

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

)	
In re:)	Chapter 11
)	
SOUTHCROSS ENERGY PARTNERS,)	Case No. 19-10702 (MFW)
L.P., <i>et al.</i> ,)	
Debtors. ¹)	Jointly Administered
)	
)	Re: D.I. 521
)	

MOTION TO SHORTEN NOTICE OF (A) MOTION OF DEBTORS FOR ENTRY OF AN ORDER (I) APPROVING THE DISCLOSURE STATEMENT, (II) ESTABLISHING PROCEDURES FOR THE SOLICITATION AND TABULATION OF VOTES TO ACCEPT OR REJECT THE PLAN, (III) APPROVING THE FORM OF BALLOT AND SOLICITATION MATERIALS, (IV) ESTABLISHING THE VOTING RECORD DATE, (V) FIXING THE DATE, TIME, AND PLACE FOR THE CONFIRMATION HEARING AND THE DEADLINE FOR FILING OBJECTIONS THERETO, AND (VI) APPROVING RELATED NOTICE PROCEDURES AND (B) APPLICABLE DATES AND DEADLINES IN CONNECTION WITH THE CHAPTER 11 PLAN FOR SOUTHCROSS ENERGY PARTNERS, L.P. AND ITS AFFILIATED DEBTORS

Southcross Energy Partners, L.P. (“**Southcross**”), Southcross Energy Partners GP, LLC, (the “**Southcross GP**”), and Southcross’s wholly owned direct and indirect subsidiaries, each of which is a debtor and debtor in possession (collectively, the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”), hereby submit this *Motion to Shorten Notice of (A) Motion of Debtors for Entry of an Order (I) Approving the Disclosure Statement, (II) Establishing Procedures*

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective Employer Identification Numbers, are as follows: Southcross Energy Partners, L.P. (5230); Southcross Energy Partners GP, LLC (5141); Southcross Energy Finance Corp. (2225); Southcross Energy Operating, LLC (9605); Southcross Energy GP LLC (4246); Southcross Energy LP LLC (4304); Southcross Gathering Ltd. (7233); Southcross CCNG Gathering Ltd. (9553); Southcross CCNG Transmission Ltd. (4531); Southcross Marketing Company Ltd. (3313); Southcross NGL Pipeline Ltd. (3214); Southcross Midstream Services, L.P. (5932); Southcross Mississippi Industrial Gas Sales, L.P. (7519); Southcross Mississippi Pipeline, L.P. (7499); Southcross Gulf Coast Transmission Ltd. (0546); Southcross Mississippi Gathering, L.P. (2994); Southcross Delta Pipeline LLC (6804); Southcross Alabama Pipeline LLC (7180); Southcross Nueces Pipelines LLC (7034); Southcross Processing LLC (0672); FL Rich Gas Services GP, LLC (5172); FL Rich Gas Services, LP (0219); FL Rich Gas Utility GP, LLC (3280); FL Rich Gas Utility, LP (3644); Southcross Transmission, LP (6432); T2 EF Cogeneration Holdings LLC (0613); and T2 EF Cogeneration LLC (4976). The debtors’ mailing address is 1717 Main Street, Suite 5300, Dallas, TX 75201.



*for the Solicitation and Tabulation of Votes to Accept or Reject the Plan, (III) Approving the Form of Ballot and Solicitation Materials, (IV) Establishing the Voting Record Date, (V) Fixing the Date, Time, and Place for the Confirmation Hearing and the Deadline for Filing Objections Thereto, and (VI) Approving Related Notice Procedures and (B) Applicable Dates and Deadlines in Connection with the Chapter 11 Plan for Southcross Energy Partners, L.P. and its Affiliated Debtors (the “**Motion to Shorten**”).* In support of the Motion to Shorten, the Debtors respectfully state as follows:

Relief Requested

1. By this Motion to Shorten, and pursuant to sections 102(1) and 105(a) of the title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 9006 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), and Rule 9006-1(e) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”), the Debtors seek entry of an order, substantially in the form attached hereto as Exhibit A (the “**Proposed Order**” and, if entered, the “**Order**”), (a) shortening notice with respect to the *Motion of Debtors for Entry of an Order (I) Approving the Disclosure Statement, (II) Establishing Procedures for the Solicitation and Tabulation of Votes to Accept or Reject the Plan, (III) Approving the Form of Ballot and Solicitation Materials, (IV) Establishing the Voting Record Date, (V) Fixing the Date, Time, and Place for the Confirmation Hearing and the Deadline for Filing Objections Thereto, and (VI) Approving Related Notice Procedures* (the “**Disclosure Statement Motion**”) and all related dates and deadlines provided for therein with respect to confirmation (the “**Confirmation Dates**”) of the *Chapter 11 Plan for Southcross Energy Partners, L.P.* (the “**Plan**”),² (b) scheduling the Disclosure Statement Motion to be heard at the hearing scheduled for October 28, 2019 at 10:30

