

50-275/323

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10 Accountants and Financial Advisors for Official  
11 Committee of Unsecured Creditors  
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**FILED**  
JAN 14 2003  
UNITED STATES BANKRUPTCY COURT  
SAN FRANCISCO, CA

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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.

Case No. SF 01-30923 DM

Chapter 11

**FIFTH INTERIM APPLICATION OF FTI  
CONSULTING INC. FOR ALLOWANCE  
AND PAYMENT OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES  
(AUGUST 1, 2002 THROUGH NOVEMBER  
30, 2002); DECLARATION OF THOMAS E.  
LUMSDEN IN SUPPORT THEREOF**

Hearing:

Date: February 28, 2003

Time: 11:00 PM

Place: 235 Pine Street, 22<sup>nd</sup> Floor  
San Francisco, CA

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1 **TO THE HONORABLE DENNIS MONTALI, UNITED STATES BANKRUPTCY**  
2 **JUDGE, THE OFFICE OF THE UNITED STATES TRUSTEE, THE DEBTOR, AND**  
3 **OTHER PARTIES IN INTEREST:**

4 As previously disclosed to this Court through the Eighth Supplemental Declaration of  
5 Mr. Thomas E. Lumsden and FTI's retention pleadings, on August 30, 2002 (the "Closing  
6 Date"), the Business Recovery Services practice (the "BRS Practice") of  
7 PricewaterhouseCoopers LLP ("PwC") was transferred to FTI Consulting, Inc. ("FTI"). This  
8 transfer included the business, receivables and employees comprising the BRS Practice of PwC.  
9 Effective upon the Closing Date, Mr. Lumsden, as well as all of the BRS Practice professionals  
10 working on behalf of the Committee in this matter became employees of FTI.

11 As disclosed in FTI's retention pleadings filed on September 27, 2002 and approved by  
12 the Court on October 31, 2002, nunc pro tunc to September 1, 2002, FTI, as successor to the  
13 BRS Practice, will be responsible for filing appropriate fee applications regarding previously  
14 unbilled services provided by PricewaterhouseCoopers LLP ("PwC") prior to the Closing Date.  
15 Further, FTI will be entitled to all payments to be made by the Debtors after the Closing Date for  
16 any outstanding receivables related to BRS services. It is anticipated that FTI would assume the  
17 responsibility for filing a single, final fee application for pre-Closing Date BRS services and  
18 post-Closing Date FTI services at the conclusion of these proceedings. As such, as outlined  
19 above, FTI respectfully submits this Fifth Interim Fee Application for services rendered by PwC  
20 from August 1, 2002 through August 31, 2002 and by FTI for the period from September 1, 2002  
21 through November 30, 2002 to the Official Committee of Unsecured Creditors (the  
22 "Committee").

23  
24 **I.**

25 **INTRODUCTION**

26 This is the fifth long-form interim application filed by FTI for approval of compensation  
27 and reimbursement of related expenses for services rendered on behalf of the Committee during  
28 PG&E's chapter 11 case. FTI submits this Fifth Interim Application in accordance with

1 Bankruptcy Code sections 330 and 331, Rule 2016 of the Federal Rules of Bankruptcy Procedure  
2 (the "Bankruptcy Rules"), the Office of the United States Trustee for the Northern District of  
3 California Guidelines (the "UST Guidelines"), and the United States Bankruptcy Court Northern  
4 District of California Guidelines for Compensation and Expense Reimbursement of Professional  
5 and Trustee ("Court Guidelines"). Through this Fifth Interim Application, FTI seeks (i) interim  
6 approval and allowance of \$737,128 in fees accrued and \$19,594 in expenses incurred for  
7 services rendered by PwC and FTI on behalf of the Committee during the period August 1, 2002  
8 through and including November 30, 2002.

9 During the Fifth Application Period, FTI/PwC professionals spent a total of  
10 1,789.4 hours rendering services to the Committee in connection with the PG&E  
11 bankruptcy case at a blended hourly rate of \$412. FTI/PwC also incurred \$19,594 in  
12 costs and expenses in connection with those services, for which FTI is requesting  
13 reimbursement. Accordingly, FTI seeks allowance and payment of a total of \$756,722  
14 for services rendered and reimbursement of costs and expenses incurred during the Fifth  
15 Application Period. To date, PG&E has made payments for fees in the amount of  
16 \$621,849 and expenses in the amount of \$19,594 on account of the Monthly Cover Sheet  
17 Applications for the period of August 1, 2002 through November 30, 2002. The services  
18 and costs for the Fifth Application Period are described below and are detailed in the  
19 exhibits filed concurrently herewith. These amounts reflect an increase from the cover  
20 sheet applications of \$5,542 primarily for errors in the billing rates of two Directors in the  
21 September Cover Letter Application.

## 22 23 SUMMARY OF DEVELOPMENTS IN THE CASE

24  
25 On April 6, 2001 (the "Petition Date"), Pacific Gas and Electric Company (the  
26 "Debtors") filed voluntary petitions for reorganization under Chapter 11 of title 11 of the United  
27 States Bankruptcy Code ("Bankruptcy Code"). The Debtors continue to operate their business  
28

1 and manage their properties as debtors-in-possession pursuant to Sections 1107(a) and 1108 o  
2 the Bankruptcy Code.

3  
4 On July 2, 2001 this Court entered an order authorizing, *nunc pro tunc*, employment o  
5 PwC as of April 11, 2001, as Accountants and Financial Advisors for the Committee. Or  
6 October 31, 2002, an order (the "Retention Order") was entered to extend this employment to  
7 FTI as successor to the PwC BRS Practice, *nunc pro tunc* to September 1, 2002,

8  
9 The Retention Order authorized the retention of FTI to render to the Committee the  
10 following essential services, which include but are not limited to the following:

11  
12 (a) Assistance to the Committee in the review of financial related disclosures  
13 required by the Court, including the Schedules of Assets and Liabilities, the Statement of  
14 Financial Affairs and Monthly Operating Reports;

15 (b) Assistance with a review of the Debtor's short-term cash management  
16 practices;

17 (c) Advice and guidance to the Committee with respect to utility accounting  
18 and electric and gas utility operating elements, including elements of rate making, cost recovery  
19 and the financial impact of regulatory decisions;

20 (d) Assistance and advice to the Committee with respect to the value of the  
21 Debtor's operating assets and make recommendations regarding the highest and best use,  
22 operation, and ultimate disposition of such assets;

23 (e) Assistance in the review of financial information distributed by the Debtor  
24 to creditors and others, including, but not limited to, cash flow projections and budgets, cash  
25 receipts and disbursement analysis, analysis of various asset and liability accounts, and analysis  
26 of proposed transactions for which Court approval is sought;

1 (f) Attendance at meetings and assistance in discussions with the Debtor,  
2 regulators, State agencies, mortgage holders and other secured lenders in this chapter 11 case, the  
3 U.S. Trustee, other parties in interest and professionals hired by the same, as requested;

4 (g) Assistance in the review and/or preparation of information and analysis  
5 necessary for the confirmation of a Plan of Reorganization in this chapter 11 case;

6 (h) Assistance to the Committee and its counsel in the preparation and  
7 evaluation of potential litigation;

8 (i) Assistance in the discharge of the Committee's duties and functions in this  
9 case, including, but not limited to, compilation of material required for court testimony; and

10 (j) Render such other general business consulting or such other assistance as  
11 the Committee or its counsel may deem necessary that are not duplicative of services provided  
12 by other professionals in this proceeding.

13  
14 As mentioned above, FTI filed retention papers with the court on  
15 September 27, 2002 to extend employment as accountants and financial advisors to the  
16 Committee to FTI. FTI incorporates by reference the overview of case activity presented  
17 in Sections II and III of the Fifth Interim Application of Milbank Tweed Hadley &  
18 McCloy LLP for Allowance and Payment of Compensation and Reimbursement of  
19 Expenses. The Debtor continues to operate its business, and cash flow appears to be  
20 neutral pending regulatory decisions by the California Public Utilities Commission. Two  
21 competing plans have been filed in the case and confirmation hearings are still  
22 proceeding in the matter.

## 23 24 II.

### 25 SUMMARY OF FTI'S EXPERIENCE

26  
27 FTI, as successor to the BRS practice of PwC, has extensive experience in financial  
28

1 reorganizations, and bankruptcy consulting services. Our professionals have provided services  
2 to a wide variety of industries, and as a result, FTI has accumulated a wealth of knowledge  
3 concerning the intricacies in these matters.

4 In bankruptcy restructurings, the FTI has accumulated over a quarter of a century of  
5 experience serving Debtors, Creditors, and Trustees in bankruptcy matters.

6 FTI has assisted numerous Debtor and Debtor-In-Possession entities involving, successful  
7 development of reorganization plans, numerous valuation projects, sales of assets in Chapter 11,  
8 extensive tax consulting, and other services related to reorganization.

### 9 10 **III.**

#### 11 **SUMMARY OF SERVICES RENDERED BY FTI/PWC**

12 During the Fifth Application Period, FTI/PwC represented and advised the Committee  
13 with respect to a wide range of issues and challenges. Due to the comprehensive nature of the  
14 services rendered by FTI/PwC during the Fifth Application Period, no attempt is made herein to  
15 detail the totality of such services. The full scope of the services rendered by FTI/PwC is set  
16 forth in detail in the billing reports filed concurrently herewith under captions entitled "Detail  
17 Reporting by Task Code Exhibit for the Period August 1, 2002 to November 30, 2002" (the  
18 "Billing Reports"). However, in order to assist the Court, the United States Trustee, PG&E and  
19 other parties in interest in reviewing this Fifth Interim Application, a brief summary of FTI's  
20 billing procedures and the services rendered by FTI/PwC during the Fifth Application Period  
21 with regard to each activity code category, including certain undertakings within each category,  
22 is set forth below.

1     **A.     Summary Of FTI's Billing Procedures.**

2             It is FTI's normal business practice to charge its clients in full for services rendered and  
3     all actual and necessary out-of-pocket costs and expenses incurred by FTI in providing those  
4     services.

5             In the ordinary course of its practice, FTI maintains records of time expended by  
6     professionals in rendering services to its clients. Time records are made substantially  
7     contemporaneously with the rendition of these professional services and are prepared by the  
8     professionals who have rendered the services. In matters such as this, time records are kept in 6  
9     minute (.1 hour) increments.  
10

11            This case, which was one of the ten largest bankruptcy cases filed in the United States,  
12     has involved significant interaction with outside agencies, including the Federal Energy  
13     Regulatory Commission, the California Public Utility Commission ("CPUC"), the California  
14     Energy Commission, the Department of Water & Power ("DWR"), the State Legislature, the  
15     Governors Office, as well as taxing authorities and other reporting agencies. The activity in this  
16     case has been continuous and intense as the Debtor and Creditors have moved swiftly to grapple  
17     with the innumerable issues of a regulated utility in bankruptcy, and parties have sought to  
18     develop a consensual plan of reorganization structure. During the course of this case, we have  
19     observed unprecedented action by all of the parties noted above to address the underpinnings of  
20     the energy crisis in California. These have included the filing of two competing plans of  
21     reorganization within one year of the case's commencement, proceedings by the legislature and  
22     the CPUC to address hardship by the QF generators, proceedings by the Governor, Legislature  
23     and FERC on price caps and refunds for energy, action by the Legislature and Energy  
24     Commission to support development of power plants, proceedings with the CPUC over the DWR  
25     power purchases, negotiations and legislative proceedings involving bailout measures for utilities  
26     in California, issues involving the State Treasurers office, DWR, CPUC and the Governor over  
27     bond financing for the DWR power purchases, interplay among the utilities in California, the  
28

1 CPUC and DWR concerning allocation of the costs of power and bond financing as it may affect  
2 each utility, and agreement between the CPUC and Southern California Edison (SCE) on a  
3 means to repay SCE's past-due obligations. The issues at stake have been monumental with  
4 PG&E's reported debt and claims exceeding \$13 Billion, the range of revenue at stake for their  
5 electricity procurement activities varies from \$2.8 Billion to \$3.7 Billion per year, the proposed  
6 allocation of DWR power and bond finance costs varying from \$2.0 Billion to over \$2.2 Billion  
7 per year, and QF pre-petition claims on executory contracts exceeding \$1 Billion. During the  
8 pendency of this case, we have observed electricity prices vary from hundreds of dollars per  
9 Megawatt to power prices in the \$15-30 range. We have seen natural gas prices vary by a factor  
10 of 10x the historic price average. Reported purchases of power by the DWR have varied from  
11 over \$100 million per day to under \$12 million per day during this period. There have been  
12 numerous legal challenges to actions of the Debtor, CPUC and the State of California in this  
13 case, resulting in pending appeals and legal action on these matters.

14         The Committee organization structure has been unique for this case, with greater time  
15 involvement by Committee members than in most any other case. The personal commitment of  
16 Committee members to actively participate on a continuous basis has matched the activity level  
17 in the case with over 11,500 filings listed in the Court docket through December 31, 2002. The  
18 Committee has participated in an unprecedented number of meetings of the Committee, advisors,  
19 the Debtor and the CPUC. The Committee, in order to address the monumental workload and  
20 myriad of tasks at hand, created four distinct subcommittees: Financial, Legislative, Regulatory  
21 and Plan. FTI assembled sub-teams of professionals to address the issues and work assignments  
22 set forth by the Committee, subcommittees and working group. In the course of FTI's  
23 representation of the Committee in this matter, it has been necessary and requested that more  
24 than one or two professionals participate in meetings and conferences with the Committee  
25 representatives, the CPUC or with the Debtor. This is not normally the case for FTI in such  
26 matters and has been dictated by the size of the case, the complex nature of the matters being  
27 discussed, the speed with which matters are being addressed in the case, and requirement to have  
28



1 various specialty skills represented and participating in certain key discussions. In many cases,  
2 these have been high-level meetings or key discussions with the Debtor representatives or the  
3 CPUC and its advisors who are not able to make themselves available for repetitive follow-up  
4 discussions. In many cases, the participation of multiple professionals by FTI has been dictated  
5 by the specific specializations and backgrounds such as those of the following key professionals:

6 Michael Hamilton is PwC's senior Utility Specialist in Accounting and Regulatory  
7 Matters. He has participated in each of the restructurings that have involved a utility for the Firm  
8 over the past 25 years. He has unique knowledge of the regulatory and business environment  
9 facing utilities. Mr. Hamilton has coordinated the Committee work on plan structuring,  
10 regulatory matters, cash flow projections and legislative matters.

11 Thomas Lumsden is one of FTI's senior bankruptcy specialists, with specialization in  
12 utilities and the California Market, having participated in development of the infrastructure for  
13 the electricity deregulation in the State, and has operated and bought and sold electrical  
14 generation facilities. Mr. Lumsden coordinated the Committee work on the financial modeling  
15 and analysis of PG&E's operations and finances, the DWR power purchases and revenue  
16 requirements, the tax issues involving the Plan structure, the retained generation filings with the  
17 CPUC, the analysis of claims by class, analysis of the CPUC Plan, and development of  
18 alternative plan structures..  
19

20 M. Freddie Reiss is a senior bankruptcy specialist for FTI with expertise in serving  
21 Committees and dealing with intercreditor matters. He has coordinated the Firm's negotiations in  
22 the areas of employee retention issues, employment of Debtor professionals, ordinary course  
23 motions, committee governance and plan negotiations with the Debtor and with the CPUC.  
24

25 Rocky Ho is a Managing Director for FTI and has been responsible for coordinating staff  
26 assignments and projects for the FTI team, review of work product, and quality control, and has  
27 specialized in review and coordination of all Committee response to Debtor motions and filings,  
28 litigation matters and Committee consent on expenditures.

1 Allison Young is a Director for FTI and has specialized in the financial modeling, the  
2 statewide grid modeling, the cash flow analysis, the assessment of Debtor projections, the  
3 assessment of the CPUC's projections, alternative plan structures and feasibility, tax analysis of  
4 both plan proposals, and analysis of creditor claims by class.

5 Jennifer Kitchin is a Director for FTI and has specialized in the Rating Agency analysis  
6 of PG&E, the DWR power purchases and contract data.

7  
8 An analysis of meetings with multiple FTI professionals in attendance and an explanation of the  
9 role and purpose of each professionals' participation is presented in Exhibit 4 to this Application.

10 **B. Summary Of Exhibits Regarding Services Rendered By FTI/PwC.**

11 FTI has attached the following exhibits as support to its Application:

12  
13 1. Attached to the Declaration of Thomas E. Lumsden ("Lumsden Declaration") is  
14 Exhibit 1 - A summary schedule showing the professionals who performed the services, the  
15 number of hours spent, the respective professional's billing rate, and the total fees for such  
16 services;

17 2. Exhibit 2 and Exhibit 2-1 - Summary of Fees by Project Category and itemized  
18 time records, in chronological order, of each specific service for which an award of  
19 compensation is sought. The itemized record includes: (1) the date each service was rendered,  
20 (2) the professional(s) who performed the service, (3) a description of the services rendered, and  
21 (4) the time spent performing the service in increments of tenths of an hour for the Fifth Interim  
22 Application;

23 3. Exhibit 3 - Expense Summary and Expense Detail reports by individual and  
24 itemized total expenses for which reimbursement is sought. All expenses for which  
25 reimbursements are sought are disclosed in detail by individual. It should be noted that any  
26 airfare charges were incurred as a result of travel in coach class. FTI has not requested  
27 reimbursement for certain out-of-pocket expenses when it would not be possible to assemble the  
28 billing details for reimbursement under the Guidelines. These unbilled out-of-pocket expenses

1 typically include telephone charges for calls placed in its offices, postage costs including Federa  
2 Express charges and copying and facsimile charges incurred at the Applicant's offices in  
3 connection with these cases. These unbilled out-of-pocket expenses are real costs that have been  
4 incurred by FTI and have benefited the Estate; and

5 4. Exhibit 4 – Summary of Meetings that more than two FTI/PwC  
6 professionals attended. The summary highlights the relative importance of each team  
7 member and the purpose of their involvement at the meetings.

8  
9 **NARRATIVE SUMMARY OF SERVICES PROVIDED BY FTI/PWC.**

10 FTI has submitted detailed listings of time incurred by professional by task for the  
11 monthly Cover Sheet Applications to the Debtor, Committee, the United States Trustee and the  
12 Court for the period covered by this Fifth Interim Application. FTI has reclassified some of the  
13 detailed time into categories that more appropriately reflect the work performed.  
14 Reclassification were made to harmonize the categorization among professionals.

15  
16 **1. Asset Sales/Valuation Issues (Category 01).**

17 During the Fifth Application Period, FTI/PwC professionals spent a total of 183.0  
18 hours rendering services in this category, for which FTI seeks compensation of \$63,242. A  
19 summary of the FTI/PwC professionals who rendered services in this category and the  
20 corresponding amount of fees requested is included in Exhibit "2." The Billing Record for this  
21 category, which sets forth a detailed description of the services rendered are filed concurrently  
22 herewith.

23 Services rendered by FTI/PwC professionals in this category included:

24  
25 a) FTI/PwC updated its valuation of the proposed business units under the  
26 PG&E Plan of Reorganization and of PG&E as an integrated utility under the CPUC Plan of  
27 Reorganization.  
28

1           The purpose for the work performed was to enable the Committee to assess the  
2    solvency of the Debtor, to assess the ability of the Debtor's assets, at market value, to provide  
3    adequate coverage for the proposed debt to be issued under both plans of reorganization, and to  
4    assess the approximate value of the Debtor's equity under the CPUC plan. The valuation of the  
5    Debtors business segments involved analysis of each component of the Debtors operations,  
6    adjusting for the different cost structure, resources, market pricing and regulatory environment in  
7    California. This information has assisted the Committee in evaluating the debt capacity and  
8    creditworthiness of each of the proposed new entities in the Debtor's Plan of Reorganization and  
9    of the integrated utility under the CPUC/OCC Plan of Reorganization. In the process of  
10   developing the comparable company data, which is referenced in valuations, FTI/PwC has also  
11   utilized the information to assess the viability of the Debtors financial projections for plan  
12   purposes.

13           **2.    Bankruptcy Reporting (Category 02).**

14  
15           During the Fifth Application Period, FTI/PwC professionals spent a total of 152.3  
16   hours rendering services in this category, for which FTI seeks compensation of \$49,687. A  
17   summary of the FTI/PwC professionals who rendered services in this category and the  
18   corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
19   category, which sets forth a detailed description of the services rendered is filed concurrently  
20   herewith.

21           Services rendered by FTI/PwC professionals in this category included:

22  
23           a)    FTI/PwC reviewed and analyzed various motions and pleadings of the  
24   case, and provided comment to the committee on the financial impact of these items.

25           There have been innumerable motions filed in the case by the Debtor and other  
26   parties which required review and assessment by FTI/PwC to assist counsel to the Committee in  
27   determining the necessary response. These included motions on capital expenditures, asset sales,  
28

1 and claim settlements, as well as document discovery requests. In many cases, the time  
2 associated with those motions has been posted to a distinct task code, but in other more generic  
3 cases, the time has been posted to the Bankruptcy Reporting task.

### 4 3. Cash Flow Analysis (Category 03).

5  
6 During the Fifth Application Period, FTI/PwC professionals spent a total of 109.3  
7 hours rendering services in this category, for which FTI seeks compensation of \$44,561. A  
8 summary of the FTI/PwC professionals who rendered services in this category and the  
9 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
10 category, which sets forth a detailed description of the services rendered, is filed concurrently  
11 herewith.

12 Services rendered by FTI/PwC professionals in this category included:

13  
14 a) FTI/PwC updated its analysis of the Debtors' cash flow forecasts to  
15 develop an understanding of the Debtor's liquidity position and its ability to generate sufficient  
16 cash to fund the proposed Plans of Reorganization.

17 b) FTI/PwC conducted interviews with members of management and their  
18 advisors to understand the structure and underlying assumptions of capital expenditure  
19 projections, including comparison of the capital expenditure budget to historical capital  
20 expenditures.

21 c) FTI/PwC analyzed the capital structure and cash flow needs of PG&E  
22 Corporation, the Debtor's parent, to determine the impact a revised parent credit agreement  
23 would have on parent cash flows and liquidity of the parent of PG&E Company under both Plans  
24 of Reorganization. FTI also assessed the ratings impact of the parent financial situation under  
25 both Plans of Reorganization.

26 The process was critical to understanding the financial projections, both cash based and  
27 operating, to evaluate the liquidity of the debtor, and its parent, to assess the Committee position  
28

1 with respect to motions related to ordinary course expenditures, capital expenditures, payment  
2 to DWR, payments to ISO, the relationship and sensitivity of the cash flows to changes in natural  
3 gas fuel prices, and the Debtor's ability to generate sufficient cash flows to fund either of the  
4 proposed Plans of Reorganization.

5  
6 **4. Claims Analysis (Category 04).**

7 During the Fifth Application Period, FTI/PwC professionals spent a total of 49.7  
8 hours rendering services in this category, for which FTI seeks compensation of \$21,407. A  
9 summary of the FTI/PwC professionals who rendered services in this category and the  
10 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
11 category, which sets forth a detailed description of the services rendered is filed concurrently  
12 herewith.

13 Services rendered by FTI/PwC professionals in this category included:

14  
15 a) FTI/PwC coordinated with the Debtor to summarize and reconcile those  
16 claims filed against the company to validate the value of potential allowed claims that the Estate  
17 is responsible for.

18 This work product has involved the review of claims filed by creditors totaling in  
19 excess of \$44 Billion; reconciling these amounts to those reported by the Debtor, and to  
20 information supplied by institutional creditors and in public filings; and evaluating those claims  
21 which are subject to estimation or adjustment through the ISO or PX, and those subject to CPUC  
22 review. Work in this area has resulted in validation on behalf of the Committee of a large  
23 segment of the claims in this case and evaluation of key claims including those for Financial  
24 Creditors, QF's, Sempra, ISO/Generators, cities, counties and other claimants where settlements  
25 have been proposed or discussed.  
26  
27  
28

1                   **5. Coordinating with Debtor (Category 05).**

2                   During the Fifth Application Period, FTI/PwC professionals spent a total of 1.1  
3 hours rendering services in this category, for which FTI seeks compensation of \$502. A  
4 summary of the FTI/PwC professionals who rendered services in this category and the  
5 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
6 category, which sets forth a detailed description of the services rendered is filed concurrently  
7 herewith.

8  
9                   Services rendered by FTI/PwC professionals in this category included:

10                   a)       FTI/PwC spent time coordinating meetings or the exchange of information  
11 with the debtor or its advisors. The time spent drafting data requests and preparing for these  
12 meetings are recorded in this task category. Attendance in meetings with the Debtor is recorded  
13 in the relevant task code.

14  
15                   This effort has resulted in a coordinated and smooth flow of information from the  
16 Debtor to the Committee and has enabled the Committee to respond to requests of the Debtor  
17 and the Court on a timely basis. FTI/PwC has also shared much of its analysis of various aspects  
18 of the Debtors operations, including load and resource assessments, Plan financial projections,  
19 regulatory issues, and DWR contract and revenue requirement estimations. This collaborative  
20 effort has enhanced the efficiency of exchange of information and advanced activities in the  
21 progress of the case.

22                   **6. CPUC Review (Category 06).**

23  
24                   During the Fifth Application period, FTI/PwC professionals spent a total of 116.3  
25 hours rendering services in this category, for which FTI seeks compensation of \$51,872. A  
26 summary of the FTI/PwC professionals who rendered services in this category and the  
27 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
28 category, which sets forth a detailed description of the services rendered is filed concurrently

1 herewith.

2 Services rendered by FTI/PwC professionals in this category included:

- 3
- 4 a. FTI/PwC reviewed and monitored CPUC proceedings to determine the
- 5 potential financial impact the proceedings could have on the Debtor.
- 6
- 7 b. FTI/PwC reviewed the Debtor's, SCE's, SDG&E's, DWR's and TURN's
- 8 CPUC filings to determine the potential financial impact on the Debtor's
- 9 estate.
- 10
- 11 c. FTI reviewed sections of the Public Utility Commission code and
- 12 regulations to assess Joint Plan compliance with and PG&E objections to
- 13 the Joint Plan.

14 The work in this area is critical to the determination of future cash flow and

15 funding of the Debtor to complete a plan of reorganization. As an integrated utility, the Debtor is

16 regulated by the CPUC for all aspects of its owned generation (nuclear and hydro assets), intra-

17 state gas transmission and storage facilities, gas and electric procurement, and distribution of

18 electricity and gas to its wholesale and retail customers through its network of pipes and wires

19 throughout Northern California. The CPUC and PG&E have made filings and conducted

20 hearings on such regulatory topics as utility retained generation rate setting, general rate case,

21 DWR revenue requirement, net short procurement, and matters involving transition period

22 accounting during deregulation. PG&E has been actively engaged with the CPUC during this

23 period with the setting of the revenue requirements for its nuclear and hydro generation assets

24 and with the revenue requirement for the DWR power purchases and bond financing. FTI/PwC

25 has monitored the CPUC hearings, testimonies and developments closely, and has prepared

26 minutes of key hearings and modeled the range of outcomes for the Committee. FTI/PwC has

27 also performed a thorough analysis of the CPUC's settlement with SCE for the recovery of its

28 past-due procurement related obligations and how this agreement compares with the Plan



1 proposed by the CPUC for PG&E Company. FTI also researched elements of the CPUC  
2 regulation to assess compliance of the Joint Plan of Reorganization.

3 **7. CPUC/OCC Plan of Reorganization (Category 07).**

4  
5 During the Fifth Application period, FTI/PwC professionals spent a total of 218.8  
6 hours rendering services in this category, for which FTI seeks compensation of \$122,326. A  
7 summary of the FTI/PwC professionals who rendered services in this category and the  
8 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
9 category, which sets forth a detailed description of the services rendered is filed concurrently  
10 herewith.

11 Services rendered by FTI/PwC professionals in this category included:

12  
13 a) FTI/PwC reviewed and analyzed the CPUC's alternative plan projections  
14 and provided feedback to UBS and the CPUC on the reasonableness of the Plan projections,  
15 including the proposed capital structure, capital expenditures, and creditor recovery analysis.

16 b) FTI/PwC analyzed the projected financial ratios from the CPUC's  
17 alternate plan and compared to S&P benchmark ratios for utility investment grade companies.

18  
19 c) FTI/PwC analyzed the Joint Plan projections prepared by UBS and  
20 provided advice and comments to UBS and the Committee on the Joint Plan projections.

21 d) FTI/PwC participated in meetings with credit rating agencies, including  
22 Fitch, Moody's, and S&P, to present the financial aspects of the CPUC/OCC Plan of  
23 Reorganization in support of investment grade ratings for proposed debt under the CPUC/OCC  
24 Plan.

25 e) FTI/PwC advised attorneys for the CPUC and the OCC in confirmation  
26 hearings for the CPUC/OCC Plan, including preparing financial analyses (1) in support of the  
27 CPUC/OCC plan, (2) in defense of PG&E objections to the CPUC/OCC Plan, and (3) in support  
28

1 of UBS in its testimony and delivery of the UBS Highly Confident letter on financing of the  
2 Joint Plan.

3 The work in this area enabled the Creditors Committee to provide meaningful  
4 feedback to the CPUC on alterations to their plan to improve plan feasibility, to assist UBS in  
5 developing the Joint Plan projections, and obtaining preliminary indications from ratings  
6 agencies for the Joint Plan Securities. This work also enabled the CPUC to defend against  
7 objections to the plan filed by the Debtor and helped the CPUC/OCC plan receive preliminary  
8 investment grade ratings from the agencies.

9  
10 **8. DWR Contracts Analysis (Category 08).**

11 During the Fifth Application Period, FTI/PwC professionals spent a total of 89.5  
12 hours rendering services in this category, for which FTI seeks compensation of \$31,213. A  
13 summary of the FTI/PwC professionals who rendered services in this category and the  
14 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
15 category, which sets forth a detailed description of the services rendered is filed concurrently  
16 herewith.

17  
18 Services rendered by FTI/PwC professionals in this category included:

19 a) FTI/PwC calculated the potential range of future payments that will be  
20 required to be remitted to the DWR by the Debtor to pay for its purchased power, administrative  
21 costs, and debt service requirements.

22  
23 b) FTI/PwC evaluated how the revised DWR revenue requirement would  
24 impact the projected financial statements of both Plans.

25 c) FTI/PwC reviewed updates to the DWR Revenue Requirement and the  
26 underlying Navigant model and settlements amending the underlying contracts.  
27  
28

1                    Approximately 40% of the electricity that PG&E supplies to its customers has  
2                    been provided by the DWR through spot and contract purchases under the program initiated by  
3                    ABx1. FTI/PwC has monitored the power purchases supplied by DWR to PG&E, estimated the  
4                    costs of that power, as well as future costs associated with contractual commitments and spot  
5                    purchases to meet PG&E's net short position, and developed estimates of those future costs.  
6                    This information has been compared with financial data supplied by consultants to the DWR and  
7                    has also been shared with PG&E to assist in efforts to influence the structure of the allocation of  
8                    those costs among the utilities in California. FTI/PwC continued its review of the contracts that  
9                    have been completed by the DWR and updated our database model of those contracts for newly  
10                    obtained contracts and renegotiated contracts to enable the Committee and PG&E to estimate the  
11                    volume and cost of that power and its potential allocation to PG&E.

12                    **9.        Executory Contracts Analysis (Category 09).**

13                    During the Fifth Application Period, FTI/PwC professionals spent a total of 9  
14                    hours rendering services in this category, for which FTI seeks compensation of \$4,275. A  
15                    summary of the FTI/PwC professionals who rendered services in this category and the  
16                    corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
17                    category, which set forth a detailed description of the services rendered are filed concurrently  
18                    herewith.

19                    Services rendered by FTI/PwC in this category included:

- 20                    a)        FTI/PwC analyzed various Debtor motions to assume Qualified Facility  
21                    ("QF") and other executory contracts.  
22                    b)        FTI/PwC analyzed various settlement scenarios to determine the impact  
23                    on the Debtor's projected cash position and cash flows.

