

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

In re:) Chapter 11
)
ANAGRAM HOLDINGS, LLC, *et al.*,) Case No. 23-90901 (MI)
)
) (Jointly Administered)
Debtors.)

OBJECTION OF CENTERPOINT ENERGY RESOURCES CORP. AND SYMMETRY ENERGY SOLUTIONS, LLC TO THE DEBTORS’ EMERGENCY MOTION FOR ENTRY OF AN ORDER (I) APPROVING THE DEBTORS’ PROPOSED ADEQUATE ASSURANCE OF PAYMENT FOR FUTURE UTILITY SERVICES, (II) PROHIBITING UTILITY PROVIDERS FROM ALTERING, REFUSING, OR DISCONTINUING SERVICES, (III) APPROVING THE DEBTORS’ PROPOSED PROCEDURES FOR RESOLVING ADDITIONAL ASSURANCE REQUESTS, AND (IV) GRANTING RELATED RELIEF
[Relates To Docket Nos. 6, 89]

CenterPoint Energy Resources Corp. (“CERC”) and Symmetry Energy Solutions, LLC (“SES”) (collectively, the “Utilities”), hereby object to the *Debtors’ Emergency Motion For Entry of An Order (I) Approving the Debtors’ Proposed Adequate Assurance of Payment For Future Utility Services, (II) Prohibiting Utility Providers From Altering, Refusing, or Discontinuing Services, (III) Approving the Debtors’ Proposed Procedures For Resolving Additional Assurance Requests, and (IV) Granting Related Relief* (the “Utility Motion”)(Docket No. 6), and set forth the following:

Introduction

The Debtors’ Utility Motion improperly seeks to shift the Debtors’ obligations under Section 366(c)(3) of the Bankruptcy Code from modifying the amounts of the adequate assurance of payment requested by the Utilities under Section 366(c)(2) to setting the form and amounts of the adequate assurance of payment acceptable to the Debtors. This Court should not permit the Debtors to shift their clear statutory burden in this fashion.



Through the Utility Motion, the Debtors seek to have this Court approve their form of adequate assurance of payment, which is a bank account containing \$90,000 that supposedly reflects an amount equal to approximately one-half of the Debtors' average monthly utility charges based on the 12-month period prior to the Petition Date (the "Bank Account"). The Debtors' propose that the Bank Account will contain the following amounts on behalf of the Utilities: (a) CERC - \$9,330.91; and (b) SES - \$7,795.75.

The Court should reject the Debtors' proposed Bank Account because: (1) The Utilities bill the Debtors on a monthly basis and provide the Debtors with generous payment terms pursuant to applicable state law, tariffs, regulations and/or contracts, such that a two-week account maintained by the Debtors is not sufficient in amount or in form to provide the Utilities with adequate assurance of payment; (2) Section 366(c) of the Bankruptcy Code specifically defines the forms of adequate assurance of payment in Section 366(c)(1), none of which include a segregated bank account; and (3) Even if this Court were to improperly consider the Bank Account as a form of adequate assurance of payment for the Utilities, this Court should reject it as an insufficient form of adequate assurance of payment for the reasons set forth in Section A.1. of this Objection.

The Utilities are seeking the following cash deposits from the Debtors, which are amounts that they are authorized to obtain pursuant to applicable state law: (a) CERC - \$73,330 (2-month); and (b) SES - \$58,000 (70-day). Based on all of the foregoing, this Court should deny the Utility Motion as to the Utilities because the amounts of the Utilities' post-petition deposit requests are reasonable under the circumstances and should not be modified.

Facts

Procedural Facts

1. On November 8, 2023 (the “Petition Date”), the Debtors commenced their cases under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) now pending with this Court. The Debtors continue to operate their businesses and manage their properties as debtors-in-possession pursuant to Bankruptcy Code Sections 1107(a) and 1108.

