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4 A Professional Corporation  
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9 Special Counsel to Debtor and Debtor in Possession,  
10 PACIFIC GAS AND ELECTRIC COMPANY

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11 UNITED STATES BANKRUPTCY COURT

12 NORTHERN DISTRICT OF CALIFORNIA

13 SAN FRANCISCO DIVISION

14 In Re:

Case No. 01-30923 DM

15 PACIFIC GAS AND ELECTRIC  
16 COMPANY, a California corporation,

Chapter 11 Case

17 Debtor and Debtor in Possession.

[No Hearing Scheduled]

18 Federal I.D. No. 94-0742640

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20 STEEFEL, LEVITT & WEISS'S COVER SHEET APPLICATION  
21 FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION  
22 AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD OCTOBER 1-31, 2002

23 Steefel, Levitt & Weiss (the "Firm") respectfully submits its Cover Sheet Application (the  
24 "Application") for Allowance and Payment of Interim Compensation and Reimbursement of  
25 Expenses for the Period October 1-31 2002 (the "Application Period"). In support of the  
26 Application, the Firm respectfully represents as follows:

27 1. The Firm is Special Counsel to the debtor and debtor-in-possession in the above-  
28 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.

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2. The Firm billed a total of \$81,260.72 in fees and expenses during the Application Period. The total fees represent 294.40 hours expended during the Application Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
October 1-31, 2002	\$77,186.64	\$4,074.08	\$81,260.72

3. Accordingly, the Firm seeks allowance of interim compensation in the total amount of \$69,682.72 at this time. This total is comprised as follows: \$65,608.64 (85% of the fees for services rendered)<sup>1</sup> plus \$4,074.08 (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
Aug. 1-31, 2002	\$78,001.96	85% of fees and 100% of Expenses	\$78,001.96
Sept. 1-30, 2002	\$58,778.41	85% of fees and 100% of Expenses	\$58,778.41
TOTAL	\$136,780.37		\$136,780.37

5. Based on its Cover Sheet Applications filed in this proceeding, to date, the Firm is owed the following funds held back (excluding amounts owed pursuant to this Application):

Application Period	Amount	Description
14th (Aug. 1-31, 2002)	\$13,239.21	15% fee holdback and/or portion of fees objected to
15 <sup>th</sup> (Sept. 1-30, 2002)	\$9,881.69	15% fee holdback and/or portion of fees objected to
TOTAL OWED	\$23,120.90	

6. 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 name of each professional who performed services in connection with this case during the period covered by this Application, the hourly rate for each such professional, and the detailed time and expense statements for the Application Period that comply with all Northern District of

<sup>1</sup> Payment of this amount would result in a "holdback" of \$11,578.00.

1 California Bankruptcy Local Rules and Compensation Guidelines and the Guidelines of the  
2 Office of the United States Trustee.

3 7. The Firm has served a copy of this Application (without Exhibit 1) on the Special  
4 Notice List in this case.

5 8. Pursuant to this Court's "SECOND AMENDED ORDER ESTABLISHING  
6 INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which  
7 was entered on or about February 25, 2002, the Debtor is authorized to make the payment  
8 requested herein without a further hearing or order of this Court unless an objection to this  
9 Application is filed with the Court by the Debtor, the Committee or the United States Trustee and  
10 served by the fifteenth day of the month following the service of this Application. If such an  
11 objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the objection.  
12 The Firm is informed and believes that this Cover Sheet Application was mailed by first class  
13 mail, postage prepaid, on or about November 27, 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 seek  
16 fees and reimbursement of the expenses incurred for the totality of the services rendered in the  
17 case. Any interim fees or reimbursement of expenses approved by this Court and received by the  
18 Firm (along with the Firm's retainer) will be credited against such final fees and expenses as may  
19 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 the  
22 Guidelines of the Office of the United States Trustee. Neither the Firm nor any members of the  
23 Firm has any agreement or understanding of any kind or nature to divide, pay over or share any  
24 portion of the fees or expenses to be awarded to the Firm with any other person or attorney except  
25 as among the members and associates of the Firm.

26 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation to the  
27 Firm as requested herein pursuant to and in accordance with the terms of the "SECOND  
28

1 AMENDED ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE  
2 REIMBURSEMENT PROCEDURE."

3 Date: November 27, 2002

STEEFEL, LEVITT & WEISS  
A Professional Corporation

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6 By: 

Mark Fogelman

7 Attorneys for Special Counsel to Debtor and  
8 Debtor in Possession, PACIFIC GAS AND  
9 ELECTRIC COMPANY  
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1 I declare that I am employed in the office of a member of the bar of this court at whose  
2 direction the service was made.

3 Executed on November 27, 2002, at San Francisco, California.

4 Anne Ogonowski

5 Anne Ogonowski  
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