COURT OF CHANCERY OF THE STATE OF DELAWARE

Blackstone Power & Natural Resources Holdco L.P. v. NextEra Energy Transmission Investments, LLC

C.A. No. 2025-0644-KMM (Del. Ch. Jan. 29, 2026) · No. C.A. No. 2025-0644-KMM · Decided January 29, 2026

SUMMARY

The Delaware Court of Chancery granted Nextera Energy Transmission Investments, LLC's motion to dismiss Blackstone Power & Natural Resources Holdco L.P.'s claims for declaratory judgment and breach of contract. The court held that the complaint did not invoke equitable jurisdiction because Blackstone had an adequate remedy at law through calculable monetary damages under the parties' earn-out payment formula. The court also held that the parties' contractual stipulation concerning inadequate monetary damages could not independently confer subject matter jurisdiction, and permitted Blackstone to elect transfer to the Superior Court.

CASE DETAILS

COURT	Court of Chancery of the State of Delaware
WRITING FOR THE COURT	Kathleen M. Miller
JURISDICTION	Delaware Court of Chancery
DECIDED	January 29, 2026
DOCKET	C.A. No. 2025-0644-KMM
DISPOSITION	other
PROCEDURAL POSTURE	Defendant moved to dismiss under Court of Chancery Rule 12(b)(1), or alternatively Rule 12(b)(6), arguing that the Court of Chancery lacked subject matter jurisdiction because the plaintiff's claims and requested declaratory relief were legal rather than equitable.
STANDARD OF REVIEW	On a Rule 12(b)(1) motion, dismissal is appropriate if the record shows that the Court lacks jurisdiction. The plaintiff bears the burden of establishing subject matter jurisdiction. The Court examines the face of the complaint but may independently assess whether jurisdiction exists.
PRECEDENTIAL VALUE	Published memorandum opinion of the Delaware Court of Chancery

TOPICS

subject matter jurisdiction | motions to dismiss | declaratory judgment | contracts | commercial litigation

PRACTICE AREAS

contract law | civil procedure | equitable jurisdiction | commercial litigation | remedies

QUESTIONS PRESENTED

1. Whether the Court of Chancery had subject matter jurisdiction over Blackstone's declaratory judgment and breach-of-contract claims when no equitable claim or traditional equitable remedy was pleaded.
2. Whether the parties' contractual stipulation that monetary damages would be inadequate could establish or support Court of Chancery subject matter jurisdiction.
3. Whether the alleged uncertainty concerning future earn-out payments rendered Blackstone's legal remedy inadequate.

HOLDINGS

1. The Court of Chancery lacked subject matter jurisdiction because Blackstone pleaded a legal breach-of-contract claim seeking monetary damages and sought only a legal declaration concerning contract interpretation, leaving it with an adequate remedy at law.
2. The parties' contractual stipulation that monetary damages would be inadequate could not confer subject matter jurisdiction and, standing alone, did not establish equitable jurisdiction.
3. The variable or future nature of earn-out payments did not make the legal remedy inadequate because the agreement provided a defined calculation for damages and future payments.

KEY QUOTATIONS

> *"The Court of Chancery, Delaware's Constitutional court of equity, "can acquire subject matter jurisdiction over a cause in only three ways, namely, if: (1) one or more of the plaintiff's claims for relief is equitable in character, (2) the plaintiff requests relief that is equitable in nature, or (3) subject matter jurisdiction is conferred by statute.""* (7)

> *"Here, just as in Alliance, the door to equity does not open simply because an agreement contemplates variable future payments."* (13)

> *"Blackstone has an adequate remedy at law. Accordingly, the Court of Chancery cannot exercise subject matter jurisdiction over its claims and Nextera's Motion is GRANTED."* (14)

FACTUAL BACKGROUND

In 2020, Nextera acquired Blackstone's interests in two electric infrastructure entities under a purchase and sale agreement. The agreement provided for earn-out payments tied to specified projects, including phases of the Silverado Renewables Connection, and required commercially reasonable efforts toward placing those projects into service. The parties disputed whether certain CAISO-approved projects qualified as earn-out projects and whether Blackstone was entitled to related payments. The agreement included a formula for calculating quarterly payments and a contractual dispute-resolution process involving negotiation and, if necessary, an industry expert.

PROCEDURAL HISTORY

Blackstone filed the action on June 9, 2025, asserting claims for declaratory judgment and breach of contract arising from earn-out payments under a purchase and sale agreement. Nextera moved to dismiss for lack of subject matter jurisdiction and alternatively under Rule 12(b)(6). The Court of Chancery granted the motion because Blackstone had an adequate remedy at law and permitted Blackstone to elect transfer to the Delaware Superior Court under 10 Del. C. § 1902 within 60 days.

DISPOSITION

other

REMAND INSTRUCTIONS

The motion to dismiss was granted for lack of subject matter jurisdiction. Blackstone may elect to transfer the case to the Delaware Superior Court under 10 Del. C. § 1902 within 60 days. If it elects transfer, the parties must meet and confer and advise the Court whether the remaining issues raised by the fully briefed motion and oral argument are ripe for the Superior Court to decide.

CASES CITED

- Investview, Inc. v. UIU Holdings, LLC, 2025 WL 3230992, at *3 (Del. Ch. Nov. 21, 2025)
- Alliance Compressors LLC v. Lennox Industries Inc., 2020 WL 57897, at *3, *5 (Del. Ch. Jan. 6, 2020)
- Candlewood Timber Group, LLC v. Pan American Energy, LLC, 859 A.2d 989, 997 (Del. 2004)
- Burkhart v. Genworth Financial Inc., 250 A.3d 842, 851 (Del. Ch. 2020)
- DBMP LLC v. Delaware Claims Processing Facility, LLC, 2025 WL 3013006, at *7, *9-10 (Del. Ch. Oct. 24, 2025)
- Gandhi-Kapoor v. Hone Capital LLC, 307 A.3d 328, 340-45 (Del. Ch. 2023)
- Preston Hollow Capital LLC v. Nuveen LLC, 2019 WL 3801471, at *4 (Del. Ch. Aug. 13, 2019)
- Athene Life and Annuity Co. v. American General Life Insurance Co., 2019 WL 3451376, at *4-5, *7-8 (Del. Ch. July 19, 2019)
- Qlarant, Inc., 2022 WL 211367, at *3
- Epic/Freedom, LLC v. Aveanna Healthcare, LLC, 2021 WL 1049469, at *3 (Del. Ch. Mar. 15, 2021)
- Thompson v. Lynch, 990 A.2d 432, 434 (Del. 2010)
- HB Next LLC v. Goodman, 2025 WL 3174629, at *5 (Del. Ch. Oct. 31, 2025)
- American Healthcare Administrative Services, Inc. v. Aizen, 285 A.3d 461, 495-96 (Del. Ch. 2022)
- Hexion Specialty Chemicals, Inc. v. Huntsman Corp., 965 A.2d 715, 762 (Del. Ch. 2008)
- Gildor v. Optical Solutions Inc., 2006 WL 4782348, at *10-11 (Del. Ch. June 5, 2006)
- Kansas City Southern v. Grupo TMM, S.A., 2003 WL 22659332, at *5 (Del. Ch. Nov. 4, 2003)

- Endowment Research Group, LLC v. Wildcat Venture Partners, LLC, 2021 WL 841049, at *7-8 (Del. Ch. Mar. 21, 2021)
- Amaysing Technologies Corp. v. Cyberair Communications, Inc., 2004 WL 1192602, at *5 (Del. Ch. May 28, 2004)

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