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BEFORE THE UTAH PUBLIC SERVICE COMMISSION

In the Matter of the Application of CORIX UTAH CITY HEATING AND COOLING LLC for a Certificate of Public Convenience and Necessity for a Heat Corporation to Provide Heating and Cooling Services within the State of Utah	Docket No. 25-2666-01 APPLICATION
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APPLICATION

Corix Utah City Heating and Cooling LLC (“**Corix**” or “**Applicant**”), by its undersigned counsel and pursuant to Utah Code Ann. § 54-4-25(1), respectfully submits this Application to the Utah Public Service Commission (“**Commission**”) for a certificate of public convenience and necessity (“**CPCN**”) authorizing Applicant to construct, own, and operate a “heat corporation,” as defined by Utah Code Ann. § 54-2-1(16)(a), offering heating and cooling services operated in combination for the Utah City District Energy Utility (“**UCDEU**”) system in the area of the city of Vineyard in the state of Utah.

The Utah City development is located on 350 acres of land between Utah Lake and the Front Runner rail line in Vineyard, Utah, on the site of the former Geneva Steel Mill (originally constructed by the U.S. Department of Defense). Redevelopment and remediation efforts on the

site have been ongoing. The current efforts to construct a high-density, transit-oriented, mixed-use development known as Utah City are being led by Flagborough L.L.C. (“**Developer**”), a 50/50 joint venture between the indirect owners, Utah City Partners and the Woodbury Corporation (“**Woodbury**”). The project has received all required zoning and permit approvals, and construction on the initial three buildings is underway, with construction of three more buildings slated for later this year. As relevant to this Application, the Developer has chosen to utilize thermal energy services to supply heating, cooling, and domestic hot water services to the majority of the community. To provide these services, Applicant proposes to build and operate a new district energy system in Vineyard, Utah. The integrated heating and cooling thermal district energy system, known as the UCDEU, will include interim central energy plants, a distribution piping system, and energy transfer stations for the provision of heating and cooling services to buildings within the Utah City development. Applicant’s UCDEU is properly classified as a “heat corporation” public utility in the State of Utah, and therefore requires a CPCN to operate.

In support of its Application for a CPCN, Applicant hereby provides the following information. Applicant also files herewith supporting Exhibits, including confidential and/or redacted Exhibits, which include documentation providing relevant and supplemental information necessary to establish the facts pertinent to this Application.

I. GENERAL INFORMATION

A. Corporate Information

Corix is a thermal energy company headquartered in Vancouver, BC, Canada, whose parent company has wholly owned subsidiaries operating district energy systems in both Cleveland, Ohio and Bellingham, Washington. In addition, Corix’s parent company owns and

operates three rate-regulated district energy systems in British Columbia, Canada. Corix and its affiliates are experienced owner-operators of regulated and unregulated district energy systems in North America. Corix seeks to operate as a public utility in the state of Utah, subject to the jurisdiction of the Commission as a heat corporation, to provide heating and cooling services to customers in the Vineyard area of Utah. Corix's principal place of business is 1160-1188 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4A2.

Applicant is a Delaware limited liability company formed on October 30, 2024. Applicant's formation documents and its Utah Foreign Registration Statement are attached as Exhibit B and Exhibit C, respectively.

Applicant is fully owned by its ultimate shareholder, British Columbia Investment Management Corporation ("BCI"). BCI is one of Canada's largest institutional investors, and as such invests on behalf of 32 clients in British Columbia's public sector. The Corix Corporate Organizational Structure, attached as Exhibit D, shows the Applicant's relationship to ultimate owner BCI.

B. Contact Information

All correspondence, communications, and/or requests for additional information regarding this matter should be addressed to:

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II. SUPPORTING TESTIMONY

Corix's Application for a CPCN for the UCDEU system is supported by pre-filed written direct testimony and exhibits of company witness Jason Owen, Vice President of Project Development. Mr. Owen provides thorough details on the project, including technical, project phase, and risk-related details. The direct testimony of Jason Owen and related exhibits thereto are included as Exhibit E to this Application.

III. OVERVIEW OF APPLICANT'S HEATING AND COOLING PROJECT

The UCDEU utility project is comprised of a modern, integrated district energy system. It is a hybrid system comprised of natural gas boilers, electric chillers, and optional heat recovery units that can be added as the system scales. The subcomponents of the system include a set of central energy plants, a four-pipe distribution piping system for separate heating and cooling supply and return, modular equipment installations, and options to integrate heat recovery mechanisms and future renewable energy sources. More information regarding the technical details of the UCDEU are included in the direct testimony of Jason Owen, included as Exhibit E to this Application.

