

M-2025-3052793

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

In re:

ENTRUST ENERGY, INC., et al.,¹

Post-Confirmation Debtors.

Chapter 11

Case No. 21-31070 (MI)

(Jointly Administered)

RCVD PUC SEC BUR
MAR 31 2025 AM 10:46

**MOTION OF THE ENTRUST LIQUIDATING TRUST FOR AN ORDER
FURTHER EXTENDING THE CLAIMS OBJECTION DEADLINE SOLELY
WITH RESPECT TO THE SHELL CLAIM AND NEWLY-FILED CLAIMS**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

Anna Phillips, solely in her capacity as liquidating trustee (the "Trustee") of the Entrust Liquidating Trust (the "Trust"), by and through her undersigned counsel, hereby submits this motion (the "Motion") for an order substantially in the form attached hereto as Exhibit A, extending the deadline to object to the Shell Claim (defined below), from March 31, 2025 to thirty days after the final resolution of the Shell Action (defined below) by settlement or judgment. The Trustee respectfully requests that the extended deadline also apply to any claims filed after the date of this Motion. In support of this Motion, the Trust respectfully states:

¹ The Debtors in these chapter 11 cases that are subject to the Plan and the Trust Agreement (each, as defined below) are: Entrust Energy, Inc.; Entrust Treasury Management Services, Inc.; Entrust Energy East, Inc.; Power of Texas Holdings, Inc.; Akyta Holdings, Inc.; Enserve, Inc.; Akyta, Inc.; Energistics, Inc.; NGAE, Inc. The Trustee's mailing address is P.O. Box 500787, Atlanta, Georgia 31150.

The chapter 11 cases of the following entities have been dismissed: Knocked, Corp.; SPH Investments, Inc.; Akyia IP, Inc.; Surge Direct Sales, Inc.; Entrust Energy Operations, Inc.; and Strategic Power Holdings, LLC.

JURISDICTION AND VENUE

1. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334 and Article VIII of the *Amended Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code of Entrust Energy, Inc. and its Debtor Affiliates* filed November 10, 2021 (as confirmed, the “Plan”).² This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(1) and (b)(2)(A). Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are set forth in sections 105(a) and 502(b) of the Bankruptcy Code, Rule 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 9013-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the Southern District of Texas (the “Local Rules”), Section G of the *Procedures for Complex Chapter 11 Cases in the Southern District of Texas* (the “Complex Case Rules”), and Section 8.1 of the Plan.

BACKGROUND

A. Procedural Background

3. On March 30, 2021 (the “Petition Date”), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. From and after the Petition Date, each Debtor operated its business and managed its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On December 30, 2021, the Court entered the *Order Approving Disclosure Statement on a Final Basis and Confirming Amended Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code of Entrust Energy, Inc. and its Debtor Affiliates as Modified*

² Docket No. 402. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

(the "Confirmation Order").³ The Plan became effective on January 6, 2022 (the "Effective Date").⁴

5. The Plan and Confirmation Order provide for the establishment of the Trust on the Effective Date according to the terms and conditions of that certain *Liquidating Trust Agreement and Declaration of Trust* dated January 6, 2022 (the "Trust Agreement"),⁵ at which time the Trustee was appointed to administer the Trust.

6. Pursuant to section 3.5 of the Trust Agreement, the Trustee is authorized, among other things, to supervise and administer the Trust's settlement, litigation, withdrawal, or resolution of all objections to Claims required to be administered by the Trust.

7. Section 8.1 of the Plan provides that all objections to Claims must be filed within one year after the Effective Date, subject to extension by the Court (the "Claims Objection Deadline"). The initial Claims Objection Deadline was January 6, 2023. The Court has granted five previous requests for extension of the Claims Objection Deadline, which currently falls on March 31, 2025 as to a small group of Claims, subject to further extension by the Court.⁶

8. Further, pursuant to section 7.6(b)(ix) of the Plan, the Court approved the Termination Date of the Trust through January 6, 2027, unless the Trust is dissolved earlier in accordance with the terms of the Plan and the Trust Agreement.⁷

³ Docket No. 480.

⁴ Docket No. 493.

⁵ An unsigned form of the Trust Agreement was filed on December 6, 2021 as an exhibit to the *Notice of Filing Plan Supplement* [Docket No. 443].

⁶ Docket Nos. 629, 669, 697, 712, 738.

⁷ Docket No. 737.

