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*Counsel to the Debtors and Debtors in Possession*

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

In re:	)	
	)	Chapter 11
ENVIVA INC., <i>et al.</i> ,	)	
	)	Case No. 24-10453
Debtors. <sup>1</sup>	)	
	)	(Jointly Administered)

**ORDER (I) AUTHORIZING REJECTION OF  
 A CERTAIN CONTRACT, (II) SPECIFYING THE REJECTION DAMAGES  
 THERETO, (III) APPROVING THE COMPREHENSIVE FACILITY  
 SETTLEMENT, AND (IV) GRANTING RELATED RELIEF**

Upon the Motion<sup>2</sup> filed by the above-referenced debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (the “Order”) (a) authorizing rejection of the MS Electric Contract, (b) specifying the rejection damages agreed to by EVA Pellets and MS Power resulting therefrom, (c) authorizing and approving the Debtors’ direction and use of the Cash Collateral currently held by Liberty Mutual in accordance with the Cash Collateral Authorized Transfer and the Comprehensive Facility Settlement to satisfy the Stipulated MS Power Claim,

<sup>1</sup> Due to the large number of Debtors in these jointly administered chapter 11 cases, a complete list of the Debtor entities and the last four digits of their federal tax identification numbers is not provided herein. A complete list may be obtained on the website of the Debtors’ claims and noticing agent at <https://www.veritaglobal.net/enviva>. The location of the Debtors’ corporate headquarters is: 7500 Old Georgetown Road, Suite 1400, Bethesda, MD 20814.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meaning set forth in the Motion.



(d) authorizing the cancellation and release of the Surety Bond required pursuant to the terms of the MS Electric Contract, (e) authorizing the cancellation and release of the Indemnity Agreement and Cash Pledge Agreement by and between Enviva and Liberty Mutual; (f) disallowing the Proofs of Claims filed by Liberty Mutual, (g) approving the Mutual Releases among and between the Debtors, MS Power, and Liberty Mutual, and (h) granting related relief, all as more fully set forth in the Motion; and the Court having jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference from the United States District Court for the Eastern District of Virginia*, dated August 15, 1984; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and that the Court may enter a final order consistent with Article III of the United States Constitution; and the Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing, if any, before this Court; and this 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 FOUND, DETERMINED, AND CONCLUDED THAT:**<sup>3</sup>

A. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), and to any extent necessary under Bankruptcy Rule 9014 and Federal Rule of Civil Procedure 54(b), as made applicable by Bankruptcy Rule 7054, there is no just reason for delay in the implementation of this Order or entry of judgment as set forth herein.

B. The Comprehensive Facility Settlement was proposed, negotiated, and entered into by the Parties and each of their applicable members, officers, directors, employees, agents, attorneys, advisors, and representatives at arm's length, in good faith, and without collusion or fraud. The terms and conditions set forth in the Motion and the Comprehensive Facility Settlement (as defined and set forth therein) are fair and reasonable under the circumstances and are not being entered into for the purpose of nor do they have the effect of hindering, delaying, or defrauding any of the Debtors or any of their creditors under any applicable law. The consideration to be exchanged by the Parties under the Comprehensive Facility Settlement constitutes fair and reasonable consideration, reasonably equivalent value, and fair and adequate consideration.

C. The Comprehensive Facility Settlement (a) satisfies the standards applied by bankruptcy courts for the approval of a compromise and settlement pursuant to Bankruptcy Rule 9019, (b) is reasonable, fair, and equitable and supported by adequate consideration, and (c) is in the best interests of the Debtors, their estates, their creditors, and all other parties in interest. Performance under the Comprehensive Facility Settlement represents the reasonable exercise of sound and prudent business judgment by the Debtors.

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<sup>3</sup> Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact, pursuant to Rule 7052 of the Bankruptcy Rules.

**BASED ON THE FOREGOING, IT IS HEREBY ORDERED THAT:**

1. The Motion is granted to the extent set forth herein.
2. All objections to the Motion or the relief requested therein, if any, that have not been withdrawn, waived, or settled, and all reservations of rights included therein are overruled with prejudice.
3. The MS Electric Contract, including, to the extent applicable, any and all related exhibits, confirmations, agreements, amendments, or modifications thereto, is hereby rejected, effective as of the entry of this Order.
4. The Proofs of Claims, as defined in the Motion, that were filed by Liberty Mutual against the Debtors are deemed disallowed.
5. The Comprehensive Facility Settlement is approved in accordance with the terms described in the Motion pursuant to sections 105(a) and 363 of the Bankruptcy Code and Bankruptcy Rule 9019, including the Mutual Releases among and between the Parties and the Parties' agreement that the Surety Bond and Indemnity Agreement, including, as to each as applicable, any and all related exhibits, confirmations, agreements, amendments, or modifications thereto, are hereby canceled and released, effective as of the entry of the Order.
6. Except as set forth herein, any claims and causes of action against the Debtors, MS Power, and/or Liberty Mutual related to the MS Electric Contract, rejection of the MS Electric Contract, the Surety Bond, the Indemnity Agreement, the Cash Pledge Agreement, the Cash Collateral, and/or Cash Collateral Authorized Transfer shall be extinguished upon satisfaction of the Stipulated MS Power Claim.
7. The Debtors are authorized to take any and all actions necessary and appropriate to consummate the Comprehensive Facility Settlement and effectuate the relief granted pursuant to

this Order, including, without limitation, executing and delivering any documents, agreements, or instruments, as may be necessary or appropriate to implement the Comprehensive Facility Settlement, without further order of the Court.

8. This Order and the Comprehensive Facility Settlement, subject to the satisfaction or waiver of the conditions precedent therein in accordance with its terms, shall be binding on the Debtors, MS Power, and Liberty Mutual, any of the foregoing Parties' successors and/or assigns, and all other creditors and parties in interest in these Chapter 11 Cases (including, without limitation, any trustee, statutory committee or non-statutory committee, or examiner appointed in these Chapter 11 Cases or any chapter 7 trustee, or any other person, party, or entity, in any jurisdiction anywhere in the world, directly or indirectly).

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

10. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

11. The requirement under Local Rule 9013-1(G) to file a memorandum of law in connection with the Motion is waived.

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

13. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: Dec 9 2024  
Alexandria, Virginia

/s/ Brian F Kenney  
UNITED STATES BANKRUPTCY JUDGE

Entered On Docket: Dec 10 2024

WE ASK FOR THIS:

/s/ Jeremy S. Williams

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*Counsel for Liberty Mutual Insurance Company*

**CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)**

Pursuant to Local Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Jeremy S. Williams