IV. LEGAL STANDARD

Before constructing and operating a heat corporation in the state of Utah, Utah Code Ann. § 54-4-25 requires that, as a public utility, the UCDEU heat corporation obtain a CPCN. The statute identifies the nature of the evidence that a public utility must provide to obtain a CPCN, including, importantly, evidence that: (1) “present or future public convenience and necessity does or will require the construction” of the heat corporation utility;¹ (2) the “applicant has received or is in the process of obtaining the required consent, franchise, or permit of the proper county, city, municipal, or other public authority”²; and (3) the heat corporation utility “will not conflict with or adversely affect the operations of any existing certificated fixed public utility which supplies the same product or service to the public and that it will not constitute an extension into the territory certificated to the existing fixed public utility.”³

A. The Utah City District Energy Utility System is Necessary.

1. The Utah City District Energy Utility System Provides the Most Efficient Delivery of Heating and Cooling Services to the Utah City Development.

The UCDEU is necessary to meet the thermal energy needs of the Utah City development. The Developer selected district energy because the scale and density of the development make a centralized district energy system the most appropriate and efficient solution. Without UCDEU, each building would require its own heating and cooling systems, leading to higher capital and operating costs, increased energy consumption, and greater environmental and pollution impact.

¹ Utah Code Ann. § 54-4-25(1)

² Utah Code Ann. § 54-4-25(4)(a)

³ Utah Code Ann. § 54-4-25(4)(b)

Moreover, the centralized system enables the integration of advanced technologies and energy recovery strategies that would not be feasible at the individual building level.

2. The Utah City District Energy Utility System Satisfies the Public Convenience.

The UCDEU system satisfies the public convenience for numerous reasons. First, the system supports the development of a major new urban center in Utah County. Second, the system provides essential utility services in a manner that is efficient, scalable, and environmentally responsible. Third, the system reduces strain on the local electric grid by lowering peak demand. In general, the UCDEU system offers a replicable model for future district energy systems in Utah and beyond.

3. The Utah City District Energy Utility System is in the Public Interest.

The UCDEU system is inarguably in the public interest. Operation of the UCDEU heat corporation aligns with state energy policy, supports economic development, and provides a modern utility service that enhances quality of life for residents and businesses in the Utah City development and surrounding area. The project (i) advances Utah's goals for clean, efficient, and reliable energy infrastructure; (ii) enables the redevelopment of a long-vacant industrial site into a vibrant, livable community; (iii) demonstrates innovation in utility service and rate design, providing a demonstrated use case for future utility projects; and (iv) provides long-term value to customers through stable rates and high service quality. In general, the UCDEU is a necessary utility service in the Vineyard, Utah community's best interest for the long term. This is further evidenced by the project support from various stakeholders, letters from which are attached as Exhibit F.

A more detailed discussion of the UCDEU system utility demand and system benefits, including project customer benefits and community benefits, is provided in the direct testimony of Jason Owen, included as Exhibit E to this Application.

B. Applicant Has or Will Obtain the Required Permits.

Please see Exhibit G for a list of the consents, permits, and/or authorizations required for this utility project, all of which have been obtained or will be obtained. These include building permits, environmental permits, and statutory rights of way.

C. Construction of the Utah City District Energy Utility System Will Not Conflict with Any Other Utility's Service.

With regard to the Utah City District Energy Utility and its CPCN Application, Applicant confirms that the proposed line, plant, or system will not conflict with or adversely affect the operations of any existing certified fixed public utility which supplies the same product or service to the public and that will not constitute an extension into the territory certificated to the existing fixed public utility. Applicant makes the foregoing statement supported by the following reasons.

First, Applicant understands that there is presently no "heat corporation" regulated by the Commission in Utah. Corix's UCDEU will be the first heat corporation with a heating plant and cooling plant operated in combination. Given there is no other heat corporation regulated by the PSC, it is not possible for Corix to adversely affect another existing public utility that is a heat corporation.

Second, Applicant's UCDEU will be an electrical customer of Rocky Mountain Power ("RMP"). Rather than adversely affecting RMP, UCDEU will be using electricity in its centralized energy plant to efficiently provide thermal energy to the thermal customers.

Lastly, Applicant's UCDEU will be a natural gas customer of Enbridge Gas Utah ("Enbridge"). Rather than adversely affecting Enbridge, UCDEU will be using natural gas in its centralized energy plant to efficiently provide thermal energy to the thermal customers.

Beyond the specific reasons provided above, Applicant additionally proposes that the Commission consider the marketplace for thermal service in Utah in making its decision regarding a potential CPCN. The market in which a "heat corporation" participates involves a degree of consumer choice between that available in a telecommunications market—wherein consumers have significant market power to choose between competitive alternatives—and that available in an electricity or natural gas market, wherein consumers are effectively beholden to natural monopoly providers. Therefore, the level of regulation applied to Applicant's activities should fall between that applied to a telecommunications utility and that applied to a gas or electric utility.

Thermal energy service is not a natural monopoly: rather, a consumer has the choice as to whether to use district energy or not, or may opt to use a different district energy service provider altogether. Therefore, a thermal energy provider must compete in the marketplace. In the case of the Utah City development, Applicant's consumers will be the building owners (as opposed to low-volume residential customers). When such a consumer opts in to Applicant's services, it does become a captive consumer, which can benefit from a regulatory process to ensure that these consumers receive just and reasonable rates. With the foregoing in mind, however, Applicant notes that it intends to extend the system to consumers beyond the already-planned Utah City development, whereby both existing and new consumers would benefit from economies of scale.

