



ENTERED
04/27/2020

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

<p>In re:</p> <p>SPEEDCAST INTERNATIONAL LIMITED, et al.,</p> <p style="padding-left: 40px;">Debtors.¹</p>	<p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p> <p>§</p>	<p>Chapter 11</p> <p>Case No. 20-32243 (MI)</p> <p>(Jointly Administered)</p> <p>Re: Docket No. 7</p>
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ORDER (I) APPROVING DEBTORS’ PROPOSED FORM OF ADEQUATE ASSURANCE OF PAYMENT TO UTILITY COMPANIES; (II) ESTABLISHING PROCEDURES FOR RESOLVING OBJECTIONS BY UTILITY COMPANIES; (III) PROHIBITING UTILITY COMPANIES FROM ALTERING, REFUSING, OR DISCONTINUING SERVICE; AND (IV) GRANTING RELATED RELIEF

Upon the motion, dated April 23, 2020 (the “**Motion**”)² of SpeedCast International Limited and its affiliated debtors in the above-captioned chapter 11 cases, as debtors and debtors in possession (collectively, the “**Debtors**”), for entry of an order pursuant to sections 366 and 105(a) of the Bankruptcy Code and Bankruptcy Rules 6003 and 6004 (i) approving Debtors’ proposed form of adequate assurance of payment to the Utility Companies, (ii) establishing procedures for resolving objections by the Utility Companies, (iii) prohibiting the Utility Companies from altering, refusing, or discontinuing service, and (iv) granting related relief, all as more fully set forth in the Motion; and upon consideration of the Healy Declaration; and this Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §1334; and consideration of the Motion and the

¹ A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ proposed claims and noticing agent at <http://www.kccllc.net/speedcast>. The Debtors’ service address for the purposes of these chapter 11 cases is 4400 S. Sam Houston Parkway East, Houston, Texas 77048.

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



requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and it appearing that venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided; and such notice having been adequate and appropriate under the circumstances, and it appearing that no other or further notice need be provided; and this Court having reviewed the Motion; and this Court having held a hearing to consider the relief requested in the Motion; and all objections, if any, to the Motion have been withdrawn, resolved, or overruled; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and it appearing that the relief requested in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates as contemplated by Bankruptcy Rule 6003 and is in the best interests of the Debtors and their respective estates and creditors; and upon all of the proceedings had before this Court and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED THAT

1. The Adequate Assurance shall constitute adequate assurance of future payment as required by section 366 of the Bankruptcy Code.
2. The Debtors shall deposit the Adequate Assurance Deposit in the amount of \$196,000 in a newly created, segregated account for the benefit of the Utility Companies within 20 days after the Petition Date.
3. All Utility Companies including, without limitation, those listed on **Exhibit 1** annexed hereto, are prohibited from altering, refusing, or discontinuing Utility Services, or otherwise discriminating against the Debtors, on account of any unpaid prepetition charges or any perceived inadequacy of the Debtors' Proposed Adequate Assurance.
4. The following Adequate Assurance Procedures are hereby approved:

- a. Within three business days after entry of this Order, the Debtors will fax, e-mail, serve by mail, or otherwise expeditiously send a copy of the Motion and this Order to the Utility Companies on the Utility Services List.
- b. The Debtors will deposit the Adequate Assurance Deposit, in the aggregate amount of \$196,000, in the Utility Deposit Account within 20 days after the Petition Date.
- c. The funds in the Utility Deposit Account shall constitute adequate assurance for each Utility Company in the amount set forth for such Utility Company in the column labeled “Proposed Adequate Assurance” on the Utility Services List.
- d. If an amount relating to Utility Services provided postpetition by a Utility Company is unpaid, and remains unpaid beyond any applicable grace period, such Utility Company may request a disbursement from the Utility Deposit Account by giving notice to (i) proposed counsel to the Debtors, Weil, Gotshal & Manges LLP, 700 Louisiana Street, Suite 1700, Houston, TX 77002 (Attn: Brenda Funk, Esq. and Stephanie Morrison, Esq.), (ii) the Office of the United States Trustee, 515 Rusk Street, Suite 3516, Houston, TX 77002, (iii) counsel to the Ad Hoc Group of Secured Lenders, Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, NY 10017 (Attn: Damian S. Schaible, Esq. and David Schiff, Esq.), and (iv) counsel for any official committee of unsecured creditors appointed in these chapter 11 cases (collectively, the “**Utility Notice Parties**”). The Debtors shall honor such request within five business days after the date the request is received by the Debtors, subject to the ability of the Debtors and any such requesting Utility Company to resolve any dispute regarding such request without further order of the Court. To the extent a Utility Company receives a disbursement from the Utility Deposit Account, the Debtors will replenish the Utility Deposit Account in the amount so disbursed.
- e. The portion of the Adequate Assurance Deposit attributable to each Utility Company will be returned to the Debtors on the earlier of (i) reconciliation and payment by Debtors of the Utility Company’s final invoice in accordance with applicable nonbankruptcy law following the Debtors’ termination of Utility Services from such Utility Company and (ii) the effective date of any chapter 11 plan confirmed in these chapter 11 cases.
- f. Any Utility Company desiring additional assurances of payment in the form of deposits, prepayments, or otherwise must serve a request for additional assurance (an “**Additional Assurance Request**”) on the Utility Notice Parties.

