IN THE UNTED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	**Chapter 11**
ENTRUST ENERGY, INC. *et al.* [2]	**Case No.: 21-31070**
Debtors.	**Jointly Administered**

ORDER GRANTING DEBTORS' MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE RETENTION AND COMPENSATION OF CERTAIN PROFESSIONALS UTILIZED IN THE ORDINARY COURSE OF BUSINESS AND (II) GRANTING RELATED RELIEF

This case came before the Court to consider the motion (the "**Motion**")[3] filed by Entrust Energy, Inc. as Debtor and Debtor-In-Possession, along with certain of its affiliates that are also Debtors and Debtors-In-Possession (collectively, the "**Debtors**"), for the entry of an order (the "**Order**") authorizing the Debtor to retain and compensate certain professionals utilized in the ordinary course of business and granting related relief. The Court having considered the Motion and the exhibits attached thereto; and, after due deliberation, sufficient cause appearing therefore,

IT IS ORDERED:

1. The Debtors are authorized to retain and compensate the OCPs identified on the OCP List attached hereto as **Exhibit 1** as may be amended or supplemented by the Debtors from

[2] The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, as applicable, are: Entrust Energy, Inc. (2194); Entrust Treasury Management Services, Inc. (2347); Entrust Energy East, Inc. (3446); Power of Texas Holdings, Inc. (8159); Knocked, Corp. (0195); Akyta Holdings, Inc. (7696); Enserve, Inc. (9111); Akyta, Inc. (7560); Energistics, Inc. (3460); SPH Investments, Inc, (0271); Akyta IP, Inc. (8798); Surge Direct Sales, Inc. (7225); Entrust Energy Operations, Inc. (7479); Strategic Power Holdings, LLC (7069); NGAE, Inc. (1888). The Debtors' mailing address is Entrust Energy, Inc., 1301 McKinney Street, Suite 2950, Houston, TX 77010.

[3] Terms capitalized but not defined herein shall have the meaning defined in the Motion.

time to time in accordance with this Order), in the ordinary course of business, in accordance with the following compensation procedures (collectively, the "**Compensation Procedures**"):

(a) Each OCP on **Exhibit 1** that provides services to the Debtors shall file with the Court a declaration of disinterestedness (each a "**Declaration of Disinterestedness**"), substantially in the form attached as **Exhibit 2** to this Order. Each OCP shall serve the Declaration of Disinterestedness upon: (i) the Debtors: Entrust Energy, Inc. et al., 1301 McKinney Street, Suite 2950, Houston TX 77010 (Attn: C. Alexis Keene, alexis.keene@entrustenergy.com); (ii) proposed counsel to the Debtors: Baker & Hostetler LLP, 200 S. Orange Avenue Suite 2300, Orlando, FL 32801 (Attn: Elizabeth A. Green, egreen@bakerlaw.com; Jimmy Parrish, jparrish@bakerlaw.com; and Jorian Rose, jrose@bakerlaw.com); (iii) the Office of the United States Trustee for the Southern District of Texas, 515 Rusk Street, Suite 3516, Houston Texas 77002 (Attn: Stephen Douglas Statham, Stephen.statham@usdoj.gov); and (iv) proposed counsel for the Official Committee of Unsecured Creditors: McDermott Will & Emery LLP, 2501 North Harwood Street, Suite 1900, Dallas, TX (Attn: Charles R. Gibbs, crgibbs@mwe.com; Darren Azman, dazman@mwe.com) (collectively, the "**Notice Parties**").

(b) The Notice Parties and any other party in interest shall have 14 days after the service of each OCP's Declaration of Disinterestedness to object to the retention of such OCP (the "**Objection Deadline**"). The objecting party shall serve any such objection upon the Notice Parties and the respective OCP on or before the Objection Deadline. If any such objection cannot be resolved within 14 days of its receipt, the matter shall be scheduled for hearing before this Court on no less than 14 days' notice or on a date otherwise agreeable to the parties thereto.

