

**RICHTER**

Court/Estate Nos. 31-2943175  
and 31-2943168

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
PLANET ENERGY (ONTARIO) CORP.**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL  
PLANET ENERGY (B.C.) CORP.**

**RICHTER INC.  
FIRST REPORT OF THE PROPOSAL TRUSTEE**

**MAY 30, 2023**

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## I. INTRODUCTION

1. This report (the “**First Report**”) is filed by Richter Inc. (“**Richter**”), in its capacity as proposal trustee (“**Proposal Trustee**”) in connection with the Notices of Intention to Make a Proposal (“**NOIs**”) filed by Planet Energy (Ontario) Corp. (“**Planet Energy Ontario**”) and Planet Energy (B.C.) Corp. (“**Planet Energy BC**”, and together with Planet Energy Ontario, “**Planet Energy**” or the “**Company**”).
2. On May 11, 2023 (the “**Filing Date**”), Planet Energy Ontario and Planet Energy BC each filed an NOI pursuant to Section 50.4(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B.-3, as amended (the “**BIA**”), and Richter was appointed as Proposal Trustee under each NOI. Copies of the Certificates of Filing issued by the Superintendent of Bankruptcy (the “**Superintendent**”) for each of the Companies are attached hereto as **Appendix “A”**.
3. The Proposal Trustee has established a website (the “**Proposal Trustee’s Website**”) at <https://www.richter.ca/insolvencycase/planet-energy-ontario-corp/> and <https://www.richter.ca/insolvencycase/planet-energy-b-c-corp/> where copies of materials filed in Planet Energy’s NOI proceedings have been made available in electronic format.
4. The Proposal Trustee has engaged Chaitons LLP (“**Chaitons**”) as its legal counsel.

## II. PURPOSE OF REPORT

5. The purpose of this First Report is to provide information for the purpose of motions currently scheduled to be heard by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on June 5, 2023, including:
  - (i) Richter’s qualifications to act as Proposal Trustee of Planet Energy;
  - (ii) background information on Planet Energy;
  - (iii) Planet Energy’s creditors;
  - (iv) the activities of Planet Energy and the Proposal Trustee since the Filing Date;
  - (v) Planet Energy’s proposed post-filing strategy, including information on the proposed Sale Process (as hereinafter defined) to be undertaken by Planet Energy;
  - (vi) the reported receipts and disbursements for each of Planet Energy Ontario and Planet Energy BC for the period from May 12, 2023 to May 19, 2023, including a comparison of reported to forecast results;

- (vii) Planet Energy's consolidated revised cash flow forecast for the period from May 20, 2023 to July 28, 2023;
- (viii) Planet Energy's motion seeking:
  - (i) an extension of the time required to file their proposals (the "**Extension**") to July 25, 2023;
  - (ii) an order approving the administrative consolidation of their proposal proceedings;  
and
  - (iii) an order approving the Sale Process; and
- (ix) the Proposal Trustee's conclusions and recommendations.

### III. TERMS OF REFERENCE

6. In preparing this First Report, the Proposal Trustee has relied upon information and documents prepared by Planet Energy and their advisors, including unaudited, draft and/or internal financial information, Planet Energy's books and records, discussions with representatives of Planet Energy, including current and former employees, legal counsel to Planet Energy, information from third-party sources, the affidavit of Mr. Nino Silvestri sworn May 26, 2023 (the "**Silvestri Affidavit**"), and the motion materials filed in respect of the ACN Receivership Motion (as hereinafter defined), including the affidavit of Mr. Robert Stevanovski sworn May 15, 2023 (the "**Stevanovski Affidavit**") (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in the First Report, Richter has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, Richter has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Canadian Auditing Standards ("**CAS**") pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, Richter expresses no opinion or other form of assurance contemplated under CAS in respect of the Information.
7. The Proposal Trustee has prepared this First Report to provide the Court with information in relation to both the Planet Energy motion described above as well as motions brought by All Communications Network of Canada Co. ("**ACN**") for, among other things, the appointment of an interim receiver and receiver and manager over the assets, properties and undertakings of Planet Energy (collectively, the "**ACN Receivership Motion**"). Parties using this First Report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes, and consequently should not be used for any other purpose.

8. Future oriented financial information relied upon in this First Report is based on Planet Energy's representatives' assumptions regarding future events; actual results achieved may vary from the information presented even if the hypothetical assumptions occur, and these variations may be material. Accordingly, the Proposal Trustee expresses no assurance as to whether the projections will be achieved.
9. Unless otherwise noted, all monetary amounts contained in this First Report are expressed in Canadian dollars.

#### **IV. RICHTER'S PRIOR ENGAGEMENT**

10. Richter was previously engaged by Stikeman Elliot LLP ("**Stikeman**"), legal counsel to Planet Energy, in March 2021, to prepare a report (the "**First Richter Report**") detailing, among other things, Planet Energy's financial position, cash flow projections, financial/liquidity covenants, and the funds available to post security in response to an application commenced by ACN to, among other things, enforce the Arbitration Award (as hereinafter defined). A copy of the First Richter Report is attached as Exhibit M to the Silvestri Affidavit.
11. In July 2022, Stikeman requested that Richter prepare a further report (the "**Second Richter Report**") detailing, among other things, industry developments and market changes since the First Richter Report, an update on Planet Energy's operations and cash flow projections, as well as estimated recoveries to Planet Energy's creditors in the context of a wind-down of Planet Energy's business operations.
12. Richter is a trustee within the meaning of subsection 2(1) of the BIA. The Senior Richter professional personnel with carriage of this matter have acquired knowledge of Planet Energy and its business since the commencement of Richter's above-noted engagement. Richter is, therefore, well positioned to assist Planet Energy in its NOI proceedings.

#### **V. BACKGROUND INFORMATION ON PLANET ENERGY**

##### **Company Background**

13. Planet Energy Ontario was established in 2006 and is privately owned by two shareholders, Triplum Holdings Inc. (85%) and Fulcrum Capital Partners Inc. (15%). Nino Silvestri is a 25% shareholder of Triplum Holdings Inc. and is Planet Energy Ontario's CEO. Planet Energy BC is a wholly-owned subsidiary of Planet Energy Ontario.
14. Planet Energy is a natural gas and electricity retailer that offers fixed-price electricity and gas supply options to its residential and commercial customers in Canada – primarily Ontario. Subsidiaries of the Company previously offered similar services to customers in other Canadian jurisdictions and in the United States ("**US**"), but the US component of the business was recently wound down.

15. The Company operates from a leased office located at 5775 Yonge Street, Suite 1202, Toronto, Ontario.
16. As of the Filing Date, Planet Energy employed approximately twenty-three (23) salaried and hourly individuals (the “**Employees**”) and had approximately five (5) independent contractors. The Proposal Trustee understands that six (6) salaried employees and one (2) contractors have been terminated since the Filing Date. There is no company sponsored pension plan for the Employees, nor are any of the Employees unionized.
17. Planet Energy’s business, affairs, financial position, as well as the causes of its insolvency, are detailed in the Silvestri Affidavit, and are therefore not repeated herein. The Proposal Trustee has reviewed the Silvestri Affidavit and discussed the business and affairs of Planet Energy with senior management personnel of the Company and the Proposal Trustee is of the view that the Silvestri Affidavit provides a fair summary thereof.

## **VI. PLANET ENERGY’S CREDITORS**

18. Copies of the creditor lists filed with the Superintendent in respect of the Planet Energy NOI proceedings (the “**Creditor Lists**”) are attached hereto as **Appendix “B”**. According to the Creditor Lists, as at the Filing Date, Planet Energy had secured/unsecured obligations totalling approximately \$42.7 million (excluding termination and severance amounts due to Planet Energy’s employees and potential landlord claims).