24                    This work involved review of proposed QF and other various settlement  
25  
26  
27  
28

1 agreements, and negotiations with the Debtor on structures for assumption and modification of  
2 these executory contracts. The more than 300 QF generators supply approximately 1/3 of the  
3 power PG&E delivers to its customers, and pre-petition claims approximated \$1 Billion.  
4 FTI/PwC's work in this area helped the Committee to understand the financial consequences of  
5 the proposed settlements and whether to support or reject the Debtor's proposed settlement  
6 agreements.

7  
8 **10. Fee Application (Category 10).**

9 During the Fifth Application Period, FTI/PwC professionals spent a total of 129.0  
10 hours rendering services in this category, for which FTI seeks compensation of \$30,175. A  
11 summary of the FTI/PwC professionals who rendered services in this category and the  
12 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
13 category, which sets forth a detailed description of the services rendered are filed concurrently  
14 herewith.

15 Services rendered by FTI/PwC professionals in this category included:

16  
17 a) Time spent preparing FTI/PwC's Fourth Interim Fee Application and the  
18 monthly Cover Sheet Applications for Allowance and Payment of Interim Compensation and  
19 Reimbursement of Expenses in accordance with the requirements established by the United  
20 States Bankruptcy Code, the Court and the U.S. Trustee. Time expended preparing this Fifth  
21 Interim Application will be reported in the next interim fee statement.

22  
23 **11. FERC (Category 11).**

24 During the Fifth Application Period, FTI/PwC professionals spent a total of 12.2  
25 hours rendering services in this category, for which FTI seeks compensation of \$6,329. A  
26 summary of the FTI/PwC professionals who rendered services in this category and the  
27 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
28 category, which sets forth a detailed description of the services rendered is filed concurrently

1 herewith.

2 Services rendered by FTI/PwC professionals in this category included:

3  
4 a) FTI/PwC monitored FERC proceedings to determine the potential  
5 financial impact of regulatory proceedings on the Debtor's Estate, including possible changes in  
6 rates, generator refunds, settlement of the California PX/Generator claims, and progress on the  
7 Debtor's filings requesting FERC approval for various aspects of its Plan of Reorganization.

8 b) FTI/PwC reported findings and analysis on FERC proceedings to the  
9 Committee.

10  
11 This analysis and monitoring, in concert with regulatory counsel for the  
12 Committee, has been critical to assessment of potential refunds on claims that may be awarded to  
13 PG&E, potentially reducing the pre-petition obligations, and analyzing the potential claim PG&E  
14 will have from the settlement Generator claims against the now defunct California Power  
15 Exchange. We have also advised the Committee with respect to the impact of FERC market price  
16 caps and the impact of the retroactive application of those caps to the PX, ISO and DWR  
17 purchases as they may affect the Debtor.

18 **12. Financial Statement Modeling (Category 12).**

19  
20 During the Fifth Application Period, FTI/PwC professionals spent a total of 170.3  
21 hours rendering services in this category, for which FTI seeks compensation of \$61,775. A  
22 summary of the FTI/PwC professionals who rendered services in this category and the  
23 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
24 category, which sets forth a detailed description of the services rendered is filed concurrently  
25 herewith.

26 Services rendered by FTI/PwC professionals listed in this category included:

27  
28 a) FTI/PwC continued to refine its integrated financial statement model to

1 support various alternative plans under consideration by the committee. This integrated model  
2 enabled the committee to create financial projections to support the joint CPUC/OCC plan of  
3 reorganization that has been filed with the court.

4 b) FTI/PwC created a model to analyze the new financial projections of the  
5 PG&E Plan of Reorganization as filed with the court in November 2002.

6  
7 FTI/PwC's financial modeling effort has enabled the Committee to assess the  
8 feasibility of the Debtor's and the CPUC's proposed plans of reorganization and to model  
9 various alternative plan scenarios. This model proved integral in calculating the cash flows of  
10 multiple alternative plans and assessing the feasibility of various capital structures. The joint  
11 CPUC/OCC plan before the court is supported by the financial projections generated from  
12 FTI/PwC's financial modeling efforts.

### 13 13. Financial Statements (Category 13).

14  
15 During the Fifth Application Period, FTI/PwC professionals spent a total of 31.6  
16 hours rendering services in this category, for which FTI seeks compensation of \$9,852. A  
17 summary of the FTI/PwC professionals who rendered services in this category and the  
18 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
19 category, which sets forth a detailed description of the services rendered is filed concurrently  
20 herewith.

21 Services rendered by FTI/PwC professionals in this category included:

22  
23 a) FTI/PwC reviewed the Debtor's historical financial statements, including  
24 SEC, FERC and bankruptcy filings.

25 b) FTI/PwC used its research of the Debtor's historical performance in  
26 performing various financial analyses on the Debtor's financial condition and ability to  
27 reorganize, including assessment of changes in the parent financial condition.  
28

1 As a regulated utility, the Debtor's financial statement filings include submission:  
2 to the SEC, FERC, and the CPUC that outline the accounting for GAAP (generally accepted  
3 accounting principals) presentation and regulatory accounting purposes. These financial  
4 statements present voluminous information on the historical performance and financial health of  
5 the Debtor. FTI/PwC reviewed certain public filings to verify financial projections in the plan  
6 of reorganization and to summarize the financial performance of the utility post-petition for the  
7 creditors committee.

8 **14. General Committee Matters (Category 14).**

9  
10 During the Fifth Application Period, FTI/PwC professionals spent a total of 56.4  
11 hours rendering services in this category, for which FTI seeks compensation of \$29,526. A  
12 summary of the FTI/PwC professionals who rendered services in this category and the  
13 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
14 category, which sets forth a detailed description of the services rendered is filed concurrently  
15 herewith.

16 Services rendered by FTI/PwC professionals listed in this category included:

17  
18 a) FTI/PwC prepared for and attended numerous meetings and conference  
19 calls including the full Committee on various issues, including general case administration,  
20 financial issues, regulatory issues, litigation issues, Plan issues and confirmation hearing matters.

21 b) FTI/PwC personnel prepared for and participated in various formal and  
22 informal conference calls between Committee members, Committee working group members,  
23 Committee advisors and PG&E regarding the financial impact of various motions brought by  
24 PG&E, the Debtor's and the CPUC/OCC's proposed plans of reorganization, confirmation  
25 hearings, and other issues surrounding the Debtor's estate.

26 c) FTI/PwC prepared numerous presentations for distribution to the  
27 Committee regarding a the financial impact of various matters affecting the Debtor's Estate, and  
28

1 addressed questions from individual creditors on aspects of the Plan of Reorganization.

2 As has been mentioned earlier, the Committee has participated in a significant  
3 number of meetings and conferences to address the volume of issues facing the Debtor and to  
4 accelerate the process of reorganization of this Debtor. FTI/PwC has structured its team into  
5 subgroups with partners and staff splitting responsibility for various areas. This category  
6 captures the time spent associated with the myriad of meetings and conferences that FTI/PwC  
7 has participated in which do not address any one particular task code topic. FTI/PwC has  
8 attempted to minimize the participation of more than one or two professionals in these meetings  
9 and conferences, but in many cases, the variety and complexity of the issues addressed, the speed  
10 with which activities in the case have progressed, and the particular specialties of the FTI/PwC  
11 professionals involved have dictated the need to have more than one or two professionals in  
12 attendance. For meetings where more than two FTI/PwC professionals were present, Exhibit 4  
13 summarizes the role of each team member and the purpose of their involvement at the meeting.

14  
15 **15. Legislative Review (Category 15).**

16 During the Fifth Application Period, FTI/PwC professionals spent a total of 13.8  
17 hours rendering services in this category, for which FTI seeks compensation of \$6,086. A  
18 summary of the FTI/PwC professionals who rendered services in this category and the  
19 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
20 category, which sets forth a detailed description of the services rendered is filed concurrently  
21 herewith.

22  
23 Services rendered by FTI/PwC professionals listed in this category included:

24 a) FTI/PwC performed a general review and analysis of financial  
25 implications of potential and passed legislation affecting the Debtor's estate.

26  
27 This utility bankruptcy has involved not just the interplay of the Debtor, creditors  
28 and regulators, but has also drawn in the legislative element as the governor and state legislators



1 seek a resolution to the crisis that affected the energy supply in California. FTI/PwC has  
2 monitored, in concert with Saybrook Capital representatives, the various alternatives being  
3 presented by the governor and legislators to assess if these may serve as a proxy for a plan of  
4 reorganization for PG&E, and to determine if any of these proposals would have detrimental  
5 impact to the Debtor or the two proposed Plans of Reorganization.

6 **16. OCC Plan of Reorganization (Category 16).**

7  
8 During the Fifth Application Period, FTI/PwC professionals spent a total of 104.5  
9 hours rendering services in this category, for which FTI seeks compensation of \$55,167. A  
10 summary of the FTI/PwC professionals who rendered services in this category and the  
11 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
12 category, which sets forth a detailed description of the services rendered is filed concurrently  
13 herewith.

14 Services rendered by FTI/PwC professionals listed in this category included:

15 a) FTI/PwC developed and analyzed various plan alternatives under  
16 consideration by the OCC plan subcommittee.

17 b) FTI/PwC reviewed the financial outputs of each scenario analysis to  
18 determine the feasibility of the alternative plan, the reasonableness of the proposed capital  
19 structure and the ability for each alternative plan's cash flows to support the debtor's operations  
20 and achieve investment grade ratings.

21  
22 FTI/PwC moved quickly to develop and model at least four different  
23 reorganization structures. Through its review and in-depth analysis of the various scenario  
24 assumptions, FTI/PwC was able to assist the professionals and the OCC in readily evaluating and  
25 selecting an alternative plan that the OCC believes is confirmable in the shortest period of time  
26 with the fewest legal challenges.  
27  
28

1                   **17. Plan of Reorganization/Negotiations (Category 17).**

2                   During the Fifth Application Period, FTI/PwC professionals spent a total of 246.3  
3 hours rendering services in this category, for which FTI seeks compensation of \$101,267. A  
4 summary of the FTI/PwC professionals who rendered services in this category and the  
5 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
6 category, which sets forth a detailed description of the services rendered is filed concurrently  
7 herewith.

8                   Services rendered by FTI/PwC professionals listed in this category included:  
9

10                   a)       FTI/PwC reviewed and analyzed various filings made by the debtor in  
11 support of its Plan of Reorganization for the Plan's confirmation hearings. FTI/PwC further  
12 participated in various depositions of key financial personnel of the Debtor to obtain a better  
13 understanding of the changes to the Debtor's financial projections.

14                   b)       FTI/PwC analyzed and summarized amended financial aspects of the  
15 Debtor's Plan of Reorganization and presented our analysis to the Committee.

16                   c)       FTI/PwC reviewed the amended Disclosure Statement, and Plan  
17 documents to insure consistency between the details in these documents and the revised  
18 supporting plan projections.  
19

20                   The Committee has continued to monitor the Debtor's financial performance and  
21 changes to Debtor's plan of reorganization. This effort has included a review of underlying detail  
22 of all plan assumptions and updates to current and projected financial performance. FTI has  
23 reviewed certain financial related exhibits and reports filed in support of the PG&E Plan and  
24 attended certain related depositions of experts.  
25

26                   **18. Professional Compensation Matters (Category 18).**

27                   During the Fifth Application Period, FTI/PwC professionals spent a total of  
28

1 24.5 hours rendering services in this category, for which FTI seeks compensation of  
2 \$10,231. A summary of the FTI/PwC professionals who rendered services in this  
3 category and the corresponding amount of fees requested is included in Exhibit "2." The  
4 Billing Report for this category, which sets forth a detailed description of the services  
5 rendered is filed concurrently herewith.

6 Services rendered by FTI/PwC professionals listed in this category included:

7  
8 a) FTI prepared and filed an employment application and supporting  
9 declarations to retain FTI, as successor to PwC's BRS Practice, as accountant and  
10 financial advisor to the OCC.

11 b) FTI submitted updates to the Court reflecting disclosure of relationships of  
12 FTI and various parties in the case, in support of the retention of FTI, as successor to  
13 PwC's BRS Practice, as accountant and financial advisor to the OCC.

14 c) FTI/PwC attended fee application hearings for the Fourth Interim Fee  
15 Application and reviewed UST objections to various professionals' fee applications.

16  
17 FTI spent a minimal amount of time working expeditiously to file FTI's revised  
18 application. FTI's application filings were essential to ensure uninterrupted financial  
19 advisory services to the OCC.

20  
21 **19. Subcommittee Matters (Category 19).**

22 During the Fifth Application Period, FTI/PwC professionals spent a total of 67.8  
23 hours rendering services in this category, for which FTI seeks compensation of \$35,260. A  
24 summary of the FTI/PwC professionals who rendered services in this category and the  
25 corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this  
26 category, which sets forth a detailed description of the services rendered is filed concurrently  
27 herewith.  
28

Services rendered by FTI/PwC professionals listed in this category included:

a) FTI/PwC prepared for and participated in numerous meetings and teleconferences with the OCC's Plan Subcommittee to evaluate plan alternatives, discuss the reasonableness of supporting plan assumptions, and strategize on steps for achieving confirmation of the joint CPUC/OCC Plan of Reorganization.

FTI/PwC played an active role in developing and evaluating alternative plan scenarios with the OCC Plan Subcommittee. FTI/PwC's in-depth knowledge of PG&E's operations and the CPUC regulatory framework aided the committee in rapidly creating a plan which should face fewer legal and financing challenges than either of the previous plans filed in the case. This effort involved activities with Committee Counsel and Saybrook representatives.

#### **20. Travel Time (Category 20).**

During the Fifth Application Period, FTI/PwC professionals spent a total of 4.0 hours rendering services in this category, for which FTI seeks compensation of \$2,380. A summary of the FTI/PwC professionals who rendered services in this category and the corresponding amount of fees requested is included in Exhibit "2." The Billing Report for this category, which sets forth a detailed description of the services rendered is filed concurrently herewith.

Services rendered by FTI/PwC professionals listed in this category included:

a) This category includes the time required for FTI/PwC professionals to travel to case related meetings after September 11, 2001.

#### **IV.**

#### **SUMMARY OF ACTUAL AND NECESSARY EXPENSES INCURRED BY FTI/PWC**

FTI maintains records of all actual and necessary out-of-pocket expenses incurred

1 and typically charged in connection with rendering professional services to its clients in the  
2 ordinary course of its business practice. As is typical of FTI's practice when representing  
3 creditor committees, FTI has reduced to cost or not charged certain of these out-of-pocket  
4 expenses to the estate in accordance with the UST Guidelines and the Court Guidelines and to  
5 ensure the reasonableness of FTI's fee and expense request. A brief explanation of certain costs  
6 incurred and charged to the estate is set forth below:

7 (a) FTI does not charge its clients for photocopying done in-house; copying  
8 done by third-party services is charged at cost;

9  
10 (b) FTI charges its clients for document retrieval services, computer research  
11 and other specialized searches and services, such as messengers and library retrievals, at cost;

12 (c) FTI charges its clients for mileage (\$0.345 per mile, if sought) and  
13 parking costs incurred by its professionals in connection with services rendered, at cost;

14  
15 (d) FTI charges its clients for transportation and travel-related costs including  
16 out-of-town meals, excluding lunches, incurred by its professionals when working on specific  
17 client matters, at cost; and

18 (e) FTI normally charges its clients for the cost of overtime and weekend  
19 meals and transportation when pressing client matters require the professional to work past  
20 normal office hours; however, in accordance with the UST Guidelines and the Court Guidelines,  
21 no such charges are included in this Fifth Interim Application.

## 22 V.

### 23 **COMPENSATION REQUESTED AND RELEVANT LEGAL STANDARD**

24  
25 To grant a request for compensation pursuant to Bankruptcy Code section 330,  
26 the Court must find that such request is reasonable. The reasonableness of a compensation  
27 request is determined by the "lodestar" method. See In re Yermakov, 718 F.2d 1465, 1471 (9<sup>th</sup>  
28

1 Cir. 1983). Under the lodestar approach, "reasonable" compensation is calculated by  
2 multiplying the number of hours reasonably expended by the hourly rate of the professional. In  
3 re Rheuban, 121 B.R. 368, 383 (Bankr. C.D. Cal. 1990). There is a strong presumption that the  
4 lodestar product is reasonable under Bankruptcy Code section 330. See In re Drexel Burnham  
5 Lambert Group, Inc., 133 B.R. 13, 22 (Bankr. S.D.N.Y. 1991).

6 The reasonableness of a professional's hourly rate is based on the cost for  
7 comparable services charged in the area, in non-bankruptcy matters. See In re Yermakov, 718  
8 F.2d at 1471. The reasonableness of the hours expended on a task is based on whether the  
9 services provided were actual and necessary. See In re Nucorp Energy, Inc., 764 F.2d 655, 658  
10 (9<sup>th</sup> Cir. 1985).

11  
12 FTI's fees are reasonable given the size and complexity of the bankruptcy case  
13 and are commensurate with the fees that FTI has been awarded in comparable chapter 11 cases  
14 and that accountants and financial advisors of comparable experience and expertise charge on a  
15 regular basis to represent creditor committees in comparable chapter 11 cases. Accordingly,  
16 utilizing the lodestar method, FTI's fee and expense request is reasonable and should be allowed  
17 and paid pursuant to Bankruptcy Code section 330. See Drexel, 133 B.R. at 22.

## 18 VI.

## 19 CONCLUSION

20  
21 For the reasons set forth above and pursuant to Bankruptcy Code sections  
22 330 and 331, Bankruptcy Rule 2016, the Court Guidelines, the UST Guidelines and the  
23 standards adopted by courts in awarding accountants' and financial advisors' fees and  
24 costs, FTI submits that the fees for services rendered and costs and expenses incurred on  
25 behalf of the Committee during the Fifth Application Period in the total amount of  
26 \$756,722 are reasonable and should be allowed on an interim basis and paid in full.

27 As previously mentioned, FTI purchased all outstanding receivables of the  
28

1 BRS Practice, including receivables related to PwC's work as accountants and financial  
2 advisors to the Official Committee of Unsecured Creditors in the Pacific Gas and  
3 Electric bankruptcy case. No agreement or understanding of any kind or nature exists  
4 between FTI and any other person or entity for the sharing, division, or payment of any  
5 portion of the compensation awarded for our services rendered or expenses incurred in  
6 connection with the representation of the Committee in the bankruptcy case.

7 WHEREFORE FTI respectfully requests that this Court enter an order:

- 8
- 9 1. Approving this Fifth Interim Application in its entirety;
- 10 2. Approving an interim award of compensation in the amount of \$737,128  
11 for professional services rendered and reimbursement of costs and expenses incurred in the  
12 amount of \$19,594, for a total amount of \$756,722.
- 13 3. Authorizing and directing PG&E to immediately pay to FTI the allowed  
14 amounts, less any such amounts already paid pursuant to the Order Establishing Interim Fee  
15 Application and Expense Reimbursement Procedure; and
- 16
- 17 4. Granting such other and further relief as the Court deems just and proper.
- 18

19  
20 DATED: January 14, 2003 Respectfully submitted.

21 FTI CONSULTING INC

22 By: 

23 Thomas E. Lumsden

24 Accountants and Financial Advisors to Official Committee  
25 of Unsecured Creditors  
26  
27  
28

**CERTIFICATION**

I, Thomas E. Lumsden, am the professional designated by FTI Consulting, Inc. to ensure compliance with the United States Bankruptcy Court Northern District of California Guidelines for Compensation and Expense Reimbursement of Professionals and Trustee ("Court Guidelines"). I served as the senior managing director for FTI Consulting Inc. in connections with this matter. I certify that (a) I have read the Fifth Interim Application; (b) to the best of my knowledge, information and belief, formed after reasonable inquiry, the compensation and expense reimbursement sought is in conformity with the Court Guidelines, except as specifically noted in the Application; and (c) the compensation and expense reimbursement requested are billed at rates, in accordance with practices, no less favorable than those customarily employed by FTI and generally accepted by FTI's clients.

DATED:

Jan. 14, 2003



Thomas E. Lumsden



**DECLARATION OF THOMAS E. LUMSDEN**

I, Thomas E. Lumsden, declare:

1. I am over eighteen years of age and, if called upon, I could and would testify competently to the matters set forth herein. I am a senior managing director in the professional services firm of FTI Consulting, Inc. ("FTI"), successor to PricewaterhouseCooper's ("PwC") BRS Practice, and one of the senior managing directors responsible for FTI's services as accountant and financial advisor to the Official Committee of Unsecured Creditors ("Committee") in the Pacific Gas and Electric Company ("PG&E") chapter 11 case. In preparing this declaration, I have relied on my personal knowledge and on my review of the billing records and files maintained by FTI in the ordinary course of business and made by FTI professional staff substantially contemporaneous with that person's performance of services or incurrence of costs on behalf of the Committee.

2. This declaration is submitted in support of the "Fifth Application of FTI Consulting Inc. For Allowance and Payment of Compensation And Reimbursement of Expenses (August 1, 2002 Through November 30, 2002)" (the "Fifth Interim Application"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Fifth Interim Application. This Fifth Interim Application covers the period from August 1, 2002 through and including November 30, 2002 (the "Fifth Application Period"). I have read the Fifth Interim Application and reviewed the exhibits thereto, and each of the facts contained therein is true and correct.

3. FTI Consulting's Time Records Exhibit for the Period August 1, 2002 to November 30, 2002, filed concurrently herewith, attaches true and correct copies of records maintained by FTI in the ordinary course of FTI's business operations and reflects entries that were made substantially contemporaneously with the rendering of the services.

4. Pursuant to the Fifth Interim Application, FTI seeks allowance of

1 compensation covering 1,789.4 hours of professional time devoted to advising the Committee in  
2 PG&E's bankruptcy case, resulting in the accumulation of \$737,128 in fees for professional  
3 services rendered and \$19,594 for expenses incurred, for a total amount of \$756,722.

4 5. It is FTI's normal business practice to charge its clients in full for services  
5 rendered and for all actual and necessary costs and expenses incurred in connection with such  
6 services.

7  
8 6. FTI received no pre-petition retainer in connection with this bankruptcy  
9 case.

10 7. FTI has submitted monthly fee notices in accordance with the interim fee  
11 procedures that were established by the Court. FTI has received payments totaling \$641,443 in  
12 connection with the Monthly Cover Sheet Applications covering the period August 1, 2002 to  
13 November 30, 2002, comprised of \$621,849 in fees and \$19,594 in expenses.

14  
15 8. No agreement or understanding of any kind or nature exists between FTI  
16 and any other person or entity for the sharing, division, or payment of any portion of the  
17 compensation awarded to FTI or the BRS Practice for services rendered or expenses incurred in  
18 connection with our representation of the Committee in this chapter 11 proceeding, except as  
19 among the employees and shareholders of FTI.

20  
21 9. I am one of the designated professionals responsible for overseeing the  
22 billing in this matter and for assuring compliance with the Guidelines of the Office of the United  
23 States Trustee for the Northern District of California relating to billing (the "Guidelines").  
24 Based upon my review of the Fifth Interim Application submitted by FTI for the Fifth  
25 Application Period, I believe that the Fifth Interim Application complies with the Court  
26 Guidelines and the UST Guidelines.

27 10. Attached hereto as Exhibit "1" is a summary of the total hours expended,  
28 billing rate, and fees incurred by each FTI/PwC professional during the Fifth Application Period.

11. Attached hereto as Exhibit "2" and "Exhibit 2-1" is a summary of each category of services, setting forth the name of each professional who expended time in that category and the total hours and amount billed by each professional in that category during the Fifth Application Period.

12. Attached hereto as Exhibit "3" are Expense Summary and Expense Detail reports by individual and itemized total expenses for which reimbursement is sought.

13. Attached hereto as Exhibit "4", is a summary of meetings that more than two FTI/PwC professionals attended with a description of the relative importance of each team member and the purpose of their involvement at the meetings.

14. Attached hereto as Exhibit "5", is a copy of the Declaration of Clara Yang Strand, executed on January 14, 2003, in support of the Fifth Interim Application of FTI Consulting.

I declare under penalty of perjury under the laws of the United States of America  
that the foregoing is true and correct.

Executed this 14<sup>th</sup> day of January, 2003 at San Francisco, California.

Thomas E. Smiley

**Thomas E. Lumsden**

**Pacific Gas and Electric**  
**Summary of Time By Professional**  
**For the Period August 1, 2002 Through November 30, 2002**

<b>Professional</b>	<b>Title</b>	<b>Time Total</b>	<b>Billing Rate</b>	<b>Fee Total</b>
Agam, Amir	Consultant	24.6	290	\$7,134
Amaya, Jennifer	Consultant	68.7	275	\$18,893
Dolan, Catherine	Paraprofessional	29.0	55	\$1,595
Ghazi, Maryam	Director	46.3	425	\$19,678
Hamilton, Mike	Sr. Managing Director	23.0	640	\$14,720
Ho, Rocky	Managing Director	261.1	475	\$124,023
Iking, Floris	Consultant	12.2	290	\$3,538
Kim, Angela	Paraprofessional	29.0	55	\$1,595
Kitchin, Jennifer	Director	157.3	425	\$66,853
Lumsden, Tom	Sr. Managing Director	356.6	595	\$212,177
Perfit, Ryan	Associate	141.1	215	\$30,337
Reiss, Freddie	Sr. Managing Director	95.1	595	\$56,585
Sin, Theresa	Associate	215.8	185	\$39,923
Young, Allison	Director	328.2	425	\$139,485
Yozzo, John	Director	1.4	425	\$595
<b>Totals</b>		<b>1,789.4</b>		<b>\$737,128</b>

**Pacific Gas and Electric**  
**Summary of Time By Task Code**  
**August 1, 2002 through November 30, 2002**

<b>Task Code</b>	<b>Time Total</b>	<b>Fee Total</b>
Asset Sales/Valuation Issues	183.0	\$63,242
Bankruptcy Reporting/Operations	152.3	\$49,687
Cash Flow Analysis	109.3	\$44,561
Claims Analysis	49.7	\$21,407
Coordinating with Debtor	1.1	\$502
CPUC Review	116.3	\$51,872
CPUC/OCC Plan of Reorganization	218.8	\$122,326
DWR Contracts/Analysis	89.5	\$31,213
Executory Contracts (QF)	9.0	\$4,275
Fee Application	129.0	\$30,175
FERC Review	12.2	\$6,329
Financial Statement Modeling	170.3	\$61,775
Financial Statements	31.6	\$9,852
General Committee Matters	56.4	\$29,526
Legislative Review	13.8	\$6,086
OCC Plan of Reorganization	104.5	\$55,167
Plan of Reorganization/Negotiations	246.3	\$101,267
Professional Compensation Matters	24.5	\$10,231
Subcommittee Matters	67.8	\$35,260
Travel Time	4.0	\$2,380
<b>Totals</b>	<b>1,789.4</b>	<b>\$737,128</b>

**Pacific Gas and Electric Time Reporting****Detail Reporting by Task Code****August 1, 2002 through November 30, 2002**

<b>Professional</b>	<b>Date</b>	<b>Hours</b>	<b>Billing Rate</b>	<b>Fees</b>	<b>Description</b>
<b>Task Code :    Asset Sales/Valuation Issues</b>					
Agam, Amir	11/1/2002	4.3	\$290	\$1,247.00	Compile and review valuation multiples on utility transactions.
Agam, Amir	11/4/2002	3.4	\$290	\$986.00	Coordinate and perform research on utility transactions for multiple analysis.
Agam, Amir	11/5/2002	1.8	\$290	\$522.00	Continue work on utility multiple valuation.
Agam, Amir	11/5/2002	0.8	\$290	\$232.00	Begin write-ups of companies used in multiple analysis.
Agam, Amir	11/6/2002	1.8	\$290	\$522.00	Edit transaction amounts from information purchased from third party and public filings for transaction multiple analysis.
Agam, Amir	11/6/2002	1.5	\$290	\$435.00	Update transaction multiple analysis to include new data, such as type of utility and time to close.
Agam, Amir	11/6/2002	0.9	\$290	\$261.00	Update market multiple analysis.
Agam, Amir	11/6/2002	2.9	\$290	\$841.00	Write summaries and select comparables for transaction multiple analysis.
Agam, Amir	11/7/2002	2.2	\$290	\$638.00	Calculate and review valuation multiples for Hydro and Nuclear generation plants.
Agam, Amir	11/7/2002	1.7	\$290	\$493.00	Review information from FERC compared to SEC data for certain utilities used in multiple analysis.
Agam, Amir	11/11/2002	3.3	\$290	\$957.00	Perform quality control and review market multiple analysis.
<b>SubTotal: Agam, Amir</b>		<b>24.6</b>		<b>\$7,134.00</b>	
Amaya, Jennifer	10/24/2002	1.1	\$275	\$302.50	Research to obtain current financial data to update to utility valuation.
Amaya, Jennifer	10/24/2002	0.5	\$275	\$137.50	Review files and update valuations with current financial data.
Amaya, Jennifer	10/25/2002	0.9	\$275	\$247.50	Begin research on new comparables for separate business unit valuations.
Amaya, Jennifer	10/25/2002	2.9	\$275	\$797.50	Research to obtain current financial data for separate business unit valuations.
Amaya, Jennifer	10/25/2002	2.5	\$275	\$687.50	Update separate business unit valuations with current financial data.
Amaya, Jennifer	10/25/2002	1.8	\$275	\$495.00	Update integrated utility valuation with current financial data.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Amaya, Jennifer	10/28/2002	1.6	\$275	\$440.00	Update integrated utility valuation and separate business unit valuations with new comparables found.
Amaya, Jennifer	10/28/2002	5.2	\$275	\$1,430.00	Continue research on new comparables for separate business unit valuations and integrated utility valuation.
Amaya, Jennifer	10/29/2002	1.1	\$275	\$302.50	Update integrated utility valuation with additional comparables found.
Amaya, Jennifer	10/29/2002	2.7	\$275	\$742.50	Research additional comparables.
Amaya, Jennifer	11/1/2002	1.4	\$275	\$385.00	Prepare summary of companies in the electric utility industry for valuation and comparables research.
Amaya, Jennifer	11/6/2002	2.6	\$275	\$715.00	Update valuations of separate business units to reflect preferred stock, restricted cash and minority interests.
Amaya, Jennifer	11/6/2002	3.2	\$275	\$880.00	Review 10K's of comparable companies to the Genco business to update presentation with comparable company descriptions.
Amaya, Jennifer	11/6/2002	2.1	\$275	\$577.50	Update the previous presentation regarding PwC's assessment of comparable companies to PG&E's reorganized businesses to reflect updated valuations and FTI's updated assessment.
Amaya, Jennifer	11/7/2002	3.7	\$275	\$1,017.50	Review 10K's of comparable companies to the gas transmission business to update presentation with comparable company descriptions.
Amaya, Jennifer	11/7/2002	4.3	\$275	\$1,182.50	Review 10K's of comparable companies to the Disco business to update presentation with comparable company descriptions.
Amaya, Jennifer	11/8/2002	1.1	\$275	\$302.50	Quality review financial data in the valuation model for the Genco business.
Amaya, Jennifer	11/8/2002	1.6	\$275	\$440.00	Quality review financial data in the valuation model for the Disco business.
Amaya, Jennifer	11/8/2002	2.1	\$275	\$577.50	Update the presentation regarding FTI's assessment of comparable companies to PG&E's reorganized businesses.
Amaya, Jennifer	11/8/2002	2.3	\$275	\$632.50	Quality review financial data in the valuation model for the integrated utility.
Amaya, Jennifer	11/8/2002	0.9	\$275	\$247.50	Quality review financial data in the valuation model for the gas transmission business.
Amaya, Jennifer	11/12/2002	1.3	\$275	\$357.50	Research Dominion and DTE Energy and add to integrated utility valuation.
Amaya, Jennifer	11/12/2002	0.5	\$275	\$137.50	Review comments regarding the quality review completed for four of the integrated utilities.
Amaya, Jennifer	11/12/2002	1.4	\$275	\$385.00	Update the valuation to incorporate feedback of the integrated utilities valuation.
Amaya, Jennifer	11/12/2002	6.6	\$275	\$1,815.00	Prepare work papers for remaining 11 integrated utilities.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Amaya, Jennifer	11/13/2002	3.6	\$275	\$990.00	Prepare tied out work papers for presentation on separate business units and the integrated utilities.
Amaya, Jennifer	11/13/2002	2.4	\$275	\$660.00	Update presentation with comments and questions from A. Young. Also update for additional comparables added.
<b>SubTotal:</b> Amaya, Jennifer		<u>61.4</u>		<u>\$16,885.00</u>	
Ghazi, Maryam	11/13/2002	5.3	\$425	\$2,252.50	Organize backup documents for the Total utility valuation, and quality check the valuation and source to backup documents
Ghazi, Maryam	11/14/2002	3.8	\$425	\$1,615.00	Quality check the valuation.
Ghazi, Maryam	11/14/2002	3.1	\$425	\$1,317.50	Quality check the source to backup documents for the total utility valuation.
Ghazi, Maryam	11/14/2002	1.1	\$425	\$467.50	Obtain documents for the divisional valuations.
Ghazi, Maryam	11/15/2002	2.6	\$425	\$1,105.00	Quality check the source to backup documents for valuation on each entity.
Ghazi, Maryam	11/15/2002	3.8	\$425	\$1,615.00	Perform valuations on different entities.
Ghazi, Maryam	11/15/2002	4.1	\$425	\$1,742.50	Obtain documents for the divisional valuations.
Ghazi, Maryam	11/18/2002	3.3	\$425	\$1,402.50	Create an audit support binder for valuations.
Ghazi, Maryam	11/18/2002	2.9	\$425	\$1,232.50	Complete valuations of proposed business units
Ghazi, Maryam	11/18/2002	3.8	\$425	\$1,615.00	Gather financial information for completing valuations of proposed business units.
<b>SubTotal:</b> Ghazi, Maryam		<u>33.8</u>		<u>\$14,365.00</u>	
Ho, Rocky	10/11/2002	0.8	\$475	\$380.00	Review comparable asset transaction schedule.
Ho, Rocky	11/8/2002	1.6	\$475	\$760.00	Review and analyze Huron valuation report in support of liquidation report.
Ho, Rocky	11/8/2002	1.4	\$475	\$665.00	Review and analyze certain components of the Murphy Expert Report as rebuttal expert witness for the debtor.
Ho, Rocky	11/21/2002	1.4	\$475	\$665.00	Review assessment of debtor's valuation report prepared by Huron.
Ho, Rocky	11/26/2002	1.1	\$475	\$522.50	Review draft of comparable market value analysis.
Ho, Rocky	11/27/2002	0.8	\$475	\$380.00	Review revised utility comparative analysis - market comps.
<b>SubTotal:</b> Ho, Rocky		<u>7.1</u>		<u>\$3,372.50</u>	
Iking, Floris	11/25/2002	0.8	\$290	\$232.00	Prepare market valuation comparable analysis for: The Southern Company.



