IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	Chapter 11
SUNPOWER CORPORATION,	Case No. 24-11649 (CTG)
Wind-Down Debtor.	**Related Docket No. 1544**

ORDER SETTING FORTH PRELIMINARY OBSERVATIONS AND DIRECTING FURTHER BRIEFING

The parties agree that Christine Kosydar entered into a lease with debtor SunPower Capital in November 2017 under which Kosydar leased a solar power system that was installed at her home in Arizona.[1] What happened to that lease thereafter, however, is disputed between the parties.

As the Court understands it, the position taken by the plan administrator is that Kosydar's lease would have been assigned, roughly contemporaneously with its execution in 2017, to a non-debtor entity (described as a "silo") that held the lease for financing purposes.[2] The first-day declaration describes the debtors' regular business practices in a manner that is broadly consistent with this narrative.[3] That declaration goes on to explain that the non-debtor subsidiaries to which the leases were transferred were themselves owned by a joint venture between affiliates of the

[1] Debtor SunPower Capital, LLC is referred to as "Sun Power Capital."

[2] Mark Roberts, in his capacity as the plan administrator under the confirmed plan in the above-captioned bankruptcy case, is referred to as the "plan administrator."

[3] D.I. 9 ¶ 61. As will be described further below, that declaration has not been admitted into evidence in this contested matter. It is mentioned here only as providing background for the Court's preliminary observations.

debtor (referred to as SunStrong) and an entity referred to as HASI.[4] During the bankruptcy case, the debtors' equity interests in SunStrong were sold to a buyer, which was an affiliate of HASI's.[5] If this version of events is correct, and if SunPower Capital's alleged assignment of the lease to non-debtor affiliate complied with otherwise applicable law, HASI (through its affiliates) would now hold all of the rights under Kosydar's lease.

Kosydar disputes this version of events. Her position is that SunPower Capital, which was her contractual counterparty in 2017, remained the counterparty to the lease through the time when it filed for bankruptcy in August 2024. And because there was no court-approved transaction under which SunPower Capital either assigned the lease or otherwise disposed of its interest, SunPower Capital would have remained the counterparty up until the effective date of the chapter 11 plans in these cases. Because the confirmed plan provided that any executory contracts still in effect as of the effective date that were not otherwise addressed in the plan or the sale order was to be rejected on the effective date, Kosydar contends that her lease has now been rejected.[6]

[4] The corporate chart attached to the first-day declaration as Exhibit B identifies the joint venture as SunStrong Capital Holdings, LLC, which it says was 51 percent owned by debtor SunPower Corporation and 49 percent owned (indirectly) by Hannon Armstrong Sustainable Infrastructure, L.P, which (along with the entities described in n. 5) is referred to as "HASI."

[5] D.I. 611. The buyers are HA SunStrong Capital LLC and GF SunStrong Capital, LLC.

[6] D.I. 872-1 at 35 of 59 (providing for the rejection of executory contracts not otherwise addressed).

Kosydar filed a motion that she styled as one to "interpret and enforce" the plan and confirmation order.[7] She sought an order declaring that her lease "was solely the property of the Debtor on the Effective Date of the Plan in this case," that "[n]o other entity was the lessor of the Lease as of the Effective Date of the Plan," and that the "Lease was rejected by Art. VI of the Plan as of the Effective Date."[8] In addition, she seeks an express finding that the order is "binding and effective upon … all parties-in-interest in this case," which would of course include the various HASI-related entities that (on the plan administrator's telling of events) would be the counterparty to Kosydar's lease.[9]

The plan administrator (which does not itself have a stake in the outcome of this dispute between Kosydar and HASI, and appears to be focused on preserving its limited assets for the benefit of creditors) provided any information it had regarding the lease to Kosydar, but otherwise says that it encouraged Kosydar to reach out to HASI.[10] Otherwise, the plan administrator's brief response states that Kosydar's motion "raises a dispute between two non-debtor entities (*i.e.*, between SunStrong/HASI and the Movant) over a lease that is not under the Plan Administrator's ownership or control (and most likely was never an estate asset)."[11] The response does not, however, argue expressly that the Court lacks subject-matter

[7] D.I. 1544.

