

UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
ALEXANDRIA DIVISION

In re: )  
 ) Chapter 11  
 )  
ENVIVA INC., *et al.*,<sup>1</sup> ) Case No. 24-10453 (BKF)  
 )  
Debtors. ) (Jointly Administrated)  
 )  
 )  
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**OBJECTION OF COLUMBIA GAS OF VIRGINIA, INC.  
TO THE CURE OBLIGATIONS SET FORTH IN  
THE DEBTORS' SCHEDULE OF ASSUMED CONTRACTS**

Columbia Gas of Virginia, Inc. ("**Columbia Gas**"), by and through the undersigned counsel, hereby submits this objection (the "**Objection**") to the cure obligations set forth in the *Schedule of Assumed Contracts* filed on behalf of the above-captioned debtors (collectively, the "**Debtors**"). In further support of this Objection, Columbia Gas states the following:

**A. LEA/ATC AGREEMENTS**

1. Columbia Gas and Enviva Pellets, LLC f/k/a Enviva Pellets Southampton, LLC ("**Enviva Pellets**") are parties to a Commercial Line Extension Agreement (Threshold Use) dated

<sup>1</sup> A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' proposed claims and noticing agent at [www.veritaglobal.net/enviva](http://www.veritaglobal.net/enviva). The location of Debtors' corporate headquarters is 7500 Old Georgetown Road, Suite 1400, Bethesda, MD 20814.

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-and-

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Counsel for Columbia Gas of Virginia, Inc.



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on or about March 27, 2020 (the “**Line Extension Agreement**”), along with an accompanying Aid to Construction Agreement dated on or about March 27, 2020 (the “**ATC Agreement**” and, together with the Line Extension Agreement, the “**LEA/ATC Agreements**”).

2. Pursuant to the LEA/ATC Agreements, Columbia Gas agreed to construct and/or install certain system upgrades to allow for the provision of natural gas service to Enviva Pellets’ facility located at 26570 Rose Valley Road, Franklin, Virginia 23851 (the “**Franklin Facility**”) and to provide certain, specified quantities of natural gas to the Facility over a ten year period.

3. Pursuant to the LEA/ATC Agreements, Enviva Pellets is required to provide “adequate assurance” of its payment obligations under the LEA/ATC Agreements by causing either a letter of credit or a parent guaranty to be issued and continuously remain in place in favor of Columbia Gas.

4. In the event that Enviva Pellets fails to maintain such “adequate assurance,” the LEA/ATC Agreements—by their express terms—are automatically deemed “terminated.”

5. In order to satisfy its obligation to provide the above-described adequate assurance, Enviva Pellets caused its parent company, Enviva L.P. (“**Enviva LP**”), to issue a Guaranty dated March 24, 2020, in favor of Columbia Gas.

6. As more fully reflected in the Invoice dated April 3, 2024 attached hereto as **Exhibit A** and expressly incorporated herein by reference, there is an outstanding, past-due balance of \$78,869.95 owing by Enviva Pellets under the LEA/ATC Agreements.

#### **B. THE ENGINEERING SERVICES AGREEMENT**

7. Columbia Gas and Enviva, Inc. f/k/a Enviva Partners, LP (“**Enviva, Inc.**”) are parties to an Engineering Services Agreement dated as of September 10, 2018 (the “**Engineering Services Agreement**”).

8. Pursuant to the Engineering Services Agreement, Columbia Gas agreed to provide certain engineering services to and/or on behalf of Enviva, Inc. to facilitate the provision of natural gas to the Facility.

9. As more fully reflected in the Invoice dated April 11, 2024 attached hereto as **Exhibit B** and expressly incorporated herein by reference, there is an outstanding, past-due balance of \$41,267.68 owing by Enviva, Inc. to Columbia Gas under the Engineering Services Agreement.

### C. DEBTORS' SCHEDULE OF ASSUMED CONTRACTS

10. On October 23, 2024, the Debtors filed their *Notice of Filing of Plan Supplement for the Amended Joint Chapter 11 Plan of Reorganization of Enviva Inc. and Its Debtor Affiliates* (ECF No. 1251)(the “**Plan Supplement**”).

