

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

Optim Energy, LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 14-10262 (BLS)

(Jointly Administered)

**Hearing Date: February 4, 2015 at
11:00 a.m. (ET)**

**Objections Due: January 28, 2015 at
4:00 p.m. (ET)**

**DEBTORS' THIRD MOTION FOR ENTRY OF AN ORDER PURSUANT TO
SECTION 1121(d) OF THE BANKRUPTCY CODE EXTENDING THE DEBTORS'
EXCLUSIVE PERIODS TO FILE AND SOLICIT VOTES ON CHAPTER 11 PLANS**

Optim Energy, LLC ("*Optim Energy*") and its affiliated debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "*Debtors*") hereby submit this motion (the "*Motion*") for entry of an order, substantially in the form attached hereto as **Exhibit A** (the "*Order*"), pursuant to section 1121(d) of title 11 of the United States Code (the "*Bankruptcy Code*"), extending the periods by approximately 120 days during which the Debtors have the exclusive rights: (i) to file chapter 11 plans (the "*Exclusive Filing Period*"), through and including June 9, 2015; and (ii) to solicit acceptances thereof (the "*Exclusive Solicitation Period*" and, together with the Exclusive Filing Period, the "*Exclusive Periods*"), through and including August 10, 2015. In support of this Motion, the Debtors respectfully represent:

¹ The Debtors in these chapter 11 cases are: Optim Energy, LLC; OEM 1, LLC; Optim Energy Cedar Bayou 4, LLC; Optim Energy Altura Cogen, LLC; Optim Energy Marketing, LLC; Optim Energy Generation, LLC; Optim Energy Twin Oaks GP, LLC; Optim Energy Twin Oaks, LP. The Debtors' main corporate and mailing address for purposes of these chapter 11 cases is: c/o Competitive Power Ventures, Inc., 8403 Colesville Road, Suite 915, Silver Spring, MD 20910.

Preliminary Statement

1. By this Court's *Second Order Pursuant to Section 1121(d) of the Bankruptcy Code Extending the Debtors' Exclusive Periods to File and Solicit Votes on Chapter 11 Plans* (D.I. 632) (the "**Second Exclusivity Order**"), the current Exclusive Filing Period under section 1121(b) of the Bankruptcy Code extends through and including February 9, 2015, and the current Exclusive Solicitation Period under section 1121(c)(3) of the Bankruptcy Code extends through and including April 10, 2015, absent further orders of this Court.

2. The Debtors respectfully submit sufficient cause exists for the further extension of the Exclusive Periods by approximately 120 days. Since entry of the Second Exclusivity Order, the Debtors have devoted significant resources and efforts to, among other things, formulating potential restructuring strategies for the Debtors' remaining principal assets, their interests in the Cedar Bayou Plant and the Altura Cogen Plant (together, the "**Gas Plant Portfolio**"), including the potential sale of the Gas Plant Portfolio under a chapter 11 plan of reorganization. The Debtors commenced a full marketing process for the Gas Plant Portfolio in November 2014, from which several interested parties submitted proposals to purchase the Debtors' assets. The Debtors are in the midst of evaluating these proposals and engaging in further diligence discussions with certain parties, which will take additional time before coming to full conclusion, and will determine the final terms of any plan(s) the Debtors will file.

3. In addition, extension of the Exclusive Periods is a condition to obtaining an extension of the DIP Facility, which otherwise matures on February 12, 2015. The Debtors are currently in discussions with the DIP Lender regarding the initial three-month extension (to May 12, 2015) contemplated by the DIP Facility. To the extent that the requested exclusivity

extension is granted, the DIP Lender has agreed to consent to the three-month extension of the maturity date (as contemplated in the DIP Credit Agreement).

4. Given the need to extend the DIP Facility and the amount of work in front of the Debtors over the next several months to bring their reorganization initiatives to conclusion, the Debtors respectfully submit that cause exists pursuant to section 1121(d) of the Bankruptcy Code to extend the Exclusive Periods through and including June 9, 2015 and August 10, 2015, respectively.

