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Accountants and Financial Advisors for Official Committee of Unsecured Creditors

FILED
JUL 31 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. Federal I.D. No. 94-0742640	Case No. 01-30923 DM Chapter 11 Case [No Hearing Scheduled]

FTI CONSULTING INC. COVER SHEET APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR JUNE 1, 2003 TO JUNE 30 2003

FTI Consulting, (the "Firm"), submits its Cover Sheet Application (the "Application") for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for the Period June 1, 2003 to June 30, 2003 (the "Application Period"). In support of the Application, the Firm respectfully represents as follows:

1. The Firm serves as Accountants and Financial Advisors to the Official Committee of Unsecured Creditors. The Firm submitted an Application for appointment as Accountants and Financial Advisors to the Official Committee of Unsecured Creditors on September 27, 2002. An Order for Appointment of the Firm as Accountants and Financial Advisors to the Official Committee of Unsecured Creditors was entered on October 31, 2002, *nunc pro tunc* to September 1, 2002. The Firm hereby applies to the Court for

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allowance and payment of interim compensation for services rendered and reimbursement of expenses incurred during the Application Period.

2. The Firm billed a total of $123,569 in fees and expenses during the Application Period. The Total fees represent 275.9 hours expended during the Application Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
June 1, 2003 – June 30, 2003	$121,721	1,848	$123,569

3. Accordingly, the Firm seeks allowance of interim compensation in the total amount of $105,311 at this time. This total is comprised as follows: $103,463 (85% of the fees for services rendered)[1] plus $1,848 (100% of the expenses incurred).

4. For the post-petition period, the Firm, as successor to the Business Recovery Services practice of PricewaterhouseCoopers, LLP, has been paid to date as follows:

Application Period	Amount Applied For	Description	Amount Paid
First (April 11, 2001 – May 31, 2001)	$803,642	90% of fees and 100% of expenses	$803,642
Second (June 1, 2001 – July 31, 2001)	$870,002	90% of fees and 100% of expenses	$870,002

[1]Payment of this amount would result in a "holdback" of $18,258

First Interim Fee Application	$2,408	10% fee holdback ($179,012) net of PricewaterhouseCoopers LLP and Court Adjustments ($176,604)	$2,408
Third (August 1, 2001 – August 30, 2001)	$358,024	85% of fees and 100% of expenses	$358,024
Fourth (September 1, 2001 – September 30, 2001)	$293,871	85% of fees and 100% of expenses	$293,871
Fifth (October 1, 2001 – October 31, 2001)	$307,809	85% of fees and 100% of expenses	$307,809
Sixth (November 1, 2001 – November 30, 2001)	$215,596	85% of fees and 100% of expenses	$215,596
Second Interim Fee Application	$145,541	15% fee holdback ($198,105) net of PricewaterhouseCoopers LLP adjustments ($52,564)	$145,541
Seventh (December 1, 2001-December 31, 2001)	$192,887	85% of fees and 100% of expenses	$192,887
Eight (January 1, 2002-January 31, 2002)	$223,013	85% of fees and 100% of expenses	$223,013
Ninth (February 1, 2002 – February 28, 2002)	$197,888	85% of fees and 100% of expenses	$197,888
Tenth (March 1, 2002 – March 31, 2002)	$189,814	85% of fees and 100% of expenses	$189,814
Third Interim Fee Application	$114,300	15% fee holdback ($128,506) net of PricewaterhouseCoopers LLP write-offs ($3,705) and expense adjustments ($10,500)	$114,300

Eleventh (April 1, 2002 – April 30, 2002)	$185,003	85% of fees and 100% of expenses	$185,003
Twelfth (May 1, 2002 – May 31, 2002)	$183,784	85% of fees and 100% of expenses	$183,784
Thirteenth (June 1, 2002 – June 30, 2002)	$81,860	85% of fees and 100% of expenses	$81,860
Fourteenth (July 1, 2002 – July 31, 2002)	$204,553	85% of fees and 100% of expenses	$204,553
Fifteenth (August 1, 2002 – August 31, 2002)	$127,849	85% of fees and 100% of expenses	$127,849
Fourth Interim (April 1, 2002 – July 31, 2002)	$106,253	15% holdback fees ($109,606) net voluntary write-off ($3,353)	$106,253
Sixteenth (September 1, 2002 – September 30, 2002)	$84,985	85% fees and 100% expenses	$84,985
Seventeenth (October 1, 2002 – October 31, 2002)	$113,478	85% fees and 100 % expenses	$113,478
Eighteenth (November 1, 2002 – November 30, 2002)	$315,139	85% fees and 100 % expenses	$315,139
Nineteenth (December 1, 2002 – December 31, 2002)	$227,074	85% fees and 100 % expenses	$227,074
Fifth Interim (August 1, 2002 – November 30, 2002)	$115,270	15% holdback fees	$115,270