2. The Debtors’ Chapter 11 bankruptcy cases are being jointly-administered.

The Utility Motion

3. On the Petition Date, the Debtors filed the Utility Motion.

4. On November 9, 2023, the Court held a hearing on the Utility Motion.

5. On November 10, 2023, the Court entered the *Order (I) Approving the Debtors’ Proposed Adequate Assurance of Payment For Future Utility Services, (II) Prohibiting Utility Providers From Altering, Refusing, or Discontinuing Services, (III) Approving the Debtors’ Proposed Procedures For Resolving Additional Assurance Requests, and (IV) Granting Related Relief* (the “Utility Order”)(Docket No. 89).

6. The *Procedures For Complex Chapter 11 Cases In the Southern District of Texas (Effective January 1, 2023)* (the “Complex Case Procedures”) provide that final orders on motions filed pursuant to Section 366 of the Bankruptcy Code “(i) do not prejudice the right of a utility to propose alternative procedures; and (ii) provide for a hearing not later than 30 days after the petition date upon any timely filed **objection** to the adequate assurance procedures.” Complex Case Procedures at ¶ 4.f. (emphasis added).

7. The Utility Motion and Utility Order provide: “Notwithstanding anything in these procedures to the contrary, the Court shall conduct a hearing within thirty (30) days following the

Petition Date to resolving any **objections** to these procedures or the Proposed Adequate Assurance in the event any are timely filed by the Utility Providers.” (emphasis added). Utility Motion at ¶ 14.1; Utility Motion at ¶ 5.1.

8. The Debtors seek to avoid the applicable legal standards under Sections 366(c)(2) and (3) by seeking Court approval for their own form of adequate assurance of payment, which is the Bank Account containing \$90,000 that supposedly reflects an amount equal to approximately one-half of the Debtors’ average monthly utility charges based on the 12-month period prior to the Petition Date. Utility Motion at ¶ 12.

9. The Debtors refer to the proposed monies to be contained in the Bank Account as the “Adequate Assurance Deposit.” Utility Motion at ¶ 12. Monies contained in an escrow account controlled by a customer of a utility such as the proposed Bank Account are not recognized as a “cash deposit” provided by a customer to a utility by any public utility commission. Additionally, Section 366(c) of the Bankruptcy Code specifically defines the forms of adequate assurance of payment in Section 366(c)(1), none of which include a segregated utility bank account. Simply put, the Debtors are not proposing to provide any of the Utilities with cash deposits as adequate assurance of payment pursuant to Section 366(c) of the Bankruptcy Code.

10. The proposed Bank Account is not acceptable to the Utilities and should not be considered relevant by this Court because Sections 366(c)(2) and (3) do not allow the Debtors to establish the form or amounts of adequate assurance of payment. Under Sections 366(c)(2) and (3), this Court and the Debtors are limited to modifying, if at all, the amounts of the security sought by the Utilities under Section 366(c)(2).

11. The Debtors claim that “[t]o the best of the Debtors’ knowledge, they are not in default of any undisputed invoices for prepetition Utility Services.” Utility Motion at ¶ 10.

However, Section 366(c)(3)(B)(ii) expressly provides that in making an adequate assurance of payment determination, a court may not consider a debtor's timely payment of prepetition utility charges.

12. The Debtors propose that monies contained in the Bank Account will be automatically available to the Debtors, without further Court order, upon the earlier of (i) the effective date of any Chapter 11 Plan, or (ii) the consummation of a sale of all or substantially all of the Debtors' assets. As the Utilities bill the Debtors in arrears, and the Utilities would likely provide post-petition utility goods/services to the Debtors through a sale closing date or the effective date of any plan, any monies contained in the Bank Account should not be returned to the Debtors until the Debtors confirm that they have paid in full all of their post-petition utility expenses owed to the Utilities.