Jurisdiction

5. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

6. Venue in this Court is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

7. The basis for the relief requested herein is section 1121(d) of the Bankruptcy Code and Rule 9006-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "***Local Rules***").

Background

8. On February 12, 2014 (the "***Petition Date***"), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.

9. The Debtors are power plant owners principally engaged in the production of energy in Texas' deregulated energy market through two natural gas-fired power plants. The depressed and changing economic environment of the electric power industry and the Debtors' continuous liquidity constraints ultimately culminated in aggregated and continuing losses requiring the Debtors to file voluntary petitions under the Bankruptcy Code.

10. The Debtors' cases are consolidated for procedural purposes only. The Debtors continue to operate their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. No trustee, examiner, or official committee of unsecured creditors has been appointed in the Debtors' cases.

11. A full description of the Debtors' business, corporate structure, prepetition indebtedness, and events leading to these chapter 11 cases is set forth in the *Declaration of Nick Rahn, Chief Executive Officer of Optim Energy, LLC, in Support of Chapter 11 Petitions and First Day Pleadings* (D.I. 4) (the "**First Day Declaration**"),² which was filed on the Petition Date and incorporated herein by reference.

Relief Requested

12. By this Motion, the Debtors respectfully request entry of the Order, substantially in the form attached hereto as **Exhibit A**, pursuant to section 1121(d) of the Bankruptcy Code, extending: (a) the Exclusive Filing Period through and including June 9, 2015; and (b) the Exclusive Solicitation Period through and including August 10, 2015.³ The Debtors reserve their right to request further extensions of the Exclusive Periods pursuant to section 1121(d) of the Bankruptcy Code.

Basis for Relief

13. The Exclusive Periods under sections 1121(b) and 1121(c)(3) of the Bankruptcy Code are intended to afford a debtor the opportunity to propose a chapter 11 plan and to solicit acceptances of such a plan without the disruption to a debtor's business operations caused by

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the First Day Declaration.

³ By the Second Exclusivity Order, the Exclusive Solicitation Period is currently extended through and including April 10, 2015. One hundred and twenty (120) days from April 10, 2015 is actually Saturday, August 8, 2015. Pursuant to Fed. R. Civ. P. 6(a)(1)(C), made applicable in these cases by Fed. R. Bankr. P. 9006, when the last day of a period is a Saturday, Sunday or legal holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday or legal holiday.

competing plans from non-debtor parties. "[T]he point of exclusivity is to promote an environment in which the debtor's business may be rehabilitated and a consensual plan may be negotiated." *In re Burns & Roe Enters., Inc.*, CIV.A. 05-2529 (KSH), 2005 WL 6289213, *4 (D.N.J. Nov. 2, 2005) (quoting H.R. Rep. No. 103-835, at 36 (1994), *reprinted in* 1994 U.S.C.C.A.N. 3340, 3344)). Section 1121(b) of the Bankruptcy Code provides for an initial period of 120 days after the commencement of a chapter 11 case during which a debtor has the exclusive right to propose and file a plan. *See* 11 U.S.C. § 1121(b). Section 1121(c)(3) of the Bankruptcy Code provides that if a debtor proposes and files a plan within the initial 120-day exclusive period, the debtor then has until 180 days after the commencement of the chapter 11 case to solicit and obtain acceptances of such plan. *See id.* § 1121(c)(3).

14. However, pursuant to section 1121(d)(1) of the Bankruptcy Code, "on request of a party in interest made within the respective periods specified in subsections (b) and (c) of this section and after notice and a hearing, the court may for cause reduce or increase the 120-day period or the 180-day period referred to in this section." 11 U.S.C. § 1121(d)(1). Such extensions are capped, however, by section 1121(d)(2) of the Bankruptcy Code, which limits any extension of the exclusive filing period to 18 months after the chapter 11 filing and any extension of the exclusive solicitation period to 20 months after the chapter 11 filing. *See id.* § 1121(d)(2)(A)-(B). By this Motion, the Debtors seek an extension of the Exclusive Periods within the maximum allowable under section 1121(d)(2) of the Bankruptcy Code.