### **Secured Creditors**

#### Shell Energy North America (US) L. P.

19. The Proposal Trustee understands that the secured balance owing to Shell Energy North America (US) L.P. (“**Shell**”) totals approximately \$607,500, comprised of: (i) approximately \$536,100 for amounts owing under swap agreements, and (ii) approximately \$71,400 for amounts due for electricity and gas.
20. As noted in the Silvestri Affidavit, on March 22, 2023, Planet Energy received a letter from Shell advising that Shell was: (i) terminating its electricity swap agreements with Planet Energy and demanding payment of the cumulative difference in the mark to market price in the amounts of approximately US\$1,872,748, and (ii) accelerating the outstanding balance of the US collateral credit facility provided by Shell (US\$285,000), such that these amounts became immediately due and payable (the “**Shell Termination Letter**”).
21. As further noted in the Silvestri Affidavit, at Planet Energy’s request, Shell agreed not to terminate its natural gas supply to Planet Energy on the condition that Planet Energy pay all amounts due by no later than March 24, 2023.
22. Maintaining the supply of natural gas from Shell was critical to ensuring that Planet Energy was able to service its natural gas customers. In the circumstances and to preserve value for Planet Energy’s stakeholders, Planet Energy paid in excess of approximately US\$2.1 million to Shell, as required by the Shell Termination Letter.

#### The Bank of Nova Scotia/Export Development Canada

23. The Proposal Trustee understands that Bank of Nova Scotia (“**Scotiabank**”) has issued approximately \$2.4 million in secured letters of credit on Planet Energy’s behalf to various utility providers (the “**LCs**”). The LCs relate to the Company’s former operations based in the US and, notwithstanding that Planet Energy has ceased its US operations, certain of the LCs remain in place. The Proposal Trustee further understands that Export Development Canada (“**EDC**”) has guaranteed the LCs.
24. As noted in the Silvestri Affidavit, Planet Energy does not expect to incur any material obligations in respect of the LCs.
25. The Proposal Trustee has not reviewed the security of Scotiabank, if any. Neither Scotiabank nor EDC have a registration filed in the Personal Property Security Register.

#### **Unsecured Creditors**

26. In addition to the secured amounts due to Shell and, potentially, Scotiabank/EDC, according to the Creditor Lists, Planet Energy has reported accrued and unpaid obligations to unsecured creditors totalling approximately \$37.3 million (excluding termination and severance amounts due to Planet Energy’s employees and potential landlord claims).

#### ACN

27. As stated in the Silvestri Affidavit, Planet Energy and ACN were parties to a sales agency agreement (the “**SAA**”) pursuant to which ACN marketed and referred potential customers to Planet Energy, which expired in November 2016. Following the expiry of the SAA, in April 2018 ACN commenced an arbitration (the “**Arbitration**”) alleging that Planet Energy failed to make certain commission payments to ACN. In response, Planet Energy delivered a counterclaim alleging, among other things, that ACN breached certain of its obligations under the SAA and was obliged to indemnify Planet Energy in respect of regulatory enforcement proceedings relating to ACN’s sales agents.
28. On February 3, 2021, the arbitrator released her final award in favour of ACN and awarding approximately \$29 million plus interest to ACN (the “**Arbitration Award**”).

29. On March 4, 2021, Planet Energy commenced an application in the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) to set aside the Arbitration Award (the “**Set Aside Application**”).
30. On March 18, 2021, ACN commenced an application with the Court seeking to enforce the Arbitration Award (the “**Enforcement Application**”, and together with the Set Aside Application, the “**Applications**”). ACN also brought a motion seeking an order that Planet Energy post security pending the outcome of the Applications (the “**Security Motion**”).
31. In response to the Security Motion, Richter was retained by Stikeman to prepare the First Richter Report.
32. On August 11, 2021, the Court released its endorsement dismissing the Security Motion (the “**Security Motion Endorsement**”).
33. The Applications were heard by the Court on August 20, 2021. On April 7, 2022, the Court released its decision dismissing the Set Aside Application and granting the Enforcement Application (the “**Enforcement Decision**”).
34. On May 6, 2022, Planet Energy served and filed a notice of appeal in respect of the Enforcement Decision (the “**Notice of Appeal**”).
35. In an effort to provide Planet Energy and ACN an opportunity to mediate a potential settlement of the Arbitration Award, ACN agreed to an extension of time (until August 30, 2022) for Planet Energy to perfect its appeal.
36. In July 2022, Stikeman requested that Richter prepare the Second Richter Report to aid in the Planet Energy / ACN mediation.
37. The mediation was terminated on March 1, 2023.
38. Planet Energy’s appeal of the Enforcement Decision was heard by the Court of Appeal for Ontario (the “**Court of Appeal**”) on March 27, 2023. On May 8, 2023, the Court of Appeal released its decision dismissing the appeal (the “**Appeal Decision**”).

## **VII. THE ACN RECEIVERSHIP MOTION**

39. As noted above, following the filing of the Planet Energy NOIs, on May 16, 2023, ACN initiated the ACN Receivership Motion. At a scheduling conference held on May 19, 2023, the Court issued an endorsement scheduling both the Planet Energy motion and the ACN Receivership Motion to be heard on June 5, 2023.
40. Among other reasons cited for the appointment of a receiver, ACN has noted that Planet Energy is currently unhedged with respect to its electricity supply, asserting that this position is putting Planet Energy’s cash, business and overall value at risk to increases in electricity prices.

41. With respect to the ACN Receivership Motion, ACN has indicated that it is willing to work with its proposed receiver to facilitate the negotiation of appropriate price hedges, restructuring and/or realizing on Planet Energy's assets for the benefit of its stakeholders.
42. The Proposal Trustee notes the following in respect of the ACN Receivership Motion and the reasons relied upon by ACN in support thereof:
  - (i) the Proposal Trustee is monitoring Planet Energy's daily cash flows and weekly forecast-to-actual financial results and will report any material adverse change in the Company's operations to the Court and Planet Energy's creditors. Nothing has come to the Proposal Trustee's attention to date related to Planet Energy's activities that would constitute material adverse change or could materially prejudice creditors during the NOI proceedings;
  - (ii) the Proposal Trustee has been and continues to be in regular communication with ACN and its advisors in connection with Planet Energy's NOI proceedings;
  - (iii) although the Proposal Trustee is not aware of the proposed receiver's plans for the Planet Energy business, the proposed Sale Process to be undertaken by the Company with this Court's approval is, in the view of the Proposal Trustee, an appropriate means of determining third-party interest in the Planet Energy business or assets. The Proposal Trustee, with the assistance of Planet Energy, has advanced preparations and, subject to this Court's approval, is ready to immediately commence the Sale Process; and
  - (iv) the Proposal Trustee, together with Planet Energy, are monitoring fluctuations in energy futures and swap contract pricing. As noted above, following Shell's termination of its swap agreements with Planet Energy, the Company has been operating without a hedge in respect of its electricity business. However, as noted in the Silvestri Affidavit, given current market conditions, Planet Energy has benefited from and is expected to continue to benefit from the termination of the swap agreements.

As further noted in the Silvestri Affidavit, based on: (i) the Platts Index, which is a respected price reference in the energy markets and reflects the latest market values for pricing commodities, and (ii) Shell contract swap prices as of May 24, 2023, entering into a hedge for the Planet Energy electricity contracts at this time would result in an immediate reduction in the Company's cash flows and impair the value of Planet Energy's electricity contracts. We further note that ACN's concerns regarding any anticipated increase in electricity rates this summer are already priced into the Platts Index forward price projections.

Based on the Platts Index, Planet Energy (with the assistance of Richter) has assessed the present value of the gross margin associated with Planet Energy's unhedged electricity customer contracts to be approximately \$2.8 million. As stated in the Silvestri Affidavit, based on current swap pricing for contract periods of six months and one-, two-, three- or five-year periods, should Planet Energy enter into a swap agreement of any length, the assessed value of its forecasted gross margin decreases and would be eliminated entirely based on three- or five-year swap pricing (the average remaining length of Planet Energy's electricity contracts is 30 months).

In addition, based on Planet Energy's analysis, an increase in Ontario electricity prices 20% above those forecast in the Platts Index would reduce the present value of Planet Energy's forecast gross margin to approximately \$1.6 million, which is still greater than the estimated present value of Planet Energy's forecast gross margin if it entered into a swap contract greater than one year.

In addition, the Proposal Trustee understands Shell has informed ACN that it will not enter into any hedges or swaps related to Planet Energy's business, even with the financial backing of ACN.

