

FILED

MAY 27 2004

UNITED STATES BANKRUPTCY COURT
SAN FRANCISCO, CA

1 JAMES L. LOPES (No. 63678)
2 JEFFREY L. SCHAFFER (No. 91404)
3 JANET A. NEXON (No. 104747)
4 WILLIAM J. LAFFERTY (No. 120814)
5 HOWARD, RICE, NEMEROVSKI, CANADY,
6 FALK & RABKIN

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12 Attorneys for Debtor and Debtor in Possession
13 PACIFIC GAS AND ELECTRIC COMPANY

14 UNITED STATES BANKRUPTCY COURT
15 NORTHERN DISTRICT OF CALIFORNIA
16 SAN FRANCISCO DIVISION

17 In re

Case No. 01-30923 DM

18 PACIFIC GAS AND ELECTRIC
19 COMPANY, a California corporation,

Chapter 11 Case

20 Debtor.

[NO HEARING REQUESTED]

21 Federal I.D. No. 94-0742640

22 HOWARD, RICE, NEMEROVSKI, CANADY, FALK & RABKIN
23 COVER SHEET APPLICATION
24 FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION
25 AND REIMBURSEMENT OF EXPENSES
26 FOR APRIL 1, 2004 THROUGH APRIL 12, 2004

27 Howard, Rice, Nemerovski, Canady, Falk & Rabkin (the "Firm") submits its
28 Cover Sheet Application (the "Application") for Allowance and Payment of Interim
Compensation and Reimbursement of Expenses for the Period April 1, 2004 through April
12, 2004 (the "Application Period"). In support of the Application, the Firm respectfully
represents as follows:

1. The Firm is counsel to Pacific Gas and Electric Company, the reorganized
debtor in the above-referenced bankruptcy case ("PG&E"). The Firm hereby applies to the

1 Court for allowance and payment of interim compensation for services rendered and
 2 reimbursement of expenses incurred during the Application Period.

3 2. The Firm billed a total of \$292,699.90 in fees and expenses during the
 4 Application Period. The total fees represent 858.7 hours expended during the Application
 5 Period. These fees and expenses break down as follows:

6 Period	Fees	Expenses	Total
7 April 1-April 12, 2004	\$253,585.00	\$39,114.90	\$292,699.90

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 10 3. Accordingly, the Firm seeks allowance of interim compensation in the total
 11 amount of \$254,662.15 at this time. This total is comprised as follows: \$215,547.25 (85%
 12 of the fees for services rendered)¹ plus \$39,114.90 (100% of the expenses incurred).

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

14 Application Period	Amount Applied For	Description	Amount Paid
15 April 6, 2001 through 16 July 31, 2001 (1st 17 post-petition interim 18 fee application 19 period)	\$4,646,476.74	100% of fees and expenses	\$4,646,476.74
20 August 1, 2001 21 through November 22 30, 2001 (2nd post- 23 petition interim fee 24 application period)	\$3,921,628.38	100% of fees and expenses	\$3,921,528.38 ²
25 December 1, 2001 26 through March 31, 27 2002 (3rd post- 28 petition interim fee application period)	\$4,253,813.78	100% of fees and expenses	\$4,238,243.76 ³

¹Payment of this amount would result in a "holdback" of \$38,037.75.

²The Firm had written off an additional \$100.00 in fees.

³The Firm had written off an additional \$15,570.02 in fees.

Application Period	Amount Applied For	Description	Amount Paid
April 1, 2002 through July 31, 2002 (4th post-petition interim fee application period)	\$5,520,001.30	100% of fees and expenses	\$5,520,001.30
August 1, 2002 through November 30, 2002 (5th post-petition interim fee application period)	\$7,679,231.32	100% of fees and expenses	\$7,679,231.32
December 1, 2002 through March 31, 2003 (6th post-petition interim fee application period)	\$4,722,304.02	100% of fees and expenses	\$4,722,304.02
April 1, 2003 through July 31, 2003 (7th post-petition interim fee application period)	\$2,103,181.96	100% of fees and expenses	\$2,103,181.96
August, 2003 through November 30, 2003 (8th post-petition interim fee application period)	\$1,879,187.64	100% of fees and expenses	\$1,879,187.64
December, 2003	\$ 366,674.28	85% of fees and 100% of expenses	\$ 366,674.28
January, 2004	\$ 427,923.77	85% of fees and 100% of expenses	\$ 427,923.77
February, 2004	\$ 408,339.88	85% of fees and 100% of expenses	\$ 408,339.88
March, 2004	\$ 546,704.23	85% of fees and 100% of expenses	\$ 546,163.61 ⁴
Total Paid to the Firm to Date	\$36,475,467.30		\$36,459,256.66

⁴The Firm had written off an additional \$540.62 in fees

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2 5. To date, the Firm is owed as follows (excluding amounts owed pursuant to
3 this Application):
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5 Application Period	Amount	Description
6 Dec. 1 – Dec. 31, 2003	\$ 62,197.12	15% fee holdback
7 Jan. 1 – Jan. 31, 2004	\$ 71,642.18	15% fee holdback
8 Feb. 1 – Feb. 29, 2004	\$ 65,149.57	15% fee holdback
9 March 1 – March 31, 2004	\$ 93,400.50	15% fee holdback
10 Total Owed to Firm to Date	\$292,389.37	

11 6. With regard to the copies of this Application served on counsel for the
12 Official Committee of Unsecured Creditors (the "Committee"), PG&E and the Office of the
13 United States Trustee, attached as Exhibit 1 hereto is the name of each professional who
14 performed services in connection with this case during the Application Period and the hourly
15 rate for each such professional; and attached as Exhibit 2 is an Account Summary. The
16 detailed time and expense statements for the Application Period that comply with all
17 Northern District of California Bankruptcy Local Rules and Compensation Guidelines and
18 the Guidelines of the Office of the United States Trustee have been submitted in electronic
19 form to the Office of the United States Trustee and mailed to counsel for the Committee and
20 to PG&E.

21 7. The Firm is serving a copy of this Application (without Exhibits) on the
22 Special Notice List in this case.

23 8. Pursuant to this Court's "SECOND AMENDED ORDER ESTABLISHING
24 INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE
25 (Revised March, 2002)" (the "Amended Order"), PG&E is authorized to make the payment
26 requested herein without a further hearing or order of this Court, unless an objection to this
27 Application is filed with the Court by PG&E, the Committee or the United States Trustee
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1 and served by the fifteenth day of the month following the service of this Application. If
2 such an objection is filed, PG&E is authorized to pay the amounts, if any, not subject to the
3 objection. The Firm is informed and believes that this Cover Sheet Application was mailed
4 by first class mail, postage prepaid, on or about May 27, 2004.

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

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

17 WHEREFORE, the Firm respectfully requests that PG&E pay compensation
18 to the Firm as requested herein pursuant to and in accordance with the terms of the Amended
19 Order.

20 DATED: May 27, 2004

21 HOWARD, RICE, NEMEROVSKI, CANADY,
22 FALK & RABKIN
23 A Professional Corporation

24 By: _____

Janet Nexon
25 JANET A. NEXON
26 Attorneys for PACIFIC GAS AND
27 ELECTRIC COMPANY
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