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8 Independent Auditor, Accountant,
9 Tax Advisor and Consultant to
10 Debtor and Debtor in Possession
11 Pacific Gas and Electric Company

50-275
323

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

10 In re
11 PACIFIC GAS AND ELECTRIC
12 COMPANY, a California Corporation,
13 Debtor.
14 Federal I.D. No. 94-0742640
15
16
17

Case No. 01-30923 DM
Chapter 11
DELOITTE & TOUCHE LLP'S COVER SHEET APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES (SEPTEMBER 1, 2003, TO SEPTEMBER 30, 2003)

[No Hearing Scheduled]

18 Deloitte & Touche LLP (the "Firm") submits this Cover Sheet Application for Allowance
19 and Payment of Interim Compensation and Reimbursement of Expenses ("Application") for
20 September 1, 2003, to September 30, 2003 ("Application Period"). In support of the
21 Application, the Firm respectfully represents as follows:

22 1. The Firm is Independent Auditor, Accountant, Tax Advisor, and Consultant to Debtor
23 Pacific Gas & Electric Company ("Debtor"). On July 10, 2001, the Firm's retention in this
24 capacity was approved *nunc pro tunc*, effective April 6, 2001. Subsequent orders, dated April
25 11, 2002 and February 10, 2003, approved the Firm's employment to audit financial statements
26 being prepared for four entities that would have succeeded to Debtor's business assets upon
27 confirmation under Debtor's first proposed reorganization plan ("Supplemental Services"). By

28 DELOITTE & TOUCHE LLP'S COVER SHEET APPLICATION FOR
ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND
REIMBURSEMENT OF EXPENSES (SEPTEMBER 1, 2003, TO
SEPTEMBER 30, 2003)

1
BKRP01

1 this Application, the Firm is applying to the Court for allowance and payment of (a) interim
 2 compensation for services rendered during the Application Period, (b) and reimbursement of
 3 expenses incurred during the Application Period.

4 2. The Firm (a) logged \$73,621.50 in hourly fees, representing 214.3 hours expended,
 5 during the Application Period, and (b) incurred \$95.13 in expenses ("Expenses") during the
 6 Application Period. These hourly fees and Expenses are shown as follows:

7 Period	Fees	Expenses	Totals
8 9/1/03 to 9/30/03	\$73,621.50 ¹	\$95.13	\$73,716.63

9 3. The Firm seeks payment of a total of \$62,673.41 at this time². This is the sum of (i)
 10 85% of the hourly fees for services rendered from September 1, 2003, through September 30,
 11 2003, and (ii) 100 % of the Expenses incurred from September 1, 2003, through September 30,
 12 2003.

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

14 Application Period	Amount Applied For	Description	Amount Paid
15 First (4/7/01 to 16 2/28/02)	\$62,333.90 ³	\$62,263.50 in hourly fees 17 and \$70.40 in expenses, 18 less \$22,346.50, which 19 was withdrawn from the Firm's request in its June 25, 2002, reply to the United State's Trustee's objection to the Firm's First Interim Application	\$39,987.40 ⁴
20 Second (10/1/01 to 3/31/02) ⁵	\$1,643,315.50	\$1,643,315.50 in hourly fees, less \$4,500	\$1,638,815.50

21 ¹ These amount requested fees includes (a) \$10,883.00 for time expended in preparing fee applications,
 22 (b) \$38,170.00 for time expended performing additional procedures related to the proposed Utility debt
 23 offering, and (c) \$24,568.50 for time expended performing agreed-upon procedures related to Transition
 Property.

24 ² Payment of this amount would result in a fees "holdback" of \$11,043.22.

25 ³ The relevant cover sheet application requested a total of \$62,573.90 in fees and costs, but the Firm
 later reduced the amount requested to \$62,333.90 due to a \$240 error in the initial billing.

26 ⁴ Debtor initially paid the Firm \$54,331.45 on account of its first cover sheet application, but the \$240
 and \$22,346.50 reductions, discussed above, were later netted against other amounts owing to the Firm,
 27 reducing the amount paid for the first application period to \$39,987.40.

