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Counsel for Masergy Communications, Inc.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION**

In re:

ENVIVA INC., *et al.*¹

Debtors.

Chapter 11

Case No. 24-10453 (BFK)

(Jointly Administered)

**APPLICATION AND REQUEST OF MASERGY COMMUNICATIONS, INC
FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSES
PURSUANT TO 11 U.S.C. § 503**

Masergy Communications, Inc. (“Masergy”) by and through its undersigned counsel, pursuant to section 503 of title 11 of the United States Code, respectfully files this Request (the “Request”) for an order granting the allowance and payment of Masergy’s administrative expenses claims in the amounts set forth herein. In support of this Request, Masergy states as follows:

¹ Due to the large number of Debtors in these jointly administered Chapter 11 Cases, a complete list of the Debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/enviva>. The location of the Debtors’ corporate headquarters is: 7500 Old Georgetown Road, Suite 1400, Bethesda, MD 20814.



I. JURISDICTION AND VENUE

1. This matter is a core proceeding under 28 U.S.C. § 157(b)(2) and this Court has jurisdiction over the Request pursuant to 28 U.S.C. § 157 and 28 U.S.C. § 1334. This Request is made pursuant to 11 U.S.C. §§ 503(b)(1)(A) & 507(a)(2).

2. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

II. BACKGROUND FACTS

3. On March 12, 2024 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code with the United States Bankruptcy Court for the Eastern District of Virginia, Alexandria Division (the “Court”), which cases have been jointly consolidated for administrative purposes only (the “Chapter 11 Cases”).

4. On November 14, 2024, this Court entered the *Order Confirming the First Amended Joint Chapter 11 Plan of Reorganization of Enviva Inc. and its Debtor Affiliates* [Docket No. 1393] (the “Confirmation Order”).

5. On December 6, 2024, the Debtors filed the *Notice of (I) Entry of Order Confirming the Amended Joint Chapter 11 Plan of Reorganization of Enviva Inc. and its Debtor Affiliates and (II) Occurrence of Effective Date* [Docket No. 1461] (the “Effective Date Notice”) providing that the Effective Date of the Plan occurred on December 6, 2024. The Effective Date Notice also provided that the Administrative Claims Bar date is no later than thirty (30) days from the service of the Effective Date Notice, January 5, 2025.

6. Since before the Petition Date, Masergy has provided managed internet, WAN services and/or other services (the “Services”), as well as the equipment or devices necessary for the Services pursuant to various service orders and other agreements (the “Agreements”).²

² The Agreements are confidential documents and will be furnished upon request.

7. Between the Petition Date and the date of the filing of this Request, Masergy has continued to provide services to the Debtors pursuant to the Agreements. As of January 2, 2025, the Debtors were indebted to Masergy for services provided to the Debtors between the Petition Date and January 2, 2025 in the amount of \$111,360.42. The basis for the calculation of this amount is attached hereto as **Exhibit A** and incorporated herein by reference.

RELIEF REQUESTED

8. Section 503(b)(1)(A) of the Bankruptcy Code provides for the allowance of administrative expenses, including in particular, the actual, necessary costs and expenses of preserving the bankruptcy estate. “When third parties are induced to supply goods or services to the debtor-in-possession ... the purposes of [section 503] plainly require that their claims be afforded priority.” *In re Jartran, Inc.*, 732 F.2d 584, 586 (7th Cir. 1984); *In re Goody’s Family Clothing, Inc.*, 392 B.R. 604, 609 (Bankr. D. Del. 2008).

9. Administrative expenses are given priority status and paid ahead of other unsecured claims. An administrative expense claimant bears the burden of establishing that its claim qualifies for priority status. This requires the claimant to establish that its: (1) expense arose from a postpetition transaction between with the debtor and (2) that the transaction accorded the estate an actual benefit. *In re Insilco Techs., Inc.*, 309 B.R. 111, 114 (Bankr. D. Del. 2004) (internal citations omitted).

10. “Examples of costs and expenses often awarded priority under section 503(b)(1)(A) are ‘outlays for repairs, upkeep, freight, [and] insuring the value of the property. . . [as well as] for storage of property, for rent and for other goods and services incidental to protecting, conserving, maintaining and rehabilitating the estate. . . .’” *In re Summit Metals, Inc.*, 379 B.R. 40, 57 (Bankr.

D. Del. 2007), aff'd, 406 F. App'x 634 (3d Cir. 2011) (quoting 4 Collier on Bankruptcy at ¶ 503.06[1]).

11. Masergy submits that the Debtors' use of its services was actual and necessary in preserving the Debtors' bankruptcy estate. In fact, the Debtors could not have conducted postpetition operations without the Masergy services and the connectivity provided thereby. Accordingly, the services provided by Masergy were an actual and necessary expense of the Debtors' reorganization efforts, and the Debtors and all creditors of the Debtors' estates benefitted from such services.

12. As a result, Masergy is entitled to an allowed administrative claim in the amount of \$111,360.42.

13. Masergy files this Request without prejudice to each and all of its remaining claims against the Debtors and the Debtors' estates.

WHEREFORE, Masergy Communications, Inc. respectfully requests that the Court enter an Order granting it an allowed administrative expense claim in the amount of \$111,360.42, and grant it such other relief as is just and proper under the circumstances.

Dated: January 3, 2025

/s/ Constantinos G. Panagopoulos
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Attorneys for Masergy Communications, Inc.

EXHIBIT A

Account #	Account Name	Invoice #	Invoice Date	Amount Due
MC004187	Enviva, Inc	Payment	12/6/2024	(1,900.71)
MC004187	Enviva, Inc	382963	4/1/2024	25,439.54
MC004187	Enviva, Inc	386337	5/1/2024	1,512.55
MC004187	Enviva, Inc	390133	6/1/2024	1,512.55
MC004187	Enviva, Inc	CM394361	8/1/2024	(2,083.50)
MC004187	Enviva, Inc	393716	7/1/2024	1,512.55
MC004187	Enviva, Inc	397176	8/1/2024	2,395.97
MC004187	Enviva, Inc	401166	9/1/2024	2,107.90
MC004187	Enviva, Inc	404410	10/1/2024	27,422.91
MC004187	Enviva, Inc	408815	11/1/2024	26,720.33
MC004187	Enviva, Inc	411881	12/1/2024	26,720.33
Account Balance				111,360.42

CERTIFICATE OF SERVICE

I, Constantinos G. Panagopoulos, Esquire, hereby certify that on this 3rd day of January 2025, I caused a true and correct copy of the foregoing to be served by electronic notice upon all parties registered to receive notice via CM/ECF.

Dated: January 3, 2025

/s/ Constantinos G. Panagopoulos

Constantinos G. Panagopoulos
BALLARD SPAHR LLP