

50-275/323

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13 PACIFIC GAS AND ELECTRIC COMPANY

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

17 In re
18 PACIFIC GAS AND ELECTRIC
19 COMPANY, a California corporation,
20 Debtor.

21 Case No. 01-30923 DM
22 Chapter 11 Case
23 [NO HEARING REQUESTED]

24 Federal I.D. No. 94-0742640

25 HOWARD, RICE, NEMEROVSKI, CANADY, FALK & RABKIN
26 COVER SHEET APPLICATION
27 FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION
28 AND REIMBURSEMENT OF EXPENSES FOR AUGUST, 2003

Howard, Rice, Nemerovski, Canady, Falk & Rabkin (the "Firm") submits its Cover Sheet Application (the "Application") for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for the Period August 1, 2003 through August 31, 2003 (the "Application Period"). In support of the Application, the Firm respectfully represents as follows:

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

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1 rendered and reimbursement of expenses incurred during the Application Period.

2 2. The Firm billed a total of \$429,237.25 in fees and expenses during the
3 Application Period. The total fees represent 1,392.9 hours expended during the Application
4 Period. These fees and expenses break down as follows:

5	6	7	8
Period	Fees	Expenses	Total
7	\$ 398,202.00	\$31,035.25	\$ 429,237.25

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9 3. Accordingly, the Firm seeks allowance of interim compensation in the total
10 amount of \$369,506.95 at this time. This total is comprised as follows: \$338,471.70 (85%
11 of the fees for services rendered)¹ plus \$31,035.25 (100% of the expenses incurred).

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

13	14	15	16	17
Application Period	Amount Applied For	Description	Amount Paid	
15	\$4,646,476.74	100% of fees and expenses	\$4,646,476.74	
16	\$3,921,628.38	100% of fees and expenses	\$3,921,528.38 ²	
17	\$4,253,813.78	100% of fees and expenses	\$4,238,243.76 ³	

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26 ¹Payment of this amount would result in a "holdback" of \$59,730.30.

27 ²The Firm had written off an additional \$100.00 in fees.

28 ³The Firm had written off an additional \$15,570.02 in fees.

Application Period	Amount Applied For	Description	Amount Paid
April 1, 2002 through July 31, 2002 (4th post-petition interim fee application period)	\$5,520,001.30	100% of fees and expenses	\$5,520,001.30
August 1, 2002 through November 30, 2002 (5th post-petition interim fee application period)	\$7,679,231.32	100% of fees and expenses	\$7,679,231.32
December 1, 2002 through March 31, 2003 (6th post-petition interim fee application period)	\$4,722,304.02	100% of fees and expenses	\$4,722,304.02
April, 2003	\$ 487,079.83	85% of fees and 100% of expenses	\$ 485,826.02 ⁴
May, 2003	\$ 470,792.65	85% of fees and 100% of expenses	\$ 470,792.65
June, 2003	\$ 428,192.95	85% of fees and 100% of expenses	\$ 421,358.95 ⁵
July, 2003	\$ 422,744.09	85% of fees and 100% of expenses	\$ 422,744.10 ⁶
Total Paid to the Firm to Date	\$32,552,265.06		\$ 32,528,507.24

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

Application Period	Amount	Description
April 1 – April 30, 2003	\$ 79,341.52	15% fee holdback
May 1 – May 31, 2003	\$ 76,841.85	15% fee holdback

⁴The Firm had written off an additional \$1,253.81 in fees.

⁵The Firm had written off an additional \$8,040.00 in fees.

⁶Net amount after the Firm had written off \$7,000.00 in fees.

June 1 – June 30, 2003	\$ 72,886.57	15% fee holdback
July 1 – July 31, 2003	\$ 72,136.50	15% fee holdback
Total Owed to Firm to Date	\$ 301,206.44	

6. With regard to the copies of this Application served on counsel for the Official Committee of Unsecured Creditors (the "Committee"), 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 Application Period and the hourly rate for each such professional; and attached as Exhibit 2 is an Account Summary. 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 have been submitted in electronic form to the Office of the United States Trustee and mailed to counsel for the Committee and to the Debtor.

