

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

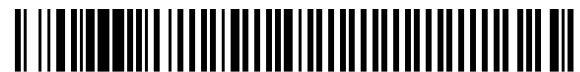
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 In re: ) **Chapter 11**  
 )  
 SOUTH CROSS ENERGY PARTNERS, L.P., et ) **Case No. 19-10702 (MFW)**  
 al., ) **Jointly Administered**  
 )  
 Reorganized Debtors.<sup>1</sup> ) **Objection Deadline:**  
 ) **March 23, 2020, at 4:00 p.m.**  
 )  
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**SECOND INTERIM AND FINAL FEE APPLICATION OF DELOITTE &  
 TOUCHE LLP FOR COMPENSATION FOR SERVICES RENDERED AND  
 REIMBURSEMENT FOR EXPENSES INCURRED AS INDEPENDENT AUDITOR  
 AND ACCOUNTING SERVICES PROVIDER TO THE DEBTORS FOR THE  
PERIOD FROM APRIL 1, 2019 THROUGH JANUARY 31, 2020**

Name of Applicant:	Deloitte & Touche LLP	
Authorized to Provide Professional Services as:	Independent Auditor and Accounting Services Provider	
Date of Retention:	June 10, 2019 <i>Nunc Pro Tunc</i> to April 1, 2019	
Period for which Compensation and Reimbursement is Sought:	April 1, 2019 through January 31, 2020	
	<u>Second Interim Period</u>	<u>Final Application Period</u>
	9/1/2019 through 1/31/2020	4/1/2019 through 1/31/2020
Amount of Compensation Sought as Actual, Reasonable, and Necessary:	\$ 25,231.50	\$ 299,360.50
Amount of Expense Reimbursement Sought:	\$ -	\$ 751.68
Total Amount of Fees and Expense:	<u>\$ 25,231.50</u>	<u>\$ 300,112.18</u>

This is a(n):  Monthly  Interim  Final Application

<sup>1</sup> 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); South cross 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. (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.



**PRIOR FEE APPLICATIONS FILED**

<b>Date Filed / Docket #</b>	<b>Period Covered</b>	<b>Requested Fees</b>	<b>Requested Expenses</b>	<b>Approved Fees</b>	<b>Approved Expenses</b>	<b>20% Holdback</b>
9/20/2019 Docket# 494	4/1/2019 - 6/30/2019	\$ 113,206.00	\$ 657.62	\$ 113,206.00	\$ 657.62	\$ -
10/11/2019 Docket# 536	7/1/2019 - 7/31/2019	\$ 27,204.50	\$ -	\$ 27,204.50	\$ -	\$ -
10/24/2019 Docket# 612	8/1/2019 - 8/31/2019	\$ 133,718.50	\$ 94.06	\$ 133,718.50	\$ 94.06	\$ -
11/22/2019 Docket# 714	9/1/2019 - 9/30/2019	\$ 13,429.50	\$ -	\$ 10,743.60	\$ -	\$ (2,685.90)
11/26/2019 Docket# 721	10/1/2019 - 10/31/2019	\$ 3,495.00	\$ -	\$ 2,796.00	\$ -	\$ (699.00)
2/14/2020 Docket# 898	11/1/2019 - 1/31/2020	\$ 8,307.00	\$ -	\$ -	\$ -	\$ (1,661.40)
<b>TOTAL</b>		<b>\$ 299,360.50</b>	<b>\$ 751.68</b>	<b>\$ 287,668.60</b>	<b>\$ 751.68</b>	<b>\$ (5,046.30)</b>

**PRIOR INTERIM FEE APPLICATIONS FILED**

<b>Date Filed / Docket #</b>	<b>Period Covered</b>	<b>Requested Fees</b>	<b>Requested Expenses</b>	<b>Paid Fees</b>	<b>Paid Expenses</b>
11/18/2019 Docket# 699	4/1/2019 - 8/31/2019	\$ 274,129.00	\$ 751.68	\$ 274,129.00	\$ 751.68

**CUMULATIVE TIME SUMMARY BY PROFESSIONAL**

Second Interim Fee Period - For the Period September 1, 2019 through January 31, 2020

Professional	Level	Rate	Hours	Fees
<b>2019 Audit Services</b>				
Becker, Paul	Partner/Principal	\$195.00	0.5	\$97.50
Daugherty, Carl	Partner/Principal	\$195.00	1.1	\$214.50
Odom, Dan	Partner/Principal	\$195.00	2.6	\$507.00
Jhanson, Matt	Senior Manager	\$195.00	32.3	\$6,298.50
Murawski, Bryan	Senior Manager	\$195.00	0.4	\$78.00
Wang, Jessie	Senior Manager	\$195.00	1.0	\$195.00
Yeager, Jeff	Manager	\$195.00	0.3	\$58.50
Koch, Jimmy	Senior Consultant	\$195.00	3.3	\$643.50
Phillips, Jacob	Senior Consultant	\$195.00	0.6	\$117.00
Snitzer, Krysta	Consultant	\$195.00	3.5	\$682.50
Phan, Quyn	Consultant	\$195.00	0.3	\$58.50
<b>Professional Subtotal:</b>			<b>45.9</b>	<b>\$8,950.50</b>

