UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA

Denise P. Watkins and William D. Watkins, Trustees, Watkins Family Trust Dated 1/7/94 v. Wallace

Watkins Family Trust v. Wallace · No. 24-cv-02785-JSC · Decided August 4, 2025

SUMMARY

The United States District Court for the Northern District of California granted the Watkins Family Trust's substantively unopposed motion for partial summary judgment on its breach-of-contract claim against GRE Renewable Energy, Ltd. The court found that a valid Loan Purchase and Sale Agreement existed, the Trust performed, GRE breached the agreement, and the Trust suffered $6.608 million in damages plus prejudgment interest. The remaining issue for trial is whether Wallace and Zietsman are liable as GRE's alter egos.

CASE DETAILS

COURT	United States District Court for the Northern District of California
WRITING FOR THE COURT	Jacqueline Scott Corley
JURISDICTION	United States District Court for the Northern District of California
DECIDED	August 4, 2025
DOCKET	24-cv-02785-JSC
DISPOSITION	other
PROCEDURAL POSTURE	Plaintiff moved for partial summary judgment on its breach-of-contract claim against GRE Renewable Energy, LTD. The motion was substantively unopposed.
STANDARD OF REVIEW	Summary judgment is proper under Federal Rule of Civil Procedure 56 when there is no genuine dispute as to any material fact and the movant is entitled to judgment as a matter of law. The movant bears the initial burden; the opposing party must then present significant probative evidence creating a genuine dispute, with evidence viewed and reasonable inferences drawn in the nonmovant's favor.
PRECEDENTIAL VALUE	Unknown
PARTIES	Denise P. Watkins and William D. Watkins, Trustees, Watkins Family Trust Dated 1/7/94 v. WB (Brant) Wallace, Gavin Zietsman, GRE

Renewable Energy, LTD

TOPICS

summary judgment | breach of contract | damages | prejudgment interest | civil procedure

PRACTICE AREAS

contracts | trusts | civil procedure | commercial litigation | remedies

QUESTIONS PRESENTED

1. Whether Plaintiff established each element of its breach-of-contract claim against GRE without a genuine dispute of material fact.
2. Whether Plaintiff was entitled to summary judgment for $6.608 million in damages.
3. Whether Plaintiff was entitled to prejudgment interest under California law.

HOLDINGS

1. Plaintiff established the existence of a valid contract, its performance, GRE's breach, and resulting damages, and Defendants failed to present evidence creating a genuine dispute of material fact. Plaintiff was therefore entitled to partial summary judgment on the breach-of-contract cause of action.
2. The undisputed evidence established Plaintiff's damages at $6.608 million, consisting of the $6.5 million purchase price and $108,000 in reimbursements.
3. Plaintiff was entitled to prejudgment interest because its damages were certain or capable of being made certain by calculation and the LPSA stipulated to a legal interest rate; interest accrued at 10 percent per annum, calculated by the Court as $1,810.41 per day, beginning January 31, 2017.

KEY QUOTATIONS

> *"The elements of a cause of action for breach of contract include the existence of a contract, the plaintiff's performance or excuse for nonperformance, the defendant's breach, and resulting damages to the plaintiff."* (at 2)

> *"Rule 56(e) permits a proper summary judgment motion to be opposed by any of the kinds of evidentiary materials listed in Rule 56(c), except the mere pleadings themselves."* (at 3)

> *"It is undisputed a valid contract existed between Plaintiff and GRE, Plaintiff fully performed, GRE breached that agreement, and Plaintiff has been damaged in the amount of $6.608 million plus prejudgment interest accruing at the rate of $1,810.41 per day from January 31, 2017, to the date of judgment."* (at 3-4)

FACTUAL BACKGROUND

In January 2017, the Watkins Family Trust entered into a Loan Purchase and Sale Agreement with GRE Renewable Energy, LTD, under which the Trust assigned GRE its interest in a $6.5 million loan previously made to Imergy Power Systems. GRE agreed to pay the Trust the $6.5 million purchase price plus $108,000 in reimbursements and was required to acquire substantially all of Imergy's assets by January 31, 2017. GRE failed to acquire the assets and never made the required payments.

