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Consultant for the Debtor

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In Re
PACIFIC GAS AND ELECTRIC
COMPANY, a California corporation,
Debtor.

Case No. 01-30923 DM
Chapter 11 Case
(No Hearing Scheduled)

Federal I.D. No. 94-0742640

**THE BRATTLE GROUP, INC.'s COVER SHEET APPLICATION
FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION
AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD
SEPTEMBER 20, 2001 TO JANUARY 31, 2002**

The Brattle Group, Inc. (the "Firm") submits its Cover Sheet Application (the "Application") for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for the Period September 20, 2001 through January 31, 2002 (the "Application Period"). In support of the Application, the Firm respectfully represents as follows:

1. The Firm is consultant to the Pacific Gas and Electric Company, debtor and debtor-in-possession in the above-referenced bankruptcy case (the "Debtor"). The Firm hereby applies to the Court for allowance and payment of interim compensation for services rendered and reimbursement of expenses in the

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1 bankruptcy matter during the Application Period.

- 2 2. The Firm was engaged by the Debtor to provide services in the bankruptcy matter
3 pursuant to a Retention Agreement dated September 20, 2001, which engagement
4 was approved by the Court by Order dated February 6, 2002. Excluding
5 administrative time invoiced for which the Firm is not seeking to be compensated,
6 the Firm billed a total of \$738,771.84 in fees (representing 2,877.75 hours
7 expended) and expenses for services rendered in the bankruptcy matter during the
8 Application Period. These fees and expenses break down as follows:

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Period	Fees	Expenses	Total
9/20/01 - 9/30/01	\$ 45,511.25	\$ 1,035.12	\$ 46,546.37
10/1/01 - 10/31/01 ¹	\$ 419,033.75	\$ 25,387.38	\$ 444,421.13
11/1/01 - 11/31/01	\$ 222,022.50	\$ 10,580.25	\$ 232,602.75
12/1/01 - 12/31/01	\$ 4,006.25	\$ 853.15	\$ 4,859.40
1/1/02 - 1/31/02	\$ 9,848.75	\$ 493.44	\$ 10,342.19
Total	\$ 700,422.50	\$ 38,349.34	\$ 738,771.84

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- 17 3. Accordingly, the Firm seeks allowance of interim compensation in the total
18 amount of \$ 633,708.47 at this time. This total is comprised as follows:
19 \$595,359.13 (85% of the fees for services rendered)² plus \$ 38,349.34 (100% of
20 the expenses incurred).
- 21 4. With regard to the copies of this Application served on counsel for the
22 Committee, counsel for the Debtor and the Office of the United States Trustee,
23 attached as Exhibit 1 hereto are the Firm's detailed invoices for each month
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26 ¹The Firm's invoice for services rendered in October 2001 included time incurred in September 2001 by
27 William Lindsay, a Senior Advisor to the Firm, whose detailed time log for September was not received by the Firm
in time for inclusion in the Firm's September invoice. . .

28 ²Payment of this amount would result in a "holdback" of \$ 105,063.37.

1 covered by this Application (which detail includes the name of each professional
2 who performed services in connection with this case during this period, the hourly
3 rate for each such professional, and the expense statements for this period)³; and
4 attached as Exhibit 2 are the detailed time statements summarizing the services
5 rendered during the Application Period that comply with all Northern District of
6 California Bankruptcy Local Rules and Compensation Guidelines and the
7 Guidelines of the Office of the United States Trustee.⁴

8 5. The Firm has served a copy of this Application (without Exhibits) on the Special
9 Notice List in this case.

10 6. Pursuant to this Court's 'ORDER ESTABLISHING INTERIM FEE
11 APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE' which
12 was entered on or about July 26, 2001, as amended on or about November 8,
13 2001, the Debtor is authorized to make the payment requested herein without a
14 further hearing or order of this Court unless an objection to this Application is
15 filed with the court by the Debtor, the Committee, or this United States Trustee
16 and served by the fifteenth day of the month following the service of this
17 Application. If such an objection is filed, Debtor is authorized to pay the
18 amounts, if any, not subject to the objection. The Firm is informed and believes
19 that this Cover Sheet application was mailed by first class mail, postage prepaid,
20 on or about February 28, 2002.

21 7. The interim compensation and reimbursement of expenses sought in this
22 Application is on account and is not final. Upon conclusion of this case, the Firm
23 will seek fees and reimbursement of the expenses incurred for the totality of the
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25 ³As noted above, although the Firm's invoices include time charged for administrative personnel, the Firm is
26 not seeking reimbursement for such services.

27 ⁴The Firm customarily records its time in quarter-hour increments. Upon receipt of the Court's February 6,
28 2002 Order approving the Firm's retention, special time keeping procedures have been implemented with regard to work
for the Debtor regarding its plan of reorganization so that time for February 2002 forward will be recorded in tenths of
an hour.

1 services rendered in the case. Any interim fees or reimbursement of expenses
2 approved by this Court and received by the Firm will be credited against such
3 final fees and expenses as may be allowed by this Court.

- 4 8. The Firm represents and warrants that, except as qualified by footnote 3 above,
5 its billing practices comply with all Northern District of California Bankruptcy
6 Local Rules and Compensation Guidelines and the Guidelines of the Office of the
7 United States Trustee. Neither the Firm nor any members of the Firm has any
8 agreement or understanding of any kind or nature to divide, pay over, or share any
9 portion of the fees or expenses to be awarded to the Firm with any other person or
10 attorney except as among the members and associates of the Firm.

11
12 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation to the
13 Firm as requested herein pursuant to and in accordance with the terms of the "ORDER
14 ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT
15 PROCEDURE."

16 Dated:

The Brattle Group, Inc.

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18 By: Barbara J. Levine / [Signature]
19 Barbara J. Levine, General Counsel
20 Consultant to Pacific Gas & Electric Co.
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