11. As part of their Plan Supplement, the Debtors included a *Schedule of Assumed Contracts*.

Debtor	Counterparty	Counter Party Address	Contract Description	Cure (USD)
Enviva Inc.	Columbia Gas of Virginia Inc	1809 COYOTE DRIVE, CHESTER, VA 23836	Engineering Service Agreement Dated: 09/10/2018	\$111,907.45
Enviva Pellets, LLC	Columbia Gas of Virginia Inc	1809 COYOTE DRIVE, CHESTER, VA 23836	Construction Agreement Dated: 03/13/2019	\$
Enviva Pellets, LLC	Columbia Gas of Virginia Inc	1809 COYOTE DRIVE, CHESTER, VA 23836	Commercial / Industrial Line Extension and Threshold Use Agreement 09/27/2019	\$

12. Upon information and belief, the first of the above-cited listing is in reference to the Engineering Services Agreement.

13. Upon information and belief and notwithstanding certain discrepancies in the dates listed by the Debtors, the second and third listings above appear to be in reference to the LEA/ATC Agreements.

#### **D. GROUNDS FOR OBJECTION**

12. Debtors' Schedule of Assumed Contracts significantly understates the cure amount rightfully owing to Columbia Gas under the parties' LEA/ATC Agreements.

13. Specifically, while the Debtors maintain that the cure amount owing to Columbia Gas in connection with the Enviva Pellet's proposed assumption of the LEA/ATC Agreements is \$0,00, Columbia Gas maintains that in accordance with the Invoice attached hereto as **Exhibit B**, the cure amount rightfully owing by Enviva Pellets under the LEA/ATC Agreements is \$78,869.95.

14. Additionally, Enviva Pellets cannot properly assume the LEA/ATC Agreements in accordance with the requirements of 11 U.S.C. §365(1)(A), without satisfying the "adequate assurance" obligations expressly set forth in the LEA/ATC Agreement. To do this, Enviva Pellets must either: (a) have Enviva LP reaffirm its Parent Guaranty; (b) have reorganized Enviva LP execute a new guaranty in favor of Columbia Gas; or (c) cause an appropriate letter of credit to be issued by an acceptable financial institution in favor of Columbia Gas.

#### **E. CONCLUSION**

15. On the basis of the foregoing, Columbia Gas maintains that there is good cause to sustain its Objection.

WHEREFORE, Columbia Gas of Virginia, Inc. respectfully requests that the Court enter an order (i) sustaining this Objection; and (ii) granting Columbia Gas such other and further relief as the Court deems just and proper.

Respectfully submitted,

/s/ Christian K. Vogel

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**Attorneys for Columbia Gas of Virginia, Inc.**

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on November 6, 2024, a true and correct copy of the foregoing pleading was served by electronic mail via the Court's Electronic Case Filing System to all parties authorized to receive electronic notice in this case.

/s/ Christian Vogel

Christian "Kirk" Vogel

# **EXHIBIT A**



\*\*\*\*INVOICE\*\*\*\*

To: Enviva Pellets Southampton, LLC  
7200 Wisconsin Ave., Suite 1000  
Bethesda, MD 20814

FOR: Enviva Pellets Southampton, LLC Natural Gas  
Threshold Agreement #1854700

DATE: April 3, 2024

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Commercial/Industrial Line Extension Agreement #1854700 for 26570 Rose Valley Road, Franklin, VA 23851 (copy enclosed) has been evaluated and the amount due is as follows:  
(Minimum transportation volume required: 409,968 Dths)

<u>Actual Usage</u>	<u>Through Billing Period</u>	<u>Amount Due</u>
182,546 Dths	12-31-2023	\$78,869.95

Please pay upon receipt of this invoice by remitting to:

Columbia Gas of Virginia, Inc.  
Attn: John Brunson  
290 W. Nationwide Blvd  
Columbus, OH 43215

If you have any questions concerning this invoice, please contact Chad Zanow at 757-788-6476 or [czanow@nisource.com](mailto:czanow@nisource.com).