- g. The Additional Assurance Request must (i) be made in writing, (ii) set forth the location(s) for which Utility Services are provided, the account number(s) for such location(s), and the outstanding balance for each such account, (iii) explain why the Utility Company believes the Adequate Assurance Deposit is not adequate assurance of payment, (iv) summarize the Debtors' payment history relevant to the affected account(s), (v) certify the amount that is equal to one half of monthly Utility Services provided by the Utility Company to the Debtors, calculated as a historical average over the 9-month period preceding the Petition Date, and (vi) certify that the Utility Company does not already hold a deposit equal to or greater than one half of monthly Utility Services provided by such Utility Company.
- h. An Additional Assurance Request may be made at any time. If a Utility Company does not file and serve an Additional Assurance Request, the Utility Company will be (i) deemed to have received "satisfactory" adequate assurance of payment in compliance with section 366 of the Bankruptcy Code and (ii) forbidden from discontinuing, altering, or refusing Utility Services to, or discriminating against, the Debtors on account of any unpaid prepetition charges or requiring additional assurance of payment other than the Proposed Adequate Assurance.
- i. Upon the Debtors' receipt of an Additional Assurance Request, the Debtors will negotiate with such Utility Company to resolve such Utility Company's Additional Assurance Request.
- j. The Debtors may, without further order from the Court, resolve an Additional Assurance Request by mutual agreement with a Utility Company, and the Debtors may, in connection with any such agreement, with the consent of the Required IC DIP Lenders (as defined in the DIP Order), not to be unreasonably withheld, provide a Utility Company with additional adequate assurance of payment including cash deposits, prepayments, or other forms of security if the Debtors believe that such adequate assurance is reasonable, subject to the terms of any collateral orders entered by the Court.
- k. If the Debtors and the Utility Company are not able to reach an alternative resolution within 30 days of receipt of the Additional Assurance Request, the Debtors will request a hearing before the Court at the next regularly scheduled omnibus hearing to determine the adequacy of assurances of payment with respect to a particular Utility Company (the "**Determination Hearing**") pursuant to section 366(c)(3) of the Bankruptcy Code.
- l. Pending resolution of the Determination Hearing, the Utility Company filing such Additional Assurance Request will be prohibited from altering, refusing, or discontinuing Utility Services to the Debtors on account of

unpaid charges for prepetition services or on account of any objections to the Proposed Adequate Assurance.

5. Notwithstanding anything in this Order, upon a timely motion filed and served on the Utility Notice Parties by any Utility Company, the Court shall conduct a hearing on **May 21, 2020 at 2:00 p.m. (prevailing Central Time)** (the “**Final Hearing**”) to resolve any dispute between the Debtors and such Utility Company regarding the Adequate Assurance Procedures of the Proposed Adequate Assurance.

6. The Utility Companies are prohibited from requiring additional adequate assurance of payment other than pursuant to the Adequate Assurance Procedures.

7. The Adequate Assurance Deposit shall automatically, without further Court order, be available to the Debtors upon the effective date of a chapter 11 plan for the Debtors.

8. The inclusion of any entity in, as well as any omission of any entity from, the Utility Services List shall not be deemed an admission by the Debtors that such entity is, or is not, a utility within the meaning of section 366 of the Bankruptcy Code, and the Debtors reserve all rights and defenses with respect thereto.

9. The Debtors are authorized to amend the Utility Services List to the extent the Debtors terminate the services of any Utility Company or identify additional Utility Companies, with the consent of the Ad Hoc Group of Secured Lenders, not to be unreasonably withheld, with such amendment to be filed with the Court and served in time to allow for parties to object prior to the Final Hearing. This Order shall apply to any such Utility Company that is added to the Utility Services List. The Debtors shall serve a copy of this Order and the Motion upon any Utility Company added to the Utility Services List within three (3) business days.

