

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	
)	Chapter 11
)	
WESTMORELAND COAL COMPANY, <i>et al.</i> , ¹)	Case No. 18-35672 (DRJ)
)	
Debtors.)	(Jointly Administered)
)	

**COVER SHEET OF FINAL FEE STATEMENT OF
PRICEWATERHOUSECOOPERS LLP FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES AS CONSULTANTS FOR THE DEBTORS
FOR THE PERIOD OCTOBER 9, 2018 THROUGH MARCH 15, 2019**

Name of Applicant:	PricewaterhouseCoopers LLP ("PwC")
Authorized to Provide Professional Services to:	Westmoreland Coal Company and its above-captioned debtor affiliates, as debtors and debtors in possession
Date of Retention:	Effective <i>nunc pro tunc</i> to October 9, 2018 (order entered January 22, 2019, D.I. 1118)
Final Period for which compensation and reimbursement is sought:	October 9, 2018 through March 15, 2019 (the " <u>Final Fee Period</u> ")
Total Compensation Approved by Interim Order to Date:	\$ 0.00
Total Expenses Approved by Interim Order to Date:	\$ 0.00
Total Allowed Fees Paid to Date:	\$1,114,891.34
Total Allowed Expenses Paid to Date:	\$ 37,646.66
Final Amount of Fees sought as actual, reasonable and necessary:	\$3,049,930.70
Final Expense Reimbursement sought as actual, reasonable and necessary:	\$ 90,398.20

¹ Due to the large number of debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the debtors and the last four digits of their tax identification, registration, or like numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent in these chapter 11 cases at www.donlinrecano.com/westmoreland. Westmoreland Coal Company's service address for the purposes of these chapter 11 cases is 9540 South Maroon Circle, Suite 300, Englewood, Colorado 80112.

SUMMARY OF PREVIOUSLY FILED FEE STATEMENTS

This is the Final Fee Statement filed by PwC.

App No	App Date	Filing Period	Fees Requested	Expenses Requested	CNO Date
1	01/25/2019 [1183]	10/09/2018 10/31/2018	\$520,015.60	\$9,700.55	02/13/2019
2	01/31/2019 [1234]	11/01/2018 11/30/2018	\$502,347.50	\$15,055.29	02/21/2019
3	02/11/2019 [1346]	12/01/2018 12/31/2018	\$477,499.50	\$12,891.82	03/04/2019
4	03/12/2019 [1597]	01/01/2019 01/31/2019	\$605,085.85	\$12,128.64	04/02/2019
5	04/05/2019 [1690]	02/01/2019 03/15/2019	\$944,982.25	\$40,621.90	Pending ²
Total Fees & Expenses			\$3,049,930.70	\$90,398.20	

SUMMARY BY PROJECT AND PROFESSIONAL

Project Category and Professional	Position	Rate	Hours	Total Compensation
Hourly Services				
<i>Accounting Advisory Services</i>				
Michael J Bellin	Partner	\$994	7.00	\$6,958.00
Steven R Lilley	Partner	\$994	1.90	\$1,888.60
Rajeeb Das	Senior Managing Director	\$898	125.80	\$112,968.40
Robert Swartz	Senior Managing Director	\$898	1.50	\$1,347.00
Aaron T Pocklington	Director	\$807	249.90	\$201,669.30
David Ihn	Director	\$807	97.00	\$78,279.00
Eric Sung	Director	\$807	2.00	\$1,614.00
James Horgan	Director	\$807	207.10	\$167,129.70
Thomas J Berkery	Director	\$807	22.10	\$17,834.70
John Chadwick Crawford	Senior Manager	\$650	161.80	\$105,170.00
Andrew Michael Schellenberg	Manager	\$628	541.60	\$340,124.80
Richard Matthew Blore	Manager	\$628	13.00	\$8,164.00
Bradley Lewis Portnoy	Senior Associate	\$517	410.30	\$212,125.10
John Page Luster	Senior Associate	\$517	5.50	\$2,843.50
Matthew W Eulau	Senior Associate	\$517	56.10	\$29,003.70
Alexander Shartzter	Associate	\$450	14.20	\$6,390.00
Campbell Neil Cooksey	Associate	\$450	14.10	\$6,345.00

² The CNO for the Fifth Monthly Fee Statement expires April 26, 2019.