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Disclosure Statement Motion or the Plan, as applicable.

a.m. (prevailing Eastern Time) (the “**Disclosure Statement Hearing**”), (c) setting the objection deadline for the Disclosure Statement Motion and the Confirmation Dates as October 21, 2019 at 4:00 p.m. (prevailing Eastern Time), and (d) granting related relief.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the District of Delaware (the “**Court**”) has jurisdiction over this Motion to Shorten pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012.

3. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2) and, pursuant to Local Rule 9013-1(f), the Debtors consent to the entry of a final order by the Court in connection with this Motion to Shorten to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments consistent with Article III of the United States Constitution.

4. Venue of the Chapter 11 Cases and related proceedings is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

5. On April 1, 2019 (the “**Petition Date**”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors have continued in possession of their property and have continued to operate and manage their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

6. No request has been made for the appointment of a trustee or examiner, and no official committee has been appointed in the Chapter 11 Cases.

7. Additional information about the Debtors' businesses and affairs, capital structure and prepetition indebtedness, and the events leading up to the Petition Date, can be found in the *Declaration of Michael B. Howe in Support of Debtors' Chapter 11 Proceedings and First Day Pleadings* [D.I. 2], which is incorporated herein by reference.

8. The Chapter 11 Cases are being jointly administered pursuant to Bankruptcy Rule 1015(b) and the *Order Directing Joint Administration of Chapter 11 Cases* [D.I. 48] entered by the Court on April 2, 2019 in each of the Chapter 11 Cases.

9. Contemporaneously herewith, the Debtors filed the Disclosure Statement Motion. The factual background supporting this Motion to Shorten is more fully set forth in the Disclosure Statement Motion, which is fully incorporated herein by reference.

Averment Pursuant to Local Rule 9006-1(e)

10. In accordance with Local Rule 9006-1(e), the Debtors discussed with the Office of the United States Trustee for the District of Delaware that the Debtors intended to seek to have the Disclosure Statement Hearing on shortened notice. The U.S. Trustee has indicated he has no objection to the Disclosure Statement Hearing being heard on shortened notice or shortening notice of the notice periods with respect to the Confirmation Dates. Moreover, the Debtors' prepetition and post-petition lenders fully support shortening the notice periods discussed herein.

Basis for Relief Requested

11. Section 102(1) of the Bankruptcy Code provides that the phrase "after notice and a hearing" requires only such notice and opportunity for a hearing as may be appropriate under the circumstances. 11 U.S.C. § 102(1). Section 105(a) of the Bankruptcy Code further provides that the Court "may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions" of the Bankruptcy Code. 11 U.S.C. § 105(a).

12. Under Bankruptcy Rule 9006, the Court may order time periods set by the Bankruptcy Rules to be reduced “for cause shown.” Fed. R. Bankr. P. 9006.

13. Local Rule 2004-1 requires that all motions for or notices of examination or production of documents shall set forth a “date, time and place of the hearing that is no less than fourteen (14) days from service of the motion.” Del. Bankr. L.R. 2004-1(d).

14. Pursuant to Bankruptcy Rule 9006(c), “the court for cause shown may in its discretion with or without motion or notice order the period reduced.” Fed. R. Bankr. P. 9006(c)(1). In exercising such discretion, the court should “consider the prejudice to parties entitled to notice and weigh this against the reasons for hearing the motion on an expedited basis.” *In re Philadelphia Newspapers, LLC*, 690 F.3d 161, 172 (3d Cir. 2012) (noting the commonality of such motions “given the accelerated time frame of bankruptcy proceedings”). Local Rule 9006-1(e) likewise provides for shortened notice “by order of the Court, on written motion . . . specifying the exigencies justifying shortened notice.” Del. Bankr. L.R. 9006-1(e).

15. The Debtors respectfully submit that cause exists to shorten notice of the Disclosure Statement Hearing and applicable Confirmation Dates.

