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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

11 In re

Case No.: 01-30923 DM

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

Chapter 11 Case

14 Debtor.

[No Hearing Scheduled]

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

17 **HELLER EHRMAN WHITE & McAULIFFE LLP'S COVER SHEET**
18 **APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM**
19 **COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD**
MARCH 1, 2004, THROUGH MARCH 31, 2004

20 Heller Ehrman White & McAuliffe LLP (the "Firm" or "Heller Ehrman") submits this
21 Revised Cover Sheet Application (the "Application") for Allowance and Payment of Interim
22 Compensation and Reimbursement of Expenses for the Period March 1, 2004, through
23 March 31, 2004 (the "Application Period"). In support of the Application, the Firm
24 respectfully represents as follows:

25 1. The Firm is Special Counsel to Pacific Gas and Electric Company, debtor and
26 debtor-in-possession in the above-referenced bankruptcy case (the "Debtor"). The Firm
27 hereby applies to the Court for allowance and payment of interim compensation for services
28 rendered and reimbursement of expenses incurred during the Application Period.

Heller
Ehrman
White &
McAuliffe LLP

HELLER EHRMAN COVER SHEET APPLICATION FOR PERIOD
MARCH 1, 2004, THROUGH MARCH 31, 2004
CASE NO.: 01-30923 DM

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2. The Firm billed a total of \$643,334.53 in fees and expenses during the Application Period. The total fees represent 1,837.40 hours expended during the Application Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
3/01/04 – 3/31/04	\$591,090.00	\$52,244.53	\$643,334.53

3. Accordingly, the Firm seeks allowance of interim compensation in the total amount of \$554,671.03 at this time. This total comprises the following: \$502,426.50 (85% of the fees incurred during the Application Period)¹ plus \$52,244.53 (100% of the expenses incurred).

4. For the post-petition period, the Firm has been paid to date as follows:²

Application Period	Amount Applied For	Description	Amount Paid
4/6/01 – 7/31/01 (first post-petition interim fee application period)	\$2,264,794.01	100% of fees and 100% of expenses	\$2,246,327.81 ³

¹ Payment of this amount would result in a "holdback" of \$88,663.50, equal to 15% of the Firm's fees for services rendered during the Application Period.

² On December 19, 2000, PG&E paid a retainer to Heller Ehrman in the amount of \$350,000. Pursuant to written agreement between the parties dated December 19, 2000, the retainer is not to apply to current billings in the ordinary course, but instead is to apply to Heller Ehrman's unpaid fees and expenses in the event that PG&E fails to make payment in the ordinary course. By written agreement dated April 5, 2001, the parties modified that arrangement to authorize Heller Ehrman to apply the retainer to payment of unpaid pre-petition fees and expenses on matters that are subject to an hourly billing arrangement. The foregoing arrangement was approved by this Court in its June 4, 2001, Order Authorizing Debtor to Employ Heller Ehrman as Special Counsel (Apr. 17, 2001); *see also* PG&E's Application to Employ Heller Ehrman as Special Counsel ¶¶ 9-10 (Apr. 17, 2001); Declaration of Marie L. Fiala in Support of Application ¶ 9 (Apr. 8, 2001). As of the date of submission of this Cover Sheet Application, Heller Ehrman has applied \$153,148.07 of the retainer to a portion of its unpaid pre-petition fees and expenses on hourly rate engagements. Heller Ehrman continues to hold a retainer balance of \$196,851.93.

³ The amount paid reflects a disallowance of \$18,466.20 in fees. *See* Order Approving Heller Ehrman White & McAuliffe LLP's First Interim Fee Application for Allowance and Payment of Compensation and Reimbursement of Expenses for the Period April 6, 2001, Through July 31, 2001 (Nov. 21, 2001); December 12, 2001 Order at pp. 16-17.