Project Category and Professional	Position	Rate	Hours	Total Compensation
Elizabeth Ann Nguyen	Associate	\$450	3.50	\$1,575.00
<i>Subtotal - Accounting Advisory Services</i>			<i>1,934.40</i>	<i>\$1,301,429.80</i>
<i>Valuation Services</i>				
Adam Macdonald Smith	Senior Managing Director	\$898	1.00	\$898.00
Gerard A Feil	Senior Managing Director	\$898	1.50	\$1,347.00
<i>Subtotal - Valuation Services</i>			<i>2.50</i>	<i>\$2,245.00</i>
<i>Tax Consulting Services</i>				
Annette Smith	Partner	\$950	0.50	\$475.00
Charles S Markham	Partner	\$950	0.30	\$285.00
Christopher Wesley Call	Partner	\$950	1.50	\$1,425.00
Elizabeth A Nelson	Partner	\$950	0.50	\$475.00
Julie Allen	Partner	\$950	6.10	\$5,795.00
Mitchel Aeder	Partner	\$950	3.60	\$3,420.00
Arthur W Sewall	Partner	\$925	98.60	\$91,205.00
Daniel Benjamin Alter	Partner	\$925	1.50	\$1,387.50
G. David Klein	Partner	\$925	53.40	\$49,395.00
Hallie Ann Caywood	Partner	\$925	52.00	\$48,100.00
James B Levinson	Partner	\$925	3.90	\$3,607.50
John Francis Manning	Partner	\$925	33.30	\$30,802.50
John Kulich	Partner	\$925	147.00	\$135,975.00
Scott Robert Dillow	Partner	\$925	18.00	\$16,650.00
Todd Roberts	Partner	\$925	4.60	\$4,255.00
Eileen M Scott	Senior Managing Director	\$875	1.20	\$1,050.00
Elizabeth Tucker	Senior Managing Director	\$875	0.50	\$437.50
Ilene W Fine	Director	\$775	0.50	\$387.50
Kevin Liss	Director	\$775	4.60	\$3,565.00
Matthew Lamorena	Director	\$775	1.60	\$1,240.00
Michael Edward Bauer	Director	\$775	1.30	\$1,007.50
Olivia Ley Orobona	Director	\$775	19.00	\$14,725.00
Susan Conklin	Director	\$775	0.50	\$387.50
Blayne J Mercil	Director	\$725	5.10	\$3,697.50
Christopher Sharpe	Director	\$725	7.60	\$5,510.00
Joseph Callan	Director	\$725	6.00	\$4,350.00
Kristin Pickton Olesen	Director	\$725	34.00	\$24,650.00
Michelle N Wills	Director	\$725	1.30	\$942.50
Nicole Brigati	Director	\$725	44.70	\$32,407.50
Seth T Petterson	Director	\$725	10.20	\$7,395.00

Project Category and Professional	Position	Rate	Hours	Total Compensation
Andrew James Gavin	Manager	\$575	47.40	\$27,255.00
Christopher W Bell	Manager	\$575	159.70	\$91,827.50
Elizabeth Suzanne Hillman	Manager	\$575	5.30	\$3,047.50
Hien T. Lyons	Manager	\$575	14.50	\$8,337.50
Huey Jer Lim	Manager	\$575	1.00	\$575.00
Jacob Rosenberg	Manager	\$575	15.80	\$9,085.00
Jessica Cummings	Manager	\$575	0.80	\$460.00
Jin Kook Lee	Manager	\$575	65.10	\$37,432.50
Jonathan B Callister	Manager	\$575	45.90	\$26,392.50
Peyman Yousefy	Manager	\$575	448.30	\$257,772.50
Weston Joseph Smith	Manager	\$575	1.00	\$575.00
Adam Ellis	Senior Associate	\$400	28.50	\$11,400.00
Alejandro Posada	Senior Associate	\$400	9.00	\$3,600.00
Alicia Catherine Roberts	Senior Associate	\$400	104.70	\$41,880.00
Byron Taylor	Senior Associate	\$400	9.30	\$3,720.00
David Barela	Senior Associate	\$400	4.00	\$1,600.00
Eileen Elizabeth Biggs	Senior Associate	\$400	203.50	\$81,400.00
John Kuk Hee Lee	Senior Associate	\$400	4.90	\$1,960.00
Shivani Rumalla	Senior Associate	\$400	68.90	\$27,560.00
Shlomo Avizohar	Senior Associate	\$400	28.80	\$11,520.00
Anna Turova	Associate	\$300	2.90	\$870.00
Carl Joseph Kaplan	Associate	\$300	13.90	\$4,170.00
Cole Wilder	Associate	\$300	11.70	\$3,510.00
Drew William Kohinke	Associate	\$300	16.00	\$4,800.00
Katherine Wittman	Associate	\$300	4.00	\$1,200.00
Matthew Colicchia	Associate	\$300	10.60	\$3,180.00
Peter Loc Tran	Associate	\$300	10.20	\$3,060.00
Scott Sidnam	Associate	\$300	61.60	\$18,480.00
Jacob Mamontlivi	Paraprofessional	\$300	11.20	\$3,360.00
Jean-Paul Mpoyi Kalula	Paraprofessional	\$300	20.50	\$6,150.00
Lisa J Antill	Paraprofessional	\$300	1.00	\$300.00
Cecilia Weigman	Intern	\$300	22.50	\$6,750.00
Kassidy Rumpf	Intern	\$300	10.00	\$3,000.00
<i>Subtotal - Tax Consulting Services</i>			2,025.40	\$1,201,235.00
<i>Transfer Pricing Services</i>				
Daniel Benjamin Alter	Partner	\$925	10.50	\$9,712.50
Brian Kasper	Director	\$725	2.00	\$1,450.00