PROCEDURAL HISTORY

Plaintiff filed a breach-of-contract action in California state court in January 2021. Wallace removed the action to federal court in May 2024. After the Court dismissed the complaint against Wallace for insufficient service and continued the service deadline, Wallace was served and answered. Plaintiff then moved for partial summary judgment; Zietsman filed no opposition, and Wallace submitted only an objection referencing his answer.

DISPOSITION

other

CASES CITED

- Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986)
- Intel Corp. v. Hartford Acc. & Indem. Co., 952 F.2d 1551, 1558 (9th Cir. 1992)
- Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 254-55 (1986)
- J.B.B. Inv. Partners Ltd. v. Fair, 37 Cal. App. 5th 1, 9 (2019)

OPINION

1 2 3 4 UNITED STATES DISTRICT COURT 5 NORTHERN DISTRICT OF CALIFORNIA 6 7 WATKINS FAMILY TRUST DATED Case No. 24-cv-02785-JSC 1/7/94, 8 Plaintiff, ORDER RE: MOTION FOR PARTIAL 9 SUMMARY JUDGMENT v. 10 Re: Dkt. No. 59 WB (BRANT) WALLACE, et al., 11 Defendants. 12 13 Plaintiff Denise P. Watkins and William D. Watkins, Trustees, Watkins Family Trust 14 Dated 1/7/94 sues WB (Brant) Wallace, Gavin Zietsman, and GRE Renewable Energy, LTD 15 (collectively, “Defendants”) alleging breach of contract.

Now pending before the Court is 16 Plaintiff’s motion for partial summary judgment. Having carefully considered the parties’ 17 submissions, the Court determines oral argument is not required, see N.D. Cal. Civ. L.R. 7-1(b), 18 vacates the August 21, 2025 hearing, and GRANTS Plaintiff’s substantively unopposed motion 19 for partial summary judgment as to the breach of contract cause of action.

20 BACKGROUND 21 I. FACTS 22 William Watkins and Denise Watkins are trustees of the Watkins Family Trust Dated 23 1/7/94 (“the Trust”). (Dkt. No. 60 at 2; Dkt. No. 61 at 2.)1 In January 2017, the Trust—by and 24 through Mr. and Mrs. Watkins—“entered into a Loan Purchase and Sale Agreement (‘LPSA’) 25 with GRE, a corporation organized under the laws of the Isle of Man.” (Dkt.

No. 60 at 2; Dkt. No. 26 61 at 2.) 27 1 “Through the LPSA, the Trust agreed to sell and assign to GRE its full interest in a $6.5 2 million loan the Trust had previously made to Imergy Power

Systems, Inc.,” “a California-based cleantech company specializing in advanced energy storage systems.” (Dkt. No. 60 at 3; Dkt. No. 61 at 17 (LPSA defining the loan at issue as “the loan in the amount of $6,500,000... made by [the Trust] to Imergy at two separate closings held on or about May 26, 2016 and Jule 7, 2016”).)

In return for the loan rights and obligations, GRE agreed pay the Trust the purchase price of $6.5 million plus $108,000 “as a reimbursement for certain deposits made and expenses occurred.” (Dkt. No. 61 at 5, 18; Dkt. No. 60 at 3.)

The LPSA required GRE to “acquire substantially all of the Imergy Assets” on or before January 31, 2017. (Dkt. No. 61 at 10.) And the LPSA structured payments based on this “Asset Acquisition Date”—that is, the date on which GRE “completes the acquisition of the Imergy Assets.” (Id. at 5, 17.) No later than 30 days after the Asset Acquisition Date, GRE was to pay the Trust the $108,000 reimbursement and one half of the $6.5 million purchase price.

(Id. at 5.) On the second anniversary of the agreement’s January 27, 2017 effective date, unless triggered earlier by certain contingencies, GRE was to pay the Trust the second half of the $6.5 million purchase price. (Id.)

