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MAR 31 2004

UNITED STATES BANKRUPTCY COURT
SAN FRANCISCO, CA

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Accountants and Financial Advisors for Official
Committee of Unsecured Creditors

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re

Case No. 01-30923 DM

PACIFIC GAS AND ELECTRIC
COMPANY, a California corporation,

Chapter 11 Case

Debtor.

[No Hearing Scheduled]

Federal I.D. No. 94-0742640

**FTI CONSULTING INC. COVER SHEET APPLICATION FOR ALLOWANCE AND
PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF
EXPENSES FOR
FEBRUARY 1, 2004 TO FEBRUARY 29, 2004**

FTI Consulting, (the "Firm"), submits its Cover Sheet Application (the "Application")
for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for
the Period February 1, 2004 to February 29, 2004 (the "Application Period"). In support of
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

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 \$118,462 in fees and expenses during the
4 Application Period. The Total fees represent 216.8 hours expended during the Application
5 Period. These fees and expenses break down as follows:

6 Period	7 Fees	8 Expenses	9 Total
10 February 1, 2004 –	\$117,157	\$1,305	\$118,462
11 February 29, 2004			

12 3. Accordingly, the Firm seeks allowance of interim compensation in the total
13 amount of \$100,888 at this time. This total is comprised as follows:

14 \$99,583 (85% of the fees for services rendered)¹ plus \$1,305 (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 Applied For	21 Description	22 Amount Paid
23 First (April 11, 2001 – 24 May 31, 2001)	\$803,642	25 90% of fees and 26 100% of expenses	\$803,642
27 Second (June 1, 2001 – 28 July 31, 2001)	\$870,002	90% of fees and 100% of expenses	\$870,002

¹Payment of this amount would result in a "holdback" of \$17,573

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	Seventh Interim (April 1,	\$109,034	15% holdback fees	\$109,034
20	2003 - July 31, 2003)			
21	Twenty-eighth (September	\$195,459	85% of fees and 100% expenses	\$195,459
22	1, 2003 - September 30,			
23	2003)			
24	Twenty-ninth (October 1,	\$135,119	85% of fees and 100% expenses	\$135,119
25	2003 - October 31, 2003)			
26				

1	Thirtieth (November 1,	\$118,774	85% of fees and 100% expenses	\$118,774
2	2003 – November 30,			
3	2003)			
4	Thirty-first (December 1,	\$162,573	85% of fees and 100% expenses	\$162,573
5	2003 – December 31,			
6	2003)			
7	Eighth Interim (August 1,	\$95,996	15% holdback fees	\$95,996
8	2003 – November 30,			
9	2003)			
10	Thirty-second (January 1,	\$89,270	85% of fees and 100% expenses	\$89,270
11	2004 – January 31, 2004)			
12	Total Paid to the	\$7,882,703		\$7,882,703
13	Firm to Date			

14 5. To date, the Firm is owed as follows (excluding amounts owed pursuant to
15 this Application).
16

17	Application Period	Amount	Description
18	Thirty-first (December 1, 2003 – December	\$28,212	15% fee holdback
19	31, 2003)		
20	Thirty-second (January 1, 2004 – January	\$15,739	15% fee holdback
21	31, 2004)		
22	Total Owed to Firm to Date	\$43,951	

23 6. With regard to the copies of this Application served on counsel for the
24 Committee; counsel for the Debtor and the Office of the United States Trustee, attached as
25 Exhibit 1 hereto is the name of each professional who performed services in connection with
26 this case during the period covered by this Application and the hourly rate for each such
27 professional; and (b) attached as Exhibits 2-1 and 2-2 are the detailed time and expense
28

1 statements for the Application Period that comply with all Northern District of California
2 Bankruptcy Local Rules and Compensation Guidelines and the Guidelines of the Office of
3 the United States Trustee.

4 7. The Firm has served a copy of this Application (without Exhibits) on the
5 Special Notice List in this case.

6 8. Pursuant to this Court's "ORDER ESTABLISHING INTERIM FEE
7 APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered
8 on or about July 26, 2001, the Debtor is authorized to make the payment requested herein
9 without a further hearing or order of this Court unless an objection to this Application is
10 filed with the Court by the Debtor, the Committee or the United States Trustee and served by
11 the fifteenth day of the month following the service of this Application. If such an objection
12 is filed, Debtor is authorized to pay the amounts, if any, not subject to the objection. The
13 Firm is informed and believes that this Cover Sheet Application was mailed by first class
14 mail, postage prepaid, on or about March 31, 2004.

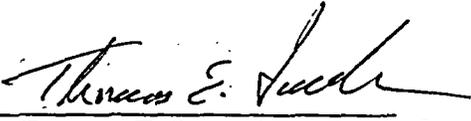
15 9. The interim compensation and reimbursement of expenses sought in this
16 Application is on account and is not final. Upon the conclusion of this case, the Firm will
17 seek fees and reimbursement of the expenses incurred for the totality of the services
18 rendered in the case. Any interim fees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

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

1 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation to the Firm
2 as requested herein pursuant to and in accordance with the terms of the 'ORDER
3 ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT
4 PROCEDURE.'"
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6 Dated: March 31, 2004

FTI Consulting Inc.

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8 By: 

9 Thomas E. Lumsden
Senior Managing Director
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