## **VIII. ACTIVITIES OF PLANET ENERGY AND THE PROPOSAL TRUSTEE SINCE THE FILING DATE**

### **Planet Energy**

43. Planet Energy's activities since the Filing Date have included, *inter alia*, the following:

- (i) advising its stakeholders of the NOI filings, including employees, Shell and other interested parties;
- (ii) working with the Proposal Trustee to prepare and subsequently update/revise the cash flow projections for each of Planet Energy Ontario and Planet Energy BC, as more fully described later in this First Report;
- (iii) communicating with suppliers/service providers to secure goods and services during the NOI proceedings and to address payment terms;
- (iv) responding to calls and enquiries from creditors and other stakeholders regarding the NOI proceedings;
- (v) responding to inquires from counsel to ACN and responding to the ACN Receivership Motion;
- (vi) reporting receipts and disbursements;
- (vii) making payments to suppliers for goods and services received subsequent to the Filing Date;
- (viii) working with the Proposal Trustee to develop the Sale Process (as hereinafter defined);

- (ix) consulting with the Proposal Trustee on various matters in connection with the NOI proceedings;
- (x) monitoring fluctuations in weekly energy futures pricing, the weighted average fixed price of customer contracts and updated costs available under various swap terms; and
- (xi) pursuing various cost saving efforts for the benefit of stakeholders, including:
  - (i) renegotiating the financial terms of certain licence agreements (Easybooks) resulting in significant cost savings; and
  - (ii) reviewing Planet Energy's staffing requirements and terminating certain employees/contractors.

### **Proposal Trustee**

44. The Proposal Trustee's activities since the Filing Date have included, *inter alia*, the following:

- (i) assisting Planet Energy with the preparation and subsequently updating/revising the Company's cash flow projections, including reviewing the underlying assumptions and the filing of the statutory cash flow (and associated reports) within the required ten (10) day period;
- (ii) reviewing Planet Energy's financial position;
- (iii) implementing procedures for monitoring Planet Energy's receipts and disbursements and for the ongoing reporting of variances to Planet Energy's cash flow projections;
- (iv) establishing and maintaining websites at <https://www.richter.ca/insolvencycase/planet-energy-ontario-corp/> and <https://www.richter.ca/insolvencycase/planet-energy-b-c-corp/>, where all materials filed with the Superintendent and the Court in connection with Planet Energy's NOI proceedings are available in electronic format;
- (v) issuing the prescribed notices to Planet Energy's creditors, as required under the BIA;
- (vi) corresponding and communicating regularly with Planet Energy and their legal counsel, Stikeman, regarding the NOI proceedings;
- (vii) responding to calls and enquiries from creditors including Shell, employees, suppliers, and other stakeholders regarding Planet Energy's NOI proceedings;
- (viii) working with Planet Energy and its advisors to develop the Sale Process;

- (ix) communicating with ACN's advisors regarding various matters in connection with Planet Energy's NOI proceedings;
- (x) reviewing fluctuations in weekly energy futures pricing, the weighted average fixed price of Planet Energy's customer contracts and updated costs available under various swap terms;
- (xi) reviewing and discussing cost saving opportunities with Planet Energy; and
- (xii) preparing this First Report.

## IX. PLANET ENERGY'S PROPOSED SALE PROCESS

- 45. The Proposal Trustee, in consultation with the Company and its advisors, developed a process to market the Planet Energy assets to third parties (the "**Sale Process**"). The purpose of the Sale Process is to determine third-party interest in the Company's business and assets. A copy of the proposed Sale Process is attached as **Appendix "C"**.
- 46. The Sale Process is to be administered by the Proposal Trustee on behalf of Planet Energy.
- 47. A summary of the proposed Sale Process is as follows (capitalized terms not defined in this section have the meanings defined in the Sale Process – see Appendix "C"):
  - (i) subject to Court approval, the following table sets out the proposed timeline for the Sale Process:

Milestone	Key Dates
Distribution of Teaser Letter / Data Room to be opened	By June 9, 2023 or shortly thereafter
Due Diligence by Prospective Participants	June 5, 2023 - August 3, 2023
Offer Deadline	August 4, 2023 at 5:00 p.m. (Toronto time)
Auction (if required)	August 11, 2023
Motion to Approve the Winning Bid	On or after August 21, 2013 (dependant on Court availability)

- (ii) the Sale Process is proposed to commence immediately on the date the Court issues the Sale Process Order (the "**Commencement Date**");
- (iii) the Proposal Trustee has prepared a letter (the "**Teaser Letter**") detailing the opportunity and, with the assistance of Planet Energy, has identified and compiled a list of potential interested parties (the "**Prospective Participants**"). As soon as practicable following the Commencement Date, the Proposal Trustee will distribute the Teaser Letter to the Prospective Participants. Attached to the Teaser Letter will be a form of non-disclosure agreement ("**NDA**"), which Prospective Participants must execute in order to

participate in the Sale Process and receive further information. A copy of the Teaser Letter is attached hereto as **Appendix “D”**;

- (iv) as soon as practicable after the Commencement Date, the Proposal Trustee will: (a) arrange for an advertisement of the acquisition opportunity in the National Post and/or such other newspaper and/or trade publications or other publications as the Proposal Trustee may deem appropriate or advisable, and (b) post the Teaser Letter and other relevant information concerning the acquisition opportunity on the Proposal Trustee’s Websites;
- (v) the Proposal Trustee and the Company have populated a virtual data room (the **“Data Room”**) to be maintained by the Proposal Trustee containing various financial and other information concerning the Company for purposes of performing diligence on the acquisition opportunity. The Prospective Participants, upon execution of an NDA, will be provided with access to the Data Room;
- (vi) the Proposal Trustee will facilitate due diligence efforts by, among other things, arranging meetings between key Company employees and Prospective Participants;
- (vii) Prospective Participants will be provided with a copy of a template asset purchase agreement (the **“Template Purchase Agreement”**). Prospective Participants will be required to submit offers in the form of the Template Purchase Agreement, with a blackline comparison illustrating any changes; and
- (viii) offers will be required to be submitted to the Proposal Trustee by no later than 5:00 pm (Toronto time) on August 4, 2023 (the **“Offer Deadline”**), being approximately 60 days from the return date of the motion for approval of the Sale Process. The Proposal Trustee is of the view that the 60-day timeline is necessary to ensure the market is appropriately canvassed for Planet Energy’s business and assets.

#### **Qualified Offers**

48. To be a “Qualified Offer”, an offer must be submitted by the Offer Deadline and must, at a minimum, meet the following requirements (unless such requirement is waived by the Proposal Trustee):
- (i) a submission in writing, substantially in the form of the Template Purchase Agreement, with any changes to the offer blacklined against the appropriate Template Purchase Agreement;
  - (ii) a provision stating that the Prospective Purchaser’s offer is irrevocably open for acceptance until five days after the Auction (as hereinafter defined);
  - (iii) a cash deposit in the form of cheque or bank draft of not less than 10% of offer purchase price;

- (iv) it may only contemplate an acquisition on an “as is, where is” basis and must include an acknowledgement that the prospective purchaser has relied solely on its own independent review and investigation and that it has not relied on any representation by Planet Energy, the Proposal Trustee or their respective agents, employees, or advisors;
  - (v) it must not contain any condition or contingency relating to due diligence or financing or any other material conditions precedent to the offeror’s obligation to complete the transaction (save and except for approval by the Court); and
  - (vi) it must include written evidence, satisfactory to the Proposal Trustee, that the prospective purchaser has the financial means to complete the proposed acquisition.
49. Offers for all or part of the business, assets and undertakings of Planet Energy will be considered, including liquidation offers.

#### **Auction**

50. If more than one Qualified Offer is received by the Offer Deadline, the Proposal Trustee will have the option to conduct an auction.

#### **Completion of Transaction**

51. The Winning Bid shall be, either:
- (i) in the event that only one Qualified Offer is received by the Offer Deadline, the Qualified Offer;
- or,
- (ii) in the event that multiple Qualified Offers are received, following the conclusion of the auction (if applicable), the party submitting the highest and best offer through the auction, which the Proposal Trustee is satisfied, acting reasonably, is capable of being completed.
52. Notwithstanding anything contained herein, the Proposal Trustee reserves the right not to accept any offer or offers submitted as part of the Sale Process.