15. The decision to extend exclusive filing and solicitation periods is left to the sound discretion of the bankruptcy court and should be based on the facts and circumstances of each particular case. *See, e.g., First Am. Bank of New York v. Sw. Gloves & Safety Equip., Inc.*, 64 B.R. 963, 965 (D. Del. 1986); *see also In re Dow Corning Corp.*, 208 B.R. 661, 664 (Bankr.

E.D. Mich. 1997); *In re Express One Int'l, Inc.*, 194 B.R. 98, 100 (Bankr. E.D. Tex. 1996); *In re McLean Indus., Inc.*, 87 B.R. 830, 834 (Bankr. S.D.N.Y. 1987); *In re Reetz*, 61 B.R. 412, 414 (Bankr. W.D. Wis. 1986). Although the Bankruptcy Code does not define the term "cause," the legislative history indicates that it is to be viewed flexibly "in order to allow the debtor to reach an agreement." H.R. Rep. 95-595, at 232 (1977), *reprinted in* 1978 U.S.C.C.A.N. 5963, 6191; *see also In re Public Serv. Co. of N.H.*, 88 B.R. 521, 534 (Bankr. D.N.H. 1988) ("[T]he legislative intent . . . [is] to promote maximum flexibility to suit various types of reorganization proceedings."). To facilitate this legislative intent, a debtor should be given a reasonable opportunity to negotiate an acceptable plan with creditors and to prepare adequate financial and nonfinancial information concerning the ramifications of any proposed plan for disclosure to creditors. *See, e.g., McLean*, 87 B.R. at 833-34; *see also In re Geriatrics Nursing Home, Inc.*, 187 B.R. 128, 133 (D.N.J. 1995); *In re Texaco, Inc.*, 76 B.R. 322, 327 (Bankr. S.D.N.Y. 1987).

16. In exercising their discretion to extend exclusivity, courts consider a variety of factors including: (a) the size and complexity of the case; (b) the necessity of sufficient time to negotiate and prepare adequate information; (c) whether the debtor is paying its debts as they come due; (d) whether creditors are prejudiced by the extension; (e) whether the debtor has demonstrated reasonable prospects for filing a viable plan; (f) whether the debtor has made progress negotiating with creditors; (g) the length and time a case has been pending; (h) whether the debtor is seeking an extension to pressure creditors; and (i) whether or not unresolved contingencies exist. *See, e.g., In re Adelpia Commc'ns Corp.*, 336 B.R. 610, 674 (Bankr. S.D.N.Y. 2006) (citing *Dow Corning*, 208 B.R. at 664), *aff'd*, 342 B.R. 122 (S.D.N.Y. 2006); *see also In re Cent. Jersey Airport Servs., LLC*, 282 B.R. 176, 183 (Bankr. D.N.J. 2002).

17. When a court considers the enumerated factors in deciding whether to grant an exclusivity extension, it is not limited to the task of counting factors. *Dow Corning*, 208 B.R. at 669. Not all factors are relevant to every case and courts tend to use a more specific subset of the above factors to determine whether cause exists to grant an exclusivity extension in a particular chapter 11 case. *See, e.g., Express One Int'l*, 194 B.R. at 100 (identifying four of the factors as relevant in determining whether "cause" exists to extend exclusivity); *see also Texaco*, 76 B.R. at 327 (finding size and complexity of cases sufficient to extend exclusivity); *In re United Press Int'l, Inc.*, 60 B.R. 265, 269 (Bankr. D.D.C. 1986) (finding debtor showed "cause" to extend exclusivity based upon three of the factors); *In re Pine Run Trust, Inc.*, 67 B.R. 432, 435 (Bankr. E.D. Pa. 1986) (relying on two factors in holding that cause existed to extend exclusivity).

Cause Exists to Extend the Exclusive Periods

18. As set forth below, each of the relevant factors weighs in favor of finding "cause" to extend the Exclusive Periods by approximately another 120 days.

