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Robert Jay Moore (#77498)
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Counsel for Official Committee
of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re

PACIFIC GAS AND ELECTRIC
COMPANY, a California corporation,

Debtor.

Case No. SF 01-30923 DM

Chapter 11

**DECLARATION OF ROBERT JAY
MOORE RE FIRST INTERIM
APPLICATION OF MILBANK, TWEED,
HADLEY & McCLOY LLP FOR
ALLOWANCE AND PAYMENT OF
COMPENSATION AND
REIMBURSEMENT OF EXPENSES
(APRIL 16, 2001 THROUGH JULY 31,
2001), AND SUPPLEMENTAL
DISCLOSURES**

Hearing:

Date: October 11, 2001
Time: 10:00 a.m.
Place: 235 Pine Street, 22nd Floor
San Francisco, CA

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1 I, Robert Jay Moore, declare:

2 1. I am over eighteen years of age and, if called upon, I could and would
3 testify competently to the matters set forth herein. I am a partner in the law firm of Milbank,
4 Tweed, Hadley & McCloy LLP ("Milbank"), counsel for the Official Committee of Unsecured
5 Creditors ("Committee") in the Pacific Gas and Electric Company ("PG&E" or "Debtor")
6 chapter 11 case (the "Case"), and I am one of the attorneys responsible for Milbank's
7 representation of the Committee in the Case. In preparing this Declaration, I have relied on my
8 personal knowledge and on my review of the billing records and files maintained by Milbank in
9 the ordinary course of its business and represented to have been made by Milbank attorneys, law
10 clerks, legal assistants, case clerks, and staff substantially contemporaneously with each
11 individual's performance of services or incurrence of costs on behalf of the Committee.

12
13 2. This Declaration is submitted in support of the "First Interim Application
14 of Milbank, Tweed, Hadley & McCloy LLP For Allowance and Payment of Compensation And
15 Reimbursement of Expenses (April 16, 2001 Through July 31, 2001)" (the "First Interim
16 Application"). Capitalized terms not otherwise defined herein shall have the meanings ascribed
17 to them in the First Interim Application. This First Interim Application covers the period from
18 April 16, 2001 through and including July 31, 2001 (the "First Application Period"). I have read
19 the First Interim Application and reviewed the exhibits thereto, and to the best of my knowledge
20 each of the facts contained therein is true and correct.

21 3. Milbank was selected as counsel to the Committee not only because of its
22 expertise and experience in connection with complex bankruptcies and financial reorganizations,
23 particularly those involving significant regulatory and public financing aspects, but also by
24 reason of its expertise and depth of resources in the utility, power and energy, project finance,
25 banking and institutional investment, capital markets, securitization, taxation and litigation
26 practice areas. Because of the breadth and depth of Milbank's experience, the Committee has
27 been able to look to Milbank to provide it with advice, counseling and representation in the wide
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1 range of areas of expertise that have been required. As the Committee's sole law firm, Milbank
2 has been able, and required, to interact with the numerous law firms employed by PG&E and its
3 parent in connection with this engagement. Milbank's capacity has had the benefit of providing
4 great efficiency and savings to its client, the Committee, and to the estate generally.

5 4. The Committee is composed of eleven (11) individual members. In order
6 to more efficiently fulfill its fiduciary duties and facilitate its functions, the Committee
7 established the following working groups: the Litigation Subcommittee; the Finance
8 Subcommittee; the Legislative and Regulatory Subcommittee; and the Plan Working Group.
9 Milbank attempts to provide counsel to each of the Subcommittees and the Plan Working Group
10 through attorneys with expertise and knowledge most pertinent to each working group's areas of
11 designated responsibility and the reports and action items that are agendaized for their meetings.
12 The Subcommittees and Plan Working Group typically report on their activities to the full
13 Committee at periodic meetings held by telephone conference call or in person in San Francisco,
14 frequently in conjunction with direct in-person meetings with PG&E's senior management.
15 Milbank believes that through its internal division of responsibility and the Subcommittee
16 structure, the Committee, and the estate, has received the benefit of efficient and effective
17 delivery of legal services.

18 5. Given the broad range of responsibilities and intense time pressures
19 imposed on Milbank at the outset of the Case, Milbank determined to staff the matter in a
20 manner that would maximize its efficiency. For this reason, financial restructuring partner Paul
21 Aronzon assumed primary responsibility for intra-Committee communications and coordination
22 of the Plan formulation process with the Committee's financial advisors and PG&E and its
23 advisors. I, also a financial restructuring partner, focused on the Bankruptcy Court pleading and
24 appearance process and spearheaded the interface with PG&E and its counsel regarding the
25 settlement dialogue process with respect to contested matters. Energy regulatory partner Ed Feo
26 has focused on analysis of FERC and CPUC proceedings and the California legislative process
27 as they relate to PG&E's operations, strategies and plan formulation. Energy finance partner
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1 Allan Marks has focused on analysis of PG&E's financing structures, the prospective CDWR
2 bond financing and PG&E's exit financing. Litigation partner Michael Diamond assumed
3 primary responsibility for Milbank's participation in adversary proceedings and non-bankruptcy
4 court litigation matters. Within this framework, Milbank attempts to minimize its charges by,
5 among other things: (a) attending Bankruptcy Court hearings by telephone conference call, when
6 appropriate; (b) monitoring proceedings before the FERC, the CPCU, the California Legislature,
7 the United States Congress, and other tribunals or other agencies via the Internet, when possible
8 and appropriate; and (c) generally having only those attorneys primarily responsible for
9 particular matters attend hearings or other proceedings. Because the Committee has been able to
10 rely on Milbank's breadth of expertise in lieu of employing multiple law firms with different
11 skill sets, more than one Milbank partner may attend Committee, Subcommittee, Working Group
12 or other meetings where that partner's expertise or knowledge base provides an important
13 underpinning to the negotiation or deliberation process.

