

**Restructuring in the Rearview Mirror – a 10-Year Retrospective of California's
Doomed Experiment with Electric Deregulation.
Courtroom 22 Coverage of the PG&E Bankruptcy**

Lawyers Rake in the Bankruptcy Bucks

The Pacific Gas & Electric Chapter 11 proceeding has been a windfall for bankruptcy specialists across the nation, and the first invoices for professional services submitted to the court this month represent just the first installment of an aggregated bill expected to reach hundreds of millions of dollars.

Six legal and accounting firms presented bills for \$6.5 million to the US Bankruptcy Court by July 31, plus expense sheets for \$483,000 in various costs. Most of the invoices cover the April through June period, though it appears that more bills may be on the way, as a few companies submitted partial invoices.

At the top of the list is the firm of Howard Rice Nemerovski Canady Falk & Rabkin, PG&E's main bankruptcy counsel, which seeks a total \$3.42 million in compensation for professional services since the start of the case, plus nearly \$260,000 in expense reimbursements.

Attorney Peter Benvenuti of Heller Erhman White & McAuliffe sent in a bill for \$1.56 million in fees and \$118,000 in expenses, while the accounting firm PricewaterhouseCoopers asked for \$890,000 for services and expenses during April and May.

The Milbank Tweed Hadley & McCloy law firm, which represents the official committee of unsecured creditors, seeks approval for \$398,586 in fees and \$10,000 in expenses for April, with invoices for subsequent months expected. Separately, the committee asked for reimbursement of \$59,459 of costs.

Entering statements totaling \$146,700 in fees and \$8,300 in expenses was attorney Robert Van Nest of Kecker & Van Nest. Martin Schenker of Cooley Godward LLP sought \$89,825, plus \$4,329 in costs.

In its most recent earnings report, PG&E said it has already spent \$25 million on the bankruptcy case, including \$9 million in the second quarter **[Arthur O'Donnell]**.

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