<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Iking, Floris	11/25/2002	0.7	\$290	\$203.00	Prepare market valuation comparable analysis for: DTE.
Iking, Floris	11/25/2002	0.6	\$290	\$174.00	Prepare market valuation comparable analysis for: Avista.
Iking, Floris	11/25/2002	0.7	\$290	\$203.00	Prepare market valuation analysis for: Cinergy.
Iking, Floris	11/25/2002	0.8	\$290	\$232.00	Prepare market valuation comparable analysis for: TXU Corporation.
Iking, Floris	11/25/2002	0.7	\$290	\$203.00	Prepare market valuation comparable analysis for: MDU Resources Group.
Iking, Floris	11/26/2002	0.6	\$290	\$174.00	Prepare market valuation comparable analysis for: SCANA.
Iking, Floris	11/26/2002	0.5	\$290	\$145.00	Review and revise market valuation comparable summary worksheet.
Iking, Floris	11/26/2002	0.7	\$290	\$203.00	Prepare market valuation comparable analysis for: Entergy.
Iking, Floris	11/26/2002	0.6	\$290	\$174.00	Prepare market valuation comparable analysis for: PSEG.
Iking, Floris	11/26/2002	0.7	\$290	\$203.00	Prepare market valuation comparable analysis for: Duke Energy.
<b>SubTotal:</b> Iking, Floris		<u>7.4</u>		<u>\$2,146.00</u>	
Lumsden, Tom	9/27/2002	0.6	\$595	\$357.00	Discussions with potential acquirers of PG&E assets on alternate structure or funding of Joint Plan.
Lumsden, Tom	10/30/2002	0.3	\$595	\$178.50	Review materials on utility multiples for valuation purposes.
Lumsden, Tom	11/2/2002	1.7	\$595	\$1,011.50	Review expert reports of Huron Consulting on valuation and deposition of Ed Murray. Follow up on comments and review comparable companies for valuation analysis.
Lumsden, Tom	11/4/2002	1.1	\$595	\$654.50	Research Kosturas liquidation and Huron valuation for liquidation assessment following discussion on best interests analysis with counsel.
Lumsden, Tom	11/5/2002	0.9	\$595	\$535.50	Review comparison of Huron valuation to FTI valuation and comments of A. Young on same.
Lumsden, Tom	11/12/2002	1.4	\$595	\$833.00	Review utility transaction selection and data and utility comparable selection to assess appropriate categorization for comparables.
Lumsden, Tom	11/13/2002	0.9	\$595	\$535.50	Review comparable utility transaction data and multiples in PG&E liquidation analysis and forward comments to A. Young re measurement of equity in Joint Plan.
Lumsden, Tom	11/13/2002	0.7	\$595	\$416.50	Review liquidation analysis of PG&E critique and market multiples and forward to S. Victor and B.Hermann as final draft.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	11/18/2002	0.6	\$595	\$357.00	Assemble and forward utility comparables data and multiples analysis to C. Strand to assist in analysis of revolver credit requirements.
Lumsden, Tom	11/26/2002	0.5	\$595	\$297.50	Review comps for integrated utilities.
Lumsden, Tom	11/26/2002	1.1	\$595	\$654.50	Review valuation comparables and exhibits from Mr. Murphy expert reports.
<b>SubTotal:</b> Lumsden, Tom		<u>9.8</u>		<u>\$5,831.00</u>	
Sin, Theresa	10/25/2002	5.6	\$185	\$1,036.00	Review Huron Valuation methodology for 12/31/02 and 9/30/2000 valuation.
Sin, Theresa	11/19/2002	2.3	\$185	\$425.50	Review comp analysis presentation and update with new analysis, add summaries of new comps.
Sin, Theresa	11/20/2002	2.8	\$185	\$518.00	Continue work on comps presentation: research summaries, edit and reformat other summaries
Sin, Theresa	11/21/2002	1.9	\$185	\$351.50	Make final edits and change to valuation presentation.
<b>SubTotal:</b> Sin, Theresa		<u>12.6</u>		<u>\$2,331.00</u>	
Young, Allison	10/25/2002	1.7	\$425	\$722.50	Update PG&E valuation
Young, Allison	10/25/2002	1.2	\$425	\$510.00	Begin update of PG&E valuations.
Young, Allison	10/31/2002	2.3	\$425	\$977.50	Update PG&E valuation.
Young, Allison	11/1/2002	0.7	\$425	\$297.50	Perform comparable transaction valuation work on the integrated PG&E utility (valuation)
Young, Allison	11/4/2002	0.9	\$425	\$382.50	Review work done on PG&E valuation (valuation)
Young, Allison	11/5/2002	3.1	\$425	\$1,317.50	Prepare comparable company transaction multiple analysis
Young, Allison	11/6/2002	1.6	\$425	\$680.00	Prepare summary of comparable utility transaction multiples
Young, Allison	11/8/2002	1.3	\$425	\$552.50	Review updates to FTI's valuation of PG&E
Young, Allison	11/12/2002	1.2	\$425	\$510.00	Review valuation model based on comparable market companies.
Young, Allison	11/12/2002	3.5	\$425	\$1,487.50	Update valuation of comparable company data.
Young, Allison	11/12/2002	1.4	\$425	\$595.00	Create comparable transaction valuation to support the CPUC POR.
Young, Allison	11/12/2002	1.2	\$425	\$510.00	Review updated presentation on CPUC and PG&E POR valuations.
Young, Allison	11/13/2002	0.8	\$425	\$340.00	Continue review of PG&E valuation presentation.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	11/21/2002	1.1	\$425	\$467.50	Analyze adjustments that may be needed to Huron valuation due to sizable cap ex requirements of the business units.
Young, Allison	11/25/2002	2.9	\$425	\$1,232.50	Update valuation of integrated utilities for latest quarterly filings.
<b>SubTotal:</b> Young, Allison		<u>24.9</u>		<u>\$10,582.50</u>	
Yozzo, John	11/7/2002	1.4	\$425	\$595.00	Retrieve various historical financial statement data and market data for 20 utility/power companies
<b>SubTotal:</b> Yozzo, John		<u>1.4</u>		<u>\$595.00</u>	
<b>Total:</b> Asset Sales/Valuation Issue		<u>183</u>		<u>\$63,242.00</u>	

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**Task Code : Bankruptcy Reporting/Operations**

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Ho, Rocky	8/2/2002	0.5	\$475	\$237.50	Review scheduling of confirmation process based on status hearing.
Ho, Rocky	8/5/2002	0.9	\$475	\$427.50	Review and analyze debtor's proposed stipulation re:QF Capacity Appeal.
Ho, Rocky	8/15/2002	0.5	\$475	\$237.50	Review and respond to various committee correspondence / emails.
Ho, Rocky	8/21/2002	0.7	\$475	\$332.50	Review court hearing on express pre emption appeal in District court.
Ho, Rocky	8/22/2002	0.6	\$475	\$285.00	Review and respond to various committee emails / inquiries re:plan alternative issues.
Ho, Rocky	8/30/2002	0.9	\$475	\$427.50	Review district court ruling overturning implied preemption.
Ho, Rocky	9/3/2002	1.1	\$475	\$522.50	Review and analyze notice of motion and motion for authority to incur miscellaneous implementation expenses; memorandum of points and authorities in support thereof.
Ho, Rocky	9/3/2002	0.8	\$475	\$380.00	Review and analyze joint motion of CPUC/OCC - proposed order shortening time frame for hearing.
Ho, Rocky	9/3/2002	0.9	\$475	\$427.50	Review supporting declarations of Lance Maeda, My Nguyen and Eric Kirkpatrick in support of authority to incur misc. Implementation expenses.
Ho, Rocky	9/4/2002	1.4	\$475	\$665.00	Review support from debtor for the proposed Metcalf Fourth 230/115 Transformer project re: cost recovery and regulatory issues.
Ho, Rocky	9/11/2002	2.4	\$475	\$1,140.00	Review CPUC TRO papers for injunctive relief against PG&E disseminating false information during the solicitation process.
Ho, Rocky	9/16/2002	1.3	\$475	\$617.50	Review and analyze debtor's opposition to joint motion of CPUC/OCC for order authorizing the re-solicitation of votes and preferences for Movants' amended plan of reorganization.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	9/16/2002	1.7	\$475	\$807.50	Review various declarations (Sullivan, Novak, Lafferty and Kelly) in support of debtor's opposition to the re-solicitation of votes.
Ho, Rocky	9/16/2002	1.1	\$475	\$522.50	Review objections from certain financial creditors to the re-solicitation motion of the joint CPUC / OCC plan.
Ho, Rocky	9/20/2002	3.4	\$475	\$1,615.00	Attend court hearing on re-solicitation motion.
Ho, Rocky	9/20/2002	1.1	\$475	\$522.50	Prepare for hearing on re-solicitation motions and various other issues.
Ho, Rocky	9/23/2002	2.1	\$475	\$997.50	Review the 9th Circuit Opinion in SCE v. Lynch - and the certification questions as submitted to the the CA Supreme Court.
Ho, Rocky	10/3/2002	1.2	\$475	\$570.00	Review and analyze debtor's request re: sale of San Rafael property.
Ho, Rocky	10/3/2002	1.1	\$475	\$522.50	Review and analyze SCE v. Lynch 9th Circuit decision regarding state's ability to enter into agreement with SCE without due process.
Ho, Rocky	10/10/2002	1.5	\$475	\$712.50	Review and analyze stipulations re: Brisbane Lodging, Ubiquitel, California Hydropower Reform Coalition and Western Pacific Housing.
Ho, Rocky	10/11/2002	2.2	\$475	\$1,045.00	Review and analyze appraisal report of San Rafael property.
Ho, Rocky	10/11/2002	1.4	\$475	\$665.00	Review original and revised asset contract for sale of San Rafael property.
Ho, Rocky	10/15/2002	1.1	\$475	\$522.50	Review and analyze debtor's request re: additional capital expenditures with regards to the Main Line Extension contracts.
Ho, Rocky	10/22/2002	0.8	\$475	\$380.00	Review and analyze response from debtor re: San Rafael property transaction.
Ho, Rocky	11/4/2002	1.1	\$475	\$522.50	Review debtor's monthly operating reports.
Ho, Rocky	11/5/2002	1.2	\$475	\$570.00	Review and analyze debtor's proposed lease stipulations.
Ho, Rocky	11/8/2002	2.2	\$475	\$1,045.00	Review and analyze debtor's motion for authority to enter into certain power procurement contracts with the DWR.
Ho, Rocky	11/8/2002	1.5	\$475	\$712.50	Review recent 8K filing of debtor re: financial restructuring of its NEG unit and the impact to parent.
Ho, Rocky	11/11/2002	1.2	\$475	\$570.00	Review and analyze briefs prepared by CPUC and SCE in support of the CA Supreme Court to hear certified questions raised by the 9th Circuit.
Ho, Rocky	11/11/2002	2.4	\$475	\$1,140.00	Review and analyze debtor's proposed ex parte application for order authorizing compromise of administrative appeal re: IERC credits.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	11/12/2002	1.2	\$475	\$570.00	Review and analyze trading / market value of IERC credits per debtor's proposed settlement re: Hunter's Point.
Ho, Rocky	11/12/2002	1.3	\$475	\$617.50	Review and analyze debtor's motion to enter into certain power procurement contracts including supporting declarations.
Ho, Rocky	11/12/2002	2.5	\$475	\$1,187.50	Review status of FTI / PwC produced documents provided to Milbank in response to debtor's subpoena.
Ho, Rocky	11/14/2002	1.1	\$475	\$522.50	Review and analyze the Jefferson Smurfit stipulation.
Ho, Rocky	11/18/2002	1.2	\$475	\$570.00	Review and analyze updated Jefferson-Smurfit stipulation and supporting documentation.
Ho, Rocky	11/18/2002	0.9	\$475	\$427.50	Review data request from counsel re: reference to capex issues.
Ho, Rocky	11/18/2002	2.2	\$475	\$1,045.00	Review and analyze various stipulations including Hunter's Point, Diablo Canyon, Enron and others.
Ho, Rocky	11/20/2002	1.1	\$475	\$522.50	Review and analyze debtor's stipulation re: PC Bonds.
Ho, Rocky	11/22/2002	1.3	\$475	\$617.50	Review and analyze debtor's motion to resume procurement function of the net short position.
Ho, Rocky	11/25/2002	1.3	\$475	\$617.50	Review and analyze declaration of Roy Kuga in support of debtor's motion for authority to resume power procurement of the net short for FY 2003.
Ho, Rocky	11/25/2002	1.7	\$475	\$807.50	Review and analyze debtor's motion for authorization to resume power procurement, including procurement of the residual net short position and to incur post-petition secured debt.
Ho, Rocky	11/27/2002	0.8	\$475	\$380.00	Review and analyze debtor's motion re: Hunter's Point settlement.
<b>SubTotal:</b> Ho, Rocky		<u>56.9</u>		<u>\$27,027.50</u>	
Kim, Angela	11/8/2002	3.1	\$55	\$170.50	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/12/2002	3.9	\$55	\$214.50	Pull and review documents for Discovery, in PG&E trial
Kim, Angela	11/15/2002	2	\$55	\$110.00	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/17/2002	5.4	\$55	\$297.00	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/18/2002	2.1	\$55	\$115.50	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/19/2002	1.8	\$55	\$99.00	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/20/2002	1.2	\$55	\$66.00	Review and record documents from other professionals and recent court filings.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Kim, Angela	11/21/2002	0.8	\$55	\$44.00	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/22/2002	2.2	\$55	\$121.00	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/25/2002	1.6	\$55	\$88.00	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/26/2002	2.4	\$55	\$132.00	Review and record documents from other professionals and recent court filings.
Kim, Angela	11/27/2002	2.5	\$55	\$137.50	Review and record documents from other professionals and recent court filings.
<b>SubTotal: Kim, Angela</b>		<u>29</u>		<u>\$1,595.00</u>	
Kitchin, Jennifer	9/3/2002	0.3	\$425	\$127.50	Review industry article on case.
Kitchin, Jennifer	9/25/2002	0.6	\$425	\$255.00	Review memo re: 9th Circuit Rulings
Kitchin, Jennifer	11/6/2002	1.6	\$425	\$680.00	Review industry articles/news on case updates.
Kitchin, Jennifer	11/12/2002	2.6	\$425	\$1,105.00	Research impact of NEG bankruptcy on debtor.
Kitchin, Jennifer	11/12/2002	2.9	\$425	\$1,232.50	Research Corp financial health and impact on debtor.
Kitchin, Jennifer	11/12/2002	3.3	\$425	\$1,402.50	Review Corp. Credit Agreement
Kitchin, Jennifer	11/19/2002	0.6	\$425	\$255.00	Review parent debt ratings letters
<b>SubTotal: Kitchin, Jennifer</b>		<u>11.9</u>		<u>\$5,057.50</u>	
Lumsden, Tom	9/13/2002	0.4	\$595	\$238.00	Review motion by PG&E for Metcalf project approval.
Lumsden, Tom	9/24/2002	1.2	\$595	\$714.00	Review 9th Circuit court of appeals ruling on Turn appeal to SCE settlement.
<b>SubTotal: Lumsden, Tom</b>		<u>1.6</u>		<u>\$952.00</u>	
Reiss, Freddie	8/14/2002	1	\$595	\$595.00	Read MOU.
Reiss, Freddie	9/20/2002	2.1	\$595	\$1,249.50	Review objections to re-solicitation court hearing.
Reiss, Freddie	9/23/2002	1.5	\$595	\$892.50	Court ruling regarding Southern California Edison; updates regarding PG&E Plan.
Reiss, Freddie	10/7/2002	1.1	\$595	\$654.50	Update with counsel, review memo pleadings.
Reiss, Freddie	11/20/2002	0.3	\$595	\$178.50	Read Fitch ratings report.
<b>SubTotal: Reiss, Freddie</b>		<u>6</u>		<u>\$3,570.00</u>	

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Sin, Theresa	10/24/2002	2.9	\$185	\$536.50	Briefly review recent submissions re: Case. i.e. other professional fee apps, CPUC filings.
Sin, Theresa	11/1/2002	1.1	\$185	\$203.50	Review Celerity's Doc database and search for PG&E waterfall model.
Sin, Theresa	11/11/2002	3.8	\$185	\$703.00	Sort through PwC and FTI documents for Discovery Process In Confirmation Hearings.
Sin, Theresa	11/11/2002	1.1	\$185	\$203.50	Go over doc. Database and compile data request to Celerity for PGE docs.
Sin, Theresa	11/11/2002	3.2	\$185	\$592.00	Research Analyst reports for PGE Corp, NEG and Company debt. Read 10k. Read 8K on change in debt and additional corp. debt.
Sin, Theresa	11/12/2002	3.1	\$185	\$573.50	Review docs for discovery process in Confirmation hearings.
Sin, Theresa	11/12/2002	4.3	\$185	\$795.50	Submit second data request to Celerity for PGE docs. Go to Celerity and review docs in data room.
Sin, Theresa	11/12/2002	1.8	\$185	\$333.00	Review analyst research on PGE Corp.
Sin, Theresa	11/13/2002	3.1	\$185	\$573.50	Print out final version of CPUC/OCC plan and work docs. Compile all docs for discovery process and mail to Milbank.
Sin, Theresa	11/15/2002	0.2	\$185	\$37.00	Discuss with Milbank docs sent for Discovery.
Sin, Theresa	11/17/2002	3.8	\$185	\$703.00	Help A.Kim with organizing docs for FTI's PGE database.
Sin, Theresa	11/18/2002	1.8	\$185	\$333.00	Review and request data from Celerity
Sin, Theresa	11/19/2002	2.8	\$185	\$518.00	Research approved cap ex for Etrans.
Sin, Theresa	11/19/2002	1.8	\$185	\$333.00	Ratebase research for 2002, find PG&E presentation on website, go over CPUC filings.
Sin, Theresa	11/21/2002	0.4	\$185	\$74.00	Review projected rate base presentation by PGE on web
<b>SubTotal: Sin, Theresa</b>		<b>35.2</b>		<b>\$6,512.00</b>	
Young, Allison	8/7/2002	0.4	\$425	\$170.00	Review emails on regulatory proceedings.
Young, Allison	10/21/2002	0.7	\$425	\$297.50	Review updates on case activity.
Young, Allison	11/8/2002	1.8	\$425	\$765.00	Review potential impact of Parent/NEG's financial condition on PG&E's ability to emerge from bankruptcy
Young, Allison	11/11/2002	2.9	\$425	\$1,232.50	Pull documents for PG&E subpoena.
Young, Allison	11/15/2002	0.4	\$425	\$170.00	Respond to S&P questions on bilateral contract.
Young, Allison	11/20/2002	4.3	\$425	\$1,827.50	Research and review approved electric transmission projections on the ISO and CPUC websites

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	11/26/2002	1.2	\$425	\$510.00	Review emails with updates on plans and recent court activities and filings.
<b>SubTotal:</b>	<i>Young, Allison</i>	<u>11.7</u>		<u>\$4,972.50</u>	
<b>Total:</b>	<i>Bankruptcy Reporting/Opera</i>	<u>152.3</u>		<u>\$49,686.50</u>	

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**Task Code :    Cash Flow Analysis**

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Ho, Rocky	8/2/2002	1.1	\$475	\$522.50	Review debtor's Q2 capital expenditure report.
Ho, Rocky	8/6/2002	0.5	\$475	\$237.50	Review and respond to debtor's inquiries on Line 401 Capacity Pipeline Extension.
Ho, Rocky	8/22/2002	1.6	\$475	\$760.00	Review debtor's proposed Metcalf Fourth 230/115 Transformer Project.
Ho, Rocky	8/28/2002	0.7	\$475	\$332.50	Review and respond to debtor's proposed Metcalf capital expenditure project.
Ho, Rocky	9/17/2002	1	\$475	\$475.00	Discuss with debtor upcoming capex projects.
Ho, Rocky	10/21/2002	1.2	\$475	\$570.00	Review and analyze debtor's motion re: capex on relicensing of Pit 3,4 and 5.
Ho, Rocky	10/28/2002	0.9	\$475	\$427.50	Review and discuss with debtor relicensing issues of Pit 3,4 and 5.
Ho, Rocky	11/4/2002	0.6	\$475	\$285.00	Review debtor's Q3 capex update.
Ho, Rocky	11/5/2002	1.6	\$475	\$760.00	Review and analyze supporting documentation re:debtor's proposed capex re:Pit 3,4 and 5.
Ho, Rocky	11/11/2002	1.3	\$475	\$617.50	Review debtor's capex expenditures to date and compare to projections for FY 2003.
Ho, Rocky	11/15/2002	1.1	\$475	\$522.50	Review UBS financial model re:free cash flows.
Ho, Rocky	11/19/2002	1.8	\$475	\$855.00	Review PG&E Corp's cash flow impact based on restructured NEG credit agreement.
Ho, Rocky	11/19/2002	2.5	\$475	\$1,187.50	Review cash flow needs of PG&E Corp and amended credit agreement re:dividend restrictions and other negative covenants; collateral constraints; NEG-specific issues, others.
Ho, Rocky	11/21/2002	1.2	\$475	\$570.00	Review and comment on presentation on PG&E Corp's cash flow and possible impact to Plan feasibility issues.
Ho, Rocky	11/22/2002	1.2	\$475	\$570.00	Review and analyze supporting documentation re:Diablo Canyon Turbine Replacement project.
Ho, Rocky	11/25/2002	1.2	\$475	\$570.00	Review internal debtor's management analysis and discussion re:Diablo Turbine replacement project.
Ho, Rocky	11/27/2002	1.1	\$475	\$522.50	Review and analyze Diablo Canyon management report on feasibility.



<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
<b>SubTotal: Ho, Rocky</b>		<u>20.6</u>		<u>\$9,785.00</u>	
Kitchin, Jennifer	11/11/2002	2.2	\$425	\$935.00	Reviewed/analyzed Corp. financials
Kitchin, Jennifer	11/11/2002	1.8	\$425	\$765.00	Reviewed PG&E Parent CF presentations
Kitchin, Jennifer	11/11/2002	3.2	\$425	\$1,360.00	Researched filings re: corp. debt structure
Kitchin, Jennifer	11/13/2002	3.7	\$425	\$1,572.50	Summarize Corp. Credit Agreement
Kitchin, Jennifer	11/14/2002	2.6	\$425	\$1,105.00	Compile est. of Parent CF
Kitchin, Jennifer	11/14/2002	4.1	\$425	\$1,742.50	Parent CF estimate summary
Kitchin, Jennifer	11/15/2002	4.7	\$425	\$1,997.50	Construct financial model - Parent CF
Kitchin, Jennifer	11/15/2002	3.7	\$425	\$1,572.50	Summarize model assumptions for Parent CF
Kitchin, Jennifer	11/18/2002	3.9	\$425	\$1,657.50	Refine Parent CF analysis
Kitchin, Jennifer	11/18/2002	2.4	\$425	\$1,020.00	Revise Parent CF model
Kitchin, Jennifer	11/19/2002	6.4	\$425	\$2,720.00	Revise parent CF analysis; reformat presentation
Kitchin, Jennifer	11/20/2002	3.8	\$425	\$1,615.00	Finalize draft parent CF presentation
Kitchin, Jennifer	11/21/2002	2.3	\$425	\$977.50	Amend & review Parent CF analysis
<b>SubTotal: Kitchin, Jennifer</b>		<u>44.8</u>		<u>\$19,040.00</u>	
Lumsden, Tom	8/4/2002	0.8	\$595	\$476.00	Review PG&E cash flow, updated for changes thru 2002 and compare to cash balance projected for confirmation
Lumsden, Tom	11/8/2002	0.8	\$595	\$476.00	Review motion for payment of committee expenses for S&P fee on credit rating on Joint Plan structure. Review various PG&E motions for payment of plan implementation costs.
Lumsden, Tom	11/13/2002	0.7	\$595	\$416.50	Review Parent loan analysis and terms and assess impact on PG&E credit ratings and impact on utility.
Lumsden, Tom	11/14/2002	0.5	\$595	\$297.50	Review PG&E parent cash flow and debt terms.
Lumsden, Tom	11/19/2002	0.4	\$595	\$238.00	Review Parent cash flow presentation and debt analysis. Review PG&E POR dividend analysis and reinvestment of earnings.
Lumsden, Tom	11/19/2002	0.6	\$595	\$357.00	Review parent debt analysis and ratings impact.
Lumsden, Tom	11/20/2002	0.8	\$595	\$476.00	Review capex analysis and headroom rollforward.
Lumsden, Tom	11/22/2002	0.8	\$595	\$476.00	Review R.Ho memo on capex request by PG&E for Jefferson-main transmission expansion. Review materials.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
<b>SubTotal:</b> <i>Lumsden, Tom</i>		<u>5.4</u>		<u>\$3,213.00</u>	
Sin, Theresa	11/13/2002	3.2	\$185	\$592.00	Read T.Lumsden email with attachments of past Corp information and presentations. Briefly review 10Q filed today - the supplemental indenture on the 9.5% convertible sub notes.
Sin, Theresa	11/14/2002	1.8	\$185	\$333.00	Compile Corp research, figure out assumptions for Corp CF model
Sin, Theresa	11/14/2002	2.1	\$185	\$388.50	Make changes to Corp CF model.
Sin, Theresa	11/14/2002	1.2	\$185	\$222.00	Read and add restricted cash from Interest Reserve into corp. cash flow model.
Sin, Theresa	11/20/2002	1.6	\$185	\$296.00	Research under collected costs of \$9b in past Q's, try to reconcile PGE's calculation.
Sin, Theresa	11/21/2002	2.8	\$185	\$518.00	Summarize credit agreement history for Corp.
Sin, Theresa	11/21/2002	0.9	\$185	\$166.50	Insert debt history slide into corp. presentation and Parent financials model.
Sin, Theresa	11/22/2002	2.4	\$185	\$444.00	Reformat and insert PGE financial projections model with cap ex chart.
<b>SubTotal:</b> <i>Sin, Theresa</i>		<u>16</u>		<u>\$2,960.00</u>	
Young, Allison	8/9/2002	2.2	\$425	\$935.00	Reconcile cash in OCC POR to latest cash flow forecast received from PG&E.
Young, Allison	11/8/2002	1.4	\$425	\$595.00	Review terms of debt outstanding at Corporate, NEG, and the utility and the related guarantees
Young, Allison	11/14/2002	2.3	\$425	\$977.50	Calculate unrecovered power purchase costs.
Young, Allison	11/14/2002	0.4	\$425	\$170.00	Review financial findings from depositions.
Young, Allison	11/19/2002	1.8	\$425	\$765.00	Review other factors that would impact PG&E's capital expenditure projections.
Young, Allison	11/19/2002	1.7	\$425	\$722.50	Analyze how \$9 billion Filed rate doctrine claim was calculated by PG&E.
Young, Allison	11/20/2002	1.8	\$425	\$765.00	Update FTI's calculation of headroom.
Young, Allison	11/20/2002	3.4	\$425	\$1,445.00	Prepare schedule of PG&E projected capital expenditures compared to CPUC approved expenditures.
Young, Allison	11/20/2002	0.9	\$425	\$382.50	Review subjective costs in PG&E's approved rates, or costs at risk from CPUC decisions.
Young, Allison	11/20/2002	0.5	\$425	\$212.50	Research data points to support FTI's headroom calculation.
Young, Allison	11/21/2002	0.6	\$425	\$255.00	Rollforward rate base from 2001-2002.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	11/24/2002	1.6	\$425	\$680.00	Research historical capital expenditures and reasons for fluctuations in PG&E's 1996-2001 SEC filings.
Young, Allison	11/24/2002	1.3	\$425	\$552.50	Prepare analysis of historical versus projected capital expenditures.
Young, Allison	11/25/2002	2.6	\$425	\$1,105.00	Expand footnote disclosure for court exhibits on capital expenditure details for T. Lumsden testimony
<b>SubTotal: Young, Allison</b>		<u>22.5</u>		<u>\$9,562.50</u>	
<b>Total: Cash Flow Analysis</b>		<u>109.3</u>		<u>\$44,560.50</u>	

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**Task Code :      Claims Analysis**