(c) If no objection is received by the Objection Deadline with respect to any particular OCP, then retention of the OCP shall be deemed approved by this Court without hearing or further order and the Debtors shall be authorized to retain and pay each such OCP (to the extent an objection was not filed). The Debtors shall be authorized to retain such OCP as of the date each such OCP commenced providing services to the Debtors and pay such OCP as set forth below.

(d) The Debtors reserve the right to modify the OCP List as necessary to add or remove OCPs, from time to time, in their sole discretion. In the event an OCP is added to the OCP List, the Debtors will file a notice with this Court listing the additional OCPs that the Debtors intend to employ (each, an "**OCP Notice**") and to serve each OCP Notice on the Notice Parties. Additionally, each additional OCP listed in the OCP Notice shall serve a Declaration of Disinterestedness on the Notice Parties in accordance with this Order. The Notice Parties and any other party in interest shall have 14 days following the date of service of an OCP Notice to: (i) notify the Debtors' attorneys, in writing, of any objection to the proposed retention of any additional OCP; (ii) file any such objection with this Court; and (iii) serve any such

objection upon each of the Notice Parties so as to be actually received within 14 days of service of such OCP Notice.

(e) The Debtors shall be authorized to pay, without formal application to this Court by any OCP, 100 percent of the fees and reimbursable expenses to each of the OCPs retained pursuant to these procedures (including the filing of a Declaration of Disinterestedness) upon the OCP's submission to the Debtors of an appropriate invoice setting forth in reasonable detail the nature of the services rendered and expenses incurred after the Petition Date; provided that prior to the confirmation of a plan in these chapter 11 cases, the fees of each OCP set forth on the OCP List, excluding costs and reimbursable expenses, may not exceed the budgets described in **Exhibit 1** with a permitted variance of twenty percent (20%) for each OCP (the "**OCP Budget**").

(f) To the extent an OCP seeks compensation in excess of the applicable OCP Budget (the "**Excess Fees**"), the OCP shall (i) file with the Court a Notice of Fees in Excess of the OCP Budget (the "**Notice of Excess Fees**") and an invoice setting forth, in reasonable detail, the nature of the services rendered and disbursements actually incurred, including all time entries and all fees incurred by the OCP for the relevant month and (ii) serve the Notice of Excess Fees on the Notice Parties. Interested parties shall then have 14 days to file an objection to the Notice of Excess Fees with this Court. If after 14 days no objection is filed, the Excess Fees shall be deemed approved, and the OCP may be paid 100 percent of its fees and 100 percent of its expenses without the need to file a fee application.

(g) Beginning with the period ending June 30, 2021, and in three month increments thereafter prior to the confirmation of a plan in these chapter 11 cases (each, a "Quarter"), the Debtors shall file with the Court and serve on the Notice Parties, no later than 30 days after the conclusion of such Quarter, a statement with respect to each OCP paid during the immediately preceding three-month period. Each OCP statement shall include the following information: (a) the name of the OCP; (b) the aggregate amounts paid as compensation for services rendered and reimbursement of expenses incurred by that OCP during the reported Quarter; (c) all postpetition payments made to that OCP to date; and (d) a general description of the services rendered by that OCP. The initial OCP statement shall cover the period beginning on the Petition Date and ending June 30, 2021, and shall be filed no later than July 31, 2021.

2. To the extent that any agreement between the Debtors and an OCP provides for the indemnification by the Debtors of such OCP in connection with the services that are the subject of the Motion (each such agreement, an "**OCP Agreement**"), such indemnification provisions are approved, subject to the following modifications, applicable during the pendency of these cases:

(a) The OCP shall not be entitled to indemnification, contribution, or reimbursement pursuant to the OCP Agreement for services other than the services provided under the OCP Agreement, unless such services and the indemnification, contribution, or reimbursement are approved by this Court.

