

50-215/323

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Special 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	)	Case No. 01-30923-DM
PACIFIC GAS AND ELECTRIC COMPANY,	)	Chapter 11 Case
a California corporation,	)	
Debtor.	)	[No Hearing Scheduled]
Federal I.D. No. 94-0742640	)	

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S  
COVER SHEET APPLICATION FOR ALLOWANCE  
AND PAYMENT OF INTERIM COMPENSATION AND  
REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
JULY 1, 2003 THROUGH JULY 31, 2003

Skadden, Arps, Slate, Meagher & Flom LLP (the "Firm") submits its Cover Sheet  
Application (the "Application") for Allowance and Payment of Interim Compensation and  
Reimbursement of Expenses for the Period July 1, 2003 through July 31, 2003 (the "Application  
Period"). In support of the Application, the Firm respectfully represents as follows:

1. The Firm is special regulatory counsel to Pacific Gas and Electric  
Company, the 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

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S COVER SHEET FEE APPLICATION FOR ALLOWANCE  
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1 compensation for services rendered and reimbursement of expenses incurred during the  
2 Application Period.

3 2. The Firm billed a total of \$4,376.78 in fees and expenses during the  
4 Application Period. The total fees represent 15.10 hours expended during the period covered by  
5 this Application. These fees and expenses break down as follows:

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Period	Fees	Expenses	Total
July 1, 2003 through July 30, 2003	\$4,069.50	\$307.28	\$4,376.78

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10 3. Accordingly, the Firm seeks allowance of interim compensation in the  
11 total amount of \$3,766.36 at this time. This total is comprised as follows: \$3,459.08 (85% of the  
12 fees for services rendered)<sup>1</sup> plus \$307.28 (100% of the expenses incurred).

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

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Application Period	Amount Applied For	Description	Total
April 6 2001 through July 31, 2001	\$ 412,199.69	100% of fees and 100% of expenses	\$384,116.82 <sup>2</sup>
August 1, 2001 through August 31, 2001	\$ 232,904.35	85% of fees and 100% of expenses	\$211,716.95
September 1, 2001 through September 30, 2001	\$182,393.51	85% of fees and 100% of expenses	\$182,363.51
October 1, 2001 through October 31, 2001	\$351,118.17	85% of fees and \$100% of expenses	\$351,118.17
November 1, 2001 through November 30, 2001	\$327,076.56	85% of fees and 100% of expenses	\$327,076.56

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25 <sup>1</sup> Payment of this amount would result in a "holdback" of \$610.42.

26 <sup>2</sup> This amount represents the amount allowed from the Firm's first interim fee application,  
27 after reduction for certain time and disbursements.

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1	December 1, 2001 through December 31, 2001	\$49,443.48	85% of fees and 100% of expenses	\$49,443.48
2				
3	August 1, 2001 through November 30, 2001		Amounts outstanding from cover sheet fee applications less certain reductions from Second Interim Fee Application	\$137,056.57
4				
5				
6	January 1, 2002 through January 31, 2002	\$104,031.40	85% of fees and 100% of expenses	\$104,031.40
7				
8	February 1, 2002 through February 28, 2002	\$159,990.72	85% of fees and 100% of expenses	\$159,990.72
9				
10	March 1, 2002 through March 31, 2002	\$89,507.42	85% of fees and 100% of expenses	\$89,507.42
11				
12	April 1, 2002 through April 30, 2002	\$111,659.93	85% of fees and 100% of expenses	\$111,659.93
13				
14	December 1, 2001 through March 31, 2002		Amounts outstanding from cover sheet fee applications less certain reductions from Third Interim Fee Application	\$52,271.96
15				
16				
17	May 1, 2002 through May 31, 2002	\$90,110.23	85% of fees and 100% of expenses	\$90,110.23
18				
19	June 1, 2002 through June 30, 2002	\$28,872.94	85% of fees and 100% of expenses	\$28,872.94
20				
21	July 1, 2002 through July 31, 2002	\$77,733.11	85% of fees and 100% of expenses	\$77,733.11
22				
23	August 1, 2002 through August 31, 2002	\$131,944.96	85% of fees and 100% of expenses	\$131,944.96
24				
25	September 1, 2002 through September 30, 2002	\$72,743.14	85% of fees and 100% of expenses	\$72,743.14