13. Although not requested in the Utility Motion, the Utility Order provides that any payments authorized to be made pursuant to the Utility Order must be in compliance with, and subject to, any interim and final orders approving the Debtors' entry into any post-petition debtor-in-possession ("DIP") financing facility and/or authorizing the use of cash collateral, and any budget or cash flow forecasts in connection therewith. Interim Utility Order at ¶ 14. It is not clear if the Debtors and the secured lenders are trying to subordinate all of the post-petition payments made to the Utilities to the secured lenders' liens. At a minimum, all post-petition payments made by the Debtors to the Utilities, including any post-petition security, should not be subordinated to the lenders' liens or subject to subsequent disgorgement by the secured lenders. If the Debtors want the Utilities to provide post-petition utility goods/services, then any and all post-petition payments made to the Utilities should be free and clear of any and all liens. Otherwise, all of the relief sought in the Utility Motion is effectively nothing more than a subterfuge.

14. The Utility Motion does not address why the Bank Account would be funded at supposedly two-weeks of utility charges for some of the Utilities when the Debtors know that the Utilities are required by applicable state laws, regulations, tariffs and/or contracts to bill the Debtors monthly. Moreover, the Debtors presumably want the Utilities to continue to bill them monthly and provide them with the same generous payment terms that they received prepetition. Accordingly, if the Bank Account is relevant, which the Utilities dispute, the Debtors need to explain: (A) why they are only proposing to deposit supposed two-week amounts for the Utilities; and (B) how such an insufficient amount could even begin to constitute adequate assurance of payment for the Utilities' monthly bills even if the Bank Account contained funds on behalf of all of the Utilities.

15. The Utility Motion does not address why this Court should consider modifying, if at all, the amounts of the Utilities' adequate assurance requests pursuant to Section 366(c)(2). Rather, without providing any specifics, the Utility Motion merely states that the Bank Account, "in conjunction with the Debtors' cash flow from operations and cash on hand," somehow constitutes sufficient adequate assurance to the Debtors' utility providers. Utility Motion at ¶ 12.

The Debtors' Financing Motion

16. On the Petition Date, 2023, the Debtors filed the *Debtors' Emergency Motion For Entry of Interim and Final Orders (I) Authorizing the Debtors To (A) Obtain Post-Petition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Superpriority Administrative Expense Claims, (II) Granting Adequate Protection To Certain Prepetition Secured Parties, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the "Financing Motion") (Docket No. 7).

17. Through the Financing Motion, the Debtors seek authorization to obtain post-petition financing pursuant to a senior secured, superpriority and priming debtor-in-possession notice purchase agreement, consisting of new money notes in an aggregate principal amount of \$22 million, of which \$10 million will be available immediately upon entry of the Interim Financing Order (defined below). Financing Motion at ¶ 1.

18. The Debtors have the following DIP milestones: (i) no later than 21 days after the Petition Date – entry of an order approving the Debtors’ bid procedures; (ii) no later than 35 days after the Petition Date – entry of Final Financing Order; (iii) no later than January 15, 2024 – entry of an order approving the sale of the Debtors’ assets; and (iv) no later than January 28, 2024 – the sale of the Debtors’ assets shall have been consummated. Financing Motion at pages 18-19.

19. On November 13, 2023, the Court entered the *Interim Order (I) Authorizing the Debtors To (A) Obtain Postpetition Financing, (B) Use Cash Collateral, and (C) Grant Liens and Superpriority Administrative Expense Claims, (II) Granting Adequate Protection To Certain Prepetition Secured Parties, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* (the “Interim Financing Order”) (Docket No. 128).

20. The Interim Financing Order approved a carve-out for the payment of fees of the Debtors’ professionals incurred prior to a Carve-Out Trigger Notice, plus an additional \$1 million following delivery of a Carve-Out Trigger Notice (the “Carve-Out”). Interim Financing Order at pages 33-35.

21. Attached as Schedule “1” to the Interim Financing Order in a 13-week initial budget through the week ending February 3, 2024 (collectively, the “Budget”). The Budget does not include any line-items for the payment of post-petition utility charges. As such, it is not apparent

from the Budget whether sufficient funds have in fact been budgeted for the timely (and full) payment of the Debtors' post-petition utility charges.