B. Claims Overview

9. On May 20, 2021, the Court entered the *Order Granting Debtors' Emergency Motion for Entry of an Order (I) Setting Bar Dates for Filing Proofs of Claim and (II) Approving Form and Manner of Notice Thereof; and (III) Granting Related Relief* (the "Bar Date Motion") establishing, among other deadlines, (a) August 11, 2021, as the deadline, for each person or entity other than governmental units, to file proofs of prepetition claims, including administrative expense claims arising pursuant to section 503(b)(9) of the Bankruptcy Code (the "General Bar Date"); and (b) September 27, 2021 as the deadline for governmental units to file proofs of prepetition claims (the "Government Bar Date").⁸ In addition, the Plan established a deadline of February 10, 2022 for the filing of administrative claims (the "Administrative Bar Date" and a deadline of January 31, 2022 for the filing of claims for damages arising out of the rejection of executory contracts and unexpired leases by operation of the Plan (the "Rejection Bar Date" and, together with the General Bar Date, the Government Bar Date and the Administrative Bar Date, the "Bar Dates").⁹

10. Notices of the Bar Dates were mailed to all known creditors and interest holders.¹⁰

11. The register of claims prepared by the Debtors' claims and noticing agent, BMC Group, Inc. reflect that, as of the date of this Motion, 274 proofs of claim have been filed in the Debtors' chapter 11 cases, without including the approximately \$8.52 million in claims listed on the Debtors' schedules of assets and liabilities.

⁸ Docket No. 190.

⁹ Plan §§ 2.1, 9.3.

¹⁰ See Docket Nos. 198, 202, 204 (service of notice of the General Bar Date and the Government Bar Date) and Docket Nos. 513-515 (service of notice of the Effective Date, including notices with respect to the Administrative Bar Date and the Rejection Bar Date).

12. On May 16, 2022, the Court entered an order approving procedures for the Trust to file and resolve omnibus objections to all claims asserted against the Debtors in the chapter 11 cases (the "Claims Objection Procedures").¹¹

C. Claims Reconciliation and Distributions

13. Since the Effective Date, the Trust and its professionals have worked diligently to reconcile all Claims, with a view toward maximizing distributions to Trust Beneficiaries, and has substantially completed the claims reconciliation process. To date, the Trust has: (i) filed an omnibus objection, disallowing a total of 38 claims totaling approximately \$36.8 million;¹² (ii) filed a schedule providing notice to claimants that their scheduled claims have been superseded by filed claims, resulting in the elimination of 15 claims on the official claims register totaling approximately \$66.7 million;¹³ and (iii) informally negotiated with creditors to reconcile and resolve other disputed Claims that have not been the subject of a filed objection. Through these informal negotiations, the Trust has resolved approximately 60 claims totaling approximately \$51 million in liquidated asserted amount. The Trust has also resolved all 79 unliquidated claims that were not voluntarily withdrawn, including 41 claims asserted at \$1.00 for personal injuries and property damages, among other things. These efforts saved the Trust the considerable time and expense of litigating any disputes. In total, the Trust has already resolved over 142 claims totaling over \$152 million, plus unliquidated amounts.

14. In addition to the foregoing, this Court approved the Trust's settlement with Nippon Gas Co., Ltd. and Nippon Gas USA, Inc. (collectively, "Nippon") resolving Nippon's six proofs of claim, asserted in the aggregate approximate amount of \$133 million,

¹¹ Docket No. 571.

¹² Docket No. 583.

¹³ Docket No. 580.

resulting in the allowance of general unsecured claims in the reduced amount of \$62 million and subordinated claims aggregating \$54 million.¹⁴

15. Furthermore, the Trust has fully resolved the tax claims filed by the Texas Comptroller of Public Accounts. Initially comprising 33 claims asserted at an aggregate amount of over \$7 million, these Claims ultimately were distilled down to eight Claims allowed in the aggregate amount of approximately \$1.2 million, comprising (a) three Administrative Claims in the aggregate Allowed amount of approximately \$367,000 and (b) five Priority Tax claims in the aggregate Allowed amount of approximately \$828,000.

16. The progress to date enabled the Trust, in late January of this year, to make distributions comprising payment in full of all Allowed Administrative Claims, Allowed Priority Tax Claims, and Allowed Ad Valorem Tax Claims. With limited exception, the Trust currently is working towards making distributions to all Allowed Convenience Class Unsecured Claims in the second calendar quarter of this year,

D. Shell Claim

17. As a result of the foregoing efforts, the Trust has reached the conclusion of the claims reconciliation process.¹⁵ At this stage, the only claim(s) awaiting resolution that have not been addressed by allowance, Court order, settlement or pending objection, are 16 unliquidated claims (collectively, the "Shell Claim") filed by Shell Energy North America (US), L.P. and Shell Trading Risk Management, LLC (collectively, "Shell"). The Shell Claim

¹⁴ Docket No. 670.

¹⁵ Substantially contemporaneous herewith, the Trust filed the *Objection of the Entrust Liquidating Trust to Claim No. 225 Filed by Duquesne Light Company*, which the Trust intends to be its final claims objection absent the need to object to the Shell Claim outside the confines of the pending adversary proceeding, or to any newly-filed claims.

currently is subject to an ongoing adversary proceeding, the outcome of which may result in settlement of the Shell Claim or otherwise obviate any need for the Trust to further object to it.

