

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

In re:)	Chapter 11
)	
)	Case No. 19-10702 (MFW)
SOUTHCROSS ENERGY PARTNERS, L.P.,)	
<i>et al.</i> ,)	Jointly Administered
)	
Reorganized Debtors. ¹)	
)	<u>Response Deadline</u>
)	April 17, 2020, at 4:00 p.m. (ET)
)	

REORGANIZED DEBTORS' NOTICE OF PARTIALLY SATISFIED CLAIMS

* * *

TO THE CLAIMANTS LISTED IN EXHIBIT A TO THIS NOTICE: YOUR RIGHTS MAY BE AFFECTED BY A FAILURE TO RESPOND TO THIS NOTICE BY THE DEADLINE SET FORTH HEREIN. CLAIMANTS RECEIVING THIS NOTICE SHOULD LOCATE THEIR NAMES AND CLAIMS IN EXHIBIT A AND, IF APPLICABLE, FILE A RESPONSE BY THE RESPONSE DEADLINE FOLLOWING THE INSTRUCTIONS SET FORTH HEREIN. THIS NOTICE IS WITHOUT PREJUDICE TO THE REORGANIZED DEBTORS' RIGHTS TO PURSUE FURTHER SUBSTANTIVE OR NON-SUBSTANTIVE OBJECTIONS AGAINST THE PARTIALLY SATISFIED CLAIMS LISTED IN EXHIBIT A.

* * *

The above-captioned reorganized debtors (the “**Debtors**” or the “**Reorganized Debtors**,” as applicable) in the above-captioned chapter 11 cases (the “**Chapter 11 Cases**”)² hereby file this notice (the “**Notice**”) identifying proofs of claim filed in the Chapter 11 Cases that have been partially satisfied post-petition by payments by the Debtors pursuant to orders of the United States Bankruptcy Court for the District of Delaware (the “**Court**”) authorizing such payments or otherwise (collectively, the “**Partially Satisfied Claims**”). In support of this Notice, the Debtors respectfully state as follows:

¹ The reorganized debtors 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 Gulf Coast Transmission Ltd. (0546). The reorganized debtors’ mailing address is 1717 Main Street, Suite 5300, Dallas, TX 75201.

² As appropriate from the context, the terms Debtors, Reorganized Debtors, and Chapter 11 Cases shall include reference to Closing Debtors (as defined below) and their respective chapter 11 cases.



BACKGROUND

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

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

3. 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.

4. On April 2, 2019, the Court entered the *Order Authorizing Debtors to Employ and Retain Kurtzman Carson Consultants LLC as Notice and Claims Agent for Debtors Nunc Pro Tunc to the Petition Date* [D.I. 49] (the “**KCC Noticing and Claims Retention Order**”), thereby appointing Kurtzman Carson Consultants LLC (“**KCC**”) as the claims and noticing agent for the Chapter 11 Cases. On June 10, 2019, the Court entered the *Order Authorizing The Debtors To Employ and Retain Kurtzman Carson Consultants LLC as Administrative Advisor of the Debtors Nunc Pro Tunc to the Petition Date* [D.I. 258] (the “**KCC Administrative Advisor Retention Order**”) and, together with the KCC Noticing and Claims Retention Order, the “**KCC Retention Orders**” and, KCC in its capacity under the KCC Retention Orders, the “**Claims Agent**”), thereby authorizing the Debtors to employ KCC as the administrative advisor to the Debtors in the Chapter 11 Cases.

5. On June 10, 2019, the Court entered the *Order Establishing Deadlines and Procedures for Filing Proofs of Claim and Approving the Form and Manner of Notice Thereof* [D.I. 260] (the “**Bar Date Order**”) establishing July 19, 2019 at 5:00 p.m. (prevailing Eastern Time) and September 30, 2019 at 5:00 p.m. (prevailing Eastern Time) as the General Bar Date and Governmental Bar Date, respectively (each as defined therein, collectively, the “**Bar Date**”³).

6. On June 12, 2019, the Debtors prepared and filed their schedules of assets and liabilities (the “**Schedules**”) and statements of financial affairs [D.I. 268–295, 297–322].

7. On June 13, 2019, KCC duly served the *Notice of Deadlines of Filing Proofs of Claim Against the Debtors* [D.I. 325] (the “**Bar Date Notice**”). See *Affidavit of Service of Priscilla Romera* [D.I. 343]. On June 21, 2019, the Debtors caused the Bar Date Notice to be published in the *USA Today*. See *Affidavit of Publication of Notice of Deadlines for Filing Proofs of Claim Against the Debtors in USA Today* [D.I. 341].

8. On January 24, 2020, the Debtors filed the *First Amended Chapter 11 Plan for Southcross Energy Partners L.P. and its Affiliated Debtors* [D.I. 863] (as amended, the “**Plan**”). The Plan was confirmed on January 27, 2020 pursuant to the *Order Confirming First Amended Chapter 11 Plan for Southcross Energy Partners, L.P. and its Affiliated Debtors* [D.I. 873]. The Effective Date (as defined in the Plan) of the Plan occurred on January 31, 2020 [D.I. 881].

