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50-275/323

5 Counsel for Official Committee
of Unsecured Creditors
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9 **UNITED STATES BANKRUPTCY COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**
11 **SAN FRANCISCO DIVISION**

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14 In re
15 PACIFIC GAS AND ELECTRIC
16 COMPANY, a California
corporation,
17 Debtor.

Case No. SF 01-30923 DM

Chapter 11

**MILBANK, TWEED, HADLEY &
McCLOY LLP'S COVER SHEET
APPLICATION FOR ALLOWANCE
AND PAYMENT OF INTERIM
COMPENSATION AND
REIMBURSEMENT OF EXPENSES
FOR MAY 2001**

Hearing:

Date: [None Required]

Time: [None Required]

Place: 235 Pine Street, 22nd Floor
San Francisco, CA

Appl Add: Rds Oge Mail Center

1 Milbank, Tweed, Hadley & McCloy, LLP (the "Firm") submits its Cover
2 Sheet Application (the "Application") for Allowance and Payment of Interim
3 Compensation and Reimbursement of Expenses for May 2001 (the "Application
4 Period"). In support of the Application, the Firm respectfully represents as follows:

5 1. The Firm is counsel to the Official Committee of Unsecured Creditors in
6 the Pacific Gas and Electric Company ("Debtor") bankruptcy case. The Firm hereby
7 applies to the Court for allowance and payment of interim compensation for services
8 rendered and reimbursement of expenses incurred during the Application Period.

9 2. The Firm billed a total of \$815,421.61 in fees and expenses during the
10 Application Period. The total fees represent 1827.25 hours expended during the
11 Application Period. These fees and expenses break down as follows:

12 Period	Fees	Expenses	Total
13 May 1, 2001 --	\$765,822.25	\$49,599.36	\$815,421.61
14 May 30, 2001			
15			
16			

17 3. Accordingly, the Firm seeks allowance of interim compensation in the
18 total amount of \$738,839.38 at this time. This total is comprised as follows:
19 \$689,240.02 (90% of the fees for services rendered)¹ plus \$49,599.36 (100% of the
20 expenses incurred).

21 4. For the post-petition period, the Firm has not been paid \$855,280.26 to
22 date for fees and expenses.

23 5. To date (through 5/30/01) the Firm is owed as follows (including
24 amounts owed pursuant to this Application):
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27 _____
28 ¹Payment of this amount would result in a "holdback" of \$76,582.23.

Application Period	Amount	Description
Second (May 1 – May 30)	\$738,839.38	May 2001 fees and costs, less 10% holdback..
Total Owed to Firm to Date	\$738,839.38	

6. With regard to the copies of this Application served on counsel for the Debtor and the Office of the United States Trustee, attached as Exhibit 1 hereto is the name of each professional who performed services in connection with this case during the period covered by this Application and the hourly rate for each such professional; and (b) attached as Exhibit 2 are the detailed time and expense statements for the Application Period that comply with all Northern District of California Bankruptcy Local Rules and Compensation Guidelines and the Guidelines of the Office of the United States Trustee.

7. The Firm has served a copy of this Application (without Exhibits) on the Special Notice List in this case.

8. Pursuant to this Court's 'ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE' which was entered on or about July 26, 2001, the Debtor is authorized to make the payment requested herein without a further hearing or order of this Court unless an objection to this Application is filed with the Court by the Debtor or the United States Trustee and served by the fifteenth day of the month following the service of this Application. If such an objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the objection. The Firm is informed and believes that this Cover Sheet Application was mailed by first class mail, postage prepaid, on or about August 31, 2001.

9. The interim compensation and reimbursement of expenses sought in this Application is on account and is not final. Upon the conclusion of this case, the Firm will seek fees and reimbursement of the expenses incurred for the totality of the services rendered in the case. Any interim fees or reimbursement of expenses approved by this Court and received by the Firm will be credited against such final fees and expenses as

1 may be allowed by this Court.

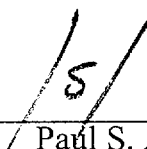
2 10. The Firm represents and warrants that its billing practices comply with
3 all Northern District of California Bankruptcy Local Rules and Compensation Guidelines
4 and the Guidelines of the Office of the United States Trustee. Neither the Firm nor any
5 members of the Firm has any agreement or understanding of any kind or nature to divide,
6 pay over or share any portion of the fees or expenses to be awarded to the Firm with any
7 other person or attorney except as among the members and associates of the Firm.

8 WHEREFORE, the Firm respectfully requests that the Debtor pay
9 compensation to the Firm as requested herein pursuant to and in accordance with the
10 terms of the "ORDER ESTABLISHING INTERIM FEE APPLICATION AND
11 EXPENSE REIMBURSEMENT PROCEDURE."

12 DATED: August 31, 2001

13 MILBANK, TWEED, HADLEY & McCLOY
14 LLP

15 By: _____

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17 Paul S. Aronzon
18 Robert Jay Moore
19 Michael I. Soroichinsky

20 Attorneys for the Official Committee of
21 Unsecured Creditors
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EXHIBIT "1"

Hourly Billing Rates of Milbank Attorneys and Legal Assistants

Partners

Paul Aronzon	\$595
Edwin Feo	\$595
Robert Moore	\$595
Michael Diamond	\$595
Dale Ponikvar	\$595
Simon Friedman	\$575
Allan Marks	\$450

Of Counsel

Kenneth Ostrow	\$490
Steven Kramer	\$470
Orlan Johnson	\$420

Associates

Fred Neufeld	\$435
Thomas Kreller	\$420
Michael Sorochinsky	\$420
Uttam Dhillon	\$420
Michael Dayen	\$420
Kevin McSpadden	\$415
Scott Gautier	\$385
Sharon Jackson	\$385
Chandra Gooding	\$385
Carla Urquhart	\$385
Ines Cho	\$350
Gabriel Coy	\$350
Wayne Song	\$350
James Liles	\$330
Richard Mathurin	\$325
Charles Paschall	\$295
Julie Kaplan	\$295
Daniel Michalchuk	\$295
Laura Oliveira	\$240
James Schwarz	\$185

Summer Associates

Jeff Kahane	\$160
Noot Kittiakson	\$160
Haig Maghakian	\$160
Marisa Martinez	\$160
Derrick Talerico	\$160
John Eichmann	\$160
Sonya Hymer	\$160
Francisco Ochoa	\$160
Aaron Renenger	\$160
Laurae Rossi	\$160
David Sikes	\$160
Richard Arnholt	\$160

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Talis Seja \$160

Legal Assistants

Patricia Naegely \$155
Lee Noller \$135
Kyle Olson \$125

Miscellaneous

PG&E Case Clerk \$100