[8] D.I. 1544-2 ¶ 2.

[9] *Id.* ¶ 3.

[10] D.I. 1552 at 4.

[11] *Id.*

jurisdiction over this dispute "between two non-debtor entities." HASI, for whatever reason, did not respond to Kosydar's motion by the response deadline in June 2025.

The parties have represented to the Court that Kosydar served a subpoena on HASI to which HASI responded by seeking additional time. HASI (which filed a "joinder" in the plan administrator's objection to the motion a few hours before the February 25, 2026 hearing, and appeared at that hearing) reports that it has now identified documents that demonstrate that it owns the lease, but has not produced them in response to the subpoena because counsel for Kosydar has not responded to its request for a protective order.

Kosydar attended the February 25, 2026 hearing. While the Court has questions about its subject-matter jurisdiction (as further set forth herein), the Court permitted Kosydar to present her evidentiary case in support of her motion. Kosydar testified on her own behalf and her counsel moved various documents into evidence without objection.

The evidentiary record is otherwise incomplete. The plan administrator does not intend to call a witness but sought to move various documents into evidence. Kosydar has raised a variety of objections to the introduction of those documents into evidence. And HASI now seeks (albeit belatedly) to participate in the hearing to present the documents that it claims show it owns the lease.

While the Court permitted Kosydar to testify (in view of the fact that she traveled to Delaware from Arizona for the hearing), the Court concluded at the hearing that made sense to address the subject-matter jurisdiction questions before

proceeding further on the motion.[12] The Court will permit HASI to participate in the briefing and argument (if any) on subject-matter jurisdiction, without prejudice to Kosydar's right to argue, if the Court does conclude that it should proceed, that HASI's failure to file a timely response to her motion should preclude it from being permitted to participate on the merits.

Kosydar argues that this Court has jurisdiction to resolve her dispute with HASI on the ground that her motion asks the Court to interpret and enforce the plan and confirmation order. And if the motion in fact seeks an "interpretation" or the "enforcement" of the plan or confirmation order, this Court would not hesitate to proceed to the merits. The Supreme Court explained in *Travelers* that a bankruptcy court always has the jurisdiction "to interpret and enforce its own prior orders."[13] The Third Circuit has of course held that a bankruptcy court's post-confirmation "related-to" jurisdiction is limited.[14] At the same time, however, the Third Circuit has reaffirmed the *Travelers* principle, holding in *Essar Steel* that bankruptcy court may determine whether an action against the reorganized debtor is barred by the plan's discharge provisions.[15] Applying this principle, this Court has regularly taken up motions that ask this Court to interpret or enforce its prior orders.[16]

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[12] *See generally Kontrick v. Ryan*, 540 U.S. 443, 455 (2004) (explaining how questions of a court's subject-matter jurisdiction may be raised at any time and discussing the court's *sua sponte* obligation to satisfy itself of its subject-matter jurisdiction).

[13] *Travelers Indem. Co. v. Bailey*, 557 U.S. 137, 151 (2009).

[14] *See In re Resorts International*, 372 F.3d 154, 166-168 (3d Cir. 2004).

[15] *In re Essar Steel Minnesota*, 47 F.4th 193 (3d Cir. 2022).

[16] *See generally In re First Guaranty Mortgage Corp.*, No. 22-10584, 2023 WL 8940688, at *3 (Bankr. D. Del. Dec. 27, 2023) ("The PIMCO Parties' motion asks this Court to interpret the injunction contained in the plan of reorganization and this Court's confirmation order.

