

CITATION: Bazalgette Power Ltd. (UK) v. Noventa Energy Partners Inc., 2026 ONSC 2334
COURT FILE NO.: CL-26-00000105
DATE: 20260318

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: BAZALGETTE POWER LIMITED (UK)

Plaintiff

AND:

NOVENTA ENERGY PARTNERS INC. (CANADA)

Defendant

BEFORE: Justice Sean Dunphy

COUNSEL: *Matthew Harris*, for the Plaintiff

Tamie Dolny & Michael Basso, for the Defendant

HEARD: March 18, 2026

ENDORSEMENT

[1] This is an application for a bankruptcy order in very trying circumstances. On the bright side, there is a shareholder and creditor who is prepared to actually shoulder the cost of launching the process – they have nominated a licensed trustee who is prepared to act. That is not always a given and is a useful asset to permit an orderly administration of what could otherwise be a very messy and damaging liquidation process.

[2] The debtor company Noventa Energy Partners Inc. (NEP) is a Canadian company. Its shareholders include the petitioning creditor Bazalgette Power Limited, a UK company. It appears other Bazalgette affiliates are the other shareholders.

[3] NEP is a holding company with a number of operating wholly-owned subsidiaries. These subsidiaries are each single-purpose entities incorporated to manage green energy projects with various Ontario hospitals. The salient feature of those arrangements from Toronto Hydro's point of view is that the operating subsidiary is the named power customer for those hospitals such that their critical power supply passes through these operating subsidiaries who unfortunately are themselves essentially no longer operating.

[4] NEP and by extension its operating subsidiaries have, unfortunately, come quite entirely apart. They appear to be out of funds, the directors of the holding company (and of each operating company) have all resigned. It appears there is a single employee left who is providing operating

“hands on” assistance to keep the proverbial lights on but this individual has not to this point been vested with any explicit executive authority over any of the companies.

[5] The situation is, in a nutshell, a rudderless mess. It would not be hyperbole to observe that lives are literally dependent upon the uninterrupted supply of power to the hospitals which – under the current arrangements – pass via the operating subsidiaries of NEP who is the object of the bankruptcy application before me.

[6] While I applaud the willingness of the UK parent company to assume some responsibility for getting this cleaned up in orderly fashion, the application before me is riddled with technical problems, some of which can be easily fixed but others less so. What debt is owed upstream to the petitioning creditor appears to be interest free and not due and payable at the time. While the operating subsidiaries appear to have committed acts of bankruptcy by ceasing operations and leaving creditors like Toronto Hydro in the lurch, that evidence remains undeveloped in the application itself. It is not at all clear that NEP has committed an act of bankruptcy. As well, the supporting affidavit is on information from unnamed sources as to all material facts.

[7] I appreciate that counsel is doing his best to pound this square peg into a round hole, but there are simply too many formal jurisdictional issues that need fixing.

[8] Fortunately, it appears that there are two far simpler and surer means of getting to the same end result of putting a trustee in bankruptcy in charge of these companies as soon as practicable.

[9] NEP is a private, CBCA corporation. A unanimous shareholder declaration can do anything a director’s resolution can do by large and indeed more.

[10] There is no obstacle to a unanimous shareholder declaration of NEP authorizing and directing a named person – that could be virtually any person the shareholders decide to name – to sign an assignment in bankruptcy and to approve the draft statement of affairs also approved by the shareholders in the same declaration. All of this can be done without assuming personal liability by the nominee of the shareholders signing the declaration. True, the superintendent will need to name someone to examine as to the bankruptcy down the road. That person need not be the signatory of the assignment in these circumstances. Prior directors or senior employees exist whether they have resigned or not and can be so named in due course.

[11] I see no difficulty in authorizing the filing of each operating subsidiary by unanimous shareholder declaration as well. The declaration by NEP’s shareholders could also operate to cause NEP – by the same declaration – to direct the bankruptcy assignment of each of the relevant wholly-owned subsidiaries. Alternatively, the trustee of NEP could apply for an order on day 1 authorizing the filing of the subsidiaries.

[12] Alternatively, s. 109(4) of the CBCA deems a person actually supervising the management of the business and affairs of the corporation to be a director if all of the directors have resigned. The sole remaining employee could potentially occupy that role for all of the corporations or at least for the operating subsidiaries whose affairs he is currently managing. Such a person could sign an assignment.

[13] This endorsement ought to assist in processing an assignment by one of these routes if necessary.

[14] If none of the foregoing can be made to work, a simple revised application may be prepared that clearly identifies (i) the debt held by the creditor; (ii) the actual act of bankruptcy alleged against the NAMED debtor (not a subsidiary) and the evidence thereof; (iii) supported by a proper affidavit on personal knowledge or form attributed, identified sources; and (iv) explaining what service has been made on the debtor and how (i.e. left a registered office along with a short explanation of why service should be deemed effective and shortened). While the assignment route appears the simplest and surest path forward, I will hear a revised application for a bankruptcy order supplemented with the above information on short notice if need be.

[15] Finally, I wish to address the concerns of Toronto Hydro. Counsel for TH appeared and raised the rather obvious and pressing concern of that utility. They cannot conceive of cutting power to their customer where doing so would place countless lives at risk. They need to arrange a simple assignment and assumption agreement to enable TH to supply them directly. Such an agreement could be presented for approval of the court on a consent basis – I see no impediment to the trustee to be appointed supplying its consent – quite rapidly to enable an over the counter consent motion. It could be directed to me for signature if required.

[16] It is clear that something must happen and must happen quickly. I have indicated a fairly clear path to follow to get what needs to be done accomplished. I will be happy to assist by remaining seized to provide any necessary orders to get it over the finish line as needed.

Justice Dunphy

Date: March 18, 2026