1			disallowed by the court at the July 2, 2002, hearing on the Firm's First Interim Application	
2				
3	Third (4/1/02 to 4/30/02)	\$232,523.00	\$232,523 in hourly fees	\$232,523.00
4				
5	Fourth (5/1/02 to 5/31/02)	\$147,016.50	\$147,016.50 in hourly fees	\$147,016.50
6				
7	Fifth (6/1/02 to 6/30/02)	\$115,006.00	\$115,006 in hourly fees	\$115,006.00
8				
9	Sixth (7/1/02 to 7/31/02)	\$128,834.50	\$128,834.50 in hourly fees less \$3,064.50, which was withdrawn from the Firm's request in its November 22, 2002 Memorandum re Supplemental Time Diaries, Etc.	\$125,770.00
10				
11	Seventh (8/1/02 to 8/31/02)	\$156,475.00	\$156,475 in hourly fees	\$156,475.00
12				
13	Eighth (9/1/02 to 9/30/02)	\$127,836.00 ⁶	\$127,836 in hourly fees	\$127,836.00
14				
15	Ninth (10/1/02 to 10/31/02)	\$426,408.75	\$426,408.75 in hourly fees	\$426,408.75
16				
17	Tenth (11/1/02 to 11/30/02)	\$183,805.19	\$170,783.25 in hourly fees and \$13,021.94 in expenses	\$183,805.19
18				
19	Eleventh (12/1/02 to 12/31/02)	\$91,393.03	\$91,221.00 in hourly fees and \$172.03 in expenses	\$91,393.03
20				
21	Twelfth (1/1/03 to 1/31/03)	\$344,214.80	\$343,873.50 in hourly fees and \$341.30 in expenses	\$344,214.80
22				
23	Thirteenth (2/1/03 to 2/28/03)	\$103,782.58	\$103,442.00 in hourly fees and \$340.58 in expenses	\$103,782.58
24				
25	Fourteenth (3/1/03 to 3/31/03)	\$162,406.16	\$141,608.50 in hourly fees ⁷ and \$1,070.66 in	\$142,679.16

(Footnote Continued from Previous Page.)

⁵ The Application Periods for the Firm's first two "cover sheet" applications overlapped because the Firm did not seek compensation for any of the Supplemental Services until after the court's April 11, 2002, "nunc pro tunc" order specifically authorizing that work.

⁶ The relevant cover sheet application requested a total of \$130,353.50 in fees, but the Firm and Debtor later agreed that the amount would be reduced by \$2,517.50.

		expenses	
1			
2	Fifteenth (4/1/03 to 4/30/03)	\$309,688.32	85% of \$305,721.50 in hourly fees and 100% of \$3,966.82 in expenses
3			\$263,830.10
4	Sixteenth (5/1/03 to 5/31/03)	\$260,644.24	85% of \$258,002.00 in hourly fees and 100% of \$2,642.24 in expenses
5			\$221,943.94
6	Seventeenth (6/1/03 to 6/30/03)	\$123,909.00	85% of \$123,120.00 in hourly fees and 100% of \$789.00 in expenses
7			\$105,441.00
8	Eighteenth (7/1/03 to 7/31/03)	\$91,607.20	85% of \$91,571.00 in hourly fees and 100% of \$36.20 in expenses
9			\$77,871.55

9 The Firm has also received (1) \$855,000 as the Firm's base fee for auditing and reporting
10 on Debtor's consolidated financial statements and reviewing interim financial information for the
11 2001 fiscal year, (2) \$1,132,000 as the base fee for auditing and reporting on Debtor's
12 consolidated financial statements and reviewing interim financial information for the 2002 fiscal
13 year and (3) \$645,000 as a portion of the base fee for auditing and reporting on Debtor's
14 consolidated financial statements and reviewing interim financial information for the 2003 fiscal
15 year. (The July 10, 2001, order approving the Firm's employment, together with the November
16 5, 2002, order approving the 2002 base audit fee and the September 29, 2003, order approving
17 the 2003 base audit fee, authorized Debtor to pay these fees upon receipt of invoices from the
18 Firm.) Including the 2001 and, 2002 Base Audit Fees, and the paid portion of the 2003 Base
19 Audit Fee, the total paid to the Firm to date is \$7,176,799.50.

20
21 5. To date, the Firm is owed as follows (excluding amounts owed pursuant to this
22 Application):

23 *(Footnote Continued from Previous Page.)*

24 ⁷ The relevant cover sheet application requested a total of \$161,335.50 in hourly fees, all of which was
25 approved by the court in its July 7, 2003, Order Awarding Interim Compensation to Deloitte & Touche
26 LLP. However, the Firm and Debtor have since agreed that Debtor need not pay \$19,727.00 of the
27 amount awarded.

Application Period	Amount	Description
Fifteenth (4/1/03 to 4/30/03)	\$45,858.22	15% holdback of fees requested by the Firm's fifteenth "cover sheet" application filed on May 30, 2003
Sixteenth (5/1/03 to 5/31/03)	\$38,700.30	15% holdback of fees requested by the Firm's sixteenth "cover sheet" application filed on June 27, 2003
Seventeenth (6/1/03 to 6/30/03)	\$18,468.00	15% holdback of fees requested by the Firm's seventeenth "cover sheet" application filed on July 31, 2003
Eighteenth (7/1/03 to 7/31/03)	\$13,735.65	15% holdback of fees requested by the Firm's eighteenth "cover sheet" application filed on August 28, 2003
Nineteenth (8/1/03 to 8/31/03)	\$33,994.31	Fees and expenses requested by the Firm's nineteenth "cover sheet" application filed on September 29, 2003
Total Owed to the Firm to Date	\$150,756.48 ⁸	

6. Attached as Exhibits 1 and 2, respectively, to the copies of this Application served on counsel for the Official Committee of Unsecured Creditors, counsel for Debtor, and the Office of the United States Trustee are (i) a list of the names and hourly billing rates of each professional who performed services for which compensation is sought by this Application and (ii) 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 on each person shown on the Special Notice List for this case. (Only the parties referred to in paragraph 6 received Exhibits 1 and 2; the copies served on other parties did not include the exhibits.)