Project Category and Professional	Position	Rate	Hours	Total Compensation
Krunal Nitin Shah	Manager	\$575	31.50	\$18,112.50
Stephanie Soles Ramirez	Senior Associate	\$400	60.50	\$24,200.00
<i>Subtotal - Transfer Pricing Services</i>			<i>104.50</i>	<i>\$53,475.00</i>
<i>Tax Provision Services</i>				
Hallie Ann Caywood	Partner	\$925	17.80	\$16,465.00
John Kulich	Partner	\$925	8.80	\$8,140.00
Audrey A Bostedt	Director	\$725	13.50	\$9,787.50
Elizabeth Suzanne Hillman	Manager	\$575	16.70	\$9,602.50
Jonathan B Callister	Manager	\$575	15.00	\$8,625.00
Micah Joseph Gibson	Manager	\$575	0.90	\$517.50
Adam Ellis	Senior Associate	\$400	5.90	\$2,360.00
Matthew Colicchia	Associate	\$300	42.70	\$12,810.00
<i>Subtotal - Tax Provision Services</i>			<i>121.30</i>	<i>\$68,307.50</i>
<i>Legal Entity Valuation</i>				
Srinivas N Akunuri	Partner	\$994	9.00	\$8,946.00
Gerard A Feil	Senior Managing Director	\$898	0.80	\$718.40
Ying Zhang	Director	\$807	59.90	\$48,339.30
Qian Yang	Senior Associate	\$517	174.70	\$90,319.90
Jake Milan	Associate	\$450	43.40	\$19,530.00
Meeta Garach	Associate	\$450	72.00	\$32,400.00
<i>Subtotal - Legal Entity Valuation</i>			<i>359.80</i>	<i>\$200,253.60</i>
<i>WMLP Valuation Services</i>				
PricewaterhouseCoopers	Partner	\$0	0.00	\$34,003.00
<i>Subtotal - WMLP Valuation Services</i>			<i>0.00</i>	<i>\$34,003.00</i>
<i>Canadian Valuation Services</i>				
Helen Malloy Hicks	Partner	\$925	0.50	\$462.50
Doran McClellan	Senior Managing Director	\$898	5.00	\$4,490.00
Joe Neilson	Director	\$807	19.00	\$15,333.00
Lauren Bermack	Director	\$807	13.90	\$11,217.30
Timothy Wang	Manager	\$628	9.50	\$5,966.00
Timothy Wong	Manager	\$628	5.00	\$3,140.00
Xiaohang Zhao	Senior Associate	\$517	35.00	\$18,095.00
Jake Milan	Associate	\$450	1.80	\$810.00
Mike Chen	Associate	\$450	2.50	\$1,125.00
Lakeisha Michelle Stephens	Paraprofessional	\$300	8.50	\$2,550.00
<i>Subtotal - Canadian Valuation Services</i>			<i>100.70</i>	<i>\$63,188.80</i>
Total - Hourly Services			4,648.60	\$2,924,137.70

Project Category and Professional	Position	Rate	Hours	Total Compensation
Case Administration				
<i>Bankruptcy Requirements and Other Court Obligations</i>				
Hallie Ann Caywood	Partner	\$925	6.90	\$6,382.50
Andrea Clark Smith	Director	\$550	29.80	\$16,390.00
Shonda M Finseth	Manager	\$400	228.30	\$91,320.00
Chad William Brown	Senior Associate	\$290	14.20	\$4,118.00
Nanette J Kortuem	Associate	\$225	33.70	\$7,582.50
<i>Subtotal - Bankruptcy Requirements and Other Court Obligations</i>			312.90	\$125,793.00
Total - Case Administration			312.90	\$125,793.00
Total - Hours and Compensation - Hourly Services and Case Administration			4,961.50	\$3,049,930.70

SUMMARY BY PROJECT

Project Category and Billing Category	Hours	Total Compensation
Hourly Services		
<i>Accounting Advisory Services</i>		
Accounting Advisory	1,811.40	\$1,215,624.60
Correspondence, Calls and Meetings with Management	123.00	\$85,805.20
<i>Subtotal - Hours and Compensation - Accounting Advisory Services</i>	1,934.40	\$1,301,429.80
<i>Valuation Services</i>		
Tax Impacts	2.50	\$2,245.00
<i>Subtotal - Hours and Compensation - Valuation Services</i>	2.50	\$2,245.00
<i>Tax Consulting Services</i>		
Tax Attribute Reduction Modeling and Related Computations	553.30	\$329,522.50
Tax Structuring (taxable separation, tax-free spin-off, etc.)	86.70	\$40,785.00
Stock Basis Analysis	430.80	\$234,105.00
State and Local Bankruptcy Tax Services	55.80	\$30,070.00
Federal Tax Bankruptcy Tax Services	476.50	\$298,882.50
International Tax Bankruptcy Tax Services	344.30	\$239,552.50
Transaction Costs Analysis	78.00	\$28,317.50
<i>Subtotal - Hours and Compensation - Tax Consulting Services</i>	2,025.40	\$1,201,235.00
<i>Transfer Pricing Services</i>		
Intercompany Consulting	90.90	\$45,547.50
Additional Transfer Pricing services	13.60	\$7,927.50
<i>Subtotal - Hours and Compensation - Transfer Pricing Services</i>	104.50	\$53,475.00
<i>Tax Provision Services</i>		
Tax Provision	31.30	\$26,252.50
International Tax Bankruptcy Tax Services	90.00	\$42,055.00
<i>Subtotal - Hours and Compensation - Tax Provision Services</i>	121.30	\$68,307.50