The LPSA provides GRE’s failure to comply with its obligations to acquire Imergy assets by January 31, 2017 “shall result in the full Purchase Price becoming immediately due and payable.” (Id. at 10; Dkt. No. 60 at 3.) “GRE did not meet its January 31, 2017 deadline under the LPSA to acquire Imergy’s assets. GRE’s acquisition of Imergy’s assets and payment to the Trust under the LPSA has never occurred.” (Dkt.

No. 60 at 4.) II. PROCEDURAL HISTORY In January 2021, Plaintiff sued Defendants in California state court alleging breach of contract.[2] (Dkt. No. 1-4 at 3.) In May 2024, Mr. Wallace removed the case to federal court. (Dkt. No. 1.)

The Court granted Mr. Wallace’s motion to dismiss the complaint due to insufficient service of process and continued the deadline to serve Mr. Wallace. (Dkt. No. 33.) Mr. Wallace 2 Plaintiff asks the Court to take judicial notice of the January 28, 2021 complaint Plaintiff filed in was served, and he answered the complaint. (Dkt. Nos. 36, 37.) In July 2025, Plaintiff filed the pending motion “for partial summary judgment as to [its] First Cause of Action for Breach of Contract against Defendant GRE Renewable Energy, LTD for which Defendants WB (Brant) Wallace and Gavin Zietsman are named as alter-egos of GRE.” (Dkt.

No. 59.) Mr. Zietsman did not file an opposition, and Mr. Wallace filed an “objection in opposition” to Plaintiff’s motion for summary judgment, which states in full: 1. Defendant Brant Wallace herein file [sic] his objection to the factual allegations alleged in Plaintiff’s Motion for Partial Summary Judgment, as is consistent in his Defendant’s Answer to Complaint (Doc.

37)[.] 9 Defendants [sic] Brant Wallace specifically to [sic] objects to the 10 Plaintiffs' statement of facts regarding GRE's alleged breach of the LPSA, as set forth in the declarations of William Watkins (Doc. 60) 11 and Denise Watkins (Doc. 61) as is consistent in his Defendant's Answer to Complaint (Doc. 37)[.] 12 (Dkt. No. 67 at 2.) 13 LEGAL STANDARD 14 Under Federal Rule of Civil Procedure 56, "[a] party may move for summary judgment, 15 identifying each claim or defense—or the part of each claim or defense—on which summary 16 judgment is sought." Summary judgment is proper "if the movant shows that there is no genuine 17 dispute as to any material fact and the movant is entitled to judgment as a matter of law." Fed.

R. 18 Civ. P. 56(a). The moving party bears the initial burden of demonstrating the lack of a genuine 19 issue of material fact. Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986). "[T]he burden then 20 moves to the opposing party, who must present significant probative evidence tending to support 21 its claim." Intel Corp. v. Hartford Acc. & Indem. Co., 952 F.2d 1551, 1558 (9th Cir.

1991) 22 (cleaned up). In ruling on a motion for summary judgment, the Court must "view the evidence 23 presented through the prism of the substantive evidentiary burden." Anderson v. Liberty Lobby, 24 Inc., 477 U.S. 242, 254 (1986).

The evidence of the non-movant is to be believed, and all 25 justifiable inferences are to be drawn in the non-movant's favor. Id. at 255. 26 DISCUSSION 27 Plaintiff "seek[s] partial summary judgment as to [its] First Cause of Action for Breach of 1 Contract adjudicating that [it] entered into a January 27, 2017 Loan Purchase and Sale Agreement 2 with GRE, that Plaintiff[] fully performed, that GRE breached said agreement, and that Plaintiff[] 3 ha[s] been damaged in the amount of $6.608 million plus prejudgment interest accruing at 10% 4 per annum per California Civil Code § 3289(b) in the sum of at least $1,810.41 per day from 5 January 31, 2017, to the date of judgment." (Dkt.

No. 59 at 2.) 6 The Court GRANTS Plaintiff's motion. "The elements of a cause of action for breach of 7 contract include the existence of a contract, the plaintiff's performance or excuse for 8 nonperformance, the defendant's breach, and resulting damages to the plaintiff." J.B.B. Inv. 9 Partners Ltd. v. Fair, 37 Cal. App. 5th 1, 9 (2019).