⁸ The \$150,756.48 does not include any fees incurred but not yet paid for the Firm's 2003 audit of Debtor's consolidated financial statements and review of interim financial information.

1 8. Pursuant to this Court's Second Amended Order Establishing Interim Fee Application
2 and Expense Reimbursement Procedure, filed on March 18, 2002, the Debtor will be authorized
3 to make the payment requested herein without further hearing or order unless an objection to this
4 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 will be authorized to pay the amounts, if any, not subject to the
7 objection. The Firm is informed and believes that this Application was mailed to all persons
8 shown on the Special Notice List by first class mail, postage prepaid, on October 30, 2003.

9 9. The interim compensation and reimbursement sought by this Application is on
10 account and not final. At the conclusion of this case, the Firm will seek fees and reimbursement
11 of expenses incurred for the totality of its employment in this case. Any interim fees or
12 reimbursement of expenses approved by the court and received by the Firm (along with any
13 retainer paid to the Firm) will be credited against such final fees and expenses as may be allowed
14 by the court.

15 10. The Firm represents and warrants that to the best of its knowledge its billing
16 practices comply with all Northern District of California Bankruptcy Local Rules and
17 Compensation Guidelines and the Guidelines of the Office of the United States Trustee. The
18 Firm has no agreement to share any portion of the fees or expenses awarded to the Firm for this
19 engagement with any non-affiliated person or entity.
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1 WHEREFORE, the Firm respectfully requests that Debtor pay compensation to the Firm
2 as requested herein pursuant to and in accordance with the terms of the Second Amended Order
3 Establishing Interim Fee Application and Expense Reimbursement Procedure.

4 Dated: October 30, 2003

DELOITTE & TOUCHE LLP



By _____
Mark A. Edmunds, Partner
Independent Auditor, Accountant, Tax
Advisor and Consultant to Debtor Pacific Gas
and Electric Company

**DELOITTE & TOUCHE LLP
SUMMARY OF FEES
EXHIBIT 2**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>		<u>85% Subsequent to 7/31/2001</u>	<u>Holdback on 85%</u>	<u>Expenses</u>	<u>Total</u>	
Tim Van Oppen	1.3	600	780.00	85%	663.00				
Jeff Jones	1.0	600	600.00	85%	510.00				
Greg Seelagy	11.8	575	6,785.00	85%	5,767.25				
Scott Smith	13.4	575	7,705.00	85%	6,549.25				
David Kral	1.5	450	675.00	85%	573.75				
Frank Balestreri	44.5	415	18,467.50	85%	15,697.38				
Paul Beldin	4.0	415	1,660.00	85%	1,411.00				
Eric Techel	44.8	340	15,232.00	85%	12,947.20				
Miriam Chiappetta	56.3	270	15,201.00	85%	12,920.85				
Joe Camperlingo	1.0	270	270.00	85%	229.50				
Dan Sutherland	3.0	180	540.00	85%	459.00				
Robin Singleton	14.0	180	2,520.00	85%	2,142.00				
Susan Dick	17.7	180	3,186.00	85%	2,708.10				
Postage Expenses							95.13		
Total hours and fees	<u>214.3</u>		<u>\$ 73,621.50</u>		<u>\$ 62,578.28</u>	<u>\$ 62,578.28</u>	<u>\$ 11,043.23</u>	<u>\$ 95.13</u>	<u>\$ 73,716.63</u>
Holdback					<u>\$ 11,043.23</u>				

**DELOITTE & TOUCHE LLP
EXHIBIT 1**

<u>Employee</u>	<u>Rate</u>
Tim Van Oppen	600
Jeff Jones	600
Greg Seelagy	575
Scott Smith	575
David Kral	450
Frank Balestreri	415
Paul Beldin	415
Eric Techel	340
Miriam Chiappetta	270
Joe Camperlingo	270
Dan Sutherland	180
Robin Singleton	180
Susan Dick	180