Project Category and Billing Category	Hours	Total Compensation
<i>Legal Entity Valuation</i>		
Research & Data Analysis	197.70	\$119,730.90
Modeling	162.10	\$80,522.70
<i>Subtotal - Hours and Compensation - Legal Entity Valuation</i>	359.80	\$200,253.60
<i>WMLP Valuation Services</i>		
Valuation Advisory Services	0.00	\$34,003.00
<i>Subtotal - Hours and Compensation - WMLP Valuation Services</i>	0.00	\$34,003.00
<i>Canadian Valuation Services</i>		
Phase I Assessment of TCP	100.70	\$63,188.80
<i>Subtotal - Hours and Compensation - Canadian Valuation Services</i>	100.70	\$63,188.80
Subtotal - Hours and Compensation - Hourly Services	4,648.60	\$2,924,137.70
Case Administration		
<i>Bankruptcy Requirements and Other Court Obligations</i>		
Employment Applications and Other Court Filings	12.00	\$6,487.50
Relationship Check and Disinterestedness	11.00	\$2,475.00
Monthly, Interim and Final Fee Applications	289.90	\$116,830.50
<i>Subtotal - Hours and Compensation - Bankruptcy Requirements and Other Court Obligations</i>	312.90	\$125,793.00
Subtotal - Hours and Compensation - Case Administration	312.90	\$125,793.00
Total - Hours and Compensation Sought for Reimbursement	4,961.50	\$3,049,930.70

SUMMARY OF EXPENSE BY TYPE

Transaction Type by Project	Total Expenditures
Hourly Services	
<i>Accounting Advisory Services</i>	
Airfare	\$40,124.27
Lodging	\$27,364.96
Meals	\$10,565.57
Mileage Allowance	\$608.09
Parking	\$2,942.76
Public/Ground Transportation	\$3,683.37
Rental Car	\$5,089.35
<i>Subtotal - Expenditures Sought for Accounting Advisory Services</i>	\$90,378.37
<i>Tax Consulting Services</i>	
Meals	\$19.83
<i>Subtotal - Expenditures Sought for Tax Consulting Services</i>	\$19.83
Subtotal - Expenditures Sought for Hourly Services	\$90,398.20
Total - Expenditures Sought for Reimbursement	\$90,398.20

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

)	
In re:)	Chapter 11
)	
WESTMORELAND COAL COMPANY, <i>et al.</i> , ¹)	Case No. 18-35672 (DRJ)
)	
Debtors.)	(Jointly Administered)
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**FINAL FEE STATEMENT OF
PRICEWATERHOUSECOOPERS LLP FOR SERVICES RENDERED
AND REIMBURSEMENT OF EXPENSES AS CONSULTANTS FOR THE DEBTORS
FOR THE PERIOD OCTOBER 9, 2018 THROUGH APRIL 15, 2019**

Pursuant to sections 105(a), 330, and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-1 of the Local Bankruptcy Rules of the United States Bankruptcy Court for the Southern District of Texas, Appendix F to the Local Bankruptcy Rules of the United States Bankruptcy Court for the Southern District of Texas (the “Local Rules”), and the Court’s *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* [D.I. 495] (the “Interim Compensation Procedures Order”), PricewaterhouseCoopers LLP (“PwC”), consultants for Westmoreland Coal Company, et al., and its above-captioned debtor affiliates, as debtors and debtors in possession (collectively, the “Debtors”), hereby files this final fee Statement (the “Final Fee Statement”) for payment of compensation for professional services rendered to the Debtors and for reimbursement of actual and necessary expenses incurred in connection therewith for the period commencing October 9,

¹ Due to the large number of debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the debtors and the last four digits of their tax identification, registration, or like numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent in these chapter 11 cases at www.donlinrecano.com/westmoreland. Westmoreland Coal Company’s service address for the purposes of these chapter 11 cases is 9540 South Maroon Circle, Suite 300, Englewood, Colorado 80112.

2018 through and including March 15, 2019 (the “Final Fee Period”). In support of the Final Fee Statement, PwC respectfully represents as follows:

Jurisdiction and Venue

1. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the *Amended Standing Order of Reference from the United States District Court for the Southern District of Texas*, dated May 24, 2012 (the “Amended Standing Order”). The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The bases for the relief requested herein are sections 327(a), 328(a), 330, and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the “Bankruptcy Code”), Bankruptcy Rule 2014(a), and rule 2016, and rules 2014-1 and 2016-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”).