Application Period	Amount Applied For	Description	Amount Paid
8/1/01 – 11/30/01 (second post-petition interim fee application period)	\$2,251,673.88	100% of fees and 100% of expenses	\$2,231,752.48 ⁴
12/1/01 – 3/31/02 (third post-petition interim fee application period)	\$2,477,438.24	100% of fees and 100% of expenses	\$2,477,438.24
4/1/02 – 7/31/02 (fourth post-petition interim fee application period)	\$3,127,427.84	100% of fees and 100% of expenses	\$3,127,477.88
8/1/02 – 11/30/02 (fifth post-petition interim fee application period)	\$3,442,121.72	100% of fees and 100% of expenses	\$3,442,049.42
12/1/02 – 3/31/02 (sixth post-petition interim fee application period)	\$4,990,707.18	100% of fees and 100% of expenses	\$4,990,707.18
4/01/03 – 7/31/03 (seventh post-petition interim fee application period)	\$2,444,820.00	100% of fees and 100% of expenses	\$2,444,820.00
8/01/03 – 11/30/03 (eighth post-petition interim fee application period)	\$1,645,206.84	100% of fees plus 100% of expenses less \$162,144.72 ⁵	\$1,645,206.84
12/01/03 – 12/31/03 (December CSA period)	\$ 322,951.21	85% of fees and 100% of expenses	\$ 322,951.23

⁴ The amount paid reflects a disallowance of \$19,921.40 in fees for certain paralegal charges. See Order Approving Heller Ehrman White & McAuliffe LLP's Second Interim Fee Application ¶ 1 (Feb. 27, 2002).

⁵ Heller Ehrman's eighth interim fee application originally requested \$1,669,961.40 in fees and \$137,390.16 in expenses. Heller Ehrman subsequently agreed to reduce its expenses for computerized legal research for the period of the first eight interim fee applications (April 6, 2001, through November 30, 2003) by \$161,649.72. Heller Ehrman also agreed to forgo a request for compensation of \$495 in expenses for desktop publishing services.

1/01/04 – 1/31/04 (January CSA period)	\$ 393,669.20 ⁶	85% of fees and 100% of expenses	\$ 393,669.20
2/01/04 – 2/29/04 (February CSA period)	\$ 451,075.24	85% of fees and 100% of expenses	\$ 451,075.24
Total	\$21,547,091.35		\$21,527,147.71

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

Application Period	Amount	Description
First post-petition interim fee application period (4/6/01 – 7/31/01)	\$ 0	
Second post-petition interim fee application period (8/1/01 – 11/30/01)	\$ 0	
Third post-petition interim fee application period (12/1/01 – 3/31/02)	\$ 0	
Fourth post-petition interim fee application period (4/1/02 – 7/31/02)	\$ 0	
Fifth post-petition interim fee application period (8/1/02 – 11/30/02)	\$ 0	
Sixth post-petition interim fee application period (12/01/02 – 3/31/03)	\$ 0	
Seventh post-petition interim fee application period (4/01/03 – 7/31/03)	\$ 0	
Eighth post-petition interim fee application (8/1/03 – 11/30/03)	\$ 0	

⁶ As originally submitted, Heller Ehrman's January 2004 Cover Sheet Application requested compensation in the amount of \$396,440.37 (\$434,845.72 in fees + \$27,158.79 in expenses). Heller Ehrman subsequently agreed with PG&E to reduce the amount of fees requested for the January 2004 invoice for Matter No. 63 by \$3,657, thereby reducing the amount of current compensation sought for that invoice to \$393,669.20 (85% x (434,845.72 - \$3,657) + \$27,158.79).

Application Period	Amount	Description
December cover sheet application period (12/01/03 – 12/31/03)	\$52,682.46	15% fee holdback
January cover sheet application period (1/01/04 – 1/31/04)	\$65,226.86	15% fee holdback
February cover sheet application period (2/01/04 – 2/29/04)	\$74,375.13	15% fee holdback
Total Owed to Firm to Date	\$192,284.45	

6. With regard to the 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; and (b) attached as Exhibit 2 are the detailed time and expense statements for the Application Period 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 Firm 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, the Debtor is authorized to make the 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 the 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 Firm is informed and believes that this Cover Sheet Application was mailed by first class mail, postage prepaid, on or about April 30, 2003.

1 9. The interim compensation and reimbursement of expenses sought in this
2 Application is on account and is not final. Upon the conclusion of this case, the Firm will
3 seek fees and reimbursement of the expenses incurred for the totality of the services
4 rendered in the case. Any interim fees or reimbursement of expenses approved by this
5 Court and received by the Firm (along with the Firm's Retainer) will be credited against
6 such final fees and expenses as may be allowed by this Court.

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

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

17 Dated: April 30, 2004

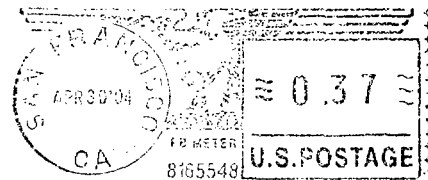
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