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50-215  
323

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

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

Case No. 01-30923 DM  
Chapter 11 Case  
[No Hearing Scheduled]

Federal I.D. No. 94-0742640

WINSTON & STRAWN LLP'S COVER SHEET APPLICATION FOR  
ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION  
AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
MARCH 1, 2004 THROUGH MARCH 31, 2004

Winston & Strawn LLP (the "Firm") submits its Cover Sheet Application (the  
"Application") for Allowance and Payment of Interim Compensation and Reimbursement of  
Expenses for the Period of March 1, 2004 through March 31, 2004 (the "Application Period").  
In support of the Application, the Firm respectfully represents as follows:

1. Pursuant to the Amendment to the Amended Application for Authority to  
Employ and to continue the Employment of Special Counsel dated as of September 13, 2001, the  
Firm is counsel to the above-captioned debtor and debtor in possession (the "Debtor") and  
employed under section 327(e) of the Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Code").

BKRP01

2. Pursuant to the Order Establishing Interim Fee Application and Expense Reimbursement Procedure entered on July 26, 2001 (the "Fee Order"), the Firm hereby applies to the Court for allowance and payment of interim compensation for services rendered and reimbursement of expenses incurred during the Application Period.

3. The Firm billed a total of \$32,193.50 in fees and expenses during the Application Period. The total fees represent 144.55 hours expended during the Application Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
March 1 - March 31, 2004	\$32,193.50	\$3,824.72	\$36,018.22

4. Accordingly, the Firm seeks allowance of interim compensation in the total amount of \$31,189.20 at this time. This total is comprised as follows: \$27,364.48 (85% of the fees for services rendered)<sup>1</sup> plus \$3,824.72 (100% of the expenses incurred).

5. Pursuant to the Stipulation and Order Regarding Employment of Winston & Strawn as Special Counsel to the Debtor in Possession dated September 24, 2001 (the "Stipulation"), the Firm's reimbursement for all fees and expenses incurred by the Firm as special counsel to Debtor through July 31, 2001, is governed by the Order entered on August 16, 2001, approving the Amended Application for Authority to Employ and Continue the Employment of Special Counsel (the "Omnibus Order"). Pursuant to the Stipulation and Omnibus Order, the Firm has not and will not submit Applications for fees and expenses incurred through July 31, 2001.

6. To date, the Firm has submitted invoices for the following post-petition services directly to the debtor:

<sup>1</sup>Payment of this amount would result in a "holdback" of \$4,829.02.

Application Period	Amount Due	Amount Paid	Amount Outstanding
June 1, 2001-June 30, 2001	\$117,735.06	\$117,494.31	\$0.00
July 1, 2001-July 31, 2001	\$169,199.53	\$169,197.43	\$0.00

7. To date, the Firm has been paid \$117,494.31 for the June 1, 2001 through June 30, 2001 period and \$ 169,197.43 for the July 1, 2001 through July 31, 2001 period.

8. For fees and expenses incurred on behalf of the Debtor after July 31, 2001, the Firm is governed by the Fee Order and must file monthly fee applications ("Cover Sheet Applications") and quarterly fee applications ("Interim Fee Applications") with the Court pursuant to section 331 of the Code.

9. The following chart reflects: (a) the Cover Sheet Applications submitted to date by W&S, including this Cover Sheet Application; (b) the First, Second, Third, Fourth, Fifth, Sixth and Seventh Interim Applications submitted to date by W&S; (c) for the fees and expenses incurred by the Firm after July 31, 2001, the amounts incurred and the amounts paid to W&S by the Debtor to date; (d) W&S's voluntary and Court ordered reductions in compensation sought from the Debtor as part of the First Interim Application; and (e) the total amount owed by the Debtor to the Firm to date.

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Application Period	85% Fees	Expenses	15% Fee Holdback	Amount Paid	Total Amount Owed <sup>2</sup>
August 1 - November 30, 2001 Interim Application Period	\$881,496.65	\$71,206.39	\$155,558.23	\$1,108,261.28	\$0.00
December 1, 2001 - March 31, 2002 Interim Application Period	\$598,974.22	\$61,140.86	\$105,701.34	\$765,816.41	\$0.00
April 1, 2002 - July 31, 2002 Interim Application Period	\$400,790.65	\$25,688.92	\$70,724.75	\$497,204.33	\$0.00
August 1, 2002 - November 30, 2002 Interim Application Period	\$421,593.39	\$35,004.03	\$74,398.87	\$530,996.29	\$0.00
December 1, 2002 - March 31, 2003 Interim Application Period	\$412,591.79	\$31,681.44	\$72,810.31	\$517,083.54	\$0.00
April 1, 2003-July 31, 2003 Interim Application Period	\$223,720.47	\$22,102.11	\$39,480.08	\$285,302.66	\$0.00
August 1, 2003-November 30, 2003 Interim Application Period	\$58,434.65	\$13,945.06	\$10,312.00	\$82,691.71	\$0.00
December 1, 2003-December 31, 2003	\$9,379.54	\$814.57	\$1,655.21	\$10,194.12	\$1,655.20
January 1, 2004 - January 31, 2004	\$15,942.26	\$1,463.34	\$2,813.34	\$17,405.61	\$2,813.33
February 1, 2004 - February 29, 2004	\$4,868.38	\$376.24	\$859.12	\$0.00	\$6,103.74
March 1, 2004-March 31, 2004	\$27,364.48	\$3,824.72	\$4,829.02	\$0.00	\$36,018.22
<b>Total</b>	<b>\$3,055,156.48</b>	<b>\$267,247.68</b>	<b>\$539,142.27</b>	<b>\$3,814,955.95</b>	<b>\$46,590.49</b>