Background

3. On October 9, 2018 (the “Petition Date”), each Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. On October 18, 2018, the United States Trustee appointed an official committee of unsecured creditors in the Debtors’ bankruptcy cases [D.I. 206]. No request for the appointment of a trustee or examiner has been made in these chapter 11 cases.

4. On October 31, 2018, the Debtors filed the *Debtors' Statement for Entry of an Order Authorizing the Employment and Retention of PricewaterhouseCoopers LLP as Consultants to the Debtors Nunc Pro Tunc to the Petition Date* (D.I. 333) (the "Retention Application").

5. On December 3, 2018, PwC filed the *Supplemental Declaration of Hallie Caywood on behalf of PricewaterhouseCoopers LLP as Consultants to the Debtors* (D.I. 662) (the "Supplemental Declaration"). This Supplemental Declaration provided notice of two additional statement of works with WLB Debtors to provide additional valuation and tax provision services.

6. On January 22, 2019, the Court entered *Order Authorizing the Employment and Retention of PricewaterhouseCoopers LLP as Consultants to the Debtors nunc pro tunc to the Petition Date* (D.I. 1118) (the "Retention Order").

7. On March 2, 2019, the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court"), entered an order [Docket No. 1561] (the "Confirmation Order") confirming the *Amended Joint Chapter 11 Plan of Westmoreland Coal Company and Certain of its Debtor Affiliates*. The Plan Effective Date occurred on March 15, 2019.

8. On March 6, 2019, PwC filed the *Second Supplemental Declaration of Hallie Caywood on behalf of PricewaterhouseCoopers LLP as Consultants to the Debtors* (D.I. 1584) (the "Second Supplemental Declaration" and together with the Supplemental Declaration, the "Supplemental Declarations").

Interim Fee Statement Procedures Order

9. The Interim Compensation Procedures Order sets forth the procedures for interim compensation and reimbursement of expenses for all professionals in these cases. In

particular, the Interim Compensation Procedures Order provides that each Professional seeking compensation my file an application (a “Monthly Fee Statement”) for interim allowance of compensation for services rendered and reimbursement of expense incurred during the preceding month, and serve such Monthly Fee Statement to the Application Recipients. Each Application Recipient will have until 4:00 p.m. (Prevailing Central Time) 21 days after service of a Monthly Fee Statement to object to the requested fees and expenses. Upon the expiration of such 21 day period, the Debtors are authorized and directed to pay the Professional an amount equal to 80% of the fees and 100% of the expense requested in the Monthly Fee Statement that are not subject to an objection.

Summary of Professional Compensation and Reimbursement of Expenses Requested

10. By this Final Fee Statement, PwC requests final allowance of \$3,049,930.70 and payment of \$3,049,930.70 as compensation for professional services rendered during the Final Fee Period, as well as allowance and payment of \$90,398.20 as reimbursement for actual and necessary expenses incurred by PwC during the Final Fee Period. PwC’s professionals expended a total of 4,961.50 hours during the Final Fee Period for which compensation is requested. All services for which compensation is requested by PwC were performed for or on behalf of the Debtors.

11. During the Final Fee Period, PwC has received no payment and no promises of payment from any source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Final Fee Statement. There is no agreement or understanding between PwC and any other person, other than members of the firm, for the sharing of compensation to be received for services rendered in these cases.

Summary of Professional Services Rendered

12. As described within the Retention Application and Supplemental Declarations, PwC continues to provide consulting services pursuant to the Engagement Letters. A summary of the hours and compensation sought by type of service is shown below:

Hourly Services

13. During the Fee Period, PwC professionals provided accounting advisory and tax services to the Debtors in connection with the Debtor's voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

14. **Accounting Advisory Services** – PwC's Business Recovery Services' advisory team traveled to the Debtors' headquarters in Denver, Colorado to provide general and technical accounting advice with respect to the bankruptcy process and the statutory filings required by the Court. These services include, but is not limited to:

- (a) **Accounting Advisory** - During the Fee Period, PwC provided accounting advisory services, including, but not limited to: (i) general and technical accounting advisory in connection with the Debtors' required financial reporting, including but not limited to, disclosures and financial reporting considerations triggered by a Chapter 11 bankruptcy filing; (ii) advisory regarding bankruptcy-specific internal controls considerations; (iii) advisory regarding cut-off of pre-petition and post-petition payables; (iv) accounting advisory services related to the Debtors' bankruptcy and emergence preparation including reviewing the Debtors' various work streams required to emerge from bankruptcy, its plans to apply fresh start accounting, and provide advice on the Debtors' development and maintenance of such accounting plans; and (v) provide industry standard practices related to methodologies used to record such bankruptcy accounting entries. PwC worked with the Debtors and its other retained professionals to ensure that no duplication of efforts were requested relating to these accounting advisory services.
- (b) **Correspondence, Calls and Meeting with Management** - This category includes PwC professional time spent discussing accounting advice in-person, over the phone, or via other form of correspondence (i.e., e-mail).