Utility Debt Offering
Professional Hours for FRANK BALESTRERI

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/3/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Discussions with PG&E personnel regarding timing and extent of procedures
9/3/2003	0.9	415.00	373.50	Utility Debt Offering Procedures	Printing and copying of all documents incorporated by reference (March 10Q/A, June 10Q, December
9/5/2003	1.0	415.00	415.00	Utility Debt Offering Procedures	Reading of 8K's on the incorporated by reference list
9/9/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Preparation for Client page turning session to review the F-Pages of the Prospectus
9/9/2003	1.4	415.00	581.00	Utility Debt Offering Procedures	Page turning session with client to review F-Pages of the Prospectus
9/10/2003	0.3	415.00	124.50	Utility Debt Offering Procedures	Telephone discussion with client regarding comfort letter procedures
9/10/2003	0.2	415.00	83.00	Utility Debt Offering Procedures	Discussion with D. Sutherland regarding procedures to be performed in tying out the F-Pages to the
9/10/2003	0.3	415.00	124.50	Utility Debt Offering Procedures	Discussion with S. Smith regarding the format of the F-Pages of the Prospectus.
9/10/2003	1.2	415.00	498.00	Utility Debt Offering Procedures	Preliminary preparation of documents for comfort letter to be issued in connection with the Utility Debt
9/15/2003	2.6	415.00	1,079.00	Utility Debt Offering Procedures	Review of documents incorporated by reference to determine comfort procedures.
9/15/2003	2.4	415.00	996.00	Utility Debt Offering Procedures	Review of revised F-Pages to the Prospectus
9/15/2003	0.4	415.00	168.00	Utility Debt Offering Procedures	Discussion with S. Dick regarding procedures to be performed in tying out the revised F-Pages
9/15/2003	0.4	415.00	166.00	Utility Debt Offering Procedures	Review of procedures performed by S. Dick in tying out the F-Pages
9/16/2003	0.9	415.00	373.50	Utility Debt Offering Procedures	Continued review of the F-Pages prior to client page turning session
9/16/2003	0.4	415.00	166.00	Utility Debt Offering Procedures	Preparation for Client page turning session to review the revised F-Pages of the Prospectus
9/16/2003	1.2	415.00	498.00	Utility Debt Offering Procedures	Page turning session with client to review the revised F-Pages of the Prospectus
9/18/2003	0.3	415.00	124.50	Utility Debt Offering Procedures	Discussion with S. Smith regarding comfort letter procedures.
9/18/2003	0.3	415.00	124.50	Utility Debt Offering Procedures	Discussion with S. Dick regarding procedures to be performed in tying out the 10-K/A and 10-Q's
9/18/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Discussion with client regarding proposed changes made to the F-Pages of the Prospectus by the client's
9/18/2003	0.9	415.00	373.50	Utility Debt Offering Procedures	Review of attorney comments on the S-3
9/18/2003	2.9	415.00	1,203.50	Utility Debt Offering Procedures	Review of S-3
9/19/2003	0.3	415.00	124.50	Utility Debt Offering Procedures	Discussion with S. Dick regarding procedures to be performed
9/19/2003	1.2	415.00	498.00	Utility Debt Offering Procedures	Review of work done by S. Dick
9/19/2003	0.2	415.00	83.00	Utility Debt Offering Procedures	Email to client attorney regarding drafts
9/19/2003	0.4	415.00	166.00	Utility Debt Offering Procedures	Review of revised F- Pages
9/22/2003	0.4	415.00	166.00	Utility Debt Offering Procedures	Print and distribute revised drafts of documents
9/22/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Review revised documents to determine comfort procedures
9/23/2003	2.7	415.00	1,120.50	Utility Debt Offering Procedures	Review of revised S-3
9/24/2003	1.0	415.00	415.00	Utility Debt Offering Procedures	Review of June 10-Q to determine comfort procedures
9/25/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Discussions with national Office regarding comments on F-Pages and the S-3
9/25/2003	0.5	415.00	207.50	Utility Debt Offering Procedures	Research required to respond to national office comments
9/26/2003	0.9	415.00	373.50	Utility Debt Offering Procedures	Review of revised S-3
9/26/2003	0.3	415.00	124.50	Utility Debt Offering Procedures	Compile comments from G. Seelagy and S. Smith on the revised S-3
9/26/2003	1.4	415.00	581.00	Utility Debt Offering Procedures	Review and response to comments from G. Seelagy and S. Smith
9/26/2003	1.3	415.00	539.50	Utility Debt Offering Procedures	Preparation of master comments to provide to client and client's counsel on the revised S-3.
9/26/2003	0.2	415.00	83.00	Utility Debt Offering Procedures	Preparation of and transmission of fax document to client and counsel with D&T comments on the revised
9/29/2003	0.2	415.00	83.00	Utility Debt Offering Procedures	Printing and copying the revised S-3 document received from Bowne
9/29/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Discussions with R. Singleton regarding procedures to be performed on the revised S-3.
9/29/2003	1.8	415.00	747.00	Utility Debt Offering Procedures	Review of revised S-3
9/30/2003	0.4	415.00	166.00	Utility Debt Offering Procedures	Discussions with R. Singleton regarding procedures to be performed on the revised S-3.
9/30/2003	2.4	415.00	996.00	Utility Debt Offering Procedures	Review of revised S-3 to determine comfort procedures