A. The Debtors' Chapter 11 Cases Are Complex.

19. Both Congress and the courts have recognized that the size and complexity of a debtor's case alone may constitute cause for the extension of a debtor's exclusive period to file a plan and the period to solicit acceptances of such a plan. The legislative history provides that "if an unusually large company were to seek reorganization under chapter 11, the court would probably need to extend the time in order to allow the debtor to reach an agreement." H.R. Rep. 95-595, at 232 (1977), *reprinted in* 1978 U.S.C.C.A.N. 5963, 6191. In fact, the size and complexity of a chapter 11 case is the basis upon which courts most commonly grant extensions. *See, e.g., Express One Int'l*, 194 B.R. at 100 ("The traditional ground for cause is the large size of

the debtor and the concomitant difficulty in formulating a plan of reorganization." (citing *Pine Run Trust*, 67 B.R. at 435)); *see also Texaco*, 76 B.R. at 326 ("The large size of the debtor and the consequent difficulty in formulating a plan of reorganization for a huge debtor with a complex financial structure are important factors which generally constitute cause for extending the exclusivity periods."(citations omitted)).

20. These chapter 11 cases involve eight Debtors with significant assets, substantial secured debt and myriad unsecured creditors. The sale of the Twin Oaks Plant closed on October 14, 2014, and the Debtors are seeking to negotiate a sale of the Gas Plant Portfolio through a chapter 11 plan of reorganization. The sale processes alone, and the resultant negotiations with Cascade and other interested parties, are a bellwether of the innate complexity of the Debtors' chapter 11 cases. The Debtors respectfully submit the requested extension of the Exclusive Periods is warranted based on this factor.

B. The Debtors Are Making Good Faith Progress In These Chapter 11 Cases.

21. The Debtors have made substantial good faith progress in these chapter 11 cases already, and they continue to work diligently each day to move these chapter 11 cases towards a successful resolution. After closing on the sale of the Twin Oaks Plant in the fourth quarter last year, the Debtors began to formulate potential restructuring strategies for their Gas Plant Portfolio, and have embarked on a sale process that the Debtors would seek to bring to conclusion in the coming months. The Debtors have drafted a chapter 11 plan incorporating a potential sale, which will be filed if a potential purchaser is identified. The second round bid deadline is this month, which may yield multiple offers from potential bidders. If so, the Debtors hope to identify a potential purchaser as soon thereafter as possible, finalize the terms of the sale and file a plan of reorganization with the Court in the coming months. If not, the Debtors will

engage in further discussions with the DIP Lender regarding reorganization strategies, and the Debtors expect to be able to file a plan of reorganization with the Court by the end of the requested 120-day extension.

22. Meanwhile, the Debtors continue to dedicate time and effort to other administrative matters, including, but not limited to claims reconciliation, negotiating with landlords to extend the applicable deadlines to assume or reject leases of nonresidential real property, monthly operating reports and other reporting obligations. The Debtors are also engaged in the appellate process with Walnut Creek; oral argument on Walnut Creek's appeal from this Court's *Order* (D.I. 289) regarding Walnut Creek's motion for standing to commence and prosecute certain claims on behalf of the Debtors' estates is scheduled to occur before Judge Stark on February 10, 2015.

23. In light of this progress, the Debtors submit they have worked diligently and in good faith towards an expeditious resolution of these chapter 11 cases, favoring the Debtors' requested extension of the Exclusive Periods.

C. Little Time Has Elapsed In These Chapter 11 Cases.

24. As of the date of this Motion, the Debtors have been in bankruptcy approximately one year. The Debtors have used this time effectively to negotiate with their creditors (discussed below), successfully close on the sale of a major asset (the Twin Oaks Plant), embark on a sale process for their remaining principal assets (the Gas Plant Portfolio), and draft a chapter 11 plan of reorganization, among many other major endeavors. While the Debtors have made meaningful progress, there is work left to be done—in particular regarding finalizing the chapter 11 plan based on the ultimate restructuring strategy for the Debtors' Gas Plant Portfolio. Given

the Debtors' significant achievements in these cases to date, the Debtors respectfully submit this factor weighs in favor of an extension of the Exclusive Periods.