Professional	Level	Rate	Hours	Fees
<b>2019 Quarterly Review Services</b>				
Daugherty, Carl	Partner/Principal	\$195.00	0.5	\$97.50
Biltz, Meredith	Managing Director	\$195.00	1.2	\$234.00
Jhanson, Matt	Senior Manager	\$195.00	2.3	\$448.50
Singhal, Prachi Singhal	Senior Manager	\$195.00	0.5	\$97.50
Koch, Jimmy	Senior Consultant	\$195.00	3.7	\$721.50
Mirjahangiri, Elizabeth	Senior Consultant	\$195.00	2.0	\$390.00
Phan, Quyn	Consultant	\$195.00	2.0	\$390.00
<b>Professional Subtotal:</b>			<b>12.2</b>	<b>\$2,379.00</b>

Professional	Level	Rate	Hours	Fees
<b>Consultation Services</b>				
Odom, Dan	Partner/Principal	\$550.00	1.1	\$605.00
Biltz, Meredith	Managing Director	\$550.00	0.8	\$440.00
Perez Zaldivar, Ignacio	Managing Director	\$550.00	0.4	\$220.00
Horn, Dave	Senior Manager	\$450.00	0.3	\$135.00
Jhanson, Matt	Senior Manager	\$450.00	16.1	\$7,245.00
Airington, Ann	Manager	\$350.00	1.1	\$385.00
Koch, Jimmy	Senior Consultant	\$250.00	0.3	\$75.00
<b>Professional Subtotal:</b>			<b>20.1</b>	<b>\$9,105.00</b>

Professional	Level	Rate	Hours	Fees
<b>Preparation of Fee Applications</b>				
Jhanson, Matt	Senior Manager	\$195.00	16.9	\$3,295.50
Koch, Jimmy	Senior Consultant	\$195.00	2.7	\$526.50
Gutierrez, Dalia	Project Controller	\$195.00	5.0	\$975.00
<b>Professional Subtotal:</b>			<b>24.6</b>	<b>\$4,797.00</b>

**Total** **102.8** **\$25,231.50**

### CUMULATIVE FEES BY CATEGORY SUMMARY

Second Interim Fee Period - For the Period September 1, 2019 through January 31, 2020

<b>Categories</b>	<b>Hours</b>	<b>Fees</b>
2019 Audit Services	45.9	\$8,950.50
2019 Quarterly Review Services	12.2	\$2,379.00
Consultation Services	20.1	\$9,105.00
Preparation of Fee Applications	24.6	\$4,797.00
<b>Fees Category Subtotal :</b>	<b>102.8</b>	<b>\$25,231.50</b>

### **CUMULATIVE TIME SUMMARY BY PROFESSIONAL**

Final Fee Application Period - For the Period April 1, 2019 through January 31, 2020

<b>Professional</b>	<b>Level</b>	<b>Rate</b>	<b>Hours</b>	<b>Fees</b>
<b><i>2018 Audit Services</i></b>				
Gullo, Randall	Partner/Principal	\$195.00	4.0	\$780.00
Blaufuss, Jhn	Managing Director	\$195.00	1.0	\$195.00
Boza-Holman, Juan	Senior Manager	\$195.00	3.0	\$585.00
Jhnson, Matt	Senior Manager	\$195.00	0.3	\$58.50
Senapati, Sudhansu	Senior Manager	\$195.00	1.0	\$195.00
Bhatia, Gurleen Kaur	Senior Consultant	\$195.00	6.5	\$1,267.50
Koch, Jmmy	Senior Consultant	\$195.00	30.3	\$5,908.50
Phan, Quyn	Consultant	\$195.00	112.5	\$21,937.50
Ramirez-Perez, Erik	Consultant	\$195.00	33.1	\$6,454.50
Rawat, Akshita	Consultant	\$195.00	11.9	\$2,320.50
<b>Professional Subtotal:</b>			<b>203.6</b>	<b>\$39,702.00</b>

