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8 Accountants and Financial Advisors for Official
9 Committee of Unsecured Creditors

FILED

SEP 29 2003

UNITED STATES BANKRUPTCY COURT
SAN FRANCISCO, CA

50-275
323

10 UNITED STATES BANKRUPTCY COURT
11 NORTHERN DISTRICT OF CALIFORNIA

12 SAN FRANCISCO DIVISION

13 In re

14 PACIFIC GAS AND ELECTRIC
15 COMPANY, a California corporation,

16 Debtor.

Case No. 01-30923 DM

Chapter 11 Case

[No Hearing Scheduled]

17 Federal I.D. No. 94-0742640

18 **FTI CONSULTING INC. COVER SHEET APPLICATION FOR ALLOWANCE AND**
19 **PAYMENT OF INTERIM COMPENSATION AND REIMBURSEMENT OF**
20 **EXPENSES FOR**
21 **AUGUST 1, 2003 TO AUGUST 31, 2003**

22 FTI Consulting, (the "Firm"), submits its Cover Sheet Application (the "Application")
23 for Allowance and Payment of Interim Compensation and Reimbursement of Expenses for
24 the Period August 1, 2003 to August 31, 2003 (the "Application Period"). In support of the
25 Application, the Firm respectfully represents as follows:

26 1. The Firm serves as Accountants and Financial Advisors to the Official
27 Committee of Unsecured Creditors. The Firm submitted an Application for appointment as
28 Accountants and Financial Advisors to the Official Committee of Unsecured Creditors on
September 27, 2002. An Order for Appointment of the Firm as Accountants and Financial
Advisors to the Official Committee of Unsecured Creditors was entered on October 31,
2002, *nunc pro tunc* to September 1, 2002. The Firm hereby applies to the Court for

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allowance and payment of interim compensation for services rendered and reimbursement of expenses incurred during the Application Period.

2. The Firm billed a total of \$128,929 in fees and expenses during the Application Period. The Total fees represent 291.7 hours expended during the Application Period. These fees and expenses break down as follows:

Period	Fees	Expenses	Total
August 1, 2003 – August 31, 2003	\$128,654	\$275	\$128,929

3. Accordingly, the Firm seeks allowance of interim compensation in the total amount of \$109,631 at this time. This total is comprised as follows:

\$109,356 (85% of the fees for services rendered)¹ plus \$275 (100% of the expenses incurred).

4. For the post-petition period, the Firm, as successor to the Business Recovery Services practice of PricewaterhouseCoopers, LLP, has been paid to date as follows:

Application Period	Amount Applied For	Description	Amount Paid
First (April 11, 2001 – May 31, 2001)	\$803,642	90% of fees and 100% of expenses	\$803,642
Second (June 1, 2001 – July 31, 2001)	\$870,002	90% of fees and 100% of expenses	\$870,002

¹Payment of this amount would result in a "holdback" of \$19,298

1	First Interim Fee	\$2,408	10% fee holdback (\$179,012) net	\$2,408
2	Application		of PricewaterhouseCoopers LLP	
3			and Court Adjustments	
4			(\$176,604)	
5	Third (August 1, 2001 –	\$358,024	85% of fees and	\$358,024
6	August 30, 2001)		100% of expenses	
7				
8	Fourth (September 1, 2001	\$293,871	85% of fees and	\$293,871
9	– September 30, 2001)		100% of expenses	
10	Fifth (October 1, 2001 –	\$307,809	85% of fees and	\$307,809
11	October 31, 2001)		100% of expenses	
12	Sixth (November 1, 2001-	\$215,596	85% of fees and	\$215,596
13	November 30, 2001)		100% of expenses	
14	Second Interim Fee	\$145,541	15% fee holdback (\$198,105) net	\$145,541
15	Application		of PricewaterhouseCoopers LLP	
16			adjustments (\$52,564)	
17	Seventh (December 1,	\$192,887	85% of fees and	\$192,887
18	2001-December 31, 2001)		100% of expenses	
19	Eight (January 1, 2002-	\$223,013	85% of fees and	\$223,013
20	January 31, 2002)		100% of expenses	
21	Ninth (February 1, 2002 –	\$197,888	85% of fees and	\$197,888
22	February 28, 2002)		100% of expenses	
23	Tenth (March 1, 2002 –	\$189,814	85% of fees and	\$189,814
24	March 31, 2002)		100% of expenses	
25	Third Interim Fee	\$114,300	15% fee holdback (\$128,506) net	\$114,300
26	Application		of PricewaterhouseCoopers LLP	
27			write-offs (\$3,705) and expense	
28			adjustments (\$10,500)	