The Debtors' Critical Vendor Motion

22. On the Petition Date, the Debtors filed the *Debtors' Emergency Motion For Entry of Interim and Final Orders (I) Authorizing the Debtors To Pay Certain Prepetition Claims of (A) Critical Vendors, (B) Lien Claimants, (C) Foreign Vendors, and (D) 503(b)(9) Claimants, (II) Confirming Administrative Expense Priority of Outstanding Orders, and (III) Granting Related Relief* (the "Critical Vendor Motion")(Docket No. 11). Through the Critical Vendor Motion, the Debtors sought authority to pay "Critical Vendor" claims of up to \$2.5 million on an interim basis and \$3.1 million on a final basis. Critical Vendor Motion at ¶ 9.

23. On November 10, 2023, the Court entered the *Interim Order (I) Authorizing the Debtors To Pay Certain Prepetition Claims of (A) Critical Vendors, (B) Lien Claimants, (C) Foreign Vendors, and (D) 503(b)(9) Claimants, (II) Confirming Administrative Expense Priority of Outstanding Orders, and (III) Granting Related Relief* (the "Interim Critical Vendor Order")(Docket No. 86). The Interim Critical Vendor Order authorized the Debtors to pay Trade Claims, including Critical Vendor Claims, in an aggregate amount not to exceed \$5.7 million. Interim Critical Vendor Order at ¶ 2.

24. The Debtors' claim in Paragraph 9 of the Utility Motion that "[t]he provision of uninterrupted Utility Services is essential to the Debtors' ongoing business operations." However, the Critical Vendor Motion does not reflect that the Debtors sought Court authority to pay prepetition utility charges.

Facts Regarding SES

25. SES provides natural gas and related services to the Debtors pursuant to a Gas Sales Agreement and related Transaction Confirmation (collectively, the “Gas Agreement”), which sets forth the terms and conditions concerning SES’s provision of natural gas and related services to the Debtors. SES has continued to provide the Debtors with natural gas and related services pursuant to the Gas Agreement since the Petition Date.

26. Pursuant to the Gas Agreement, the Debtors receive approximately one month of natural gas and related services before SES issues a bill. Once a bill is issued, the Debtors have approximately 15 days to pay the applicable bill. If the Debtors fail to timely pay a bill, a late fee may be subsequently imposed on the account. Accordingly, the Debtors could receive approximately 70 days of natural gas and related services before SES could terminate the Gas Agreement after a post-petition payment default.

27. SES held a prepetition cash deposit in the amount of \$50,000 that it intends to offset against unpaid prepetition charges once those charges are ascertained. If any of the foregoing cash deposit remains after satisfying the prepetition charges, that excess credit can be applied toward SES’s post-petition deposit request.

28. SES is requesting a 70-day cash deposit of \$58,000 as adequate assurance of payment from the Debtor, which is an amount it can obtain from the Debtors pursuant to the terms and conditions of the Gas Agreement.

Facts Regarding CERC

29. CERC provided the Debtors with prepetition utility goods and/or services and has continued to provide the Debtors with utility goods and/or services since the Petition Date.

30. Under CERC’s billing cycle, the Debtors receive approximately one month of utility goods and/or services before CERC issues a bill for such charges. Once a bill is issued, the Debtors have approximately 25 days to pay the applicable bill. If the Debtors fail to timely pay the bill, a past due notice is issued and, in most instances, a late fee may be subsequently imposed on the account. If the Debtors fail to pay the bill after the issuance of the past due notice, CERC issues a notice that informs the Debtors that it have at least 5 days (excluding Saturdays and Sundays) from the issuance of the notice to cure the arrearage or its service will be disconnected. Accordingly, under CERC’s billing cycle, the Debtors could receive approximately two months of unpaid charges before CERC could cease the supply of goods and/or services for a post-petition payment default.