<b>Professional</b>	<b>Level</b>	<b>Rate</b>	<b>Hours</b>	<b>Fees</b>
<b><i>2019 Audit Procedures</i></b>				
Jhnson, Matt	Senior Manager	\$195.00	1.3	\$253.50
Khurana, Ridhi	Manager	\$195.00	0.3	\$58.50
Kapoor, Nehal	Senior Consultant	\$195.00	0.3	\$58.50
Koch, Jmmy	Senior Consultant	\$195.00	0.3	\$58.50
Mirjahangiri, Elizabeth	Senior Consultant	\$195.00	0.3	\$58.50
Phan, Quyn	Consultant	\$195.00	5.5	\$1,072.50
Rawat, Akshita	Consultant	\$195.00	0.3	\$58.50
<b>Professional Subtotal:</b>			<b>8.3</b>	<b>\$1,618.50</b>

Professional	Level	Rate	Hours	Fees
<b>2019 Audit Services</b>				
Becker, Paul	Partner/Principal	\$195.00	0.5	\$97.50
Daugherty, Carl	Partner/Principal	\$195.00	1.1	\$214.50
Odom, Dan	Partner/Principal	\$195.00	2.6	\$507.00
Jhanson, Matt	Senior Manager	\$195.00	37.9	\$7,390.50
Murawski, Bryan	Senior Manager	\$195.00	0.4	\$78.00
Wang, Jessie	Senior Manager	\$195.00	1.0	\$195.00
Yeager, Jeff	Manager	\$195.00	0.3	\$58.50
Koch, Jimmy	Senior Consultant	\$195.00	3.3	\$643.50
Mirjahangiri, Elizabeth	Senior Consultant	\$195.00	6.3	\$1,228.50
Phillips, Jacob	Senior Consultant	\$195.00	0.6	\$117.00
Snitzer, Krysta	Consultant	\$195.00	3.5	\$682.50
Phan, Quyn	Consultant	\$195.00	0.3	\$58.50
<b>Professional Subtotal:</b>			<b>57.8</b>	<b>\$11,271.00</b>

Professional	Level	Rate	Hours	Fees
<b>2019 Quarterly Review Services</b>				
Daugherty, Carl	Partner/Principal	\$195.00	1.0	\$195.00
Odom, Dan	Partner/Principal	\$195.00	1.1	\$214.50
Jhanson, Matt	Senior Manager	\$195.00	20.1	\$3,919.50
Wang, Jessie	Senior Manager	\$195.00	1.5	\$292.50
Koch, Jimmy	Senior Consultant	\$195.00	4.7	\$916.50
Parker, JD	Senior Consultant	\$195.00	6.1	\$1,189.50
Mirjahangiri, Elizabeth	Senior Consultant	\$195.00	3.5	\$682.50
Phan, Quyn	Consultant	\$195.00	47.1	\$9,184.50
Ramirez-Perez, Erik	Consultant	\$195.00	24.6	\$4,797.00
<b>Professional Subtotal:</b>			<b>109.7</b>	<b>\$21,391.50</b>

Professional	Level	Rate	Hours	Fees
<b>2019 Quarterly Review Services</b>				
Becker, Paul	Partner/Principal	\$195.00	1.4	\$273.00
Daugherty, Carl	Partner/Principal	\$195.00	7.4	\$1,443.00
Odom, Dan	Partner/Principal	\$195.00	27.9	\$5,440.50
Vogel, CJ	Partner/Principal	\$195.00	1.2	\$234.00
Biltz, Meredith	Managing Director	\$550.00	1.2	\$234.00
Boza-Holman, Juan	Senior Manager	\$195.00	1.7	\$331.50
Horn, Dave	Senior Manager	\$195.00	2.3	\$448.50
Jhanson, Matt	Senior Manager	\$195.00	75.1	\$14,644.50
Singhal, Prachi Singhal	Senior Manager	\$195.00	0.5	\$97.50
Alavardova, Elena	Manager	\$195.00	27.1	\$5,284.50
Wang, Jessie	Manager	\$195.00	2.9	\$565.50
Bhatia, Gurleen Kaur	Senior Consultant	\$195.00	41.1	\$8,014.50
Gangwal, Shefali	Senior Consultant	\$195.00	8.5	\$1,657.50
Kapoor, Nehal	Senior Consultant	\$195.00	3.5	\$682.50
Khurana, Ravi	Senior Consultant	\$195.00	1.0	\$195.00

Koch, Jimmy	Senior Consultant	\$195.00	179.3	\$34,963.50
Mirjahangiri, Elizabeth	Senior Consultant	\$195.00	36.6	\$7,137.00
Randow, Alixandra	Senior Consultant	\$195.00	0.5	\$97.50
Ahuja, Deepak	Consultant	\$195.00	6.0	\$1,170.00
Bindal, Nancy	Consultant	\$195.00	8.0	\$1,560.00
Gupta, Deepak	Consultant	\$195.00	13.5	\$2,632.50
Jain, Anurag	Consultant	\$195.00	3.0	\$585.00
Jain, Deepika	Consultant	\$195.00	5.0	\$975.00
Maheshwari, Radhika	Consultant	\$195.00	3.4	\$663.00
Mittal, Ayushi	Consultant	\$195.00	8.2	\$1,599.00
Phan, Quyn	Consultant	\$195.00	187.9	\$36,640.50
Ramirez-Perez, Erik	Consultant	\$195.00	172.2	\$33,579.00
Rawat, Akshita	Consultant	\$195.00	23.3	\$4,543.50
Singh, Rohini	Consultant	\$195.00	4.0	\$780.00
Stout, Joseph	Consultant	\$195.00	1.5	\$292.50
<b>Professional Subtotal:</b>			<b>855.2</b>	<b>\$166,764.00</b>

