

1 Rocky Ho  
FTI Consulting Inc.  
2 353 Sacramento Street, 18<sup>th</sup> Floor  
San Francisco, CA 94111  
3 Telephone: (415) 283.4200  
Facsimile: (415) 283.4266

4 Accountants and Financial Advisors for Official  
5 Committee of Unsecured Creditors

**FILED**

APR 30 2004

UNITED STATES BANKRUPTCY COURT  
SAN FRANCISCO, CA

6  
7  
8 UNITED STATES BANKRUPTCY COURT  
9 NORTHERN DISTRICT OF CALIFORNIA  
10 SAN FRANCISCO DIVISION

11 In re  
12 PACIFIC GAS AND ELECTRIC  
COMPANY, a California corporation,  
13  
14 Debtor.

Case No. 01-30923 DM

Chapter 11 Case

[No Hearing Scheduled]

15 Federal I.D. No. 94-0742640

16 FTI CONSULTING INC. COVER SHEET APPLICATION FOR ALLOWANCE AND  
17 PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF  
EXPENSES FOR  
18 MARCH 1, 2004 TO MARCH 31, 2004

19 FTI Consulting, (the "Firm"), submits its Cover Sheet Application (the "Application")  
20 for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for  
the Period March 1, 2004 to March 31, 2004 (the "Application Period"). In support of the  
21 Application, the Firm respectfully represents as follows:

22 1. The Firm serves as Accountants and Financial Advisors to the Official  
23 Committee of Unsecured Creditors. The Firm submitted an Application for appointment as  
24 Accountants and Financial Advisors to the Official Committee of Unsecured Creditors on  
25 September 27, 2002. An Order for Appointment of the Firm as Accountants and Financial  
26 Advisors to the Official Committee of Unsecured Creditors was entered on October 31,  
27 2002, *nunc pro tunc* to September 1, 2002. The Firm hereby applies to the Court for  
28

BKRPO1

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 \$110,188 in fees and expenses during the  
4 Application Period. The Total fees represent 216.5 hours expended during the Application  
5 Period. These fees and expenses break down as follows:

6 Period	7 Fees	8 Expenses	9 Total
10 March 1, 2004 –	\$109,837	\$351	\$110,188
11 March 31, 2004			

12 3. Accordingly, the Firm seeks allowance of interim compensation in the total  
13 amount of \$93,712 at this time. This total is comprised as follows:  
14 \$93,361 (85% of the fees for services rendered)<sup>1</sup> plus \$351 (100% of the expenses incurred).

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

18 Application Period	19 Amount 20 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

<sup>1</sup>Payment of this amount would result in a "holdback" of \$16,476

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				
27				
28				

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	Thirty-third (February 1,	\$100,888	85% of fees and 100% expenses	\$100,888
13	2004 – February 29, 2004)			
14	Total Paid to the	\$7,983,591		\$7,983,591
15	Firm to Date			

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

19	Application Period	Amount	Description
20	Thirty-first (December 1, 2003 – December	\$28,212	15% fee holdback
21	31, 2003)		
22	Thirty-second (January 1, 2004 – January	\$15,739	15% fee holdback
23	31, 2004)		
24	Thirty-third (February 1, 2004 – February	\$17,573	15% fee holdback
25	29, 2004)		
26	Total Owed to Firm to Date	\$61,524	

27 6. With regard to the copies of this Application served on counsel for the  
28

1 Committee, counsel for the Debtor and the Office of the United States Trustee, attached as  
2 Exhibit 1 hereto is the name of each professional who performed services in connection with  
3 this case during the period covered by this Application and the hourly rate for each such  
4 professional; and (b) attached as Exhibits 2-1 and 2-2 are the detailed time and expense  
5 statements for the Application Period that comply with all Northern District of California  
6 Bankruptcy Local Rules and Compensation Guidelines and the Guidelines of the Office of  
7 the United States Trustee.

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

10 8. Pursuant to this Court's "ORDER ESTABLISHING INTERIM FEE  
11 APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered  
12 on or about July 26, 2001, the Debtor is authorized to make the payment requested herein  
13 without a further hearing or order of this Court unless an objection to this Application is  
14 filed with the Court by the Debtor, the Committee or the United States Trustee and served by  
15 the fifteenth day of the month following the service of this Application. If such an objection  
16 is filed, Debtor is authorized to pay the amounts, if any, not subject to the objection. The  
17 Firm is informed and believes that this Cover Sheet Application was mailed by first class  
18 mail, postage prepaid, on or about April 30, 2004.

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

25 10. The Firm represents and warrants that its billing practices comply with all  
26 Northern District of California Bankruptcy Local Rules and Compensation Guidelines and  
27 the Guidelines of the Office of the United States Trustee. Neither the Firm nor any members  
28 of the Firm has any agreement or understanding of any kind or nature to divide, pay over or

1 share any portion of the fees or expenses to be awarded to the Firm with any other person or  
2 attorney except as among the members and associates of the Firm.

3  
4  
5 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation to the Firm  
6 as requested herein pursuant to and in accordance with the terms of the 'ORDER  
7 ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT  
8 PROCEDURE.'

9  
10 Dated: April 30, 2004

FTI Consulting Inc.

11  
12 By: 

13 Rocky Ho  
14 Senior Managing Director  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28