D. Applicant has the Financial Ability to Construct the Utah City District Energy Utility System.

Applicant has the ability to finance UCDEU through debt funding provided by its corporate parent, Corix District Energy Holdings LP.⁴ Please see Exhibit H for the Letter of Credit Agreement between Applicant and Corix District Energy Holdings LP. Applicant intends to explore stand-alone financing for the utility if lending terms and rates are economic for customers. Corix will provide further information regarding these details in the upcoming rate application. Additional information regarding funding of this project is available at Section VI of the Corix Supplement, included as Exhibit A.

E. Applicant Possesses Significant Managerial and Technical Expertise in Operating Similar Utility Projects.

Though not a direct requirement for a heat corporation seeking a CPCN, Applicant further wishes to provide evidence of its experience and expertise in operating similar utility projects. First, Applicant is managed by a skilled team with substantial expertise and experience in the District Energy industry, including extensive energy-related business, technical, and managerial expertise. Applicant's existing managerial team will be responsible for UCDEU's technical and operational management. An organizational chart detailing Applicant's managerial team is attached as Exhibit I; in addition, a list of the Board of Managers for Applicant is attached as Exhibit J; and, further, descriptions of qualifications and backgrounds for key management personnel are attached as Exhibit K.

⁴ UCDEU is unable to raise the debt in an economical manner through project financing under its own name at this time. Due to the greenfield nature of the project and the construction risks, standalone financing would be significantly more expensive, exceeding \$2 million at a minimum, as compared to traditional financing options. Once the project reaches sufficient scale in the future, project financing will become a more viable and cost-effective option.

V. CONCLUSION

WHEREFORE, Applicant respectfully requests that the Utah Public Service Commission issue a CPCN authorizing Applicant to provide heating and cooling services in the city of Vineyard in the State of Utah. Utah City District Energy Utility system is prudent and in the public interest and is an integral component of the Utah City District's long-term plans to provide stable, reliable, and sustainable heating and cooling services to its constituents at just and reasonable rates.

Applicant further respectfully requests that the Commission issue a CPCN to Applicant through an informal adjudication process, to the extent permitted under Utah Admin. Code R746-110.

Respectfully submitted this 31st day of July, 2025.



Allan McGavin

*Chief Legal Officer and Counsel
for Corix Utah City Heating and Cooling LLC*

LIST OF EXHIBITS

- EXHIBIT A Corix Supplement
- EXHIBIT B Certificate of Formation of Corix Utah Heating and Cooling LLC
- EXHIBIT C State of Utah Foreign Registration Statement
- EXHIBIT D Corix Corporate Organizational Structure
- EXHIBIT E Direct Testimony of Jason Owen
- EXHIBIT F Letters of Support from Stakeholders
- EXHIBIT G *Confidential* Consents, Permits, Authorizations
- EXHIBIT H *Confidential* Letter of Credit Agreement between Applicant and Corix Utah City DE Systems LLC
- EXHIBIT I Organizational Chart – Corix Managerial Team
- EXHIBIT J *Confidential* List of Corix Board of Managers
- EXHIBIT K Descriptions of Qualifications and Backgrounds for Key Management Personnel
- EXHIBIT L *Confidential* Phase 1 Detailed Construction Schedule
- EXHIBIT M *Confidential* Long-Term Development Schedule
- VERIFICATION

VERIFICATION

I, Travis Hickford-Kulak, Chief Operating Officer (West) of Corix Utah City Heating and Cooling LLC (“Corix”), declare as follows:

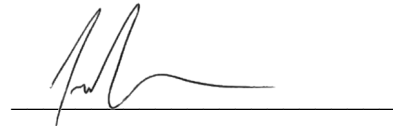
1. I am authorized to make this Verification on behalf of Applicant.
2. The foregoing filing was prepared under my direction and supervision.
3. The contents with respect to Applicant are true and correct to the best of my knowledge, information, and belief.

I declare under criminal penalty under the law of Utah that the foregoing is true and correct.

Signed on the 31st day of July, 2025, at VANCOUVER, BRITISH COLUMBIA.

Travis Hickford-Kulak.

Printed Name

A handwritten signature in black ink, appearing to read 'Travis Hickford-Kulak', written over a horizontal line.

TRAVIS HICKFORD-KULAK
Chief Operating Officer (West)
*Corix Utah City Heating and Cooling
LLC*

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of July, 2025, I caused to be e-mailed a true and correct copy of the foregoing **APPLICATION OF CORIX UTAH CITY HEATING AND COOLING LLC**, and accompanying **EXHIBITS A, B, C, D, E, F(1), F(2), F(3), I, K, CS.B, CS.G, CS.H** thereto to the following list of parties, as well as the Public Service Commission (psc@utah.gov). I also certify that, on the same day, I caused true and correct copies of **CONFIDENTIAL EXHIBITS G, H, J, L, M, CS.A, CS.C, CS.D, CS.E, CS.F, CS.H** to the Application to be printed and delivered to the Public Service Commission's office.

Parties served by email:

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