#### **Recommendation**

53. The Proposal Trustee recommends that this Court issue an order approving the Sale Process for the following reasons:

- (i) the Sale Process provides for a wide marketing of the Company’s assets and business by the Proposal Trustee, which has extensive experience selling distressed assets and businesses;
- (ii) the Sale Process allows for a fair, efficient and transparent market test for the benefit of all stakeholders;
- (iii) the proposed timelines of the Sale Process are sufficient to allow interested parties to perform diligence and submit offers; and
- (iv) the Company is supportive of the Sale Process.

**X. PLANET ENERGY’S CASH FLOW FORECAST**

54. Each of Planet Energy Ontario and Planet Energy BC, with the assistance of the Proposal Trustee, prepared a forecast of its receipts and disbursements for the period May 12, 2023 to June 9, 2023 (the “**Initial Cash Flow Forecasts**”). The Initial Cash Flow Forecasts were filed with the Superintendent on May 19, 2023. Copies of the Initial Cash Flow Forecasts and associated reports for both the Proposal Trustee and Planet Energy are attached hereto as **Appendix “E”**.

55. A comparison of Planet Energy Ontario’s budget to reported results for the 1-week period ended May 19, 2023 (the “**Variance Period**”) is summarized as follows:

Week Ending	Actual 19-May-23	Forecasted 19-May-23	Variance 19-May-23
<b>Receipts</b>			
Customer receipts	-	-	-
Settlement receipts	-	-	-
HST refunds	-	-	-
Interest	685	-	685
<b>Total Receipts</b>	<b>685</b>	<b>-</b>	<b>685</b>
<b>Disbursements</b>			
Payroll and benefits	-	1,000	1,000
Energy supplier payments	-	-	-
Operating expenses	9,677	47,713	38,036
Selling, general and administrative expenses	-	-	-
Restructuring professional fees	-	25,000	25,000
Contingency	-	10,000	10,000
<b>Total Disbursements</b>	<b>9,677</b>	<b>83,713</b>	<b>74,036</b>
Net Cash Flow	(8,992)	(83,713)	74,721
Opening Cash	8,863,103	8,861,998	1,105
<b>Closing Cash</b>	<b>8,854,112</b>	<b>8,778,285</b>	<b>75,827</b>

56. The Proposal Trustee notes the following in respect of the Variance Period:

- (i) positive variances in Payroll and benefits, Operating expenses and Restructuring professional fees are all anticipated to be timing differences;

- (ii) the positive variance in Opening Cash is a foreign exchange difference related to a US Dollar denominated bank account that was incorrectly reflected as a Canadian Dollar account in the Initial Cash Flow Forecasts;
- (iii) Planet Energy BC is a dormant business, and as forecasted in its Initial Cash Flow Forecast, it had no cash flow activity during the Variance Period.

57. The Proposal Trustee is of the view that Planet Energy is acting in a manner consistent with its cash flow projections and there have been no material adverse changes to Planet Energy’s operations since the Filing Date.

## XI. PLANET ENERGY’S REQUEST FOR THE EXTENSION

- 58. The current stay of proceedings expires on June 10, 2023 (the “**Stay Period**”). Planet Energy is seeking an extension of the Stay Period up to and including July 25, 2023 (the “**Extension**”).
- 59. As the Initial Cash Flow Forecast period ends on June 9, 2023, Planet Energy, with the assistance of the Proposal Trustee, has prepared an extended, consolidated cash flow forecast (the “**Extended Cash Flow Forecast**”) covering the period from May 20, 2023 to July 28, 2023 (the “**Forecast Period**”). A copy of the Cash Extended Flow Forecast is attached as **Appendix “F”** and is summarized below:

Planet Energy Cash Flow Forecast Summary For the Period May 20, 2023 to July 28, 2023 (in CAD; \$000)	
	<u>Total</u>
<b>Receipts</b>	
Customer receipts	1,487
Settlement receipts	194
Tax refunds	156
Interest	62
<b>Total Receipts</b>	<u>1,900</u>
<b>Disbursements</b>	
Payroll and benefits	376
Energy supplier payments	167
Operating expenses	279
Selling, general and administrative expenses	76
Restructuring professional fees	450
Contingency	100
<b>Total Disbursements</b>	<u>1,448</u>
Net Cash Flow	452
Opening Cash	<u>8,863</u>
<b>Closing Cash</b>	<u><u>9,315</u></u>

60. The Extended Cash Flow Forecast projects that Planet Energy will experience a net cash inflow of approximately \$452,000 over the Forecast Period, comprised of:
- (i) cash receipts of approximately \$1.9 million, primarily related to the sale of electricity and gas; and
  - (ii) cash disbursements of approximately \$1.4 million, primarily consisting of payroll expenses, operating expenses, energy supplier payments and costs in connection with the NOI proceedings.
61. Planet Energy is projected to have sufficient liquidity to fund both operating costs and the costs of the NOI proceedings during the Forecast Period.
62. The Proposal Trustee supports Planet Energy's request for the Extension for the following reasons:
- (i) Planet Energy is acting in good faith and with due diligence in taking steps to facilitate the sale of its business and/or assets for the benefit of its creditors;
  - (ii) the Extension will not prejudice or adversely affect any group of creditors;
  - (iii) the Company is projected to have sufficient funds to pay post-filing services and supplies, as contemplated in the Extended Cash Flow Forecast;
  - (iv) the Extension is necessary to provide Planet Energy the additional time necessary to implement the Sale Process;
  - (v) the Extension will preserve the value of Planet Energy's business and/or contracts;
  - (vi) if the Extension is not granted, Planet Energy will not be in a position to advance the Sale Process, and the ability to attract and negotiate a sale of its business and/or assets would likely be negatively affected to the detriment of all Planet Energy's stakeholders.
63. While it is too early to determine whether a viable proposal will be presented by the Company to its creditors, in the Proposal Trustee's view, the Company's request for the Extension is appropriate in the circumstances.

## **XII. REQUEST FOR ADMINISTRATIVE CONSOLIDATION**

64. Planet Energy is seeking an order consolidating the administration of the NOI proceedings for each of Planet Energy Ontario and Planet Energy BC into one estate for the purposes of filing materials and the Proposal Trustee reporting to the Court.

65. When Planet Energy BC was still active, Planet Energy Ontario and Planet Energy BC operated as one business entity under one banner, "Planet Energy", with common management and a single back office that provides payroll, accounting and treasury functions. Planet Energy BC is now dormant, has no operating activities, and is not forecasting any cash flow activity during Planet Energy's NOI proceedings.
66. Planet Energy BC's only creditors are those related to cross guarantees between Planet Energy BC and Planet Energy Ontario. A consolidation order would avoid duplication of efforts in reporting and be more efficient and cost effective.
67. For the above reasons, it is Planet Energy's belief that the procedural consolidation of the NOI proceedings will realize the greatest value for all interested parties and, as such, is appropriate in the circumstances.
68. The Proposal Trustee is supportive of Planet Energy's request for the procedural consolidation of the Planet Energy Ontario and Planet Energy BC NOI proceedings.

### **XIII. PROPOSAL TRUSTEE'S RECOMMENDATION**

69. The Proposal Trustee is of the view that the relief requested by Planet Energy, including the Extension, is necessary, commercially reasonable and justified. The Proposal Trustee is also of the view that granting the relief requested will provide Planet Energy with the best opportunity to identify and complete a sale of its business and/or assets, thereby preserving value for the benefit of Planet Energy's stakeholders.

The Proposal Trustee respectfully submits its First Report to the Court.

Dated this 30<sup>th</sup> day of May, 2023.