18. As the Court is aware, on October 11, 2021, the Trust commenced an adversary proceeding against Shell claiming hundreds of millions of dollars in damages from Shell's alleged improper termination of its agreements and transactions with Entrust (the "Shell Agreements") during Winter Storm Uri.¹⁶ Approximately two months prior to commencement of the Shell Action, on August 10, 2021, Shell filed the Shell Claim, asserting various unliquidated protective claims against various Debtor entities that implicate many of the facts and circumstances at issue in the Shell Action.¹⁷ The Shell Claim seeks recovery of residual damages allegedly owing to Shell by the Debtors, and any legal or equitable rights that Shell may have against the Debtors, following Shell's unilateral termination of the Shell Agreements and the setoffs and netting that Shell purports to have effected under the terms of the Shell Agreements.

19. After nearly three-and-a-half years of active litigation that includes multiple motions to dismiss, numerous discovery disputes, and motions on both sides for partial and/or complete summary judgment, no trial date for the Shell Action has yet been set. On February 4, 2025, the Court issued an order and memorandum opinion denying Shell's laches defense with prejudice, and denying the remainder of Shell's summary judgment motion and the Trust's summary judgment request without prejudice.¹⁸ Following the Trust's February 14, 2025

¹⁶ See Docket No. 365; see also *Entrust Energy, Inc. et al. v. Shell Energy North America (US) LP*, Adv. Pro. No. 21-03930 (the "Shell Action"), Docket No. 1. The Complaint in the Shell Action has been amended three times. See Adv. Pro. No. 21-03930, Docket Nos. 8, 60, 153.

¹⁷ On a Debtor-by-Debtor basis, the Shell Claim includes Claim Nos. 90-94, 97, 99-102, 106, 110-112, 115, and 117. In addition, Shell also filed 10 Claims against certain Debtor entities whose chapter 11 cases were dismissed and were not subject to the confirmed Plan.

¹⁸ Shell Action, Docket Nos. 294 and 295.

motion seeking clarification or reconsideration of the Court's memorandum opinion on the summary judgment motions, the Court issued an amended memorandum opinion on March 24, 2025, providing, among other things, that its February 4 order remains in full force and effect.¹⁹ Given these developments, the Trust expects discovery—including, but not limited to, deposition discovery—to resume in the near term, leading ultimately toward a future trial of the Shell Action on the merits absent settlement.

20. As the Court is aware, resolution of the Shell Action is one of the two driving forces (the other being resolution of issues with ERCOT) that will be determinative of creditor recoveries. Distributions to holders of Allowed General Unsecured Claims are not possible unless and until the Shell Action is concluded by binding settlement or judgment by Final Order (the "Shell Action Resolution Date"). Because the claims and causes of action at issue in the Shell Action are inextricably intertwined with the Shell Claim, full and final conclusion of the Shell Action also likely will (but cannot be guaranteed to) liquidate or obviate the Shell Claim without the need for any other stand-alone claim objection. The Trust respectfully submits that, for the sake of efficiency and judicial economy, it would make sense to couple the timing of the Claims Objection Deadline with respect to the Shell Claim to the Shell Action Resolution Date, as opposed to the Trust seeking periodic extensions while the Shell Action remains pending.

21. Accordingly, the Trust seeks an extension of the Claims Objection Deadline as to the Shell Claim to the date that is thirty (30) days after the Shell Action Resolution Date, to preserve the Trust's rights in the event that settlement or judgment in connection with the Shell Action does not, as anticipated, fully address the Shell Claim.

¹⁹ Shell Action, Docket No. 298.

22. In addition, out of an abundance of caution, the Trust seeks an extension of the Claims Objection Deadline as to any claims filed from and after the date of this Motion to the date that is thirty (30) days after the Shell Action Resolution Date.

RELIEF REQUESTED

23. By this Motion, the Trust respectfully requests entry of an order extending the deadline to object to the Shell Claim (defined below) and any claim filed on or after the date of the Motion, from March 31, 2025 to thirty (30) days after the Shell Action Resolution Date. The proposed extension is without prejudice to the Trust's right to seek additional extensions of the Claims Objection Deadline as appropriate.

BASIS FOR RELIEF

24. Sections 502 and 503 of the Bankruptcy Code contemplate that claims will be challenged when appropriate and, if necessary, estimated.²⁰ Bankruptcy Rule 3007 provides the general requirements for objecting to claims.²¹

25. The Plan vests the Trust with the discretion to object or to seek to estimate Claims. Although the Plan sets an initial deadline by which such challenges must be raised, it also expressly contemplates that, at the Court's discretion, an order may be entered which fixes the Claims Objection Deadline at a later date.²²

26. The Bankruptcy Rules also provide for extensions of time for cause. Specifically, Bankruptcy Rule 9006(b) provides that:

[W]hen an act is required or allowed to be done at or within a specified period by these rules or by a notice given thereunder or

²⁰ See 11 U.S.C. §§ 502(b)-(c), 503.

²¹ See FED. R. Bankr. P. 3007.