14 6. In the ordinary course of its practice, Milbank maintains records of time
15 expended by attorneys, law clerks, legal assistants, and case clerks in rendering services to its
16 clients, including the Committee. Time records are made substantially contemporaneously with
17 the rendition of these professional services and are prepared by the attorneys, law clerks, legal
18 assistants, and case clerks who have rendered the services. In matters such as this representation,
19 time records are kept in six minute (.1 hour) increments. With regard to intra-office conferences,
20 at times no attorney, or a single attorney, may bill for the conference. It is impossible to state
21 with precision how much time has not been recorded by Milbank's professionals as a result of
22 this practice.

23 7. In view of the implications for the citizens of California of the California
24 energy crisis in general and the Case in particular, at the outset of this engagement, and without
25 request or demand by any party, Milbank voluntarily elected to reduce the hourly rates of its
26 most senior attorneys to \$595, a reduction of up to \$80 per hour from the rates normally charged
27 by these attorneys. Additionally, in reviewing its monthly pre-bills before submission to the U.S.
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1 Trustee and PG&E, Milbank voluntarily elected not to bill for certain time recorded by various
2 attorneys, law clerks, paralegals, legal assistants and case clerks relating, among other things, to
3 duplicative attendance at hearings, certain monitoring of regulatory hearings and proceedings,
4 document retrieval and file organization. These rate and billing reductions during the First
5 Interim Period total \$73,123.75. Additionally, in order to comply with the UST Guidelines and
6 the Court Guidelines, Milbank either has not sought or has reduced its request for reimbursement
7 of expenses in the total amount of \$36,169.09. Accordingly, Milbank has reduced the fees and
8 costs it normally would charge during the First Application Period by almost \$110,000.

9 8. The document "Milbank, Tweed, Hadley & McCloy LLP's Time Records
10 Exhibit for the Period April 16, 2001 to July 31, 2001," filed concurrently herewith, attaches true
11 and correct copies of records maintained by Milbank in the ordinary course of Milbank's
12 business operations and reflects entries that were made substantially contemporaneously with the
13 rendering of the services.

14 9. Pursuant to the First Interim Application, Milbank seeks allowance of
15 compensation for 5404.9 hours of recorded professional time devoted to representing the
16 Committee during the First Interim Period in the Case, resulting in the accrual of \$2,219,496.00
17 in fees for professional services rendered. Pursuant to the First Interim Application, Milbank
18 also seeks approval for the reimbursement of \$149,198.57 in costs and expenses incurred during
19 the First Application Period, for a total allowance of fees and costs and expenses of
20 \$2,368,694.57.

21 10. Milbank received no pre-petition retainer in connection with this Case.

22 11. Milbank has submitted monthly fee notices in accordance with the interim
23 fee procedures that were established by the Court. Specifically, on June 30, 2001, Milbank filed
24 and served its "Cover Sheet Application For Allowance and Payment of Interim Compensation
25 and Reimbursement of Expenses for April 2001" (a "Monthly Cover Sheet"), and on
26 July 31, 2001, Monthly Cover Sheets were filed with respect to fees billed and costs and
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1 expenses incurred for the monthly periods of May, June and July, 2001. Milbank has received a
2 payment totaling \$368,819.75 in connection with the Monthly Cover Sheet for April, 2001 fees
3 and expenses, consisting of \$358,727.85 in fees and \$10,091.90 in costs.

4 12. No agreement or understanding of any kind or nature exists between
5 Milbank and any other person or entity for the sharing, division, or payment of any portion of the
6 compensation awarded to Milbank for services rendered or expenses incurred in connection with
7 Milbank's representation of the Committee in this Case, except as among the partners, associates
8 and employees of Milbank.

9 13. I am one of the designated professionals responsible for overseeing the
10 billing in this matter and for assuring compliance with the Guidelines of the Office of the United
11 States Trustee for the Northern District of California relating to billing (the "Guidelines").
12 Based upon my review of the First Interim Application submitted by Milbank for the First
13 Application Period, I believe that the First Interim Application complies with the Court
14 Guidelines and the UST Guidelines.

15 14. Attached hereto as Exhibit "1" is a summary of the total hours expended
16 and fees incurred by each Milbank professional, as well as a categorized summary of expenses
17 incurred, during the First Application Period.