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Ho, Rocky	9/3/2002	1.3	\$475	\$617.50	Review and analyze notice of motion and motion of Pacific Gas & Electric Company for an order authorizing assumption of power agreements and compromise of claims with Sierra Pacific Industries.
Ho, Rocky	9/3/2002	0.8	\$475	\$380.00	Review and analyze declaration of Charles R. Middlekauff in support of order authorizing assumption of power agreements and compromise of claims with Sierra Pacific Industries.
Ho, Rocky	9/4/2002	0.5	\$475	\$237.50	Review and analyze declaration of David W. Phillips in support of motion to refund certain project deposits.
Ho, Rocky	9/4/2002	0.9	\$475	\$427.50	Review and analyze debtor's motion for order authorizing refund of certain project deposits.
Ho, Rocky	9/23/2002	1.4	\$475	\$665.00	Review and analyze debtor's filed notice on various settlement of claims - (Standard Pacific Gas Line, Allstate Insurance and Heinz).
Ho, Rocky	10/16/2002	1.1	\$475	\$522.50	Review various debtor motions re: stipulations valuing certain claims for feasibility purposes only.
Ho, Rocky	10/16/2002	0.9	\$475	\$427.50	Discuss with debtor and debtor's counsel proposed stipulated agreement on claims amount between WAPA and debtor.
Ho, Rocky	10/23/2002	1.3	\$475	\$617.50	Review and analyze WAPA claim No. 12422 - review debtor's claim dispute motion and contract attachments.
Ho, Rocky	10/24/2002	2	\$475	\$950.00	Preparation and meeting with debtor (Andrew Conner) to discuss proposed stipulated claims amount between WAPA and debtor.
Ho, Rocky	10/25/2002	0.7	\$475	\$332.50	Review support for claims agreement between WAPA and debtor - provided by debtor.
Ho, Rocky	10/25/2002	0.6	\$475	\$285.00	Review stipulated motion between WAPA and debtor on proposed settlement amount.
Ho, Rocky	11/7/2002	0.8	\$475	\$380.00	Review and analyze claims update presentation.
Ho, Rocky	11/8/2002	1.3	\$475	\$617.50	Review and analyze debtor's expert report re: litigation and other tort action claims.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	11/25/2002	0.8	\$475	\$380.00	Review reply to debtor's opposition to claimant Santos Gonzalez Herrera's motion for reconsideration of order disallowing claim.
<b>SubTotal:</b> Ho, Rocky		<u>14.4</u>		<u>\$6,840.00</u>	
Lumsden, Tom	8/4/2002	1.3	\$595	\$773.50	Review claims detail as updated by PG&E and compare to OCC plan details for treatment, including LC Bank application
Lumsden, Tom	8/23/2002	0.3	\$595	\$178.50	Review results of claims meeting with PG&E.
Lumsden, Tom	11/6/2002	0.3	\$595	\$178.50	Review materials obtained in claims meeting and development of presentation to creditors committee.
Lumsden, Tom	11/6/2002	1.2	\$595	\$714.00	Participate in meeting with PG&E staff and consultants to review claims status in case.
Lumsden, Tom	11/7/2002	1.2	\$595	\$714.00	Review deposition of Fong Wan and supporting exhibits re claims detail of generators. Review schedules and assess claims reserve, cash requirement for effective date.
Lumsden, Tom	11/7/2002	0.9	\$595	\$535.50	Review claims analysis for presentation to creditors committee meeting. Review underlying documents from Celerity.
Lumsden, Tom	11/11/2002	0.6	\$595	\$357.00	Review schedules on generator claims attached to Fong Wan deposition and reconcile categories to FTI summary.
<b>SubTotal:</b> Lumsden, Tom		<u>5.8</u>		<u>\$3,451.00</u>	
Perfit, Ryan	11/6/2002	1.7	\$215	\$365.50	Review and revise the claims presentation for updated claim totals.
<b>SubTotal:</b> Perfit, Ryan		<u>1.7</u>		<u>\$365.50</u>	
Reiss, Freddie	11/7/2002	1.5	\$595	\$892.50	Review claims analysis.
<b>SubTotal:</b> Reiss, Freddie		<u>1.5</u>		<u>\$892.50</u>	
Sin, Theresa	8/13/2002	2.3	\$185	\$425.50	Review claims summary and search for J. Smurfit claim. Also check summary claims worksheet to changes made in detail.
Sin, Theresa	8/14/2002	1.2	\$185	\$222.00	Review Electric Power Procurement claims detail.
Sin, Theresa	8/22/2002	0.8	\$185	\$148.00	Review and organize claims detail to prep for Claims meeting.
Sin, Theresa	8/23/2002	1.2	\$185	\$222.00	Attend claims meetings at PGE.
<b>SubTotal:</b> Sin, Theresa		<u>5.5</u>		<u>\$1,017.50</u>	
Young, Allison	8/11/2002	0.4	\$425	\$170.00	Review claim summary to respond to creditor question.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	8/11/2002	0.7	\$425	\$297.50	Reconcile claims in OCC POR to latest claim detail from PG&E.
Young, Allison	8/21/2002	0.8	\$425	\$340.00	Review summaries of trade claims
Young, Allison	8/22/2002	0.9	\$425	\$382.50	Review claim details in preparation for meeting with PG&E.
Young, Allison	8/23/2002	2	\$425	\$850.00	Prepare for and attend meeting with PG&E personnel to discuss claims reconciliation/settlement process.
Young, Allison	10/22/2002	0.7	\$425	\$297.50	Coordinate meeting with debtor for update on claims status.
Young, Allison	11/6/2002	2.8	\$425	\$1,190.00	Update creditor recovery analyses based on new cash and claims data
Young, Allison	11/6/2002	1.6	\$425	\$680.00	Review generator claims details
Young, Allison	11/6/2002	0.7	\$425	\$297.50	Prepare for claims meeting with PG&E
Young, Allison	11/6/2002	3.1	\$425	\$1,317.50	Create presentation to creditors on current claims status
Young, Allison	11/6/2002	1.2	\$425	\$510.00	Attend meeting with PG&E on the claims reconciliation process
Young, Allison	11/7/2002	0.8	\$425	\$340.00	Complete creditor recovery analysis
Young, Allison	11/7/2002	0.4	\$425	\$170.00	Call with Iathan Annand on pending claim issues
Young, Allison	11/7/2002	2.4	\$425	\$1,020.00	Finalize OCC presentation on the PG&E Claims analysis and email to committee
Young, Allison	11/13/2002	1.5	\$425	\$637.50	Update cash and claims on comparable transaction analysis.
Young, Allison	11/14/2002	0.5	\$425	\$212.50	Review expected environmental and litigation claim payments.
Young, Allison	11/21/2002	0.3	\$425	\$127.50	Discuss generator claims with PG&E.
<b>SubTotal: Young, Allison</b>		<u>20.8</u>		<u>\$8,840.00</u>	
<b>Total: Claims Analysis</b>		<u><u>49.7</u></u>		<u><u>\$21,406.50</u></u>	

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**Task Code : Coordinating with Debtor**

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Lumsden, Tom	10/16/2002	0.2	\$595	\$119.00	Telephone call with K. Boyle re FTI invoice.
<b>SubTotal: Lumsden, Tom</b>		<u>0.2</u>		<u>\$119.00</u>	
Young, Allison	9/11/2002	0.5	\$425	\$212.50	Coordinate with PG&E on new data requests.
Young, Allison	10/23/2002	0.4	\$425	\$170.00	Coordinate data exchange with debtor.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
<b>SubTotal: Young, Allison</b>		<u>0.9</u>		<u>\$382.50</u>	
<b>Total: Coordinating with Debtor</b>		<u>1.1</u>		<u>\$501.50</u>	
<hr/>					
<b>Task Code : CPUC Review</b>		<hr/>			
Hamilton, Mike	8/9/2002	0.4	\$640	\$256.00	Creditors' Committee conference call with J. Wilson, S. Victor of Chanin to go over model issues in the CPUC plan.
Hamilton, Mike	8/20/2002	1	\$640	\$640.00	Call with UBS, CPUC staff lawyer, the CPUC bankruptcy counsel, Milbank, and Saybrook to discuss where the plan stands and the design of the securities to be issued under the CPUC POR.
Hamilton, Mike	8/23/2002	0.5	\$640	\$320.00	Listen to replay of the CPUC press conference.
Hamilton, Mike	8/27/2002	0.4	\$640	\$256.00	Participate in conference call with Milbank, Saybrook, CPUC, UBS, and Paul Weiss to discuss answers to Jim Lopes' questions on the Plan.
Hamilton, Mike	8/27/2002	1.1	\$640	\$704.00	Work on draft of response to Jim Lopes' questions on the CPUC plan.
<b>SubTotal: Hamilton, Mike</b>		<u>3.4</u>		<u>\$2,176.00</u>	
Ho, Rocky	8/16/2002	0.8	\$475	\$380.00	Review status update re:negotiations with CPUC on plan alternatives.
Ho, Rocky	8/26/2002	0.8	\$475	\$380.00	Review debtor's letter requesting financial information to alternative plan projections.
Ho, Rocky	9/10/2002	0.8	\$475	\$380.00	Review CPUC memo on Direct Access charges - response to various objections to the proposed surcharge methodology.
Ho, Rocky	9/13/2002	0.6	\$475	\$285.00	Review debtor's proposed 2003 DWR revenue allocation methodology to the PUC.
Ho, Rocky	9/13/2002	1.1	\$475	\$522.50	Review and analyze CPUC's decision re: ISO disputed charges between PG&E and the PUC.
Ho, Rocky	9/17/2002	1.4	\$475	\$665.00	Review motion on direct access fees and related issues - PG&E and SCE.
Ho, Rocky	11/5/2002	0.8	\$475	\$380.00	Review and analyze recent CPUC rulings and future calendar of events.
Ho, Rocky	11/27/2002	0.8	\$475	\$380.00	Review and analyze J Lo's testimony re:headroom calculation of \$2.1B.
Ho, Rocky	11/29/2002	1.1	\$475	\$522.50	Review and analyze TRA / regulatory impact based on CPUC and debtor's expert witnesses.
<b>SubTotal: Ho, Rocky</b>		<u>8.2</u>		<u>\$3,895.00</u>	
Kitchin, Jennifer	8/22/2002	1.4	\$425	\$595.00	Review CPUC 8/21 Gottstein Interim Order.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Kitchin, Jennifer	8/22/2002	1.2	\$425	\$510.00	Listen to CPUC Press Conference.
Kitchin, Jennifer	8/27/2002	0.7	\$425	\$297.50	Review Debtor's preliminary questions re: CPUC Reorganization Agreement.
Kitchin, Jennifer	8/27/2002	0.5	\$425	\$212.50	Review email comments on draft response to Debtor's questions.
Kitchin, Jennifer	8/27/2002	0.2	\$425	\$85.00	Draft amendments to responses to Debtor's questions.
Kitchin, Jennifer	8/28/2002	0.2	\$425	\$85.00	Review financials supporting response to Debtor's questions.
Kitchin, Jennifer	8/28/2002	0.8	\$425	\$340.00	Review 8/27 email revisions to response to Debtor's questions.
Kitchin, Jennifer	8/30/2002	0.4	\$425	\$170.00	Review CPUC website for latest filings.
Kitchin, Jennifer	9/6/2002	0.2	\$425	\$85.00	Review email re: UBS retention.
Kitchin, Jennifer	9/16/2002	0.3	\$425	\$127.50	Review email correspondence re: CPUC regulatory proceedings.
<b>SubTotal:</b> Kitchin, Jennifer		<u>5.9</u>		<u>\$2,507.50</u>	
Lumsden, Tom	8/5/2002	1	\$595	\$595.00	Participate in conference call with Chanin representatives and J. Wilson re proposed changes to CPUC plan structure.
Lumsden, Tom	8/26/2002	0.8	\$595	\$476.00	Review PG&E and OCC plan data re regulatory issues.
Lumsden, Tom	9/18/2002	1.2	\$595	\$714.00	Review CPUC order on interim procurement of DWR net short for SCE and PG&E
Lumsden, Tom	9/19/2002	1.7	\$595	\$1,011.50	Continued review of commission staff analysis of net short procurement interim order.
Lumsden, Tom	9/26/2002	0.5	\$595	\$297.50	Discussions with G. Cohen re alternatives to 9th Circuit Court decision on plans for PG&E.
Lumsden, Tom	9/26/2002	0.9	\$595	\$535.50	Read CPUC decision re GRC review and impact on rates and return.
Lumsden, Tom	9/27/2002	1.1	\$595	\$654.50	Review CPUC decision re net short and IOU's purchasing with DWR dated 8-22-02
Lumsden, Tom	9/30/2002	0.9	\$595	\$535.50	Review CPUC materials and research net short purchasing options for PG&E.
Lumsden, Tom	9/30/2002	0.6	\$595	\$357.00	Telephone call with P. Douglas of CPUC re questions on URG segments of OCC model.
Lumsden, Tom	10/15/2002	0.9	\$595	\$535.50	Review CPUC decision on rate of return for PG&E for 2003. Research filings for PG&E data included in rate base for 2003 filing.
Lumsden, Tom	10/25/2002	0.7	\$595	\$416.50	Discussion with P. Clannon of CPUC re procurement orders by CPUC and impact on DWR, contracts, net short and risk to PG&E.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	10/27/2002	1.5	\$595	\$892.50	Review procurement order of CPUC as it affects PG&E in purchasing net short beginning Jan 2003.
Lumsden, Tom	10/28/2002	0.9	\$595	\$535.50	Review CPUC order on DWR contract allocation among PG&E, SCE and SDG&E for 2002.
Lumsden, Tom	10/28/2002	1.2	\$595	\$714.00	Review CPUC order on URG and trace to rate base in UBS model.
Lumsden, Tom	10/28/2002	0.7	\$595	\$416.50	Review CPUC order on assignment of operational authority to PG&E for DWR contracts.
Lumsden, Tom	11/6/2002	1.1	\$595	\$654.50	Review listings and details of recent CPUC filings, including procurement issues.
Lumsden, Tom	11/6/2002	1.2	\$595	\$714.00	Review declaration and exhibits of PG&E expert from SG Cowan on feasibility of Joint Plan.
Lumsden, Tom	11/7/2002	1.1	\$595	\$654.50	Review Standard and Poors presentation materials prepared by CPUC for Creditors Committee meeting discussion. Review of underlying CPUC decisions on same.
Lumsden, Tom	11/7/2002	0.4	\$595	\$238.00	Review CPUC actions of Nov 7.
Lumsden, Tom	11/8/2002	0.9	\$595	\$535.50	Review email from E. Feo re surcharge for Direct Access and review reports from TURN on same. Assess impact on plan projections.
Lumsden, Tom	11/9/2002	1.6	\$595	\$952.00	Review motions and filings by PG&E re procurement of net short and CPUC decisions to support same. Review declarations to support motion.
Lumsden, Tom	11/10/2002	1.5	\$595	\$892.50	Review Edison filing with Calif Supreme Court re 9th circuit decision. Assess impact on CPUC authority issue and affect on rate setting by CPUC re headroom retention.
Lumsden, Tom	11/10/2002	1.1	\$595	\$654.50	Review CPUC filing with California Supreme Court re 9th Circuit decision on Lynch case.
Lumsden, Tom	11/10/2002	0.9	\$595	\$535.50	Review sections of AB 1890 and Calif Public Utility Code on authority of commission re rate changes and impact on headroom cash.
Lumsden, Tom	11/12/2002	0.5	\$595	\$297.50	Review files on 9th Circuit decision pertaining to aspects of filed rate case.
Lumsden, Tom	11/12/2002	0.3	\$595	\$178.50	Telephone call with E. Feo re filed rate case and alternatives re CPUC authority.
Lumsden, Tom	11/13/2002	1.1	\$595	\$654.50	Review PUC code section 840-847 for support re financing orders.
Lumsden, Tom	11/13/2002	0.7	\$595	\$416.50	Review CPUC decision of November 7, 2002 re financing of Joint Plan.
Lumsden, Tom	11/13/2002	0.7	\$595	\$416.50	Review FTCR filing in SCE vs. Lynch dated November 5, 2002.
Lumsden, Tom	11/13/2002	0.6	\$595	\$357.00	Review portion of Judge Walker ruling on filed rate case.



<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	11/13/2002	0.8	\$595	\$476.00	Review public utility code section 850-859 re lien restrictions on stock of utility re PG&E Corp.
Lumsden, Tom	11/13/2002	0.5	\$595	\$297.50	Review section 381 of public utility code for joint plan authority issues.
Lumsden, Tom	11/13/2002	1.5	\$595	\$892.50	Review sections of Public Utility code section 399; section 701; section 728; and section 1708 for preparation for confirmation hearing.
Lumsden, Tom	11/14/2002	1.8	\$595	\$1,071.00	Review Public Utility Code section 330-355 re restructuring to assess CTC recovery and legislation re CPUC authority.
Lumsden, Tom	11/15/2002	1.3	\$595	\$773.50	Review public utility code section 300-380 re restructuring of electricity market.
Lumsden, Tom	11/15/2002	0.4	\$595	\$238.00	Review Judge Walker decision on TURN appeal of SCE vs. Lynch settlement.
Lumsden, Tom	11/18/2002	0.9	\$595	\$535.50	Discussions with P. Aronzon, M. Diamond and CPUC counsel re PUC sections on authority of CPUC.
Lumsden, Tom	11/19/2002	1.4	\$595	\$833.00	Review Milbank memo on authority of CPUC re Reorg Agreement and POR.
Lumsden, Tom	11/19/2002	0.4	\$595	\$238.00	Read letter of G. Cohen on legal authority of CPUC sent to S&P.
Lumsden, Tom	11/26/2002	0.9	\$595	\$535.50	Review motion to resume power procurement and declaration of Roy Kuga.
Lumsden, Tom	11/29/2002	2	\$595	\$1,190.00	Review TRA and TCBA and GMA account materials for each month.
Lumsden, Tom	11/29/2002	0.5	\$595	\$297.50	Telephone call with P. Aronzon re TCBA and TRA and filed rate settlement.
Lumsden, Tom	11/29/2002	2.2	\$595	\$1,309.00	Review TRA and TCBA write-ups, review PUC code sections on same in preparation for filed rate settlement testimony.
Lumsden, Tom	11/30/2002	3.4	\$595	\$2,023.00	Review TRA-TCBA and GMA accounts for 1999-2002 for each month, as filed with the CPUC, understand PG&E accounting and postings, summarize detail for analysis.
<b>SubTotal: Lumsden, Tom</b>		<b>46.3</b>		<b>\$27,548.50</b>	
Reiss, Freddie	9/3/2002	2.5	\$595	\$1,487.50	Read district court opinion on preemption; review final CPUC amendments
Reiss, Freddie	9/4/2002	2	\$595	\$1,190.00	Additional review of Plan projections and CPUC plan update.
Reiss, Freddie	9/6/2002	0.9	\$595	\$535.50	Review UBS engagement.
Reiss, Freddie	9/9/2002	1	\$595	\$595.00	Review UBS letter; prepare for conference call.
Reiss, Freddie	9/10/2002	1	\$595	\$595.00	Review press release; update regarding UBS and plan issues.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Reiss, Freddie	9/20/2002	1.4	\$595	\$833.00	Listen in on CPUC court hearing.
<b>SubTotal:</b> <i>Reiss, Freddie</i>		<u>8.8</u>		<u>\$5,236.00</u>	
Sin, Theresa	8/14/2002	3.2	\$185	\$592.00	Check on recent CPUC filings, review and summarize for group.
Sin, Theresa	8/15/2002	2	\$185	\$370.00	Read and summarize recent CPUC filings from GRC proceedings.
Sin, Theresa	9/9/2002	5.6	\$185	\$1,036.00	CPUC review, review update from CPUC proceedings. Review contract allocation info. for workshop on Thursday.
Sin, Theresa	9/12/2002	2.5	\$185	\$462.50	Attend workshop for contract allocation, review brief on Gottstein decision, review notes from hearing.
Sin, Theresa	9/13/2002	4	\$185	\$740.00	Review and summarize CPUC filings. Review recent events from GRC proceeding.
Sin, Theresa	10/28/2002	1.9	\$185	\$351.50	Review and summarize recent CPUC filings.
Sin, Theresa	10/31/2002	1.2	\$185	\$222.00	Search CPUC Agenda for upcoming hearings or meetings related to PG&E. Review special announcements.
Sin, Theresa	11/1/2002	1.7	\$185	\$314.50	Review past filings, and items on the agenda for next week.
Sin, Theresa	11/5/2002	3.5	\$185	\$647.50	Summarize recent CPUC filings to team (1). Also review proposals for R.02.01.011 and D.01-03-082 coming up in CPUC Agenda.
Sin, Theresa	11/6/2002	0.3	\$185	\$55.50	Check Agenda for any changes to tomorrow's meeting.
Sin, Theresa	11/8/2002	1.6	\$185	\$296.00	Follow-up on outcome of yesterday's CPUC meeting. Read note from Milbank and current announcements on CPUC website.
Sin, Theresa	11/14/2002	1.3	\$185	\$240.50	Review recent filings with CPUC.
Sin, Theresa	11/15/2002	1.9	\$185	\$351.50	CPUC Review - review recent filings.
Sin, Theresa	11/18/2002	2.5	\$185	\$462.50	List various CPUC Law codes for T. Lumsden.
Sin, Theresa	11/21/2002	0.4	\$185	\$74.00	Review filing on CPUC approved cap structure for PGE.
<b>SubTotal:</b> <i>Sin, Theresa</i>		<u>33.6</u>		<u>\$6,216.00</u>	
Young, Allison	9/3/2002	0.7	\$425	\$297.50	Review CPUC order on DWR contract allocations between the State's 3 IOU's.
Young, Allison	9/9/2002	0.5	\$425	\$212.50	Review preliminary court filing on UBS retention.
Young, Allison	9/9/2002	1	\$425	\$425.00	Review CPUC order on DWR contract allocation and try to tie with PwC's record of DWR contracts.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	9/10/2002	2.1	\$425	\$892.50	Continue review of CPUC order to allocated DWR contracts and try to reconcile to CPUC data.
Young, Allison	11/14/2002	2.4	\$425	\$1,020.00	Research FTICR vs. Lynch
Young, Allison	11/14/2002	2.6	\$425	\$1,105.00	Calculated cash at risk from unfavorable FTICR vs. Lynch ruling.
Young, Allison	11/20/2002	0.8	\$425	\$340.00	Discuss the CPUC's calculation of headroom in comparison to PG&E's and FTI's with J. Lo at CPUC.
<b>SubTotal: Young, Allison</b>		<u>10.1</u>		<u>\$4,292.50</u>	
<b>Total: CPUC Review</b>		<u>116.3</u>		<u>\$51,871.50</u>	

**Task Code : CPUC/OCC Plan of Reorganization**

Ho, Rocky	9/13/2002	1.3	\$475	\$617.50	Review draft of OCC Committee report re: co-proponent of plan to be sent out to creditors.
Ho, Rocky	9/16/2002	0.9	\$475	\$427.50	Review revised draft of OCC report letter re: joint CPUC/OCC plan.
Ho, Rocky	9/23/2002	0.9	\$475	\$427.50	Review revised financial projections of joint plan.
Ho, Rocky	9/25/2002	0.8	\$475	\$380.00	Review counsel's draft on implications relating to the Turn appeals decision.
Ho, Rocky	10/18/2002	1.2	\$475	\$570.00	Review and analyze joint POR draft financial model prepared by UBS Warburg.
Ho, Rocky	10/21/2002	0.6	\$475	\$285.00	Review S&P comments re: California power sale.
Ho, Rocky	10/23/2002	1.2	\$475	\$570.00	Review draft presentation to ratings agency prepared by UBS Warburg ahead of confirmation hearings.
Ho, Rocky	10/24/2002	1.1	\$475	\$522.50	Review draft integrated financial model re: joint POR, prepared by UBS Warburg.
Ho, Rocky	10/29/2002	1.2	\$475	\$570.00	Review materials prepared by UBS Warburg for the committee.
Ho, Rocky	11/1/2002	1.1	\$475	\$522.50	Review and analyze UBS financial information prepared for the OCC.
Ho, Rocky	11/5/2002	0.9	\$475	\$427.50	Review and analyze Joint Plan's motion for re-solicitation.
Ho, Rocky	11/6/2002	1.1	\$475	\$522.50	Review and analyze Joint Plan's filed Finding of Facts in support of the Confirmation Brief.
Ho, Rocky	11/6/2002	1.8	\$475	\$855.00	Review and analyze Joint Plan's Confirmation Brief and Memorandum of Points and Authority.
Ho, Rocky	11/7/2002	2.7	\$475	\$1,282.50	Review and analyze Joint Plan's POR dated November 6, 2002.
Ho, Rocky	11/7/2002	1.6	\$475	\$760.00	Review final draft of Joint Proponents application for resolicitation of votes.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	11/11/2002	2.3	\$475	\$1,092.50	Review and analyze PG&E's trial brief in opposition to the Joint Plan.
Ho, Rocky	11/12/2002	2.3	\$475	\$1,092.50	Review Kosturos deposition and prepare observations of the liquidation analysis.
Ho, Rocky	11/12/2002	1.1	\$475	\$522.50	Review Kosturos deposition and prepare observations regarding preference matters.
Ho, Rocky	11/13/2002	1.7	\$475	\$807.50	Review and comment on draft observations of the Kosturos liquidation / preference matters.
Ho, Rocky	11/13/2002	2.2	\$475	\$1,045.00	Review and analyze various expert reports (Patterson and Scotto) of ad-hoc financial committee's objection to Joint plan.
Ho, Rocky	11/14/2002	1.4	\$475	\$665.00	Review and analyze Hulse deposition in support of the Joint Plan.
Ho, Rocky	11/15/2002	0.8	\$475	\$380.00	Review and analyze data request from debtor re:Joint Plan.
Ho, Rocky	11/18/2002	1.1	\$475	\$522.50	Review Confirmation / trial summary of Joint Plan, Cohen testimony, etc.
Ho, Rocky	11/19/2002	0.9	\$475	\$427.50	Review and analyze various credit ratings agencies' indicative letters re:Joint Plan.
Ho, Rocky	11/20/2002	2.1	\$475	\$997.50	Review and analyze testimony of Walter Hulse, UBS Warburg in support of financing capabilities of the Joint CPUC/OCC Plan.
Ho, Rocky	11/20/2002	1.2	\$475	\$570.00	Review credit assessment reports from S&P and Fitch.
Ho, Rocky	11/25/2002	1.5	\$475	\$712.50	Review and analyze expert report of T Murphy, SG Barr Devlin, re:investment grade feasibility of CPUC / OCC plan.
Ho, Rocky	11/29/2002	1.3	\$475	\$617.50	Review and analyze debtor's trial brief re:equity issues in opposition to the Joint Plan.
<b>SubTotal: Ho, Rocky</b>		<u>38.3</u>		<u>\$18,192.50</u>	
Kitchin, Jennifer	10/29/2002	0.4	\$425	\$170.00	Review UBS plan email
<b>SubTotal: Kitchin, Jennifer</b>		<u>0.4</u>		<u>\$170.00</u>	
Lumsden, Tom	9/4/2002	0.3	\$595	\$178.50	Review UBS engagement letter modifications
Lumsden, Tom	9/4/2002	0.9	\$595	\$535.50	Review CPUC and PG&E materials and filings on plan re-solicitation, read UBS letter and chart on employment.
Lumsden, Tom	9/4/2002	2.1	\$595	\$1,249.50	Attend hearing in court on plan re-solicitation and UBS retention, meet with P. Aronzon and discuss preemption issues and impact of appeal orders.
Lumsden, Tom	9/10/2002	0.5	\$595	\$297.50	Review UBS engagement letter and edits to same for scope of work and fee structure,