(b) Notwithstanding anything to the contrary in the OCP Agreement, the Debtors shall have no obligation to indemnify the OCP, or provide contribution or reimbursement to the OCP, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from the OCP's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of the OCP's contractual obligations if this Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; (iii) of any type for which this Court determines that indemnification, contribution, or reimbursement would not be permissible; or (iv) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which the OCP should not receive indemnity, contribution, or reimbursement under the terms of the OCP Agreement as modified by this Court.

(c) If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these chapter 11 cases, the OCP believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the OCP Agreement (as modified by this Order), including the advancement of defense costs, the OCP must file an application therefor in this Court, and the Debtors may not pay any such amounts to the OCP before the entry of an order by this Court approving the payment. All parties in interest shall retain the right to object to any demand by the OCP for indemnification, contribution, or reimbursement. In the event that the OCP seeks reimbursement from the Debtors for attorneys' fees and expenses in connection with the payment of an indemnity claim pursuant to the OCP Agreement, the invoices and supporting time records for the attorneys' fees and expenses shall be included in the OCP's own applications, both interim and final, but determined by this Court after notice and a hearing.

3. This Order shall not apply to any professional retained by the Debtors pursuant to a separate order of this Court.

4. Notwithstanding anything herein to the contrary, nothing in this Order shall prevent the United States Trustee from seeking a determination from the Court (a) requiring an OCP to file a separate retention application under section 327(a) or 327(e) of the Bankruptcy Code or (b) altering the amount of the OCP Budget.

5. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

6. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

7. This Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Order.

DATED:

_____

Honorable Marvin Isgur
United States Bankruptcy Judge

EXHIBIT 1

List of Ordinary Course Professionals

OCP Name	Service	Budget
PKF of Texas, P.C.	Accounting services – annual 401k audit	Project based rate - $20,000 total
Erling Brakke, CPA, PLLC	Accounting services – 2020 tax returns	Project based rate - $25,200 total
Fisher & Phillips, LLP[4]	Legal services – employment counsel	$1,000 per month.
Harris Beach PLLC	Legal services – New York regulatory counsel	$5,000 per month.
Reed Smith	Legal services – Texas energy counsel and regulatory counsel	$10,000 total from May through October 2021. The monthly amounts may fluctuate but, in total, fees are budgeted for $10,000 in total for six months.
JonesWalker, PLC	Legal services – corporate and employment counsel	$15,000 per month.
Scott Douglass McConnico LLP[5]	Legal services – PUCT and Texas regulatory counsel	$5,000 per month.
GreeneHurlocker[6]	Legal services – Maryland regulatory counsel	$900 per month.

[4] As described in the Application, Fisher & Phillips, LLP's started commencing services for the Debtors on March 31, which is more than 30 days before this Motion was filed, and the Debtors seek *nunc pro tunc* relief as to this OCP.

[5] As described in the Application, Scott Douglass McConnico LLP started commencing services for the Debtors on March 30, which is more than 30 days before this Motion was filed, and the Debtors seek *nunc pro tunc* relief as to this OCP.

[6] As described in the Application, GreeneHurlocker started commencing services for the Debtors on April 2, which is more than 30 days before this Motion was filed, and the Debtors seek *nunc pro tunc* relief as to this OCP.

EXHIBIT 2

IN THE UNTED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	**Chapter 11**
ENTRUST ENERGY, INC. *et al.* [7]	**Case No.: 21-31070**
Debtors.	**Jointly Administered**

DECLARATION OF DISINTERESTEDNESS OF [ENTITY] PURSUANT TO THE ORDER AUTHORIZING THE RETENTION AND COMPENSATION OF CERTAIN PROFESSIONALS UTILIZED IN THE ORDINARY COURSE OF BUSINESS

I, _____, declare under penalty of perjury:

1. I am a [Position] of [Company], located at [Street, City, State, Zip Code] (the "**Company**").

2. Entrust Energy, Inc. and certain of its affiliates, as debtors and debtors in possession (collectively, the "**Debtors**") have requested that the Company provide [specific description] services to the Debtors, namely [specific Debtors for which services are being provided], and the Company has consented to provide such services.