15. **Tax Consulting Services** – PwC’s tax consultants provided the following services during the Fee Period, but is not limited to:

- (a) **Tax Attribute Reduction Modeling and Related Computations** - This category includes time spent creating and modifying Excel models that quantify the expected reduction to tax attributes as a result of cancellation of debt income from the bankruptcy.
- (b) **Tax Structuring (taxable separation, tax-free spin-off, etc.)** - This category includes time spent by PwC assisting the Debtors and Debtors’ attorneys (Kirkland & Ellis LLP) in developing a tax-efficient plan for emergence, including research and computations around a taxable separation or tax-free separation of certain businesses upon emergence.
- (c) **Stock Basis Analysis** – This category includes time spent by PwC assisting the Debtors with estimating the stock basis in its U.S. subsidiaries for U.S. federal income tax purposes through the assessment of the Debtor’s relevant federal tax return information and other supporting documentation.
- (d) **State and Local Bankruptcy Tax Services** - This category includes time spent by PwC assisting the Debtors and Debtors’ attorneys (Kirkland & Ellis LLP) in researching the applicable sales tax treatment of the transaction in states where assets are held and whether any exceptions to sales tax are available.
- (e) **Federal Tax Bankruptcy Tax Services** - This category includes time spent by PwC assisting the Debtors and Debtors’ attorneys (Kirkland & Ellis LLP) in computations of the tax basis balance sheet by legal entity, net unrealized built in gain/loss (NUBIG/NUBIL) calculation, and future taxable income projection by legal entity through the bankruptcy period.
- (f) **International Tax Bankruptcy Tax Services** - This category includes time spent by PwC assisting the Debtors in developing a tax-efficient plan for emergence, including U.S. federal income tax considerations for global intangible low-taxed income, hybrid transactions, foreign investment in real property tax act, Canadian stock basis analysis, Section 956 implications, and financing alternatives.
- (g) **Transaction Cost Analysis** – This category includes time spent by PwC assisting the Debtors in reviewing, analyzing, and determining the deductibility of the transaction costs incurred for U.S. federal income tax purposes.

16. **Transfer Pricing** – PwC’s tax consultants provided the following services

during the Fee Period, but is not limited to:

- (a) **Intercompany Consulting** - This category includes time spent by PwC assisting the Debtors in calculating the inter-company recharges for head office services between Westmoreland and its Canadian subsidiary, Prairie Mine and Royalty, ULC.
- (b) **Additional Transfer Pricing Services** - This category includes time spent by PwC assisting the Debtors in calculating the inter-company recharges for head office services between Westmoreland and its Canadian subsidiary, Prairie Mine and Royalty, ULC. This category also includes time spent assisting the Debtors with a review of the transfer pricing report related to intercompany debt.

17. **Tax Provision Services** - PwC’s tax consultants provided the following

services during the Fee Period, but is not limited to

- (a) **Tax Provision** - This category includes time spent by PwC assisting the Debtors in reviewing its income tax accrual for 2018.
- (b) **International Tax Bankruptcy Tax Services** – This category includes time spent by PwC assisting the Debtors in calculating and reviewing certain international tax items included in its income tax accrual for 2018.

18. **Legal Entity Valuation** – PwC’s tax consultants provided the following

services during the Fee Period, but is not limited to:

- (a) **Research & Data Analysis** - This category includes time spent by PwC assisting the Debtors and the company with estimating the fair market value of total asset and equity value of US legal entities for tax planning and restructuring purposes.
- (b) **Modeling** - This category includes time spent by PwC performing market research on mining industry outlook and market inputs for peer companies; perform data analysis on the life of mine model to understand the assumptions and construct legal entity model to be used to value the legal entities within the scope.

19. **Canadian Valuation Services** – PwC’s tax consultants provided the

following services during the Fee Period, but is not limited to:

- (a) **Phase I Assessment of TCP** - This category includes time spent by PwC calculating taxable Canadian property as defined in Phase I, including reviewing contracts to determine whether intangible assets exist (above/below market contracts).