**Richter Inc.**  
**in its capacity as Proposal Trustee of**  
**Planet Energy (Ontario) Corp. and**  
**Planet Energy (B.C.) Corp**  
**and not in its personal capacity**

Per:



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**Karen Kimel, MAcc, CPA, CA, CPA (IL), CIRP, LIT**



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**Jonathan Joffe, CA, CPA, CFA, CIRP, LIT**

# Appendix “A”



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 09 - Toronto  
Court No. 31-2943175  
Estate No. 31-2943175

In the Matter of the Notice of Intention to make a proposal of:

**Planet Energy (Ontario) Corp.**

Insolvent Person

**RICHTER INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

May 11, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: May 11, 2023, 14:22

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

**Canada**



Industry Canada  
Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada  
Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 09 - Toronto  
Court No. 31-2943168  
Estate No. 31-2943168

In the Matter of the Notice of Intention to make a proposal of:

**Planet Energy (B.C.) Corp.**

Insolvent Person

**RICHTER INC.**

Licensed Insolvency Trustee

---

Date of the Notice of Intention:

May 11, 2023

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

E-File/Dépôt Electronique

Date: May 11, 2023, 13:56

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

**Canada**

# Appendix “B”

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Accrued Salary Payable			69,137.00
Aizan Technologies Inc.	200-214 Adelaide Street West Toronto ON M5H 1W7		754.84
All Communication Network (ACN) of Canada Co.	450-100 Av. des Canadiens-de-Montréal Montreal QC H3B 2S2		35,184,894.00
Amex Bank of Canada	PO Box 7000 Station B Willowdale ON M2K 2R6		12,222.21
Cogent Canada, Inc.	220 Yonge St, Suite 211 Toronto ON M5B 2H1		666.47
Collection Group of Canada Inc.	400-255 Consumers Road Toronto ON M2J 1R4		419.35
Easybooks Inc.	31 Bales Ave, PH109 Toronto ON M2N 7L6		28,978.16
EasyTPV Inc.	104 Sandfield Dr. Aurora ON L4G 6T3		14,690.00
EC Infosystems, LLC *	1321 Upland Drive, Suite 8389 Houston TX 77043 USA		3,440.75
Enbridge	50 Keil Drive North PO Box 2001 Chatham ON N7M 5M1		230,987.00
Equifax Canada Co.	CP/PO Box 4265, Station A Toronto ON M5W 5T7		5,938.15
ERTH Business Technologies Inc.	154 University Ave Toronto ON M5H 3Y9		26,838.71
eStruxture Data Centers Inc.	7001 rue St-Jacques Montreal QC H4B 3A2		2,404.90
Export Developement Canada Kevin Sullivan	3400-155 Wellington St. W. Toronto ON M5V 3L3		2,426,225.00
Greg Berry	418 Glasgow St, Unit Rear Kitchener ON N2M 2N2		1,895.48
IXICA Communications Inc.	174 Shropshire Dr, Unit 3 Toronto ON M1P 1Z7		1,174.19

District of:  
 Division No. -  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Jordan Small	USA		1,651.56
KPMG LLP	4600-333 Bay Street Toronto ON M5H 2S5		70,000.00
Lester Plummer	13 Fiddlehead Terrace Toronto ON M1B 6B5		2,683.87
Prime Real Estate Holdings Inc. Richard P. Quance	Himelfarb, Proszanski 1401-480 University Avenue Toronto ON M5G 1V2		1,600,000.00
PTMJ Limited	21 Aristotle Drive Richmond Hill ON L4S 1J2		4,361.29
Scotiabank Aleksa Lekovic	2 Robert Speck Pkwy, 4th Floor Mississauga ON L4Z 1H8		2,426,225.00
Shell Energy North America (Canada)	400 4th Avenue SW. Calgary AB T2P 2H5		67,096.77
Shell Energy North America (US) *	1000 Main St., Level 12 Houston TX 77022 USA		4,266.53
Shell North America (Canada)	400 4th Avenue SW Calgary AB T2P 2H5		536,124.00
Silvestri Energy Services Ltd.	56 Cameo Street Oakville ON L6J 5Y1		8,387.10
Sunlife Assurance Company of Canada	1 York St Toronto ON M5J 0B6		5,870.97
Telus	PO Box 7575 Vancouver BC V6B 8N9		587.10
TNC 5775 Yonge Street Ltd. c/o Colliers International	102-5775 Yonge St. North York ON M2M 4J1		7,437.68
<b>Total</b>			<b>42,745,358.08</b>



Planet Energy (Ontario) Corp.  
 Insolvent Person

District of:  
Division No. -  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
All Communications Network (ACN) of Canada Co.	450-100 Av. des Canadiens-de-Montreal MONTREAL QC H3B 2S2		35,184,894.00
Shell Energy North America (Canada)	400 4th Avenue SW. Calgary AB T2P 2H5		67,096.77
Shell Energy North America (Canada)	400-4th Avenue SW. Calgary AB T2P 2H5		536,124.00
Shell Energy North America (US)	1000 Main St., Level 12 Houston TX 77022 USA		4,266.53
<b>Total</b>			<b>35,792,381.30</b>



Planet Energy (B.C.) Corp.  
Insolvent Person

# Appendix “C”

## SALE PROCESS

### PLANET ENERGY (ONTARIO) CORP. AND PLANET ENERGY (B.C.) CORP.

(collectively “Planet”)

#### Defined Terms

1. These terms and conditions, and the process described herein shall collectively be hereinafter referred to as the “**Sale Process**”.

#### Role of the Trustee and Consultation Parties

2. The Sale Process will be administered by Richter Inc., the trustee in the proposal proceedings of Planet (the “**Trustee**”). The roles and responsibilities of the Trustee are described below, however, the Trustee’s role in the Sale Process does not include managing, operating, or taking possession or control of Planet’s property, assets or undertakings.
3. Planet and its principals, employees and professional advisors shall cooperate with the Trustee throughout the Sale Process and promptly provide any documents and information requested by the Trustee as part of the Sale Process.
4. All Communications Network of Canada (“**ACN**”) shall be entitled certain consultation rights as set forth herein provided ACN executes a non-disclosure agreement in a form acceptable to the Trustee and Planet and ACN confirms in writing to the Trustee that it and its affiliates and related parties will not submit an offer or participate in the Sales Process as a Prospective Participant (as defined below). Upon satisfying such conditions, ACN shall be a “**Consultation Party**” hereunder.

#### Commencement of the Sale Process

5. The Sale Process shall commence immediately upon Court approval thereof (the “**Commencement Date**”).
6. As soon as practicable after the Commencement Date, the Trustee shall contact parties identified by Planet, the Trustee or the Consultation Party who may be interested in purchasing the business and/or assets of Planet (collectively, the “**Prospective Participants**” and each a “**Prospective Participant**”) and provide those parties with a copy of a letter (the “**Teaser Letter**”) containing general details about the opportunity to purchase the business and/or assets of Planet (the “**Opportunity**”), as well as some general background information about Planet.

7. As soon as practicable after the Commencement Date, the Trustee shall also (a) publish a notice advertising the Opportunity in the National Post and/or such other newspaper and/or trade publications or other publications as the Trustee may deem appropriate or advisable, and (b) post the Teaser Letter and other relevant information concerning the Opportunity, as determined by the Trustee, on its website.

### **Due Diligence**

8. Any Prospective Participant who advises the Trustee of its interest in participating in the Sale Process shall execute a non-disclosure agreement (the “**NDA**”) in a form satisfactory to the Trustee and shall satisfy the Trustee, in the Trustee’s sole discretion, of its ability to consummate a transaction for the acquisition of the business and/or assets of Planet. Any Prospective Participant executing an NDA and so satisfying the Trustee shall be invited to participate in the Sale Process and commence due diligence.
9. Commencing on the Commencement Date (and after each respective Prospective Participant has executed the NDA), the Trustee shall make available to the qualifying Prospective Participants the following:
  - a) a copy of a template asset purchase agreement (the “**Template Purchase Agreement**”); and
  - b) access to an electronic data room, to be maintained by the Trustee, which shall contain information pertaining to the Opportunity along with other corporate financial and other documents as provided by Planet.

### **Offer Deadline**

10. All offers must be submitted in writing to and received by the Trustee electronically to [jjoffe@richter.ca](mailto:jjoffe@richter.ca) by no later than 5:00pm (Toronto time) on [], 2023 (the “**Offer Deadline**”). Each offer must remain open for acceptance until [], 2023.
11. The Trustee shall provide Planet and the Consultation Party with the offers received by the Offer Deadline.