3. The Company may have performed services in the past, may currently perform services and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors' chapter 11 cases. The Company does not perform services for any such person in connection with these chapter 11 cases, or have any relationship

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with any such person, their attorneys, or accountants that would be adverse to the Debtors or their estates with respect to the matter on which the Company is proposed to be employed.

4. As part of its customary practice, the Company is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be employed by the Debtors, claimants, and parties in interest in these chapter 11 cases.

5. Neither I nor any principal, partner, director, officer, etc., of or professional employed by, the Company has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than the principal and regular employees of the Company.

6. Neither I nor any principal, partner, director, officer, of or professional employed by, the Company, insofar as I have been able to ascertain, holds, or represents any interest adverse to the Debtors or their estates with respect to the matter(s) upon which the Company is to be employed.

7. The Debtors owe the Company $_____ for prepetition services, the payment of which is subject to limitations contained in the Bankruptcy Code.

8. I understand that the amount owed by any of the Debtors to the Company for prepetition services will be treated as a general unsecured claim, and as such, the Company may file a proof of claim.

9. I further understand that this Declaration will not suffice as the Company's proof of claim.

10. As of March 30, 2021, which was the date on which the Debtors commenced these chapter 11 cases, the Company [was/was not] party to an agreement for indemnification with certain of the Debtors. [A copy of such agreement is attached as Exhibit 1 to this Declaration.]

11. **[If there is an indemnification agreement]:** Such agreement for indemnification (the "OCP Agreement") is subject to the following modifications, applicable during the pendency of the Debtors' chapter 11 cases:

a. The OCP shall not be entitled to indemnification, contribution, or reimbursement pursuant to the OCP Agreement for services other than the services provided under the OCP Agreement, unless such services and the indemnification, contribution, or reimbursement are approved by this Court.

b. Notwithstanding anything to the contrary in the OCP Agreement, the Debtors shall have no obligation to indemnify the OCP, or provide contribution or reimbursement to the OCP, for any claim or expense that is either: (i) judicially determined (the determination having become final) to have arisen from the OCP's gross negligence, willful misconduct, or fraud; (ii) for a contractual dispute in which the Debtors allege the breach of the OCP's contractual obligations if this Court determines that indemnification, contribution, or reimbursement would not be permissible under applicable law; (iii) of any type for which this Court determines that indemnification, contribution, or reimbursement would not be permissible; or (iv) settled prior to a judicial determination under (i) or (ii), but determined by this Court, after notice and a hearing, to be a claim or expense for which the OCP should not receive indemnity, contribution, or reimbursement under the terms of the OCP Agreement as modified by this Court.

c. If, before the earlier of (i) the entry of an order confirming a chapter 11 plan in these cases (that order having become a final order no longer subject to appeal), or (ii) the entry of an order closing these chapter 11 cases, the OCP believes that it is entitled to the payment of any amounts by the Debtors on account of the Debtors' indemnification, contribution and/or reimbursement obligations under the OCP Agreement (as modified by this Order), including the advancement of defense costs, the OCP must file an application therefor in this Court, and the Debtors may not pay any such amounts to the OCP before the entry of an order by this Court approving the payment. All parties in interest shall retain the right to object to any demand by the OCP for indemnification, contribution, or reimbursement. In the event that the OCP seeks reimbursement from the Debtors for attorneys' fees and expenses in connection with the payment of an indemnity claim pursuant to the OCP Agreement, the invoices and supporting time records for the attorneys' fees and expenses shall be included in the OCP's own applications, both interim and final, but determined by this Court after notice and a hearing.

12. The Company is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of that inquiry, or at any time during the period of

its employment, if the Company should discover any facts bearing on the matters described herein, the Company will supplement the information contained in this Declaration.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: _____

_____

[Declarant]