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UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

In re	)	Case No. 01-30923-DM
PACIFIC GAS AND ELECTRIC COMPANY,	)	Chapter 11 Case
a California corporation,	)	
Debtor.	)	[No Hearing Scheduled]
Federal I.D. No. 94-0742640	)	

**SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S  
COVER SHEET APPLICATION FOR ALLOWANCE  
AND PAYMENT OF INTERIM COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
MARCH 1, 2002 THROUGH MARCH 31, 2002**

Skadden, Arps, Slate, Meagher & Flom LLP (the "Firm") submits its Cover Sheet Application (the "Application") for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for the Period March 1, 2002 through March 31, 2002 (the "Application Period"). In support of the Application, the Firm respectfully represents as follows:

1. The Firm is special regulatory counsel to Pacific Gas and Electric Company, 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

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S COVER SHEET FEE APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD MARCH 1, 2002 THROUGH MARCH 31, 2002

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1 compensation for services rendered and reimbursement of expenses incurred during the  
2 Application Period.

3 2. The Firm billed a total of \$103,768.74 in fees and expenses during the  
4 Application Period. The total fees represent 314.20 hours expended during the period covered  
5 by this Application. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
March 1, 2002 through March 31, 2002	\$95,075.50	\$8,693.24	\$103,768.74

10 3. Accordingly, the Firm seeks allowance of interim compensation in the  
11 total amount of \$89,507.42 at this time. This total is comprised as follows: \$80,814.18 (85% of  
12 the fees for services rendered)<sup>1</sup> plus \$8,693.24 (100% of the expenses incurred).

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

Application Period	Amount Applied For	Description	Total
April 6 2001 through July 31, 2001	\$ 412,199.69	100% of fees and 100% of expenses	\$384,116.82 <sup>2</sup>
August 1, 2001 through August 31, 2001	\$ 232,904.35	85% of fees and 100% of expenses	\$211,716.95
September 1, 2001 through September 30, 2001	\$182,393.51	85% of fees and 100% of expenses	\$182,363.51
October 1, 2001 through October 31, 2001	\$351,118.17	85% of fees and \$100% of expenses	\$351,118.17

25 <sup>1</sup> Payment of this amount would result in a "holdback" of \$14,261.32.

26 <sup>2</sup> This amount represents the amount allowed from the Firm's first interim fee application,  
27 after reduction for certain time and disbursements.

1	November 1, 2001 through November 30, 2001	\$327,076.56	85% of fees and 100% of expenses	\$327,076.56
2				
3	December 1, 2001 through December 31, 2001	\$49,443.48	85% of fees and 100% of expenses	\$49,443.48
4				
5	August 1, 2001 through December 31, 2001		Amounts outstanding from cover sheet fee applications less certain reductions from Second Interim Fee Application	\$137,056.57
6				
7				
8	January 1, 2002 through January 31, 2002	\$104,031.40	85% of fees and 100% of expenses	\$104,031.40
9				
10	February 1, 2002 through February 28, 2002	\$159,990.72	85% of fees and 100% of expenses	\$159,990.72
11				

12                     5.       To date, the Firm is owed as follows (excluding amounts owed under this  
13 Application):

14	Period	Fees	Description
15	Seventh (January 1, 2002 through January 31, 2002)	\$ 16,476.22	15% fee holdback
16			
17	Eighth (February 1, 2002 through February 28, 2002)	\$186,278.22	All fees and expenses, including 15% fee holdback
18	Total Owed to Firm to Date	\$202,754.44	

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

26  
27  
28 **SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S COVER SHEET FEE APPLICATION FOR ALLOWANCE  
AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
MARCH 1, 2002 THROUGH MARCH 31, 2002**

1                   7.     The Firm has served a copy of this Application on the Special Notice List  
2 in this case.

3                   8.     In accordance with this Court's "ORDER ESTABLISHING INTERIM  
4 FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered  
5 on or about July 25, 2001, the Debtor is authorized to make the payment requested herein  
6 without a further hearing or order of this Court unless an objection to this Application is filed  
7 with the Court by the Debtor, the Committee or the United States Trustee and served by the  
8 fifteenth day of the month following the service of this Application. If such an objection is filed,  
9 Debtor is authorized to pay the amounts, if any, not subject to the objection. The Firm is  
10 informed and believes that this Cover Sheet Application was mailed by first class mail, postage  
11 prepaid, on or about April 30, 2002.

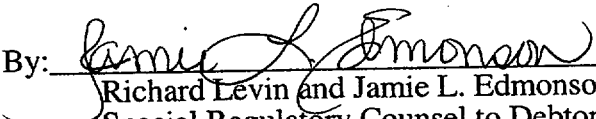
12                  9.     The interim compensation and reimbursement of expenses sought in this  
13 Application is on account and is not final. Upon the conclusion of this case, the Firm will seek  
14 fees and reimbursement of the expenses incurred for the totality of the services rendered in this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

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

1                   WHEREFORE, the Firm respectfully requests that the Debtor pay compensation  
2 to the Firm as requested herein in accordance with the terms of the "ORDER ESTABLISHING  
3 INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE."

4 Dated: April 30, 2002

SKADDEN, ARPS, SLATE, MEAGHER & FLOM  
LLP

6  
7 By:   
8 Richard Levin and Jamie L. Edmonson  
Special Regulatory Counsel to Debtor and  
Debtor in Possession