10. The Debtors shall increase the amount of the Adequate Assurance Deposit if an additional Utility Company is added to the Utility Services List by an amount equal to one half of monthly Utility Services provided by such additional Utility Company, calculated using the historical average for such payments during the 9 months prior to the Petition Date. Provided, no Utility Company may be added if the provision of the Additional Adequate Assurance Deposit is made after the deadline set forth in § 366 of the Bankruptcy Code.

11. Notwithstanding paragraph 9 hereof, the Debtors may terminate the services of any Utility Company at any time and, following the deposit of the Adequate Assurance Deposit in the Utility Deposit Account, are immediately authorized to reduce the Adequate Assurance Deposit by the amount held on account of such terminated Utility Company provided there are no outstanding disputes related to postpetition payments due.

12. The relief granted herein is for all Utility Companies providing Utility Services to the Debtors and is not limited to those parties or entities listed on the Utility Services List.

13. Notwithstanding anything to the contrary herein, any payment to be made by the Debtors pursuant to the authority granted herein shall be subject to and in compliance with documentation in connection therewith (the “**DIP Documents**”), and/or (2) authorizing the Debtor’s use of cash collateral and/or any budget in connection therewith (in either case, the “**DIP Order**”). To the extent there is any inconsistency between the terms of the DIP Order or any DIP Documents, on the one hand, and any action taken or proposed to be taken hereunder, on the other hand, the terms of the DIP Order or such DIP Document, as applicable, shall control.

14. Nothing contained in the Motion or this Order or any payment made pursuant to the authority granted by this Order is intended to be or shall be deemed as (i) an admission as to the validity of any claim against the Debtors, (ii) a waiver of the Debtors' or any party in interest's rights to dispute the amount of, basis for, or validity of any claim, (iii) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable nonbankruptcy law, (iv) an agreement or obligation to pay any claims, (v) a waiver of any claims or causes of action which may exist against any creditor or interest holder, or (vi) an approval, assumption, adoption, or rejection of any agreement, contract, lease, program, or policy under section 365 of the Bankruptcy Code.

15. The requirements of Bankruptcy Rule 6003(b) have been satisfied.

16. Notice of the Motion is adequate under Bankruptcy Rule 6004(a).

17. Notwithstanding the provisions of Bankruptcy Rule 6004(h), this Order shall be immediately effective and enforceable upon its entry.

18. The Debtors are authorized to take all reasonable actions necessary or appropriate to carry out the relief granted in this Order.

19. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Order.

Signed: April 27, 2020

A handwritten signature in black ink, appearing to read 'M Isgur', is written over a horizontal line.

Marvin Isgur
United States Bankruptcy Judge

Exhibit 1

Utility Services List

Utility Services List

Company	Address(s)	Description of Utility Service	Average Monthly Expense	Proposed Adequate Assurance
Florida Power & Light Company	700 Universe Blvd Juno Beach, FL 33408	Electricity	\$12,751.03	\$6,375.52
Sun Coast Resources, Inc.	PO Box 202603 Dallas, TX 75320	Fuel	\$458.06	\$229.03
Waste Management Inc Of Florida	PO Box 4648 Carol Stream, IL 60197	Waste Disposal	\$107.82	\$53.91
BFI Waste Services of Texas, LP	18500 N. Allied Way Dallas, TX 75284-1833	Waste Disposal	\$1,862.04	\$931.02
River Parish Disposal, LLC	PO Box 10482 New Orleans, LA 70181	Waste Disposal	\$231.64	\$115.82
Entergy Corporation	PO Box 8108 Baton Rouge, LA 70891-8108	Electricity	\$1,559.38	\$779.69
Direct Energy	PO Box 70220 Philadelphia, PA 19176	Electricity	\$14,108.49	\$7,054.25
City of Houston Water	PO Box 1560 Houston, TX 77251	Water	\$1,169.23	\$584.61
Amerigas Propane, Inc.	PO Box 105018 Atlanta, GA 30348-5018	Fuel	\$137.32	\$68.66

