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UNITED STATES BANKRUPTCY COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

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

WINSTON & STRAWN'S COVER SHEET APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD JULY 1, 2002 THROUGH JULY 31, 2002

Winston & Strawn (the "Firm") submits its Cover Sheet Application (the "Application") for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for the Period of July 1, 2002 - July 31, 2002 (the "Application Period"). In support of the Application, the Firm respectfully represents as follows:

1. Pursuant to the Amendment to the Amended Application for Authority to Employ and to continue the Employment of Special Counsel dated as of September 13, 2001, the Firm is counsel to the above-captioned debtor and debtor in possession (the "Debtor") and employed under section 327(e) of the Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Code").

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2. Pursuant to the Order Establishing Interim Fee Application and Expense Reimbursement Procedure entered on July 26, 2001 (the "Fee Order"), 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.

3. The Firm billed a total of $111,527.14 in fees and expenses during the Application Period. The total fees represent 419.70 hours expended during the Application Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
July 1, 2002 - July 31, 2002	$105,184.95	$6,342.19	$111,527.14

4. Accordingly, the Firm seeks allowance of interim compensation in the total amount of $95,749.40 at this time. This total is comprised as follows: $89,407.21 (85% of the fees for services rendered)[1] plus $6,342.19 (100% of the expenses incurred).

5. Pursuant to the Stipulation and Order Regarding Employment of Winston & Strawn as Special Counsel to the Debtor in Possession dated September 24, 2001 (the "Stipulation"), the Firm's reimbursement for all fees and expenses incurred by the Firm as special counsel to Debtor through July 31, 2001, is governed by the Order entered on August 16, 2001, approving the Amended Application for Authority to Employ and Continue the Employment of Special Counsel (the "Omnibus Order"). Pursuant to the Stipulation and Omnibus Order, the Firm has not and will not submit Applications for fees and expenses incurred through July 31, 2001.

6. To date, the Firm has submitted invoices for the following post-petition services directly to the debtor:

[1]Payment of this amount would result in a "holdback" of $15,777.74.

Application Period	Amount Due	Amount Paid	Amount Outstanding
June 1, 2001-June 30, 2001	$117,735.06	$117,494.31	$0.00
July 1, 2001-July 31, 2001	$169,199.53	$169,197.43	$0.00

7. To date, the Firm has been paid $117,494.31 for the June 1, 2001 through June 30, 2001 period and $ 169,197.43 for the July 1, 2001 through July 31, 2001 period.

8. For fees and expenses incurred on behalf of the Debtor after July 31, 2001, the Firm is governed by the Fee Order and must file monthly fee applications ("Cover Sheet Applications") and quarterly fee applications ("Interim Fee Applications") with the Court pursuant to section 331 of the Code.

9. The following chart reflects: (a) the Cover Sheet Applications submitted to date by W&S, including this Cover Sheet Application; (b) the First and Second Interim Applications submitted to date by W&S; (c) for the fees and expenses incurred by the Firm after July 31, 2001, the amounts incurred and the amounts paid to W&S by the Debtor to date; (d) W&S's voluntary and Court ordered reductions in compensation sought from the Debtor as part of the First Interim Application; and (e) the total amount owed by the Debtor to the Firm to date.

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Application Period	85% Fees	Expenses	15% Fee Holdback	Amount Paid	Total Amount Owed[2]
Net Amounts for August 1 - November 30, 2001 Interim Application Period	$881,496.65	$71,206.39	$155,558.23	$1,108,261.28	$0.00
December 1 - December 31, 2001	$54,571.66	$7,715.25	$9,630.29	$62,286.92	$9,630.29
January 1 - January 31, 2002[3]	$179,058.37	$21,270.04	$31,598.54	$200,328.42	$31,598.53
February 1 - February 28, 2002	$274,756.42	$21,755.65	$48,486.43	$296,512.09	$48,486.41
March 1 - March 31, 2002	$90,587.77	$10,399.92	$15,986.08	$100,987.70	$15,986.07
December 1, 2001 - March 31, 2002 Interim Application Period	$598,974.22	$61,140.86	$105,701.34	$660,115.13	$105,701.30
April 1 - April 30, 2002	$117,868.95	$8,887.45	$20,800.40	$126,756.43	$20,800.37
May 1 – May 31, 2002	$119,086.32	$4,140.92	$21,015.23	$123,227.24	$21,015.23
June 1 - June 30, 2002	$74,428.17	$6,318.36	$13,134.38	$0.00	$93,880.91
July 1- July 31, 2002	$89,407.21	$6,342.19	$15,777.74	$0.00	$111,527.14
Totals to Date:	$1,881,261.52	$158,036.17	$331,987.32	$2,018,360.08	$352,924.95

10. 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, (a) attached as Exhibit 1 hereto is the name of each professional who performed services in connection with this case during the period covered by this Application and the hourly rate for each such professional; and (b) attached as Exhibit 2 are the detailed time and expense statements for the Application

[2] Total Amount Owed includes the 15% holdback.

[3] As originally filed, the January 2002 Cover Sheet Application reflected W&S fee rates for 2002. W&S should have billed the Debtor for fees incurred during January 2002 at the W&S rates generally applicable for the 2001 calendar year. On March 27, 2002, to reflect 2001 fee rates, as well as to comply with certain additional billing procedures instituted by the Debtor, W&S filed an amended Cover Sheet Application for January 2002. The fees and expenses sought for January 2002 in this Second Interim Application reflect the amounts in the amended January Cover Sheet 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.

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

12. Pursuant to this Court's Fee Order, 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 the 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 August 15, 2002.

13. The interim compensation and reimbursement of expenses sought in this Application is on account and is not final. Upon the 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.

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

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

Dated: August 15, 2002

WINSTON & STRAWN

By: _____
One of Its Attorneys
327(e) Counsel to Debtors and
Debtors in Possession