16. As more fully discussed in the Disclosure Statement Motion and the Plan, the Debtors have set forth two separate paths for the Plan. Which path the Debtors pursue depends on the outcome of the auctions (the “**Auctions**”) to be held on October 16 and 17, 2019, respectfully, and whether the South Texas Sale is consummated.

17. Upon completion of the Auctions, the Debtors will have the results of the South Texas Sale and will know how to proceed through the Plan in a manner that is in the best interest of the Debtors’ estates and creditors. Absent the relief requested herein, the Local Rules would require that the Disclosure Statement Hearing be held no earlier than November 8, 2019, despite the Debtors

obtaining the results of the Auctions on October 17. However, allowing the Disclosure Statement Hearing on shortened notice would allow the Debtors to present to creditors the results of the Auctions on October 28.

18. Furthermore, upon permission to solicit creditors following the Disclosure Statement Hearing, under the Debtors' proposed timeline creditors would have 21 days to review and vote on the Plan, and 31 days until the Confirmation Hearing. As such, the Debtors believe no parties in interest will be prejudiced by shortening notice of the Disclosure Statement Hearing as they will have ample time to review and vote on the Plan.

19. Lastly, pursuant to the Plan, the only parties currently entitled to vote on the Plan are the prepetition lenders. An ad hoc group of sophisticated prepetition lenders (the "**Ad Hoc Group**") have been involved in the Chapter 11 Cases both prepetition and post-petition. The Ad Hoc Group is represented by sophisticated counsel who is familiar with the Bankruptcy Code and the specific facts and details of the Chapter 11 Cases. Additionally, the Ad Hoc Group assisted the Debtors in drafting the Plan and are intimately familiar with the specific details contained therein. As such, the Ad Hoc Group will not be affected by the reduction in time by shortening notice of the Disclosure Statement Hearing and the applicable Confirmation Dates.

20. Accordingly, in light of (a) the benefits of holding the Disclosure Statement Hearing on shortened notice, as described above, and (b) the support of the U.S. Trustee and the Ad Hoc Group, the Debtors respectfully submit that they have satisfied the standard set forth by Bankruptcy Rule 9006(c)(1). Moreover, as the exigencies of the circumstances warrant shortened notice of the Disclosure Statement Hearing, the Debtors respectfully submit that the Motion to Shorten should be granted.

Notice

21. Notice of this Motion to Shorten will be provided to the following parties or, in lieu thereof, their counsel, if known: (a) the United States Trustee for the District of Delaware; (b) each of the Debtors' 20 largest unsecured creditors on a consolidated basis; (c) (i) Arnold & Porter Kaye Scholer LLP and (ii) Duane Morris LLP, as counsel to Wilmington Trust, N.A., the administrative agent under Southcross's prepetition secured revolving credit facility, prepetition secured term loan facility, and post-petition credit facility; (d) (i) Willkie Farr & Gallagher LLP and (ii) Young Conaway Stargatt & Taylor, LLP, as counsel to the Ad Hoc Group; (e) Debevoise & Plimpton LLP, as counsel to Holdings; and (f) those parties who have filed the appropriate notice pursuant to Bankruptcy Rule 2002 requesting notice of all pleadings filed in the Chapter 11 Cases. A copy of this Motion to Shorten and any order approving it will also be made available on the Debtors' case information website located at <http://www.kccllc.net/southcrossenergy>. The Debtors respectfully submit that no further notice is required.

No Previous Request

22. No previous request for the relief sought herein has been made by the Debtors to this or any other court.

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WHEREFORE, the Debtors request entry of an order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and such other and further relief as is appropriate under the circumstances.

Dated: October 4, 2019
Wilmington, Delaware

MORRIS, NICHOLS ARSHT & TUNNELL LLP

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Counsel to the Debtors and Debtors in Possession

Exhibit A

Proposed Order

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	
)	Chapter 11
)	
SOUTHCROSS ENERGY PARTNERS,)	Case No. 19-10702 (MFW)
L.P., <i>et al.</i> ,)	
Debtors. ¹)	Jointly Administered
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)	Re: D.I. _____
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ORDER SHORTENING NOTICE OF OF (A) MOTION OF DEBTORS FOR ENTRY OF AN ORDER (I) APPROVING THE DISCLOSURE STATEMENT, (II) ESTABLISHING PROCEDURES FOR THE SOLICITATION AND TABULATION OF VOTES TO ACCEPT OR REJECT THE PLAN, (III) APPROVING THE FORM OF BALLOT AND SOLICITATION MATERIALS, (IV) ESTABLISHING THE VOTING RECORD DATE, (V) FIXING THE DATE, TIME, AND PLACE FOR THE CONFIRMATION HEARING AND THE DEADLINE FOR FILING OBJECTIONS THERETO, AND (VI) APPROVING RELATED NOTICE PROCEDURES AND (B) APPLICABLE DATES AND DEADLINES IN CONNECTION WITH THE CHAPTER 11 PLAN FOR SOUTHCROSS ENERGY PARTNERS, L.P. AND ITS AFFILIATED DEBTORS