18 15. Attached hereto as Exhibit "2" is a summary of each category of services,
19 setting forth the name of each professional who expended time in that category and the total
20 hours and amount billed by each professional in that category during the First Application
21 Period.

22 16. Attached hereto as Exhibit "3" are true and complete copies of
23 professional biographies for Milbank paralegals and legal assistants who provided services
24 during the First Application Period.

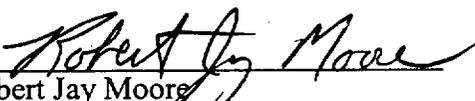
1 17. Attached hereto as Exhibit "4" is a chart showing billing rates for each
2 Milbank professional in effect during the First Application Period.

3 18. Attached hereto as Exhibit "5" is a true and complete copy of
4 correspondence from me to Clara Yang Strand and Kenneth E. Smith, the Committee's Co-
5 Chairs, dated September 14, 2001.

6 19. As a matter of supplemental disclosure, I have learned that since some
7 time prior to the Petition Date, Milbank has been representing certain creditors of entities that are
8 creditors of the Debtor. Specifically: (a) Milbank has been advising an ad hoc group of secured
9 lenders to certain QFs with respect to legislative and regulatory developments in the State of
10 California that could affect the QF industry, which ad hoc committee consists of John Hancock
11 Financial Services, Inc., CIGNA Investment Management, GE Capital Services, and Prudential
12 Capital Group; and (b) with respect to certain specific power producers identified below,
13 Milbank has been counsel to the following secured lenders: (i) Deutsche Bank, in its capacity as
14 agent for the secured lenders to Yuba City Cogeneration Partners; (ii) ABN Amro Bank N.V., in
15 its capacity as agent for the secured lenders to Crockett Cogeneration; and (iii) Bank of America,
16 in its capacity as agent for the secured lenders to West Coast Power, an energy generator.
17

18 I declare under penalty of perjury under the laws of the United States of America
19 that the foregoing is true and correct.

20 Executed this 14th day of September, 2001 at Los Angeles, California.

21
22 
23 Robert Jay Moore

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	449.30	595	267,333.50
Michael H. Diamond	Partner	112.00	595	66,640.00
Edwin F. Feo	Partner	292.05	595	173,769.75
Robert Jay Moore	Partner	669.40	595	398,293.00
Dale L. Ponikvar	Partner	0.80	595	476.00
Simon Friedman	Partner	3.90	575	2,242.50
Allan T. Marks	Partner	472.30	450	212,535.00
		<u>1,999.75</u>		<u>\$1,121,289.75</u>
Kenneth A. Ostrow	Of Counsel	65.70	490	32,193.00
Steven M. Kramer	Of Counsel	292.40	470	137,428.00
Orlan M. Johnson	Of Counsel	3.60	420	1,512.00
		<u>361.70</u>		<u>\$171,133.00</u>
Fred Neufeld	Associate	173.10	435	75,298.50
Michael Dayen	Associate	13.00	420	5,460.00
Uttam Dhillon	Associate	54.20	420	22,764.00
Thomas R. Kreller	Associate	64.50	420	27,090.00
Michael I. Sorochinsky	Associate	552.50	420	232,050.00
Kevin R. Mc Spadden	Associate	263.20	415	109,228.00
Scott F. Gautier	Associate	13.20	385	5,082.00
Chandra L. Gooding	Associate	187.60	385	72,226.00
Sharon E. Jackson	Associate	31.50	385	12,127.50
Carla J. Urquhart	Associate	269.10	385	103,603.50
Ines M. Cho	Associate	77.30	350	27,055.00
Gabriel K. Coy	Associate	72.00	350	25,410.00
Wayne Song	Associate	1.00	350	350.00
Richard A. Mathurin	Associate	44.75	325	14,543.75
Julie A. Kaplan	Associate	33.10	295	9,764.50
Daniel J. Michalchuk	Associate	38.70	295	11,416.50
Charles Thomas Paschall	Associate	22.65	295	6,681.75
		<u>1,912.00</u>		<u>\$760,151.00</u>
Laura Helena P. D. Oliveira	Associate	12.10	240	2,904.00
		<u>12.10</u>		<u>\$2,904.00</u>