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	9/10/2002	0.3	\$595	\$178.50	Review re voting and re-solicitation.
Lumsden, Tom	9/11/2002	0.4	\$595	\$238.00	Review emails on solicitation challenges by CPUC from PG&E.
Lumsden, Tom	9/13/2002	0.3	\$595	\$178.50	Review re bondholder group questions on Joint plan
Lumsden, Tom	9/13/2002	0.4	\$595	\$238.00	Review motion by CPUC re vote re-solicitation.
Lumsden, Tom	9/23/2002	1.3	\$595	\$773.50	Review emails on UBS agreement, plan re-solicitation, questions on plan structure and support for OCC modeling.
Lumsden, Tom	9/30/2002	0.7	\$595	\$416.50	Review ratings of Moodys and Fitch on DWR bonds and impact on joint plan financing structure and market risk perception.
Lumsden, Tom	10/1/2002	0.4	\$595	\$238.00	Review email questions from CPUC on modeling for joint plan, request for detail reconciliation
Lumsden, Tom	10/1/2002	1.1	\$595	\$654.50	Review joint plan model prepared by FTI and reconciliation of load, generation and procurement requested by CPUC and follow up on questions by CPUC.
Lumsden, Tom	10/1/2002	0.5	\$595	\$297.50	Telephone call with W. Hulse re UBS modeling and description of securities
Lumsden, Tom	10/2/2002	0.3	\$595	\$178.50	Review joint plan details and CPUC questions
Lumsden, Tom	10/3/2002	0.4	\$595	\$238.00	T/C P.Aronzon re joint plan details, CA agreement, and next steps with UBS.
Lumsden, Tom	10/3/2002	1.1	\$595	\$654.50	Meet with UBS representatives re joint plan modeling and detail support for elements of PG&E POR for purposes of supporting joint plan modeling update
Lumsden, Tom	10/4/2002	0.4	\$595	\$238.00	Review draft of UBS engagement agreement.
Lumsden, Tom	10/4/2002	0.5	\$595	\$297.50	Prepare and format data for UBS for joint plan model update.
Lumsden, Tom	10/7/2002	0.4	\$595	\$238.00	Research FTI models and files on UBS inquiry for backup on aspects of modeling, reconcile CPUC rate base.
Lumsden, Tom	10/7/2002	0.2	\$595	\$119.00	Review emails from UBS on plan modeling and questions. Forward questions to A. Young.
Lumsden, Tom	10/8/2002	1.7	\$595	\$1,011.50	Review OCC financial models for research and reply to questions from UBS on joint plan modeling for securities design.
Lumsden, Tom	10/9/2002	0.5	\$595	\$297.50	Collect and review materials in preparation for meeting with UBS, telephone call with D. Kelly re arrangements for UBS.
Lumsden, Tom	10/10/2002	1.6	\$595	\$952.00	Meet with UBS staff representatives to review questions on modeling for PG&E in joint POR. Discuss issues and respond to support UBS modeling.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	10/11/2002	0.4	\$595	\$238.00	Review responses to data requests from UBS and documents qualifying under subpoena request by PG&E.
Lumsden, Tom	10/14/2002	0.2	\$595	\$119.00	Telephone calls with J.Wilson on UBS questions on modeling and structure.
Lumsden, Tom	10/15/2002	0.5	\$595	\$297.50	Telephone call B.Lamb and J.Navarette re rate base and rate of return, treatment of RRB's in rate base calculations. Review CPUC decision on rate base for 2003.
Lumsden, Tom	10/16/2002	0.2	\$595	\$119.00	Follow-up with UBS on questions.
Lumsden, Tom	10/16/2002	0.2	\$595	\$119.00	Telephone call with B. Lamb re rate base questions.
Lumsden, Tom	10/18/2002	0.3	\$595	\$178.50	Review results of conference call with UBS on joint plan securities design.
Lumsden, Tom	10/18/2002	0.2	\$595	\$119.00	Review emails from P.Aronzon re progress with CPUC and meetings scheduled.
Lumsden, Tom	10/21/2002	0.7	\$595	\$416.50	Review UBS draft presentation for Fitch and comments on PG&E Plan.
Lumsden, Tom	10/21/2002	0.6	\$595	\$357.00	Draft email and comments to UBS on presentation package for Fitch. Email data.
Lumsden, Tom	10/21/2002	0.6	\$595	\$357.00	Review models of UBS on joint plan, compare to OCC models and data.
Lumsden, Tom	10/22/2002	2.2	\$595	\$1,309.00	Review UBS materials and model en route to Meetings with Fitch Ratings Agency
Lumsden, Tom	10/22/2002	0.7	\$595	\$416.50	Participate in pre-meeting preparation with UBS and CPUC representatives for Fitch presentation.
Lumsden, Tom	10/22/2002	2.5	\$595	\$1,487.50	Participate in meetings with Fitch representatives re Joint Plan with UBS, Saybrook, CPUC.
Lumsden, Tom	10/23/2002	1.6	\$595	\$952.00	Review UBS model update and compare with joint plan model and FTI models.
Lumsden, Tom	10/25/2002	2.5	\$595	\$1,487.50	Participate in meetings in NY with Moodys Ratings Agency on joint plan with UBS, CPUC, Saybrook and PwC.
Lumsden, Tom	10/25/2002	0.6	\$595	\$357.00	Participate in debriefing on S&P meeting with UBS, Saybrook, CPUC and PwC.
Lumsden, Tom	10/25/2002	2.8	\$595	\$1,666.00	Participate in presentations with S&P Ratings Agency in NY with UBS, CPUC, Saybrook and PwC.
Lumsden, Tom	10/25/2002	0.4	\$595	\$238.00	Debriefing discussion with UBS and CPUC on Moodys meeting.
Lumsden, Tom	10/28/2002	0.5	\$595	\$297.50	Telephone call with Ben Lamb of UBS re outline of UBS materials and distribution of same to OCC. Discuss questions and topics for meeting.
Lumsden, Tom	10/31/2002	1.5	\$595	\$892.50	Participate in Fitch presentation by telephone with CPUC and Paul Weiss re legal issues in support of Joint Plan, address questions from Fitch.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	10/31/2002	1	\$595	\$595.00	Participate in meeting with S&P by telephone with CPUC to outline legal issues and support for Joint plan.
Lumsden, Tom	10/31/2002	1.1	\$595	\$654.50	Review CPUC quarterly presentation materials for meeting with S&P, T/C J. Wilson re same.
Lumsden, Tom	11/1/2002	1.4	\$595	\$833.00	Review Kosturas deposition comments from R. Ho. Review Kosturas depo data and expert report..
Lumsden, Tom	11/1/2002	0.4	\$595	\$238.00	Discuss Moody's ratings agency comments with Mike Hamilton and follow-up up on data requests.
Lumsden, Tom	11/1/2002	1.1	\$595	\$654.50	Review deposition and expert report of Oglemader re ratings agency determination. Prepare comments to legal counsel on same.
Lumsden, Tom	11/1/2002	1.1	\$595	\$654.50	Participate in conference call with Moody's on meeting with CPUC legal team and address authority and terms of Joint POR.
Lumsden, Tom	11/4/2002	0.5	\$595	\$297.50	Telephone call with J. Wilson and M. Hamilton re S&P meeting comments and follow-up.
Lumsden, Tom	11/4/2002	0.5	\$595	\$297.50	Telephone call with P.Aronzon and B. Hermann re liquidation analysis and alternate views for best interests test.
Lumsden, Tom	11/4/2002	0.8	\$595	\$476.00	Review PG&E deposition list on Milbank website and review notes on K. Harvey deposition.
Lumsden, Tom	11/5/2002	1.4	\$595	\$833.00	Prepare draft of workplan for confirmation hearing, research brief and filings for same.
Lumsden, Tom	11/8/2002	0.6	\$595	\$357.00	Review materials on preference solicitation vote.
Lumsden, Tom	11/8/2002	0.8	\$595	\$476.00	Review workplan re confirmation hearing and support analysis for plan confirmation hearing and review of expert reports and depositions.
Lumsden, Tom	11/8/2002	0.8	\$595	\$476.00	Download joint plan confirmation filing documents and motions for re-solicitation for preference, review these documents.
Lumsden, Tom	11/9/2002	0.7	\$595	\$416.50	Review CPUC materials on findings of fact for confirmation of Joint Plan.
Lumsden, Tom	11/9/2002	1.1	\$595	\$654.50	Review CPUC confirmation brief document.
Lumsden, Tom	11/9/2002	0.3	\$595	\$178.50	Review summary of depositions of experts and request transcripts for review.
Lumsden, Tom	11/11/2002	0.4	\$595	\$238.00	Review PG&E filings in opposition to Joint Plan confirmation.
Lumsden, Tom	11/12/2002	0.8	\$595	\$476.00	Review of PG&E objections to joint plan. Discuss alternative arguments and support.
Lumsden, Tom	11/12/2002	0.2	\$595	\$119.00	Telephone call with D. Bodek at S&P re data request.
Lumsden, Tom	11/12/2002	2.4	\$595	\$1,428.00	Draft reply on best interests test objections of PG&E to joint plan. Direct valuation of Joint Plan equity based on transactions and market trading multiples.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	11/12/2002	1	\$595	\$595.00	Review Kosturas deposition transcript and lift out comments and findings for CPUC follow-up. Prepare memo on same.
Lumsden, Tom	11/12/2002	1.7	\$595	\$1,011.50	Review and critique PG&E objections to joint plan and brief. Prepare notes for follow-up.
Lumsden, Tom	11/12/2002	0.4	\$595	\$238.00	Telephone calls and emails with S. Victor re preparation of reply brief.
Lumsden, Tom	11/12/2002	0.3	\$595	\$178.50	Telephone call with M. Hamilton and J. Wilson re PG&E objections to joint plan.
Lumsden, Tom	11/13/2002	1.2	\$595	\$714.00	Review bilateral contract data and rate base and discuss reconciliation of UBS and PG&E numbers in telephone calls with G. Navarette and J. Colella.
Lumsden, Tom	11/13/2002	1.3	\$595	\$773.50	Review Ad Hoc committee expert reports in opposition to Joint Plan by Patterson and Scotto.
Lumsden, Tom	11/14/2002	0.6	\$595	\$357.00	Review deposition of W. Hulse and notes re financial projections prepared by UBS.
Lumsden, Tom	11/15/2002	0.5	\$595	\$297.50	Telephone call with M. Hamilton re application of SOP 90-7 on reorg accounting and discuss Illinova quasi reorg treatment.
Lumsden, Tom	11/15/2002	0.4	\$595	\$238.00	Telephone call with P. Aronzon re confirmation hearing schedule and testimony requirements.
Lumsden, Tom	11/15/2002	1.3	\$595	\$773.50	Review Ken Crews deposition of UBS re joint plan projections, feasibility and scope of work.
Lumsden, Tom	11/15/2002	0.6	\$595	\$357.00	Telephone call with J. Wilson re J. Rosenthal deposition details and UBS modeling questions. Discuss confirmation hearing schedule.
Lumsden, Tom	11/17/2002	0.6	\$595	\$357.00	Review emails and reply to inquiry on document production on capex detail, FTI modeling.
Lumsden, Tom	11/17/2002	2	\$595	\$1,190.00	Review CPUC trial brief and support for confirmation of Joint Plan.
Lumsden, Tom	11/17/2002	1.2	\$595	\$714.00	Review PG&E trial brief on opposition to Joint Plan to summarize points.
Lumsden, Tom	11/18/2002	6.1	\$595	\$3,629.50	Participate in Joint Plan confirmation hearing in SF Bankruptcy Court. Procedural scheduling matters and opening statements. Direct testimony of G. Cohen.
Lumsden, Tom	11/18/2002	0.4	\$595	\$238.00	Assemble materials for confirmation hearing trial.
Lumsden, Tom	11/18/2002	1.7	\$595	\$1,011.50	Review CPUC filings for joint plan, review Fitch credit assessment letter, review draft letter to S&P re legal opinion of CPUC.
Lumsden, Tom	11/19/2002	3	\$595	\$1,785.00	Attend confirmation hearing on Joint Plan including Jeanette Low testimony on headroom, S. Victor examination re plan history, and Elliott cross re FERC Sec 203 authority.
Lumsden, Tom	11/19/2002	0.4	\$595	\$238.00	Review/draft workplan for confirmation hearing.



<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	11/19/2002	3.3	\$595	\$1,963.50	Attend confirmation hearing on Joint Plan, G. Cohen testimony and cross examination. Review CPUC code sections and estimates of excess cash from headroom.
Lumsden, Tom	11/20/2002	0.4	\$595	\$238.00	Meet with Milbank counsel and provide capex analysis for discussion.
Lumsden, Tom	11/20/2002	2.9	\$595	\$1,725.50	Attend confirmation hearing on Joint Plan, W. Hulse testimony, review article on Calif Supreme Court accepting issue on FTICR v. Lynch, review term sheets of UBS on securities.
Lumsden, Tom	11/20/2002	3.9	\$595	\$2,320.50	Attend confirmation hearing on Joint Plan, W. Hulse testimony on UBS model and financing feasibility. Analyze detail of PG&E POR projections update Nov 2002.
Lumsden, Tom	11/21/2002	1.1	\$595	\$654.50	Meet with counsel from Milbank and for CPUC re address reply to Rule 52 motion.
Lumsden, Tom	11/21/2002	3	\$595	\$1,785.00	Participate in confirmation trial re Joint Plan, J. Wilson testimony, Rule 52 motion for dismissal. Review TRA-TCBA analysis.
Lumsden, Tom	11/21/2002	3.4	\$595	\$2,023.00	Attend confirmation trial on Joint Plan re D. Long, Prof. Baghwat, and J. Wilson testimony. Review and edit parent cash flow and debt analysis.
Lumsden, Tom	11/21/2002	0.9	\$595	\$535.50	Review capex analysis of PG&E Nov 2002 POR projections and underlying detail. Outline exhibit preparation for confirmation hearing re capex financing, detail comparisons, and headroom.
Lumsden, Tom	11/22/2002	0.8	\$595	\$476.00	Review workplan including headroom, capex, Lynch decision refund, filed rate settlement, unrecovered procurement amount, rate impact of capex levels.
Lumsden, Tom	11/22/2002	3.6	\$595	\$2,142.00	Attend court hearing on Rule 52 motion in Joint Plan for PG&E.
Lumsden, Tom	11/23/2002	2.3	\$595	\$1,368.50	Review materials for support of joint plan, including capex analysis for each disaggregated company and funding alternatives for greater levels, review valuation of equity under joint plan, review comparables.
Lumsden, Tom	11/24/2002	4.5	\$595	\$2,677.50	Meet with attorneys for CPUC and Milbank re strategy and analysis of filed rate case damages and settlement value, liquidation assessment, value of joint plan equity, and capex analysis.
Lumsden, Tom	11/25/2002	1	\$595	\$595.00	Meet with attorneys for CPUC and review capex analysis and exhibits prepared for trial.
Lumsden, Tom	11/25/2002	3.3	\$595	\$1,963.50	Attend court hearing on Rule 52 Motion decision and testimony of Mr. Murphy for PG&E.
Lumsden, Tom	11/25/2002	0.9	\$595	\$535.50	Review capex analysis on historic basis and comparisons of PG&E capex changes, format for exhibits for attorneys.
Lumsden, Tom	11/25/2002	3.8	\$595	\$2,261.00	Attend hearing on confirmation of Joint Plan re testimony of Mr. Murphy and Mr. Feter.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	11/26/2002	0.7	\$595	\$416.50	Review materials on unrecovered procurement costs of PG&E and application of TCBA, TRA and GMA accounts.
Lumsden, Tom	11/26/2002	0.6	\$595	\$357.00	Telephone call with attorneys for CPUC re filed rate settlement testimony, obtaining documents and setting meeting for review of findings for Sunday evening.
Lumsden, Tom	11/26/2002	0.8	\$595	\$476.00	Review PG&E objection to solicitation of preference vote under Joint Plan.
Lumsden, Tom	11/26/2002	2.7	\$595	\$1,606.50	Attend hearing on confirmation of Joint Plan. Testimony of PG&E Capex witnesses and filed rate experts.
Lumsden, Tom	11/27/2002	5.1	\$595	\$3,034.50	Review PG&E Joint Plan POR provisions re filed rate settlement, review testimony of K. Harvey, review TCBA and TRA schedules from April 2000 to Sept 2002. Develop understanding for testimony on settlement of filed rate case under Joint Plan.
<b>SubTotal:</b> Lumsden, Tom		126.6		\$75,327.00	
Reiss, Freddie	10/18/2002	0.9	\$595	\$535.50	Review UBS model produced to debtor, correspondence and review motions by debtor.
Reiss, Freddie	10/29/2002	2.4	\$595	\$1,428.00	Review data regarding plan projections and ratings meetings with Moody's, etc.
Reiss, Freddie	11/8/2002	1	\$595	\$595.00	Review pleadings regarding resolution of preference.
Reiss, Freddie	11/11/2002	0.5	\$595	\$297.50	Read counsel's motion on trial.
Reiss, Freddie	11/12/2002	2.2	\$595	\$1,309.00	Review PG&E trial brief. Review other pleadings and UBS analysis.
Reiss, Freddie	11/15/2002	1.8	\$595	\$1,071.00	Review trial brief and re solicitation pleadings.
Reiss, Freddie	11/18/2002	0.4	\$595	\$238.00	Read UBS highly confidential plan.
Reiss, Freddie	11/18/2002	6.4	\$595	\$3,808.00	Attend confirmation hearing by court conferencing.
Reiss, Freddie	11/18/2002	0.2	\$595	\$119.00	Read US Government objection to CPUC Plan.
Reiss, Freddie	11/19/2002	1	\$595	\$595.00	Read memo's from counsel regarding CPUC plan authority and CPUC opinion letter to rating agency.
Reiss, Freddie	11/19/2002	4.9	\$595	\$2,915.50	Listen to court confirmation hearing via Court Conferencing.
Reiss, Freddie	11/20/2002	0.5	\$595	\$297.50	Read memo from counsel regarding trial and daily summary.
Reiss, Freddie	11/20/2002	2.8	\$595	\$1,666.00	Attend confirmation hearing through Court Conferencing.
Reiss, Freddie	11/21/2002	3.9	\$595	\$2,320.50	Attend confirmation hearing by court conferencing.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Reiss, Freddie	11/22/2002	3.6	\$595	\$2,142.00	Attend conference hearing through Court Conferencing.
Reiss, Freddie	11/25/2002	0.3	\$595	\$178.50	Trial update.
Reiss, Freddie	11/27/2002	1.9	\$595	\$1,130.50	Trial update from counsel and review debtor pleadings.
<b>SubTotal: Reiss, Freddie</b>		<u>34.7</u>		<u>\$20,646.50</u>	
Young, Allison	10/13/2002	0.7	\$425	\$297.50	Discuss UBS plan projections with UBS.
Young, Allison	11/13/2002	3.8	\$425	\$1,615.00	Respond to questions from S&P on the CPUC/OCC POR.
Young, Allison	11/18/2002	0.8	\$425	\$340.00	Reconcile PG&E Cap ex schedule to OCC/CPUC POR projections.
Young, Allison	11/19/2002	1.6	\$425	\$680.00	Review CPUC's calculation of headroom and compare to FTI's.
Young, Allison	11/19/2002	1.3	\$425	\$552.50	Calculate benefits of CPUC plan to PG&E equity holders.
Young, Allison	11/21/2002	0.8	\$425	\$340.00	Work on analysis of rates in CPUC POR that are at risk of future CPUC commission adjustments.
Young, Allison	11/22/2002	2	\$425	\$850.00	Evaluate / calculate ability of PG&E to fund cap ex through additional debt in CPUC/OCC POR.
Young, Allison	11/22/2002	1.2	\$425	\$510.00	Update analysis of costs at risk from future CPUC commission decisions.
Young, Allison	11/25/2002	2.8	\$425	\$1,190.00	Review and build pyramid of cost at risk from future CPUC commission reversals.
Young, Allison	11/26/2002	3.8	\$425	\$1,615.00	Prepare analysis on funding of CPUC capital expenditures and forward with commentary to T. Lumsden.
<b>SubTotal: Young, Allison</b>		<u>18.8</u>		<u>\$7,990.00</u>	
<b>Total: CPUC/OCC Plan of Reorgan</b>		<u>218.8</u>		<u>\$122,326.00</u>	

**Task Code : DWR Contracts/Analysis**

Ho, Rocky	8/1/2002	0.5	\$475	\$237.50	Review DWR renegotiated contracts with long term suppliers.
Ho, Rocky	9/27/2002	1	\$475	\$475.00	Review S&P presentation on the proposed California bond sale.
<b>SubTotal: Ho, Rocky</b>		<u>1.5</u>		<u>\$712.50</u>	
Kitchin, Jennifer	8/21/2002	0.7	\$425	\$297.50	Review DWR filings.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Kitchin, Jennifer	8/22/2002	0.2	\$425	\$85.00	Call with Navigant to discuss DWR contract model revisions.
Kitchin, Jennifer	8/22/2002	0.8	\$425	\$340.00	Review DWR filings.
Kitchin, Jennifer	8/23/2002	0.4	\$425	\$170.00	Call with Navigant re: DWR Power Contract Modeling.
Kitchin, Jennifer	8/23/2002	1.4	\$425	\$595.00	Analyze DWR Power Contract Model.
Kitchin, Jennifer	8/30/2002	0.7	\$425	\$297.50	Review DWR website for new filings re: Generation Litigation Settlements.
Kitchin, Jennifer	9/4/2002	3.3	\$425	\$1,402.50	Research DWR Contract Model adjustments based on CPUC 8/21 Interim Order re: DWR Contract Allocation.
Kitchin, Jennifer	9/6/2002	0.2	\$425	\$85.00	Review email re: CPUC DWR Revenue Requirement Workshop
Kitchin, Jennifer	9/6/2002	0.6	\$425	\$255.00	Discuss DWR Contract Allocation methodology.
Kitchin, Jennifer	9/9/2002	0.3	\$425	\$127.50	Discuss obtaining DWR information with P. Douglas at CPUC.
Kitchin, Jennifer	9/10/2002	0.2	\$425	\$85.00	Call with P. Douglas at CPUC re: obtaining DWR Contract Analyses.
Kitchin, Jennifer	9/10/2002	2.2	\$425	\$935.00	Review DWR website for standard NDA and ref. Navigant NDA re: applicability to latest DWR contract analyses.
Kitchin, Jennifer	9/12/2002	0.2	\$425	\$85.00	Discuss conclusions from CPUC DWR Revenue Requirement Workshop.
Kitchin, Jennifer	9/17/2002	0.2	\$425	\$85.00	Call to MTHM re: DWR NDA to obtain information.
Kitchin, Jennifer	11/7/2002	4.2	\$425	\$1,785.00	Research amendments to DWR Contracts
Kitchin, Jennifer	11/8/2002	4.8	\$425	\$2,040.00	Research DWR contract amendments
Kitchin, Jennifer	11/8/2002	0.3	\$425	\$127.50	Coordinate obtaining Navigant DWR information
Kitchin, Jennifer	11/8/2002	1.3	\$425	\$552.50	Review DWR contracts summary
Kitchin, Jennifer	11/11/2002	1.1	\$425	\$467.50	Reviewed FTI DWR contract summary
Kitchin, Jennifer	11/13/2002	1.1	\$425	\$467.50	Review DWR payments in POR model
Kitchin, Jennifer	11/13/2002	0.9	\$425	\$382.50	Contact DWR/Navigant for NDA and access to model.
Kitchin, Jennifer	11/15/2002	0.4	\$425	\$170.00	Emails re: DWR/Navigant NDA
Kitchin, Jennifer	11/18/2002	1.7	\$425	\$722.50	DWR/Navigant NDA review/execution
Kitchin, Jennifer	11/20/2002	0.8	\$425	\$340.00	Emails re: NDA; calls re: model distribution

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Kitchin, Jennifer	11/21/2002	0.9	\$425	\$382.50	DWR contract model review
<b>SubTotal:</b> Kitchin, Jennifer		<u>28.9</u>		<u>\$12,282.50</u>	
Lumsden, Tom	8/20/2002	0.8	\$595	\$476.00	Telephone calls with L. Engel, P. Aronzon re DWR contract changes and updates, Plan B proposals and FERC changes.
Lumsden, Tom	8/20/2002	0.7	\$595	\$416.50	Review DWR update to Revenue Requirement, press reports on contract modifications, review contract file, assess impact to OCC and PG&E models
Lumsden, Tom	8/21/2002	1.5	\$595	\$892.50	Review DWR website update to Revenue Requirement for 2003 and evaluate methodology change on long and short term contract charges.
Lumsden, Tom	8/28/2002	1	\$595	\$595.00	Review notes on FERC proceeding and impact on DWR revenue requirement, review DWR contracts file for parties indicated as modifying contracts, review DWR update to RR for 2003.
Lumsden, Tom	8/29/2002	0.4	\$595	\$238.00	Review FERC proceedings and impact on DWR revenue requirement and sensitivity to OCC model for PG&E.
Lumsden, Tom	8/29/2002	1.4	\$595	\$833.00	Review DWR revenue requirement data on impact on FERC refunds and contract modifications and alternate allocation methodologies.
Lumsden, Tom	8/30/2002	0.6	\$595	\$357.00	Review exhibits to DWR update to revenue requirement for 2003 to clarify allocation methodology treatment by DWR in this report.
Lumsden, Tom	9/3/2002	0.6	\$595	\$357.00	Read materials on FERC proceedings on generator contracts and modifications for certain contracting parties to DWR, impact on DWR contract obligations and plan numbers.
Lumsden, Tom	9/3/2002	0.3	\$595	\$178.50	Review notices on FERC hearings in state power contracts.
Lumsden, Tom	9/13/2002	0.7	\$595	\$416.50	Review update of DWR Revenue Requirement and correspondence on structure for review.
Lumsden, Tom	10/2/2002	0.8	\$595	\$476.00	Listen to press conference on DWR bond sale, comments on market and pricing
Lumsden, Tom	10/8/2002	0.8	\$595	\$476.00	Review emails and press reports on DWR contracts and changes to files. Research potential impact for settlements on Contracts and revenue requirements for PG&E.
Lumsden, Tom	11/13/2002	0.5	\$595	\$297.50	Review reports on Williams settlement with State and modification to contract with DWR. Review contracts file.
Lumsden, Tom	11/14/2002	1	\$595	\$595.00	Review DWR website re modification to Williams contract on settlement for impact on DWR long term contracts cash requirements.
<b>SubTotal:</b> Lumsden, Tom		<u>11.1</u>		<u>\$6,604.50</u>	

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Perfit, Ryan	9/4/2002	2.7	\$215	\$580.50	Review the DWR Contract model and revise to include for contract assignment.
Perfit, Ryan	9/5/2002	3.1	\$215	\$666.50	Review and revise the DWR contract model.
Perfit, Ryan	9/9/2002	0.9	\$215	\$193.50	Review the DWR Contract model.
Perfit, Ryan	9/13/2002	0.8	\$215	\$172.00	Review and revise the DWR Contract model.
Perfit, Ryan	9/15/2002	6.5	\$215	\$1,397.50	Create a reconciliation of the DWR Contract model to the DWR contract totals.
Perfit, Ryan	9/16/2002	1.1	\$215	\$236.50	Revise the reconciliation of the DWR Contract model and the DWR contract totals.
Perfit, Ryan	11/8/2002	1.6	\$215	\$344.00	Review of the PG&E DWR Contract Model.
<b>SubTotal:</b> <i>Perfit, Ryan</i>		<u>16.7</u>		<u>\$3,590.50</u>	
Sin, Theresa	9/12/2002	2.8	\$185	\$518.00	Review FTI's DWR contracts model.
Sin, Theresa	10/24/2002	1.8	\$185	\$333.00	Review DWR Bond offering: 2002A POS.
Sin, Theresa	10/24/2002	3.5	\$185	\$647.50	Review CPUC website for recent announcements and search for DWR Bond offerings. Search on DWR website for allocation, Treasury's website for Prelim Official Stmt and Official Stmt, contact Charles Fitzpatrick from Treasury.
Sin, Theresa	10/25/2002	1.8	\$185	\$333.00	Receive DWR Official Stmt from Treasury, review \$6B Appendix A.
Sin, Theresa	11/5/2002	0.5	\$185	\$92.50	Check DWR website and Treasury website for any updates on bond offerings.
Sin, Theresa	11/7/2002	0.8	\$185	\$148.00	Review FTI's DWR Contracts model and check for last update with renegotiated contracts.
Sin, Theresa	11/7/2002	4.3	\$185	\$795.50	Review DWR Bond OF and POS, print out and start worksheet on bond terms.
Sin, Theresa	11/8/2002	1.1	\$185	\$203.50	Review M.Neis' summary of L-T DWR contracts in model. Find website for renegotiated contracts. Contact Milbank to get access to Navigant model on contract allocation.
Sin, Theresa	11/8/2002	1.1	\$185	\$203.50	Review FTI's DWR Contracts model and check for last update with renegotiated contracts.
Sin, Theresa	11/11/2002	2.6	\$185	\$481.00	Review L-T DWR renegotiated contracts.
Sin, Theresa	11/18/2002	0.3	\$185	\$55.50	Follow-up on NDA for DWR model
Sin, Theresa	11/21/2002	1.4	\$185	\$259.00	Review DWR model from Navigant.
<b>SubTotal:</b> <i>Sin, Theresa</i>		<u>22</u>		<u>\$4,070.00</u>	

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	9/3/2002	1.1	\$425	\$467.50	Model PG&E's projected share of DWR costs based on recent CPUC decision on direct allocation of DWR contracts.
Young, Allison	9/4/2002	1.8	\$425	\$765.00	Review DWR contracts model to determine application of DWR contracts to PG&E.
Young, Allison	9/5/2002	1.2	\$425	\$510.00	Continue review of DWR contracts model to determine costs to PG&E of CPUC order.
Young, Allison	9/6/2002	0.7	\$425	\$297.50	Review model of DWR contract allocations to the California IOUs.
Young, Allison	9/11/2002	1.4	\$425	\$595.00	Analyze allocation of contract costs and volumes between the States 3 IOU's.
Young, Allison	9/12/2002	0.7	\$425	\$297.50	Review new information received from CPUC on DWR Contract allocations.
Young, Allison	9/16/2002	1.2	\$425	\$510.00	Review DWR contract analysis and impact of cash flows on OCC and PG&E PORs.
Young, Allison	11/7/2002	1.2	\$425	\$510.00	Update DWR contract model with new information on bond payments and contract allocations
<b>SubTotal: Young, Allison</b>		<u>9.3</u>		<u>\$3,952.50</u>	
<b>Total: DWR Contracts/Analysis</b>		<u><u>89.5</u></u>		<u><u>\$31,212.50</u></u>	

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**Task Code : Executory Contracts (QF)**

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Ho, Rocky	8/5/2002	0.7	\$475	\$332.50	Review certain QF capacity payment arrangements - Bakerfield QFs.
Ho, Rocky	8/22/2002	1.3	\$475	\$617.50	Review and analyze draft Stipulation to DAI Oildale Agreement.
Ho, Rocky	8/25/2002	0.5	\$475	\$237.50	Respond to debtor regarding issues with Oildale stipulation.
Ho, Rocky	9/19/2002	1.2	\$475	\$570.00	Review and analyze debtor's proposed Ridgewood agreement.
Ho, Rocky	9/23/2002	2.1	\$475	\$997.50	Review and analyze Sunnyside stipulated agreement with debtor - cost recovery, jurisdiction and other potential issues.
Ho, Rocky	9/24/2002	1.4	\$475	\$665.00	Review and analyze stipulation and order authorizing compromise of claims with certain qualifying facilities and their assignee.
Ho, Rocky	9/24/2002	0.7	\$475	\$332.50	Review stipulation between Sunnyside and debtor.
Ho, Rocky	10/10/2002	1.1	\$475	\$522.50	Review and analyze various QF stipulated agreements.
<b>SubTotal: Ho, Rocky</b>		<u>9</u>		<u>\$4,275.00</u>	

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
<b>Total: Executory Contracts (QF)</b>		<u>9</u>		<u>\$4,275.00</u>	
<b>Task Code : Fee Application</b>					
Dolan, Catherine	8/12/2002	1.9	\$55	\$104.50	Continue review of time detail for July.
Dolan, Catherine	8/12/2002	2.1	\$55	\$115.50	Start review of July time detail.
Dolan, Catherine	8/13/2002	2.6	\$55	\$143.00	Review time detail for adequate disclosure.
Dolan, Catherine	8/13/2002	1.4	\$55	\$77.00	Create expense summary.
Dolan, Catherine	8/19/2002	3.1	\$55	\$170.50	Review of fee application details.
Dolan, Catherine	8/19/2002	0.9	\$55	\$49.50	Review remaining time details for adequate disclosure and compliance to bankruptcy court guidelines.
Dolan, Catherine	8/21/2002	2.6	\$55	\$143.00	Make changes to cover letter.
Dolan, Catherine	8/21/2002	3.4	\$55	\$187.00	Complete expense summary.
Dolan, Catherine	8/26/2002	2.9	\$55	\$159.50	Review time detail to ensure time billed is in accordance with the Court allowance for compensable time and expenses.
Dolan, Catherine	8/26/2002	3.1	\$55	\$170.50	Review time detail summaries by staff and task code and prepare July's cover letter application.
Dolan, Catherine	8/27/2002	2.6	\$55	\$143.00	Create and review exhibits for July's cover letter application.
Dolan, Catherine	8/27/2002	2.4	\$55	\$132.00	Make final corrections to cover letter and prepare for submittal after final review.
<b>SubTotal: Dolan, Catherine</b>		<u>29</u>		<u>\$1,595.00</u>	
Ho, Rocky	9/13/2002	1.1	\$475	\$522.50	Review draft and time detail exhibits re:4th interim fee application.
Ho, Rocky	11/20/2002	1.1	\$475	\$522.50	Prepare and review time detail descriptions for month ended October 2002.
Ho, Rocky	11/26/2002	1	\$475	\$475.00	Review final draft October monthly fee application.
<b>SubTotal: Ho, Rocky</b>		<u>3.2</u>		<u>\$1,520.00</u>	
Iking, Floris	9/30/2002	1.7	\$290	\$493.00	Finalize and file Monthly Fee Application for August 2002.
Iking, Floris	10/22/2002	0.3	\$290	\$87.00	Review fee application time detail for the period 9/1/02 - 9/30/02.
<b>SubTotal: Iking, Floris</b>		<u>2</u>		<u>\$580.00</u>	



