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Special Taxation Counsel for Pacific Gas and  
Electric Company, Debtor and Debtor in Possession

UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

In re

PACIFIC GAS AND ELECTRIC  
COMPANY, a California corporation,

Debtor.

Federal I.D. No. 94-0742640

Case No.: No. 01-30923-DM

Chapter 11 Case

**NOTICE OF FIRST AND FINAL  
FEE APPLICATION OF  
AJALAT, POLLEY & AYOOB  
AND BARTON, KLUGMAN &  
OETTING LLP**

**[APPLICATIONS AND  
DECLARATIONS OF TOD V.  
BEEBE AND MARK PENSKAR  
IN SUPPORT THEREOF FILED  
SEPARATELY]**

Hearing Date: February 26, 2002  
Time: 9:30 a.m.  
Place: 235 Pine Street, 22<sup>nd</sup> Floor  
San Francisco, CA

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*Rude Oge Mail Center*

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2 PLEASE TAKE NOTICE that on February 26, 2002, at 9:30 a.m., or as soon  
3 thereafter as the matter may be heard, in the courtroom of the Honorable Dennis Montali,  
4 located at 235 Pine Street, 22<sup>nd</sup> Floor, San Francisco, California, Special Taxation  
5 Counsel for the Debtor, the firms of Ajalat, Polley & Ayoob and Barton, Klugman &  
6 Oetting LLP will and hereby do make application to the court for approval of their First  
7 and Final Fee Application for services performed on behalf of the Debtor.

8 Ajalat, Polley & Ayoob and Barton, Klugman & Oetting LLP were engaged both  
9 pre-petition and post-petition to prosecute certain litigation against the City and County  
10 of San Francisco regarding the constitutionality of its business tax system. That litigation  
11 has now been resolved in a settlement, approved by the court, under which the City and  
12 County of San Francisco paid the Debtor in excess of \$11,000,000. Pursuant to the terms  
13 of the retainer agreement between the Debtor and Ajalat, Polley & Ayoob, that firm is  
14 entitled to a final payment of contingent attorneys' fees in the amount of \$124,599. The  
15 Applicants also request final approval of interim attorneys' fees and costs paid pursuant  
16 to the court's Order of August 16, 2001 totaling \$35,109.99.

17 PLEASE TAKE FURTHER NOTICE that pursuant to Rule 9014-1(b)(2) of the  
18 Bankruptcy Local Rules of the United States District Court for the Northern District of  
19 California, any opposition to the application must be filed with the Bankruptcy Court and  
20 served upon appropriate parties (including Ajalat, Polley & Ayoob and Barton, Klugman  
21 & Oetting LLP) at least seven days prior to the scheduled hearing date. If there is no  
22 timely objection to the Application, the court may enter an order approving the  
23 Application without further hearing.

24 Copies of the Application, the Declarations of Tod V. Beebe and Mark Penskar in  
25 support thereof may be obtained from Ajalat, Polley & Ayoob and Barton, Klugman &  
26 Oetting LLP in one of the following two ways: (1) e-mail your request to  
27 [tbeebe@bkolaw.com](mailto:tbeebe@bkolaw.com), in which event copies of such pleadings shall be transmitted to you  
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1 via e-mail at the e-mail address specified in your e-mail (or, if you do not expressly  
2 specify an e-mail address, then via a reply e-mail to your e-mail); or (2) fax your request  
3 to Tod V. Beebe at (213) 625-1832, in which event such pleading shall be faxed to you at  
4 the fax number you specify.

5 Dated: January 9, 2002.

6 AJALAT, POLLEY & AYOOB  
7 BARTON, KLUGMAN & OETTING LLP

8  
9 By 

10 Tod V. Beebe, A Professional Corporation  
11 Special Taxation Counsel for PACIFIC GAS &  
12 ELECTRIC COMPANY, Debtor and Debtor in  
13 Possession  
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