²² See Plan, § 8.1 ("Any objections to Claims shall be served and filed on or before the later of (a) one year after the Effective Date; or (b) such other date as may be fixed by the Bankruptcy Court, whether fixed before or after the date specified in clause (a) of this Section").

by order of court, the court for cause shown may at any time in its discretion . . . with or without motion or notice order the period enlarged if the request therefor is made before the expiration of the period originally prescribed or as extended by a previous order.²³

27. Finally, section 105 of the Bankruptcy Code provides that the “court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.”²⁴

28. Extension of the Claims Objection Deadline will not affect the substantive defense(s) with respect the Shell Claim nor the interests of any other party. This Motion represents the sixth extension that has been requested since the Plan was confirmed. Over that time period, the Trust has made significant progress, addressing more than 142 claims and reducing the claims pool by over \$152 million, plus unliquidated amounts. The Trust has made distributions to all claims senior to General Unsecured Claims that have been Allowed, and is in the process of making distributions to holders of Allowed Convenience Class Claims.

29. The Trust’s request for an extension of the Claims Objection Deadline, solely as to the Shell Claim and to any newly-filed Claims, will not prejudice any claimant or any other party in interest, and will benefit holders of valid claims. The extension is intended to preserve resources necessary to maximize recoveries on account of claims deemed to be allowed by the Trust and entitled to distributions. Absent the extension, the Debtors’ estates and creditors may suffer unnecessary and unfair prejudice. The Trust would be relegated to challenging the Shell Claim outside the confines of the Shell Action, which would be highly inefficient given the posture of the Shell Action and its relevance to the Shell Claim.

²³ Fed R. Bankr. P. 9006(b)(1); *see also* Complex Case Rules. § G (“...if a motion is filed that complies with BANKR. LOC. R. 9013-1 to extend the time to take any action before the expiration of the period prescribed by the Bankruptcy Code, the Bankruptcy Rules, or the Local Bankruptcy Rules, the time for taking the action is automatically extended until the Court rules on the motion.”).

²⁴ 11 U.S.C. § 105(a).

30. The requested extension will allow the Trust to conserve the Trust's resources for the benefit of all creditors by allowing the Shell Action to progress to its natural conclusion, inclusive of the likely resolution of the Shell Claim, and avoid the delay and expense of unnecessary objections and litigation with respect to the Shell Claim outside of that context.

31. For the foregoing reasons, the Trust respectfully submits that the requested extension of the Claims Objection Deadline solely as to the Shell Claim (and any newly-filed Claims asserted after the date hereof) is necessary and appropriate, and should be approved.

NOTICE

32. Notice of the Motion shall be provided to (i) the Office of the United States Trustee for the Southern District of Texas, Houston Division, (ii) all entities requesting notice pursuant to Bankruptcy Rule 2002, and (iii) Shell. In light of the nature of the relief requested, the Trust submits that no further notice is required.

WHEREFORE, the Trust respectfully requests that this Court enter an order, substantially in the form attached hereto as Exhibit A, extending the Claims Objection Deadline with respect to the Shell Claim and to claims filed after the date hereof from March 31, 2025 to thirty days after the Shell Action Resolution Date, without prejudice to the Trust's right to request further extension(s); and granting such other and further relief as the Bankruptcy Court may deem just and proper.

Dated: March 26, 2025
New York, New York

/s/ James S. Carr

KELLEY DRYE & WARREN LLP

James S. Carr (admitted *pro hac vice*)

Maeghan J. McLoughlin (admitted *pro hac vice*)

3 World Trade Center

175 Greenwich Street

New York, New York 10007

Tel: (212) 808-7800

Fax: (212) 808-7897

Email: jcarr@kelleydrye.com

mmcloughlin@kelleydrye.com

Counsel to the Entrust Liquidating Trust

EXHIBIT A

(Proposed Order)

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

In re:

ENTRUST ENERGY, INC., et al.,¹

Post-Confirmation Debtors.

Chapter 11

Case No. 21-31070 (MI)

(Jointly Administered)

**ORDER EXTENDING THE CLAIMS OBJECTION DEADLINE
SOLELY WITH RESPECT TO THE SHELL CLAIM TO THIRTY DAYS AFTER THE
FINAL RESOLUTION OF THE SHELL ACTION BY SETTLEMENT OR JUDGMENT**

Upon consideration of the *Motion of the Entrust Liquidating Trust for an Order Extending the Claims Objection Deadline Solely With Respect to the Shell Claim to Thirty Days After the Final Resolution of the Shell Action by Settlement or Judgment* (the "Motion");² and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and venue being proper before this Court; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the Trust's notice of the Motion and opportunity for a hearing on the Motion was appropriate under the circumstances and that no other further notice need be

¹ The Debtors in these chapter 11 cases that are subject to the Plan and the Trust Agreement (each, as defined below) are: Entrust Energy, Inc.; Entrust Treasury Management Services, Inc.; Entrust Energy East, Inc.; Power of Texas Holdings, Inc.; Akyta Holdings, Inc.; Enserve, Inc.; Akyta, Inc.; Energistics, Inc.; NGAE, Inc. The Trustee's mailing address is P.O. Box 500787, Atlanta, Georgia 31150.