## **EXHIBIT B**

Billing Statement For : ENVIVA PELLETS SOUTHAMPTON, LLC  
ACCOUNTS PAYABLE

Account Summary :	Previous Account Balance	\$33,037.50	
	Payments Received - Thank you	\$21,239.93	Credit
	Other Debits And Credits	\$21,239.93	
	Balance At Billing	\$33,037.50	
	Current Charges	\$8,230.18	
	Present Balance	\$41,267.68	

Amount Due	\$41,267.68
Please Pay Amount Due By	APR 30, 2024

GENERAL INFORMATION

For questions regarding your gas costs, gas deliveries, or gas supplier contract terms, please call your **Marketer**.  
To report a gas emergency or for questions about meter readings, consumption, or to disconnect/connect service, please call the Columbia Gas Customer Service Center at **1-800-543-8911**.  
For questions regarding your Delivery Service charges on this invoice or your Columbia Gas Delivery Service agreement, please call your **Columbia Representative - Chad Zanow at (757) 788-6476**.  
**Payment Options:** Columbia Gas accepts Debit/Credit Card Payments along with Electronic Check Payments through our Aviator website located at [www.ldcaviator.com](http://www.ldcaviator.com). Please contact the representative listed on your invoice for access information and details.  
**Your account reflects a past due balance of \$33,037.50.** To avoid collection activity and possible termination of service, please overnight the Past Due Amount to Columbia Gas of Virginia, Attention GTS Department, 400 White Clay Center Dr, Box 319, Newark, DE 19711.  
To learn more about applicable riders, go to [ColumbiaGasVA.com](http://ColumbiaGasVA.com).  
Information about Columbia Gas' **privacy practices** is available at [ColumbiaGasVA.com](http://ColumbiaGasVA.com).

CONSUMPTION SUMMARY

Current Month						
PCID Number	From MM-DD-YY	To MM-DD-YY	Total Consumption	Qualified Consumption	Trans. Credits	Tariff Consumption
21092206-001	03-01-24	03-12-24	4,469.0	4,469.0	4,469.0	0.0
			4,469.0	4,469.0	4,469.0	0.0

Please return payment coupon below with your payment to **COLUMBIA GAS**. If paying in person, please bring entire bill with you.

ENVIVA PELLETS SOUTHAMPTON, LLC  
26570 ROSE VALLEY RD  
FRANKLIN VA 23851

Columbia Gas of Virginia

P.O. Box 16581  
Columbus, OH 43216-6581

Pay This Amount

\$41,267.68

Past Due After

APR 30, 2024

Invoice Group

0002 1295  
000 000 2 3910

Make check payable to:

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ENVIVA PELLETS SOUTHAMPTON, LLC  
ACCOUNTS PAYABLE  
26570 ROSE VALLEY RD  
FRANKLIN VA 23851

0002129500000020000412676833950

COLUMBIA GAS  
PO BOX 70319  
PHILADELPHIA PA 19176-0319

0002129500000020000412676833950

RATE SCHEDULE INFORMATION

Nomination Group : 10794

PCID : 21092206-001 26570 Rose Valley Rd Franklin Va

Rate Schedule : TS2

	Rate	Quantity	Amount
Fixed Charges			
Customer Charge	3,618.4700		\$3,618.47
All Applicable Riders	1,379.0900		\$1,379.09
Transportation Charges			
Base Rate			
First 20,000 Dth	0.53920	4,469.0	\$2,409.68
Next 80,000 Dth	0.29980	0.0	\$0.00
Over 100,000 Dth	0.26510	0.0	\$0.00
Standby Demand			
All Gas (Dth)	11.82000	0.0	\$0.00
Standby Commodity			
All Gas (Dth)	1.82000	0.0	\$0.00
Other Charges			
Banking & Balance Tolerance Charges (Dth)	0.02630	4,469.0	\$117.53
Rate Schedule TS2 Total			\$7,524.77
Taxes			
Isle of Wight Utility Service			\$200.00
Natural Gas Consumption Tax			\$9.85
PCID 21092206-001 Total			\$7,734.62
Nomination Group 10794 Total			\$7,734.62