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

8. Pursuant to this Court's "SECOND AMENDED ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE (Revised March, 2002)" (the "Amended Order"), 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 September 30, 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

1 rendered in the case. Any interim fees or reimbursement of expenses approved by this Court
2 and received by the Firm (along with the Firm's retainer) will be credited against such final
3 fees and expenses as may be allowed by this Court.

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

10 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation
11 to the Firm as requested herein pursuant to and in accordance with the terms of the Amended
12 Order.

13 DATED: September 30, 2003

14 HOWARD
15 RICE
16 NEMEROVSKI
17 CANADY
18 FALK
19 & RABKIN
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FALK & RABKIN
A Professional Corporation

21 By: Janet Nexon
22 JANET A. NEXON
23 Attorneys for Debtor and Debtor in Possession
24 PACIFIC GAS AND ELECTRIC COMPANY
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PROOF OF SERVICE BY HAND

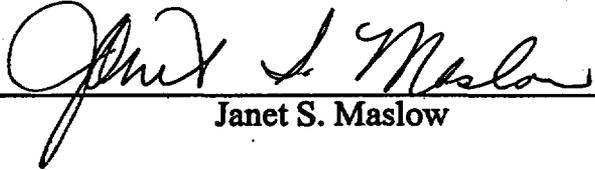
I am employed in the City and County of San Francisco, State of California. I am over the age of eighteen (18) years and not a party to the within action; my business address is Three Embarcadero Center, 7th Floor, San Francisco, California 94111-4065.

On August 29, 2003, I served the following document(s) described as HOWARD, RICE, NEMEROVSKI, CANADY, FALK & RABKIN COVER SHEET APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR JULY, 2003 on the parties listed below by causing it to be delivered by hand to:

Patricia Cutler
Office of the U. S. Trustee
250 Montgomery Street, Suite 1000
San Francisco, CA 94104

I declare under penalty of perjury that the foregoing is true and correct. Executed at San Francisco, California on August 29, 2003.

HOWARD
RICE
NEMEROVSKI
CANADY
FALK
& RABKIN
A Professional Corporation



Janet S. Maslow

1 **PROOF OF SERVICE BY FEDERAL EXPRESS**

2 I am employed in the City and County of San Francisco, State of California. I am over
3 the age of eighteen (18) years and not a party to the within action; my business address is
4 Three Embarcadero Center, 7th Floor, San Francisco, California 94111-4065.

5 I am readily familiar with the practice for collection and processing of documents for
6 delivery by overnight service by Federal Express of Howard, Rice, Nemerovski, Canady,
7 Falk & Rabkin, A Professional Corporation, and that practice is that the document(s) are
8 deposited with a regularly maintained Federal Express facility in an envelope or package
9 designated by Federal Express fully prepaid the same day as the day of collection in the
10 ordinary course of business.

11 On September 30, 2003, I served the following document(s) described as HOWARD,
12 RICE, NEMEROVSKI, CANADY, FALK & RABKIN COVER SHEET APPLICATION
13 FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND
14 REIMBURSEMENT OF EXPENSES FOR AUGUST, 2003 on the persons listed below by
15 placing the document(s) for deposit with Federal Express through the regular collection
16 process at the law offices of Howard, Rice, Nemerovski, Canady, Falk & Rabkin, A
17 Professional Corporation, located at Three Embarcadero Center, 7th Floor, San Francisco,
18 California, to be served by overnight Federal Express delivery addressed as follows:

19 Paul Aronzon, Esq.
20 Milbank, Tweed, Hadley & McCloy
21 601 South Figueroa Street
Los Angeles, CA 90017

22 I declare under penalty of perjury that the foregoing is true and correct. Executed at
23 San Francisco, California on September 30, 2003.

24 
25 _____
26 Janet S. Maslow

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