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

10 UNITED STATES BANKRUPTCY COURT  
11 NORTHERN DISTRICT OF CALIFORNIA  
12 SAN FRANCISCO DIVISION

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

18 **SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S**  
19 **COVER SHEET APPLICATION FOR ALLOWANCE**  
20 **AND PAYMENT OF INTERIM COMPENSATION AND**  
21 **REIMBURSEMENT OF EXPENSES FOR THE PERIOD**  
22 **SEPTEMBER 1, 2003 THROUGH SEPTEMBER 30, 2003**

23 Skadden, Arps, Slate, Meagher & Flom LLP (the "Firm") submits its Cover Sheet  
24 Application (the "Application") for Allowance and Payment of Interim Compensation and  
25 Reimbursement of Expenses for the Period September 1, 2003 through September 30, 2003 (the  
26 "Application Period"). In support of the Application, the Firm respectfully represents as follows:

27 1. The Firm is special regulatory counsel to Pacific Gas and Electric  
28 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

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  
SEPTEMBER 1, 2003 THROUGH SEPTEMBER 30, 2003

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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 \$61,185.11 in fees and expenses during the  
4 Application Period. The total fees represent 170.20 hours expended during the period covered by  
5 this Application. These fees and expenses break down as follows:

6

7 Period	Fees	Expenses	Total
8 September 1, 2003 9 through September 30, 2003	\$53,976.50	\$7,208.61	\$61,185.11

10

11 3. Accordingly, the Firm seeks allowance of interim compensation in the  
12 total amount of \$53,088.64 at this time. This total is comprised as follows: \$45,880.03 (85% of  
13 the fees for services rendered)<sup>1</sup> plus \$7,208.61 (100% of the expenses incurred).

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

15

16 Application Period	Amount Applied For	Description	Total
17 April 6 2001 through 18 July 31, 2001	\$ 412,199.69	100% of fees and 100% of expenses	\$384,116.82 <sup>2</sup>
19 August 1, 2001 20 through August 31, 2001	\$ 232,904.35	85% of fees and 100% of expenses	\$211,716.95
21 September 1, 2001 22 through September 30, 2001	\$182,393.51	85% of fees and 100% of expenses	\$182,363.51
23 October 1, 2001 24 through October 31, 2001	\$351,118.17	85% of fees and \$100% of expenses	\$351,118.17

25 <sup>1</sup> Payment of this amount would result in a "holdback" of \$8,096.47.

26 <sup>2</sup> 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 SEPTEMBER 1, 2003 THROUGH SEPTEMBER 30, 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	February 1, 2003 through February 28, 2003	\$177,517.70	85% of fees and 100% of expenses	\$177,517.70
17				
18	March 1, 2003 through March 31, 2003	\$76,723.48	85% of fees and 100% of expenses	\$76,723.48
19				
20	April 1, 2003 through April 30, 2003	\$39,352.64	85% of fees and 100% of expenses	\$39,352.64
21				
22	May 1, 2003 through May 31, 2003	\$15,449.60	85% of fees and 100% of expenses	\$15,449.60
23				
24	December 1, 2002 through March 31, 2003	\$67,940.43	Amounts outstanding from cover sheet fee applications less voluntary reductions from Sixth Interim Fee Application	\$67,940.43
25				
26	June 1, 2003 through June 30, 2003	\$28,888.62	85% of fees and 100% of expenses	\$28,888.62

27  
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 SEPTEMBER 1, 2003 THROUGH SEPTEMBER 30, 2003

1	July 1, 2003 through July 31, 2003	\$3,766.36	85% of fees and 100% of expenses	\$3,766.36
2	August 1, 2003 through August 31, 2003	\$17,116.79	85% of fees and 100% of expenses	\$17,116.79

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

Period	Fees	Description
Twenty-second (April 1, 2003 through April 30, 2003)	\$6,719.02	15% fee holdback
Twenty-third (May 1, 2003 through May 31, 2003)	\$2,726.40	15% fee holdback
Twenty-fourth (June 1, 2003 through June 30, 2003)	\$4,758.67	15% fee holdback
Twenty-fifth (July 1, 2003 through July 31, 2003)	\$610.42	15% fee holdback
Twenty-sixth (August 1, 2003 through August 31, 2003)	\$2,845.72	15% fee holdback
Total Owed to Firm to Date	\$17,665.23	

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 Exhibit 2 are the detailed time and expense records 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 on the Special Notice List in this case.

8. In accordance with this Court's "ORDER ESTABLISHING INTERIM

1 FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered  
2 on or about July 25, 2001, as subsequently amended, the Debtor is authorized to make the  
3 payment requested herein without a further hearing or order of this Court unless an objection to  
4 this Application is filed with the Court by the Debtor, the Committee or the United States Trustee  
5 and served by the fifteenth day of the month following the service of this Application. If such an  
6 objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the objection.  
7 The Firm is informed and believes that this Cover Sheet Application was mailed by first class  
8 mail, postage prepaid, on or about October 22, 2003.

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

14           10.    The Firm represents and warrants that its billing practices comply with all  
15 Northern District of California Bankruptcy Local Rules and Compensation Guidelines and the  
16 Guidelines of the Office of the United States Trustee. Neither the Firm nor any members of the  
17 Firm has any agreement or understanding of any kind or nature to divide, pay over or share any  
18 portion of the fees or expenses to be awarded to the Firm with any other person or attorney  
19 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: October 22, 2003

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

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