D. The Debtors Have Had Insufficient Time To Negotiate A Plan Of Reorganization.

25. Congress intended a debtor's exclusivity period "to provide for an opportunity for the debtor to negotiate with its constituents and reach a consensual plan, a successful plan." *In re Innkeepers USA Trust*, 442 B.R. 227, 234 (Bankr. S.D.N.Y. 2010). Based on the foregoing discussion, there should be little doubt that the Debtors require additional time to finalize their restructuring strategy for the Gas Plant Portfolio prior to finalizing and filing a chapter 11 plan in these cases. This factor surely weighs in favor of the requested extension.

E. The Requested Extension Will Not Harm Creditors.

26. An extension of the Exclusive Periods will not harm creditors, particularly where the Debtors are meeting all administrative obligations as they come due. To the contrary, allowing the Exclusive Periods to lapse now would defeat the very purpose of section 1121 and deprive the Debtors of the benefit of a meaningful and reasonable opportunity to negotiate, propose and confirm a plan of reorganization. The Debtors will use the requested extension to finalize their restructuring strategy for the Gas Plant Portfolio, reconcile their claims and other obligations, and finalize a chapter 11 plan through negotiation with Cascade and other key constituents. In addition, as noted, extending the Exclusive Periods is a condition to obtaining an extension of the DIP Facility. The DIP Facility matures on February 12, 2015 unless the Debtors can obtain the initial three-month extension (to May 12, 2015) contemplated by the DIP Facility. Affording the Debtors ample time to complete their reorganization is in the best interests of all creditors of these estates. This factor warrants extension of the Exclusive Periods.

F. The Debtors Are Paying Their Debts As They Come Due.

27. The Debtors have, and intend to continue, to meet their postpetition obligations to operate their business in the ordinary course. The requested extension of the Exclusive Periods will not harm the many creditors and other parties with which the Debtors transact business, and in fact is necessary to obtain an extension of the Debtors' postpetition financing that will provide the Debtors the liquidity to continue operating in the ordinary course. This factor weighs in favor of the requested extension of the Exclusive Periods.

G. The Debtors Have Reasonable Prospects For Filing A Viable Plan.

28. As described above, the Debtors have begun to formulate a potential restructuring strategy for the Gas Plant Portfolio, the results of which will dictate the terms of the chapter 11 plan the Debtors will file in these cases. Without an extension of the Exclusive Periods, another party in interest could use the opportunity to file a competing plan—even a truly unworkable plan—to interrupt the Debtors' sale efforts during this critical juncture in the cases and merely to gain unfair leverage over the Debtors by forcing the Debtors to devote substantial time, money and human resources to defeat such a plan. The Debtors respectfully submit they have a reasonable prospect of filing a viable chapter 11 plan in due course if afforded the requested extension of the Exclusive Periods.

H. The Debtors Have Made Progress Negotiating With Their Creditors.

29. Since the Petition Date, the Debtors have devoted significant resources and efforts negotiating with their creditors. This has resulted in, among other things, the Debtors: (a) reaching a settlement agreement with Robertson County regarding the appraised value of the Twin Oaks Plant for purposes of assessing taxes for the 2013 and 2014 tax years (D.I. 341); (b) completing the successful marketing and sale of the Twin Oaks Plant, which closed on October 14, 2014; (c) reviewing executory contracts and leases, resulting in this Court's entry of