Professional	Level	Rate	Hours	Fees
<b><i>Consultation Services</i></b>				
Becker, Paul	Partner/Principal	\$550.00	1.9	\$1,045.00
Daugherty, Carl	Partner/Principal	\$550.00	2.2	\$1,210.00
Odom, Dan	Partner/Principal	\$550.00	12.5	\$6,875.00
Biltz, Meredith	Managing Director	\$550.00	6.8	\$3,740.00
Blaufuss, John	Managing Director	\$550.00	1.8	\$990.00
Perez Zaldivar, Ignacio	Managing Director	\$550.00	0.4	\$220.00
Sasso, Anthony	Managing Director	\$550.00	0.3	\$165.00
Sullivan, Mike	Managing Director	\$550.00	2.7	\$1,485.00
Horn, Dave	Senior Manager	\$450.00	0.3	\$135.00
Johnson, Matt	Senior Manager	\$450.00	41.0	\$18,450.00
Morehead, David	Senior Manager	\$450.00	2.5	\$1,125.00
Airington, Ann	Manager	\$350.00	1.1	\$385.00
Wang, Jessie	Manager	\$450.00	0.7	\$315.00
Koch, Jimmy	Senior Consultant	\$250.00	13.4	\$3,350.00
Mirjahangiri, Elizabeth	Senior Consultant	\$250.00	0.9	\$225.00
Ramirez-Perez, Erik	Consultant	\$175.00	2.0	\$350.00
<b>Professional Subtotal:</b>			<b>90.5</b>	<b>\$40,065.00</b>

Professional	Level	Rate	Hours	Fees
<b><i>Out of Scope Services (Lease Standard Implementation)</i></b>				
Horn, Dave	Senior Manager	\$450.00	1.8	\$810.00
Johnson, Matt	Senior Manager	\$450.00	4.1	\$1,845.00
Cilenti, Elena	Manager	\$350.00	2.0	\$700.00
Koch, Jimmy	Senior Consultant	\$250.00	4.1	\$1,025.00
Ramirez-Perez, Erik	Consultant	\$175.00	0.4	\$70.00
<b>Professional Subtotal:</b>			<b>12.4</b>	<b>\$4,450.00</b>

Professional	Level	Rate	Hours	Fees
<b>Preparation of Fee Applications</b>				
Jhnson, Matt	Senior Manager	\$195.00	26.3	\$5,128.50
Alaverdova, Elena	Manager	\$195.00	1.0	\$195.00
Koch, Jimmy	Senior Consultant	\$195.00	2.7	\$526.50
Gutierrez, Dalia	Project Controller	\$195.00	42.3	\$8,248.50
<b>Professional Subtotal:</b>			<b>72.3</b>	<b>\$14,098.50</b>
<b>Total</b>			<b>1,409.8</b>	<b>\$299,360.50</b>

### CUMULATIVE FEES BY CATEGORY SUMMARY

Final Fee Application Period - For the Period April 1, 2019 through January 31, 2020

Categories	Hours	Fees
2018 Audit Services	203.6	\$39,702.00
2019 Audit Procedures	8.3	\$1,618.50
2019 Audit Services	57.8	\$11,271.00
2019 Quarterly Review Procedures	109.7	\$21,391.50
2019 Quarterly Review Services	855.2	\$166,764.00
Consultation Services	90.5	\$40,065.00
Out of Scope Services (Lease Standard Implementation)	12.4	\$4,450.00
Preparation of Fee Applications	72.3	\$14,098.50
<b>Fees Category Subtotal :</b>	<b>1,409.8</b>	<b>\$299,360.50</b>

### CUMULATIVE EXPENSE SUMMARY

Final Fee Application Period - For the Period April 1, 2019 through January 31, 2020

Expense Categories	Total Expenses for the Period
Meals	\$751.68
<b>Expense Category Subtotal :</b>	<b>\$751.68</b>





commencing April 1, 2019 through January 31, 2020 (the “Final Application Period”). In support of this second interim and final fee application (the “Fee Application”), Deloitte & Touche respectfully represents as follows:

**JURISDICTION**

1. The United States Bankruptcy Court for the District of Delaware (the “Court”) has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

**STATUTORY BASIS**

2. The statutory predicates for the relief requested herein are: (i) sections 330 and 331 of the Bankruptcy Code; (ii) rule 2016 of the Bankruptcy Rules; (iii) rule 2016-2 of the Local Rules; and (iv) the Compensation Order (as defined below).