Twentieth (January 1, 2003 – January 31, 2003)	$160,122	85% fees and 100% expenses	$160,122
Twenty-first (February 1, 2003 – February 28, 2003)	$133,793	85% fees and 100% expenses	$133,793
Twenty-second (March 1, 2003 – March 31, 2003)	$160,446	85% fees and 100% expenses	$160,446
Twenty-third (April 1, 2003 – April 30, 2003)	$163,638	85% fees and 100% expenses	$163,638
Twenty-fourth (May 1, 2003 - May 31, 2003)	$157,479	85% fees and 100% expenses	$157,479
Sixth Interim (December 1, 2002 – March 31, 2003)	$116,680	15% holdback fees	$116,680
Total Paid to the Firm to Date	$6,552,101		$6,552,101

5. To date, the Firm is owed as follows (excluding amounts owed pursuant to this Application).

Application Period	Amount	Description
Twenty-third (April 1, 2003 – April 30, 2003)	$28,450	15% fee holdback
Twenty-fourth (May 1, 2003 – May 21, 2003)	$26,697	15% fee holdback
Total Owed to Firm to Date	$55,147	

6. With regard to the copies of this Application served on counsel for the Committee, counsel for the Debtor and the Office of the United States Trustee, attached as Exhibit 1 hereto is the name of each professional who performed services in connection with this case during the period covered by this Application and the hourly rate for each such

professional; and (b) attached as Exhibits 2-1 and 2-2 are the detailed time and expense statements for the Application Period that comply with all Northern District of California Bankruptcy Local Rules and Compensation Guidelines and the Guidelines of the Office of the United States Trustee.

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

8. Pursuant to this Court's "ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered on or about July 26, 2001, the Debtor is authorized to make the payment requested herein without a further hearing or order of this Court unless an objection to this Application is filed with the Court by the Debtor, the Committee or the United States Trustee and served by the fifteenth day of the month following the service of this Application. If such an objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the objection. The Firm is informed and believes that this Cover Sheet Application was mailed by first class mail, postage prepaid, on or about July 31, 2003.

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

10. The Firm represents and warrants that its billing practices comply with all Northern District of California Bankruptcy Local Rules and Compensation Guidelines and the Guidelines of the Office of the United States Trustee. Neither the Firm nor any members of the Firm has any agreement or understanding of any kind or nature to divide, pay over or share any portion of the fees or expenses to be awarded to the Firm with any other person or attorney 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 pursuant to and in accordance with the terms of the "ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE."

Dated: July 31, 2003

FTI Consulting Inc.

By: _____

Thomas E. Lumsden,
Senior Managing Director

Exhibit 1

Pacific Gas and Electric
Summary of Time By Professional
For the Period June 1, 2003 Through June 30, 2003

Professional	Title	Time Total	Billing Rate	Fee Total
Ghazi, Maryam	Director	23.1	425	$9,818
Ho, Rocky	Managing Director	125.2	475	$59,470
Kim, Angela	Paraprofessional	10.3	55	$567
Lumsden, Tom	Sr. Managing Director	30.9	595	$18,386
Neis, Margery	Consultant	71.3	345	$24,599
Reiss, Freddie	Sr. Managing Director	14.5	595	$8,628
Young, Allison	Director	0.6	425	$255
Totals		275.9		$121,721

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 353 Sacramento Street, 18th Floor, San Francisco, California.

On July 31, 2003, I served on the parties listed on the attached Service List, the foregoing document(s) without exhibits described as:

FTI CONSULTING INC. COVER SHEET APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR JUNE 1, 2003 THROUGH JUNE 30, 2003.

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 FTI Consulting, Inc., 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 July 31, 2003 San Francisco, California.

Angela Kim
Type or Print Name

Signature