<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	8/15/2002	0.6	\$595	\$357.00	Review PG&E fee statements and expenses for July.
Lumsden, Tom	9/10/2002	0.3	\$595	\$178.50	Review fourth interim fee application.
Lumsden, Tom	9/10/2002	0.4	\$595	\$238.00	Review fourth interim fee application for approval.
Lumsden, Tom	9/13/2002	1.7	\$595	\$1,011.50	Review fourth interim fee application and edits.
Lumsden, Tom	9/13/2002	0.9	\$595	\$535.50	Sign and review exhibits to Interim fee application.
Lumsden, Tom	10/31/2002	0.8	\$595	\$476.00	Review and approve fee statement for September or FTI billing to PG&E.
Lumsden, Tom	11/23/2002	1.1	\$595	\$654.50	Review monthly fee statement for FTI for October 2002.
<b>SubTotal:</b> Lumsden, Tom		<u>5.8</u>		<u>\$3,451.00</u>	
Perfit, Ryan	9/4/2002	5.1	\$215	\$1,096.50	Accumulate and review time and expense for 4th Interim fee application for adequate disclosure.
Perfit, Ryan	9/5/2002	1.2	\$215	\$258.00	Accumulate and review time and expense for 4th Interim fee application for adequate disclosure.
Perfit, Ryan	9/5/2002	1.1	\$215	\$236.50	Accumulate and review time and expense for 4th Interim fee application for adequate disclosure.
Perfit, Ryan	10/1/2002	2.2	\$215	\$473.00	Complete the ASCII filing for the fourth Interim fee application.
Perfit, Ryan	11/26/2002	1.2	\$215	\$258.00	Make edits to the October fee application and fee application database.
<b>SubTotal:</b> Perfit, Ryan		<u>10.8</u>		<u>\$2,322.00</u>	
Sin, Theresa	8/23/2002	1.6	\$185	\$296.00	Review and edit monthly cover letter.
Sin, Theresa	8/23/2002	2.6	\$185	\$481.00	Review time and expense exhibits for monthly fee application.
Sin, Theresa	9/6/2002	3.6	\$185	\$666.00	Review fee application exhibits for 4th Interim fee app.
Sin, Theresa	9/13/2002	2.9	\$185	\$536.50	Prepare and file 4th Interim Fee application. Also create cover letter for Clara Strand Declaration.
Sin, Theresa	9/23/2002	0.8	\$185	\$148.00	Review cover letter application for September, start time detail compilation.
Sin, Theresa	9/24/2002	1.3	\$185	\$240.50	Review time detail submitted for Sept. cover letter application.
Sin, Theresa	9/24/2002	2.9	\$185	\$536.50	Compile exhibits for Sept. cover letter application.
Sin, Theresa	9/25/2002	1	\$185	\$185.00	Review cover letter application for September fee application.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Sin, Theresa	9/25/2002	1.3	\$185	\$240.50	Create summary of professionals in multiple meetings.
Sin, Theresa	9/26/2002	6.6	\$185	\$1,221.00	Review time detail and expenses detail for adequate compliance with bankruptcy rules.
Sin, Theresa	9/27/2002	1.5	\$185	\$277.50	Create meetings schedule from detail.
Sin, Theresa	9/30/2002	1.8	\$185	\$333.00	Review status of Fourth Interim ASCII filing. Contact P. Mathews regarding status.
Sin, Theresa	9/30/2002	1.8	\$185	\$333.00	Make final edits to exhibits - time detail and write-off additional expenses. Make changes to cover letter.
Sin, Theresa	10/23/2002	2.6	\$185	\$481.00	Compile time detail and expenses for monthly fee application. Create cover sheet
Sin, Theresa	10/25/2002	0.8	\$185	\$148.00	Review Pitney Bowes expenses, make sure they are PGE related. Fee App review - for meetings with multiple professionals.
Sin, Theresa	10/25/2002	0.9	\$185	\$166.50	Review time detail for meetings with multiple professionals.
Sin, Theresa	10/28/2002	1.9	\$185	\$351.50	Review exhibits for fee application. Review PB invoices.
Sin, Theresa	10/29/2002	3.6	\$185	\$666.00	Create cover letter. Check PGE invoices and any recent payments for cover letter application. Call with C. Hostetter to confirm wire transfers.
Sin, Theresa	10/30/2002	2.8	\$185	\$518.00	Review exhibits to fee app. Follow-up on retention order with Case Admin.
Sin, Theresa	10/31/2002	1.6	\$185	\$296.00	Follow-up on status of FTI Retention Order - for Cover Letter application. Prepare and file September Fee App.
Sin, Theresa	11/15/2002	2.6	\$185	\$481.00	FEE APP: print WIP, pull excel file, create expense detail and compile time for Oct fee app submittal.
Sin, Theresa	11/18/2002	1.6	\$185	\$296.00	Compile time and expenses to ensure adequate disclosure.
Sin, Theresa	11/19/2002	1.1	\$185	\$203.50	Review expenses exhibit and write-offs.
Sin, Theresa	11/20/2002	1.1	\$185	\$203.50	Work on cover letter and check with PGE on payments made to amend table in cover letter.
Sin, Theresa	11/20/2002	1.1	\$185	\$203.50	Review time detail exhibits, check for meetings with multiple professionals.
Sin, Theresa	11/22/2002	0.8	\$185	\$148.00	Confirm PGE payment for 4th Interim Holdback and make changes to cover letter
<b>SubTotal: Sin, Theresa</b>		<b>52.2</b>		<b>\$9,657.00</b>	
Young, Allison	8/27/2002	2	\$425	\$850.00	Review fee application time and expenses details and tie to monthly cover letter application.
Young, Allison	9/4/2002	1.7	\$425	\$722.50	Review time and expense details for the fourth interim fee application.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	9/5/2002	0.6	\$425	\$255.00	Continue review of time and expense details for 4th interim fee application.
Young, Allison	9/5/2002	2.7	\$425	\$1,147.50	Begin to draft 4th interim fee application.
Young, Allison	9/6/2002	2.1	\$425	\$892.50	Create exhibit 4 - meetings with multiple PwC professionals for fee application.
Young, Allison	9/6/2002	3.7	\$425	\$1,572.50	Continue draft of 4th interim fee application.
Young, Allison	9/9/2002	1.6	\$425	\$680.00	Update 4th interim fee application filing.
Young, Allison	9/10/2002	0.7	\$425	\$297.50	Update fee application filing for 4th interim fee application and exhibits.
Young, Allison	9/12/2002	1.3	\$425	\$552.50	Update PG&E fee app for feedback from T. Lumsden review.
Young, Allison	9/13/2002	2.5	\$425	\$1,062.50	Update PG&E fee app for feedback from T. Lumsden review.
Young, Allison	9/26/2002	0.9	\$425	\$382.50	Review monthly cover letter time details.
Young, Allison	9/27/2002	1.3	\$425	\$552.50	Review September cover letter application and supporting exhibits.
Young, Allison	10/31/2002	0.3	\$425	\$127.50	Review September cover letter application.
Young, Allison	10/31/2002	2.5	\$425	\$1,062.50	Review September cover letter application and supporting time and expense details.
Young, Allison	11/20/2002	0.3	\$425	\$127.50	Review expense detail for the November cover letter application.
Young, Allison	11/20/2002	0.5	\$425	\$212.50	Review time detail for November cover letter application.
Young, Allison	11/21/2002	0.6	\$425	\$255.00	Review November cover letter application.
Young, Allison	11/22/2002	0.4	\$425	\$170.00	Review adjusted cover letter application for October time period.
Young, Allison	11/25/2002	0.3	\$425	\$127.50	Review and edit latest draft of November cover letter application.
<b>SubTotal: Young, Allison</b>		<u>26</u>		<u>\$11,050.00</u>	
<b>Total: Fee Application</b>		<u>129</u>		<u>\$30,175.00</u>	

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**Task Code : FERC Review**

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Ho, Rocky	8/13/2002	0.8	\$475	\$380.00	Review FERC actions on possible violations of the Western Energy Markets.
Ho, Rocky	8/22/2002	2.1	\$475	\$997.50	Review draft papers on reasonableness of bilateral agreements prepared by debtor, CPUC and staff proposed findings.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	8/27/2002	1.2	\$475	\$570.00	Review FERC proceedings on bilateral agreements - testimony of debtor and cross examination by CPUC.
Ho, Rocky	10/12/2002	1.1	\$475	\$522.50	Review initial draft decision re: power sales agreement between Genco and Disco.
<b>SubTotal: Ho, Rocky</b>		<u>5.2</u>		<u>\$2,470.00</u>	
Kitchin, Jennifer	8/29/2002	0.6	\$425	\$255.00	Review FERC actions re: California Generator Litigation.
<b>SubTotal: Kitchin, Jennifer</b>		<u>0.6</u>		<u>\$255.00</u>	
Lumsden, Tom	8/13/2002	0.7	\$595	\$416.50	Review emails and FERC orders on natural gas pricing in California and Sec 206 investigations on PG&E and Enron.
Lumsden, Tom	8/29/2002	0.8	\$595	\$476.00	Review FERC proceedings on wholesale contract sale refunds and PG&E bilateral contract developments.
Lumsden, Tom	9/3/2002	1.2	\$595	\$714.00	Review PG&E materials on FERC hearings on bilateral contract and status of hearings.
Lumsden, Tom	9/24/2002	0.6	\$595	\$357.00	Review reports on status of FERC ALJ review of power contracts and market behavior by El Paso on pipeline operations.
Lumsden, Tom	11/11/2002	1.7	\$595	\$1,011.50	Review FERC proceedings summary on PG&E bilateral contract for Genco to assess comparable rate structure and assess impact of FERC changes on Genco cash flows.
Lumsden, Tom	11/14/2002	0.2	\$595	\$119.00	Review FERC press reports on investigation of California power prices.
<b>SubTotal: Lumsden, Tom</b>		<u>5.2</u>		<u>\$3,094.00</u>	
Young, Allison	11/11/2002	1.2	\$425	\$510.00	Review findings of FERC's preliminary ruling on PG&E bilateral contract.
<b>SubTotal: Young, Allison</b>		<u>1.2</u>		<u>\$510.00</u>	
<b>Total: FERC Review</b>		<u><u>12.2</u></u>		<u><u>\$6,329.00</u></u>	

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**Task Code : Financial Statement Modeling**

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Hamilton, Mike	8/1/2002	1.4	\$640	\$896.00	Conference call with Chanin to go over financial models of creditors' proposal.
Hamilton, Mike	8/1/2002	1.6	\$640	\$1,024.00	Work on changes to model based on conference call.
Hamilton, Mike	8/2/2002	5.5	\$640	\$3,520.00	Work on OCC plan and model.
Hamilton, Mike	8/9/2002	1.1	\$640	\$704.00	Review financial model material to prepare for call with Chanin, et al.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Hamilton, Mike	8/20/2002	1.5	\$640	\$960.00	Review certain issues related to the model in preparation for a call to Chanin and CPUC staff.
<b>SubTotal:</b> <i>Hamilton, Mike</i>		<u>11.1</u>		<u>\$7,104.00</u>	
Ho, Rocky	11/21/2002	1.3	\$475	\$617.50	Review and analyze UBS model re:capex projections.
Ho, Rocky	11/25/2002	0.9	\$475	\$427.50	Review UBS Warburg financial model re:Joint Plan issues, emphasis on capex estimations.
<b>SubTotal:</b> <i>Ho, Rocky</i>		<u>2.2</u>		<u>\$1,045.00</u>	
Kitchin, Jennifer	8/1/2002	2.9	\$425	\$1,232.50	Revise OCC plan model to incorporate Saybrook/Chanin conference call points.
Kitchin, Jennifer	8/2/2002	3.5	\$425	\$1,487.50	Review and edit OCC model revisions.
Kitchin, Jennifer	8/5/2002	0.6	\$425	\$255.00	Revise OCC model to send to Chanin.
Kitchin, Jennifer	8/5/2002	2.7	\$425	\$1,147.50	OCC plan model revisions.
Kitchin, Jennifer	8/6/2002	2.8	\$425	\$1,190.00	Implement changes to OCC plan model from call with OCC.
Kitchin, Jennifer	8/15/2002	3.1	\$425	\$1,317.50	Review and amend OCC plan model.
Kitchin, Jennifer	8/19/2002	1.6	\$425	\$680.00	Explain amendments to OCC model.
Kitchin, Jennifer	8/19/2002	3.2	\$425	\$1,360.00	Amend OCC model for changes to rate structure from CPUC comments.
Kitchin, Jennifer	8/19/2002	0.7	\$425	\$297.50	Reassess load and source assumptions in OCC Model.
Kitchin, Jennifer	8/20/2002	2.9	\$425	\$1,232.50	Prepare backup assumptions to OCC Model to send to CPUC.
Kitchin, Jennifer	8/20/2002	0.9	\$425	\$382.50	Prepare revisions to OCC model to send to Chanin.
<b>SubTotal:</b> <i>Kitchin, Jennifer</i>		<u>24.9</u>		<u>\$10,582.50</u>	
Lumsden, Tom	8/2/2002	2.3	\$595	\$1,368.50	Review and edit detail support schedules of OCC plan model and compare to PG&E underlying support data, reconcile cash position, DWR payments, and URG amounts.
Lumsden, Tom	8/4/2002	0.9	\$595	\$535.50	Reconcile rate base detail for Generation assets with revenue treatment in OCC plan models.
Lumsden, Tom	8/8/2002	1.3	\$595	\$773.50	Work on changes to model for rate of return and generation rate headroom and reconciliations to PG&E.
Lumsden, Tom	8/9/2002	2.1	\$595	\$1,249.50	Work on modifications to modeling for OCC plan version, focusing on development of ACA account and reconciliation to PG&E 10Q for 6-30-02 data.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	8/15/2002	2.6	\$595	\$1,547.00	Review OCC plan models and develop detail for DWR power pass thru for each year to link to 2002-2003 and forward DWR updates of revenue requirement.
Lumsden, Tom	8/15/2002	0.4	\$595	\$238.00	Review treatment of LC bank class and options for credit support.
Lumsden, Tom	8/22/2002	2.1	\$595	\$1,249.50	Format models for public information on generation costs, energy rates, and DWR revenue requirement for CPUC staff requests.
Lumsden, Tom	8/23/2002	0.2	\$595	\$119.00	Review plan model questions.
Lumsden, Tom	10/8/2002	0.8	\$595	\$476.00	Model UBS scenarios into OCC model templates to test feasibility against FTI assumptions.
Lumsden, Tom	10/31/2002	0.6	\$595	\$357.00	Review notes from deposition of W. Campbell, send questions to A. Young re cash projection and update of claims analysis.
Lumsden, Tom	11/13/2002	0.4	\$595	\$238.00	Review DWR revenue requirement notes and review PG&E URG decision for impact on rate base adjustment for UBS plan modeling.
Lumsden, Tom	11/15/2002	1.6	\$595	\$952.00	Review and compare PG&E updated projections and compare with old PG&E numbers, UBS projections, and DWR-Navigant data.
Lumsden, Tom	11/15/2002	0.4	\$595	\$238.00	Research accounting under SOP 90.7 for Joint plan modeling.
Lumsden, Tom	11/17/2002	0.6	\$595	\$357.00	Review PG&E capex schedules and historic capex use to assess FTI adjustments to PG&E projections. Overlay new capex numbers from W. Campbell deposition.
Lumsden, Tom	11/19/2002	1.3	\$595	\$773.50	Review capex analysis and work plan for comparison of PG&E updated numbers with UBS model and old PG&E numbers.
Lumsden, Tom	11/26/2002	0.5	\$595	\$297.50	Review modeling of cost structure of PG&E under Joint Plan to delineate costs subject to change by CPUC in Pyramid format.
<b>SubTotal: Lumsden, Tom</b>		<b>18.1</b>		<b>\$10,769.50</b>	
Perfit, Ryan	11/13/2002	3.6	\$215	\$774.00	Create an analysis model for the November 2002 PG&E Plan of Reorganization for the Distribution Debtor entity.
Perfit, Ryan	11/13/2002	1.9	\$215	\$408.50	Create an analysis model for the November 2002 PG&E Plan of Reorganization for the Generation Debtor entity.
Perfit, Ryan	11/14/2002	3.9	\$215	\$838.50	Create an analysis model for the November 2002 PG&E Plan of Reorganization for the Gas Transmission Debtor entity.
Perfit, Ryan	11/14/2002	4.4	\$215	\$946.00	Create an analysis model for the November 2002 PG&E Plan of Reorganization for the Electric Transmission Debtor entity.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Perfit, Ryan	11/14/2002	1.9	\$215	\$408.50	Continue to create an analysis model for the November 2002 PG&E Plan of Reorganization for the Generation Debtor entity.
Perfit, Ryan	11/18/2002	5.5	\$215	\$1,182.50	Review the PG&E POR model load and price assumptions.
Perfit, Ryan	11/19/2002	5.5	\$215	\$1,182.50	Create a schedule to analyze the Cap Ex projections in the PG&E POR Model.
Perfit, Ryan	11/19/2002	3.9	\$215	\$838.50	Revise Cap Ex projections analysis.
Perfit, Ryan	11/20/2002	5	\$215	\$1,075.00	Create a schedule to analyze the Cap Ex projections in the PG&E POR Model.
Perfit, Ryan	11/20/2002	6.4	\$215	\$1,376.00	Create a schedule to reconcile the Cap Ex projections in the PG&E POR Model to the entity detail.
Perfit, Ryan	11/21/2002	3.9	\$215	\$838.50	Prepare a schedule analyzing excess capital
Perfit, Ryan	11/21/2002	2.4	\$215	\$516.00	Research electric customer statistics.
Perfit, Ryan	11/22/2002	2	\$215	\$430.00	POR and CapEx Analysis.
Perfit, Ryan	11/22/2002	1.1	\$215	\$236.50	Research electric customer statistics.
Perfit, Ryan	11/22/2002	2.3	\$215	\$494.50	Review the PG&E POR model volume and price assumptions.
Perfit, Ryan	11/25/2002	2.9	\$215	\$623.50	Research transmission project expenses and approvals.
Perfit, Ryan	11/25/2002	1.9	\$215	\$408.50	Review the PG&E POR model volume and price assumptions.
Perfit, Ryan	11/26/2002	7.9	\$215	\$1,698.50	Revise Plan of Reorganization and Capital Expenditure modeling.
<b>SubTotal: Perfit, Ryan</b>		<b>66.4</b>		<b>\$14,276.00</b>	
Sin, Theresa	8/1/2002	3.6	\$185	\$666.00	Compile data used to support OCC model.
Sin, Theresa	8/1/2002	2.3	\$185	\$425.50	Review FERC 1 forms and GRC filings for support used in Plan model.
Sin, Theresa	8/1/2002	3.4	\$185	\$629.00	Review and research data for Transmission sales portion of the model.
<b>SubTotal: Sin, Theresa</b>		<b>9.3</b>		<b>\$1,720.50</b>	
Young, Allison	8/1/2002	0.8	\$425	\$340.00	Review and QC updates to OCC POR plan projections.
Young, Allison	8/5/2002	3.3	\$425	\$1,402.50	Review and QC updates to OCC POR model.
Young, Allison	8/6/2002	1.6	\$425	\$680.00	Review and update PG&E POR model.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	8/7/2002	2.4	\$425	\$1,020.00	Research public data for reasonableness of key assumptions in OCC POR model.
Young, Allison	8/8/2002	3.1	\$425	\$1,317.50	Build a bridge between the PG&E POR headroom in rates to the headroom in the OCC rates.
Young, Allison	8/8/2002	2.7	\$425	\$1,147.50	Review OCC POR model and calculate headroom in rates.
Young, Allison	8/8/2002	4.8	\$425	\$2,040.00	Reconcile headroom in generation rates to headroom/under earnings in T&D operations. Tie to Income statement and PG&E POR earnings.
Young, Allison	8/9/2002	3	\$425	\$1,275.00	Create analysis of ACA account amortization under OCC POR.
Young, Allison	8/9/2002	3.1	\$425	\$1,317.50	Update POR model for new assumptions.
Young, Allison	8/12/2002	2.1	\$425	\$892.50	Update OCC POR with latest claims details.
Young, Allison	8/12/2002	1.5	\$425	\$637.50	QC model and check formulas.
Young, Allison	9/18/2002	0.6	\$425	\$255.00	Review articles on PG&E's problems at NEG and their potential impact on the utility.
Young, Allison	9/25/2002	2.7	\$425	\$1,147.50	Calculate FTI estimate of PG&E overcollections since 2001 and evaluate possible refund to ratepayers.
Young, Allison	10/24/2002	3.9	\$425	\$1,657.50	Investigate risks to either POR if PG&E Corp. files bankruptcy.
Young, Allison	10/24/2002	2.7	\$425	\$1,147.50	Research effect a PG&E Corporate bankruptcy would have on either reorg plan.
<b>SubTotal: Young, Allison</b>		<u>38.3</u>		<u>\$16,277.50</u>	
<b>Total: Financial Statement Modelin</b>		<u>170.3</u>		<u>\$61,775.00</u>	

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**Task Code : Financial Statements**

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Amaya, Jennifer	10/29/2002	3.7	\$275	\$1,017.50	Begin preparing summary of debt for PG&E Corporation, PG&E Company, and PG&E National Energy Group, Inc. in order to understand what obligations the creditors of the nondebtor could ask the debtor for repayment.
Amaya, Jennifer	10/31/2002	1.5	\$275	\$412.50	Complete debt summary schedule, including research on recent debt incurrence of \$300M.
Amaya, Jennifer	11/5/2002	2.1	\$275	\$577.50	Research debt covenants respective to PG&E Corp and NGE to determine potential issues of cross-collateralization.
<b>SubTotal: Amaya, Jennifer</b>		<u>7.3</u>		<u>\$2,007.50</u>	
Kitchin, Jennifer	8/21/2002	1.1	\$425	\$467.50	Review Debtor's financial statements, CPUC filings and DWR filings to assist in answering CPUC questions re: OCC model.



<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Kitchin, Jennifer	11/13/2002	0.8	\$425	\$340.00	Review 9/30/02 10Q debt disclosure
Kitchin, Jennifer	11/14/2002	2.3	\$425	\$977.50	Review 9/30/02 10Q
<b>SubTotal: Kitchin, Jennifer</b>		<u>4.2</u>		<u>\$1,785.00</u>	
Lumsden, Tom	11/13/2002	0.8	\$595	\$476.00	Listen to 3rd quarter earnings release conference call with analysts and PG&E.
Lumsden, Tom	11/14/2002	1.9	\$595	\$1,130.50	Review press reports on PG&E 3rd Qtr results and review PG&E Form 10Q for disclosure on utility related items.
Lumsden, Tom	11/15/2002	0.2	\$595	\$119.00	Review press reports on PG&E NEG default.
<b>SubTotal: Lumsden, Tom</b>		<u>2.9</u>		<u>\$1,725.50</u>	
Sin, Theresa	11/8/2002	3.6	\$185	\$666.00	Research S&P and Moody's ratings for PGE Corp, NEG and Company debt. Print out 10K and start review to break down FTI's Debt Summary worksheet.
Sin, Theresa	11/12/2002	1.6	\$185	\$296.00	Corp research - 8Ks, find new credit agreement.
Sin, Theresa	11/14/2002	0.4	\$185	\$74.00	Print out original Indenture on convertible sub notes.
Sin, Theresa	11/14/2002	2.6	\$185	\$481.00	Read PGE Sept 30 10Q
Sin, Theresa	11/15/2002	2.1	\$185	\$388.50	Read terms of the Indenture for corp. debt summary.
Sin, Theresa	11/20/2002	2.1	\$185	\$388.50	Finish summary of indenture for PGE Corp analysis.
<b>SubTotal: Sin, Theresa</b>		<u>12.4</u>		<u>\$2,294.00</u>	
Young, Allison	11/13/2002	0.7	\$425	\$297.50	Listen to replay of PG&E investor call on the September 30 10Q.
Young, Allison	11/13/2002	0.5	\$425	\$212.50	Review estimate of current PROACT balance in 10Q
Young, Allison	11/13/2002	0.6	\$425	\$255.00	Review PG&E September 30 10Q.
Young, Allison	11/15/2002	1.2	\$425	\$510.00	Review PG&E's 9/30/02 Q for updates on company's status.
Young, Allison	11/19/2002	0.8	\$425	\$340.00	Review PG&E's 10Q filings.
Young, Allison	11/20/2002	0.4	\$425	\$170.00	Continue review of PG&E's 9/30/02 10Q.
Young, Allison	11/22/2002	0.6	\$425	\$255.00	Continue review of PG&E's 9.30.02 10Q.
<b>SubTotal: Young, Allison</b>		<u>4.8</u>		<u>\$2,040.00</u>	
<b>Total: Financial Statements</b>		<u><u>31.6</u></u>		<u><u>\$9,852.00</u></u>	

Tuesday, January 14, 2003

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<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
<b>Task Code : General Committee Matters</b>					
Hamilton, Mike	8/6/2002	1.5	\$640	\$960.00	Creditors' Committee conference call re status of OCC Plan
Hamilton, Mike	8/21/2002	1	\$640	\$640.00	Conference call with Committee members to bring them up to date on status of negotiations with the CPUC.
Hamilton, Mike	8/26/2002	0.5	\$640	\$320.00	Review OCC letter to unsecured creditors and send comments to Bob Moore.
<b>SubTotal:</b>	<i>Hamilton, Mike</i>	<b>3</b>		<b>\$1,920.00</b>	
Ho, Rocky	9/6/2002	0.7	\$475	\$332.50	Review various status emails re: UBS retention issue and possible outcomes.
Ho, Rocky	9/13/2002	0.7	\$475	\$332.50	Respond to CPUC inquiry regarding bank members that are creditors.
Ho, Rocky	9/30/2002	0.6	\$475	\$285.00	Review various email correspondence on plan issues.
Ho, Rocky	10/7/2002	1.2	\$475	\$570.00	Review counsel's memo on status of various POR issues and also review scheduling order.
Ho, Rocky	10/10/2002	0.9	\$475	\$427.50	Review and respond to committee member's request to debtor's proposed capex plans.
Ho, Rocky	10/28/2002	0.8	\$475	\$380.00	Review counsel's report and various emails re: status of case, focus on Warburg retention.
Ho, Rocky	10/29/2002	1.3	\$475	\$617.50	Meeting with counsel (M Sorochinsky) to discuss status of various litigation / business operation motions and schedule of events.
Ho, Rocky	11/7/2002	1.1	\$475	\$522.50	Partial attendance in full committee meeting to review regulatory status of debtor's plan.
Ho, Rocky	11/25/2002	0.9	\$475	\$427.50	Review various emails and correspondence from committee professionals / members.
Ho, Rocky	11/27/2002	0.6	\$475	\$285.00	Review various committee correspondences and emails re: status of case.
<b>SubTotal:</b>	<i>Ho, Rocky</i>	<b>8.8</b>		<b>\$4,180.00</b>	
Kitchin, Jennifer	8/21/2002	1	\$425	\$425.00	Participate in conference call to update OCC plan agreement.
Kitchin, Jennifer	9/10/2002	0.6	\$425	\$255.00	Review responses to bondholder questions for conference call.
Kitchin, Jennifer	9/11/2002	0.3	\$425	\$127.50	Follow-up discussion on questions from bondholder conference call.
Kitchin, Jennifer	9/11/2002	2.8	\$425	\$1,190.00	Participate in conference call with bondholders re: questions on OCC/CPUC POR.
Kitchin, Jennifer	9/25/2002	1.1	\$425	\$467.50	Participate in conference call re: update for OCC.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Kitchin, Jennifer	11/19/2002	0.4	\$425	\$170.00	Review emails re: confirmation hearings
Kitchin, Jennifer	11/20/2002	0.7	\$425	\$297.50	Review emails re: confirm hearings
Kitchin, Jennifer	11/21/2002	0.6	\$425	\$255.00	Review emails re: confirm hearings
<b>SubTotal: Kitchin, Jennifer</b>		<u>7.5</u>		<u>\$3,187.50</u>	
Lumsden, Tom	8/26/2002	0.2	\$595	\$119.00	Telephone call with C. Strand re plan treatment re class claims.
Lumsden, Tom	9/20/2002	0.3	\$595	\$178.50	Review telephone messages and emails re PG&E.
Lumsden, Tom	9/23/2002	0.3	\$595	\$178.50	Plan scheduling matters on case.
Lumsden, Tom	9/25/2002	1.1	\$595	\$654.50	Participate in PG&E committee call re 9th circuit decision and impact. Address alternatives.
Lumsden, Tom	10/7/2002	0.3	\$595	\$178.50	Review emails from Committee and court decision on scheduling for confirmation hearing.
Lumsden, Tom	10/7/2002	0.3	\$595	\$178.50	Telephone call with M. Diamond re PwC subpoena by PG&E and sourcing of documents through M. Hamilton
Lumsden, Tom	10/9/2002	0.4	\$595	\$238.00	Telephone call with P.Aronzon and J. Rosenthal re prepare for Committee call.
Lumsden, Tom	10/10/2002	1.4	\$595	\$833.00	Conference call with Committee and UBS to outline joint plan developments and securities approach. Discuss UBS roles.
Lumsden, Tom	10/24/2002	0.3	\$595	\$178.50	Telephone call with J. Gross re discovery for PwC.
Lumsden, Tom	10/28/2002	0.3	\$595	\$178.50	Telephone call with P. Aronzon and R. Moore re agenda and presentation for Committee meeting.
Lumsden, Tom	10/28/2002	0.3	\$595	\$178.50	Telephone call with Ed Feo re discussion on CPUC and FERC issues for OCC meeting.
Lumsden, Tom	10/29/2002	3.1	\$595	\$1,844.50	Participate in meeting of Creditors Committee with UBS at FTI offices to address plan structure, securities and implementation.
Lumsden, Tom	11/7/2002	0.5	\$595	\$297.50	Review agenda for creditors committee meeting and assemble materials for same.
Lumsden, Tom	11/7/2002	3.5	\$595	\$2,082.50	Participate in creditors committee meeting held at FTI offices.
Lumsden, Tom	11/15/2002	0.6	\$595	\$357.00	Telephone call with C.Strand re confirmation hearing schedule and information for new revolver under Joint Plan
<b>SubTotal: Lumsden, Tom</b>		<u>12.9</u>		<u>\$7,675.50</u>	
Reiss, Freddie	8/6/2002	1.5	\$595	\$892.50	Participate in call with OCC committee and counsel re OCC plan and rate agreement developments.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Reiss, Freddie	9/6/2002	0.6	\$595	\$357.00	Update regarding PGE/CPUC Plan status.
Reiss, Freddie	9/11/2002	1.5	\$595	\$892.50	Review correspondence from counsel and read press releases on case activities.
Reiss, Freddie	9/30/2002	0.2	\$595	\$119.00	Updates on case status.
Reiss, Freddie	10/14/2002	1.4	\$595	\$833.00	Review trial schedule and ability of FTI to serve as experts.
Reiss, Freddie	10/15/2002	1.5	\$595	\$892.50	Status update regarding trial issues. Review expert reports.
Reiss, Freddie	10/24/2002	1.1	\$595	\$654.50	Review correspondence from counsel, plan for CPUC PG&E, and OCC meetings.
Reiss, Freddie	10/29/2002	3.1	\$595	\$1,844.50	Creditors Committee Meeting.
Reiss, Freddie	11/7/2002	2.5	\$595	\$1,487.50	Creditors committee meeting with debtors.
<b>SubTotal: Reiss, Freddie</b>		<b>13.4</b>		<b>\$7,973.00</b>	
Young, Allison	8/21/2002	0.6	\$425	\$255.00	Partial attendance on OCC conference call.
Young, Allison	9/9/2002	0.7	\$425	\$297.50	Review emails on case updates
Young, Allison	9/16/2002	0.7	\$425	\$297.50	Review emails on proposed OCC court filings.
Young, Allison	9/23/2002	1.4	\$425	\$595.00	Review latest emails on court happenings related to the PG&E case.
Young, Allison	9/24/2002	2.9	\$425	\$1,232.50	Review recent court orders with regard to the PG&E case and Milbank's summary of results.
Young, Allison	9/25/2002	1.1	\$425	\$467.50	Participate in Committee conference re: court decision regarding the CPUC's settlement with SCE and potential impact on both POR's.
Young, Allison	10/1/2002	0.7	\$425	\$297.50	Review update on case activity
Young, Allison	10/9/2002	0.6	\$425	\$255.00	Review updates on case activity
Young, Allison	10/25/2002	0.4	\$425	\$170.00	Review progress in case depositions and pending matters with Milbank.
Young, Allison	11/7/2002	1.7	\$425	\$722.50	Participate in OCC meeting with PG&E on status of their Plan.
<b>SubTotal: Young, Allison</b>		<b>10.8</b>		<b>\$4,590.00</b>	
<b>Total: General Committee Matters</b>		<b>56.4</b>		<b>\$29,526.00</b>	
<b>Task Code : Legislative Review</b>					

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ghazi, Maryam	11/11/2002	2.5	\$425	\$1,062.50	Review of supreme court documents dated 11/1/02, to determine how far back the law suit regarding the rate increase applies to.
Ghazi, Maryam	11/12/2002	4.4	\$425	\$1,870.00	Find copies of PU sections 701,728,1708,399.2 ; letter filed by FTCH on 11/5, Drews deposition, Federal Power Act section 203, Judge Walker ruling 7/25/02, CPUC decision from 11/7/02
Ghazi, Maryam	11/12/2002	1.6	\$425	\$680.00	Research legislative material as per Tom Lumsden's request.
Ghazi, Maryam	11/13/2002	1.9	\$425	\$807.50	Find legislative material for T. Lumsden's review : ab890 SECT398, PUC decision 00-06-040.
Ghazi, Maryam	11/13/2002	2.1	\$425	\$892.50	Find legislative material for T. Lumsden's review : PIER plan from 3/1/01, PUC section 330-398.5 and documents in puc a 02-05-022.
<b>SubTotal:</b> Ghazi, Maryam		<u>12.5</u>		<u>\$5,312.50</u>	
Lumsden, Tom	9/25/2002	1	\$595	\$595.00	Review AB 1890 terms and potential for rate freeze end in light of 9th circuit decision.
Lumsden, Tom	11/7/2002	0.3	\$595	\$178.50	Review press reports and emails on Prop D results re SF distribution system.
<b>SubTotal:</b> Lumsden, Tom		<u>1.3</u>		<u>\$773.50</u>	
<b>Total:</b> Legislative Review		<u><u>13.8</u></u>		<u><u>\$6,086.00</u></u>	