As to the first element, Plaintiff presents as 10 evidence the January 27, 2017 LPSA between Plaintiff and GRE, the validity of which Defendants 11 do not dispute. As to the second element, Plaintiff presents evidence it performed its contractual 12 obligation by "assign[ing] to GRE its full interest in a $6.5 million loan the Trust had previously 13 made to Imergy Power Systems, Inc." (Dkt.

No. 60 at 3.) Defendants do not dispute this evidence 14 or present evidence creating a genuine dispute of fact as to Plaintiff's performance. As to the third 15 element, Mr. Watkins attests "GRE did not meet its January 31, 2017 deadline under the LPSA to 16 acquire Imergy's assets" and GRE has not paid the Trust as required by the LPSA. (Dkt. No. 60 at 17 4.)

Defendants do not challenge this evidence of breach or present other evidence creating a 18 material dispute of fact. Mr. Watkins' attestation also constitutes evidence of resulting damage—19 the fourth element in a breach of contract cause of action—which Defendants do not challenge. 20 Regarding damages, Plaintiff asserts it has been "damaged in the amount of $6.608 million 21 plus prejudgment interest accruing at 10% per annum per California Civil Code § 3289(b) in the 22 sum of at least $1,810.41 per day from January 31, 2017, to the date of judgment." (Dkt.

No. 59 at 23 2.) The undisputed evidence establishes Plaintiff was damaged in the amount of $6.608 million 24 ($6.5 million purchase price plus $108,000 in reimbursements). (Dkt. No. 61 at 5, 18.) Under 25 California law, Plaintiff is entitled to prejudgment interest because this amount is certain. See Cal. 26 Civ. Code § 3287 ("A person who is entitled to recover damages certain, or capable of being made 27 certain by calculation, and the right to recover which is vested in the person upon a particular day, 1 stipulate to a legal rate of interest, "a rate of 10 percent per annum after a breach" applies.

See 2 Cal. Civ. Code § 3289. The undisputed evidence establishes GRE breached the LPSA on January 3 31, 2017, by not acquiring Imergy's assets. So, as Plaintiff contends, prejudgment interest at the 4 rate of $,1810.413 per day began accruing on January 31, 2017. 5 So, on its partial summary judgment motion, Plaintiff has met its burden by demonstrating 6 the lack of a genuine issue of material fact as to each element of its breach of contract cause of 7 action.

The burden thus shifts to Defendants to present evidence creating a genuine dispute of 8 fact, which they do not satisfy. Mr. Zietsman did not file an opposition brief. And Mr. Wallace's 9 objection to Plaintiff's "statement of facts regarding GRE's alleged breach" merely references his 10 answer to the complaint at Docket No. 37. But his answer does not constitute evidence for 11 purposes of opposing a summary judgment motion.

See Celotex, 477 U.S. at 324 ("Rule 56(e) 12 permits a proper summary judgment motion to be opposed by any of the kinds of evidentiary 13 materials listed in Rule 56(c), except the mere pleadings themselves."). So, Mr. Wallace's filing 14 does not create a genuine dispute of fact as to any breach of contract element. 15 CONCLUSION 16 For the reasons stated above, the Court GRANTS Plaintiff's motion for partial summary 17 judgment.

It is undisputed a valid contract existed between Plaintiff and GRE, Plaintiff fully 18 performed, GRE breached that agreement, and Plaintiff has been damaged in the amount of $6.608 19 million plus prejudgment interest accruing at the rate of $1,810.41 per day from January 31, 2017, 20 to the date of judgment. So, as Plaintiff observes, "Zietsman's and Wallace's liability as GRE's 21 alter egos will remain the sole remaining issue for trial." (Dkt.

No. 59 at 4.) The Court resets the case management conference scheduled for August 21, 2025 to August 27, 2025 at 2:00 p.m. via Zoom video. An updated statement is due on week in advance. // // // This Order disposes of Docket No. 59. IT IS SO ORDERED. Dated: August 4, 2025 ne CQUELINE SCOTT CORLEY United States District Judge © = Z