an order authorizing the Debtors, effective as of the closing of the sale of the Twin Oaks Plant, to reject (i) the O&M Services Agreement between NAES Corporation and Debtor Optim Energy Twin Oaks, LP (D.I. 536) and (ii) the Fuel Supply Agreement between Walnut Creek Mining Company and Debtor Optim Energy Twin Oaks, LP (D.I. 537); (d) reaching agreements with their landlords to extend the time for assumption or rejection of (i) the Premise Lease between NRG Texas Power, LLC, NRG Cedar Bayou Development Company and Debtor Optim Energy Cedar Bayou 4, LLC (D.I. 495, 628, 688) and (ii) the Amended and Restated Lease and Easement Agreement between Lyondell Chemical Company and Debtor Optim Energy Altura Cogen, LLC (D.I. 506, 635), respectively, and the Debtors are currently in discussions with such landlords regarding an additional extension of time; (e) the Court's approval of an agreement between the Debtors and the City of Baytown, Texas, regarding certain tax issues; and (f) defending against a standing motion and appeal from Walnut Creek Mining Company. The Debtors are also involved with other constituents as part of ongoing claims reconciliation. Furthermore, the Debtors have been in discussions with the DIP Lender regarding an extension of certain DIP Milestones and amendments to the DIP Credit Agreement (D.I. 614, 623, 637 and 662), and are currently engaged in discussions regarding an extension of the DIP maturity. The Debtors submit that cause exists for an extension of the Exclusive Periods based on the foregoing initiatives and their resultant impact on any chapter 11 plan or plans that will be filed in these cases.

I. The Debtors Are Not Pressuring Creditors To Submit To Reorganization Demands.

30. The Debtors are not seeking this extension as a means to pressure creditors. The Debtors seek adequate time to devote resources to finalize their restructuring strategy for the Gas Plant Portfolio and a chapter 11 plan incorporating this strategy, for the benefit of the Debtors'

creditors and these estates. The Debtors submit that cause exists to give the Debtors a window of opportunity to do just that.

J. Unresolved Contingencies Exist Preventing The Immediate Filing Of Plans.

31. As of the filing of this Motion, there are unresolved contingencies in these cases that will impact a chapter 11 plan. As mentioned, the ultimate restructuring strategy for the Gas Plant Portfolio is pending. In addition, the Debtors are engaged in claims reconciliation, which will determine creditor recoveries under any chapter 11 plan that gets confirmed. The Debtors are also engaged in discussions with the DIP Lender regarding an extension of the DIP maturity. These are just some examples of unresolved contingencies that currently exist in these cases, and an extension of the Exclusive Periods will afford the Debtors additional time to resolve these contingencies and finalize a chapter 11 plan.

32. For all of the foregoing reasons, the Debtors respectfully submit that cause exists for entry of the Order extending: (a) the Exclusive Filing Period through and including June 9, 2015; and (b) the Exclusive Solicitation Period through and including August 10, 2015.

Notice, Hearing Date and Bridge Order

33. Pursuant to Local Rule 9006-2, a bridge order is automatically entered for motions to extend the time to take any action as long as the motion is filed before the expiration of the time period prescribed. As such, pending the Court's action on the Motion (whether at the February 4, 2015 hearing or otherwise), the Exclusive Periods are automatically extended until the Court acts on the Motion.

34. The Debtors have provided notice of this Motion to: (a) the Office of the United States Trustee for the District of Delaware; (b) the entities listed on the Consolidated List of Creditors Holding the 30 Largest Unsecured Claims filed pursuant to Bankruptcy Rule 1007(d);

(c) counsel to Cascade Investment, L.L.C. and ECJV Holdings, LLC; and (d) any party who has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested in this Motion, the Debtors respectfully submit that no further notice is necessary.

No Prior Request

35. No prior motion for the relief requested herein has been made to this or any other court.

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WHEREFORE, the Debtors respectfully request that the Court grant the relief requested herein and in the Order attached hereto as **Exhibit A**, and grant such other and further relief as is just and proper.

Dated: January 14, 2015
Wilmington, Delaware

**MORRIS, NICHOLS, ARSHT &
TUNNELL LLP**

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*Counsel For The Debtors And Debtors In
Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

Optim Energy, LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 14-10262 (BLS)

(Jointly Administered)

**Hearing Date: February 4, 2015 at
11:00 a.m. (ET)**

**Objections Due: January 28, 2015 at
4:00 p.m. (ET)**

**NOTICE OF DEBTORS' THIRD MOTION FOR ENTRY OF AN ORDER PURSUANT
TO SECTION 1121(d) OF THE BANKRUPTCY CODE EXTENDING THE DEBTORS'
EXCLUSIVE PERIODS TO FILE AND SOLICIT VOTES ON CHAPTER 11 PLANS**

PLEASE TAKE NOTICE that on January 14, 2015, the above-captioned debtors and debtors in possession (the "Debtors") filed the **Debtors' Third Motion for Entry of an Order Pursuant to Section 1121(d) of the Bankruptcy Code Extending the Debtors' Exclusive Periods to File and Solicit Votes on Chapter 11 Plans** (the "Motion").