Richard W. Arnholt	Summer Associate	5.90	160	944.00
John J. Eichmann	Summer Associate	23.20	160	3,712.00
Sonya Hymer	Summer Associate	46.50	160	7,440.00
Jeff Kahane	Summer Associate	60.20	160	9,632.00
Noot Kittiakson	Summer Associate	50.00	160	8,000.00
Michelle La Plante	Summer Associate	16.70	160	2,672.00
Kristin Lewis	Summer Associate	16.60	160	2,656.00
Haig Maghakian	Summer Associate	47.50	160	7,600.00
Marisa Martinez	Summer Associate	23.10	160	3,696.00
Francisco Ochoa	Summer Associate	22.00	160	3,520.00
Aaron Renenger	Summer Associate	88.00	160	14,080.00
Laurae Rossi	Summer Associate	31.30	160	5,008.00
Talis Seja	Summer Associate	7.00	160	1,120.00
David Sikes	Summer Associate	21.10	160	3,376.00
Derrick Talerico	Summer Associate	97.20	160	15,552.00
		<u>556.30</u>		<u>\$89,008.00</u>
Patricia Naegely	Legal Assistant	60.60	155	9,393.00
Lee K. Noller	Legal Assistant	20.65	135	2,787.75
Kyle J. Olson	Legal Assistant	12.00	125	1,500.00
		<u>93.25</u>		<u>\$13,680.75</u>
Case Clerk Pg&e	Case Clerk	314.80	100	31,480.00
		<u>314.80</u>		<u>\$31,480.00</u>
James Liles	Other	8.10	330	2,673.00
James M. Schwarz	Other	146.90	185	27,176.50
		<u>155.00</u>		<u>\$29,849.50</u>
Total Hours and Fees Billed		<u>5404.90</u>		<u>\$2,219,496.00</u>

Summary of Disbursements Billed

<u>Description</u>	<u>Amount</u>
Copying	26,042.95
Court Fees	7,821.12
Delivery Services/Messengers	6,842.31
Local Travel	3,541.99
Meals	552.12
Online Research	24,878.16
Other	15,681.28
Out-of-Town Travel	37,006.36
Postage	181.80
Telephone	26,650.48
Total Disbursements Billed	<u>\$149,198.57</u>

**Asset Analysis and Recovery
(Category 01)**

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	2.50	595	1,487.50
Robert Jay Moore	Partner	0.70	595	416.50
Allan T. Marks	Partner	0.50	450	225.00
		<u>3.70</u>		<u>\$2,129.00</u>
Steven M. Kramer	Of Counsel	2.30	470	1,081.00
		<u>2.30</u>		<u>\$1,081.00</u>
Fred Neufeld	Associate	2.70	435	1,174.50
Michael Dayen	Associate	7.50	420	3,150.00
Michael I. Sorochinsky	Associate	0.90	420	378.00
Carla J. Urquhart	Associate	10.90	385	4,196.50
		<u>22.00</u>		<u>\$8,899.00</u>
Laura Helena P. D. Oliveira	Associate	9.80	247	2,352.00
		<u>9.80</u>		<u>\$2,352.00</u>
Richard W. Arnholt	Summer Associate	5.90	160	944.00
John J. Eichmann	Summer Associate	6.20	160	992.00
Sonya Hymer	Summer Associate	16.00	160	2,560.00
Marisa Martinez	Summer Associate	23.10	160	3,696.00
		<u>51.20</u>		<u>\$8,192.00</u>
Kyle J. Olson	Legal Assistant	12.00	125	1,500.00
		<u>12.00</u>		<u>\$1,500.00</u>
Total Hours and Fees Billed		<u>101.00</u>		<u>\$24,153.00</u>

Asset Disposition (Executory Contracts)
(Category 02)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert Jay Moore	Partner	20.20	595	12,019.00
Allan T. Marks	Partner	7.90	450	3,555.00
		<u>28.10</u>		<u>\$15,574.00</u>
Fred Neufeld	Associate	22.10	435	9,613.50
Michael I. Sorochinsky	Associate	31.30	420	13,146.00
Kevin R. Mc Spadden	Associate	1.50	415	622.50
		<u>54.90</u>		<u>\$23,382.00</u>
Haig Maghakian	Summer Associate	17.60	160	2,816.00
		<u>17.60</u>		<u>\$2,816.00</u>
	Total Hours and Fees Billed	<u>100.60</u>		<u>\$41,772.00</u>

Business Operations (Category 03)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	5.10	595	3,034.50
Michael H. Diamond	Partner	0.50	595	297.50
Edwin F. Feo	Partner	126.05	595	74,999.75
Robert Jay Moore	Partner	126.90	595	75,505.50
Allan T. Marks	Partner	<u>196.40</u>	450	<u>88,380.00</u>
		454.95		\$242,217.25
Fred Neufeld	Associate	5.50	435	2,392.50
Michael I. Soroichinsky	Associate	142.90	420	60,018.00
Kevin R. Mc Spadden	Associate	242.00	415	100,430.00
Wayne Song	Associate	1.00	350	350.00
Richard A. Mathurin	Associate	42.75	325	13,893.75
Charles Thomas Paschall	Associate	<u>11.05</u>	295	<u>3,259.75</u>
		445.20		\$180,344.00
Laura Helena P. D. Oliveira	Associate	<u>2.30</u>	240	<u>552.00</u>
		2.30		\$552.00
John J. Eichmann	Summer Associate	17.00	160	2,720.00
Sonya Hymer	Summer Associate	26.00	160	4,160.00
Jeff Kahane	Summer Associate	60.20	160	9,632.00
Noot Kittiaksom	Summer Associate	50.00	160	8,000.00
Michelle La Plante	Summer Associate	12.70	160	2,032.00
Kristin Lewis	Summer Associate	16.60	160	2,656.00
Haig Maghakian	Summer Associate	14.20	160	2,272.00
Francisco Ochoa	Summer Associate	22.00	160	3,520.00
Aaron Renenger	Summer Associate	81.50	160	13,040.00
Laurae Rossi	Summer Associate	31.30	160	5,008.00
David Sikes	Summer Associate	21.10	160	3,376.00
Derrick Talerico	Summer Associate	<u>59.40</u>	160	<u>9,504.00</u>
		412.00		\$65,920.00
James Liles	Other	<u>0.30</u>	330	<u>99.00</u>
		0.30		\$99.00
Total Hours and Fees Billed		<u>1314.75</u>		<u>\$489,132.25</u>