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1	April 1, 2002 through July 31, 2002	\$45,556.86	Amounts outstanding from cover sheet fee applications less voluntary reductions from Fourth Interim Fee Application	\$45,556.86
2				
3				
4				
5	October 1, 2002 through October 31, 2002	\$94,196.22	85% of fees and 100% of expenses	\$94,196.22
6				
7	November 1, 2002 through November 30, 2002	\$65,243.71	85% of fees and 100% of expenses	\$65,243.71
8				
9	December 1, 2002 through December 31, 2002	\$121,562.85	85% of fees and 100% of expenses	\$121,562.85
10				
11	August 1, 2002 through November 30, 2002	\$52,396.90	Amounts outstanding from cover sheet fee applications less voluntary reductions from Fifth Interim Fee Application	\$52,396.90
12				
13				
14	January 1, 2003 through January 31, 2003	\$84,945.03	85% of fees and 100% of expenses	\$84,945.03
15				
16	February 1, 2003 through February 28, 2003	\$177,517.70	85% of fees and 100% of expenses	\$177,517.70
17				
18	March 1, 2003 through March 31, 2003	\$76,723.48	85% of fees and 100% of expenses	\$76,723.48
19				
20	April 1, 2003 through April 30, 2003	\$39,352.64	85% of fees and 100% of expenses	\$39,352.64
21				
22	May 1, 2003 through May 31, 2003	\$15,449.60	85% of fees and 100% of expenses	\$15,449.60
23				
24	December 1, 2002 through March 31, 2003	\$67,940.43	Amounts outstanding from cover sheet fee applications less voluntary reductions from Sixth Interim Fee Application	\$67,940.43
25				
26	June 1, 2003 through June 30, 2003	\$28,888.62	85% of fees and 100% of expenses	\$28,888.62

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5. To date, the Firm is owed as follows (excluding amounts owed under this Application):

Period	Fees	Description
Twenty-second (April 1, 2003 through April 30, 2003)	\$6,719.02	15% fee holdback
Twenty-third (May 1, 2003 through May 31, 2003)	\$2,726.40	15% fee holdback
Twenty-fourth (June 1, 2003 through June 30, 2003)	\$4,758.67	15% fee holdback
Total Owed to Firm to Date	\$14,204.09	

6. With regard to the copies of this Application served on counsel for the Committee, counsel for the Debtor and the Office of the United States Trustee, attached as Exhibit 1 hereto is the name of each professional who performed services in connection with this case during the period covered by this Application and the hourly rate for each such professional; and (b) attached as Exhibit 2 are the detailed time and expense records for the Application Period that comply with all Northern District of California Bankruptcy Local Rules and Compensation Guidelines and the Guidelines of the Office of the United States Trustee.

7. The Firm has served a copy of this Application on the Special Notice List in this case.

8. In accordance with this Court's "ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered on or about July 25, 2001, as subsequently amended, the Debtor is authorized to make the payment requested herein without a further hearing or order of this Court unless an objection to this Application is filed with the Court by the Debtor, the Committee or the United States Trustee and served by the fifteenth day of the month following the service of this Application. If such an objection is filed, Debtor is authorized to pay the amounts, if any, not subject to the objection. The Firm is informed and believes that this Cover Sheet Application was mailed by first class

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP'S COVER SHEET FEE APPLICATION FOR ALLOWANCE AND PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD JULY 1, 2003 THROUGH JULY 31, 2003

1 mail, postage prepaid, on or about August 29, 2003.

2           9.     The interim compensation and reimbursement of expenses sought in this  
3 Application is on account and is not final. Upon the conclusion of this case, the Firm will seek  
4 fees and reimbursement of the expenses incurred for the totality of the services rendered in this  
5 case. Any interim fees or reimbursement of expenses approved by this Court and received by the  
6 Firm will be credited against such final fees and expenses as may be allowed by this Court.

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

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

16 Dated: August 29, 2003

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

17  
18 By:   
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Richard Levin and Jamie L. Edmonson  
Special Regulatory Counsel to Debtor and Debtor in  
Possession  
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