Case Administration

20. **Case Administration Services** – PwC’s bankruptcy retention and billing professionals assisted the advisory and tax professionals with these case administration requirements performed during the Fee Period:

- (a) **Employment Applications and Other Court Filings** - PwC's bankruptcy retention and billing professionals undertook tasks of reviewing the Retention Application and associated Court filings to employ PwC by the Debtors, finalizing the Supplemental Declarations for the new Statement of Work (“SOW”) and the Valuation SOW for WLB and WMLP, as well as preparing the Supplemental Declaration and Second Supplemental Application.
- (b) **Relationship Check and Disinterestedness** – These Relationship Check and Disinterestedness - PwC bankruptcy retention and billing professional performed various required tasks to provide the necessary and required disclosure of PwC's relationships with parties-in-interest to the Debtors' case, as attached to the Caywood Declaration. The tasks included submitting queries to an internal database containing names of individuals and entities that are present or recent former clients of PwC to identify potential relationships, and determine the nature and type of relationship for disclosure to the Court. These relationship checks and disclosure activities are in excess of the normal requirements associated with PwC's normal retention to provide services to a client and determine our disinterestedness within the Court proceedings.
- (c) **Monthly, Interim and Final Fee Applications** - These hours and corresponding fees represents PwC’s bankruptcy retention and billing professional to provide guidance to the various management professionals on the advisory and tax services team to provide guidance and technical expertise associated with the compliance with the Compensation Guidelines.

Evaluation Standards

21. Pursuant to section 330(a)(1) of the Bankruptcy Code, the Court may award a retained professional “reasonable compensation for actual, necessary services” and

“reimbursement for actual, necessary expenses.” 11 U.S.C. § 330(a)(1). In determining the reasonableness of the proposed fee award, the Court is directed by Bankruptcy Code section 330(a)(3) to consider (a) the time spent, (b) the rates charged, (c) whether the services were necessary to the administration of or beneficial to the case; (d) whether the services were performed within a reasonable time, given the complexity, importance, and nature of the task; (e) whether the professional person is board certified or otherwise has demonstrated skill and experience in the bankruptcy field; and (f) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners.

22. In the Fifth Circuit, the reasonableness of a bankruptcy fee award is further evaluated pursuant to a “lodestar” analysis, as considered in light of the factors enumerated in *Johnson v. Ga. Highway Express, Inc.*, 488 F.2d 714 (5th Cir. 1974). The lodestar fee is equal to the number of hours reasonably expended multiplied by a reasonable hourly rate. The lodestar is then adjusted to reflect the special circumstances of the case and the Johnson factors. *McClain v. Lufkin Indus.*, 519 F.3d 264, 284 (5th Cir. 2008); *In re Cahill*, 428 F.3d 536, 539-40 (5th Cir. 2005); *In re Fender*, 12 F.3d 480, 487 (5th Cir. 1994); and *In re Mirant Corp.*, 354 B.R. 113, 126, n.28 (Bankr. N.D. Tex. 2006).

23. The sum of \$3,049,930.70 in fees for the Final Fee Period is reasonable compensation for the professional services rendered by PwC based on a lodestar analysis and the standards first set forth in *Johnson*, 488 F.2d at 717-19, made applicable to bankruptcy cases in *First Colonial Corp. of Am.*, 544 F.2d 1291 (5th Cir.), cert denied, 431 U.S. 904 (1977), and as further explained in *In re Cahill*, 428 F.3d 536, *In re Fender*, 12 F.3d 480, *In re Lawler*, 807 F.2d 1207 (5th Cir. 1987) and *Copper Liquor, Inc. v. Adolph Coors Co.*, 684 F.2d 1087 (5th Cir. 1982). Pursuant to such decisions, PwC requests that the Court consider the following factors in

determining the reasonableness of the amount of professional compensation requested by this Final Fee Statement:

(a) Time and Labor Required. PwC expended 4,961.50 hours of professional services on behalf of the Debtors during the Final Fee Period, at an average billing rate of \$614.72 per hour. The time and labor spent by PwC was reasonable and necessary to provide the Debtors and their outside tax counsel with information, updates and recommendations regarding the tax impacts of potential restructuring options under consideration with respect to the Debtors and their assets and to provide selected appraisals for assets to be valued for US GAAP impairment considerations. Incrementally, PwC provided advice and assistance toward Management's preparation of the Company's financial statements for purposes of US GAAP.

(b) The novelty and difficulty of the questions involved. The issues addressed by PwC in connection with its services to the Debtors have in many instances been novel and/or complex and required the expertise of professionals with a specialized background in valuation and U.S. federal and state income and certain non-income tax matters related to corporate (both consolidated/combined and separate company tax) and bankruptcy financial reporting and related asset and business disposition transactions.

(c) The skill requisite to perform the services properly. The services performed by PwC's professionals during the Final Fee Period required the skills of trained professionals, with an appreciation and understanding of valuation, corporate taxation and advanced tax restructuring concepts, as well as substantial expertise in bankruptcy-reporting. PwC's professionals assigned to this matter provided specialized guidance to bankruptcy related issues and PwC's professionals were well suited for this engagement based on their education and experience. PwC has endeavored to utilize the various levels of experience and seniority of

its professionals to meet the requirements of the tasks that were presented, and in this regard, PwC believes it has effectively and efficiently represented the interests of the Debtors in these cases.

(d) Preclusion of other employment. This engagement has materially precluded PwC from accepting other engagements.

(e) The fee customarily charged. The amount of compensation for which PwC seeks final allowance is based on agreed upon hourly rates, multiplied by the cumulative number of hours worked in a given month. The rates for the case administration services are the same for all bankruptcy cases.