9. On March 6, 2020, the Court entered the *Final Decree (I) Closing Certain Chapter 11 Cases and (II) Terminating Certain Claims and Noticing Services* [D.I. 928] (the “**Final Decree**”), closing all but two of the Reorganized Debtors’ chapter 11 cases. Paragraph 6 of the Final Decree dictates that all Proofs of Claim against the Closing Debtors (each as defined

³ The Governmental Bar Date (for the United States only) was extended to October 15, 2019 by order of the Court [D.I. 606].

therein) shall remain unaffected by entry of the Final Decree and such Proofs of Claim shall be administered in the case of Debtor Southcross Energy Partners, L.P. without prejudice to the rights of any claimant related thereto.

10. Additional information about the Debtors' businesses and affairs, prepetition 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.

Claims Satisfied After the Petition Date

11. In connection with its review of its books and records, the Reorganized Debtors have concluded that the Partially Satisfied Claims set forth on Exhibit A attached hereto have been partially satisfied by the Debtors after the Petition Date through payment by the Debtors in the ordinary course of business, or otherwise.

12. Accordingly, the Reorganized Debtors intend to direct the Claims Agent to designate the Partially Satisfied Claims on its claims register as being partially satisfied so that the claims register is accurate.

13. Out of an abundance of caution, however, the Reorganized Debtors are serving this Notice on all claimants holding Partially Satisfied Claims (the "**Claimants**") to provide them with an opportunity to object to the Reorganized Debtors' determination that such claims have been partially satisfied.

14. By this Notice, the Reorganized Debtors request that any Claimant disputing the Debtors' determination that such Claimant's Partially Satisfied Claim has been partially satisfied file a written response (the "**Response**") with the Clerk of the Court, 824 North Market Street, 3rd Floor, Wilmington, Delaware 19801, and serve such response on the undersigned counsel to

the Reorganized Debtors so as to be actually received on or before **April 17, 2020, at 4:00 p.m. (prevailing Eastern Time)** (the “**Response Deadline**”).

15. Every Response to this Notice must contain at a minimum the following information:

- a. a caption setting forth the name of the Court, the case name, the case number, and the title of this Notice;
- b. the name of the Claimant, the number of his/her/its Partially Satisfied Claim, and a description of the basis for the amount of the Partially Satisfied Claim;
- c. the specific factual basis, supporting legal argument, and any supporting documentation, to the extent such documentation was not included with the Partially Satisfied Claim previously filed with the Court or KCC, upon which the Claimant will rely in opposing this Notice and the Reorganized Debtors’ determinations set forth herein; and
- d. the name, address, telephone number, fax number, and email address, as applicable, of the person(s) (which may be the Claimant or the Claimant’s legal representative) with whom counsel for the Reorganized Debtors should communicate with respect to the Partially Satisfied Claim or this Notice and who possesses authority to reconcile, settle, or otherwise resolve any issues relating to the Partially Satisfied Claim on behalf of the Claimant.

16. In the event that a response is received prior to the Response Deadline, the Reorganized Debtors will make a good faith effort to review the applicable Partially Satisfied Claim with the objecting Claimant to determine what indebtedness, if any, remains outstanding. In the event that the parties are unable to reach a resolution, the Reorganized Debtors will schedule a hearing to consider the dispute concerning the Partially Satisfied Claim.

Reservation of Rights

17. The Reorganized Debtors expressly reserve their rights to amend, modify, or supplement this Notice and to file objections to claims, including the Partially Satisfied Claims, which have been or may be asserted against the Reorganized Debtors. Notwithstanding anything

to the contrary contained in this Notice or the attached exhibit, nothing in this Notice or the attached exhibit represents, or should be construed as, a waiver of any rights that the Reorganized Debtors may have, including, but not limited to, the Reorganized Debtors' right of setoff against the holders of such claims.

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Dated: April 3, 2020
Wilmington, Delaware

Respectfully submitted,

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Counsel to the Reorganized Debtors

Exhibit A

Partially Satisfied Claims

EXHIBIT A

NOTICE OF PARTIALLY SATISFIED CLAIMS

NAME	CLAIM# / ECF#	ASSERTED CLAIMS			MODIFIED CLAIMS				
		DEBTOR	PRIORITY STATUS	AMOUNT	DEBTOR	PRIORITY STATUS	AMOUNT		
1 RAWSON, INC. METZ, LEWIS, BRODMAN, MUST, OKEEFE LLC 535 SMITHFIELD STREET, SUITE 800 PITTSBURGH, PA 15222	324	Southcross Energy Partners, L.P.	503(b)(9)	\$2,198.87	Southcross Energy Partners, L.P.	503(b)(9)	\$0.00		
		Southcross Energy Partners, L.P.	Unsecured	\$225.28	Southcross Energy Partners, L.P.	Unsecured	\$225.28		
		Subtotal			\$2,424.15	Subtotal			\$225.28
Reason: Claim was partially satisfied pursuant to order to pay prepetition claims of trade vendors entered on 4/29/2019.									
2 W.W. GRAINGER, INC. 401 SOUTH WRIGHT ROAD W4EC37 JANESVILLE, WI 60714	38	Southcross Energy Partners, L.P.	503(b)(9)	\$3,031.42	Southcross Energy Partners, L.P.	503(b)(9)	\$0.00		
		Southcross Energy Partners, L.P.	Unsecured	\$17,682.64	Southcross Energy Partners, L.P.	Unsecured	\$17,682.64		
		Subtotal			\$20,714.06	Subtotal			\$17,682.64
Reason: Claim was partially satisfied pursuant to order to pay prepetition claims of trade vendors entered on 4/29/2019.									
TOTAL				\$ 23,138.21	TOTAL				\$ 17,907.92