Utility Debt Offering

Professional Hours for FRANK BALESTRERI

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/30/2003	0.5	415.00	207.50	Utility Debt Offering Procedures	Discussion with client regarding the Ratio of Earnings to Fixed Charges
9/30/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Research related to the Ratio of Earnings to Fixed Charges
9/30/2003	0.2	415.00	83.00	Utility Debt Offering Procedures	Voicemail to client regarding the Ratio of Earnings to Fixed Charges
9/30/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Review of work performed by R. Singleton
9/30/2003	0.3	415.00	124.50	Utility Debt Offering Procedures	Discussion with client regarding Deloitte comments on the revised S-3
9/30/2003	0.3	415.00	124.50	Utility Debt Offering Procedures	Discussion with client regarding the Ratio of Earnings to Fixed Charges
9/30/2003	0.6	415.00	249.00	Utility Debt Offering Procedures	Drafting Deloitte opinions and consent
	<u>40.3</u>		<u>\$ 16,724.50</u>		

Transition Property Agreed Upon Procedures
Professional Hours for FRANK BALESTRERI

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/3/2003	0.4	415.00	166.00	Transition Property Procedures	Email correspondence with client regarding procedures to be performed
9/3/2003	0.4	415.00	166.00	Transition Property Procedures	Review and editing of engagement letter
9/15/2003	1.4	415.00	581.00	Transition Property Procedures	Review of procedures performed
9/16/2003	1.6	415.00	664.00	Transition Property Procedures	Review of procedures performed
9/16/2003	0.4	415.00	166.00	Transition Property Procedures	Discussion with M. Chiappetta and E. Techel regarding procedures
	<u>4.2</u>		<u>\$ 1,743.00</u>		

Utility Debt Offering
Professional Hours for PAUL BELDIN

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/26/2003	2.4	415.00	996.00	Utility Debt Offering Procedures	Review of registration statements and conversations with F Balestreri
9/29/2003	1.6	415.00	664.00	Utility Debt Offering Procedures	Review of registration statements and conversations with F Balestreri
	<u>4.0</u>		<u>\$ 1,660.00</u>		

Utility Debt Offering
Professional Hours for JOE CAMPERLINGO

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/18/2003	0.5	270.00	135.00	Utility Debt Offering Procedures	Gathering support for Utility stand alone numbers
9/19/2003	0.5	270.00	135.00	Utility Debt Offering Procedures	Gathering support for Utility stand alone numbers
	<u>1.0</u>		<u>\$ 270.00</u>		

Transition Property Agreed Upon Procedures
Professional Hours for MIRIAM CHIAPPETTA

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/3/2003	3.2	270.00	864.00	Transition Property Procedures	Drafting of engagement letter and procedures to be performed
9/3/2003	3.3	270.00	891.00	Transition Property Procedures	Review of prior year files
9/8/2003	1.1	270.00	297.00	Transition Property Procedures	Discussion with F. Balestreri and E. Techel of procedures to be performed
9/9/2003	5.9	270.00	1,593.00	Transition Property Procedures	Performed Agreed Upon Procedures
9/9/2003	0.5	270.00	135.00	Transition Property Procedures	Discussion with E. Techel regarding status of procedures
9/9/2003	0.7	270.00	189.00	Transition Property Procedures	Discussion with PG&E regarding status of FTA reports
9/9/2003	1.3	270.00	351.00	Transition Property Procedures	Revision of preliminary Agreed Upon Procedures Report
9/9/2003	0.5	270.00	135.00	Transition Property Procedures	Discussion with PG&E regarding Electric Advice Letter
9/10/2003	0.5	270.00	135.00	Transition Property Procedures	Revision of preliminary engagement letter
9/10/2003	1.0	270.00	270.00	Transition Property Procedures	Preparation of Agreed Upon Procedures binder
9/10/2003	0.8	270.00	216.00	Transition Property Procedures	Discussion with PG&E regarding status of procedures
9/10/2003	0.6	270.00	162.00	Transition Property Procedures	Discussion with PG&E regarding 3rd Party Agreement memo
9/10/2003	6.3	270.00	1,701.00	Transition Property Procedures	Performed Agreed Upon Procedures
9/11/2003	0.7	270.00	189.00	Transition Property Procedures	Discussion with PG&E regarding status of procedures
9/11/2003	0.4	270.00	108.00	Transition Property Procedures	Discussion with E. Techel regarding status of procedures
9/11/2003	7.2	270.00	1,944.00	Transition Property Procedures	Performed Agreed Upon Procedures
9/16/2003	1.6	270.00	432.00	Transition Property Procedures	Preliminary drafting of report
9/16/2003	0.5	270.00	135.00	Transition Property Procedures	Discussion of status of procedures with PG&E
9/16/2003	0.4	270.00	108.00	Transition Property Procedures	Discussion with F. Balestreri and E. Techel regarding status of procedures
	<u>36.5</u>		<u>\$ 9,855.00</u>		