31. In order to avoid the need to bring a witness and have lengthy testimony regarding CERC’s regulated billing cycle, CERC requests that this Court, pursuant to Rule 201 of the Federal Rules of Evidence, take judicial notice of CERC’s billing cycle. Pursuant to the foregoing request and based on the voluminous size of the applicable documents, CERC’s web site link to the following tariffs and/or state laws, regulations and/or ordinances are as follows:

CERC: <http://www.centerpointenergy.com/en-us/corporate/about-us/rates-tariffs>

32. Subject to a reservation of CERC’s right to supplement its post-petition deposit request if additional accounts belonging to the Debtors are subsequently identified, CERC’s estimated prepetition debt and post-petition deposit request is as follows:

<u>Utility</u>	<u>Number of Accounts</u>	<u>Est. Prepetition Debt</u>	<u>Deposit Request</u>
CERC	4	\$10,006.05	\$73,330 (2-month)

Discussion

A. THE UTILITY MOTION SHOULD BE DENIED AS TO THE UTILITIES.

Sections 366(c)(2) and (3) of the Bankruptcy Code provide:

(2) Subject to paragraphs (3) and (4), with respect to a case filed under chapter 11, a utility referred to in subsection (a) may alter, refuse, or discontinue utility service, if during the 30-day period beginning on the date of the filing of the petition, the utility does not receive from the debtor or the trustee adequate assurance of payment for utility service that is satisfactory to the utility;

(3)(A) On request of a party in interest and after notice and a hearing, the court may order modification of the amount of an assurance of payment under paragraph (2).

As stated by the Supreme Court of the United States, “[i]t is well-established that ‘when the statute’s language is plain, the sole function of the courts--at least where the disposition required by the text is not absurd--is to enforce it according to its terms.’” *Lamie v. United States Trustee*, 540 U.S. 526, 534, 124 S. Ct. 1023, 157 L. Ed. 2d 1024 (2004) (quoting *Hartford Underwriters Ins. Co. v. Union Planters Bank, N. A.*, 530 U.S. 1, 6, 120 S. Ct., 1942, 147 L. Ed. 2d 1 (2000)). See also *Rogers v. Laurain (In re Laurain)*, 113 F.3d 595, 597 (6th Cir. 1997) (“Statutes . . . must be read in a ‘straightforward’ and ‘commonsense’ manner.”). A plain reading of Section 366(c)(2) makes clear that a debtor is required to provide adequate assurance of payment satisfactory to its utilities on or within thirty (30) days of the filing of the petition. *In re Lucre*, 333 B.R. 151, 154 (Bankr. W.D. Mich. 2005). If a debtor believes the **amount** of the utility’s request needs to be modified, then the debtor can file a motion under Section 366(c)(3) requesting the court to modify the **amount** of the utility’s request under Section 366(c)(2).

In this case, the Debtors filed the Utility Motion to improperly shift the focus of their obligations under Section 366(c)(3) from modifying the amount of the adequate assurance of payment requested under Section 366(c)(2) to setting the form and the amount of the adequate assurance of payment acceptable to the Debtors. Accordingly, this Court should not reward the

Debtors for their failure to comply with the requirements of Section 366(c) and should deny the Utility Motion as to the Utilities.

1. The Debtors' Proposed Bank Account Is Not Relevant, And Even If It Is Considered, It Is Unsatisfactory Because It Does Not Provide the Utilities With Adequate Assurance of Payment.

This Court should not even consider the Bank Account as a form of adequate assurance of payment because: (1) It is not relevant because Section 366(c)(3) provides that a debtor can only modify “the amount of an assurance of payment under paragraph (2)”; and (2) The Bank Account is not even a form of adequate assurance of payment recognized by Section 366(c)(1)(A). Moreover, even if the Court were to consider the Bank Account, the Bank Account is an improper and otherwise unreliable form of adequate assurance of future payment for the following reasons:

1. Unlike the statutory approved forms of adequate assurance of payment, the Bank Account is not something held by the Utilities. Accordingly, the Utilities have no control over how long the Bank Account will remain in place.
2. To access the Bank Account, the Utilities have to incur the expense to draft, file and serve a default pleading with the Court and possibly litigate the demand if the Debtors refuse to honor a disbursement request.
3. It is underfunded from the outset because the Utilities issue monthly bills and by the time a default notice is issued the Debtors will have received approximately 60 days of commodity or service.
4. The Debtors may close the Bank Account before all post-petition utility charges are paid in full.

