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7  
8 Accountants and Financial Advisors for Official  
9 Committee of Unsecured Creditors

**FILED**

NOV 26 2003

UNITED STATES BANKRUPTCY COURT  
SAN FRANCISCO, CA

50275  
323

10 UNITED STATES BANKRUPTCY COURT

11 NORTHERN DISTRICT OF CALIFORNIA

12 SAN FRANCISCO DIVISION

13 In re

14 PACIFIC GAS AND ELECTRIC  
15 COMPANY, a California corporation,

16 Debtor.

17 Case No. 01-30923 DM

18 Chapter 11 Case

19 [No Hearing Scheduled]

20 Federal I.D. No. 94-0742640

21 FTI CONSULTING INC. COVER SHEET APPLICATION FOR ALLOWANCE AND  
22 PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF  
23 EXPENSES FOR  
24 OCTOBER 1, 2003 TO OCTOBER 31, 2003

25 FTI Consulting, (the "Firm"), submits its Cover Sheet Application (the "Application")  
26 for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for  
27 the Period October 1, 2003 to October 31, 2003 (the "Application Period"). In support of  
28 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

BKRPD/

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

3 2. The Firm billed a total of \$158,687 in fees and expenses during the  
4 Application Period. The Total fees represent 354.3 hours expended during the Application  
5 Period. These fees and expenses break down as follows:

6 Period	7 Fees	8 Expenses	9 Total
10 October 1, 2003 –	\$157,787	\$900	\$158,687
11 October 31, 2003			

12 3. Accordingly, the Firm seeks allowance of interim compensation in the total  
13 amount of \$135,019 at this time. This total is comprised as follows:  
14 \$134,119 (85% of the fees for services rendered)<sup>1</sup> plus \$900 (100% of the expenses  
15 incurred).

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

19 Application Period	20 Amount 21 Applied For	22 Description	23 Amount Paid
24 First (April 11, 2001 – 25 May 31, 2001)	\$803,642	26 90% of fees and 27 100% of expenses	\$803,642
28 Second (June 1, 2001 – July 31, 2001)	\$870,002	90% of fees and 100% of expenses	\$870,002

<sup>1</sup>Payment of this amount would result in a "holdback" of \$23,668

1	First Interim Fee	\$2,408	10% fee holdback (\$179,012) net	\$2,408
2	Application		of PricewaterhouseCoopers LLP	
3			and Court Adjustments	
4			(\$176,604)	
5	Third (August 1, 2001 –	\$358,024	85% of fees and	\$358,024
6	August 30, 2001)		100% of expenses	
7				
8	Fourth (September 1, 2001	\$293,871	85% of fees and	\$293,871
9	– September 30, 2001)		100% of expenses	
10	Fifth (October 1, 2001 –	\$307,809	85% of fees and	\$307,809
11	October 31, 2001)		100% of expenses	
12	Sixth (November 1, 2001-	\$215,596	85% of fees and	\$215,596
13	November 30, 2001)		100% of expenses	
14	Second Interim Fee	\$145,541	15% fee holdback (\$198,105) net	\$145,541
15	Application		of PricewaterhouseCoopers LLP	
16			adjustments (\$52,564)	
17	Seventh (December 1,	\$192,887	85% of fees and	\$192,887
18	2001-December 31, 2001)		100% of expenses	
19	Eight (January 1, 2002-	\$223,013	85% of fees and	\$223,013
20	January 31, 2002)		100% of expenses	
21	Ninth (February 1, 2002 –	\$197,888	85% of fees and	\$197,888
22	February 28, 2002)		100% of expenses	
23	Tenth (March 1, 2002 –	\$189,814	85% of fees and	\$189,814
24	March 31, 2002)		100% of expenses	
25	Third Interim Fee	\$114,300	15% fee holdback (\$128,506) net	\$114,300
26	Application		of PricewaterhouseCoopers LLP	
27			write-offs (\$3,705) and expense	
28			adjustments (\$10,500)	

