

1 RICHARD LEVIN (CA State Bar No. 66578)  
JAMIE L. EDMONSON (CA State Bar No. 185384)  
2 SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
300 South Grand Avenue, Suite 3400  
3 Los Angeles, California 90071-3144  
Telephone: 213/687-5000  
4 Facsimile: 213/687-5600

50-275  
323

5 Special Counsel for Pacific Gas and  
Electric Company, Debtor and Debtor in Possession  
6  
7

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

11 In re ) Case No. 01-30923-DM  
12 PACIFIC GAS AND ELECTRIC COMPANY, ) Chapter 11 Case  
a California corporation, )  
13 Debtor. ) [No Hearing Scheduled]  
14 Federal I.D. No. 94-0742640 )  
15

16 SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S  
17 COVER SHEET APPLICATION FOR ALLOWANCE  
18 AND PAYMENT OF INTERIM COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
19 NOVEMBER 1, 2002 THROUGH NOVEMBER 30, 2002

20 Skadden, Arps, Slate, Meagher & Flom LLP (the "Firm") submits its Cover Sheet  
21 Application (the "Application") for Allowance and Payment of Interim Compensation and  
22 Reimbursement of Expenses for the Period November 1, 2002 through November 30, 2002 (the  
23 "Application Period"). In support of the Application, the Firm respectfully represents as follows:

- 24 1. The Firm is special regulatory counsel to Pacific Gas and Electric  
25 Company, the debtor and debtor in possession in the above-referenced bankruptcy case (the  
26 "Debtor"). The Firm hereby applies to the Court for allowance and payment of interim  
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  
NOVEMBER 1, 2002 THROUGH NOVEMBER 30, 2002

Add OGC Mail Center  
A001

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

3           2.     The Firm billed a total of \$75,345.76 in fees and expenses during the  
4 Application Period. The total fees represent 205.40 hours expended during the period covered by  
5 this Application. These fees and expenses break down as follows:

7           Period	Fees	Expenses	Total
8           November 1, 2002 9           through November 30, 2002	\$67,347.00	\$7,998.76	\$75,345.76

10  
11           3.     Accordingly, the Firm seeks allowance of interim compensation in the  
12 total amount of \$65,243.71 at this time. This total is comprised as follows: \$57,244.95 (85% of  
13 the fees for services rendered)<sup>1</sup> plus \$7,998.76 (100% of the expenses incurred).

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

15           Application Period	Amount Applied For	Description	Total
16           April 6 2001 through July 31, 2001	\$ 412,199.69	100% of fees and 100% of expenses	\$384,116.82 <sup>2</sup>
17           August 1, 2001 18           through August 31, 2001	\$ 232,904.35	85% of fees and 100% of expenses	\$211,716.95
19           September 1, 2001 20           through September 30, 2001	\$182,393.51	85% of fees and 100% of expenses	\$182,363.51
21           October 1, 2001 22           through October 31, 2001	\$351,118.17	85% of fees and \$100% of expenses	\$351,118.17

23  
24

25     <sup>1</sup>     Payment of this amount would result in a "holdback" of \$10,102.05.

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 November 30, 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	March 1, 2002 through March 31, 2002	\$89,507.42	85% of fees and 100% of expenses	\$89,507.42
13				
14	April 1, 2002 through April 30, 2002	\$111,659.93	85% of fees and 100% of expenses	\$111,659.93
15				
16	December 1, 2001 through March 31, 2002		Amounts outstanding from cover sheet fee applications less certain reductions from Third Interim Fee Application	\$52,271.96
17				
18				
19	May 1, 2002 through May 31, 2002	\$90,110.23	85% of fees and 100% of expenses	\$90,110.23
20				
21	June 1, 2002 through June 30, 2002	\$28,872.94	85% of fees and 100% of expenses	\$28,872.94
22				
23	July 1, 2002 through July 31, 2002	\$77,733.11	85% of fees and 100% of expenses	\$77,733.11
24				
25	August 1, 2002 through August 31, 2002	\$131,944.96	85% of fees and 100% of expenses	\$131,944.96
26				
27	September 1, 2002 through September 30, 2002	\$72,743.14	85% of fees and 100% of expenses	\$72,743.14

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 NOVEMBER 1, 2002 THROUGH NOVEMBER 30, 2002

1 2 3 4	April 1, 2002 through July 31, 2002	\$45,556.86	Amounts outstanding from cover sheet fee applications less voluntary reductions from Fourth Interim Fee Application	\$45,556.86
5 6	October 1, 2002 through October 31, 2002	\$94,196.22	85% of fees and 100% of expenses	\$94,196.22

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

10	Period	Fees	Description
11	Fourteenth (August 1, 2002 through August 31, 2002)	\$22,755.67	15% fee holdback
12	Fifteenth (September 1, 2002 through September 30, 2002)	\$12,739.72	15% fee holdback
13	Sixteenth (October 1, 2002 through October 31, 2002)	\$15,644.47	15% fee holdback
14	Total Owed to Firm to Date	\$51,139.86	

15  
16                   6.     With regard to the copies of this Application served on counsel for the  
17 Committee, counsel for the Debtor and the Office of the United States Trustee, attached as  
18 Exhibit 1 hereto is the name of each professional who performed services in connection with this  
19 case during the period covered by this Application and the hourly rate for each such professional;  
20 and (b) attached as Exhibit 2 are the detailed time and expense records for the Application Period  
21 that comply with all Northern District of California Bankruptcy Local Rules and Compensation  
22 Guidelines and the Guidelines of the Office of the United States Trustee.

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

25                   8.     In accordance with this Court's "ORDER ESTABLISHING INTERIM  
26 FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered

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  
NOVEMBER 1, 2002 THROUGH NOVEMBER 30, 2002

1 on or about July 25, 2001, as subsequently amended, the Debtor is authorized to make the  
2 payment requested herein without a further hearing or order of this Court unless an objection to  
3 this Application is filed with the Court by the Debtor, the Committee or the United States  
4 Trustee and served by the fifteenth day of the month following the service of this Application. If  
5 such an objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the  
6 objection. The Firm is informed and believes that this Cover Sheet Application was mailed by  
7 first class mail, postage prepaid, on or about December 19, 2002.

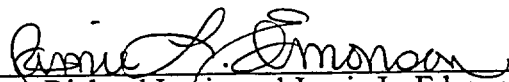
8           9.     The interim compensation and reimbursement of expenses sought in this  
9 Application is on account and is not final. Upon the conclusion of this case, the Firm will seek  
10 fees and reimbursement of the expenses incurred for the totality of the services rendered in this  
11 case.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

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

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

22 Dated: December 19, 2002

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

23  
24 By:   
25 Richard Levin and Jamie L. Edmonson  
26 Special Regulatory Counsel to Debtor and Debtor in  
Possession

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  
NOVEMBER 1, 2002 THROUGH NOVEMBER 30, 2002