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

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

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

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17 **SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S**
18 **COVER SHEET APPLICATION FOR ALLOWANCE**
19 **AND PAYMENT OF INTERIM COMPENSATION AND**
20 **REIMBURSEMENT OF EXPENSES FOR THE PERIOD**
21 **FEBRUARY 1, 2003 THROUGH FEBRUARY 28, 2003**

22 Skadden, Arps, Slate, Meagher & Flom LLP (the "Firm") submits its Cover Sheet
23 Application (the "Application") for Allowance and Payment of Interim Compensation and
24 Reimbursement of Expenses for the Period February 1, 2003 through February 28, 2003 (the
25 "Application Period"). In support of the Application, the Firm respectfully represents as follows:

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

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S COVER SHEET FEE APPLICATION FOR ALLOWANCE
AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
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1 compensation for services rendered and reimbursement of expenses incurred during the
2 Application Period.

3 2. The Firm billed a total of \$206,837.23 in fees and expenses during the
4 Application Period. The total fees represent 582.70 hours expended during the period covered by
5 this Application. These fees and expenses break down as follows:

6	7	8	9
Period	Fees	Expenses	Total
February 1, 2003 through February 28, 2003	\$195,463.50	\$11,373.73	\$206,837.23

10 3. Accordingly, the Firm seeks allowance of interim compensation in the
11 total amount of \$177,517.70 at this time. This total is comprised as follows: \$166,143.98 (85%
12 of the fees for services rendered)¹ plus \$11,373.73 (100% of the expenses incurred).

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

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

23
24
25 ¹ Payment of this amount would result in a "holdback" of \$29,319.53.

26 ² This amount represents the amount allowed from the Firm's first interim fee application,
27 after reduction for certain time and disbursements.

1	November 1, 2001 through November 30, 2001	\$327,076.56	85% of fees and 100% of expenses	\$327,076.56
2				
3	December 1, 2001 through December 31, 2001	\$49,443.48	85% of fees and 100% of expenses	\$49,443.48
4				
5	August 1, 2001 through November 30, 2001		Amounts outstanding from cover sheet fee applications less certain reductions from Second Interim Fee Application	\$137,056.57
6				
7				
8	January 1, 2002 through January 31, 2002	\$104,031.40	85% of fees and 100% of expenses	\$104,031.40
9				
10	February 1, 2002 through February 28, 2002	\$159,990.72	85% of fees and 100% of expenses	\$159,990.72
11				
12	March 1, 2002 through March 31, 2002	\$89,507.42	85% of fees and 100% of expenses	\$89,507.42
13				
14	April 1, 2002 through April 30, 2002	\$111,659.93	85% of fees and 100% of expenses	\$111,659.93
15				
16	December 1, 2001 through March 31, 2002		Amounts outstanding from cover sheet fee applications less certain reductions from Third Interim Fee Application	\$52,271.96
17				
18				
19	May 1, 2002 through May 31, 2002	\$90,110.23	85% of fees and 100% of expenses	\$90,110.23
20				
21	June 1, 2002 through June 30, 2002	\$28,872.94	85% of fees and 100% of expenses	\$28,872.94
22				
23	July 1, 2002 through July 31, 2002	\$77,733.11	85% of fees and 100% of expenses	\$77,733.11
24				
25	August 1, 2002 through August 31, 2002	\$131,944.96	85% of fees and 100% of expenses	\$131,944.96
26				
27	September 1, 2002 through September 30, 2002	\$72,743.14	85% of fees and 100% of expenses	\$72,743.14

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S COVER SHEET FEE APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD FEBRUARY 1, 2003 THROUGH FEBRUARY 28, 2003

1	April 1, 2002 through July 31, 2002	\$45,556.86	Amounts outstanding from cover sheet fee applications less voluntary reductions from Fourth Interim Fee Application	\$45,556.86
2				
3				
4				
5	October 1, 2002 through October 31, 2002	\$94,196.22	85% of fees and 100% of expenses	\$94,196.22
6				
7	November 1, 2002 through November 30, 2002	\$65,243.71	85% of fees and 100% of expenses	\$65,243.71
8				
9	December 1, 2002 through December 31, 2002	\$121,562.85	85% of fees and 100% of expenses	\$121,562.85
10				
11	August 1, 2002 through November 30, 2002	\$52,396.90	Amounts outstanding from cover sheet fee applications less voluntary reductions from Fifth Interim Fee Application	\$52,396.90
12				
13				
14	January 1, 2003 through January 31, 2003	\$84,945.03	85% of fees and 100% of expenses	\$84,945.03
15				

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

19	Period	Fees	Description
20	Eighteenth (December 1, 2002 through December 31, 2002)	\$20,284.87	15% fee holdback
21			
22	Nineteenth (January 1, 2003 through January 31, 2003)	\$14,568.37	15% fee holdback
23	Total Owed to Firm to Date	\$34,853.24	

24 6. With regard to the copies of this Application served on counsel for the
25 Committee, counsel for the Debtor and the Office of the United States Trustee, attached as
26 Exhibit 1 hereto is the name of each professional who performed services in connection with this

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28 **SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S COVER SHEET FEE APPLICATION FOR ALLOWANCE
AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
FEBRUARY 1, 2003 THROUGH FEBRUARY 28, 2003**

1 case during the period covered by this Application and the hourly rate for each such professional;
2 and (b) attached as Exhibit 2 are the detailed time and expense records for the Application Period
3 that comply with all Northern District of California Bankruptcy Local Rules and Compensation
4 Guidelines and the Guidelines of the Office of the United States Trustee.

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

7 8. In accordance with this Court's "ORDER ESTABLISHING INTERIM
8 FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered
9 on or about July 25, 2001, as subsequently amended, the Debtor is authorized to make the
10 payment requested herein without a further hearing or order of this Court unless an objection to
11 this Application is filed with the Court by the Debtor, the Committee or the United States
12 Trustee and served by the fifteenth day of the month following the service of this Application. If
13 such an objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the
14 objection. The Firm is informed and believes that this Cover Sheet Application was mailed by
15 first class mail, postage prepaid, on or about March 31, 2003.

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

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


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

Dated: March 31, 2003

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

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