Successor Company Audits
Professional Hours for MIRIAM CHIAPPETTA

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/2/2003	3.0	270.00	810.00	Preparation of Fee Application	Make Schuricht changes, including reconcile past fee applications, and reword various text
9/3/2003	3.7	270.00	999.00	Preparation of Fee Application	Make Schuricht changes, including reconcile past fee applications, and reword various text
9/10/2003	3.2	270.00	864.00	Preparation of Fee Application	Make final changes to interim application and submit for final review
9/11/2003	2.7	270.00	729.00	Preparation of Fee Application	Prepares documents for filing, review filing process with E Techel
9/11/2003	2.0	270.00	540.00	Preparation of Fee Application	Prepare file conversion for transfer to E Techel
9/16/2003	1.0	270.00	270.00	Preparation of Fee Application	Review August time diaries and provide comments, make changes
9/16/2003	0.5	270.00	135.00	Preparation of Fee Application	Work with E Techel on cover sheet application changes and filing instructions
9/17/2003	1.5	270.00	405.00	Preparation of Fee Application	Review the interim application for compensation and exhibits with E Techel for transition purposes
9/17/2003	2.2	270.00	594.00	Preparation of Fee Application	Meet with E Techel for bar-delimited file conversion
	<u>19.8</u>		<u>\$ 5,346.00</u>		

Utility Debt Offering
Professional Hours for SUSAN DICK

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/15/2003		180.00		Utility Debt Offering Procedures	Discussion with F. Balestreri regarding procedures to be performed in tying out the revised F-Pages of the Prospectus.
	0.4		72.00		
9/15/2003	1.7	180.00	306.00	Utility Debt Offering Procedures	Tracking changes between the 10K/A Foot Notes and the latest version of the report.
9/15/2003	1.2	180.00	216.00	Utility Debt Offering Procedures	Tracking changes between the 10QA Foot Notes and the latest version of the report.
9/15/2003	1.2	180.00	216.00	Utility Debt Offering Procedures	Tracking changes between the 10K/A financial statements and the new version.
9/15/2003	0.9	180.00	162.00	Utility Debt Offering Procedures	Tracking changes between the 10QA financial statements and the new version.
9/15/2003	1.1	180.00	198.00	Utility Debt Offering Procedures	Referencing financial statements(10QA) to the recent report.
9/17/2003	0.8	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Overview" section to both the 10K and 10QA.
			144.00		
9/17/2003	1.3	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Comparison of 6-month ended" section to the 10QA.
			234.00		
9/17/2003	1.1	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Comparison of year ended" section to the 10KA.
			198.00		
9/17/2003	1.2	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Liquidity and Financial Resources" section to both the 10KA and 10QA.
			216.00		
9/17/2003	0.9	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Commitments and Cap Expenditures" section to the 10KA.
			162.00		
9/17/2003	0.6	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Commitments and Cap Expenditures" section to the 10QA.
			108.00		
9/17/2003	1.2	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Contingencies" section to both the 10QA and 10KA.
			216.00		
9/17/2003	0.5	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Risk Management Activities" section to both the 10QA and 10KA.
			90.00		
9/17/2003	0.3	180.00	54.00	Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Regulatory Matters" section to both the 10QA and 10KA.
9/18/2003	0.3	180.00	54.00	Utility Debt Offering Procedures	Discussion with F. Balestreri regarding procedures to be performed on the 10-K/A and the 10-Q's
9/18/2003	0.9	180.00	162.00	Utility Debt Offering Procedures	Referencing MD&A (10QA-Q2) to footnotes.
9/18/2003	0.8	180.00	144.00	Utility Debt Offering Procedures	Preparing support for referenced financials in order to trace all numbers on the report.
9/18/2003	1.3	180.00		Utility Debt Offering Procedures	Tracking changes for the latest version of the Foot Notes to the recent copies of the report for both the 10QA and 10KA
			234.00		
	<u>17.7</u>		<u>\$ 3,186.00</u>		

Utility Debt Offering
Professional Hours for JEFF JONES

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/8/2003	1.0	600.00	600.00	Utility Debt Offering Procedures	Review of offering document for Debt Filing
	<u>1.0</u>		<u>\$ 600.00</u>		