The chapter 11 cases of the following entities have been dismissed: Knocked, Corp.; SPH Investments, Inc.; Akyta IP, Inc.; Surge Direct Sales, Inc.; Entrust Energy Operations, Inc.; and Strategic Power Holdings, LLC.

² Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

provided; and the Court having reviewed the Motion; and all objections, if any, to the Motion having been withdrawn, resolved, or overruled; and the Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; 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 relief requested in the Motion is GRANTED.
2. The Claims Objection Deadline shall be, and hereby is, extended from March 31, 2025 to thirty days after the Shell Action Resolution Date, solely with respect to the Shell Claim and any claim filed on or after the date of the Motion.
3. This Order is without prejudice to the Trust's right to seek further extensions of the Claims Objection Deadline.
4. The Court shall retain jurisdiction to interpret and enforce this Order.

Signed: _____, 2025

Marvin Isgur
United States Bankruptcy Judge

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

RCVD PUC SEC BUR
MAR 31 2025 AM 10:46

In re:

ENTRUST ENERGY, INC., et al.,¹

Post-Confirmation Debtors.

Chapter 11

Case No. 21-31070 (MI)

(Jointly Administered)

**OBJECTION OF THE ENTRUST LIQUIDATING TRUST
TO CLAIM NO. 225 FILED BY DUQUESNE LIGHT COMPANY**

THIS IS AN OBJECTION TO YOUR CLAIM. THE OBJECTING PARTY IS ASKING THE COURT TO DISALLOW THE CLAIM THAT YOU FILED IN THIS BANKRUPTCY CASE. YOU SHOULD IMMEDIATELY CONTACT THE OBJECTING PARTY TO RESOLVE THE DISPUTE. IF YOU DO NOT REACH AN AGREEMENT, YOU MUST FILE A RESPONSE TO THIS OBJECTION AND SEND A COPY OF YOUR RESPONSE TO THE OBJECTING PARTY WITHIN 30 DAYS AFTER THE OBJECTION WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE OBJECTION IS NOT VALID. IF YOU DO NOT FILE A RESPONSE WITHIN 30 DAYS AFTER THE OBJECTION WAS SERVED ON YOU, YOUR CLAIM MAY BE DISALLOWED WITHOUT A HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

Anna Phillips, solely in her capacity as liquidating trustee (the "Trustee") of the Entrust Liquidating Trust (the "Trust"), by and through her undersigned counsel, hereby submits this objection (the "Objection") pursuant to section 502(b)(1) of title 11 of the United States Code (the "Bankruptcy Code"), Rule 3007 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), Rule 3007-1 of the Local Rules of Bankruptcy Practice and Procedures for the United States Bankruptcy Court for the Southern District of Texas (the "Local Rules"), and

¹ The Debtors in these chapter 11 cases that are subject to the Plan and the Trust Agreement (each, as defined below) are: Entrust Energy, Inc.; Entrust Treasury Management Services, Inc.; Entrust Energy East, Inc.; Power of Texas Holdings, Inc.; Akyta Holdings, Inc.; Enserve, Inc.; Akyta, Inc.; Energistics, Inc.; NGAE, Inc. The Trustee's mailing address is P.O. Box 500787, Atlanta, Georgia 31150.

The chapter 11 cases of the following entities have been dismissed: Knocked, Corp.; SPH Investments, Inc.; Akyta IP, Inc.; Surge Direct Sales, Inc.; Entrust Energy Operations, Inc.; and Strategic Power Holdings, LLC.

the Procedures for Complex Chapter 11 Cases in the Southern District of Texas (the “Complex Case Procedures”) seeking entry of an order (the “Proposed Order”) attached hereto as Exhibit A disallowing claim number 225 (“Claim 225”) filed by Duquesne Light Company (“Duquesne”) against Entrust Energy East, Inc. (“Entrust Energy”). In support of this Objection, the Trust relies on the *Declaration of Anna Phillips in Support of Objection of the Entrust Liquidating Trust to Claim No. 225 Filed by Duquesne Light Company* (the “Phillips Declaration”), attached hereto as Exhibit B. In further support of this Objection, the Trust 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. §§ 157 and 1334 and Article VIII of the *Amended Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code of Entrust Energy, Inc. and its Debtor Affiliates* filed November 10, 2021 (as confirmed, the “Plan”).² This is a core proceeding pursuant to 28 U.S.C. §§ 157(b)(1) and (b)(2)(A). Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

STATUTORY BASES FOR RELIEF

2. The statutory bases for the relief requested herein are set forth in sections 105(a) and 502(b) of the Bankruptcy Code, Bankruptcy Rule 3007, Local Rule 3007-1 and the Complex Case Procedures.

² Docket No. 402. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Plan.