**Case Administration/U.S. Trustee, Compliance
(Category 04)**

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	51.50	595	30,642.50
Edwin F. Feo	Partner	9.20	595	5,474.00
Robert Jay Moore	Partner	128.90	595	76,695.50
Allan T. Marks	Partner	9.10	450	4,095.00
		<u>198.70</u>		<u>\$116,907.00</u>
Fred Neufeld	Associate	37.40	435	16,269.00
Michael Dayen	Associate	0.50	420	210.00
Thomas R. Kreller	Associate	64.00	420	26,880.00
Michael I. Sorochinsky	Associate	125.80	420	52,836.00
Scott F. Gautier	Associate	13.20	385	5,082.00
Richard A. Mathurin	Associate	2.00	325	650.00
		<u>242.90</u>		<u>\$101,927.00</u>
Derrick Talerico	Summer Associate	25.00	160	4,000.00
		<u>25.00</u>		<u>\$4,000.00</u>
Patricia Naegely	Legal Assistant	47.90	155	7,424.50
Lee K. Noller	Legal Assistant	9.90	135	1,336.50
		<u>57.80</u>		<u>\$8,761.00</u>
Case Clerk Pg&e	Case Clerk	314.80	100	31,480.00
		<u>314.80</u>		<u>\$31,480.00</u>
	Total Hours and Fees Billed	<u>839.20</u>		<u>\$263,075.00</u>

Claims Administration and Objections
(Category 05)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert Jay Moore	Partner	10.80	595	6,426.00
Allan T. Marks	Partner	1.00	450	450.00
		<u>11.80</u>		<u>\$6,876.00</u>
Michael I. Sorochinsky	Associate	2.20	420	924.00
		<u>2.20</u>		<u>\$924.00</u>
Patricia Naegely	Legal Assistant	0.20	155	31.00
		<u>0.20</u>		<u>\$31.00</u>
	Total Hours and Fees Billed	<u><u>14.20</u></u>		<u><u>\$7,831.00</u></u>

**Fee/Employment Application
(Category 07)**

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	1.90	595	1,130.50
Robert Jay Moore	Partner	21.90	595	13,030.50
Allan T. Marks	Partner	0.20	450	90.00
		<u>24.00</u>		<u>\$14,251.00</u>
Fred Neufeld	Associate	34.80	435	15,138.00
Thomas R. Kreller	Associate	0.50	420	210.00
Michael I. Sorochinsky	Associate	70.20	420	29,484.00
		<u>105.50</u>		<u>\$44,832.00</u>
Haig Maghakian	Summer Associate	15.70	160	2,512.00
Derrick Talerico	Summer Associate	6.70	160	1,072.00
		<u>22.40</u>		<u>\$3,584.00</u>
Patricia Naegely	Legal Assistant	12.10	155	1,875.50
		<u>12.10</u>		<u>\$1,875.50</u>
	Total Hours and Fees Billed	<u>164.00</u>		<u>\$64,542.50</u>

**Fee/Employment Objections
(Category 08)**

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	0.40	595	238.00
Robert Jay Moore	Partner	20.50	595	12,197.50
		<u>20.90</u>		<u>\$12,435.50</u>
Fred Neufeld	Associate	1.50	435	652.50
Michael I. Sorochinsky	Associate	27.90	420	11,718.00
		<u>29.40</u>		<u>\$12,370.50</u>
Derrick Talerico	Summer Associate	3.20	160	512.00
		<u>3.20</u>		<u>\$512.00</u>
	Total Hours and Fees Billed	<u><u>53.50</u></u>		<u><u>\$25,318.00</u></u>

**Financing (Cash Collateral)
(Category 09)**

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert Jay Moore	Partner	11.60	595	6,902.00
Allan T. Marks	Partner	0.30	450	135.00
		<u>11.90</u>		<u>\$7,037.00</u>
Fred Neufeld	Associate	7.50	435	3,262.50
Michael Dayen	Associate	0.50	420	210.00
Michael I. Sorochinsky	Associate	1.00	420	420.00
		<u>9.00</u>		<u>\$3,892.50</u>
Patricia Naegely	Legal Assistant	0.40	155	62.00
		<u>0.40</u>		<u>\$62.00</u>
	Total Hours and Fees Billed	<u>21.30</u>		<u>\$10,991.50</u>