1	Eleventh (April 1, 2002 –	\$185,003	85% of fees and	\$185,003
2	April 30, 2002)		100% of expenses	
3	Twelfth (May 1, 2002 –	\$183,784	85% of fees and	\$183,784
4	May 31, 2002)		100% of expenses	
5	Thirteenth (June 1, 2002 –	\$81,860	85% of fees and	\$81,860
6	June 30, 2002)		100% of expenses	
7	Fourteenth (July 1, 2002 –	\$204,553	85% of fees and	\$204,553
8	July 31, 2002)		100% of expenses	
9	Fifteenth (August 1, 2002	\$127,849	85% of fees and 100% of	\$127,849
10	– August 31, 2002)		expenses	
11	Fourth Interim (April 1,	\$106,253	15% holdback fees (\$109,606)	\$106,253
12	2002 – July 31, 2002)		net voluntary write-off (\$3,353)	
13	Sixteenth (September 1,	\$84,985	85% fees and 100% expenses	\$84,985
14	2002 – September 30,			
15	2002)			
16	Seventeenth (October 1,	\$113,478	85% fees and 100 % expenses	\$113,478
17	2002 – October 31, 2002)			
18	Eighteenth (November 1,	\$315,139	85% fees and 100 % expenses	\$315,139
19	2002 – November 30,			
20	2002)			
21	Nineteenth (December 1,	\$227,074	85% fees and 100 % expenses	\$227,074
22	2002 – December 31,			
23	2002)			
24	Fifth Interim (August 1,	\$115,270	15% holdback fees	\$115,270
25	2002 – November 30,			
26	2002)			
27				
28				

1	Twentieth (January 1, 2003	\$160,122	85% fees and 100% expenses	\$160,122
2	- January 31, 2003)			
3	Twenty-first (February 1,	\$133,793	85% fees and 100% expenses	\$133,793
4	2003 - February 28, 2003)			
5	Twenty-second (March 1,	\$160,446	85% fees and 100% expenses	\$160,446
6	2003 - March 31, 2003)			
7	Twenty-third (April 1,	\$163,638	85% fees and 100% expenses	\$163,638
8	2003 - April 30, 2003)			
9	Twenty-fourth (May 1,	\$157,479	85% fees and 100% expenses	\$157,479
10	2003 - May 31, 2003)			
11	Sixth Interim (December 1,	\$116,680	15% holdback fees	\$116,680
12	2002 - March 31, 2003)			
13	Twenty-fifth (June 1, 2003	\$105,311	85% of fees and 100% expenses	\$105,311
14	- June 30, 2003)			
15	Twenty-sixth (July 1, 2003	\$209,335	85% of fees and 100% expenses	\$209,335
16	- July 31, 2003)			
17	Twenty-seventh (August 1,	\$109,631	85% of fees and 100% expenses	\$109,631
18	2003 - August 31, 2003)			
19	Total Paid to the	\$6,976,478		\$6,976,478
20	Firm to Date			

21 5. To date, the Firm is owed as follows (excluding amounts owed pursuant to  
 22 this Application).  
 23

24	Application Period	Amount	Description
25	Twenty-third (April 1, 2003 - April 30,	\$28,450	15% fee holdback
26	2003)		
27	Twenty-fourth (May 1, 2003 - May 21,	\$26,697	15% fee holdback
28			

Application Period	Amount	Description
2003)		
Twenty-fifth (June 1, 2003 – June 30, 2003)	\$18,258	15% fee holdback
Twenty-sixth (July 1, 2003 – July 31, 2003)	\$35,651	15% fee holdback
Twenty-seventh (August 1, 2003 – August 31, 2003)	\$19,298	15% fee holdback
Twenty-eighth (September 1, 2003 – September 30, 2003)	\$32,827	15% fee holdback
Total Owed to Firm to Date	\$161,181	

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

1 mail, postage prepaid, on or about November 26, 2003.

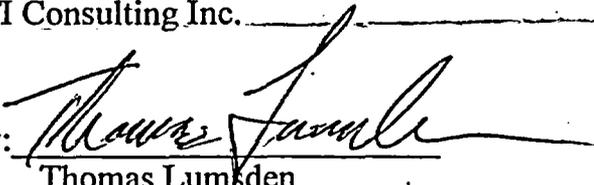
2 9. The interim compensation and reimbursement of expenses sought in this  
3 Application is on account and is not final. Upon the conclusion of this case, the Firm will  
4 seek fees and reimbursement of the expenses incurred for the totality of the services  
5 rendered in the case. Any interim fees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

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

14  
15 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation to the Firm  
16 as requested herein pursuant to and in accordance with the terms of the 'ORDER  
17 ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT  
18 PROCEDURE.'

19  
20 Dated: November 26, 2003

FTI Consulting Inc.

21  
22 By: 

23 Thomas Lumsden  
24 Senior Managing Director  
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