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50-275/323

6 Consultants for the Debtor

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

10 In re:
11 **PACIFIC GAS AND ELECTRIC ,**
12 **COMPANY, a California corporation,**
13 **Debtor.**

Case No.: 01-30923 DM
Chapter 11 Case
(No Hearing Scheduled)

14 Federal I.D. No. 94-0742640

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16 **THE BRATTLE GROUP INC.'S COVER SHEET APPLICATION**
17 **FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION**
18 **AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD**
19 **MAY 1, 2002 THROUGH MAY 31, 2002**

20 The Brattle Group, Inc. (the "Firm") submits its Cover Sheet Application (the
21 "Application") for Allowance and Payment of Interim Compensation and Reimbursement of
22 Expenses for the Period May 1, 2002 through May 31, 2002 (the "Application Period"). In
23 support of the Application, the Firm respectfully represents as follows:

- 24 1. The Firm is consultant to the Pacific Gas and Electric Company, debtor and
25 debtor-in-possession in the above-referenced bankruptcy case ("Debtor"). The
Firm hereby applies to the Court for allowance and payment of interim.

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

- 3 2. The firm was engaged by the Debtor pursuant to a Retention Agreement dated
4 September 20, 2001¹ to render services relating to the Debtor's Plan of
5 Reorganization. During the Application Period, the Firm billed a total of
6 \$11,947.93 in fees (representing 80.80 hours expended) and expenses. These
7 fees and expenses break down as follows:

Period	Fees	Expenses	Total
May 2002	\$11,879.00	\$68.93	\$11,947.93

- 10 3. Accordingly the Firm seeks allowance of interim compensation in the total
11 amount of \$10,166.08 at this time. This total is comprised as follows:
12 \$10,097.15 (85% of the fees for services rendered)² plus \$68.93 (100% of the
13 expenses incurred).
- 14 4. On this retention, the Firm has been paid to date as follows:

Application Period	Amount per Original Invoice	Amount Applied For	Description of Difference	Amount Paid
September 2001	\$46,546.37	\$39,719.68	85% of fees and 100% of expenses	\$39,719.68
October 2001	\$444,421.13	\$381,566.07	85% of fees and 100% of expenses	\$381,566.07
November 2001	\$232,602.75	\$199,299.38	85% of fees and 100% of expenses	\$199,299.38
December 2001	\$4,859.40	\$4,258.46	85% of fees and 100% of expenses	\$4,258.46
January 2002	\$10,342.19	\$8,864.88	85% of fees and 100% of expenses	\$8,864.88

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24 ¹ The Retention Agreement was thereafter amended by letter agreement to provide for a calendar year 2002
25 maximum budget and to add additional consultants to the engagement.

² Payment of this amount would result in a "holdback" of \$1,781.85.

February 2002	\$27,864.29	\$23,817.15	85% of fees and 100% of expenses	\$23,817.15
March 2002	\$29,192.50	\$24,845.95	85% of fees and 100% of expenses	\$24,845.95
April 2002	\$9,050.76	\$7,716.36	85% of fees and 100% of expenses	
TOTAL	\$795,828.63	\$690,087.93	TOTAL	\$682,371.57

5. In connection with its submission of the First Interim Fee Application, the Firm submitted revised invoices for the months of September 2001 through January 2002.

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

Application Period	Amount Invoiced ³	Amount Owed	Description
September 2001	\$46,230.51	\$6,510.83	15% fee holdback from payment of prior application, less credit per revised invoice
October 2001	\$442,648.17	\$61,082.10	15% fee holdback from payment of prior application, less credit per revised invoice
November 2001	\$232,023.74	\$32,724.36	15% fee holdback from payment of prior application, less credit per revised invoice
December 2001	\$4,685.73	\$427.27	15% fee holdback from payment of prior application, less credit per revised invoice
January 2002	\$10,382.19	\$1,517.31	15% fee holdback from payment of prior application, plus additional fees per revised invoice
February 2002	\$27,864.29	\$4,047.14	15% fee holdback from payment of prior application
March 2002	\$29,192.50	\$4,346.55	15% fee holdback from payment of prior application

³ The amount noted is either per the original invoice / cover sheet application, or per the revised invoice, as applicable.

April 2002	\$9,050.76	\$9,050.76	100% of fees and expenses
TOTAL	\$802,077.89	\$119,706.32	

7. With regard to the copies of this Application served on counsel for the Committee, counsel for the Debtor and the Office of the United States Trustee, attached as Exhibit 1 hereto is the detailed invoice for the period covered by this Application and which lists the name and the hourly rate for each professional who performed services in connection with this case during the application period; and (b) attached as Exhibit 2 are the detailed time records 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.
8. The Firm has served a copy of this Application (without Exhibits) on the Special Notice List in this case.
9. Pursuant to this Court's "SECOND AMENDED ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" dated March 18, 2002, 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, the Committee, or this 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 May 30, 2002.
10. The interim compensation and reimbursement of expenses sought in this Application is on account and is not final. Upon 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 may be allowed by this Court.

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

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

12 Dated: *June 19, 2002*

The Brattle Group, Inc.

13 By: *Barbara J. Levine*

14 Barbara J. Levine, General Counsel

15 Consultants to Pacific Gas & Electric Co.
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