### **Qualified Offers**

12. An offer will only be considered in this Sale Process, in which case it shall be considered a “**Qualified Offer**”, if it is submitted before the Offer Deadline and if it meets the following minimum criteria:
  - a) it must be submitted in writing, substantially in the form of the Template Purchase Agreement, with any changes to the offer blacklined against the appropriate Template Purchase Agreement;
  - b) it must be irrevocable until five business days after the Auction (*as defined herein*);

- c) it must be accompanied by a deposit in the form of a certified cheque or bank draft (or in the form of confirmed wire transfer in the case of offers submitted electronically) payable to the Trustee "in trust" which is equal to at least ten percent (10%) percent of the total purchase price payable under the offer;
- d) it may only contemplate an acquisition on an "as is, where is" basis and must include an acknowledgement that the purchaser has relied solely on its own independent review and investigation and that it has not relied on any representation by Planet, the Trustee or their respective agents, employees or advisors;
- e) it must not contain any condition or contingency relating to due diligence or financing or any other material conditions precedent to the offeror's obligation to complete the transaction (save and except for approval by the Court); and
- f) it must include written evidence, satisfactory to the Trustee, that the offeror has the financial means to complete the proposed acquisition,

provided however that the Trustee may, in consultation with Planet and the Consultation Party, may (i) consider liquidation offers in respect of the assets of Planet and (ii) exercising its reasonable discretion, waive compliance with one or more of the foregoing Qualified Offer requirements and deem such non-compliant offer to be a Qualified Offer.

13. Offers for all or part of the business, assets and undertakings of Planet will be considered.

#### **Auction**

14. If no Qualified Offer is received by the Offer Deadline, the Auction (*as defined herein*) will not be held.
15. If more than one Qualified Offer is received by the Offer Deadline, the Trustee may extend invitations by phone, and/or email by no later than 10:00am (Toronto time) on the second (2<sup>nd</sup>) Business Day after the Offer Deadline to all bidders who submitted Qualified Offers to attend an auction (the "**Auction**"). The Auction shall be held at 10:00am (Toronto time) on the fifth (5<sup>th</sup>) Business Day after the Offer Deadline or such later date that the Trustee may determine, at the offices of the Trustee or by teleconference, video conference or other form of electronic telecommunications, as the Trustee may deem fit. Only the Trustee, Planet, the Consultation Party, and persons that have submitted a Qualified Officer and their respective advisors shall be entitled to attend the Auction.
16. The Trustee shall conduct the Auction. At the Auction, the bidding shall begin initially with the highest Qualified Offer and subsequently continue in multiples of \$50,000, or such other amount as the Trustees determines, to facilitate the Auction. The format and other procedures for the Auction shall be determined by the Trustee in its sole discretion.

#### **Selection of the Winning Bid**

17. The winning bid (the "**Winning Bid**") shall be, either:
- a. in the event that only one Qualified Offer is received, the Qualified Offer;

or,

- b. in the event that multiple Qualified Offers are received, following the conclusion of the Auction (if applicable), the party submitting the highest and best offer through the Auction, which the Trustee is satisfied, acting reasonably, is capable of being completed in accordance with the Sale Process Order.
18. Notwithstanding anything contained herein, the Trustee reserves the right to not accept any offer or offers submitted as part of the Sale Process.

### **Court Approval**

19. As soon as practicable after determination of the Winning Bid, Planet will make a motion to the Court (the “**Approval Motion**”) for an approval and vesting order in respect of the Winning Bid and the underlying purchase agreement (the “**Final Purchase Agreement**”).
20. The Trustee shall serve and file a report with respect to the Sale Process and Winning Bid in advance of the Approval Motion.

### **Other Terms**

21. All deposits received shall be held by the Trustee “in trust”. All deposits submitted by parties that submitted a Qualified Offer who did not submit the Winning Bid shall be returned, without interest, as soon as practicable following the date on which any such offers are rejected hereunder. The deposit forming part of the Winning Bid shall be dealt with in accordance with the Final Purchase Agreement.
22. In the event that a deposit is forfeited for any reason it shall be forfeited as liquidated damages and not as a penalty.
23. All Qualified Offers (other than the Winning Bid) shall be deemed rejected on the earlier of (a) the date on which the transaction contemplated by the Final Purchase Agreement is completed and (b) [], 2023, or such later date as may be agreed to, in writing, by the Trustee and the party who submitted the Qualified Offer.
24. Subject to the Sale Process Order or other order of the Court, the Trustee, in consultation with Planet and the Consultation Party shall have the right to adopt such other rules for, or extend any deadlines in, the Sale Process that, at its sole discretion, will better promote the goals of the Sale Process.

# Appendix “D”

## ACQUISITION OPPORTUNITY: NATURAL GAS AND ELECTRICITY SERVICE PROVIDER



### BACKGROUND TO THE ACQUISITION OPPORTUNITY

On May 11, 2023, Planet Energy (Ontario) Corp. and Planet Energy (B.C.) Corp. (together, “Planet Energy” or the “Company”) each filed a notice of intention to make a Proposal (an “NOI”) pursuant to the *Bankruptcy and Insolvency Act* (Canada). Richter Inc. (“Richter”) was named trustee (the “Trustee”) under each of the Company’s NOI’s.

On June [ ], 2023, the Ontario Superior Court of Justice (Commercial List) (the “Court”) issued an order (the “Sale Process Order”), which, among other things, authorized the Trustee, on behalf of Planet Energy, to undertake a sale solicitation process (the “Sale Process”) for the sale of Planet Energy’s business and/or assets.

### OVERVIEW OF THE COMPANY

Founded in 2006, Planet Energy is a natural gas and electricity service retailer active in multiple markets across Canada, serving both residential and commercial customers. The Company’s leased headquarters is located at 5775 Yonge Street, Suite 1202, Toronto, Ontario (the “Premises”). Planet Energy’s operations are focused on offering affordable, stable-price energy options. The Company’s customers are serviced by, and invoiced by, the same electric local utility provider that services the customers’ respective geographic regions. Planet Energy works with a multitude of vendors and electricity end-user service providers to deliver electricity to its customers. Planet Energy currently has approximately 17 employees.



#### MONTRÉAL

1981 McGill College  
Montréal QC H3A 0G6  
514.934.3400

#### TORONTO

181 Bay St., #3510  
Bay Wellington Tower  
Toronto ON M5J 2T3  
416.488.2345

#### CHICAGO

200 South Wacker, #3100  
Chicago IL 60606  
312.828.0800

## ACQUISITION HIGHLIGHTS

### Differentiated Market Position

While rates offered by typical electricity service providers fluctuate based on usage and underlying energy costs, Planet Energy offers fixed energy price plans.

### Customer Contracts

Planet Energy's 6,000+ account customers, representing over 19,000 residential customer equivalents, typically enter 5-year agreements, establishing a steady stream of revenue. The Company has resources devoted to retaining customers at end of term, focused on the arrangement of contract renewals.



Electricity



Natural Gas

### Industry Relationships

With over 15 years in the industry, Planet Energy has established a strong network of service providers and operating partners. Planet Energy works in concert with numerous energy suppliers, vendors, IT partners and utility service providers to deliver quality service to its customers and arrange for timely billing/collections. Planet Energy has the staff, accounting system and management systems in place to handle the detailed logistics involved.