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**Task Code : OCC Plan of Reorganization**

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Ho, Rocky	8/1/2002	1.2	\$475	\$570.00	Review draft POR term changes to disclosure statement.
Ho, Rocky	8/1/2002	0.7	\$475	\$332.50	Review draft term sheet of alternative POR.
Ho, Rocky	8/1/2002	1.1	\$475	\$522.50	Review revised financial projections on alternative POR.
Ho, Rocky	8/1/2002	0.8	\$475	\$380.00	Review and analyze economic issues re: confirmation matters.
Ho, Rocky	8/1/2002	1.5	\$475	\$712.50	Review and analyze draft rate agreement with CPUC.
Ho, Rocky	8/2/2002	0.9	\$475	\$427.50	Review capital assumption changes to alternative POR.
Ho, Rocky	8/5/2002	1.1	\$475	\$522.50	Review revised term sheet and draft POR changes on alternative plan.
Ho, Rocky	8/6/2002	0.6	\$475	\$285.00	Review blackline changes to alternative POR / DS.
Ho, Rocky	8/7/2002	0.4	\$475	\$190.00	Review and analyze blackline changes to term sheet.
Ho, Rocky	8/8/2002	1.1	\$475	\$522.50	Review blacklined reorganization agreement regarding alternative plan.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	8/9/2002	0.6	\$475	\$285.00	Review headroom assumption changes to alternative plan projections.
Ho, Rocky	8/12/2002	0.7	\$475	\$332.50	Review latest blackline changes to term sheet.
Ho, Rocky	8/13/2002	1.3	\$475	\$617.50	Review and analyze redlined POR, term sheet and reorganization agreement.
Ho, Rocky	8/15/2002	0.8	\$475	\$380.00	Review capital refinancing changes to alternative plan financial projections.
Ho, Rocky	8/20/2002	1.4	\$475	\$665.00	Review presentation material on alternative plan.
Ho, Rocky	8/21/2002	0.8	\$475	\$380.00	Review headroom and capital refinancing changes based on latest discussions on alternative plan.
Ho, Rocky	8/22/2002	1.2	\$475	\$570.00	Review final draft of term sheet and reorganization agreement with CPUC.
Ho, Rocky	8/22/2002	1	\$475	\$475.00	Review CPUC Commission response to alternative plan - reorganization agreement vote.
Ho, Rocky	8/26/2002	0.9	\$475	\$427.50	Review draft committee report re: alternative plan changes and possible resolicitation issues.
Ho, Rocky	8/26/2002	0.6	\$475	\$285.00	Review various committee member comments to draft supplemental Committee report re: alternative plan.
Ho, Rocky	8/28/2002	1.1	\$475	\$522.50	Review draft motion on resolicitation of votes based on alternative plan.
Ho, Rocky	8/29/2002	1.1	\$475	\$522.50	Review redline draft of latest amended plan and solicitation motion.
Ho, Rocky	8/29/2002	0.6	\$475	\$285.00	Review revised draft of Committee recommendation re: alternative plan.
Ho, Rocky	9/3/2002	2.5	\$475	\$1,187.50	Review final draft of joint CPUC / OCC plan of reorganization and disclosure statement.
<b>SubTotal: Ho, Rocky</b>		<b>24</b>		<b>\$11,400.00</b>	
Kitchin, Jennifer	8/1/2002	1.5	\$425	\$637.50	Review OCC model assumptions.
Kitchin, Jennifer	8/5/2002	1.1	\$425	\$467.50	Conference call with Chanin to review OCC plan model changes.
Kitchin, Jennifer	8/7/2002	0.5	\$425	\$212.50	Review comments re: OCC plan model.
Kitchin, Jennifer	8/7/2002	0.9	\$425	\$382.50	Call with Chanin to explain assumptions underlying OCC plan model.
Kitchin, Jennifer	8/7/2002	0.4	\$425	\$170.00	Prepare OCC plan model to distribute to Chanin/CPUC.
Kitchin, Jennifer	8/14/2002	1.3	\$425	\$552.50	Review revisions to Reorganization Agreement.
Kitchin, Jennifer	8/16/2002	1.3	\$425	\$552.50	Write up comments on review of Reorganization Agreement.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Kitchin, Jennifer	8/21/2002	1	\$425	\$425.00	Call with CPUC to discuss questions on OCC plan assumptions.
Kitchin, Jennifer	8/23/2002	1.2	\$425	\$510.00	Address CPUC questions on OCC POR.
Kitchin, Jennifer	8/26/2002	0.2	\$425	\$85.00	Review OCC comments re: Supplemental Report et.al.
Kitchin, Jennifer	8/26/2002	0.6	\$425	\$255.00	Review draft of Supplemental Report and Recommendations of the Committee re: CPUC/OCC Plan.
Kitchin, Jennifer	8/27/2002	0.4	\$425	\$170.00	Participate in conference call with OCC Professionals, Chanin, CPUC, UBS re: Debtor's preliminary questions.
Kitchin, Jennifer	8/29/2002	1.2	\$425	\$510.00	Review First Amended OCC/CPUC Plan & Joint Resolicitation Motion.
Kitchin, Jennifer	9/3/2002	0.2	\$425	\$85.00	Review Chanin's questions re: OCC Plan Capital Structure
Kitchin, Jennifer	9/5/2002	0.8	\$425	\$340.00	Review Chanin's questions re: OCC Plan.
Kitchin, Jennifer	9/17/2002	0.3	\$425	\$127.50	Review OCC draft supplemental report and recommendations re: competing PORs.
Kitchin, Jennifer	9/25/2002	0.3	\$425	\$127.50	Review next steps re: OCC POR after 9th Circuit ruling.
<b>SubTotal:</b> Kitchin, Jennifer		13.2		\$5,610.00	
Lumsden, Tom	8/2/2002	1.6	\$595	\$952.00	Review financial modeling associated with OCC plan modifications, propose changes to structure and recovery elements.
Lumsden, Tom	8/5/2002	1	\$595	\$595.00	Review CPUC and OCC models and prepare for call regarding changes and impacts to each model.
Lumsden, Tom	8/6/2002	0.4	\$595	\$238.00	Continue review of Plan models to assess potential for energy rate reduction, email comments.
Lumsden, Tom	8/6/2002	1.4	\$595	\$833.00	Review of latest OCC model version 6.8
Lumsden, Tom	8/7/2002	0.9	\$595	\$535.50	Prepare for and participate in conference call with Chanin representatives re details of OCC plan modeling and reconciliation to CPUC plan models.
Lumsden, Tom	8/9/2002	0.4	\$595	\$238.00	Telephone call with S. Victor at Chanin re rate agreement modeling
Lumsden, Tom	8/13/2002	1.3	\$595	\$773.50	Review reorg agreement, term sheet and memo to committee on same.
Lumsden, Tom	8/13/2002	0.8	\$595	\$476.00	Review reorg agreement terms and impact.
Lumsden, Tom	8/14/2002	1.2	\$595	\$714.00	Review further changes and developments to Reorg Agreement and term sheet and assess impact on OCC plan models.
Lumsden, Tom	8/15/2002	0.3	\$595	\$178.50	Review detail of LC bank claims and segments.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	8/15/2002	1.1	\$595	\$654.50	Research alternatives to ACA account balance, including rate base adjustments and rate changes.
Lumsden, Tom	8/15/2002	0.4	\$595	\$238.00	Review class 5 treatment and alternatives for PG&E, CPUC and OCC plan treatment.
Lumsden, Tom	8/16/2002	0.8	\$595	\$476.00	Review questions from CPUC and Chanin and OCC plan modeling.
Lumsden, Tom	8/20/2002	1.2	\$595	\$714.00	Review OCC plan model version 6.17e and forward comments to J. Kitchin.
Lumsden, Tom	8/20/2002	1	\$595	\$595.00	Conference call with UBS securities, CPUC representatives and P. Aronzon, J. Wilson, M. Hamilton and working group re structure of securities.
Lumsden, Tom	8/20/2002	1	\$595	\$595.00	Conference call with Chanin representatives re questions on securities structure and claims.
Lumsden, Tom	8/21/2002	1	\$595	\$595.00	Review updates to Reorg Agreement and impact on OCC-CPUC plan changes.
Lumsden, Tom	8/21/2002	0.9	\$595	\$535.50	Review terms sheets and edits to reorg agreement
Lumsden, Tom	8/21/2002	1.2	\$595	\$714.00	Review plan schedules, term sheets and reorg agreement in preparation for call with Committee.
Lumsden, Tom	8/22/2002	0.8	\$595	\$476.00	Telephone calls with CPUC staff and response to questions and data requests supporting plan changes.
Lumsden, Tom	8/26/2002	1.3	\$595	\$773.50	Review letter from J. Lopes to coordinate reply on plan details. Review Plan and PG&E detail to draft reply.
Lumsden, Tom	8/26/2002	1.4	\$595	\$833.00	Draft reply to PG&E questions from J. Lopes for review by counsel and CPUC.
Lumsden, Tom	8/27/2002	0.6	\$595	\$357.00	Review reorg agreement edits from J. Wilson, A. Young and J. Kitchin and draft responses.
Lumsden, Tom	8/27/2002	0.5	\$595	\$297.50	Reviews questions on reorg agreement and edits from working group.
Lumsden, Tom	8/27/2002	0.6	\$595	\$357.00	Draft supplement to memo responding to debtor questions.
Lumsden, Tom	8/27/2002	0.9	\$595	\$535.50	Prepare further edits to letter with CPUC comments.
Lumsden, Tom	8/27/2002	1	\$595	\$595.00	Plan working group on draft of response to PG&E on questions on plan.
Lumsden, Tom	8/27/2002	2.2	\$595	\$1,309.00	Review CPUC questions on model and impact on rates. Run sensitivity to changes to rates in model and impact on securities ratings.
Lumsden, Tom	8/28/2002	2.6	\$595	\$1,547.00	Draft reply with CPUC input to fold into OCC reply to PG&E questions. Telephone calls with A. Kornberg, J. Lopes and P. Aronzon re same. Call with M. Hamilton re regulatory treatment. Format disclaimer and plan model for transmission to PG&E.



<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	8/28/2002	0.8	\$595	\$476.00	Format reply to CPUC with final input and comment from CPUC, Telephone call A. Kornberg and P.Aronzon re clarification of points, forward reply to P.Aronzon with Plan model and disclaimer for transmission to PG&E.
Lumsden, Tom	8/29/2002	2.7	\$595	\$1,606.50	Review amendments to alternate plan and disclosure statement to incorporate changes associated with OCC amendments, compare impact of treatment and securities.
Lumsden, Tom	8/30/2002	3.2	\$595	\$1,904.00	Continue review of amendments and edits to alternate plan and disclosure statement to incorporate treatment as proposed by OCC. Adjust OCC model for changes by CPUC. Review OCC letter to accompany plan.
<b>SubTotal:</b> Lumsden, Tom		<u>36.5</u>		<u>\$21,717.50</u>	
Reiss, Freddie	8/1/2002	2.2	\$595	\$1,309.00	Review financial models regarding PG&E and review update on Court status conference on Plan confirmation.
Reiss, Freddie	8/1/2002	3	\$595	\$1,785.00	Review financial models regarding OCC plan.
Reiss, Freddie	8/2/2002	1	\$595	\$595.00	Update with counsel regarding CPUC rate agreement.
Reiss, Freddie	8/5/2002	1	\$595	\$595.00	Conference call regarding plan status and proposed changes to OCC plan structure.
Reiss, Freddie	8/12/2002	2.5	\$595	\$1,487.50	Review re-organization agreements and update CPUC/OCC model.
Reiss, Freddie	8/14/2002	2.5	\$595	\$1,487.50	Review updated model and revised reorganization agreement.
Reiss, Freddie	8/19/2002	3.5	\$595	\$2,082.50	Read reorganization agreement with CPUC and review updated financial model.
Reiss, Freddie	8/21/2002	3	\$595	\$1,785.00	Review updates to reorganization agreement with PUC.
Reiss, Freddie	8/22/2002	1	\$595	\$595.00	Read final draft of Reorganization Agreement regarding CPUC.
<b>SubTotal:</b> Reiss, Freddie		<u>19.7</u>		<u>\$11,721.50</u>	
Young, Allison	8/6/2002	0.8	\$425	\$340.00	Respond to questions from CPUC on our POR model.
Young, Allison	8/13/2002	0.8	\$425	\$340.00	Review latest OCC POR document and provide feedback.
Young, Allison	8/15/2002	0.7	\$425	\$297.50	Review changes to OCC POR model.
Young, Allison	8/26/2002	1.3	\$425	\$552.50	Respond to PG&E questions on OCC POR.
Young, Allison	8/28/2002	0.6	\$425	\$255.00	Participate in call with Chanin to answer questions on PG&E POR.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	9/3/2002	1.7	\$425	\$722.50	Review emailed files on the OCC POR and court filings related to such.
Young, Allison	9/11/2002	1.9	\$425	\$807.50	Conference call with PG&E bondholder group to discuss financial elements of OCC revised plan of reorganization.
Young, Allison	9/16/2002	1.2	\$425	\$510.00	Discuss OCC plan with Chanin.
Young, Allison	9/17/2002	1.5	\$425	\$637.50	Review pending document filings on amended CPUC POR.
Young, Allison	9/18/2002	0.6	\$425	\$255.00	Review latest assumptions in OCC POR.
<b>SubTotal: Young, Allison</b>		<b>11.1</b>		<b>\$4,717.50</b>	
<b>Total: OCC Plan of Reorganization</b>		<b>104.5</b>		<b>\$55,166.50</b>	

**Task Code : Plan of Reorganization/Negotiations**

Ho, Rocky	8/6/2002	0.8	\$475	\$380.00	Review regulatory update regarding debtor's plan process - NRC, FERC, Bi-lateral.
Ho, Rocky	9/2/2002	1.1	\$475	\$522.50	Review and analyze US District court's reversal of Judge Montali's express preemption ruling.
Ho, Rocky	10/9/2002	1.3	\$475	\$617.50	Review and discuss with committee counsel document request list from debtor re: confirmation issues.
Ho, Rocky	10/21/2002	2.5	\$475	\$1,187.50	Review and analyze various confirmation / litigation documents - Co-proponents Pacific Gas and Electric Company and PG&E Corporation's Expert Witness Reports in Opposition to the CPUC Pkan pursuant to F.R.B.P 7026(a)(2)(A) & (B).
Ho, Rocky	10/23/2002	1.5	\$475	\$712.50	Review debtor's Expert Opinion of Donald Santa and corresponding exhibits.
Ho, Rocky	10/25/2002	2.7	\$475	\$1,282.50	Review and analyze debtor's expert reports - Kosturos Liquidation Report and supporting exhibits.
Ho, Rocky	10/27/2002	3	\$475	\$1,425.00	Review debtor's expert reports - Huron valuation report in support of Kosturos' liquidation report.
Ho, Rocky	10/28/2002	2.1	\$475	\$997.50	Review and analyze Kosturos expert report - various balance sheet items and assumptions utilized by expert.
Ho, Rocky	10/28/2002	2.5	\$475	\$1,187.50	Prepare draft memo detailing issues and concerns to committee counsel in preparation of the Kosturos deposition.
Ho, Rocky	10/28/2002	1.3	\$475	\$617.50	Review and analyze financial models prepared by SG Barr Devlin re: confirmation hearings.
Ho, Rocky	10/29/2002	1.9	\$475	\$902.50	Prepare and update Kosturos observation inclusive of valuation issues raised in the Huron asset reports.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	10/29/2002	2.3	\$475	\$1,092.50	Review and analyze distribution of assets in the Kosturos report compared to the debtor's balance sheet.
Ho, Rocky	10/31/2002	4.5	\$475	\$2,137.50	Prepare and attend Kosturos deposition - support committee counsel in the preparation of questions.
Ho, Rocky	11/1/2002	1.5	\$475	\$712.50	Review and analyze Kosturos' deposition re:administrative expenses as a priority claim in liquidation analysis.
Ho, Rocky	11/1/2002	1.3	\$475	\$617.50	Review debtor's expert witness model prepared by SG Barr Devlin.
Ho, Rocky	11/1/2002	1.3	\$475	\$617.50	Review fraudulent transfer issues raised during Kosturos' deposition.
Ho, Rocky	11/4/2002	0.6	\$475	\$285.00	Review notes from Walt Campbell deposition.
Ho, Rocky	11/6/2002	1.8	\$475	\$855.00	Review and analyze Kosturos liquidation analysis re:over-funded pension estimates and a comparative review to the debtor's 10Q.
Ho, Rocky	11/14/2002	1.5	\$475	\$712.50	Review and analyze K Harvey deposition in support of debtor's plans.
Ho, Rocky	11/15/2002	1.5	\$475	\$712.50	Review and analyze SOP 90-7 issues related to possible write-up of asset values.
Ho, Rocky	11/15/2002	1.1	\$475	\$522.50	Review and research Illinova quails reorg re:write-up of assets outside of bankruptcy.
Ho, Rocky	11/21/2002	1	\$475	\$475.00	Review various correspondence re:summary of trial to date.
Ho, Rocky	11/21/2002	1.1	\$475	\$522.50	Review and analyze debtor's expert report by Fetter.
Ho, Rocky	11/22/2002	1.1	\$475	\$522.50	Review and analyze issues related to debtor's expert witness exhibits (C McManus) re:TRA balance.
Ho, Rocky	11/25/2002	0.9	\$475	\$427.50	Review debtor's April 2002 POR, Exhibit C projected financials.
Ho, Rocky	11/25/2002	1.1	\$475	\$522.50	Review draft capex analysis of debtor's POR.
Ho, Rocky	11/25/2002	0.8	\$475	\$380.00	Review and analyze draft presentation of capex for debtor's April and October 2002 submitted PORs.
Ho, Rocky	11/25/2002	1.6	\$475	\$760.00	Review and analyze comparative assessment of debtor's April vs. Oct plan financials.
Ho, Rocky	11/25/2002	1.1	\$475	\$522.50	Review and analyze Fetter's expert report re:credit ratings.
Ho, Rocky	11/26/2002	2.1	\$475	\$997.50	Review and analyze expert witness testimonies of various debtor's experts on the different components of capex (generation, gas, electrical distribution and others).
Ho, Rocky	11/26/2002	0.9	\$475	\$427.50	Review financial impact to utility's feasibility provided parent files for bankruptcy re:dividend restrictions.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	11/26/2002	1.2	\$475	\$570.00	Review and analyze draft presentation re: projected cost by business unit and sensitivity analysis of return issues.
Ho, Rocky	11/26/2002	1.2	\$475	\$570.00	Review, analyze and discuss with CPUC, TRA, headroom and other POR issues.
Ho, Rocky	11/26/2002	0.8	\$475	\$380.00	Review and analyze debtor's motion for authority to procure net short.
Ho, Rocky	11/26/2002	1.1	\$475	\$522.50	Review credit agreement of parent and analyze cash flow impact of NEG not being able to upstream dividends.
Ho, Rocky	11/26/2002	0.8	\$475	\$380.00	Review and analyze K Harvey's expert testimony re:debtor's POR and the CPUC's impact on the Filed Rate Doctrine case.
Ho, Rocky	11/26/2002	1.2	\$475	\$570.00	Review and analyze debtor's expert witness report of C McMannus re:TRA balancing account and its likely impact on the Filed Rate Doctrine.
Ho, Rocky	11/26/2002	0.9	\$475	\$427.50	Review and analyze debtor's historical capex re: electric and gas distribution business.
Ho, Rocky	11/26/2002	0.9	\$475	\$427.50	Review and analyze draft of capex assessment between April 2002 and October 2002 PORs.
<b>SubTotal: Ho, Rocky</b>		<b>57.9</b>		<b>\$27,502.50</b>	
Lumsden, Tom	8/1/2002	1	\$595	\$595.00	Attend Court status conference on Plan confirmation re discovery, confidentiality issues, experts, depositions, scheduling dates.
Lumsden, Tom	9/3/2002	1.1	\$595	\$654.50	Review appellate court decision on preemption and impact on PG&E plan and impact on rates and headroom.
Lumsden, Tom	9/10/2002	0.3	\$595	\$178.50	Review press articles on voting of plans and results.
Lumsden, Tom	9/10/2002	0.3	\$595	\$178.50	Review voting results and status of PG&E plan
Lumsden, Tom	10/14/2002	0.2	\$595	\$119.00	Review emails on PG&E motion for retention of counsel for underwriter.
Lumsden, Tom	10/21/2002	0.8	\$595	\$476.00	Review PG&E motions re disbursement of funds for implementation of plan. Review accumulated requests for same.
Lumsden, Tom	10/22/2002	0.5	\$595	\$297.50	Review Kosturas expert report re liquidation.
Lumsden, Tom	10/22/2002	0.7	\$595	\$416.50	Review PG&E plan support materials for meeting with Fitch.
Lumsden, Tom	10/23/2002	1.1	\$595	\$654.50	Review solvency analysis report and valuation for PG&E plan.
Lumsden, Tom	10/23/2002	2.8	\$595	\$1,666.00	Review testimony of PG&E on POR re liquidation and valuation of assets by Huron.
Lumsden, Tom	10/24/2002	1.4	\$595	\$833.00	Review PG&E declarations for preparation of questions for K Ostrow for upcoming depositions.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	10/28/2002	2.2	\$595	\$1,309.00	Review Huron consulting valuation reports and analyze detail, compare with OCC assessment.
Lumsden, Tom	10/29/2002	1	\$595	\$595.00	Review questions developed on review of Kosturas declaration and Huron valuation reports.
Lumsden, Tom	10/29/2002	0.8	\$595	\$476.00	Review Kosturas report on liquidation and edit questions for deposition.
Lumsden, Tom	10/29/2002	1.2	\$595	\$714.00	Review Huron valuation reports at Sept 2000 and Dec 2003 and develop questions for deposition.
Lumsden, Tom	10/29/2002	1.2	\$595	\$714.00	Review Kosturas report on fraudulent transfers and edit questions developed for deposition.
Lumsden, Tom	10/30/2002	0.4	\$595	\$238.00	Meeting with K. Ostrow to review comments from deposition and further inquiries.
Lumsden, Tom	10/30/2002	4	\$595	\$2,380.00	Participate in deposition of Ed Murray of Huron Consulting re valuation of PG&E assets.
Lumsden, Tom	11/6/2002	0.8	\$595	\$476.00	Review notes and materials on K. Harvey deposition prepared by A. Young.
Lumsden, Tom	11/14/2002	0.8	\$595	\$476.00	Review W. Campbell deposition transcript and materials for comments on changes to projections of PG&E for 2003 and beyond.
Lumsden, Tom	11/15/2002	1.6	\$595	\$952.00	Review Walt Campbell deposition schedules in support of PG&E plan and compare with FTI data and plan numbers for Joint Plan.
Lumsden, Tom	11/15/2002	0.4	\$595	\$238.00	Review Judge Walker decision re refusal of stay on preemption decision. Review filing request.
Lumsden, Tom	11/15/2002	1.1	\$595	\$654.50	Review and research questions from S&P re bilateral contracts of PG&E. Review PG&E models and load and resource data. Discussions with B. Lamb, G. Navarette.
Lumsden, Tom	11/16/2002	0.6	\$595	\$357.00	Perform further review of K. Crews deposition.
Lumsden, Tom	11/16/2002	1.8	\$595	\$1,071.00	Review further detail of W. Campbell deposition schedules on PG&E plan projection updates. Review file on plan numbers and compare to prior PG&E plan projections.
Lumsden, Tom	11/20/2002	1.4	\$595	\$833.00	Review capex detail schedules provided by PG&E and sources of funding in PG&E Nov 2002 POR projections.
Lumsden, Tom	11/21/2002	0.3	\$595	\$178.50	Review W. Campbell deposition schedules re capex detail.
Lumsden, Tom	11/22/2002	1.4	\$595	\$833.00	Review capex analysis and source of funding in PG&E April 2002 POR. Evaluate linkage in funding of Capex between Genco and Etrans. Format file for exhibit purposes.
Lumsden, Tom	11/22/2002	1.2	\$595	\$714.00	Review exhibit C update for PG&E POR projections. Compare to prior projections and dividend, capex and rate of return calculations.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
<b>SubTotal:</b> <i>Lumsden, Tom</i>		<u>32.4</u>		<u>\$19,278.00</u>	
Perfit, Ryan	11/8/2002	0.2	\$215	\$43.00	Review Plan of Reorganization - analysis project requirements.
Perfit, Ryan	11/11/2002	2.3	\$215	\$494.50	Continue to review the November 2002 PG&E Plan of Reorganization.
Perfit, Ryan	11/11/2002	4.6	\$215	\$989.00	Review the November 2002 PG&E Plan of Reorganization for the Distribution Debtor entity.
Perfit, Ryan	11/12/2002	4.5	\$215	\$967.50	Review the November 2002 PG&E Plan of Reorganization for the Electric Transmission Debtor entity.
Perfit, Ryan	11/12/2002	3.2	\$215	\$688.00	Review the November 2002 PG&E Plan of Reorganization for the Gas Transmission Debtor entity.
Perfit, Ryan	11/12/2002	2.2	\$215	\$473.00	Continue to review the November 2002 PG&E Plan of Reorganization.
Perfit, Ryan	11/13/2002	4.5	\$215	\$967.50	Review the November 2002 PG&E Plan of Reorganization for the Generation Debtor entity.
Perfit, Ryan	11/14/2002	1.3	\$215	\$279.50	Review the November 2002 PG&E POR model and document outstanding issues.
Perfit, Ryan	11/15/2002	2.1	\$215	\$451.50	Continue to review the November 2002 PG&E POR model and document outstanding issues.
Perfit, Ryan	11/15/2002	2.2	\$215	\$473.00	Contact PG&E and reconcile outstanding issues in the November 2002 PG&E POR model.
Perfit, Ryan	11/18/2002	4.7	\$215	\$1,010.50	Review the PG&E POR model assumptions.
Perfit, Ryan	11/21/2002	2.7	\$215	\$580.50	Review the April POR presentation and update for the November POR
Perfit, Ryan	11/21/2002	1.4	\$215	\$301.00	Continue to review the April POR presentation and update for the November POR
Perfit, Ryan	11/22/2002	1.9	\$215	\$408.50	Continue to review the April POR presentation and update for the November POR
Perfit, Ryan	11/25/2002	3.5	\$215	\$752.50	Continue to review the April POR presentation and update for the November POR.
Perfit, Ryan	11/25/2002	4.2	\$215	\$903.00	Reconcile the PG&E November POR to with information provided by UBS.
<b>SubTotal:</b> <i>Perfit, Ryan</i>		<u>45.5</u>		<u>\$9,782.50</u>	
Reiss, Freddie	11/1/2002	1.9	\$595	\$1,130.50	Review expert reports.
Reiss, Freddie	11/7/2002	2.6	\$595	\$1,547.00	Review expert reports.
<b>SubTotal:</b> <i>Reiss, Freddie</i>		<u>4.5</u>		<u>\$2,677.50</u>	

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Sin, Theresa	10/29/2002	5.7	\$185	\$1,054.50	Review and compare Huron's financials used in valuation to PG&E projected financials and POR. Prepare comparison schedule for deposition.
Sin, Theresa	10/30/2002	1.3	\$185	\$240.50	Contact A.McKenzie from Celerity Consulting and discuss Data Request process and documents requested - PGE revised POR financials. Sign Protective Order.
Sin, Theresa	10/30/2002	3.2	\$185	\$592.00	Continue analysis on Huron Valuation. Review Hydro revenue assumptions, review Diablo Plant assumptions in comparison to PGE projections.
Sin, Theresa	10/31/2002	2.4	\$185	\$444.00	Go to Celerity review documents in dataroom and copy revised Financials in POR
<b>SubTotal: Sin, Theresa</b>		<b>12.6</b>		<b>\$2,331.00</b>	
Young, Allison	10/11/2002	1.4	\$425	\$595.00	Review Huron Valuation of PG&E for comparison to FTI prepared valuations
Young, Allison	10/22/2002	1.9	\$425	\$807.50	Review Debtor's public filings to determine if any Parent liabilities could impact the Debtor's ability to fund and achieve its reorg plan projections.
Young, Allison	10/24/2002	1	\$425	\$425.00	Review testimony filings.
Young, Allison	10/25/2002	0.9	\$425	\$382.50	Review all reports and summarize general findings of each report.
Young, Allison	10/25/2002	4.2	\$425	\$1,785.00	Review Murphy report and create questions for deposition.
Young, Allison	10/27/2002	1.9	\$425	\$807.50	Review reports of Richard Omohundro and Martha Haderler and create questions for depositions.
Young, Allison	10/27/2002	0.4	\$425	\$170.00	Create questions for Walt Campbell deposition.
Young, Allison	10/28/2002	7.4	\$425	\$3,145.00	Attend deposition of Walt Campbell who answered questions on the plan projections.
Young, Allison	10/29/2002	1.1	\$425	\$467.50	Review Kasturo's report and prepare questions for deposition.
Young, Allison	10/29/2002	4.8	\$425	\$2,040.00	Review Huron report and prepare questions for deposition.
Young, Allison	10/29/2002	6.8	\$425	\$2,890.00	Attend deposition of Walt Campbell re: PG&E POR projections.
Young, Allison	10/30/2002	0.6	\$425	\$255.00	Prepare questions for Huron deposition,
Young, Allison	10/30/2002	0.8	\$425	\$340.00	Prepare questions for Kosturos deposition.
Young, Allison	10/30/2002	0.7	\$425	\$297.50	Review and edit notes from Walt Campbell deposition.
Young, Allison	10/31/2002	0.7	\$425	\$297.50	Prepare questions for Huron deposition.
Young, Allison	10/31/2002	0.8	\$425	\$340.00	Prepare for Kent Harvey deposition.,

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	11/1/2002	0.5	\$425	\$212.50	Review depositions from Kent Harvey's first two days of testimony
Young, Allison	11/1/2002	7.9	\$425	\$3,357.50	Participate in deposition of Kent Harvey
Young, Allison	11/4/2002	0.6	\$425	\$255.00	Review and edit notes from Kent Harvey deposition
Young, Allison	11/4/2002	0.6	\$425	\$255.00	Review impact of Corporate or NEG bankruptcy on the utility
Young, Allison	11/4/2002	0.4	\$425	\$170.00	Review updated financial models from SG Barr
Young, Allison	11/5/2002	0.8	\$425	\$340.00	Review transcript from Day 1 of Kent Harvey deposition
Young, Allison	11/6/2002	1.2	\$425	\$510.00	Review and analyze Kusturos' liquidity analysis
Young, Allison	11/7/2002	0.8	\$425	\$340.00	Review updates to PG&E POR projections
Young, Allison	11/8/2002	0.4	\$425	\$170.00	Review updated POR assumptions
Young, Allison	11/8/2002	0.4	\$425	\$170.00	Review 2nd day of testimony from Kent Harvey deposition
Young, Allison	11/8/2002	0.8	\$425	\$340.00	Review Cap ex assumptions and variances between PG&E's POR and the OCC/CPUC POR.
Young, Allison	11/11/2002	1.6	\$425	\$680.00	Review Kosturos liquidation analysis for use against CPUC POR.
Young, Allison	11/11/2002	1.6	\$425	\$680.00	Review PG&E's updated POR projections.
Young, Allison	11/11/2002	1.9	\$425	\$807.50	Review impact of Corporate bankruptcy filing on PG&E POR.
Young, Allison	11/12/2002	1.3	\$425	\$552.50	Review cap ex projections in PG&E POR.
Young, Allison	11/12/2002	2.1	\$425	\$892.50	Analyze assumptions in Kosturos liquidation analysis.
Young, Allison	11/13/2002	0.8	\$425	\$340.00	Analyze latest POR projections.
Young, Allison	11/13/2002	2.7	\$425	\$1,147.50	Review updated POR projections.
Young, Allison	11/14/2002	0.3	\$425	\$127.50	Investigate tax impact on liquidation analysis.
Young, Allison	11/14/2002	1.6	\$425	\$680.00	Continue review of updated POR projections and supporting details.
Young, Allison	11/14/2002	0.4	\$425	\$170.00	Continue review of changed assumptions in PG&E POR.
Young, Allison	11/15/2002	1.1	\$425	\$467.50	Review PG&E's trial brief on its opposition to the CPUC POR.
Young, Allison	11/15/2002	1	\$425	\$425.00	Review updated POR model assumptions and FTI staff analysis of projections.



