

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

<hr style="border: 0.5px solid black;"/> <div style="display: flex; justify-content: space-between;"><div style="width: 80%;"><p>In re:</p><p>CBL & ASSOCIATES PROPERTIES, INC., et al.,</p><p style="text-align: center;">Debtors.</p></div><div style="width: 10%; text-align: center;"><p>§</p><p>§</p><p>§</p><p>§</p><p>§</p><p>§</p><p>§</p></div><div style="width: 10%; vertical-align: top;"><p>Chapter 11</p><p>Case No. 20-35226 (DRJ)</p><p>(Jointly Administered)</p></div></div> <hr style="border: 0.5px solid black;"/>	
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**OBJECTION TO PROPOSED CURE AMOUNT DUE TO
TALEN ENERGY MARKETING, LLC**

Talen Energy Marketing, LLC (“Talen”) files this objection (the “Objection”) to the Debtors’ proposed zero dollar cure amount to assume the contracts with Talen.

BACKGROUND

1. In June and July 2020, CBL and Associates Management, Inc. entered into four Retail Electricity Agreements with Talen (the “Contracts”). The Contracts contain confidentiality provisions and, therefore, have not been included with this Objection. Copies of the Contracts will be provided to the Debtors upon request or other parties in interest upon the execution of an appropriate non-disclosure agreement.

2. The Contracts have an initial term of 36 months and, therefore, are executory contracts.

3. On July 19, 2021, the Debtors filed their Notice of Cure Amounts with Respect to Executory Contracts and Unexpired Leases of Debtors (Doc. No. 1317) (the “Cure Notice”).

4. The Cure Notice states that “the Debtors believe the Cure Amount for your contract or lease is zero dollars (\$0.00) unless your contract or lease is set forth on Exhibit A with a corresponding Cure Amount.”

5. Talen and the Contracts are not listed in Exhibit A to the Cure Notice.

6. As set forth below, Talen objects to the Debtors' proposed zero dollar cure amount for the Contracts because the amount set forth herein is based on a default under the Contracts and, therefore, qualifies as a Cure Amount.

7. Talen files this Objection to preserve all rights under section 365 of the Bankruptcy Code, the Contracts and the Debtors' proposed plan.

OBJECTION

8. The total amount due under the Contracts based on the failure to pay for electricity consumed by the Debtors is \$264,142.57. Additional amounts will be due under the Contracts based on energy adjustment charges. Talen reserves the right to supplement this Objection with such additional amounts that are required to be paid under the Contracts.

9. Pursuant to section 365(b)(1)(A) of the Bankruptcy Code, the Debtors must cure any defaults under the Contracts in connection with any proposed assumption, as well as provide adequate assurance of future performance prior to assumption and/or assignment of an executory contract or unexpired lease. 11 U.S.C. § 365(b)(1)(A). In this case, the Debtors' proposed cure amount of zero dollars fails to cure the existing defaults under the Contracts, as is required by section 365(b)(1)(A) prior to assumption.

10. As a result, under section 365(b)(1)(A) of the Bankruptcy Code, in order to assume the Contracts, Talen must receive a cure payment of not less than \$264,142.57.. Otherwise, the Contracts cannot be assumed.

11. Talen expressly reserves all rights under the Bankruptcy and the Contracts, including, without limitation, the right to supplement and/or amend this Objection and assert any further objections. Talen further reserves all rights with respect to any other agreements related to

Talen identified on any amended list of contracts and leases proposed to be assumed, or identified on any list of contracts and leases proposed to be rejected.

CONCLUSION

WHEREFORE, Talen respectfully requests that this Court (i) order that any assumption and assignment of the Contracts be conditioned upon the Debtors curing the defaults under the Contracts in the correct amount of not less than \$264,142.57; and (ii) granting Talen any other relief to which Talen may be entitled at law or in equity.

Dated: July 28, 2021
Houston, Texas

PORTER HEDGES LLP

/s/ Joshua W. Wolfshohl

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CERTIFICATE OF SERVICE

I certify that on July 28, 2021, I caused a copy of the foregoing document to be served via the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Joshua W. Wolfshohl

Joshua W. Wolfshohl