

50-275/323

1 JAMES L. LOPES (No. 63678)  
2 JEFFREY L. SCHAFFER (No. 91404)  
3 KENNETH A. NEALE (No. 126904)  
4 HOWARD, RICE, NEMEROVSKI, CANADY,  
5 FALK & RABKIN  
6 A Professional Corporation  
7 Three Embarcadero Center, 7th Floor  
8 San Francisco, California 94111-4065  
9 Telephone: 415/434-1600  
10 Facsimile: 415/217-5910

11 Attorneys for Debtor and Debtor in Possession  
12 PACIFIC GAS AND ELECTRIC COMPANY

13 UNITED STATES BANKRUPTCY COURT  
14 NORTHERN DISTRICT OF CALIFORNIA  
15 SAN FRANCISCO DIVISION

16 In re

17 PACIFIC GAS AND ELECTRIC  
18 COMPANY, a California corporation,

19 Debtor.

20 Federal I.D. No. 94-0742640

Case No. 01-30923 DM

Chapter 11 Case

Date: March 27, 2003

Time: 1:30 p.m.

Place: 235 Pine Street, 22nd Floor  
San Francisco, California

Judge: Hon. Dennis Montali

21 ORDER GRANTING DEBTOR'S MOTION FOR ORDER AUTHORIZING  
22 COMPROMISE OF CLAIMS OF CALIFORNIA REGIONAL WATER QUALITY  
23 CONTROL BOARD PURSUANT TO A CONSENT JUDGMENT

24  
25  
26  
27 *Appl*  
28 *Add: Risk Age Mail Center*

HOWARD  
RICE  
NEMEROVSKI  
CANADY  
FALK  
& RABKIN  
A Professional Corporation

1 The Court having reviewed the Debtor's Motion For Order Authorizing  
2 Compromise Of Claims Of California Regional Water Quality Control Board Pursuant To A  
3 Consent Judgment (the "Motion") and the supporting Declaration of Terry Nelson (the  
4 "Nelson Declaration") filed with the Court by debtor in possession Pacific Gas and Electric  
5 Company ("PG&E"), and the Court having determined that adequate notice of the Motion  
6 was given to parties in interest as appropriate under the circumstances, and good cause  
7 appearing therefor,

8 IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

9 1. The Motion is granted;

10 2. PG&E may enter into the Consent Judgment attached as Exhibit A to the  
11 Nelson Declaration (the "Consent Judgment") and consummate the settlement memorialized  
12 therein; and

13 3. The automatic stay pursuant to Section 362(a) of the United States Bankruptcy  
14 Code (11 U.S.C. §362(a)), to the extent otherwise applicable, is hereby modified to allow the  
15 California Regional Water Quality Control Board ("CRWQCB") to file a civil action against  
16 PG&E in the California Superior Court for the County of San Luis Obispo as contemplated  
17 in the Consent Judgment, and simultaneously therewith, to file in such court the Consent  
18 Judgment.<sup>1</sup>

19 DATED:  
20  
21

22 HONORABLE DENNIS MONTALI  
23 UNITED STATES BANKRUPTCY JUDGE

24 WD 011603/1-1419925/1049895/v1  
25

26 <sup>1</sup>In granting this order, the Court does not reach the substantive issue of whether the  
27 automatic stay would apply with respect to the filing of such civil action by the CRWQCB  
28 or would be exempt under Section 362(b)(4) of the United State Bankruptcy Code. Rather,  
the order modifies the automatic stay only to the extent it may be applicable.