PLEASE TAKE FURTHER NOTICE that objections to the Motion, if any, must (a) be in writing; (b) be filed with the Clerk of the Bankruptcy Court, 824 N. Market Street, 3rd Floor, Wilmington, Delaware 19801, on or before **January 28, 2015 at 4:00 p.m. (ET)** (the "Objection Deadline"); and (c) be served as to be received on or before the Objection Deadline by the undersigned counsel for the Debtors.

PLEASE TAKE FURTHER NOTICE that only objections made in writing and timely filed and received in accordance with the procedures above will be considered by the Bankruptcy Court at any hearing on the Motion.

PLEASE TAKE FURTHER NOTICE THAT A HEARING ON THE MOTION WILL BE HELD ON **FEBRUARY 4, 2015 AT 11:00 A.M. (ET)** BEFORE THE HONORABLE BRENDAN L. SHANNON, CHIEF JUDGE AT THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE, 824 N. MARKET STREET, 6TH FLOOR, COURTROOM #1, WILMINGTON, DELAWARE 19801.

¹ The Debtors in these chapter 11 cases are: Optim Energy, LLC; OEM 1, LLC; Optim Energy Cedar Bayou 4, LLC; Optim Energy Altura Cogen, LLC; Optim Energy Marketing, LLC; Optim Energy Generation, LLC; Optim Energy Twin Oaks GP, LLC; Optim Energy Twin Oaks, LP. The Debtors' main corporate and mailing address for purposes of these chapter 11 cases is: c/o Competitive Power Ventures, Inc., 8403 Colesville Road, Suite 915, Silver Spring, MD 20910.

IF YOU FAIL TO RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER NOTICE OR HEARING.

Dated: January 14, 2015
Wilmington, Delaware

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

/s/ William M. Alleman, Jr.

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Counsel For The Debtors And Debtors In Possession

Exhibit A

Proposed Order

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

Optim Energy, LLC, *et al.*,

Debtors.¹

Chapter 11

Case No. 14-10262 (BLS)

(Jointly Administered)

Re: D.I._____

**THIRD ORDER PURSUANT TO SECTION 1121(d) OF THE BANKRUPTCY
CODE EXTENDING THE DEBTORS' EXCLUSIVE PERIODS
TO FILE AND SOLICIT VOTES ON CHAPTER 11 PLANS**

Upon the motion (the "*Motion*")² of the above-captioned debtors and debtors in possession (collectively, the "*Debtors*") for entry of an order (this "*Order*"), pursuant to section 1121(d) of the Bankruptcy Code, extending: (i) the Exclusive Filing Period through and including June 9, 2015; and (ii) the Exclusive Solicitation Period through and including August 10, 2015, all as set forth more fully in the Motion; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and the Court having found that the venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the 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 the Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion was appropriate and no other notice need be provided; and the Court having reviewed the Motion; and the Court

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² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

having determined that the legal and factual bases set forth in the Motion and any hearing on the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED as set forth herein.
2. Pursuant to section 1121(d) of the Bankruptcy Code, the Exclusive Filing Period is extended through and including June 9, 2015.
3. Pursuant to section 1121(d) of the Bankruptcy Code, the Exclusive Solicitation Period is extended through and including August 10, 2015.
4. Nothing contained in this Order shall affect the Debtors' rights to seek further extensions of the Exclusive Periods pursuant to section 1121(d) of the Bankruptcy Code.
5. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
6. The terms and conditions of this Order shall be immediately effective and enforceable upon entry of the Order.
7. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Date: _____, 2015
Wilmington, Delaware

THE HONORABLE BRENDAN L. SHANNON
CHIEF UNITED STATES BANKRUPTCY JUDGE