(f) Whether the fee is fixed or contingent. PwC's fees are hourly. PwC's compensation is contingent on the availability of sufficient assets and funds in the estate to pay such fees, and on allowance of such fees by the Court.

(g) Time limitations imposed by client or circumstances. Some matters that have arisen in these cases have presented time-critical challenges for PwC. However, on the whole, this engagement has not involved an extraordinary number of time-critical challenges.

(h) Amount involved and results obtained. The amount of compensation requested in this Final Fee Statement is consistent with the results obtained thus far. Further, PwC's efforts have resulted in progress being made with respect to the steps being taken to provide services requested by the Debtors and their outside tax counsel and addressing their questions and issues regarding certain U.S. tax impacts of the potential restructuring options under consideration by the Debtors and providing advice and assistance to the Company's preparation of financial statements for each of their SEC registrants.

(i) The experience, reputation and ability of the professional. PwC is well qualified to serve as consultants for the Debtors. PwC's professionals enjoy an excellent reputation as experienced consultants both in and out of the Bankruptcy Court.

(j) Undesirability of the case. PwC's representation of the Debtors in these cases has not been undesirable.

(k) Awards in similar cases. PwC believes the professional fees sought hereunder are consistent with fees charged by similarly skilled professionals for comparable services in other bankruptcy cases. The fees sought by this Final Fee Statement are based on hourly rates that are similar to the rates for its other clients for similar services. Further, the hourly rates charged by PwC are within the range of those customarily charged by other professionals having comparable skills and expertise in similar matters.

24. Based on the criteria outlined in section 330(a)(3) of the Bankruptcy Code and the lodestar analysis, as evaluated in terms of the Johnson factors, PwC believes the fees requested are reasonable considering the nature and extent of the services provided by PwC.

Expenses

25. The out-of-pocket expenses incurred by PwC during the Final Fee Period total \$90,398.20. PwC has billed only for expenses actually incurred by PwC. The expenses charged have been billed at rates that are consistent with rates customarily charged to PwC's other clients, and were reasonable and necessary to PwC's representation of the Debtors.

Request Approval of Fees and Expenses for the Final Fee Period

26. This is PwC's Final Fee Statement for allowance of compensation and reimbursement of expenses. The Final Fee Statement covers the period from October 9, 2018

through March 15, 2019, and seeks final allowance of the aggregate amount of \$3,049,930.70 for fees and \$90,398.20 for expenditures.

Prayer for Relief

Accordingly, PwC respectfully requests that the Court:

- (a) Grant final approval of professional fees in the amount of \$3,049,930.70 and reimbursement of expenses in the amount of \$90,398.20 for the Final Fee Period, for a total award of \$3,140,328.90;
- (b) Authorize and direct the Debtors to promptly pay to PwC any unpaid balance of the allowed professional fees and expenses; and
- (c) Grant to PwC such other and further relief as is just.

Dated: April 11, 2019



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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:)	Chapter 11
)	
WESTMORELAND COAL COMPANY, <i>et al.</i> , ¹)	Case No. 18-35672 (DRJ)
)	
Debtors.)	(Jointly Administered)

CERTIFICATION OF HALLIE CAYWOOD

Hallie Caywood, hereby respectfully certifies and verifies as follows:

1. I am a partner in the applicant firm, PricewaterhouseCoopers LLP (“PwC”), an accounting and financial services firm that maintains offices at 301 Commerce Street, Suite 2350, Fort Worth, TX, 76102. I make this certification in accordance with Rule 2016-1 of the Local Rules of the United States Bankruptcy Court for the Southern District of Texas (the “Local Rules”) regarding the contents of Statements for compensation and expenses.


2. I have read PwC’s Final Fee Statement for allowance of compensation for services rendered and reimbursement of out-of-pocket expenses incurred as consultants to the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) for the period of October 9, 2018 through March 15, 2019 (the “Final Fee Statement”). The above-captioned Debtors will be provided with a copy of the Final Fee Statement. As of the date hereof, the Debtors have not reviewed or approved the Final Fee Statement.

¹ Due to the large number of debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the debtors and the last four digits of their tax identification, registration, or like numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent in these chapter 11 cases at www.donlinrecano.com/westmoreland. Westmoreland Coal Company’s service address for the purposes of these chapter 11 cases is 9540 South Maroon Circle, Suite 300, Englewood, Colorado 80112.

3. I have reviewed the requirements of the *Guidelines for Compensation and Reimbursement of Professionals in Chapter 11 Cases* (the “Guidelines”) and the Local Rules, and I believe that the Final Fee Statement complies with the Guidelines and the Local Rules.

4. I certify that the compensation and expense reimbursement sought in the Final Fee Statement and PwC’s billing practices are consistent with market practices in a bankruptcy context and no less favorable than those customarily employed by PwC and generally accepted by Westmoreland Coal Company, et al., and its above-captioned debtor affiliates, as debtors and debtors in possession.

Dated: April 11, 2019



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