## SOLICITATION PROCESS

Below is a summary of the key aspects of the Sale Process:

- Interested parties are required to execute a non-disclosure agreement (an “NDA”) and return it to the Trustee in order to gain access to confidential information maintained in a data room.
- **Parties will be required to submit an offer (an “Offer”) to the Trustee by 5 p.m. (Toronto time) on August 4, 2023 (the “Offer Deadline”).**
- To be considered by the Trustee, an Offer is, *inter alia*: (i) to be on an “as is, where is” basis, and (ii) to be accompanied by a cash deposit of not less than 10% of the Offer. The Trustee may waive compliance with one or more of the Offer requirements and deem such non-compliant offer to be an Offer.
- If one or more Qualifying Offers are received by the Offer Deadline, the Trustee may conduct an auction, to be held on the 5<sup>th</sup> business day after the Offer Deadline or a later date selected by the Trustee, to determine and select the winning bid in the Sale Process.
- Additional information with respect to the Company's NOI proceedings can be found at the Trustee's website:  
<https://www.richter.ca/insolvencycase/planet-energy-ontario-corp/>  
<https://www.richter.ca/insolvencycase/planet-energy-b-c-corp/>

If you would like to execute an NDA, or further discuss this opportunity or the Sales Process, please direct your enquiries to:

**Jonathan Joffe**  
Vice-President  
416-646-7390  
JJoffe@Richter.ca

**Shane Connolly**  
Manager  
647-921-3902  
SConnolly@Richter.ca

### MONTRÉAL

1981 McGill College  
Montréal QC H3A 0G6  
514.934.3400

### TORONTO

181 Bay St., #3510  
Bay Wellington Tower  
Toronto ON M5J 2T3  
416.488.2345

### CHICAGO

200 South Wacker, #3100  
Chicago IL 60606  
312.828.0800

# Appendix “E”

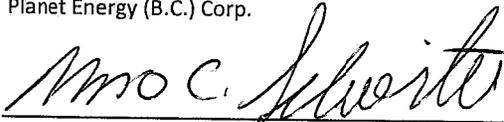
Planet Energy (B.C.) Corp.  
**Cash Flow Forecast**  
For the Period ending June 9, 2023

Week Ending	Week 1 19-May-23	Week 2 26-May-23	Week 3 2-Jun-23	Week 4 9-Jun-23	Total
Total Receipts	-	-	-	-	-
Total Disbursements	-	-	-	-	-
Net Cash Flow	-	-	-	-	-
Opening Cash	-	-	-	-	-
Closing Cash	-	-	-	-	-

The projected statement of cash flow has been prepared pursuant to section 50.4(2) of the *Bankruptcy and Insolvency Act* and solely for that purpose.

Dated this 19th day of May, 2023

Planet Energy (B.C.) Corp.



Nino Silvestri, CEO

The projected statement of cash flow has been prepared pursuant to section 50.4(2) of the *Bankruptcy and Insolvency Act* and should be read in conjunction with the attached Trustee's Report on the Cash Flow Statement dated May 19, 2023 and the Report on Cash Flow Statement by the Person Making the Proposal dated May 19, 2023.

Richter Inc. in its capacity as Trustee  
Acting in the proposal of  
Planet Energy (B.C.) Corp.  
And not in its personal capacity

per:



Karen Kimel, Macc, CA, CPA, CPA (IL), CIRP, LIT

District of: Ontario  
Division No.: 09-Toronto  
Court No.: 31-2943168  
Estate No.: 31-2943168

FORM 29  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the Notice of Intention to make a Proposal of  
Planet Energy (B.C.) Corp.  
of the city of Toronto  
in the province of Ontario

The attached statement of projected cash flow of Planet Energy (B.C.) Corp., as of the 19<sup>th</sup> day of May 2023, consisting of the period from May 13, 2023 to June 9, 2023, has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the management and employees of the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 19<sup>th</sup> day May 2023.

Richter Inc. – Licensed Insolvency Trustee  
Per:



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Karen Kimel, MAcc, CPA, CIRP, LIT  
181 Bay Street, Suite 3510  
Toronto, ON M5J 2T3  
Phone: 416.488.2345 Fax: 514.934.8603

District of: Ontario  
Division No.: 09-Toronto  
Court No.: 31-2943168  
Estate No.: 31-2943168

FORM 29 – ATTACHMENT  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the Notice of Intention to make a Proposal of  
Planet Energy (B.C.) Corp.  
of the city of Toronto  
in the province of Ontario

**Purpose:**

Planet Energy (B.C.) Corp. (the "Company") filed a Notice of Intention to Make a Proposal on May 11, 2023. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of the Company, for the period May 13, 2023 to June 9, 2023, relating to the filing of a Notice of Intention to Make a Proposal on May 11, 2023.

This Statement of Projected Cash Flow has been prepared by management on May 19, 2023, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

**Projection Notes:**

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period May 13, 2023 to June 9, 2023, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

**Assumptions:**

The Company has no operations or employees. As a result no operating activity or cash flows are anticipated during the forecasted period.

Dated at the City of Toronto in the Province of Ontario, this 19<sup>th</sup> day May 2023.

Richter Inc. – Licensed Insolvency Trustee

Per:



---

Karen Kimel, MAcc, CPA, CA, CIRP, LIT  
181 Bay Street, Suite 3510  
Toronto, ON M5J 2T3  
Phone: 416.488.2345 Fax: 514.934.8603

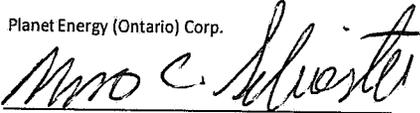
Planet Energy (Ontario) Corp.  
**Cash Flow Forecast**  
 For the Period ending June 9, 2023

Week Ending	Week 1 19-May-23	Week 2 26-May-23	Week 3 2-Jun-23	Week 4 9-Jun-23	Total
<b>Receipts</b>					
Customer receipts	-	367,564	-	-	367,564
Settlement receipts	-	58,016	18,680	-	76,696
HST refunds	-	-	-	-	-
Interest	-	-	30,786	-	30,786
<b>Total Receipts</b>	-	<b>425,580</b>	<b>49,466</b>	-	<b>475,046</b>
<b>Disbursements</b>					
Payroll and benefits	1,000	78,583	8,900	78,567	167,050
Energy supplier payments	-	-	-	-	-
Operating expenses	47,713	3,846	21,793	59,186	132,538
Selling, general and administrative expenses	-	19,471	11,567	5,938	36,976
Restructuring professional fees	25,000	75,000	75,000	50,000	225,000
Retainer	-	-	-	-	-
Contingency	10,000	10,000	10,000	10,000	40,000
<b>Total Disbursements</b>	<b>83,713</b>	<b>186,900</b>	<b>127,260</b>	<b>203,691</b>	<b>601,564</b>
Net Cash Flow	- 83,713	238,680	- 77,794	- 203,691	- 126,519
Opening Cash	8,861,998	8,778,285	9,016,964	8,939,170	8,861,998
<b>Closing Cash</b>	<b>8,778,285</b>	<b>9,016,964</b>	<b>8,939,170</b>	<b>8,735,479</b>	<b>8,735,479</b>

The projected statement of cash flow has been prepared pursuant to section 50.4(2) of the *Bankruptcy and Insolvency Act* and solely for that purpose.

Dated this 19th day of May, 2023

Planet Energy (Ontario) Corp.

  
 Nino Silvestri, CEO

The projected statement of cash flow has been prepared pursuant to section 50.4(2) of the *Bankruptcy and Insolvency Act* and should be read in conjunction with the attached Trustee's Report on the Cash Flow. Statement dated May 19, 2023 and the Report on Cash Flow Statement by the Person Making the Proposal dated May 19, 2023.

Richter Inc. in its capacity as Trustee  
 Acting in the proposal of  
 Planet Energy (Ontario) Corp.  
 And not in its personal capacity

per:



Karen Kimel, Macc, CA, CPA, CPA (IL), CIRP, LIT

District of: Ontario  
Division No.: 09-Toronto  
Court No.: 31-2943175  
Estate No.: 31-2943175

FORM 29  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the Notice of Intention to make a Proposal of  
Planet Energy (Ontario) Corp.  
of the city of Toronto  
in the province of Ontario

The attached statement of projected cash flow of Planet Energy (Ontario) Corp., as of the 19<sup>th</sup> day of May 2023, consisting of the period from May 13, 2023 to June 9, 2023, has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the management and employees of the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto in the Province of Ontario, this 19<sup>th</sup> day May 2023.

