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PACIFIC GAS AND ELECTRIC COMPANY

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

12 In re

13 PACIFIC GAS AND ELECTRIC
COMPANY, a California corporation,

14 Debtor.
15

16 Federal I.D. No. 94-0742640
17

Case No. 01-30923 DM

Chapter 11 Case

Date: January 5, 2003

Time: 1:30 p.m.

Place: 235 Pine Street, San Francisco, CA
Judge: Hon. Dennis Montali

18 NOTICE OF ENTRY OF ORDER APPROVING EXPENDITURE OF FUNDS
19 TO REPLACE FOUR STEAM GENERATORS AT BOTH UNIT 1 AND 2
20 OF THE DIABLO CANYON POWER PLANT
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NOTICE OF ENTRY OF ORDER APPROVING EXPENDITURE OF FUNDS

BKRPD

HOWARD
RICE
NEMEROVSKI
CANADY
FALK
& RABKIN
A Professional Corporation

1 PLEASE TAKE NOTICE that on January 5, 2004, the above-captioned
2 Bankruptcy Court filed its Order Approving Expenditure Of Funds To Replace Four Steam
3 Generators At Both Unit 1 And 2 Of The Diablo Canyon Power Plant, a copy of which is
4 attached as Exhibit 1.

5 Dated: January 8, 2004

6 HOWARD, RICE, NEMEROVSKI, CANADY,
7 FALK & RABKIN
8 A Professional Corporation

9 By: 
10 BARBARA GORDON

11 Attorneys for Debtor and Debtor In Possession
12 PACIFIC GAS AND ELECTRIC COMPANY

13 HOWARD
14 RICE
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CANADY
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& RABKIN
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28 WD 010804/1-1419905/1123286/v1

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

11 In re

12 PACIFIC GAS AND ELECTRIC
13 COMPANY, a California corporation,

14 Debtor.

15 Federal I.D. No. 94-0742640

Case No. 01-30923 DM

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Date: January 5, 2003

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Place: 235 Pine Street, San Francisco, CA

Judge: Hon. Dennis Montali

16
17 ORDER APPROVING EXPENDITURE OF FUNDS TO REPLACE FOUR STEAM
18 GENERATORS AT BOTH UNIT 1 AND 2 OF
19 THE DIABLO CANYON POWER PLANT

20 The Debtor's Motion For Order Approving Expenditure Of Funds To Replace
21 Four Steam Generators at Both Unit 1 and 2 Of The Diablo Canyon Power Plant (the
22 "Motion") came on regularly for hearing at 1:30 p.m. on January 5, 2004 before the
23 undersigned Bankruptcy Judge. Barbara Gordon of the law firm of Howard, Rice,
24 Nemerovski, Canady, Falk & Rabkin, A Professional Corporation, appeared on behalf of the
25 debtor Pacific Gas and Electric Company (the "Debtor"), and Lorie A. Ball of the law firm
26 of Milbank, Tweed, Hadley & McCloy LLP appeared on behalf of the Official Committee of
27 Unsecured Creditors. Other appearances, if any, were as noted on the record. Capitalized
28 words or terms used but not specifically defined herein have the same meanings ascribed to

FILED

JAN - 5 2004

UNITED STATES BANKRUPTCY COURT
SAN FRANCISCO, CA

HOWARD
RICE
NEMEROVSKI
CANADY
FALK
& RABKIN
A Professional Corporation

1 them in the Motion (including the Memorandum of Points and Authorities accompanying the
2 Motion).

3 The Court having determined that adequate notice of the Motion was given to
4 parties in interest as appropriate under the circumstances, and the Court having considered
5 the various pleadings, declaration and any other materials filed in support of the Motion and
6 the statements of counsel appearing at the hearing on the Motion, and the Court having
7 received no opposition to the Motion, and good cause appearing therefor,

8 IT IS HEREBY ORDERED that:

9 1. The Motion is granted; and

10 2. Pursuant to Section 363 of the Bankruptcy Code (11 U.S.C. §363), the
11 Debtor is authorized to implement the Diablo Canyon Power Plant Steam Generator
12 Replacement Projects requiring contractual commitments and multi-year capital
13 expenditures in an amount not to exceed \$706 million, all as more particularly described in
14 the Motion.

15 Dated: JAN - 5 2004

DENNIS MONTALI

Honorable Dennis Montali
United States Bankruptcy Judge

WD 112103/1-1419905/1116018/v1

HOWARD
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CANADY
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& RABIN
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