What distinguishes this case from the customary circumstance in which a party asks the Court to interpret or enforce its prior order, however, is that here, no party disputes the meaning or import of the plan or of this Court's confirmation order. *Travelers* and *Essar Steel* both involved circumstances in which there was a *bona fide* dispute about the meaning or construction of the bankruptcy court's prior order. And so it is unsurprising that the courts held, in those cases, that bankruptcy courts have the authority to resolve those ambiguities. And it is likewise unsurprising that when a party violates a court's injunction, the court retains the jurisdiction to enforce its injunction.

This dispute, however, does not involve any ambiguity at all about the confirmed plan or this Court's confirmation order. Everyone agrees that executory contracts that belonged to the debtor as of the plan's effective date and that were not otherwise addressed in the plan have been rejected. The dispute that Kosydar seeks to bring before this Court is about whether her contract *is* such a contract. And the question on which that turns is whether her lease was conveyed by the debtor to a non-debtor entity in 2017 – almost seven years before these bankruptcy cases were filed. At bottom, this case looks much more like a non-bankruptcy dispute over the ownership of property than it does like a dispute about the meaning of the confirmed plan or this Court's confirmation order.

Because this Court plainly has jurisdiction to enforce its own orders, this is a core matter under § 157(b)."); *In re TPC Group Inc.*, No. 22-10493, 2023 WL 2168045, at *4 (Bankr. D. Del. Feb. 22, 2023) ("The Supporting Sponsors' motion asks this Court to interpret the injunction contained in the plan of reorganization and this Court's confirmation order. Because this Court plainly has jurisdiction to enforce its own orders, this is a core matter under § 157(b).")

When pressed on this question during the February 25, 2026 argument, Kosydar's counsel argued that the basic question in this dispute was one relating to the plan – whether Kosydar's lease was rejected under the provisions of the plan. To be sure, Kosydar's counsel acknowledged, the answer to that question turns on antecedent questions of non-bankruptcy law. But he argued that the fact that a court may need to address such questions does not operate to deprive it of jurisdiction to determine how the plan addressed the asset in question.

The Court is open to the possibility that this position is correct. The Court is concerned, however, that this way of thinking about what it means to "interpret" or "enforce" a plan proves too much. Consider a corporate debtor that underwent a chapter 11 reorganization that restructured its funded debt, but otherwise revested the debtor's property in the reorganized debtor. Would that mean that every prepetition dispute over the debtor's ownership of property would be within the bankruptcy jurisdiction because it requires one to "interpret" or "enforce" the plan's revesting clause? That the answer to that question is "yes" is by no means intuitive.

In addition to the question of subject-matter jurisdiction, a case could be made that even if the connection between this dispute and the confirmation order is sufficient to bring it within the Court's subject-matter jurisdiction, the Court should nevertheless permissively abstain from hearing it, under 28 U.S.C. § 1334(c)(1), on the ground that it is fundamentally a non-bankruptcy issue between two non-debtors.

None of these issues has been engaged by the parties. Accordingly, the Court concluded during the February 25, 2026 hearing that it would make sense to permit

the parties to address these issues before working through the remaining evidentiary and other issues that would need to be addressed to resolve this dispute on the merits.

Accordingly, Kosydar and any other party-in-interest that wishes to be heard in support of this Court's exercise of jurisdiction is invited to file a brief explaining why the exercise of such jurisdiction is appropriate. The Court is particularly interested in whether there are examples of courts exercising jurisdiction to interpret the court's prior order in circumstances in which, as here, the meaning of that order is not actually disputed.

Any such briefs shall be filed by no later than 4:00 p.m. on March 30, 2026. Any party-in-interest that opposes this Court's exercise of jurisdiction may submit a brief setting forth its position by no later than 4:00 p.m. on April 27, 2026. Any party-in-interest that requests argument on this matter may docket a letter to chambers so requesting. The Court will thereafter determine how to proceed in this matter.

Dated: February 26, 2026

CRAIG T. GOLDBLATT
UNITED STATES BANKRUPTCY JUDGE