<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Young, Allison	11/18/2002	1.6	\$425	\$680.00	Review/search W. Campbell's deposition and exhibits for supporting data for the PG&E POR.
Young, Allison	11/18/2002	0.9	\$425	\$382.50	Reconcile POR projections to historical cap ex levels.
Young, Allison	11/18/2002	2.4	\$425	\$1,020.00	Analyze detail of PG&E's cap ex projections.
Young, Allison	11/18/2002	0.9	\$425	\$382.50	Review updates to PG&E entity and consolidated entity valuation.
Young, Allison	11/18/2002	3.2	\$425	\$1,360.00	Analyze changes between PG&E's April and November POR projections for cap ex.
Young, Allison	11/19/2002	0.6	\$425	\$255.00	Research costs to expand GTrans pipeline across the Oregon border and in what year that cost was incurred.
Young, Allison	11/19/2002	0.7	\$425	\$297.50	Research transmission grid expansion requirements noted in public arenas to compare to cap ex projections in PG&E's POR.
Young, Allison	11/19/2002	1.3	\$425	\$552.50	Review rate base assumptions used in PG&E POR and compare to historical average rate base.
Young, Allison	11/21/2002	1.1	\$425	\$467.50	Review how both plans will fund cap ex.
Young, Allison	11/21/2002	1.5	\$425	\$637.50	Review and summarize analysis performed on PG&E's cap ex projections.
Young, Allison	11/21/2002	1.3	\$425	\$552.50	Create analysis of source of cap ex funding in PG&E's POR.
Young, Allison	11/21/2002	0.7	\$425	\$297.50	Discuss UBS financial model with Ben Lamb of UBS.
Young, Allison	11/22/2002	1.7	\$425	\$722.50	Calculate rate increase of Etrans due to increase in rate base from high capital expenditures.
Young, Allison	11/22/2002	2.1	\$425	\$892.50	Update analysis of cash to fund POR at risk from unfavorable ruling in FTCR v. Lynch.
Young, Allison	11/25/2002	3.8	\$425	\$1,615.00	Format analysis of funding of PG&E capital expenditures for court exhibit.
Young, Allison	11/25/2002	3.4	\$425	\$1,445.00	QC analysis of funding of PG&E's planned capital expenditures.

**SubTotal:** Young, Allison 93.4 \$39,695.00

**Total:** Plan of Reorganization/Nego 246.3 \$101,266.50

**Task Code : Professional Compensation Matters**

Ho, Rocky	9/13/2002	0.8	\$475	\$380.00	Review disclosure items in revised employment application.
Ho, Rocky	9/23/2002	1.1	\$475	\$522.50	Review revised draft of employment application and supporting declaration.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Ho, Rocky	10/17/2002	0.8	\$475	\$380.00	Review UST objections of various professional fees in advance of interim fee app hearing.
Ho, Rocky	10/29/2002	1.1	\$475	\$522.50	Prepare and attend fee app hearing.
<b>SubTotal: Ho, Rocky</b>		<u>3.8</u>		<u>\$1,805.00</u>	
Iking, Floris	9/3/2002	1.2	\$290	\$348.00	Prepare and file supplemental employment affidavit of T.E. Lumsden.
Iking, Floris	9/27/2002	1.6	\$290	\$464.00	Prepare and serve FTI Employment Application, Declaration of T: E. Lumsden, and Proof of Services.
<b>SubTotal: Iking, Floris</b>		<u>2.8</u>		<u>\$812.00</u>	
Lumsden, Tom	10/22/2002	0.6	\$595	\$357.00	Review UST objections to fees of Howard Rice and Heller of Oct 29 hearing.
<b>SubTotal: Lumsden, Tom</b>		<u>0.6</u>		<u>\$357.00</u>	
Sin, Theresa	10/28/2002	0.4	\$185	\$74.00	Email Sorochinsky re: Order Approving 4th Interim
<b>SubTotal: Sin, Theresa</b>		<u>0.4</u>		<u>\$74.00</u>	
Young, Allison	9/20/2002	3	\$425	\$1,275.00	Update revised application of committee to hire FTI, as successor to PwC, as accountants and financial advisors of the committee.
Young, Allison	9/23/2002	2.9	\$425	\$1,232.50	Continue to update application of employment for FTI.
Young, Allison	9/23/2002	2	\$425	\$850.00	Create exhibits to employment application, document results of relationship check.
Young, Allison	9/24/2002	1.9	\$425	\$807.50	Coordinate review of employment app and update application for Milbank feedback.
Young, Allison	9/25/2002	0.8	\$425	\$340.00	Update employment application for feedback from T. Lumsden.
Young, Allison	9/25/2002	1.9	\$425	\$807.50	Update FTI employment application.
Young, Allison	9/26/2002	1.5	\$425	\$637.50	Complete relationship check on PG&E / FTI and update filings as appropriate.
Young, Allison	9/27/2002	2.9	\$425	\$1,232.50	Finalize FTI employment application and file with courts.
<b>SubTotal: Young, Allison</b>		<u>16.9</u>		<u>\$7,182.50</u>	
<b>Total: Professional Compensation</b>		<u>24.5</u>		<u>\$10,230.50</u>	
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<b>Task Code :</b>	<b>Subcommittee Matters</b>				

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Hamilton, Mike	8/7/2002	0.5	\$640	\$320.00	Conference call with Chanin, and J. Wilson to discuss model issues for the CPUC plan. (partial attendance)
Hamilton, Mike	8/8/2002	1	\$640	\$640.00	Conference call with Chanin to discuss their issues related to the ACA account.
Hamilton, Mike	8/8/2002	1.4	\$640	\$896.00	Telephone calls with the professionals and then to Chanin to discuss model - related to issues in the CPUC plan.
Hamilton, Mike	8/8/2002	1.6	\$640	\$1,024.00	Conference call with regard to CPUC Plan and changes thereto.
Hamilton, Mike	8/20/2002	1	\$640	\$640.00	Call with professionals, Chanin, and CPUC to discuss differences in OCC and CPUC model.
<b>SubTotal: Hamilton, Mike</b>		<b>5.5</b>		<b>\$3,520.00</b>	
Kitchin, Jennifer	8/1/2002	2.6	\$425	\$1,105.00	Prepare for and attend conference call with Saybrook, Chanin to discuss OCC plan model and terms.
Kitchin, Jennifer	8/2/2002	3.4	\$425	\$1,445.00	Meet with Saybrook to review OCC plan terms, model revisions.
Kitchin, Jennifer	8/2/2002	1.1	\$425	\$467.50	Conference call with Chanin and Saybrook re: OCC model revisions.
Kitchin, Jennifer	8/5/2002	0.4	\$425	\$170.00	Call with Saybrook to discuss OCC plan structuring alternatives.
Kitchin, Jennifer	8/13/2002	2.4	\$425	\$1,020.00	Review draft of Reorganization Agreement and give comments to Milbank, Tweed.
Kitchin, Jennifer	8/19/2002	0.4	\$425	\$170.00	Call with Saybrook to discuss presentation to CPUC.
Kitchin, Jennifer	8/19/2002	0.8	\$425	\$340.00	Call with Saybrook to discuss CPUC reorganization scenarios.
Kitchin, Jennifer	8/20/2002	1.1	\$425	\$467.50	Follow-up call with Milbank, Tweed re: issues on Capital Structure of OCC Plan.
Kitchin, Jennifer	8/20/2002	0.4	\$425	\$170.00	Discuss CPUC questions arising from conference call.
Kitchin, Jennifer	9/5/2002	0.1	\$425	\$42.50	Call to Saybrook to discuss UBS retention.
Kitchin, Jennifer	9/5/2002	0.8	\$425	\$340.00	Participate in OCC Professionals conference call re: UBS retention.
Kitchin, Jennifer	9/10/2002	1.5	\$425	\$637.50	Participate in OCC Professionals; update conference call.
<b>SubTotal: Kitchin, Jennifer</b>		<b>15</b>		<b>\$6,375.00</b>	
Lumsden, Tom	8/1/2002	2.6	\$595	\$1,547.00	Prepare for and attend conference call with S. Victor, G. Lee, J. Garcia of Chanin and J. Wilson of Saybrook re OCC modelling for modifications to CPUC plan.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	8/2/2002	1.1	\$595	\$654.50	Conference call with Chanin representatives with J. Wilson of Saybrook and J. Kitchen re claims, securities and rate base.
Lumsden, Tom	8/5/2002	0.3	\$595	\$178.50	Call with J. Wilson re plan models and rates for securities.
Lumsden, Tom	8/5/2002	1.1	\$595	\$654.50	Participate in conference call with OCC professionals (P. Aronzon, J. Wilson, et al) re OCC plan alternative terms and results
Lumsden, Tom	8/6/2002	0.5	\$595	\$297.50	Telephone call with J. Wilson re changes to rate agreement structure
Lumsden, Tom	8/8/2002	1.2	\$595	\$714.00	Work on rate agreement models with Saybrook representatives and model impact on OCC plan models
Lumsden, Tom	8/8/2002	0.9	\$595	\$535.50	Conference call with Milbank, Saybrook and PwC representatives on ACA model approach and rate agreement.
Lumsden, Tom	8/8/2002	1.4	\$595	\$833.00	Participate in conference call with OCC working group on plan development.
Lumsden, Tom	8/9/2002	1.1	\$595	\$654.50	Telephone calls with P. Aronzon, J. Wilson and A. Young re discussion of rate agreement treatment during this review.
Lumsden, Tom	8/20/2002	0.9	\$595	\$535.50	Telephone calls with J. Wilson and P. Aronzon re OCC plan model results, securities structure and reorg agreement terms.
Lumsden, Tom	8/22/2002	0.3	\$595	\$178.50	Telephone call with P.Aronzon re CPUC staff requests and delivery of public information supporting plan assumptions.
Lumsden, Tom	9/5/2002	0.8	\$595	\$476.00	Participate in call with CPUC and UBS on scope of work and assignments for joint plan
Lumsden, Tom	9/10/2002	1.5	\$595	\$892.50	Participate in conference call with Milbank and CPUC representatives on UBS engagement letter terms and conditions.
Lumsden, Tom	9/10/2002	0.4	\$595	\$238.00	Telephone call with J. Wilson re UBS letter and voting results, and preference.
Lumsden, Tom	9/11/2002	2.7	\$595	\$1,606.50	Participate in conference call with bondholder representatives and A.Young and J. Wilson and J.Kitchen re Joint Plan and structure. Response to questions regarding plan.
Lumsden, Tom	9/12/2002	0.3	\$595	\$178.50	Telephone call with J. Wilson re Joint plan developments.
Lumsden, Tom	9/13/2002	0.3	\$595	\$178.50	Telephone call with P.Aronzon re bondholder group questions, research files and plan.
Lumsden, Tom	9/25/2002	0.4	\$595	\$238.00	Telephone call with J. Wilson and W.Hulse re UBS structuring and request to review model.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
Lumsden, Tom	9/25/2002	1.1	\$595	\$654.50	Telephone call with J. Wilson re 9th Circuit ruling, impact on cash, alternatives, discuss DWR bond offering, and models for Joint plan and financing structure.
Lumsden, Tom	9/30/2002	0.5	\$595	\$297.50	Telephone call with P. Aronzon re options in joint plan with 9th circuit decision.
Lumsden, Tom	10/1/2002	0.4	\$595	\$238.00	T/C J. Wilson of Saybrook re joint plan modeling by UBS and DWR bond sale progress and pricing
Lumsden, Tom	10/2/2002	0.2	\$595	\$119.00	Telephone call with P.Aronzon re meeting at CPUC re joint plan confirmation process
Lumsden, Tom	10/3/2002	0.8	\$595	\$478.00	Discussion with M. Hamilton and J. Wilson on OCC models and joint plan filing by CPUC. Discuss open items.
Lumsden, Tom	10/3/2002	2.5	\$595	\$1,487.50	Meeting at CPUC with OCC representatives, CPUC and UBS re joint plan details and retention and engagement of UBS for support of Joint Plan securities
Lumsden, Tom	10/10/2002	4	\$595	\$2,380.00	Meeting with UBS representatives and OCC professionals at FTI offices in SF to review joint plan modeling structure and proposal for UBS activities, ratings agency.
Lumsden, Tom	10/16/2002	0.1	\$595	\$59.50	Telephone message to P.Aronzon re progress on joint plan.
Lumsden, Tom	10/18/2002	0.3	\$595	\$178.50	Telephone call with J.Wilson re review UBS status.
Lumsden, Tom	10/21/2002	0.8	\$595	\$478.00	Telephone calls with M. Hamilton, J.Wilson, P. Aronzon re section 4 of UBS presentation and comments to address same.
Lumsden, Tom	10/21/2002	0.2	\$595	\$119.00	Telephone calls with J.Rosenthal re coordinate travel plans for Fitch meetings.
Lumsden, Tom	10/24/2002	0.9	\$595	\$535.50	Conference call with P.Aronzon and J. Wilson and Saybrook re Fitch meeting and bankruptcy remote issues.
Lumsden, Tom	10/24/2002	0.3	\$595	\$178.50	Telephone call R. Moore re joint plan briefs.
Lumsden, Tom	10/24/2002	0.8	\$595	\$478.00	Telephone call with M.Sorchinsky re document production for joint plan. Review document files for same.
Lumsden, Tom	10/28/2002	2.1	\$595	\$1,249.50	Participate in conference call with C. Strand , OCC chairperson, and J. Wilson re UBS joint plan model and explanation of structure of projections and impact of regulatory asset. Respond to questions with Ben Lamb of UBS.
Lumsden, Tom	10/29/2002	0.7	\$595	\$418.50	Meet with P. Aronzon re planning for confirmation hearings, address responsibilities and issues.
Lumsden, Tom	11/4/2002	0.6	\$595	\$357.00	Review fee statements of professionals for Debtor and Committee in the case for Month of September.

<i>Professional</i>	<i>Date</i>	<i>Hours</i>	<i>Billing Rate</i>	<i>Fees</i>	<i>Description</i>
<b>SubTotal:</b> Lumsden, Tom		34.1		\$20,289.50	
Reiss, Freddie	10/28/2002	2.5	\$595	\$1,487.50	Review information regarding UBS structuring; review trial expert reports, etc.
<b>SubTotal:</b> Reiss, Freddie		2.5		\$1,487.50	
Sin, Theresa	10/22/2002	2.1	\$185	\$388.50	Compile data request files from Brobeck on PG&E discovery items.
Sin, Theresa	10/25/2002	1.9	\$185	\$351.50	Collect and order copies for Brobeck requested documents.
<b>SubTotal:</b> Sin, Theresa		4		\$740.00	
Young, Allison	8/9/2002	1.1	\$425	\$467.50	Telephone calls with P. Aronzon, J. Wilson and A. Young re discussion of rate agreement treatment during this review.
Young, Allison	10/10/2002	5.2	\$425	\$2,210.00	Meeting with Saybrook, UBS and FTI on OCC POR Model
Young, Allison	10/24/2002	0.4	\$425	\$170.00	Call with committee professionals on meetings with rating agencies.
<b>SubTotal:</b> Young, Allison		6.7		\$2,847.50	
<b>Total:</b> Subcommittee Matters		67.8		\$35,259.50	
<b>Task Code : Travel Time</b>					
Reiss, Freddie	8/1/2002	1.5	\$595	\$892.50	Travel to Los Angeles.
Reiss, Freddie	10/29/2002	1	\$595	\$595.00	Travel from San Francisco to Los Angeles.
Reiss, Freddie	11/7/2002	1.5	\$595	\$892.50	Travel to Los Angeles.
<b>SubTotal:</b> Reiss, Freddie		4		\$2,380.00	
<b>Total:</b> Travel Time		4		\$2,380.00	
<b>Total Project :</b>		1789.4		\$737,128.00	

## Exhibit 3

***Pacific Gas and Electric******Detail of Expenses******August 1, 2002 through November 30, 2002***

<i>Name</i>	<i>Date</i>	<i>Category</i>	<i>Amount</i>	<i>Description</i>
FTI Consulting	6/28/2002	Sundry	\$1,105.35	Pitney Bowes Management Service Bills #4036705 for copying fees for May monthly fee application.
FTI Consulting	7/26/2002	Sundry	\$1,221.19	Pitney Bowes Management Service Bills #4057805 for copying fees for Seventh Supplemental Declaration of T. Lumsden.
FTI Consulting	7/30/2002	Sundry	\$1,294.01	Pitney Bowes Management Service Bills #4057805 for copying fees for June monthly fee application.
FTI Consulting	8/29/2002	Sundry	\$1,301.50	Pitney Bowes Management Service Bills #4080968 for copying fees for July monthly fee application.
FTI Consulting	9/4/2002	Sundry	\$1,112.28	Printing and service of Eighth Supplemental Declaration of T.E. Lumsden.
FTI Consulting	9/27/2002	Sundry	\$407.92	Pitney Bowes Management Services for service of Order Approving Retention of FTI Consulting
FTI Consulting	10/4/2002	Sundry	\$2,105.38	Pitney Bowes Management Service Bills #4113694 for copying fees for August monthly fee application.
FTI Consulting	10/14/2002	Sundry	\$2,212.70	Printing and service of Sept fee application.
FTI Consulting	11/12/2002	Sundry	\$61.80	Photocopies - Celerity Consulting Group /Documents copied from data room for PG&E on 11/12/02
FTI Consulting	11/13/2002	Sundry	\$500.00	Electronic Data - Platts M&A Data Files
Hamilton, Mike	8/1/2002	Business Meals & Entertainment	\$6.25	Breakfast while out of town.
Hamilton, Mike	8/1/2002	Business Meals & Entertainment	\$54.79	Dinner while out of town.
Hamilton, Mike	8/1/2002	Lodging	\$646.38	Hotel in San Francisco
Hamilton, Mike	8/2/2002	Business Meals & Entertainment	\$6.50	Breakfast while traveling.
Hamilton, Mike	8/2/2002	Sundry	\$3.00	Tips at hotel
Hamilton, Mike	8/2/2002	Transportation	\$829.60	Airfare - San Francisco to New York JFK
Hamilton, Mike	8/2/2002	Transportation	\$103.53	Car - JFK Airport to apartment
Hamilton, Mike	8/2/2002	Transportation	\$37.00	Cab - hotel to San Francisco Airport

<i>Name</i>	<i>Date</i>	<i>Category</i>	<i>Amount</i>	<i>Description</i>
Ho, Rocky	8/13/2002	Sundry	\$39.06	Catering - snacks and drinks for PGE Meeting w/attorneys.
Kitchin, Jennifer	8/5/2002	Sundry	\$56.78	Business phone calls from hotel.
Kitchin, Jennifer	8/6/2002	Sundry	\$64.07	Business phone calls from hotel.
Kitchin, Jennifer	8/7/2002	Sundry	\$72.60	Business phone calls from hotel.
Kitchin, Jennifer	8/8/2002	Sundry	\$8.45	Business phone calls from hotel.
Lumsden, Tom	5/21/2002	Sundry	\$80.00	Court Hearing call though court system.
Lumsden, Tom	6/11/2002	Sundry	\$163.00	Cell phone charges for bankruptcy (total bill \$447)
Lumsden, Tom	7/23/2002	Transportation	\$50.00	Amex Travel Transaction Fee for airfare from SFO to LAX
Lumsden, Tom	8/1/2002	Sundry	\$502.60	Catered lunch - Committee meeting at PwC
Lumsden, Tom	8/7/2002	Sundry	\$118.00	Business phone calls from hotel.
Lumsden, Tom	8/11/2002	Sundry	\$187.00	Cell phone charges for bankruptcy (total bill \$326.3)
Lumsden, Tom	9/22/2002	Sundry	\$12.70	Telephone and email expenses for PG&E
Lumsden, Tom	9/23/2002	Sundry	\$47.00	Phone calls for PG&E
Lumsden, Tom	9/24/2002	Sundry	\$1.95	Telephone calls for PG&E
Lumsden, Tom	9/26/2002	Sundry	\$12.00	City Parking - CPUC meeting - PGE
Lumsden, Tom	9/27/2002	Sundry	\$12.00	City Parking - CPUC meeting - PGE
Lumsden, Tom	10/3/2002	Transportation	\$16.00	Parking for meeting at CPUC
Lumsden, Tom	10/10/2002	Business Meals & Entertainment	\$146.75	Catering for PG&E OCC meeting
Lumsden, Tom	10/11/2002	Sundry	\$172.00	Telephone bill for PG&E
Lumsden, Tom	10/11/2002	Transportation	\$20.00	Parking for meeting at PUC for PG&E
Lumsden, Tom	10/22/2002	Business Meals & Entertainment	\$4.31	Breakfast in LAX
Lumsden, Tom	10/22/2002	Transportation	\$207.00	Airfare to LA
Lumsden, Tom	10/22/2002	Transportation	\$18.00	Parking in oakland 10/22/02
Lumsden, Tom	10/22/2002	Transportation	\$50.00	Amex travel transaction fee
Lumsden, Tom	10/22/2002	Transportation	\$32.00	Taxi to LAX from Santa Monica airport.
Lumsden, Tom	10/22/2002	Transportation	\$34.00	Taxi to Santa Monica airport to catch plane to Fitch meeting.



<i>Name</i>	<i>Date</i>	<i>Category</i>	<i>Amount</i>	<i>Description</i>
Lumsden, Tom	10/22/2002	Transportation	\$22.00	Taxi from Bermuda Dunes airport to Fitch meeting.
Lumsden, Tom	10/22/2002	Transportation	\$20.00	Taxi from Fitch meeting to Bermuda Dunes airport.
Lumsden, Tom	10/24/2002	Transportation	\$2,444.50	Airfare to NY for PG&E - meeting with S&P
Lumsden, Tom	10/24/2002	Transportation	\$50.00	Amex travel transaction fee
Lumsden, Tom	10/25/2002	Transportation	\$18.00	Taxi from hotel to S&P offices
Lumsden, Tom	10/25/2002	Transportation	\$18.00	Taxi from S&P offices to hotel
Lumsden, Tom	10/25/2002	Transportation	\$38.00	Taxi from SFO to the office
Lumsden, Tom	10/25/2002	Transportation	\$44.88	Car from hotel to JFK
Lumsden, Tom	11/7/2002	Business Meals & Entertainment	\$100.00	Dinner out of town with J. Herbert and M. Hamilton regarding PG&E (total bill \$335.17).
Lumsden, Tom	11/7/2002	Business Meals & Entertainment	\$296.21	Catering for the PG&E meeting on 11/7/02
Lumsden, Tom	11/11/2002	Sundry	\$123.00	cell phone charge for PG&E
Lumsden, Tom	11/18/2002	Business Meals & Entertainment	\$224.22	Working lunch meeting for PG&E with T. Lumsden, J. Herbert, K. Gain, and M. Hamilton, R. Ho.
Lumsden, Tom	11/22/2002	Business Meals & Entertainment	\$123.15	Working lunch meeting on PG&E with M. Hamilton, R. Ho, T. Lumsden, J. Wilson
Reiss, Freddie	7/25/2002	Transportation	\$25.00	AMEX travel fee - UA #0167292965701-roundtrip LAX/SFO-07/31/02
Reiss, Freddie	10/29/2002	Transportation	\$288.38	UA #0167311571111 - RT ticket from LAX to SFO.
Reiss, Freddie	10/29/2002	Transportation	\$50.00	Travel service fee - UA #0167311571111.
Reiss, Freddie	10/29/2002	Transportation	\$40.00	Taxi from FTI San Francisco office to SFO
Reiss, Freddie	10/29/2002	Transportation	\$40.00	Taxi from SFO to FTI San Francisco office.
Reiss, Freddie	10/29/2002	Transportation	\$30.00	Parking at LAX
Reiss, Freddie	11/6/2002	Transportation	\$40.00	Taxi from SFO to hotel.
Reiss, Freddie	11/7/2002	Business Meals & Entertainment	\$8.00	Breakfast while out of town.
Reiss, Freddie	11/7/2002	Transportation	\$165.00	UA #0167312978117
Reiss, Freddie	11/7/2002	Transportation	\$50.00	Travel service fee - UA #0167312978117

<i>Name</i>	<i>Date</i>	<i>Category</i>	<i>Amount</i>	<i>Description</i>
Reiss, Freddie	11/7/2002	Transportation	\$40.00	Taxi from San Francisco to SFO.
Reiss, Freddie	11/7/2002	Transportation	\$30.00	Parking at LAX (1/2 of charge - \$60 total for 2 days).
Sin, Theresa	10/16/2002	Sundry	\$65.09	Cell phone charges Sept & Oct.
Young, Allison	8/11/2002	Sundry	\$32.77	Cell phone charges.
Young, Allison	10/11/2002	Sundry	\$5.20	October cell phone charges
Young, Allison	10/29/2002	Transportation	\$5.00	Cab to deposition of Walt Campbell.
Young, Allison	11/22/2002	Sundry	\$21.62	PG&E cell phone charges.
			<u>\$19,594.47</u>	

1 Thomas E. Lumsden  
2 FTI Consulting Inc.  
3 199 Fremont Street  
4 San Francisco, CA 94105  
5 Telephone: (415) 498-5000  
6 Facsimile: (415) 498-6699

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8  
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10 Accountants and Financial Advisors for Official  
11 Committee of Unsecured Creditors

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

14 In re  
15 PACIFIC GAS AND ELECTRIC  
16 COMPANY, a California corporation,  
17 Debtor.

Case No. SF 01-30923 DM

Chapter 11

**DECLARATION OF CLARA YANG  
STRAND; IN SUPPORT OF THE FIFTH  
INTERIM APPLICATION OF FTI  
CONSULTING INC. FOR ALLOWANCE  
AND PAYMENT OF COMPENSATION  
AND REIMBURSEMENT OF EXPENSES  
(AUGUST 1, 2002 THROUGH NOVEMBER  
30, 2002)**

Hearing:

Date: February 28, 2003

Time: 11:00 PM

Place: 235 Pine Street, 22<sup>nd</sup> Floor  
San Francisco, CA

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**DECLARATION OF CLARA YANG STRAND**

I, Clara Yang Strand, declare:

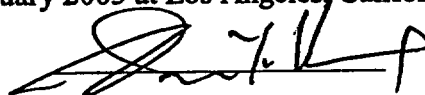
1. I am employed by Bank of America, N.A., one of the members of the Official Committee of Unsecured Creditors ("Committee") in the Pacific Gas and Electric Company ("PG&E") chapter 11 bankruptcy case. I am one of the Co-Chairs of the Committee. Except as otherwise stated, I have personal knowledge of the facts set forth below, and if called upon, I could and would testify competently with regard thereto. I make this declaration in support of the Fifth Interim Application of FTI Consulting Inc. ("FTI") for Allowance and Payment of Compensation and Reimbursement of Expenses (August 1, 2002 Through November 30, 2002) (the "Application").

2. I have reviewed the Application and FTI's invoices for August 1, 2002 through November 30, 2002.

3. I believe that the fees and costs requested by FTI for the August 1, 2002 through November 30, 2002 period are appropriate and reasonable. Based on my experience with FTI in this case, their work has been done in a professional and efficient manner and has added significant value to the estate for the benefit of creditors. FTI has worked effectively with the Debtor in the review and analysis of the Debtor's financial projections to support its Plan of Reorganization, including analysis of filed claims against the Debtor, and with the CPUC in the development of an alternative plan structure. Accordingly, I believe that FTI's request for fees and reimbursement of expenses should be approved.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 13<sup>th</sup> day of January 2003 at Los Angeles, California.



Clara Yang Strand

**PROOF OF SERVICE**

**STATE OF CALIFORNIA, COUNTY OF SAN FRANCISCO**

I am employed in the County of San Francisco, State of California. I am over the age of 18 and not a party to the within action; my business address is 199 Fremont Street, 8<sup>th</sup> Floor, San Francisco, California.

On January 14, 2003, I served on the parties listed on the attached Service List, the foregoing document(s) described as:

**FIFTH INTERIM APPLICATION OF FTI CONSULTING INC. FOR ALLOWANCE AND PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES (AUGUST 1, 2002 THROUGH NOVEMBER 30, 2002); DECLARATION OF THOMAS E. LUMSDEN IN SUPPORT THEREOF:**

X by placing the    original X a true copy thereof enclosed in sealed envelopes addressed as stated on the attached service list:

**(BY UPS OVERNIGHT DELIVERY)**

X Following ordinary business practices at the San Francisco office of FTI Consulting, Inc., I placed the sealed envelope(s) for collection and mailing with UPS on that same day. I am readily familiar with the firm's practice for collection and processing of correspondence for mailing. Under that practice, such correspondence would be deposited with UPS on that same day, with postage thereon fully prepaid at San Francisco, California, in the ordinary course of business.

   **(FEDERAL)** I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on January 14, 2003 San Francisco, California.

Catherine Dolan  
Type or Print Name

Catherine Dolan  
Signature

**Proof of Service by UPS Next Day Air**

James L. Lopes, Esq.  
Howard, Rice, Nemerovski, Canady, Falk & Rabkin  
Three Embarcadero Center, 7<sup>th</sup> Floor  
San Francisco, CA 94111-4065  
[Counsel to Debtor]

Office of the U.S. Trustee  
Attn: Stephen Johnson  
250 Montgomery Street, Suite 1000  
San Francisco, CA 94104-3401

Robert Jay Moore  
Paul S. Aronzon  
Milbank, Tweed, Hadley & McCloy LLP  
601 South Figueroa Street  
Los Angeles, CA 90017  
[Counsel for Official Committee of Unsecured Creditors]

## PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF SAN FRANCISCO

I am employed in the County of San Francisco, State of California. I am over the age of 18 and not a party to the within action; my business address is 199 Fremont Street, 8<sup>th</sup> Floor, San Francisco, California.

On January 14, 2003, I served on the parties listed on the attached Service List, the foregoing document(s) without exhibits described as:

**FIFTH INTERIM APPLICATION OF FTI CONSULTING INC. FOR ALLOWANCE AND PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES (AUGUST 1, 2002 THROUGH NOVEMBER 30, 2002); DECLARATION OF THOMAS E. LUMSDEN IN SUPPORT THEREOF:**

X by placing the    original X a true copy thereof enclosed in sealed envelopes addressed as stated on the attached service list:

(BY MAIL)

X Following ordinary business practices at the San Francisco office of PricewaterhouseCoopers LLP, I placed the sealed envelope(s) for collection and mailing with the United States Postal Service on that same day. I am readily familiar with the firm's practice for collection and processing of correspondence for mailing. Under that practice, such correspondence would be deposited with the United States Postal Service on that same day, with postage thereon fully prepaid at San Francisco, California, in the ordinary course of business.

   (FEDERAL) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on January 14, 2003 San Francisco, California.

Catherine Dolan  
Type or Print Name

Catherine Dolan  
Signature