

No Blackout for Abstention in Chapter 15: Fifth Circuit Weighs In

WRITTEN BY

Francis J. Lawall

Jurisdictional boundaries within the federal system as between bankruptcy and district courts as well as various federal agencies can be a maze that is at times nearly impossible to navigate. Further complicating matters are those cases involving state-regulated issues that add abstention to the mix. On Jan. 5, the U.S. Court of Appeals for the Fifth Circuit recently provided some additional color to the abstention issue by ruling that the U.S. Bankruptcy Court for the Southern District of Texas lacked jurisdiction to decide an exclusively state-governed question related to emergency energy price controls. See *Electric Reliability Council of Texas v. Just Energy Texas (In re Just Energy Group)*, 2023 U.S. App. LEXIS 253, __ F.4th __, 2023 WL 111207. The *Just Energy* decision, arose from events that took place from Feb. 13, 2021, to Feb. 20, 2021, caused by storm Uri, which severely impacted Texas' power grid. During the storm, state regulators imposed artificial price caps on the sale of wholesale electricity that upset the entire Texas energy market and forced Just Energy and many others into bankruptcy.

[Click here to read the full article on *The Legal Intelligencer*.](#)

RELATED INDUSTRIES + PRACTICES

- [Bankruptcy + Restructuring](#)