Stay Litigation
(Category 10)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	64.80	595	38,556.00
Michael H. Diamond	Partner	19.80	595	11,781.00
Edwin F. Feo	Partner	15.60	595	9,282.00
Robert Jay Moore	Partner	96.60	595	57,477.00
Allan T. Marks	Partner	53.50	450	24,075.00
		<u>250.30</u>		<u>\$141,171.00</u>
Kenneth A. Ostrow	Of Counsel	41.30	490	20,237.00
		<u>41.30</u>		<u>\$20,237.00</u>
Fred Neufeld	Associate	33.50	435	14,572.50
Michael Dayen	Associate	4.50	420	1,890.00
Uttam Dhillon	Associate	42.20	420	17,724.00
Michael I. Sorochinsky	Associate	43.20	420	18,144.00
Gabriel K. Coy	Associate	67.90	350	23,765.00
		<u>191.30</u>		<u>\$76,095.50</u>
Total Hours and Fees Billed		<u>482.90</u>		<u>\$237,503.50</u>

**Other Litigation
(Category 12)**

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	35.90	595	21,360.50
Michael H. Diamond	Partner	88.40	595	52,598.00
Edwin F. Feo	Partner	31.20	595	18,564.00
Robert Jay Moore	Partner	10.10	595	6,009.50
Allan T. Marks	Partner	11.40	450	5,130.00
		177.00		\$103,662.00
Kenneth A. Ostrow	Of Counsel	24.40	490	11,956.00
Steven M. Kramer	Of Counsel	239.70	470	112,659.00
Orlan M. Johnson	Of Counsel	3.60	420	1,512.00
		267.70		\$126,127.00
Fred Neufeld	Associate	19.30	435	8,395.50
Michael I. Soroichinsky	Associate	18.80	420	7,896.00
Kevin R. Mc Spadden	Associate	13.40	415	5,561.00
Chandra L. Gooding	Associate	152.00	385	58,520.00
Sharon E. Jackson	Associate	31.50	385	12,127.50
Carla J. Urquhart	Associate	258.20	385	99,407.00
Ines M. Cho	Associate	77.30	350	27,055.00
Gabriel K. Coy	Associate	4.70	350	1,645.00
Julie A. Kaplan	Associate	33.10	295	9,764.50
Daniel J. Michalchuk	Associate	33.70	295	11,416.50
Charles Thomas Paschall	Associate	7.20	295	2,124.00
		654.20		\$243,912.00
Lee K. Noller	Legal Assistant	10.75	135	1,451.25
		10.75		\$1,451.25
James Liles	Other	7.80	330	2,574.00
		7.80		\$2,574.00
Total Hours and Fees Billed		1117.45		\$477,726.25

Meeting of Creditors
(Category 13)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	166.80	595	99,246.00
Michael H. Diamond	Partner	1.30	595	773.50
Edwin F. Feo	Partner	86.80	595	51,646.00
Robert Jay Moore	Partner	92.00	595	54,740.00
Allan T. Marks	Partner	104.20	450	46,890.00
		<u>451.10</u>		<u>\$253,295.50</u>
Steven M. Kramer	Of Counsel	5.40	470	2,538.00
		<u>5.40</u>		<u>\$2,538.00</u>
Fred Neufeld	Associate	1.20	435	522.00
Uttam Dhillon	Associate	1.00	420	420.00
Michael I. Sorochinsky	Associate	57.60	420	24,192.00
		<u>59.80</u>		<u>\$25,134.00</u>
Total Hours and Fees Billed		<u><u>516.30</u></u>		<u><u>\$280,967.50</u></u>

Plan & Disclosure Statement
(Category 14)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	111.30	595	66,223.50
Edwin F. Feo	Partner	8.60	595	5,117.00
Robert Jay Moore	Partner	64.00	595	38,080.00
Allan T. Marks	Partner	55.10	450	24,795.00
		<u>239.00</u>		<u>\$134,215.50</u>
Steven M. Kramer	Of Counsel	45.00	470	21,150.00
		<u>45.00</u>		<u>\$21,150.00</u>
Fred Neufeld	Associate	2.60	435	1,131.00
Michael I. Sorochinsky	Associate	11.00	420	4,620.00
		<u>13.60</u>		<u>\$5,751.00</u>
	Total Hours and Fees Billed	<u>297.60</u>		<u>\$161,116.50</u>

Business Analysis
(Category 16)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Paul S. Aronzon	Partner	9.10	595	5,414.50
Robert Jay Moore	Partner	53.20	595	31,654.00
		<u>62.30</u>		<u>\$37,068.50</u>
Michael I. Sorochinsky	Associate	2.40	420	1,008.00
Kevin R. Mc Spadden	Associate	0.50	415	207.50
		<u>2.90</u>		<u>\$1,215.50</u>
Talis Seja	Summer Associate	7.00	160	1,120.00
		<u>7.00</u>		<u>\$1,120.00</u>
James M. Schwarz	Other	146.90	185	27,176.50
		<u>146.90</u>		<u>\$27,176.50</u>
	Total Hours and Fees Billed	<u>219.10</u>		<u>\$66,580.50</u>

