

50-275/323

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PACIFIC GAS AND ELECTRIC COMPANY

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

No. 01 30923 DM  
Chapter 11 Case  
Date: February 8, 2002  
Time: 2:30 p.m.  
Place: 235 Pine St., 22nd Floor  
San Francisco, California  
Judge: Hon. Dennis Montali

HOWARD  
RICE  
NEMEROVSKI  
CANADY  
FALK  
& RABKIN  
A Professional Corporation

DECLARATION OF VALERIE O. FONG IN SUPPORT OF DEBTOR'S  
MOTION FOR ORDER APPROVING EXPENDITURE OF FUNDS TO UPGRADE  
SUBSTATIONS AND, IF NECESSARY, RECONDUCTOR A 230 KV TRANSMISSION  
LINE TO SUPPORT THE LOS BANOS-GATES 500 KV TRANSMISSION PROJECT

*Acc: Add: Rols Ogo Mail Center*

1 I, Valerie O. Fong, declare as follows:

2 1. I am the Director, Capital and Expense Program Management Pacific Gas  
3 and Electric Company ("PG&E"), a position I have held since November 1, 2000. I make  
4 this Declaration based upon my personal knowledge of PG&E's capital programs, and upon  
5 my review of PG&E's records concerning the matters stated herein. If called as a witness, I  
6 could and would testify competently to the facts stated herein.

7 2. On November 29, 2001, PG&E submitted a notice and description of the  
8 project to design and build 500 kV and 230 kV substation equipment, and, if needed, to  
9 reconductor 230 kV transmission lines, all in conjunction with the "Path 15 Upgrade  
10 Project," to the Official Committee of Unsecured Creditors (the "Creditors' Committee"),  
11 pursuant to Judge Dennis Montali's Order Re: Motion for Authority to Make Capital  
12 Expenditures in the Ordinary Course of Business in PG&E's Chapter 11 case in front of the  
13 U.S. Bankruptcy court, Northern District of California, San Francisco Division (Case No.  
14 01-30923 DM). Attached hereto as Exhibit A is a true and correct copy of PG&E's notice to  
15 the Creditors' Committee.

16 3. On December 12, 2001, the Creditors' Committee notified me by email that  
17 it did not oppose the Project "but would be appreciative if [it] could monitor critical events  
18 leading up to the actual cash outlay." Attached hereto as Exhibit B is a true and correct copy  
19 of the Creditors' Committee email.

20 I declare under penalty of perjury under the laws of the United States of America  
21 that the foregoing is true and correct. Executed this 16<sup>th</sup> day of January, 2002, at San  
22 Francisco, California.

23  
24   
25 Valerie O. Fong

Exhibits are not attached to the service copies of this document. You may obtain copies of the Exhibits in one of the following ways: through the "Pacific Gas & Electric Company Chapter 11 Case" link accessible through the Bankruptcy Court's website ([www.canb.uscourts.gov](http://www.canb.uscourts.gov)), or by written request to Howard, Rice, Nemerovski, Canady, Falk & Rabkin, Attn: Racquel Lopez, Three Embarcadero Center, 7th Floor, San Francisco, California 94111-4065