and  
17 explain why they've made this change.

18 THE COURT: All right. Mr. Massel, you want to  
19 respond?

20 MR. MASSEL: A couple points, Your Honor. First of  
21 all, to answer your question, we're not aware of any case law  
22 that requires us to explain why one change -- why there is a  
23 change from one filed plan to another. This plan that we have  
24 filed is the plan that we're prosecuting and this disclosure  
25 statement is intended to address.

1           Second point, Your Honor, is that the contention --  
2 issues related to the consolidation structure are we think  
3 clearly a confirmation issue. The disclosure statement makes  
4 clear the debtor group structure that the debtors are  
5 advocating. The exhibits to the plan make clear which debtors  
6 are in which debtor group.

7           The disclosure statement as was filed provided a  
8 justification for that consolidation structure. And, Your  
9 Honor, we have supplemented that. It's I believe Exhibit A to  
10 the Appendix that we filed that provides further information  
11 and rationale, both legal and factual, for why the debtors are  
12 advocating this particular substantive consolidation approach.

13           Since this is a confirmation issue and we believe that  
14 there is more than adequate information describing what the  
15 structure is and why we're advocating the structure, I don't  
16 know that further changes are required, Your Honor.

17           THE COURT: All right. I'm overruling your objection,  
18 Mr. Spiotto. I'm not going to give the reasons all day quite  
19 as long as I've been doing in these earlier ones or we're going  
20 to be here forever.

21           But the principal ones being that the information on  
22 the partial substantive consolidation rationale having been  
23 fulsomely discussed, especially in the proposed second exhibit,  
24 or maybe it's the first.

25           Second, that there is no duty to articulate the

1 reasons for changes in plans which plainly are the result of  
2 the continuing evolutionary process that makes the amended plan  
3 the amalgam of a multitude of reasons.

4 And the third being that to the extent this is in the  
5 objection order at all, it's a confirmation objection.

6 Mr. Phelan?

7 MR. PHELAN: I think this is one of the pop-up moments  
8 you mentioned earlier. We do not have any position one way or  
9 the other on the change issue raised by Mr. Spiotto.

10 But with respect to the consolidation, one of our  
11 objections, hopefully to be addressed later on, deals with  
12 certain elements of substantive consolidation, some of the  
13 debtors within the groups, and the information that has been  
14 provided with respect to individual debtors within the  
15 individual debtor groups. And I just didn't want to waive that  
16 at this point in time.

17 THE COURT: All right. Well, you can argue that --

18 MR. PHELAN: It is a much more narrow --

19 THE COURT: -- if you don't resolve it with the  
20 debtors. But I do have to tell you that, subject to your right  
21 to be heard, I've telegraphed the way I look at these issues.

22 MR. PHELAN: I understand that, Your Honor. It's a  
23 very narrow issue and we'll take that into consideration in  
24 determining whether we need to further argue it.

25 THE COURT: Okay.