**Data Analysis
(Category 18)**

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Allan T. Marks	Partner	5.80	450	2,610.00
		<u>5.80</u>		<u>\$2,610.00</u>
Total Hours and Fees Billed		<u>5.80</u>		<u>\$2,610.00</u>

Litigation Consulting
(Category 19)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Chandra L. Gooding	Associate	35.60	385	13,706.00
		<u>35.60</u>		<u>\$13,706.00</u>
Total Hours and Fees Billed		<u>35.60</u>		<u>\$13,706.00</u>

**Tax Issues
(Category 21)**

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Dale L. Ponikvar	Partner	0.80	595	476.00
Simon Friedman	Partner	3.90	575	2,242.50
		<u>4.70</u>		<u>\$2,718.50</u>
Total Hours and Fees Billed		<u>4.70</u>		<u>\$2,718.50</u>

Insider Analysis
(Category 23)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert Jay Moore	Partner	0.20	595	119.00
		<u>0.20</u>		<u>\$119.00</u>
Total Hours and Fees Billed		<u><u>0.20</u></u>		<u><u>\$119.00</u></u>

Non-Working Travel
(Category 24)

Summary of Hours Billed

<u>Timekeeper</u>	<u>Position</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Michael H. Diamond	Partner	2.00	595	1,190.00
Edwin F. Feo	Partner	14.60	595	8,687.00
Robert Jay Moore	Partner	1.00	595	595.00
Allan T. Marks	Partner	25.60	450	11,520.00
		<u>43.20</u>		<u>\$21,992.00</u>
Uttam Dhillon	Associate	11.00	420	4,620.00
Michael I. Sorochinsky	Associate	9.70	420	4,074.00
Kevin R. Mc Spadden	Associate	5.80	415	2,407.00
Charles Thomas Paschall	Associate	4.40	295	1,298.00
		<u>30.90</u>		<u>\$12,399.00</u>
Sonya Hymer	Summer Associate	4.50	160	720.00
Michelle La Plante	Summer Associate	4.00	160	640.00
Aaron Renenger	Summer Associate	6.50	160	1,040.00
Derrick Talerico	Summer Associate	2.90	160	464.00
		<u>17.90</u>		<u>\$2,864.00</u>
	Total Hours and Fees Billed	<u>92.00</u>		<u>\$37,255.00</u>

Patty Naegely

707 Hamilton Place, #E
San Pedro, CA 90731

Home (310) 831-1741
Work (213) 892-4312

Professional Experience

8/99 to 06/01
Bankruptcy Paralegal

MILBANK, TWEED, HADLEY & McCLOY LLP, Los Angeles

1/97 to 8/99
Bankruptcy Paralegal

WYNNE SPIEGEL ITKIN, Century City

11/95 to 12/96
Bankruptcy Paralegal Assistant

HENNIGAN, MERCER & BENNETT, Los Angeles

Debtor Experience

Prepare chapter 7 and 11 voluntary petitions, schedules and statements of financial affairs, 7-day packages, interim statements and operating reports, applications to employ professionals and other documentation required by the Office of the United States Trustee; prepare applications for compensation; draft motions and orders including motions regarding use of cash collateral, sale of property free and clear of liens, compromise of controversy, assume or reject leases; draft objections to claims, requests for special notice, plans of reorganization and disclosure statements; organize and prepare plan solicitation materials and analyze and tabulate ballots; coordinate the claims analysis process and maintain claims databases.

Major cases include: Bugle Boy Industries, MedPartners Provider Network, Inc., Meris Laboratories, County of Orange, a political subdivision of the State of California, Colortran, Inc., a division of Panavision; Kleer Vu Plastics, Inc., Engine Clean Technology, Inc.

Creditor Experience

Prepare involuntary petitions, conduct discovery in various adversary actions, prepare applications for 2004 examinations, requests for special notice and proofs of claim; prepare applications for compensation.

Major cases include: Representation of the Official Unsecured Creditors' Committees of Pacific Gas and Electric Company; United Artists Theatre Company, Inc., Silver Cinemas International, Inc., Plainwell, Inc., Metal Management, Inc., GST Telecom, Inc.; Carolco

Other Skills and Abilities

Self-motivated team player who enjoys working in a fast-paced environment.

Possesses excellent communication, analytical, problem-resolution and organizational skills. Demonstrated ability to work independently. Adept at establishing working relationships with clients, adversaries, Bankruptcy Court and Office of the United States Trustee personnel and the public.

Proficient on all types of software, including spreadsheet, database and graphics programs. Experienced in online legal research, including Lexis-Nexis, Westlaw and the Internet.

Education

University of West Los Angeles

School of Paralegal Studies (American Bar Association Approved)

B. S. in Paralegal Studies (ABT)

Legal Assistant Certificate

Litigation Specialization Certificate

Corporations Specialization Certificate

Professional Associations

Member Los Angeles Paralegal Association

References available upon request.