10. With regard to the copies of this Application served on counsel for the Official Committee of Unsecured Creditors (the "Committee"), reorganization counsel for the Debtor and the Office of the United States Trustee, (a) 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 Exhibit 2 are the detailed time and expense statements for the Application Period that comply

<sup>2</sup> Total Amount Owed includes the 15% holdback.

1 with all Northern District of California Bankruptcy Local Rules and Compensation Guidelines  
2 and the Guidelines of the Office of the United States Trustee.

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

5 12. Pursuant to this Court's Fee Order, the Debtor is authorized to make the  
6 payment requested herein without a further hearing or order of this Court unless an objection to  
7 this Application is filed with the Court by the Debtor, the Committee or the United States  
8 Trustee and served by the fifteenth day of the month following the service of this Application. If  
9 such an objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the  
10 objection. The Firm is informed and believes that this Cover Sheet Application was mailed by  
11 first class mail, postage prepaid, on or about April 29, 2004.  
12

13 13. The interim compensation and reimbursement of expenses sought in this  
14 Application is on account and is not final. Upon the conclusion of this case, the Firm will seek  
15 fees and reimbursement of the expenses incurred for the totality of the services rendered in the  
16 case. Any interim fees or reimbursement of expenses approved by this Court and received by the  
17 Firm will be credited against such final fees and expenses as may be allowed by this Court.  
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19 14. The Firm represents and warrants that its billing practices comply with all  
20 Northern District of California Bankruptcy Local Rules and Compensation Guidelines and the  
21 Guidelines of the Office of the United States Trustee. Neither the Firm nor any members of the  
22 Firm has any agreement or understanding of any kind or nature to divide, pay over or share any  
23 portion of the fees or expenses to be awarded to the Firm with any other person or attorney  
24 except as among the members and associates of the Firm.  
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WHEREFORE, the Firm respectfully requests that the Debtor pay compensation  
to the Firm as requested herein pursuant to and in accordance with the terms of the Fee Order.

Dated: April 29, 2004

WINSTON & STRAWN LLP

By: Stacy D. Justin  
One of Its Attorneys  
327(e) Counsel to Debtors and  
Debtors in Possession

1  
2 **CERTIFICATE OF SERVICE**

3 I, Paige D. Stepan, certify that on or about April 29, 2004 I caused a copy of the  
4 attached Cover Sheet Application For Allowance And Payment Of Interim Compensation  
5 And Reimbursement Of Expenses For The Period March 1, 2004 through March 31, 2004  
6 to be served upon the United States Trustee, Pacific Gas and Electric Company ("PG&E"), the  
7 debtor and debtor in possession, reorganization counsel for PG&E, and counsel for the Official  
Committee of Unsecured Creditors in the PG&E bankruptcy case, at the following addresses, via  
overnight Federal Express or U.S. Mail delivery, as indicated:

8 **By Federal Express**

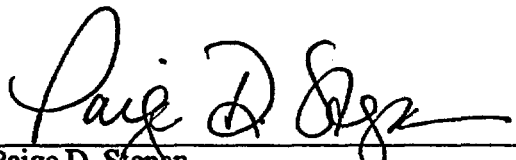
9 United States Trustee  
10 Attn.: Mr. Stephen Johnson  
11 United States Department of Justice  
12 250 Montgomery Street, Suite 1000  
13 San Francisco, CA 94101

14 James L. Lopes  
15 Howard, Rice, Nemerovski, Canady,  
16 Falk & Rabkin  
17 Three Embarcadero Center, 7th Floor  
18 San Francisco, CA 94111

19 Robert J. Moore  
20 Milbank, Tweed, Hadley & McCloy LLP  
21 601 South Figueroa Street  
22 Los Angeles, CA 90017

23 **By U.S. Mail**

24 Theresa Lett  
25 Pacific Gas & Electric  
26 P.O. Box 7442  
27 San Francisco, CA 94120

28  
  
Paige D. Stepan  
Senior Paralegal for Winston & Strawn LLP