**BACKGROUND**

3. On April 1, 2019 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors are authorized to continue to operate their businesses and manage their businesses and manage their properties as debtors in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

4. On May 6, 2019, the Court entered the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals* [D.I. 191] (the “Compensation Order”), which generally sets forth the procedures for interim compensation and expense reimbursement for retained professionals.

**RETENTION OF DELOITTE & TOUCHE**

5. On May 22, 2019, the Debtors filed the *Application of Debtors for Authority to (I) to Employ and Retain Deloitte & Touche LLP as Independent Auditor and Accounting*

*Services Provider for the Debtors Nunc Pro Tunc to the Petition Date and (II) Waive Certain Information Disclosure Requirements* [D.I. 222] (the “Retention Application”).

6. On June 10, 2019, the Court entered an order approving the Retention Application [D.I. 259] (the “Retention Order”).

### **RELIEF REQUESTED**

7. By this Fee Application, Deloitte & Touche respectfully requests compensation of its fees incurred in the amount of \$25,231.50 for the Second Interim Period,<sup>2</sup> and compensation of 100% of its fees incurred in the amount of \$299,360.50, together with reimbursement of its reasonable and necessary expenses incurred in the amount of \$751.68 on a final basis, for the Final Application Period. Deloitte & Touche has been subject to a 20% holdback imposed by the Court on the allowance of fees. The aggregate amount of the Applicant’s holdback during the Final Application Period is \$5,046.30. Deloitte & Touche respectfully requests the Court allow the payment to Deloitte & Touche of the holdback amount on an final basis. Deloitte & Touche submits this Fee Application in accordance with the Compensation Order and the Retention Order. All services for which Deloitte & Touche requests compensation were performed for the Debtors.

### **BASIS FOR RELIEF**

8. This is the second interim and final fee application filed by Deloitte & Touche in these cases. In connection with the professional services rendered, by this Fee Application, Deloitte & Touche seeks compensation in the amount of \$299,360.50 of which \$25,231.50 was incurred during the Second Interim Period. The Applicant maintains computerized records of the time expended in the rendering of the professional services required by the Debtors. These records are maintained in the ordinary course of the Applicant’s business. A detailed statement of hours spent rendering professional services to the Debtors in support of Deloitte & Touche’s

request for compensation for fees incurred during the Second Interim Period is attached hereto as Exhibit A-<sup>2</sup> Deloitte & Touche did not incur any expenses during the Second Interim Period.

1. Similarly, a detailed statement of hours spent rendering professional services to the Debtors in support of Deloitte & Touche's request for compensation for fees incurred during the Final Application Period is attached hereto as Exhibit A-2. Exhibit A-1 and Exhibit A-2: (i) identifies the professionals and paraprofessionals that rendered services in each project category; and (ii) describes each service such professional or paraprofessional performed.

9. Deloitte & Touche also maintains computerized records of all expenses incurred in connection with the performance of professional services. By this Fee Application, Deloitte & Touche also seeks expense reimbursement of \$751.68 incurred by Deloitte & Touche during the Final Application Period. A summary of actual and necessary expenses incurred by Deloitte & Touche during the Application Period is attached hereto as Exhibit B.

10. No agreement or understanding exists between Deloitte & Touche and any nonaffiliated or unrelated person or persons for the sharing of compensation received or to be received for professional services rendered in or in connection with these cases.

### **DESCRIPTION OF SERVICES RENDERED**

11. Deloitte & Touche provides below an overview of the services it rendered as independent auditor and accounting services provider to the Debtors during the Second Interim Period. Detailed descriptions of these services, the amount of fees incurred, and the amount of hours spent providing services throughout the Application Period are also provided in the attached Exhibit A-1.

#### *A. Second Interim Period*

#### **2019 Audit Services:**

**Hours 45.9, Amount \$8,950.50**

- Deloitte & Touche performed analyses to schedule resources and evaluate a proposed audit fee for the audit of consolidated financial statements of Southcross Energy Partners, LP for the year ended December 31, 2019.
- Deloitte & Touche prepared preliminary risk assessment documentation for the financial statement audit of Southcross Energy Partners, LP for the year ended December 31, 2019.
- Deloitte & Touche performed initial engagement acceptance risk assessment procedures, resource planning and drafting of an engagement letter in order to propose audit services for the audit of consolidated financial statements of Southcross Energy Partner, LP for the year ended December 31, 2019.