Eleventh (April 1, 2002 – April 30, 2002)	\$185,003	85% of fees and 100% of expenses	\$185,003
Twelfth (May 1, 2002 – May 31, 2002)	\$183,784	85% of fees and 100% of expenses	\$183,784
Thirteenth (June 1, 2002 – June 30, 2002)	\$81,860	85% of fees and 100% of expenses	\$81,860
Fourteenth (July 1, 2002 – July 31, 2002)	\$204,553	85% of fees and 100% of expenses	\$204,553
Fifteenth (August 1, 2002 – August 31, 2002)	\$127,849	85% of fees and 100% of expenses	\$127,849
Fourth Interim (April 1, 2002 – July 31, 2002)	\$106,253	15% holdback fees (\$109,606) net voluntary write-off (\$3,353)	\$106,253
Sixteenth (September 1, 2002 – September 30, 2002)	\$84,985	85% fees and 100% expenses	\$84,985
Seventeenth (October 1, 2002 – October 31, 2002)	\$113,478	85% fees and 100 % expenses	\$113,478
Eighteenth (November 1, 2002 – November 30, 2002)	\$315,139	85% fees and 100 % expenses	\$315,139
Nineteenth (December 1, 2002 – December 31, 2002)	\$227,074	85% fees and 100 % expenses	\$227,074
Fifth Interim (August 1, 2002 – November 30, 2002)	\$115,270	15% holdback fees	\$115,270

1	Twentieth (January 1, 2003	\$160,122	85% fees and 100% expenses	\$160,122
2	– January 31, 2003)			
3	Twenty-first (February 1,	\$133,793	85% fees and 100% expenses	\$133,793
4	2003 – February 28, 2003)			
5	Twenty-second (March 1,	\$160,446	85% fees and 100% expenses	\$160,446
6	2003 – March 31, 2003)			
7	Twenty-third (April 1,	\$163,638	85% fees and 100% expenses	\$163,638
8	2003 – April 30, 2003)			
9	Twenty-fourth (May 1,	\$157,479	85% fees and 100% expenses	\$157,479
10	2003 - May 31, 2003)			
11	Sixth Interim (December 1,	\$116,680	15% holdback fees	\$116,680
12	2002 – March 31, 2003)			
13	Twenty-fifth (June 1, 2003	\$105,311	85% of fees and 100% expenses	\$105,311
14	– June 30, 2003)			
15	Twenty-sixth (July 1, 2003	\$209,335	85% of fees and 100% expenses	\$209,335
16	– July 31, 2003)			
17	Total Paid to the	\$6,866,847		\$6,866,847
18	Firm to Date			

19 5. To date, the Firm is owed as follows (excluding amounts owed pursuant to
20 this Application).
21

22	Application Period	Amount	Description
23	Twenty-third (April 1, 2003 – April 30,	\$28,450	15% fee holdback
24	2003)		
25	Twenty-fourth (May 1, 2003 – May 21,	\$26,697	15% fee holdback
26	2003)		
27	Twenty-fifth (June 1, 2003 – June 30, 2003)	\$18,258	15% fee holdback
28			

Application Period	Amount	Description
Twenty-sixth (July 1, 2003 – July 31, 2003)	\$35,651	15% fee holdback
Total Owed to Firm to Date	\$109,056	

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 Exhibits 2-1 and 2-2 are the detailed time and expense statements 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 (without Exhibits) on the Special Notice List in this case.

8. Pursuant to this Court's "ORDER ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT PROCEDURE" which was entered on or about July 26, 2001, 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 mail, postage prepaid, on or about September 26, 2003.

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

1 allowed by this Court.

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

8
9 WHEREFORE, the Firm respectfully requests that the Debtor pay compensation to the Firm
10 as requested herein pursuant to and in accordance with the terms of the 'ORDER
11 ESTABLISHING INTERIM FEE APPLICATION AND EXPENSE REIMBURSEMENT
12 PROCEDURE.'

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14 Dated: September 26, 2003

FTI Consulting Inc.

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16 By: 

17 Thomas Lumsden
18 Senior Managing Director
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Exhibit 1

**Pacific Gas and Electric
Summary of Time By Professional
For the Period August 1, 2003 Through August 31, 2003**

Professional	Title	Time Total	Billing Rate	Fee Total
Ghazi, Maryam	Director	0.8	\$450	\$360
Hamilton, Mike	Partner	10.9	\$625	\$6,813
Ho, Rocky	Sr. Managing Director	33.7	\$550	\$18,535
Huang, Theodore	Consultant	5.1	\$345	\$1,760
Kim, Angela	Paraprofessional	11.4	\$55	\$627
Kitchin, Jennifer	Director	40.4	\$450	\$18,180
Lumsden, Tom	Sr. Managing Director	45.7	\$625	\$28,563
Neis, Margery	Consultant	133.8	\$365	\$48,837
Reles, Freddie	Sr. Managing Director	3.0	\$625	\$1,875
Young, Allison	Director	6.9	\$450	\$3,105
Totals		<u>291.7</u>		<u>\$128,654</u>