Accordingly, the Court should not approve the Bank Account as adequate assurance as to the Utilities because the Bank Account is: (a) not the **form** of adequate assurance requested by the Utilities; (b) not a form recognized by Section 366(c)(1)(A); and (c) an otherwise unreliable form of adequate assurance.

2. The Utility Motion Should Be Denied As To the Utilities Because the Debtors Have Not Set Forth Any Basis For Modifying the Utilities' Requested Deposits.

In the Utility Motion, the Debtors fail to address why this Court should modify the amounts of the Utilities' requests for adequate assurance of payment. Under Section 366(c)(3), the Debtors have the burden of proof as to whether the amounts of the Utilities' adequate assurance of payment requests should be modified. *See In re Stagecoach Enterprises, Inc.*, 1 B.R. 732, 734 (Bankr. M.D. Fla. 1979) (holding that the debtor, as the petitioning party at a Section 366 hearing, bears the burden of proof). However, the Debtors do not provide the Court with any evidence or factually supported documentation to explain why the amounts of the Utilities' adequate assurance requests should be modified. Accordingly, the Court should deny the relief requested by Debtors in the Utility Motion and require the Debtors to comply with the plain requirements of Section 366(c) with respect to the Utilities.

B. THE COURT SHOULD ORDER THE DEBTORS TO PROVIDE THE ADEQUATE ASSURANCE OF PAYMENT REQUESTED BY THE UTILITIES PURSUANT TO SECTION 366 OF THE BANKRUPTCY CODE.

Section 366(c) was amended to overturn decisions such as *Virginia Electric and Power Company v. Caldor, Inc.*, 117 F.3d 646 (2d Cir. 1997), holding that an administrative expense, without more, could constitute adequate assurance of payment in certain cases. Section 366(c)(1)(A) specifically defines the forms that assurance of payment may take as follows:

- (i) a cash deposit;
- (ii) a letter of credit;
- (iii) a certificate of deposit;
- (iv) a surety bond;
- (v) a prepayment of utility consumption; or
- (vi) another form of security that is mutually agreed upon between the utility and the debtor or the trustee.

Section 366 of the Bankruptcy Code was enacted to balance a debtor's need for utility services from a provider that holds a monopoly on such services, with the need of the utility to ensure for itself and its rate-paying customers that it receives payment for providing these essential

services. *See In re Hanratty*, 907 F.2d 1418, 1424 (3d Cir. 1990). The deposit or other security “should bear a reasonable relationship to expected or anticipated utility consumption by a debtor.” *In re Coastal Dry Dock & Repair Corp.*, 62 B.R. 879, 883 (Bankr. E.D.N.Y. 1986). In making such a determination, it is appropriate for the Court to consider “the length of time necessary for the utility to effect termination once one billing cycle is missed.” *In re Begley*, 760 F.2d 46, 49 (3d Cir. 1985).

The Utilities bill the Debtors on a monthly basis for the charges already incurred by the Debtors in the prior month. The Utilities then provide the Debtors with 15 to 250 days to pay the bill, the timing of which is set forth in applicable state laws, tariffs, regulations or contracts. Based on the foregoing state-mandated and contract-mandated billing cycles, the minimum period of time the Debtors could receive service from the Utilities before termination of service for non-payment of post-petition bills is approximately two (2) months. Moreover, even if the Debtors timely pay their post-petition utility bills, the Utilities still have potential exposure of approximately 60 or more days based on their billing cycles. Furthermore, the forms and amounts of the Utilities’ adequate assurance requests are the forms and amounts that the applicable public service commission, which is a neutral third-party entity, or contract, permit the Utilities to request from their customers. The Utilities are not taking the position that the cash deposits that they are entitled to obtain under applicable state law or contract are binding on this Court, but instead are introducing those forms and amounts as evidence of the forms and amounts that the applicable regulatory entity or contract permit the Utilities to request from their customers.