BACKGROUND

A. The Chapter 11 Cases

3. On March 30, 2021 (the "Petition Date"), each of the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. From and after the Petition Date, each Debtor operated its business and managed its properties as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On December 30, 2021, the Court entered the *Order Approving Disclosure Statement on a Final Basis and Confirming Amended Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code of Entrust Energy, Inc. and its Debtor Affiliates as Modified* (the "Confirmation Order").³ The Plan became effective on January 6, 2022 (the "Effective Date").⁴

5. The Plan and Confirmation Order provide for the establishment of the Trust on the Effective Date according to the terms and conditions of that certain *Liquidating Trust Agreement and Declaration of Trust* dated January 6, 2022 (the "Trust Agreement"),⁵ at which time the Trustee was appointed to administer the Trust.

6. Pursuant to section 8.1 of the Plan and section 3.5 of the Trust Agreement, the Trustee is authorized, among other things, to supervise and administer the Trust's settlement, litigation, withdrawal, or resolution of all objections to Claims required to be administered by the Trust.

³ Docket No. 480.

⁴ Docket No. 493.

⁵ An unsigned form of the Trust Agreement was filed on December 6, 2021 as an exhibit to the *Notice of Filing Plan Supplement* [Docket No. 443].

B. The Bar Date

7. On May 20, 2021, the Court entered the *Order Granting Debtors' Emergency Motion for Entry of an Order (I) Setting Bar Dates for Filing Proofs of Claim and (II) Approving Form and Manner of Notice Thereof; and (III) Granting Related Relief* (the "Bar Date Motion") establishing, among other deadlines, (a) August 11, 2021, as the deadline, for each person or entity other than governmental units, to file proofs of prepetition claims, including administrative expense claims arising pursuant to section 503(b)(9) of the Bankruptcy Code (the "General Bar Date"); and (b) September 27, 2021 as the deadline for governmental units to file proofs of prepetition claims (the "Government Bar Date").⁶ In addition, the Plan established a deadline of February 10, 2022 for the filing of administrative claims (the "Administrative Bar Date") and a deadline of January 31, 2022 for the filing of claims for damages arising out of the rejection of executory contracts and unexpired leases by operation of the Plan (the "Rejection Bar Date") and, together with the General Bar Date, the Government Bar Date and the Administrative Bar Date, the "Bar Dates").⁷

8. Notices of the Bar Dates were mailed to all known creditors and interest holders.⁸

C. Claim 225

9. On November 19, 2021, Duquesne filed Claim 225 asserting a general unsecured claim against Entrust Energy in the amount of \$18,954.36. Duquesne attached no

⁶ Docket No. 190.

⁷ Plan §§ 2.1, 9.3.

⁸ See Docket Nos. 198, 202, 204 (service of notice of the General Bar Date and the Government Bar Date) and Docket Nos. 513-515 (service of notice of the Effective Date, including notices with respect to the Administrative Bar Date and the Rejection Bar Date).

information or documentation in support of Claim 225. A copy of Claim 225 is attached to the Phillips Declaration as Exhibit 1.

RELIEF REQUESTED

10. By this Objection, the Trust objects to Claim 225 pursuant to section 502 of the Bankruptcy Code, Bankruptcy Rule 3007 and Local Rule 3007-1 seeking entry of the Proposed Order substantially in the form attached hereto as Exhibit A disallowing Claim 225.

OBJECTION

11. Section 502(a) of the Bankruptcy Code provides, in pertinent part, that “[a] claim or interest, proof of which is filed under section 501 of this title, is deemed allowed, unless a party in interest ... objects.”⁹ Once an objection to a claim is filed, the Court, after notice and hearing, shall determine the allowed amount of the claim.¹⁰

12. Section 502(b)(1) of the Bankruptcy Code provides, in part, that a claim may not be allowed to the extent that it “is unenforceable against the debtor and property of the debtor, under any agreement or applicable law.”¹¹ For the reasons set forth herein, Claim 225 is unenforceable against the Debtors’ estates.

13. Claim 225 asserts “Overpayment” as the basis for its claim but attaches no information that would enable the Trust to substantiate any liability on behalf of the Debtors’ estates. No claim in favor of Duquesne was included on the Schedules of any Debtor. Despite the Trust’s multiple outreach attempts to request additional supporting documentation from Duquesne’s counsel dating back to August 2023, spanning the course of almost eighteen months, no invoice or other documentation substantiating any liability due by the Debtors with respect to

⁹ 11 U.S.C. § 502(a).

¹⁰ 11 U.S.C. § 502(b).

¹¹ 11 U.S.C. § 502(b)(1).

Claim 225 has been provided. Accordingly, based on the foregoing and as set forth in the Phillips Declaration, Claim 225 should be disallowed.

14. Failure to disallow Claim 225 will result in Duquesne receiving an improper recovery from the Debtors' estates to the detriment of other creditors. Accordingly, the Trust (a) objects to Claim 225 and (b) seeks entry of the Proposed Order disallowing Claim 225.