Richter Inc. – Licensed Insolvency Trustee  
Per:



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Karen Kimel, MAcc, CPA, CIRP, LIT  
181 Bay Street, Suite 3510  
Toronto, ON M5J 2T3  
Phone: 416.488.2345 Fax: 514.934.8603

District of: Ontario  
Division No.: 09-Toronto  
Court No.: 31-2943175  
Estate No.: 31-2943175

FORM 29 – ATTACHMENT  
Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the Notice of Intention to make a Proposal of  
Planet Energy (Ontario) Corp.  
of the city of Toronto  
in the province of Ontario

**Purpose:**

Planet Energy (Ontario) Corp. (the "Company") filed a Notice of Intention to Make a Proposal on May 11, 2023. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of the Company, for the period May 13, 2023 to June 9, 2023, relating to the filing of a Notice of Intention to Make a Proposal on May 11, 2023.

This Statement of Projected Cash Flow has been prepared by management on May 19, 2023, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

**Projection Notes:**

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period May 13, 2023 to June 9, 2023, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

**Assumptions:**

(a) Projected Cash Receipts

The projected cash receipts are estimated by management, based upon:

- the pricing and payment terms established in the Company's contracts' with its customers;
- the terms of a settlement arrangement with Shell related to the prior sale of the Company's US derivatives;
- net sales tax credits expected to be received by the Company; and
- the collection experience of the Company.

(b) Projected Cash Disbursements

The projected cash disbursements are based upon:

- payroll and source deductions reflect continued planned reductions to staff. Payments for payroll and source deductions are assumed to be paid bi-weekly;
- historical data adjusted to reflect the current level of activity and best estimates of the Company;
- the cash disbursements do not provide for the payment of arrears to unsecured creditors;
- estimated professional fees relating to the filing have been included in the disbursements; and
- a contingency reserve has been assumed to account for potential requirements by the Company to pay deposits or other unforeseen payments.

Dated at the City of Toronto in the Province of Ontario, this 19<sup>th</sup> day May 2023.

Richter Inc. – Licensed Insolvency Trustee

Per:

A handwritten signature in black ink, appearing to be 'KK', with a long horizontal stroke extending to the right.

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Karen Kimel, MAcc, CPA, CA, CIRP, LIT  
181 Bay Street, Suite 3510  
Toronto, ON M5J 2T3  
Phone: 416.488.2345 Fax: 514.934.8603

District of: Ontario  
Division No.: 09-Toronto  
Court No.: 31-2943175  
Estate No.: 31-2943175

- FORM 30 -  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2) (c) of the Act)

In the matter of the Notice of Intention to make a Proposal of  
Planet Energy (Ontario) Corp.  
of the city of Toronto  
in the province of Ontario

The management of Planet Energy (Ontario) Corp. has developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 19<sup>th</sup> day of May 2023, consisting of the period from May 13, 2023 to June 9, 2023.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

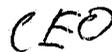
Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Toronto, Province of Ontario, this 19<sup>th</sup> day of May 2023.



Planet Energy (Ontario) Corp.  
Debtor



Name and title of signing officer

District of: Ontario  
Division No.: 09-Toronto  
Court No.: 31-2943175  
Estate No.: 31-2943175

- FORM 30 - Attachment  
Report on Cash-Flow Statement by the Person Making the Proposal  
(Paragraphs 50(6)(c) and 50.4(2) (c) of the Act)

In the matter of the Notice of Intention to make a Proposal of  
Planet Energy (Ontario) Corp.  
of the city of Toronto  
in the province of Ontario

**Purpose:**

Planet Energy (Ontario) Corp. (the "Company") filed a Notice of Intention to Make a Proposal on May 11, 2023. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of the Company, for the period May 13, 2023 to June 9, 2023, relating to the filing of a Notice of Intention to Make a Proposal on May 11, 2023. This Statement of Projected Cash Flow has been prepared by management on May 19, 2023 based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

**Projection Notes:**

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period May 13, 2023 to June 9, 2023, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

**Assumptions:**

(a) Projected Cash Receipts

The projected cash receipts are estimated by management, based upon:

- the pricing and payment terms established in the Company's contracts' with its customers;
- the terms of a settlement arrangement with Shell related to the prior sale of the Company's US derivatives;
- net sales tax credits expected to be received by the Company; and
- the collection experience of the Company.

(b) Projected Cash Disbursements

The projected cash disbursements are based upon:

- payroll and source deductions reflect continued planned reductions to staff. Payments for payroll and source deductions are assumed to be paid bi-weekly;
- historical data adjusted to reflect the current level of activity and best estimates of the Company;
- the cash disbursements do not provide for the payment of arrears to unsecured creditors;
- estimated professional fees relating to the filing have been included in the disbursements; and

- a contingency reserve has been assumed to account for potential requirements by the Company to pay deposits or other unforeseen payments.

Dated at the City of Toronto, Province of Ontario, this 19<sup>th</sup> day of May 2023.



Planet Energy (Ontario) Corp.  
Debtor

CEO

\_\_\_\_\_  
Name and title of signing officer

# Appendix “F”

Planet Energy (Ontario) Corp. and Planet Energy (B.C.) Corp.

**Cash Flow Forecast**

For the Period ending July 28, 2023

	<i>Forecast</i>	<i>Forecast</i>										
<b>Week Ending</b>	<b>Week 1</b>	<b>Week 2</b>	<b>Week 3</b>	<b>Week 4</b>	<b>Week 6</b>	<b>Week 7</b>	<b>Week 8</b>	<b>Week 9</b>	<b>Week 10</b>	<b>Week 11</b>		<b>Total</b>
	<b>26-May-23</b>	<b>2-Jun-23</b>	<b>9-Jun-23</b>	<b>16-Jun-23</b>	<b>23-Jun-23</b>	<b>30-Jun-23</b>	<b>7-Jul-23</b>	<b>14-Jul-23</b>	<b>21-Jul-23</b>	<b>28-Jul-23</b>		
<b>Receipts</b>												
Customer receipts	367,564	-	-	223,423	-	351,514	-	210,067	-	334,731		<b>1,487,299</b>
Settlement receipts	58,016	18,680	-	-	59,704	-	-	-	57,851	-		<b>194,251</b>
Tax refunds	80,920	-	-	-	-	-	-	75,000	-	-		<b>155,920</b>
Interest	-	30,786	-	-	-	-	30,805	-	-	-		<b>62,276</b>
<b>Total Receipts</b>	<b>506,500</b>	<b>49,466</b>	<b>-</b>	<b>223,423</b>	<b>59,704</b>	<b>351,514</b>	<b>30,805</b>	<b>285,067</b>	<b>57,851</b>	<b>334,731</b>		<b>1,899,746</b>
<b>Disbursements</b>												
Payroll and benefits	78,583	8,900	82,098	3,381	53,398	1,850	88,998	3,381	53,398	1,850		<b>375,836</b>
Energy supplier payments	-	-	-	84,875	-	-	-	82,136	-	-		<b>167,011</b>
Operating expenses	41,883	21,793	59,186	33,672	3,846	5,353	53,361	42,552	3,846	3,846		<b>279,015</b>
Selling, general and administrative expenses	21,899	11,567	5,938	6,000	-	91	14,460	6,000	10,000	91		<b>76,046</b>
Restructuring professional fees	100,000	75,000	50,000	50,000	50,000	25,000	25,000	25,000	25,000	25,000		<b>450,000</b>
Contingency	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000		<b>100,000</b>
<b>Total Disbursements</b>	<b>252,364</b>	<b>127,260</b>	<b>207,222</b>	<b>187,928</b>	<b>117,244</b>	<b>42,294</b>	<b>191,819</b>	<b>169,069</b>	<b>102,244</b>	<b>40,787</b>		<b>1,447,907</b>
Net Cash Flow	254,135	- 77,794	- 207,222	35,495	- 57,540	309,219	- 161,014	115,998	- 44,392	293,944		<b>451,838</b>
Opening Cash	8,854,112	9,108,247	9,030,453	8,823,231	8,858,727	8,801,187	9,110,406	8,949,392	9,065,390	9,020,998		<b>8,863,103</b>
<b>Closing Cash</b>	<b>9,108,247</b>	<b>9,030,453</b>	<b>8,823,231</b>	<b>8,858,727</b>	<b>8,801,187</b>	<b>9,110,406</b>	<b>8,949,392</b>	<b>9,065,390</b>	<b>9,020,998</b>	<b>9,314,942</b>		<b>9,314,942</b>