Late Payment Charge \$495.56

Current Charges Total \$8,230.18

DISBURSEMENT TRANSACTION REGISTER

PCID Number	Source	Allocated Quantity (Dth)	Retained Quantity (Dth)	Net Available Quantity (Dth)	Disbursed Quantity (Dth)
21092206-001	INTER : TCO	4,514.1	45.1	4,469.0	4,469.0
	Total	4,514.1	45.1	4,469.0	4,469.0
Source Total	INTER : TCO	4,514.1	45.1	4,469.0	4,469.0

METER SUMMARY INFORMATION - PCID 21092206 001

Service Number	Billing Period		Days	Meter Readings		Meter Registration Mcf	Delivered Consumption Dth
	From MM-DD-YY	To MM-DD-YY		Previous	Current		
501122766	03-11-24	03-12-24	1	0.0	0.0	24.0	406.0
Total Consumption						24.0	406.0

Retain this page for your records.

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P.O. Box 16581  
Columbus, OH 43216-6581

Billing Statement For: ENVIVA PELLETS SOUTHAMPTON, LLC  
ACCOUNTS PAYABLE

Invoice Group Number  
00021295 000 000 2

GTS INVOICE FOR MARCH 2024

DAILY METER INFORMATION - PCID 21092206 001											
Service Address 26570 ROSE VALLEY RD FRANKLIN VA 23851-5127				Station Number 849436-01				Service Number 501122766			
From Date MM-DD:HH	To Date MM-DD:HH	Temp	Press	Index Reading	Meter Registration	Grav	Pressure Factor	Temp Factor	FPV2	Btu Factor	Delivered Quantity (Dth)
03-11:10	03-11:10	57	222.5	0.0	24.0	0.000	-	-	-	1.0537	=
	03-12:10			0.0							406.0
											406.0

CONTRACT SUMMARY INFORMATION							
PCID Number	Service Address	Annual Quantity (Dth)	Max Day (Dth)	Bank Tolerance (%)	Bank Tolerance (Dth)	Daily Standby Service Qty (Dth)	Daily Firm BBS Quantity (Dth)
21092206-001	26570 Rose Valley Rd Franklin Va	310,250.0	985.0	5.0	15,513.0	0.0	0.0
		310,250.0	985.0		15,513.0	0.0	0.0

LEGAL INFORMATION

WE'RE ALWAYS READY TO HELP

The telephone number you need to call if you have a question or concern about your account is shown on your bill.

A variety of brochures are available by mail on subjects such as; customer services, safety, bill explanation, gas use and conservation. We also have speakers available to talk to groups and schools.

FOR YOUR SAFETY

Make sure your gas appliances are properly installed and adjusted. Check venting systems. Call a qualified service company for needed repairs.

Our employees carry photo identification. Ask to see it when someone comes to your door. If you doubt the person is a gas employee, please call our office to verify the identity.

We add a distinctive odor to natural gas for your safety. When you smell it:

1) Leave the building... immediately! Don't light matches or flip an electrical switch.

2) Call the gas company's 24-hour emergency service from a telephone other than your own.

**Call Before You Dig** - If you're planning a home construction or landscaping project, always CARE before you dig. Call Miss Utility at 811 at least 72 hours before you start to dig. A representative will mark the approximate location of underground utility lines on your property.

UNDERSTANDING YOUR BILL

**Customer Charge** - A monthly charge to cover such company costs as keeping up our gas lines to serve you, meter reading, and billing.

**Mcf** - a measure of gas usage and shall mean one thousand (1,000) cubic feet of gas.

**Gas Usage** - Your gas bill is calculated in dekatherms. One dekatherm is equivalent to 1,000,000 Btus.

PAYMENT OPTIONS

**Automatic Payment Service** - You may have an authorized payment of your bill by a third party. You are responsible for all amounts due in the event of non-payment by your third party designee.

**Payment Extensions** - If you have problems, contact us for special payment arrangements. We can give you the names of agencies that may be able to help you pay your gas bill.

Retain this page for your records.

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Columbia Gas  
of Virginia

P.O. Box 16581  
Columbus, OH 43216-6581