**2019 Quarterly Review Services:**

**Hours 12.2, Amount \$2,379.00**

- Deloitte & Touche assembled finalized documentation for archiving related to the review of the balance sheet, statement of operations, statement of cash flows, statement of partners' capital, and related notes to the financial statements as of and for the three and six months ended June 30, 2019.

**Consultation Services:**

**Hours 20.1, Amount \$9,105.00**

- Applicant advised the Debtors regarding Securities & Exchange Commission reporting requirements for the Debtors acquisition of legal entities including Frio LaSalle Pipeline, LP and Southcross Midstream Utility, LP.

**Preparation of Fee Applications:**

**Hours 24.6, Amount \$4,797.00**

- During the Second Interim Period, Deloitte & Touche analyzed the time charged by both professional level and category in preparation for this and prior monthly fee applications, in accordance with the Compensation Order.

*B. Final Application Period*

12. Deloitte & Touche provides below an overview of the services it rendered as independent auditor and accounting services provider to the Debtors during the Final Application Period. Detailed descriptions of these services, the amount of fees incurred, and the amount of hours spent providing services throughout the Final Application Period are also provided in the attached Exhibit A-2.

**2018 Audit Services:**

**Hours 203.6, Amount \$39,702.00**

- Deloitte & Touche prepared final documentation of 2018 audit services for retention for internal records.

**2019 Audit Procedures:**

**Hours 8.3, Amount \$1,618.50**

- Deloitte & Touche performed analyses to schedule resources and evaluate a proposed audit fee for the audit of consolidated financial statements of Southcross Energy Partners, LP for the year ended December 31, 2019.

**2019 Audit Services:**

**Hours 57.8, Amount \$11,271.00**

- Deloitte & Touche prepared preliminary risk assessment documentation for the financial statement audit of Southcross Energy Partners, LP for the year ended December 31, 2019.
- Deloitte & Touche performed analyses to schedule resources and evaluate a proposed audit fee for the audit of consolidated financial statements of Southcross Energy Partners, LP for the year ended December 31, 2019.
- Deloitte & Touche performed initial engagement acceptance risk assessment procedures, resource planning and drafting of an engagement letter in order to propose audit services

for the audit of consolidated financial statements of Southcross Energy Partner, LP for the year ended December 31, 2019.

**2019 Quarterly Review Procedures:**

**Hours 109.7, Amount \$21,391.50**

- Deloitte & Touche prepared documentation regarding analysis and review of the balance sheet, statement of operations, statement of cash flows, and statement of partners' capital as of and for the three and six months ended June 30, 2019.
- Deloitte & Touche advised the Debtors on the disclosures to be included within the 2nd quarter Form 10-Q as a result of bankruptcy case proceedings.

**2019 Quarterly Review Services:**

**Hours 855.0, Amount \$166,764.00**

- Deloitte & Touche prepared documentation regarding analyses and review of the balance sheet, statement of operations, statement of cash flows, statement of partners' capital, and related notes to the financial statements as of and for the three and six months ended June 30, 2019.
- Applicant advised the Debtors regarding disclosure of events and transactions within Form 10-Q filed with the United States Securities & Exchange Commission on May 15, 2019.
- Deloitte & Touche prepared documentation of analytical procedures and examination of underlying accounting records with respect to the balance sheet, statement of operations, statement of partners' capital, statement of cash flows, and the related notes as of and for the three months ended March 31, 2019.
- Deloitte & Touche prepared and delivered communications to management and to the Audit Committee of the Board of Directors regarding the results of Deloitte & Touche's reviews of interim financial information.

- Deloitte & Touche assembled finalized documentation for archiving related to the review of the balance sheet, statement of operations, statement of cash flows, statement of partners' capital, and related notes to the financial statements as of and for the three and six months ended June 30, 2019.

**Consultation Services:**

**Hours 90.5, Amount \$40,065.00**

- Applicant advised the Debtors regarding the disclosure of (a) events related to the chapter 11 bankruptcy proceedings of the Debtors, and (b) compliance with Accounting Standards Codification Topic 852 (Reorganizations) within Form 10-Q filed with the United States Securities & Exchange Commission on May 15, 2019.
- Applicant advised the Debtors regarding Securities & Exchange Commission reporting requirements for the Debtors acquisition of legal entities including Frio LaSalle Pipeline, LP and Southcross Midstream Utility, LP.

**Out of Scope Services (Lease Standard Implementation):**

**Hours 12.4, Amount \$4,450.00**

- Applicant advised the Debtors regarding accounting policy changes, required financial statement presentation, the disclosure of leases upon adoption of Accounting Standards Codification Topic 842 (Leases).
- Deloitte & Touche reviewed disclosures related to leases within in the Debtors Form 10-Q filed with the Securities and Exchange Commission on May 14, 2019.