Company	Address(s)	Description of Utility Service	Average Monthly Expense	Proposed Adequate Assurance
SSE Business Energy	Robert Brown House Basingstoke RG21 8GZ Great Britain	Electricity	\$311.86	\$155.93
Scottish Hydro Electric	Grampian House Perth ND PH1 3GH Great Britain	Electricity	\$1,473.07	\$736.54
Clear Business	Longley House, Longley Lane Manchester M22 4SY Great Britain	Water	\$27.59	\$13.79
Hudson Energy Supply UK	219-225 Avebury Boulevard Milton Keynes MK9 1AU Great Britain	Electricity	\$89,611.16	\$44,805.58
Aberdeen Electrical Services Limited	Unit 6 109 Urquhart Road Aberdeen AB24 5NH Great Britain	Electricity	\$8,737.23	\$4,368.62
Anglian Water Business (National) Ltd	PO Box 259 Rotherham S98 1QU Great Britain	Water	\$3,251.07	\$1,625.53
Scottish Fuels	Tryst House Glenbervie Business Park Larbert, FK5 4RB Great Britain	Fuel	\$4,768.37	\$2,384.18
Franzefoss Gjenvinning AS	AVD 19 - FORUS Postboks 53, 1309 RUD Norway	Waste Disposal	\$345.55	\$172.77
Simply Energy	Level 33 Rialto South Tower Melbourne, 3000 Australia	Electricity	\$20,837.60	\$10,418.80

Company	Address(s)	Description of Utility Service	Average Monthly Expense	Proposed Adequate Assurance
Taylor Marine	62 Sparks Road Perth, WA 6166 Australia	Electricity	\$8,953.44	\$4,476.72
Water Corporation	PO Box 100 Leederville, WA 6902 Australia	Water	\$37.89	\$18.95
AGL South Australia Pty Ltd	GPO Box 77 Adelaide, 5001 Australia	Electricity	\$746.60	\$373.30
Synergy	GPO Box U1913 Perth, WA 6845 Australia	Electricity	\$14,908.14	\$7,454.07
Laser Electrical Magill	1 Vernum Street, Magill, 5072 Australia	Electricity	\$1,110.65	\$555.32
WA Refuelling	28 Felspar St Welshpool, WA 6104 Australia	Fuel	\$141.94	\$70.97
South Australian Water Corporation	GPO Box 1751 Adelaide, SA 5001 Australia	Water	\$175.54	\$87.77
Jacana Energy	GPO Box 2601, Darwin , NT 0801 Australia	Electricity	\$232.32	\$116.16
EnergyAustralia	Locked Bag W100 Sydney, FL 1291 Australia	Electricity	\$1,049.01	\$524.51
Origin Energy Ltd	GPO Box 1199 Adelaide, 5001 Australia	Electricity	\$2,220.26	\$1,110.13
The Hongkong Electric Company	Hongkong Electric Centre, 44 Kennedy Road, Hong Kong	Electricity	\$455.26	\$227.63

Company	Address(s)	Description of Utility Service	Average Monthly Expense	Proposed Adequate Assurance
Shell Hong Kong Limited	35/F, AIA Kowloon Tower, Landmark East, 100 How ming street ,Kwun Tong Kowloon, Hong Kong	Fuel	\$819.53	\$409.76
E-ON Energy Ltd	Newland House 49 Mount Street Nottingham, NG1 6PG Great Britain	Electricity & Gas	\$3,454.49	\$1,727.25
SSE Business Energy	No. 1 Forbury Place 43 Forbury Road Reading, RG1 3JH Great Britain	Electricity & Gas	\$157.32	\$78.66
ENGIE Energie Nederland N.V.	Grote Voort 291 Zwolle, BL 8041 Netherlands	Electricity	\$8,327.82	\$4,163.91
REMONDIS Nederland B.V.	Dieselstraat 7 Lichtenvoorde, 7131 PC Netherlands	Waste Disposal	\$504.78	\$252.39
Kenter B.V.	Dijkgraaf 2 Netherlands, Duiven 6921 RL Netherlands	Electricity	\$103.92	\$51.96
Handy Clean B.V.	Merwede 6 Lelystad, 8226 NA Netherlands	Waste Disposal	\$1,314.33	\$657.16
Esso Vermeulen & ZN B.V.	Europa-Allee 4 Installatieweg 7 Kampen, 8265 VB Netherlands	Fuel	\$144.17	\$72.09
LIANDER N.V.	Postbus 50 Duiven, 6920 AB Netherlands	Electricity	\$3,724.56	\$1,862.28
Vitens N.V.	Oude Veerweg 1 Zwolle, 8019 BE Netherlands	Water	\$71.00	\$35.50