Upon the motion (the “**Motion to Shorten**”)² of Southcross Energy Partners, L.P. (“**Southcross**”), Southcross Energy Partners GP, LLC, and Southcross’s wholly owned direct and indirect subsidiaries, each of which is a debtor and debtor in possession in the Chapter 11 Cases (collectively, the “**Debtors**”), for entry of an order, pursuant to sections 102(1) and 105(a) of the

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective Employer Identification Numbers, are as follows: Southcross Energy Partners, L.P. (5230); Southcross Energy Partners GP, LLC (5141); Southcross Energy Finance Corp. (2225); Southcross Energy Operating, LLC (9605); Southcross Energy GP LLC (4246); Southcross Energy LP LLC (4304); Southcross Gathering Ltd. (7233); Southcross CCNG Gathering Ltd. (9553); Southcross CCNG Transmission Ltd. (4531); Southcross Marketing Company Ltd. (3313); Southcross NGL Pipeline Ltd. (3214); Southcross Midstream Services, L.P. (5932); Southcross Mississippi Industrial Gas Sales, L.P. (7519); Southcross Mississippi Pipeline, L.P. (7499); Southcross Gulf Coast Transmission Ltd. (0546); Southcross Mississippi Gathering, L.P. (2994); Southcross Delta Pipeline LLC (6804); Southcross Alabama Pipeline LLC (7180); Southcross Nueces Pipelines LLC (7034); Southcross Processing LLC (0672); FL Rich Gas Services GP, LLC (5172); FL Rich Gas Services, LP (0219); FL Rich Gas Utility GP, LLC (3280); FL Rich Gas Utility, LP (3644); Southcross Transmission, LP (6432); T2 EF Cogeneration Holdings LLC (0613); and T2 EF Cogeneration LLC (4976). The debtors’ mailing address is 1717 Main Street, Suite 5300, Dallas, TX 75201

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion to Shorten.

Bankruptcy Code, Rule 9006 of the Bankruptcy Rules, and Local Rule 9006-1(e), shortening notice with respect to the Disclosure Statement Hearing and the Confirmation Dates, as more fully described in the Motion to Shorten; and the Court having jurisdiction to consider the matters raised in the Motion to Shorten pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware*, dated February 29, 2012; and the Court having authority to hear the matters raised in the Motion to Shorten pursuant to 28 U.S.C. § 157; and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and consideration of the Motion to Shorten and the requested relief being a core proceeding that the Court can determine pursuant to 28 U.S.C. § 157(b)(2); and due and proper notice of the Motion to Shorten and opportunity for a hearing on the Motion to Shorten having been given to the parties listed therein, and it appearing that no other or further notice need be provided; and opportunity for a hearing on the Motion to Shorten having been given to the parties listed therein; and the Court having reviewed and considered the Motion to Shorten; and the Court having the opportunity to hold a hearing on the Motion to Shorten; and the Court having determined that the legal and factual bases set forth in the Motion to Shorten establish just cause for the relief granted herein; and the Court having found that the relief requested in the Motion to Shorten being in the best interests of the Debtors, their creditors, their estates, and all other parties in interest; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED that:

1. The Motion to Shorten is GRANTED as set forth herein.
2. The Disclosure Statement Hearing will be held on October 28, 2019 at 10:30 a.m. (prevailing Eastern Time).

3. Objections, if any, to the relief requested in the Disclosure Statement Motion, including the Confirmation Dates, must be made prior to October 21, 2019 at 4:00 p.m. (prevailing Eastern Time).

4. The Confirmation Hearing will be held on December 5, 2019 at 10:30 a.m. (prevailing Eastern Time).

5. This Court retains jurisdiction to construe and enforce the terms of this Order.

Dated: _____, 2019
Wilmington, Delaware

THE HONORABLE MARY F. WALRATH
UNITED STATES BANKRUPTCY JUDGE