**Preparation of Fee Applications:**

**Hours 72.3, Amount \$14,098.50**

- During the Final Application Period, Deloitte & Touche analyzed the time charged by both professional level and category in preparation for this and prior monthly fee applications, in accordance with the Compensation Order.



**ALLOWANCE OF COMPENSATION AND  
ACTUAL AND NECESSARY EXPENSES**

13. Because of the benefits realized by the Debtors, the nature of services provided, the amount of work done, the time consumed and the skill required, Deloitte & Touche requests that it be allowed, on an final basis, compensation for the professional services rendered during the Final Application Period in the sum of \$299,360.50.

14. During the Final Application Period, allowance of compensation in the amount requested would result in a blended hourly billing rate for professionals of approximately \$212.34.

15. Deloitte & Touche respectfully submits that the professional services rendered by Deloitte & Touche on behalf of the Debtors during the Final Application Period were reasonable, necessary and appropriate to the administration of these chapter 11 cases and related matters.

16. As set forth in Exhibit B attached hereto, Deloitte & Touche has disbursed, and requests reimbursement for, a total of \$751.68 in expenses in providing professional services during the Final Application Period, which represents actual, necessary expenses in the rendition of professional services in these chapter 11 cases.

**DELOITTE & TOUCHE’S REQUESTED FEES SHOULD BE ALLOWED  
BY THIS COURT**

17. Section 330 provides that a court may award a professional employed under section 327 of the Bankruptcy Code “reasonable compensation for actual, necessary services rendered . . . and reimbursement for actual, necessary expenses.” 11 U.S.C. § 330(a)(1). Section 330 sets forth the criteria for the award of compensation and reimbursement:

In determining the amount of reasonable compensation to be awarded . . . the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (a) the time spent on such services; the rates charged for such services;
- (b) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a

- case under this title;
- (c) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;
  - (d) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and
  - (e) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. § 330(a)(3).

18. In the instant case, Deloitte & Touche respectfully submits that the services for which it seeks compensation in this Final Application Period were necessary for and beneficial to the Debtors and were performed economically, effectively, and efficiently. Deloitte & Touche further submits that the compensation requested herein is reasonable in light of the nature, extent, and value of such services to the Debtors. Further, in accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount of fees requested is fair and reasonable given: (i) the complexity of these cases; (ii) the time expended; (iii) the nature and extent of the services rendered; (iv) the value of such services; and (v) the costs of comparable services other than in a case under the Bankruptcy Code. Accordingly, the approval of the compensation sought herein is warranted.

#### **CERTIFICATE OF COMPLIANCE AND WAIVER**

19. The undersigned representative of Deloitte & Touche certifies that Deloitte & Touche has reviewed the requirements of rule 2016-2 of the Local Rules and that the Fee Application substantially complies with that Local Rule. To the extent that the Fee Application does not comply in all respects with the requirements of Local Rule 2016-2, Deloitte & Touche believes that such deviations are not material and respectfully requests that any such requirement be waived.

WHEREFORE, Deloitte & Touche respectfully requests that the Court enter an order: (i) granting the allowance of compensation for professional services rendered to the Debtors by Deloitte & Touche in the amount of \$25,231.50 for the Second Interim Period; (ii) granting Applicant final allowance and approval of compensation for professional services rendered to the Debtors by Deloitte & Touche in the amount of \$299,360.50; (iii) and granting the final allowance of reimbursement of actual and necessary expenses in the amount of \$751.68 during the Final Application Period; (iv) authorizing and directing the Debtors to pay all of the compensation held back in connection with the monthly invoices in the amount of \$5,046.30; (v) authorizing and directing the Debtors to pay such amounts to Deloitte & Touche; and (iv) granting such other and relief as may be just and proper.

Dated: February 21, 2020  
Dallas, Texas

Respectfully submitted,

DELOITTE & TOUCHE LLP

/s/ Dan Odom

Dan Odom

Partner

2220 Ross Avenue, Suite 1600

Dallas, Texas 75201

Telephone: 214.840.7324

Facsimile: 214.840.5324

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

In re:	)	
	)	Chapter 11
SOUTHCROSS ENERGY PARTNERS, L.P.,	)	Case No. 19-10702 (MFW)
<i>et al.</i> ,	)	
	)	Jointly Administered
Reorganized Debtors. <sup>1</sup>	)	
	)	<b>Obj. Deadline: March 23, 2020 at 4:00 p.m.</b>

**NOTICE OF SECOND INTERIM AND FINAL FEE APPLICATION OF DELOITTE & TOUCHE LLP FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT FOR EXPENSES INCURRED AS INDEPENDENT AUDITOR AND ACCOUNTING SERVICES PROVIDER TO THE DEBTORS FOR THE PERIOD FROM APRIL 1, 2019 THROUGH JANUARY 31, 2020**

PLEASE TAKE NOTICE that today, Deloitte & Touche LLP as independent auditor and accounting services provider to the Debtors in the above-captioned case (the “Debtors”), filed the attached **Second Interim and Final Fee Application of Deloitte & Touche LLP for Compensation for Services Rendered and Reimbursement for Expenses Incurred as Independent Auditor and Accounting Services Provider to the Debtors for The Period From April 1, 2019 Through January 31, 2020** (the “Application”).