LEGAL ASSISTANT RESUME

Name: Lee Noller
Hire Date: 8/23/99
Title: Legal Assistant (Litigation)

Completed Paralegal Training Courses at Glendale College in Civil Litigation, and Wills, Trusts, and Estates in May 1999.

Work Performed At Milbank:

Drafting of the Following Documents:

Stipulations and Proposed Orders
Written Discovery Requests/Responses
Answers to First Amended Complaints
Notices of Intent to File Amended Complaint
Pro Hac Vice Applications
Judicial Notice Filings
Audit Letter Responses

Organization & Preparation Skills:

Created Summary Charts of Written Discovery
Prepared Appendix of Authorities
Assisted in Preparation of Trial Exhibit Lists and Trial Witness Lists
Prepared Deposition Exhibit Lists
Created Various Hearing Binders with Case Citations and Statutes
Case Shepardizing
Assisted in Preparation of Appeal Briefs
Assisted in Preparation of Mediation Briefs
Gathered Production Documents for Deposition Exhibits
Prepared Witness Binders
Created Document Production Logs and Deposition Logs
Text Redaction
Exhibit and Page Numbering
Bates Labeling

Technology Skills:

Westlaw:
KeyCite

JFS

Lexis-Nexis:
Initial Case Analysis
Cite Checking
Locating and Profiling People
Corporate & Financial Research

LA1:#6192016

SUMMARY OF BILLING RATES

<u>Timekeeper</u>	<u>Rate</u>
Paul S. Aronzon	\$595
Michael H. Diamond	\$595
Edwin F. Feo	\$595
Robert Jay Moore	\$595
Dale L. Ponikvar	\$595
Simon Friedman	\$575
Allan T. Marks	\$450
Kenneth A. Ostrow	\$490
Steven M. Kramer	\$470
Orlan M. Johnson	\$420
Fred Neufeld	\$435
Michael Dayen	\$420
Uttam Dhillon	\$420
Thomas R. Kreller	\$420
Michael I. Sorochinsky	\$420
Kevin R. McSpadden	\$415
Scott F. Gautier	\$385
Chandra L. Gooding	\$385
Sharon E. Jackson	\$385
Carla J. Urquhart	\$385
Ines M. Cho	\$350
Gabriel K. Coy	\$350
Wayne Song	\$350
Richard A. Mathurn	\$325
Julie A. Kaplan	\$295
Daniel J. Michalchuk	\$295
Charles Thomas Paschall	\$295
Laura Helena P.D. Oliveira	\$240
Richard W. Arnholt	\$160
John J. Eichman	\$160
Sonya Hymer	\$160
Jeff Kahane	\$160
Noot Kittiaksom	\$160
Michelle La Plante	\$160
Kristin Lewis	\$160
Haig Maghakian	\$160
Marisa Martinez	\$160
Francisco Ochoa	\$160

Timekeeper

Rate

Aaron Renenger
Laurae Rossi
Talis Seja
David Sikes
Derrick Talerico

\$160
\$160
\$160
\$160
\$160

Patricia Naegely
Lee K. Noller
Kyle J. Olson

\$155
\$135
\$125

Case Clerk – PG&E

\$100

James Liles
James M. Schwartz

\$330
\$185

MILBANK, TWEED, HADLEY & McCLOY LLP

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FAX: 65-428-2500

NEW YORK

212-530-5000

FAX: 212-530-5219

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FAX: 202-835-7586

PALO ALTO

650-739-7000

FAX: 650-739-7100

LONDON

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FAX: 44-171-448-3029

September 14, 2001

VIA FEDERAL EXPRESS

Clara Yang Strand
Managing Director
Bank of America, N.A.
CA 9-706-11-21
555 South Flower Street, 11th Floor
Los Angeles, California 90071-2385

Kenneth E. Smith
Senior Asset Manager
Delta Power Company, LLC
2100 Santiago Drive
Newport Beach, CA 92660

Re: Pacific Gas & Electric Company

Dear Clara and Ken:

Enclosed for your review is the (i) First Interim Application of Milbank, Tweed, Hadley & McCloy LLP for Allowance of Payment of Compensation and Reimbursement of Expenses (April 16, 2001 through July 31, 2001); (ii) Declaration of Robert Jay Moore in support thereof; and (iii) Milbank, Tweed, Hadley & McCloy LLP's Time Records Exhibit for the Period April 16, 2001 through July 31, 2001.

The Court's Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees provide that a debtor in possession, a trustee or an official committee must exercise reasonable business judgment in monitoring fees and expenses of the estate's professionals. We

MILBANK, TWEED, HADLEY & MCGLOY LLP

Clara Yang Strand
Kenneth E. Smith
September 14, 2001
Page 2

invite you to discuss any objections, concerns or questions you may have with us. The Office of the United States Trustee will also accept your comments. The Court will also consider timely filed objections by any party in interest at the time of the hearing.

Thank you.

Very truly yours,

A handwritten signature in cursive script that reads "Bob Moore".

Robert Jay Moore

RJM:vgm
Enclosures
cc: Paul S. Aronzon, Esq. (w/o encl.)