IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF MARYLAND (GREENBELT DIVISION)

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| In re: |) Chapter 11 |
| CREATIVE HAIRDRESSERS, INC., et al, |) Case Nos. 20-14583, 20-14584-TJC |
| Debtors. |)) (Jointly Administered) |
| |) |

APPLICATION OF BALTIMORE GAS AND ELECTRIC COMPANY FOR ALLOWANCE AND PAYMENT OF ADMINISTRATIVE EXPENSES

Baltimore Gas and Electric Company ("BGE"), by counsel, a creditor in the above-captioned, jointly-administered bankruptcy proceeding, for its *Application For Allowance and Payment of Administrative Expenses* (the "Administrative Expense Application") states as follows:

Procedural Facts

- 1. On April 23, 2020 (the "Petition Date"), the Debtors commenced their cases under Chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") that are now pending with this Court.
 - 2. The Debtors' chapter 11 bankruptcy cases are being jointly administered
- 3. On the Petition Date, the Debtors filed the Motion of the Debtors For Entry of Interim and Final Orders (I) Approving the Debtors' Proposed Form of Adequate Assurance of Payment, (II) Establishing Procedures For Resolving Objections By Utility Companies, and (III) Prohibiting Utility Companies From Altering, Refusing, or Discontinuing Service (the "Utility Motion") (Docket No. 16).
- 4. On April 28, 2020, the Court entered the Order (I) Authorizing the Debtors'

 Proposed Form of Adequate Assurance of Payment, (II) Establishing Procedures For Resolving

Objections By Utility Companies, and (III) Prohibiting Utility Companies From Altering, Refusing, or Discontinuing Service (the "Utility Order") (Docket No. 87).

- 5. On May 1, 2020, BGE, together with other Utilities, filed the *Motion and Memorandum of Certain Utility Companies To: Vacate, and/or Reconsider, and/or Modify Order (I) Authorizing the Debtors' Proposed Form of Adequate Assurance of Payment, (II) Establishing Procedures For Resolving Objections By Utility Companies, and (III) Prohibiting Utility Companies From Altering, Refusing, or Discontinuing Service (the "Motion") (Docket No. 123).*
- 6. Pursuant to an adequate assurance settlement letter agreement dated May 26, 2020, BGE, together with other Utilities, resolved their adequate assurance of payment requests pursuant to a settlement agreement with the Debtors with the Debtors providing BGE with a payment in the amount of \$9,600 for estimated post-petition charges from the Petition Date to the then anticipated May 29, 2020 sale closing date.
- 7. BGE did not identify the \$9,600 post-petition wire payment within the company after most of the Debtor post-petition accounts were closed as of the June 4, 2020 sale closing date. When the post-petition Debtor accounts with BGE were closed, BGE issued final post-petition bills. Once BGE located the \$9,600 wire payment, that payment was applied to final outstanding post-petition balances on 23 of the 43 closed post-petition accounts.

Facts Regarding BGE

- 8. BGE provided the Debtors with post-petition utility goods/services from the Petition Date until the post-petition accounts were closed.
- 9. The total past-due balance due and owing by Debtors to BGE for unpaid postpetition utility goods/services that BGE provided to Debtors to the June 4, 2020 sale closing date

is \$4,840.61 (the "BGE Administrative Expense Request").

- 10. Attached as **Exhibit 1** is a chart reflecting the final post-petition account balances after the \$9,600 post-petition wire payment was applied to post-petition charges on 23 of the 43 closed post-petition Debtor accounts with BGE. Final bills for 14 closed post-petition Debtor accounts were incorrect because they included charges subsequent to the June 4, 2020 sale closing date. However, the attached chart reflects the correct total past-due post-petition balance for post-petition service to the June 4, 2020 sale closing date.
- 11. As of the date of this Administrative Expense Claim, payment for the BGE Administrative Expense Claim set forth in Paragraph 8 above has not been tendered.
- 12. As of the date of this Administrative Expense Application, the Debtors have not disputed the charges for any post-petition utility services furnished by BGE. Moreover, despite repeated requests for payment from counsel for BGE, the Debtor has not paid the unpaid, past due charges.
- 13. The post-petition goods/services provided by BGE for the Debtors are actual, necessary expenses of preserving the Debtors' estates and are entitled to an administrative expense priority pursuant to § 503(b) of the Bankruptcy Code. *See In re Best Products, Co.*, 203 B.R. 51, 53 (E.D. Va. 1996).

WHEREFORE, for the foregoing reasons, BGE respectfully requests that the Court enter an order approving the allowance and immediate payment of the BGE Administrative Expense Claim in the amount of \$4,840.61 for post-petition utility goods/services provided and billed by BGE but not paid.

Dated: December 1, 2021

/s/ Patrick J. Kearney

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Company

CERTIFICATE OF SERVICE

I hereby certify that on December 1, 2021, a true and correct copy of the (i) *Application of Baltimore Gas and Electric Company For Allowance and Payment of Administrative Expenses*, (ii) *Notice of Filing* and (iii) *Proposed Order* was served via the Court's CM/ECF electronic notification system on all parties requesting same, and first class mail, postage prepaid to the parties listed below:

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