Successor Company Audits
Professional Hours for DAVID KRAL

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/8/2003	0.5	450.00	225.00	Preparation of Fee Application	Review of fee applications
9/16/2003	1.0	450.00	450.00	Preparation of Fee Application	Review of fee applications
	<u>1.5</u>		<u>\$ 675.00</u>		

Utility Debt Offering
Professional Hours for GREG SEELAGY

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/24/2003	1.9	575.00	1,092.50	Utility Debt Offering Procedures	Meet with PG&E to discuss procedures
9/24/2003	1.2	575.00	690.00	Utility Debt Offering Procedures	Read prospectus and draft Form S-3
9/25/2003	3.3	575.00	1,897.50	Utility Debt Offering Procedures	Read draft Form S-3
9/26/2003	1.1	575.00	632.50	Utility Debt Offering Procedures	Read draft Form S-3
	<u>7.5</u>		<u>\$ 4,312.50</u>		

Transition Property Agreed Upon Procedures
Professional Hours for GREG SEELAGY

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/3/2003	1.5	575.00	862.50	Transition Property Procedures	Review and editing of engagement letter
9/25/2003	2.8	575.00	1,610.00	Transition Property Procedures	Review and editing of mgmt representation letter and Deloitte report
	<u>4.3</u>		<u>\$ 2,472.50</u>		

Utility Debt Offering

Professional Hours for ROBIN SINGLETON

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/29/2003	1.2	180.00	216.00	Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Overview" section to both the 10K and 10QA.
9/29/2003	0.7	180.00	126.00	Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Comparison of 6-month ended" section to the 10QA.
9/29/2003	1.3	180.00	234.00	Utility Debt Offering Procedures	Tracking changes for the latest version of the MD&A "Comparison of year ended" section to the 10KA.
9/29/2003	1.8	180.00	324.00	Utility Debt Offering Procedures	Review of Revised S-3
9/29/2003	2.0	180.00	360.00	Utility Debt Offering Procedures	Tracking changes between the 10K/A financial statements and the new version.
9/30/2003	0.4	180.00	72.00	Utility Debt Offering Procedures	Discussions with F. Balestreri regarding procedures to be performed on the revised S-3.
9/30/2003	4.0	180.00	720.00	Utility Debt Offering Procedures	Tracking changes between the 10QA Foot Notes and the latest version of the report.
9/30/2003	2.6	180.00	468.00	Utility Debt Offering Procedures	Tracking changes between the 10K/A financial statements and the new version.
	<u>14.0</u>		<u>\$ 2,520.00</u>		

Utility Debt Offering
Professional Hours for SCOTT SMITH

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/9/2003	2.0	575.00	1,150.00	Utility Debt Offering Procedures	Meetings with client to discuss document and Issues
9/10/2003	1.6	575.00	920.00	Utility Debt Offering Procedures	Review of draft Form S-3
9/16/2003	2.0	575.00	1,150.00	Utility Debt Offering Procedures	Meetings with client to discuss document and issues
9/17/2003	2.8	575.00	1,610.00	Utility Debt Offering Procedures	Review of draft Form S-3
9/18/2003	0.6	575.00	345.00	Utility Debt Offering Procedures	Review of draft Form S-3
9/22/2003	1.4	575.00	805.00	Utility Debt Offering Procedures	Review of revised draft S-3
9/23/2003	1.0	575.00	575.00	Utility Debt Offering Procedures	Meetings with client to discuss document and issues
	<u>11.4</u>		<u>\$ 8,555.00</u>		

Transition Property Agreed Upon Procedures
Professional Hours for SCOTT SMITH

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/16/2003	2.0	575.00	1,150.00	Transition Property Procedures	Partner review of workpapers and related reports
	<u>2.0</u>		<u>\$ 1,150.00</u>		

Utility Debt Offering
Professional Hours for DAN SUTHERLAND

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/10/2003	1.8	180.00	324.00	Utility Debt Offering Procedures	Tracking changes between the 10K/A financial statements and the debt filing.
9/10/2003	1.2	180.00	216.00	Utility Debt Offering Procedures	Tracking changes between the 10QA financial statements and the debt filing.
	<u>3.0</u>		<u>\$ 540.00</u>		

Utility Debt Offering
Professional Hours for ERIC TECHEL

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/5/2003	1.5	340.00	510.00	Utility Debt Offering Procedures	Printing, copying and distribution of the Utility debt offering documents
9/8/2003	1.4	340.00	476.00	Utility Debt Offering Procedures	Preparation for Client page turning session to review the F-Pages of the Prospectus
9/12/2003	1.2	340.00	408.00	Utility Debt Offering Procedures	Printing, copying and distribution of draft 2 of the Utility debt offering documents
9/15/2003	1.2	340.00	408.00	Utility Debt Offering Procedures	Review of revised F-Pages to the Prospectus
	<u>5.3</u>		<u>\$ 1,802.00</u>		