PLEASE TAKE FURTHER NOTICE that objections, if any, to the Application, must: (a) be filed with the Clerk of the Bankruptcy Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801, on or before **March 23, 2020 at 4:00 p.m. (Eastern Time)** (the “Objection Deadline”); and (b) be served so as to be received on or before the Objection Deadline by:

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<sup>1</sup> 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.

- (i) the Debtors, 1717 Main Street, Suite 5300, Dallas, TX 75201 (Attn: Michael B. Howe);
- (ii) counsel for the Debtors, (a) Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, NY 10017, Attn: Darren S. Klein, darren.klein@davispolk.com; Steven Z. Szanzer, steven.szanzer@davispolk.com; and (b) Morris, Nichols, Arsht & Tunnell LLP, 1201 North Market Street, 16th Floor, P.O. Box 1347, Wilmington, DE 19899, Attn: Robert J. Dehney, rdehney@mnat.com; Andrew R. Remming, aremming@mnat.com; and Joseph C. Barsalona II, jbarsalona@mnat.com;
- (iii) counsel to any official committee appointed in the Chapter 11 Cases;
- (iv) counsel to the post-petition lenders and an ad hoc group of prepetition lenders, (a) Willkie Farr & Gallagher LLP, 787 Seventh Avenue, New York, NY 10019-6099, Attn: Paul V. Shalhoub, pshalhoub@willkie.com; Joseph G. Minias, jminias@willkie.com; and James H. Burbage, jburbage@willkie.com and (b) Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, DE 19801, Attn: Matthew B. Lunn, mlunn@ycst.com;
- (v) counsel to Wells Fargo Bank, N.A. as administrative agent, Vinson & Elkins LLP, 2001 Ross Avenue, suite 3900, Dallas, TX 75201, Attn: William Wallander, bwallander@velaw.com; Bradley Foxman, bfoxman@velaw.com; and Matthew Pyeatt, mpyeatt@velaw.com; and
- (vi) the Fee Examiner, David M. Klauder, Esq., Bielli & Klauder, LLC, 1204 N. King Street, Wilmington, Delaware 19801, dklauder@bk-legal.com; and
- (vii) the Office of United States Trustee for the District of Delaware appointed in the Chapter 11 Cases, Caleb Boggs Federal Building, 844 King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801, Attn: Richard L. Schepacarter, Richard.Schepacarter@usdoj.gov.

PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE APPLICATION WILL BE HELD ON **APRIL 6, 2020, AT 10:30 A.M. (ET)** BEFORE THE HONORABLE MARY F. WALRATH, AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 MARKET STREET, 5TH FLOOR, COURTROOM #4, WILMINGTON, DELAWARE 19801.

PLEASE TAKE FURTHER NOTICE THAT ONLY OBJECTIONS MADE IN WRITING AND TIMELY FILED AND RECEIVED, IN ACCORDANCE WITH THE PROCEDURES ABOVE, WILL BE CONSIDERED BY THE BANKRUPTCY COURT AT SUCH HEARING.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED BY THE APPLICATION WITHOUT FURTHER NOTICE OR HEARING.

February 21, 2020  
Wilmington, Delaware

Respectfully submitted,  
MORRIS, NICHOLS ARSHT & TUNNELL LLP

/s/ Eric W. Moats

Robert J. Dehney (No. 3578)  
Andrew R. Remming (No. 5120)  
Joseph C. Barsalona II (No. 6102)  
Eric W. Moats (No. 6441)  
1201 North Market Street, 16th Floor  
P.O. Box 1347  
Wilmington, Delaware 19899-1347  
Tel.: (302) 658-9200  
Fax: (302) 658-3989  
rdehney@mnat.com  
aremring@mnat.com  
jbarsalona@mnat.com  
emoats@mnat.com

-and-

DAVIS POLK & WARDWELL LLP

Marshall S. Huebner (admitted *pro hac vice*)  
Darren S. Klein (admitted *pro hac vice*)  
Steven Z. Szanzer (admitted *pro hac vice*)  
450 Lexington Avenue  
New York, New York 10017  
Tel.: (212) 450-4000  
Fax: (212) 701-5800  
marshall.huebner@davispolk.com  
darren.klein@davispolk.com  
steven.szanzer@davispolk.com

*Counsel to the Reorganized Debtors*