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9 Special Counsel to Debtor and Debtor in Possession,
10 PACIFIC GAS AND ELECTRIC COMPANY

11 UNITED STATES BANKRUPTCY COURT
12 NORTHERN DISTRICT OF CALIFORNIA
13 SAN FRANCISCO DIVISION

14 In Re:
15 PACIFIC GAS AND ELECTRIC
16 COMPANY, a California corporation,
17 Debtor and Debtor in Possession.
18 Federal I.D. No. 94-0742640

19 Case No. 01-30923 DM

20 Chapter 11 Case

21 Hearing: February 28, 2003

22 STEEFEL, LEVITT & WEISS'S COVER SHEET APPLICATION
23 FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION
24 AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD NOVEMBER 1-30, 2002

25 Steefel, Levitt & Weiss (the "Firm") respectfully submits its Cover Sheet Application (the
26 "Application") for Allowance and Payment of Interim Compensation and Reimbursement of
27 Expenses for the Period November 1-30, 2002 (the "Application Period"). In support of the
28 Application, the Firm respectfully represents as follows:

1. The Firm is Special Counsel to 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 rendered and reimbursement of expenses
incurred during the Application Period.

2. The Firm billed a total of \$53,486.67 in fees and expenses during the Application Period. The total fees represent 176.59 hours expended during the Application Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
November 1-30, 2002	\$49,540.03	\$3,946.64	\$53,486.67

3. Accordingly, the Firm seeks allowance of interim compensation in the total amount of \$46,055.67 at this time. This total is comprised as follows: \$42,109.03 (85% of the fees for services rendered)¹ plus \$3,946.64 (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
Oct. 1-31, 2002	\$70,160.85 ²	85% of fees and 100% of Expenses	\$69,682.72
TOTAL	\$206,941.22		\$206,463.09

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 th (Sept. 1-30, 2002)	\$9,881.69	15% fee holdback and/or portion of fees objected to
16 th (Oct. 1-31, 2002)	\$12,140.50 ³	15% fee holdback and/or portion of fees objected to plus underpayment of October 2002 claim due to computational error
TOTAL OWED	\$35,261.40 ⁴	

¹ Payment of this amount would result in a "holdback" of \$7,431.00.

² This number has been changed from that in the October 2002 Cover Sheet Application to reflect a computational error of \$562.50.

³ The indicated holdback for Oct. 1-31, 2002, reflects a reduced payment due to the computational error in the October 2002 Cover Sheet Application. See Footnote 2, *supra*.

⁴ See Footnote 3, *supra*.

1 6. With regard to the copies of this Application served on counsel for the Committee,
2 counsel for the Debtor and the Office of the United States Trustee, attached as Exhibit 1 hereto is
3 the name of each professional who performed services in connection with this case during the
4 period covered by this Application, the hourly rate for each such professional, and the detailed
5 time and expense statements for the Application Period that comply with all Northern District of
6 California Bankruptcy Local Rules and Compensation Guidelines and the Guidelines of the
7 Office of the United States Trustee.

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

10 8. Pursuant to this Court's "SECOND AMENDED ORDER ESTABLISHING
11 INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE (Revised
12 March, 2002)" which was entered on or about March 18, 2002, the Debtor is authorized to make
13 the payment requested herein without a further hearing or order of this Court unless an objection
14 to this Application is filed with the Court by the Debtor, the Committee or the United States
15 Trustee and served by the fifteenth day of the month following the service of this Application. If
16 such an objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the
17 objection. The Firm is informed and believes that this Cover Sheet Application was mailed by
18 first class mail, postage prepaid, on or about November 27, 2002.

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

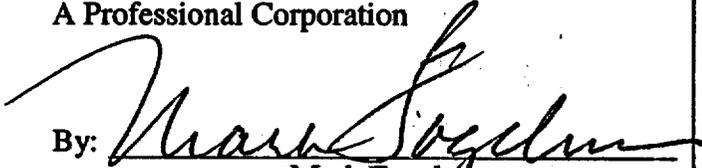
25 10. The Firm represents and warrants that its billing practices comply with all
26 Northern District of California Bankruptcy Local Rules and Compensation Guidelines and the
27 Guidelines of the Office of the United States Trustee. Neither the Firm nor any members of the
28 Firm has any agreement or understanding of any kind or nature to divide, pay over or share any

1 portion of the fees or expenses to be awarded to the Firm with any other person or attorney except
2 as among the members and associates of the Firm.

3 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation to the
4 Firm as requested herein pursuant to and in accordance with the terms of the "SECOND
5 AMENDED ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE
6 REIMBURSEMENT PROCEDURE (Revised March, 2002)."

7 Date: December 27, 2002

STEEFEL, LEVITT & WEISS
A Professional Corporation

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9
10 By: 

Mark Fogelman
Attorneys for Special Counsel to Debtor and
Debtor in Possession, PACIFIC GAS AND
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 December 27, 2002, at San Francisco, California.

4 Anne Ogonowski
5 Anne Ogonowski

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