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50-275/323

12 Special Counsel to 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

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

20 Debtor.

21 Federal I.D. No. 94-0742640

Case No. 01 30923 DM

Chapter 11 Case

**KEKER & VAN NEST'S APPLICATION  
FOR ALLOWANCE AND PAYMENT OF  
INTERIM COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR  
THE PERIOD AUGUST 1, 2001  
THROUGH AUGUST 31, 2001**

Judge: HON. DENNIS MONTALI

[No Hearing Scheduled]

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A001 Add: Rids Ogc Mail Center

1 Keker & Van Nest, L.L.P. (the "Firm") submits its Cover Sheet Application (the  
2 "Application") for Allowance and Payment of Interim Compensation and Reimbursement of  
3 Expenses for the Period August 1, 2001 to August 31, 2001 (the "Application Period"). In  
4 support of the Application, the Firm respectfully represents as follows:

5 1. The Firm is special counsel to Pacific Gas and Electric Company, the debtor in  
6 possession in the above-referenced bankruptcy case (the "Debtor"). The Firm hereby applies to  
7 the Court for allowance and payment of interim compensation for services rendered and  
8 reimbursement of expenses incurred during the Application Period.

9 2. The Firm billed a total of in fees and expenses during the Application Period.  
10 The total fees represent 127 hours expended during the period covered by this Application.  
11 These fees and expenses break down as follows:

Period	Fees	Expenses	Total
August 1, 2001 – August 31, 2001	\$43,146.18	\$1,932.34	\$45,078.52

12 3. Accordingly, the Firm seeks allowance of interim compensation in the amount of  
13 a total of \$38,606.59 at this time. This total is comprised as follows:

14 \$36,674.25 (85% of the fees for services rendered)<sup>1</sup> plus  
15 \$ 1,932.34 (100% of the expenses incurred).

16 4. For the post-petition period, the Firm has been paid to date as follows:  
17 \$208,417.20.

18 5. To date, the Firm is owed as follows (excluding amounts owed pursuant to this  
19 Application): \$21,841.36

20 6. With regard to the copies of this Application served on counsel for the  
21 Committee, counsel for the Debtor and the Office of the United States Trustee, (a) attached as  
22 Exhibit 1 hereto is the name of each professional who performed services in connection with this  
23 case during the period covered by this Application and the hourly rate for each such professional;  
24 and (b) attached as Exhibit 2 are the detailed time and expense statements for the Application  
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28 <sup>1</sup> Payment of this amount would result in a "holdback" of \$6,471.93

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

3 7. The Firm will serve a copy of this Application on the Special Notice List in this  
4 case on or before October 1, 2001.

5 8. Pursuant to this Court's "ORDER ESTABLISHING INTERIM FEE  
6 APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered on  
7 or about July 26, 2001, the Debtor is authorized to make the payment requested herein without a  
8 further hearing or order of this Court unless an objection to this Application is filed with the  
9 Court by the Debtor, the Committee or the United States Trustee and served by the fifteenth day  
10 of the month following the service of this Application. If such an objection is filed, Debtor is  
11 authorized to pay the amounts, if any, not subject to the objection. The Firm is informed and  
12 believes that this Cover Sheet Application was mailed by first class mail, post prepaid, on or  
13 about September 28, 2001.

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

20 10. The Firm represents and warrants that its billing practices comply with all  
21 Northern District of California Bankruptcy Local Rules and Compensation Guidelines and the  
22 Guidelines of the Office of the United States Trustee. Neither the Firm nor any members of the  
23 Firm has any agreement or understanding of any kind or nature to divide, pay over or share any  
24 portion of the fees or expenses to be awarded to the Firm with any other person or attorney  
25 except as among the members and associates of the Firm.  
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1           WHEREFORE, the Firm respectfully requests that the Debtor pay compensation to the  
2 Firm as requested herein pursuant to and in accordance with the terms of the "ORDER  
3 ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT  
4 PROCEDURE."

5 Dated: September 28, 2001

KEKER & VAN NEST, L.L.P.

By: 

ROBERT A. VAN NEST  
Special Counsel to Debtor in Possession  
PACIFIC GAS AND ELECTRIC  
COMPANY