Company	Address(s)	Description of Utility Service	Average Monthly Expense	Proposed Adequate Assurance
ACA Waste Services Inc	40 Eads St West Babylon, NY 11704	Waste Disposal	\$193.58	\$96.79
PSEG Long Island	1650 Islip Ave Brentwood, NY 11717	Electricity	\$129,033.19	\$64,516.59
National Grid plc	Po Box 11791 Newark, NJ 07101-4791	Gas	\$4,723.99	\$2,362.00
National Waste Services, LLC	1863 Harrison Avenue Bay Shore, NY 11706	Waste Disposal	\$2,343.88	\$1,171.94
Suffolk County Water Authority: SCWA	PO Box 9044 Hicksville, NY 11802	Water	\$224.25	\$112.12
Paraco Gas Corporation	P.O. BOX 412227 Boston, MA 02241-2227	Gas	\$56.95	\$28.48
Tuas Power Supply Pte Ltd	111 Somerset Rd, #11-09 Singapore 238164	Electricity	\$57.60	\$28.80
Summit Electric Supply Co. Inc.	PO Box 848345 Dallas, TX 75284-8345	Electricity	\$558.80	\$279.40
Stark Software International Ltd	Sentinel House, 10-12 Massetts Road Horley, Surrey RH6 7DE Great Britain	Gas	\$93.07	\$46.53

Company	Address(s)	Description of Utility Service	Average Monthly Expense	Proposed Adequate Assurance
Kleenheat Gas Pty Ltd	PO Box 4184 Myaree Business Centre WA 6960 Australia	Gas	\$41.55	\$20.78
Arrow Electrical Services Pty. Ltd.	PO Box 25 South Fremantle, 6162 Netherlands	Electrical Services	\$727.67	\$363.83
WINconnect Pty Ltd	PO Box 217 Hawthorn, VIC 3122 Australia	Electrical Services	\$71.42	\$35.71
South East Water Corporation	101 Wells Street Frankston, VIC 3199 Australia	Water	\$9.88	\$4.94
Enpron	Lavendelheide 7A Drachten, 9202 PD Netherlands	Electricity	\$145.76	\$72.88
Van Werven Holding B.V.	Postbus 14 Oldebroek, 8096 ZG Netherlands	Waste Disposal	\$40.02	\$20.01
Con Ed / Constellation	100 Summit Lake Drive Suite 410 Valhalla, NY 10595-1356	Electricity	\$11,350.82	\$5,675.41
Baltimore Gas and Electric Company	P.O. Box 13070 Philadelphia, PA 19101-3070	Electricity	\$1,991.22	\$995.61
Danisi Energy Company Inc.	3205 Route 112 Medford, NY 11763	Fuel	\$516.70	\$258.35
Waste Management of Virginia	PO Box 13648 Philadelphia, PA 19101-3648	Waste Disposal	\$0	\$0

Company	Address(s)	Description of Utility Service	Average Monthly Expense	Proposed Adequate Assurance
City Wide Sewer & Drain Service Corp	PO Box 350 Carle Place, NY 11514-0350	Septic/Sewage	\$376.57	\$188.28
AAA Action Septic Service LLC	166 Campbell Acres Road Cleveland, TX 77328 USA	Septic/Sewage	\$133.33	\$66.67
Waste Management Inc. of Florida	PO Box 4648 Juno Beach, IL 60197-4648	Waste Disposal	\$300.92	\$150.46
Joulz Meetbedrijf B.V.	Blaak 8 Rotterdam, 3011TA Netherlands	Electricity	\$103.92	\$51.96
Waste Connections of Florida	3840 NW 37th Ct Miami, FL 33142	Waste Disposal	\$286.99	\$143.49
City of North Miami	17011 NE 19 Ave North Miami Beach, FL 33162	Water	\$103.34	\$51.67
Dubai Electricity and Water Authority	P.O. Box 564 Dubai U.A.E.	Electricity & Water	\$101.89	\$50.94
EYDAP	12 Satovriandou str. Athens, 10432 Greece	Water	\$60.60	\$6.73
SSE Enterprise Telecoms Ltd.	One Forbury Place, 4th Floor Reading RG1 3JH Great Britain	Telecommunications	\$4,639.55	\$2,319.78
Lyse AS	PO Box 8124 Stavanger, 4069 Norway	Electricity	\$4,934.04	\$2,467.02

Company	Address(s)	Description of Utility Service	Average Monthly Expense	Proposed Adequate Assurance
Électricité de France S.A.	TSA 20121 CEDEX 20 LYON, 69937 France	Electricity	\$856.89	\$428.45
Broadview Networks	PO Box 9242 Uniondale, NY 11555-9242	Telecommunications	\$3,681.06	\$1,840.53
Verizon Wireless	Kim Robertson-Corporate Finance P.O. Box 4830 Trenton, NJ 08650-4830	Telecommunications	\$13,926.38	\$6,963.19