

ENTERED

September 24, 2026

Nathan Ochsner, Clerk

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

IN RE:**ENTRUST ENERGY, INC.,¹****Debtors****CASE NO.: 21-31070****CHAPTER 11****Jointly Administered**

**STIPULATION AND AGREED ORDER RESOLVING DISTRIBUTION
AMOUNT AND DISMISSAL OF APPEAL**

This stipulation (the “Stipulation”) is entered into by and between (i) Anna Phillips, solely in her capacity as Liquidating Trustee (the “Trustee”) of the Entrust Liquidating Trust (the “Trust”), and (ii) Electric Reliability Council of Texas, Inc. (“ERCOT”, and jointly with the Trustee, the “Parties”).

RECITALS

1. **WHEREAS**, on March 30, 2021 (the “Petition Date”), Entrust Energy, Inc. and several of its affiliates (the “Debtors”), filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) with the United States Bankruptcy Court for the Southern District of Texas (the “Court”);

2. **WHEREAS**, on November 10, 2021, the Debtors filed the *Amended Joint Plan of Liquidation under Chapter 11 of the Bankruptcy Code of Entrust Energy, Inc. and Its Debtor Affiliates*, dated November 10, 2021 (the “Plan”);

¹ The Debtors in these chapter 11 cases that are subject to the Plan and the Trust Agreement 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.

3. **WHEREAS**, 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”);

4. **WHEREAS**, the Plan became effective on January 6, 2022 (the “Effective Date”);

5. **WHEREAS**, the Plan and Confirmation Order provide for the establishment of the Trust on the Effective Date according to the terms and conditions of the Liquidating Trust Agreement filed December 6, 2021 (the “Trust Agreement”), which designates Anna Phillips as Liquidating Trustee to administer the Trust;

6. **WHEREAS**, pursuant to the Plan and Trust Agreement, the Trust is responsible for the collection and liquidation of Trust Assets, which include the Trust Causes of Action, and to resolve claims and make distributions;

7. **WHEREAS**, ERCOT is a Texas nonprofit corporation that is certified by the Public Utility Commission of Texas (“PUC”) to serve as the independent system operator of the Texas electricity grid;

8. **WHEREAS**, ERCOT filed two proofs of claim in the Debtors’ cases arising from electrical power that was purchased from ERCOT by one or more of the Debtors proximate to the time of Winter Storm Uri in February 2021, as well as related charges: (i) Proof of Claim 107 in the Entrust Energy, Inc. chapter 11 case, asserting an unsecured claim for \$296,940,248.94 (“POC 107”); and (ii) Proof of Claim 108 in the Power of Texas Holdings, Inc. chapter 11 case, asserting an unsecured claim for \$1,453.01 (“POC 108,” and collectively with POC 107, the “ERCOT Proofs of Claim”);

9. **WHEREAS**, on February 4, 2022, the Trustee filed a complaint initiating Adversary Proceeding No. 22-03018, styled *Anna Phillips as Trustee for the Trust v. Electric Reliability Council of Texas* in the United States Bankruptcy Court for the Southern District of Texas (the “ERCOT Adversary Proceeding”), objecting to the ERCOT Proofs of Claim and requesting related relief;

10. **WHEREAS**, following a series of rulings and appeals, the ERCOT Adversary Proceeding is presently before the United States District Court for the Southern District of Texas (the “District Court”), by an appeal pending as Case No. 4:26-cv-02504 (the “District Court Appeal”);

11. **WHEREAS**, the Parties began a settlement dialogue relating to the ERCOT Proofs of Claim, the ERCOT Adversary Proceeding, and related matters (collectively, the “ERCOT Matters”) in connection with adversary proceeding, *Anna Phillips as Trustee for the Trust v. Shell Energy North America (US), L.P.*, Adv. Proc. No. 21-03930 (the “Shell Adversary Proceeding”), and in further response to an *Order Regarding Settlement and Mediation Discussions* entered by the Court in the Shell Adversary Proceeding on July 8, 2026, providing in material part:

ORDERED that Plaintiff and Shell will engage in settlement discussions, that Plaintiff and Shell may engage a mediator to assist with that process to occur, if at all, during August 2026, and that ERCOT is entitled to participate in any settlement discussions and/or such mediation, with the consent of all parties, during which it would have all protections that apply to a privileged settlement negotiation and/or mediation, specifically, but not limited to, with respect to its ongoing adversary proceeding No. 22-3018.

See Shell Adversary Proceeding, ECF No. 380;

12. **WHEREAS**, the Trustee and Shell Energy North America (US), L.P. (“Shell”) have reached a settlement of the Shell Adversary Proceeding (the “Shell

Settlement”), which was approved by the Court pursuant to Federal Rule of Bankruptcy Procedure 9019 by order dated September 1, 2026, ECF No. 390;

13. **WHEREAS**, as a result of such discussions, as of the date hereof, and subject to this Court’s approval, the Parties have formalized a settlement of the ERCOT Matters that confirms the distribution ERCOT will be entitled to receive in connection with its allowed Proofs of Claim, a stay of the District Court Appeal pending approval and effectiveness of this Stipulation, and the dismissal of the ERCOT Adversary Proceeding and, therewith, the District Court Appeal, following approval and effectiveness of this Stipulation;

NOW, THEREFORE, in consideration of the mutual promises, covenants, considerations, waivers, and releases set forth herein, the receipt and sufficiency of which are hereby acknowledged by each Party, each Party hereby agrees as follows:

1. Recitals. The recitals, terms and conditions of this Stipulation are fully incorporated herein by reference and made an express and integral part of this Stipulation.

