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50-295/323

Special Counsel to Debtor and Debtor in
Possession, PACIFIC GAS AND ELECTRIC
COMPANY

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re
PACIFIC GAS AND ELECTRIC
COMPANY, a California corporation,
Debtor.

Case No. 01-30923 DM
Chapter 11 Case
[No Hearing Scheduled]

Federal I.D. No. 94-0742640

STEEFEL, LEVITT & WEISS'S COVER SHEET APPLICATION
FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD OCTOBER 1-31, 2001

Steefel, Levitt & Weiss (the "Firm") respectfully submits its Cover Sheet
Application (the "Application") for Allowance and Payment of Interim Compensation and
Reimbursement of Expenses for the Period Oct. 1, 2001 – Oct. 31, 2001 (the "Application
Period"). In support of the Application, the Firm respectfully represents as follows:

1. The Firm is Special Counsel to the debtor and debtor-in-possession in the
above-referenced bankruptcy case (the "Debtor"). The Firm hereby applies to the Court for
allowance and payment of interim compensation for services rendered and reimbursement of
expenses incurred during the Application Period.

2. The Firm billed a total of \$66,951.92 in fees and expenses during the
Application Period. The Total fees represent 192.95 hours expended during the Application

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Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
Oct. 1-Oct. 31, 2001	\$65,651.00	\$1,300.92	\$66,951.92

3. Accordingly, the Firm seeks allowance of interim compensation in the total amount of \$57,104.27 at this time. This total is comprised as follows: \$55,803.35 (90% (85% after July 31) of the fees for services rendered)¹ plus \$1,300.92 (100% of the expenses incurred).

4. For the post-petition period, the Firm has been paid to date as follows:

Application Period	Amount Applied For	Description	Amount Paid
July 1-July 31, 2001	\$24,661.05	90% (85% after July 31) of fees and 100% of expenses	\$0
Aug. 1-Aug. 31, 2001	\$13,243.88	90% (85% after July 31) of fees and 100% of Expenses	\$0
Sept. 1-Sept. 30, 2001	\$61,419.09	90% (85% after July 31) of fees and 100% of Expenses	\$0
Oct. 1-Oct. 31, 2001	\$57,104.27	90% (85% after July 31) of fees and 100% of Expenses	\$0
Total Paid to the Firm to Date	\$156,428.29		\$0

¹Payment of this amount would result in a "holdback" of \$9,847.65.

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2 5. To date, the Firm is owed as follows (excluding amounts owed pursuant to
3 this Application).
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5 Application Period	Amount	Description
6 First (July 1-July 31, 2001)	\$2,723.75	10% (15% after July 31) fee 7 holdback and/or portion of 8 fees objected to.
9 Second (Aug. 1-Aug. 31, 2001)	\$2,304.90	10% (15% after July 31) fee 10 holdback and/or portion of 11 fees objected to.
12 Third (Sept. 1-Sept. 30, 2001)	\$10,478.92	10% (15% after July 31) fee 13 holdback and/or portion of 14 fees objected to.
15 Total Owed to Firm to Date	\$15,507.57	

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

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

26 8. Pursuant to this Court's "ORDER ESTABLISHING INTERIM FEE
27 APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered
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1 on or about July 26, 2001, the Debtor is authorized to make the payment requested herein
2 without a further hearing or order of this Court unless an objection to this Application is
3 filed with the Court by the Debtor, the Committee or the United States Trustee and served
4 by the fifteenth day of the month following the service of this Application. If such an
5 objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the
6 objection. The Firm is informed and believe that this Cover Sheet Application was mailed
7 by first class mail, postage prepaid, on or about December 12, 2001.

8 9. The interim compensation and reimbursement of expenses sought in this
9 Application is on account and is not final. Upon the conclusion of this case, the Firm will
10 seek fees and reimbursement of the expenses incurred for the totality of the services
11 rendered in the case. Any interim fees or reimbursement of expenses approved by this Court
12 and received by the Firm (along with the Firm's retainer) will be credited against such final
13 fees and expenses as may be allowed by this Court.

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

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

24 Dated: December 13, 2001

STEEFEL, LEVITT & WEISS

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26 By: 

27 Mark Fogelman
28 Special Counsel to Debtor and
Debtor in Possession