RESERVATION OF RIGHTS

15. This Objection is limited to the grounds stated herein. Accordingly, it is without prejudice to the rights of the Trust or any other party in interest to object to the claim on any other grounds whatsoever, and the Trust expressly reserves the right to amend, modify, and/or supplement this Objection.

16. Nothing in this Objection shall be deemed (a) an admission as to the amount of, basis for, or validity of any other claim against the Debtors under the Bankruptcy Code or other applicable nonbankruptcy law; (b) an impairment or waiver of the Trust's or any other party in interest's right to dispute any claim against, or interest in, the Debtors, their property or estates; or (c) a waiver of the Trust's or any other party in interest's rights under the Bankruptcy Code or any other applicable law.

NOTICE

17. Notice of the Objection shall be provided to: (i) the Office of the United States Trustee for the Southern District of Texas, Houston Division; (ii) Duquesne Light Company; and (iii) all entities requesting notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, the Trust submits that no further notice is required.

WHEREFORE, the Trust respectfully requests the entry of the Proposed Order, substantially in the form attached hereto as **Exhibit A**, (i) disallowing Claim 225, and (ii) granting such other and further relief as the Court deems just and proper.

Dated: March 26, 2025
Houston, Texas

/s/ James S. Carr

KELLEY DRYE & WARREN LLP

James S. Carr (admitted *pro hac vice*)

Maeghan J. McLoughlin (admitted *pro hac vice*)

3 World Trade Center

175 Greenwich Street

New York, New York 10007

Tel: (212) 808-7800

Fax: (212) 808-7897

Email: jcarr@kelleydrye.com

mmcloughlin@kelleydrye.com

Counsel to the Entrust Liquidating Trust

EXHIBIT A

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

In re:

ENTRUST ENERGY, INC., et al.,¹

Post-Confirmation Debtors.

Chapter 11

Case No. 21-31070 (MI)

(Jointly Administered)

**ORDER SUSTAINING OBJECTION OF THE ENTRUST LIQUIDATING
TRUST TO CLAIM NO. 225 FILED BY DUQUESNE LIGHT COMPANY**

Upon consideration of the *First Omnibus Objection of the Entrust Liquidating Trust to Claim No. 225 Filed by Duquesne Light Company* (the "Objection");² and the Court having considered the Phillips Declaration in support of the Objection; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that the Court may enter a final order consistent with Article III of the United States Constitution; and it appearing that venue of this proceeding and the First Omnibus Objection in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that the Trust's notice of the Objection and opportunity for a hearing on the Objection was appropriate under the circumstances and that no other further notice need be provided; and the Court having reviewed the Objection; and all responses, if any, to the Objection having been withdrawn, resolved, or overruled; and the Court having

¹ The Debtors in these chapter 11 cases that are subject to the Plan and the Trust Agreement (each, as defined below) are: Entrust Energy, Inc.; Entrust Treasury Management Services, Inc.; Entrust Energy East, Inc.; Power of Texas Holdings, Inc.; Akyta Holdings, Inc.; Enserve, Inc.; Akyta, Inc.; Energistics, Inc.; NGAE, Inc. The Trustee's mailing address is P.O. Box 500787, Atlanta, Georgia 31150.

The chapter 11 cases of the following Debtors have been dismissed: Knocked, Corp.; SPH Investments, Inc.; Akyta IP, Inc.; Surge Direct Sales, Inc.; Entrust Energy Operations, Inc.; and Strategic Power Holdings, LLC.

² Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the First Omnibus Objection.

determined that the legal and factual bases set forth in the Objection establish just cause for the relief granted herein; 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. Claim No. 225, filed by Duquesne Light Company, hereby is disallowed *in full*.
2. BMC Group is authorized to take all actions necessary or appropriate to effectuate the relief granted pursuant to this Order in accordance with the Objection.
3. This Court shall retain jurisdiction over any matters related to or arising from the Objection or the implementation of this Order.

Signed: _____, 2025

HONORABLE MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT B

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

In re:

ENTRUST ENERGY, INC., et al.,¹

Post-Confirmation Debtors.

Chapter 11

Case No. 21-31070 (MI)

(Jointly Administered)

**DECLARATION OF ANNA PHILLIPS IN SUPPORT
OF OBJECTION OF THE ENTRUST LIQUIDATION TRUST
TO CLAIM NO. 225 FILED BY DUQUESNE LIGHT COMPANY**

I, Anna Phillips, hereby declare under penalty of perjury:

1. I am liquidating trustee (the "Trustee") of the Entrust Liquidating Trust (the "Trust") established in these chapter 11 cases. Under the *Order Approving Disclosure Statement on a Final Basis and Confirming Amended Joint Plan of Liquidation Under Chapter 11 of the Bankruptcy Code of Entrust Energy, Inc. and its Debtor Affiliates as Modified* (the "Confirmation Order"),² the Trust, by and through the Trustee, is responsible for reconciling and, as necessary, objecting to all Claims filed or scheduled against the Debtors' estates. In that capacity, I am familiar with, and am assisting in, the process of reviewing and reconciling the claims for which the Trust is responsible.