In contrast, the Debtors failed to address in the Utility Motion why this Court should modify, if at all, the amounts of the Utilities’ adequate assurance of payment requests, which is the Debtors’ statutory burden. Instead, the Debtors merely asked this Court to approve the

Adequate Assurance Account supposedly containing approximately two-weeks of the Debtors' utility charges. The Debtors did not provide an objective, much less an evidentiary, basis for their proposed adequate assurance in the form of the Bank Account. Moreover, in contrast to the improper treatment proposed to the Debtors' Utilities, the Debtors have made certain that supposed "critical vendors" and post-petition professionals are favored creditors over the Utilities by ensuring (i) the payment of critical vendors claims of up to \$2.5 million on an interim basis and an additional \$3.1 million on a final basis, and that (ii) the post-petition bills/expenses of Debtors' counsel are paid, even in the event of a post-petition default on the use of DIP financing and cash collateral, by obtaining a \$1 million professionals' carve-out for the payment of their fees/expenses after a default and a guarantee of payment for fees incurred up to a default. Despite the fact that the Utilities continue to provide the Debtors with admittedly essential post-petition utility goods/services on the same generous terms that were provided prepetition, with the possibility of non-payment, the Debtors are seeking to deprive the Utilities of any adequate assurance of payment for which they are entitled to for continuing to provide the Debtors with post-petition utility goods/services. Against this factual background, it is reasonable for the Utilities to seek and be awarded the full security they have requested herein.

WHEREFORE, the Utilities respectfully request that this Court enter an order:

1. Denying the Utility Motion as to the Utilities;
2. Awarding the Utilities the post-petition adequate assurance of payments pursuant to Section 366 in the amount and form satisfactory to the Utilities, which is the form and amount requested herein; and
3. Providing such other and further relief as the Court deems just and appropriate.

Dated: November __, 2023

/s/ Weldon L. Moore, III
Weldon L. Moore III, Esq. (TX 14380500)
Sussman & Moore, LLP
2911 Turtle Creek Blvd., Suite 1100
Dallas, Texas 75219
Telephone: (214) 378-8270
Facsimile: (214) 378-8290
E-mail: wmoore@csmlaw.net

and

Russell R. Johnson III, Esq.
Virginia State Bar No. 31468
John M. Craig
Virginia State Bar No. 32977
Law Firm of Russell R. Johnson III, PLC
2258 Wheatlands Drive
Manakin-Sabot, Virginia 23103
Telephone: (804) 749-8861
Email: russell@russelljohnsonlawfirm.com,
john@russelljohnsonlawfirm.com

*Co-Counsel for CenterPoint Energy Resources Corp. and
Symmetry Energy Solutions, LLC*

CERTIFICATE OF SERVICE

I hereby certify that on November __, 2023, a true and correct copy of the foregoing *Objection* was served via the Court's CM/ECF electronic notification system on all parties requesting same, and via email to the parties listed below.

Tom A. Howley
Eric Terry
HOWLEY LAW PLLC
711 Louisiana Street, Suite 1850
Houston, Texas 77002
Email: tom@howley-law.com, eric@howley-law.com
Debtors' Counsel

Sunny Singh
Nicholas E. Baker
Moshe A. Fink
Ashley M. Gherlone
SIMPSON THACHER & BARTLETT LLP
425 Lexington Avenue
New York, New York 10017
Email: Sunny.Singh@stblaw.com, NBaker@stblaw.com, Moshe.Fink@stblaw.co,
Ashley.Gherlone@stblaw.com
Debtors' Counsel

Andrew Jimenez
Jason B. Ruff
U.S. Department of Justice
United Trustee Program
515 Rusk Street, Suite 3516
Houston, Texas 77002
Email: andrew.jimenez@usdoj.gov, jayson.b.ruff@usdoj.gov

Brenda Lynn Funk
MUNSCH HARDT KOPF & HARR, P.C.
700 Milam Street, Suite 800
Houston, Texas 77002
Email: bfunk@munsch.com
Creditor Committee Counsel

/s/ Weldon L. Moore, III
Weldon L. Moore III, Esq.