

LECG, LLC  
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Consultant for the Debtor

UNITED STATES BANKRUPTCY COURT  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION

50-275  
 323

In re  
 PACIFIC GAS AND ELECTRIC  
 COMPANY, a California corporation,

Case No. 01-30923 DM

Chapter 11 Case

Debtor.

[No Hearing Scheduled]

Federal I.D. No. 94-0742640

LECG, LLC COVER SHEET APPLICATION  
 FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION  
 AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
JANUARY 1, 2004 TO JANUARY 31, 2004

LECG, LLC (the "Company") submits its Cover Sheet Application (the "Application") for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for the Period January 1, 2004 to January 31, 2004 (the "Application Period"). In support of the Application, the Company respectfully represents as follows:

1. The Company is consultant to Pacific Gas and Electric Company, debtor and debtor-in-possession in the above referenced bankruptcy case (the "Debtor"). The Company provides claims analysis for environmental and trades payable claims. The Company was engaged by the Debtor to provide those services pursuant to a contract dated May 30, 2002, which engagement was approved by the Court Order dated September 20, 2002. The Company hereby applies to the Court for allowance and payment of interim compensation for services rendered and reimbursement of expenses incurred during the Application Period.

2. Excluding administrative time for which the Company is not seeking to be compensated, the Company billed a total of \$18,569.76 in fees and expenses during the Application Period. The total fees represent 131.6 hours expended during the Application Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
Environmental:			
01/01/04 - 01/31/04	\$16,931.50	\$15.76	\$16,947.26
Trades Payable:			
01/01/04 - 01/31/04	1,622.50	0	1,622.50
Total	\$18,554.00	\$15.76	\$18,569.76

3. Accordingly, the Company seeks allowance of interim compensation in the total amount of \$15,786.66 at this time. This total is comprised of 85% of the fees for services rendered and 100% of the expenses.<sup>1</sup>

4. On this retention, the Company has been paid to date as follows:

Application Period	Amount Applied For	Description	Amount Paid
09/20/01 - 01/28/02	\$722,519.52	100% of Fees 100% of Expenses (1st Interim Fee Application)	\$722,519.52
05/06/02 - 09/30/02	423,370.74	85% of Fees 100% of Expenses	423,370.74
10/01/02 - 10/31/02	34,741.20	85% of Fees 100% of Expenses	34,741.20
11/01/02 - 11/30/02	34,455.91	85% of Fees 100% of Expenses	34,455.91
05/06/02 - 11/30/02	98,918.24	15% fee holdback from previous Cover Sheet Applications (2 <sup>nd</sup> Interim Fee Application)	98,918.24
12/01/02 - 12/27/02	22,070.00	100% of Fees 100% of Expenses	22,070.00

<sup>1</sup> Payment of this amount would result in a "holdback" of \$2,783.10.

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Application Period	Amount Applied For	Description	Amount Paid
12/28/02 -- 01/31/03 <sup>2</sup>	56,107.50	100% of Fees 100% of Expenses	50,677.50
02/01/03 -- 02/28/03	50,311.19	100% of Fees 100% of Expenses	50,311.19
03/01/03 -- 03/31/03	23,711.00	100% of Fees 100% of Expenses	23,711.00
04/01/03 -- 04/31/03	11,020.50	100% of Fees 100% of Expenses	11,020.50
05/01/03 -- 05/31/03	18,338.50	100% of Fees 100% of Expenses	18,338.50
06/01/03 -- 06/30/03	19,286.75	100% of Fees 100% of Expenses	19,286.75
04/01/03 -- 06/30/03	66,026.25	100% of Fees 100% of Expenses	66,026.25
07/01/03 -- 07/31/03	5,797.43	85% of Fees 100% of Expenses	5,797.43
08/01/03 -- 08/31/03	8,406.50	85% of Fees 100% of Expenses	8,406.50
09/01/03 -- 09/30/03	9,913.13	85% of Fees 100% of Expenses	9,913.13
10/01/03 -- 10/31/03	7,699.75	85% of Fees 100% of Expenses	7,699.75
11/01/03 -- 11/24/03	2,333.06	85% of Fees 100% of Expenses	2,333.06
Total	\$1,615,027.17		\$1,609,597.17

5. To date, for its services relating to Post-Petition Bankruptcy Services, the Company is owed as follows (excluding amounts owed pursuant to this application):

Application Period	Amount	Description
07/01/03 -- 07/31/03	\$1,023.07	15% of fees
08/01/03 -- 08/31/03	1,483.50	15% of fees
09/01/03 -- 09/30/03	1,749.38	15% of fees
10/01/03 -- 10/31/03	1,340.25	15% of fees
11/01/03 -- 11/24/03	410.33	15% of fees
11/24/03 -- 12/31/03	11,783.38	100% of fees and expenses
Total	\$17,789.91	

6. With regard to 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. Attached as Exhibit 2 (Environmental) and Exhibit 3 (Trades Payable) are the detailed time and expense statements for the period January 1, 2004 through January 31, 2004 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 Company 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, and as amended on or about November 8, 2001, and as further amended on or about March 18, 2002, the Debtor is authorized to make 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 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 Company is informed and believes that this Cover Sheet Application was mailed by first class mail, postage prepaid, on or about February 23, 2004.

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

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

<sup>2</sup> PG&E withheld payment of \$5,430 for services deemed unbillable on the Trades Payable engagement.

WHEREFORE, the Company respectfully requests that the Debtor pay compensation to the Company as requested herein pursuant to and in accordance with the terms of the "ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE"

Dated: February 23, 2004

LECG, LLC  
  
By: J. Geoffrey Hilton, Director of Finance  
LECG, LLC  
Consultant to Pacific Gas and Electric Company

THE COURT  
DOES HEREBY  
ORDER THAT  
THE DEBTOR  
PAY TO THE  
CREDIT OF THE  
COMPANY  
THE AMOUNT  
OF \$ [redacted]  
AS REQUESTED  
HEREIN  
AND TO REIMBURSE  
THE COMPANY  
FOR THE COSTS  
OF THIS ACTION  
AND TO PAY  
THE COMPANY'S  
ATTORNEY'S  
FEES AND COSTS  
AS REQUESTED  
HEREIN