2. I assisted in the preparation of the *Objection of the Entrust Liquidating*

¹ The Debtors in these chapter 11 cases that are subject to the Plan and the Trust Agreement (each, as defined below) are: Entrust Energy, Inc.; Entrust Treasury Management Services, Inc.; Entrust Energy East, Inc.; Power of Texas Holdings, Inc.; Akyta Holdings, Inc.; Enserve, Inc.; Akyta, Inc.; Energistics, Inc.; NGAE, Inc. The Trustee's mailing address is P.O. Box 500787, Atlanta, Georgia 31150.

The chapter 11 cases of the following entities have been dismissed: Knocked, Corp.; SPH Investments, Inc.; Akyta IP, Inc.; Surge Direct Sales, Inc.; Entrust Energy Operations, Inc.; and Strategic Power Holdings, LLC.

² Docket No. 1246.

Trust to Claim No. 225 Filed by Duquesne Light Company (the "Objection").³ Through my review or with the assistance of employees and professionals under my direction, I am personally and generally familiar with, *inter alia*, the Debtors' unsecured liabilities and amounts owed to creditors that have filed or scheduled claims against the Debtors' estates. I am also generally familiar with the register of claims prepared and provided by the noticing and claims agent, BMC Group. If called to testify, I could and would testify competently to the facts set forth herein.

3. I submit this declaration in support of the Objection, and state that the information contained in such Objection and the exhibit attached hereto are true and correct to the best of my knowledge and belief and based on the information and records made available.

4. To the best of my knowledge and belief, and based on the information and records made available to me by the Debtors, the information attached to Claim 225 does not substantiate any liability on behalf of the Debtors' estates. Claim 225, a copy of which is attached hereto as Exhibit A, asserts "Overpayment" as the basis for its claim but attaches no information that would enable the Trust to substantiate any liability on behalf of the Debtors' estates. No invoice or other substantiating documentation supporting a liability is provided by Duquesne. No claim in favor of Duquesne was included on any of the Debtors' schedules. It is my understanding that counsel the Trust has been working to obtain the requested documentation from Duquesne or its counsel for approximately 18 months, but those efforts have not been fruitful.

5. For the foregoing reasons, I believe Claim 225 should be disallowed.

³ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Objection.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best my knowledge, and belief, and based on the information and records available to me.

Dated: March 26, 2025

DocuSigned by:
Anna Phillips

Anna Phillips

Fill in this information to identify the case:

Debtor 1 Entrust Energy East, Inc.

Debtor 2 _____
(Spouse, if filing)

United States Bankruptcy Court for the: Southern District of Texas, Houston Division

Case number 21-31073

E-Filed on 11/19/2021
Claim # 225

Official Form 410
Proof of Claim

04/19

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) that you received.

Part 1: Identify the Claim

1. Who is the current creditor? Duquesne Light Company
Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
<u>Keila Estevez</u> Name	<u>Tara R. Pfeifer</u> Name
<u>601 Grant Street, 9th Floor</u> Number Street	<u>411 Seventh Avenue, Mail Drop 16-1</u> Number Street
<u>Pittsburgh PA 15219</u> City State ZIP Code	<u>Pittsburgh PA 15219</u> City State ZIP Code
Contact phone <u>(412) 456-8137</u>	Contact phone <u>(412) 393-1498</u>
Contact email <u>kestevez@bernsteinlaw.com</u>	Contact email _____

Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) 127

Filed on 08/11/2021
MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 18,954.36 Does this amount include interest or other charges? No Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information.
Overpayment

9. Is all or part of the claim secured? No Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate. If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: _____
Basis for perfection: _____
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ _____
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amounts should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) _____ %
 Fixed
 Variable

10. Is this claim based on a lease? No Yes. Amount necessary to cure any default as of the date of the petition. \$ 0.00

11. Is this claim subject to a right of setoff? No Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check one:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

\$ 0.00

Up to \$3,025* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ 0.00

Wages, salaries, or commissions (up to \$13,650*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ 0.00

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ 0.00

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ 0.00

Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.

\$ 0.00

* Amounts are subject to adjustment on 4/01/22 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 11/19/2021
MM / DD / YYYY

Keila Estevez

Signature

Print the name of the person who is completing and signing this claim:

Name Keila Estevez
First name Middle name Last name

Title Attorney for Claimant

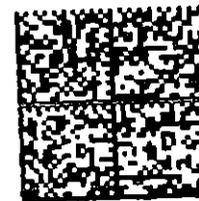
Company Bernstein-Burkley, P.C.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address _____
Number Street

City State ZIP Code

Contact phone _____ Email _____

BMC Group, Inc.
Attn: Entrust Energy, Inc.
PO Box 90100
Los Angeles, CA 90009



quadi'ent
FIRST-CLASS
IMI
\$002.3
03/27/2025 ZIP
043M32206352



2269400000113

Secretary's Bureau of PA
Public Utility Comm
PO Box 3265
Harrisburg PA 17105-3265