Transition Property Agreed Upon Procedures
Professional Hours for ERIC TECHEL

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/3/2003	0.9	340.00	306.00	Transition Property Procedures	Review of prior year files
9/3/2003	1.2	340.00	408.00	Transition Property Procedures	Discussion with PG&E regarding procedures and engagement timing
9/8/2003	2.2	340.00	748.00	Transition Property Procedures	Review of Draft Engagement Letter
9/8/2003	1.1	340.00	374.00	Transition Property Procedures	Discussion with F. Balestreri and M. Chiappetta of procedures to be performed
9/9/2003	0.5	340.00	170.00	Transition Property Procedures	Discussion with M. Chiappetta regarding status of procedures
9/9/2003	3.6	340.00	1,224.00	Transition Property Procedures	Performed Agreed Upon Procedures
9/10/2003	0.4	340.00	136.00	Transition Property Procedures	Conversation with California Infrastructure Bank
9/10/2003	2.7	340.00	918.00	Transition Property Procedures	Performed Agreed Upon Procedures
9/11/2003	0.4	340.00	136.00	Transition Property Procedures	Conversation with Deutsche Bank
9/11/2003	0.4	340.00	136.00	Transition Property Procedures	Discussion with M. Chiappetta and F. Balestreri regarding status of procedures
9/16/2003	1.2	340.00	408.00	Transition Property Procedures	File preparation for Partner review process
9/16/2003	4.1	340.00	1,394.00	Transition Property Procedures	Review of Agreed Upon Procedures performed
9/16/2003	0.4	340.00	136.00	Transition Property Procedures	Discussion with M. Chiappetta regarding status of procedures
9/17/2003	0.4	340.00	136.00	Transition Property Procedures	Discussion with PG&E regarding status of procedures
9/22/2003	1.5	340.00	510.00	Transition Property Procedures	Review of report draft and follow up on open issues
9/23/2003	1.0	340.00	340.00	Transition Property Procedures	Review of report draft
9/29/2003	1.8	340.00	612.00	Transition Property Procedures	Process final changes and issuance of report
9/30/2003	1.4	340.00	476.00	Transition Property Procedures	Workpaper clean up and archiving of file
	<u>25.2</u>		<u>\$ 8,568.00</u>		

Successor Company Audits
Professional Hours for ERIC TECHEL

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/9/2003	0.9	340.00	306.00	Preparation of Fee Application	Preparation of August time diaries
9/11/2003	2.7	340.00	918.00	Preparation of Fee Application	Reconciliation of time diaries to internal billing runs
9/11/2003	1.1	340.00	374.00	Preparation of Fee Application	Review filing process with M Chiappetta
9/12/2003	1.0	340.00	340.00	Preparation of Fee Application	Print and review of time diaries
9/12/2003	0.6	340.00	204.00	Preparation of Fee Application	Add expenses and update files
9/15/2003	1.2	340.00	408.00	Preparation of Fee Application	Drafting of cover sheet application
9/16/2003	0.5	340.00	170.00	Preparation of Fee Application	Work with M Chiappetta on cover sheet application changes and filing instructions
9/16/2003	1.6	340.00	544.00	Preparation of Fee Application	Additional work on fee application and exhibits
9/17/2003	2.2	340.00	748.00	Preparation of Fee Application	Meet with M Chiappetta for bar-delimited file conversion
9/17/2003	0.7	340.00	238.00	Preparation of Fee Application	Incorporate attorney comments and draft cover letter for Utility
9/29/2003	0.5	340.00	170.00	Preparation of Fee Application	Preparation of invoice
9/29/2003	1.3	340.00	442.00	Preparation of Fee Application	Finalize and submit electronic files for filing
	<u>14.3</u>		<u>\$ 4,862.00</u>		

Transition Property Agreed Upon Procedures
Professional Hours for TIM VAN OPPEN

DATE	TIME	RATE	TOTAL	TASK CODE	TASK DESCRIPTION
9/10/2003	0.5	600.00	300.00	Transition Property Procedures	Concurring review of engagement letter
9/22/2003	0.8	600.00	480.00	Transition Property Procedures	Concurring review of management representation letter and report
	<u>1.3</u>		<u>\$ 780.00</u>		

Postage expenses for September

<u>Date</u>	<u>Expense</u>	<u>Amount</u>	<u>Description</u>
9/19/2003	Special T Delivery	16.50	Special Delivery of documents to PG&E
9/22/2003	UPS	12.36	UPS Shipping Expense for shipping documents related to PG&E
9/29/2003	Special T Delivery	22.45	Special Delivery of documents to PG&E
9/29/2003	UPS	<u>43.82</u>	UPS Shipping Expense for shipping documents related to PG&E
	Total	<u>\$ 95.13</u>	