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50-275/323

12 Attorneys for Debtor and Debtor in Possession
13 PACIFIC GAS AND ELECTRIC COMPANY

14 UNITED STATES BANKRUPTCY COURT
15 NORTHERN DISTRICT OF CALIFORNIA
16 SAN FRANCISCO DIVISION

17 In re
18 PACIFIC GAS AND ELECTRIC
19 COMPANY, a California corporation,
20 Debtor.

21 Case No. 01-30923 DM
22 Chapter 11 Case

23 [NO HEARING REQUESTED]

24 Federal I.D. No. 94-0742640

25 HOWARD, RICE, NEMEROVSKI, CANADY, FALK & RABKIN
26 COVER SHEET APPLICATION
27 FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION
28 AND REIMBURSEMENT OF EXPENSES FOR APRIL, 2002

Howard, Rice, Nemerovski, Canady, Falk & Rabkin (the "Firm") submits its Cover Sheet Application (the "Application") for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for the Period April 1, 2002 through April 31, 2002 (the "Application Period"). In support of the Application, the Firm respectfully represents as follows:

1. The Firm is 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 compensation for services

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& RABKIN
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1 rendered and reimbursement of expenses incurred during the Application Period.

2 2. The Firm billed a total of \$1,296,430.04 in fees and expenses during the
3 Application Period. The total fees represent 4663 hours expended during the Application
4 Period. These fees and expenses break down as follows:

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6 Period	Fees	Expenses	Total
7 April, 2002	\$1,227,293.00	\$69,137.04	\$1,296,430.04

8
9 3. Accordingly, the Firm seeks allowance of interim compensation in the total
10 amount of \$1,112,336.09 at this time. This total is comprised as follows: \$1,043,199.05
11 (85% of the fees for services rendered)¹ plus \$69,137.04 (100% of the expenses incurred).

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

13

14 Application Period	Amount Applied For	Description	Amount Paid
15 April, 2001	\$ 929,737.50	100% of unpaid fees	\$ 522,147.53
16 May, 2001	\$1,573,804.00	100% of fees and 100% of expenses	\$1,573,804.00
17 June, 2001	\$1,080,764.49	100% of fees and 100% of expenses	\$1,080,764.49
18 July, 2001	\$1,062,170.75	100% of fees and 100% of expenses	\$1,062,170.75 ²
19 August, 2001	\$ 923,168.88	100% of fees and 100% of expenses	\$ 923,068.88 ³
20 September, 2001	\$ 870,086.06	100% of fees and 100% of expenses	\$ 870,086.06
21 October, 2001	\$1,103,763.77	100% of fees and 100% of expenses	\$1,103,763.77

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23

24 ¹Payment of this amount would result in a "holdback" of \$184,093.95.

25 ²The Firm found certain charges that did not comply with the Guidelines, in the amount
26 of \$24,035.37, were inadvertently included in Applicant's Cover Sheet Application for July,
27 2001, as described in its First Interim Application previously filed. The Firm has credited
28 this amount appropriately. Additionally, the Firm had written off an additional \$114.00 in
fees.

³The Firm had written off an additional \$100.00 in fees.

Application Period	Amount Applied For	Description	Amount Paid
November, 2001	\$1,024,609.67	100% of fees and 100% of expenses	\$1,024,609.67
December, 2001	\$ 755,804.67	85% of fees and 100% of expenses	\$ 755,804.67
January, 2002	\$1,024,662.22	85% of fees and 100% of expenses	\$1,024,662.22
February, 2002	\$ 866,570.83	85% of fees and 100% of expenses	\$ 866,570.83
March, 2002	\$ 918,017.01	85% of fees and 100% of expenses	\$ -0-
Total Paid to the Firm to Date			\$10,807,452.87

5. To date, the Firm is owed as follows (excluding amounts owed pursuant to this Application):

Application Period	Amount	Description
Dec. 1 – Dec. 31, 2001	\$123,384.07	15% fee holdback
Jan. 1 – Jan. 31, 2002	\$165,046.35	15% fee holdback
Feb. 1 – Feb. 28, 2002	\$144,870.43	15% fee holdback
Mar. 1 – Mar. 31, 2002	\$162,003.00	15% fee holdback
Total Owed to Firm to Date	\$595,303.85	

6. With regard to the copies of this Application served on counsel for the Official Committee of Unsecured Creditors (the "Committee"), 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 Application Period and the hourly rate for each such professional; and attached as Exhibit 2 is an Account Summary. 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 have been submitted in electronic

1 form to the Office of the United States Trustee and mailed to counsel for the Committee and
2 to the Debtor.

3 7. The Firm is serving a copy of this Application (without Exhibits) on the
4 Special Notice List in this case.

5 8. Pursuant to this Court's "SECOND AMENDED ORDER ESTABLISHING
6 INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE
7 (Revised March, 2002)" (the "Amended Order"), the Debtor is authorized to make the
8 payment requested herein without a further hearing or order of this Court, unless an objection
9 to this Application is filed with the Court by the Debtor, the Committee or the United States
10 Trustee and served by the fifteenth day of the month following the service of this Application.
11 If such an objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the
12 objection. The Firm is informed and believes that this Cover Sheet Application was mailed
13 by first class mail, postage prepaid, on or about May 30, 2002.

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

20 10. The Firm represents and warrants that its billing practices comply with all
21 Northern District of California Bankruptcy Local Rules and Compensation Guidelines and
22 the Guidelines of the Office of the United States Trustee.⁴ Neither the Firm nor any members
23 of the Firm has any agreement or understanding of any kind or nature to divide, pay over or
24 share any portion of the fees or expenses to be awarded to the Firm with any other person or
25

26 ⁴As the Firm has informed the Office of the United States Trustee and the Committee,
27 the facsimile charges sought by Applicant deviate slightly from the Court's Guidelines. The
28 Firm intends to provide a full explanation of such deviation and a request for payment of such
charges in its next interim fee application to the Court in this case.

1 attorney except as among the members and associates of the Firm.

2 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation
3 to the Firm as requested herein pursuant to and in accordance with the terms of the Amended
4 Order.

5 DATED: May 30, 2002

6 HOWARD, RICE, NEMEROVSKI, CANADY,
7 FALK & RABKIN
8 A Professional Corporation

9 By: 
10 JAMES L. LOPES

11 Attorneys for Debtor and Debtor in Possession
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