2. ERCOT Claim and Distribution Amount. Subject to meeting the conditions of Section 5 hereof, the ERCOT Proofs of Claims shall be allowed, and distributions on account of the allowed ERCOT Proofs of Claim shall be made as follows:

a. Allowance of the ERCOT Proofs of Claim: The ERCOT Proofs of Claim shall be allowed in their filed amounts (the “Allowed Claim Amounts”) as follows:

i. POC 107 filed against Entrust Energy, Inc. in the amount of \$296,940,248.94.

ii. POC 108 filed against Power of Texas Holdings, Inc. in the amount of \$1,453.01.

b. ERCOT Claim Distribution: Notwithstanding the preceding allowance of the ERCOT Proofs of Claim, and as consideration for the terms of this Stipulation, the Parties stipulate and agree that the aggregate distribution ERCOT shall be entitled to receive from the Trust under the Plan and Confirmation Order on account of the allowed ERCOT Proofs of Claim will be reduced by six hundred thousand dollars (\$600,000) from the amount ERCOT would otherwise have been entitled to receive on account of the Allowed Claim Amounts under the Plan.

c. Verification. At least ten (10) days prior to making distributions to Beneficiaries (as such term is defined in the Trust Agreement) of the Trust, the Trustee will provide ERCOT a report showing the distributions to be made to the Beneficiaries and how such distributions were calculated to allow ERCOT to verify compliance with the Stipulation.

3. This Stipulation shall be contingent on and effective upon approval by the Court of this Stipulation by November 30, 2026 (the “Outside Date”).

4. Subject to meeting the conditions of Section 3 hereof, the Trustee and ERCOT shall execute and file such documents as necessary to obtain dismissal of the ERCOT Adversary Proceeding and District Court Appeal, as well as any further direct

appeal, if any, that may be ordered in the interim prior to the effectiveness of this Stipulation.

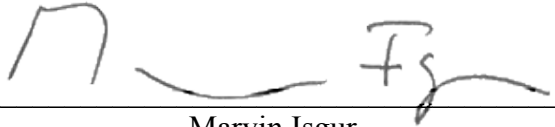
5. Given the potential resolution of all ERCOT Matters incorporated into this Stipulation, if requested in writing by ERCOT's counsel, the Parties agree to file such necessary documentation seeking to stay the District Court Appeal, and any direct appeal arising therefrom, pending approvals under Section 3 hereof until the Outside Date.

6. Notwithstanding any other provision of this Stipulation, in the event that approvals in Section 3 hereof are not received by the Outside Date, unless extended in writing by the Parties, this Stipulation shall be null and void *ab initio* and of no further force or effect, and the Parties shall be restored to the same respective positions they held as of date prior to the execution hereof, as if this Stipulation had never been executed and will have all rights and defenses that they did prior to the execution of this Stipulation. Under such circumstances, neither this Stipulation, nor any of its terms, nor any negotiations or proceedings relating to it, shall be admissible in evidence or used for any purpose in any proceeding, and none shall constitute an admission or waiver by any Party.

7. This Stipulation may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement to be effective, provided each of the Parties has executed and delivered, or caused to be delivered, to the other Party at least one counterpart of this Stipulation signed by that Party. Signatures delivered by electronic mail in portable document format, by electronic signature platform, or by other electronic means intended to preserve a record of execution shall be deemed effective as original signatures for all purposes.

8. This Stipulation contains the entire understanding of the Parties with respect to the matters addressed herein and therein and, except as set forth in this Stipulation, no representations, warranties or promises have been made or relied on by any Party. The Parties hereby submit to the jurisdiction of the United States Bankruptcy Court for the

Signed: September 24, 2026



Marvin Isgur
United States Bankruptcy Judge

9. Southern District of Texas with respect to interpretation and enforcement of this Stipulation.

Respectfully Submitted,

BAKER & HOSTETLER LLP

By: /s/ Jorian L. Rose

Jorian L. Rose (*admitted pro hac vice*)

jrose@bakerlaw.com

Esterina Giuliani (*admitted pro hac vice*)

egiuliani@bakerlaw.com

45 Rockefeller Plaza

New York, New York

Telephone: (212) 589-4200

Facsimile: (212) 589-4201

David J. Richardson (*admitted pro hac vice*)

drichardson@bakerlaw.com

Thomas Donaho

TX State Bar No. 24078435

tdonaho@bakerlaw.com

Aidan Slavin

TX State Bar No. 24121129

aslavin@bakerlaw.com

811 Main Street, Suite 1100

Houston, Texas 77002

Telephone: (713) 751-1600

Facsimile: (713) 751-1717

Elizabeth A. Green

Fed ID No. 903144

egreen@bakerlaw.com

Suite 2300

200 South Orange Avenue

Orlando, FL 32801-3432

Telephone: (407) 649-4000

Facsimile: (407) 841-0168

ATTORNEYS FOR ANNA PHILLIPS, as
trustee of the ENTRUST LIQUIDATING
TRUST.

MUNSCH HARDT KOPF & HARR, P.C.

By: /s/ Kevin M. Lippman

Kevin M. Lippman

Texas Bar No. 00784479

klippman@munsch.com

Jamil N. Alibhai

Texas Bar No. 00793248

jalibhai@munsch.com

4000 Ross Tower

500 N. Akard Street

Dallas, Texas 75201-6659

Telephone: (214) 855-7500

Facsimile: (214) 855-7584

COUNSEL FOR ELECTRIC
RELIABILITY COUNCIL OF TEXAS,
INC.

IT IS SO ORDERED.

Signed: _____, 2026

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE