Corix Utah City Heating and Cooling LLC

Certificate of Public Convenience and Necessity Application – Utah City District Energy Utility

Technical Conference | September 25, 2025

- Docket No.: 25-2666-01

Agenda

1. Introduction to Corix
2. District Energy Overview
3. Utah City District Energy Utility (UCDEU)
4. Corix's Experience with Other Regulated District Energy Utilities
5. Utah City District Energy Utility CPCN
6. Stakeholder Advance Questions

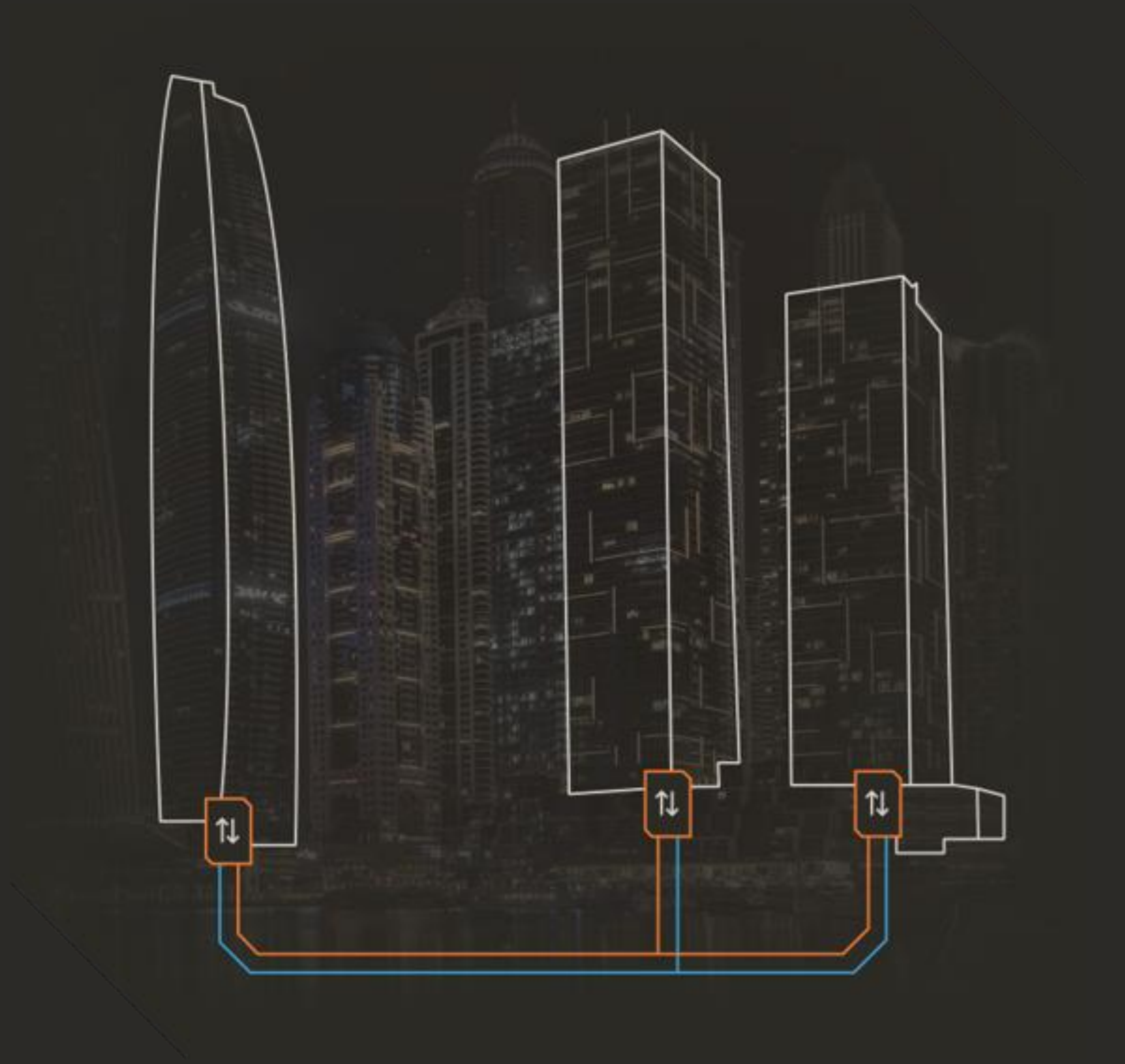
Introduction to Corix

Partners for a Resilient Tomorrow

Corix delivers reliable, cost-effective district-scale thermal energy systems (aka District Energy) that support long-term community growth and infrastructure efficiency.

From large-scale developments to institutional campuses, we act as a long-term utility partner focused on operational excellence and customer service.

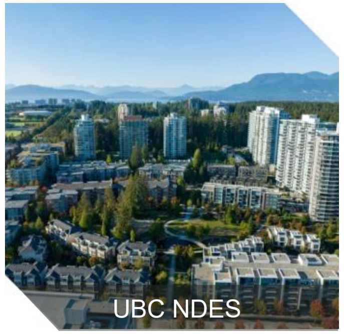
With decades of experience across North America, Corix offers customizable systems to help communities and developers unlock land value, reduce equipment redundancy, and future-proof energy systems.



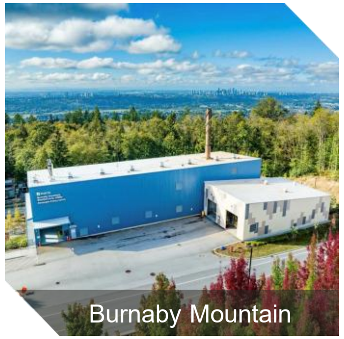
Who We Are

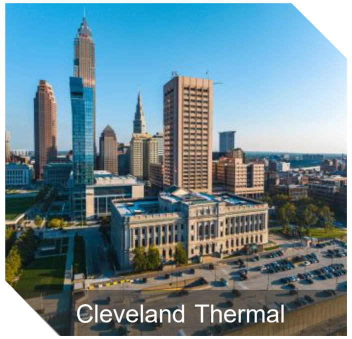
We **develop, finance, own, and operate** enduring district energy systems that help communities thrive.

- **Proven Track Record:** We've been building energy systems across North America for over 100 years.
- **Technology That Fits:** We design technology-agnostic energy solutions tailored to the site and project objectives.
- **Trusted, Long-Term Partner:** Backed by British Columbia Investment Management Corporation (BCI)—one of North America's largest institutional investors—we bring patient capital and a long-term commitment to every project.


UBC NDES

Port of Bellingham


Burnaby Mountain


Cleveland Thermal


Richmond City Centre


Oakridge Energy

Who We Are

130+

years of district energy experience

120M+

square feet of committed floor area

1,550

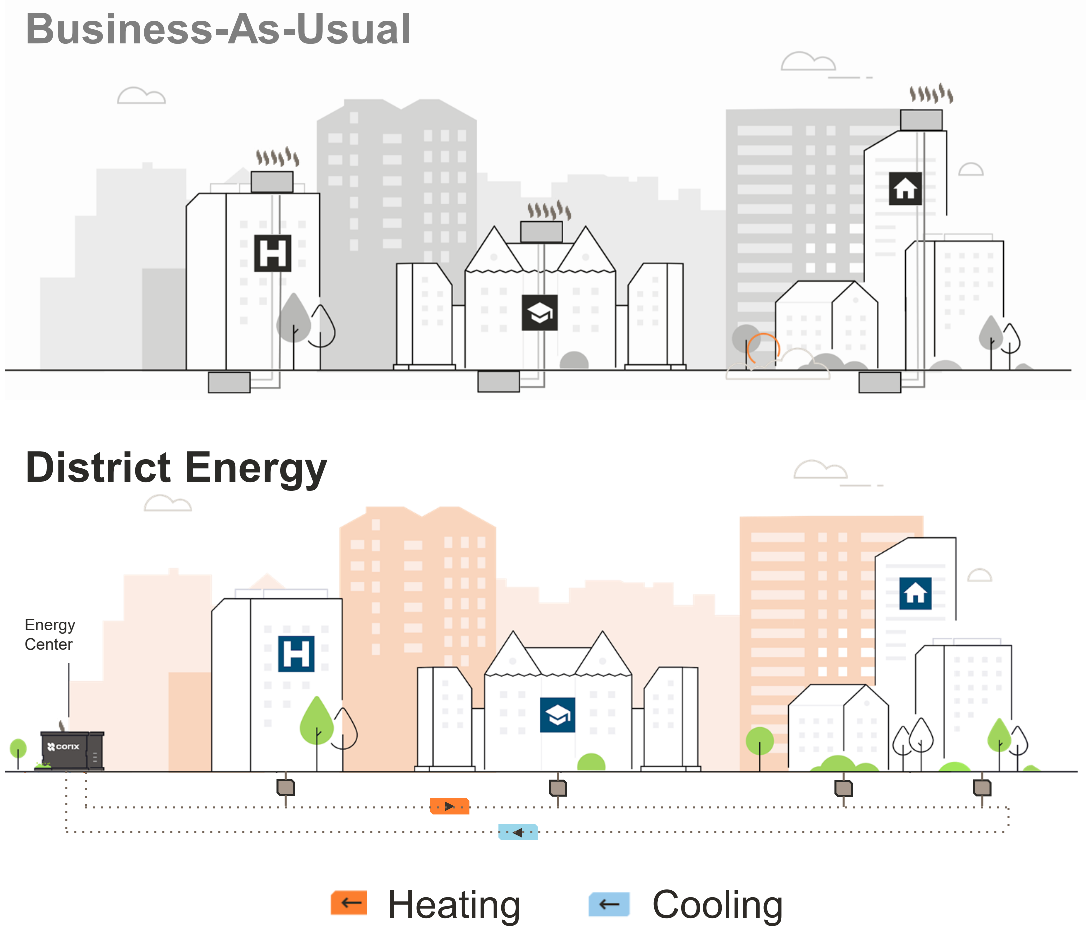
buildings served or committed

District Energy Overview

What is District Energy?

Also known as thermal energy networks or neighborhood energy systems, district energy systems **connect multiple buildings to a centralized energy plant**, reducing the need for individual heating and cooling equipment in each building.

- **Underground Distribution Network:** Insulated piping delivers hot and cold water from the centralized energy plant via a closed-loop network.
- **Collaborative Utility Platform:** Works alongside electric and gas utilities, optimizing delivery of heating and cooling and optimizing efficiency of total energy use.
- **Supports Energy Transition:** Enables use of energy sources not practical at the building level—like industrial waste heat, geothermal, or cogeneration.



District Energy Network Components

Centralized Energy Center

- Heating and cooling generation equipment is located in Centralized Energy Center(s).
- Scale and design is tailored to fit project specifics.

Distribution Piping System

- Distribution Piping is the backbone of the district energy system.
- Connects Energy Center(s) with the buildings.
- Uses pre-insulated steel, HDPE or PEX pipe (containing water).
- Once the system is charged there is no water usage.

Energy Transfer Station

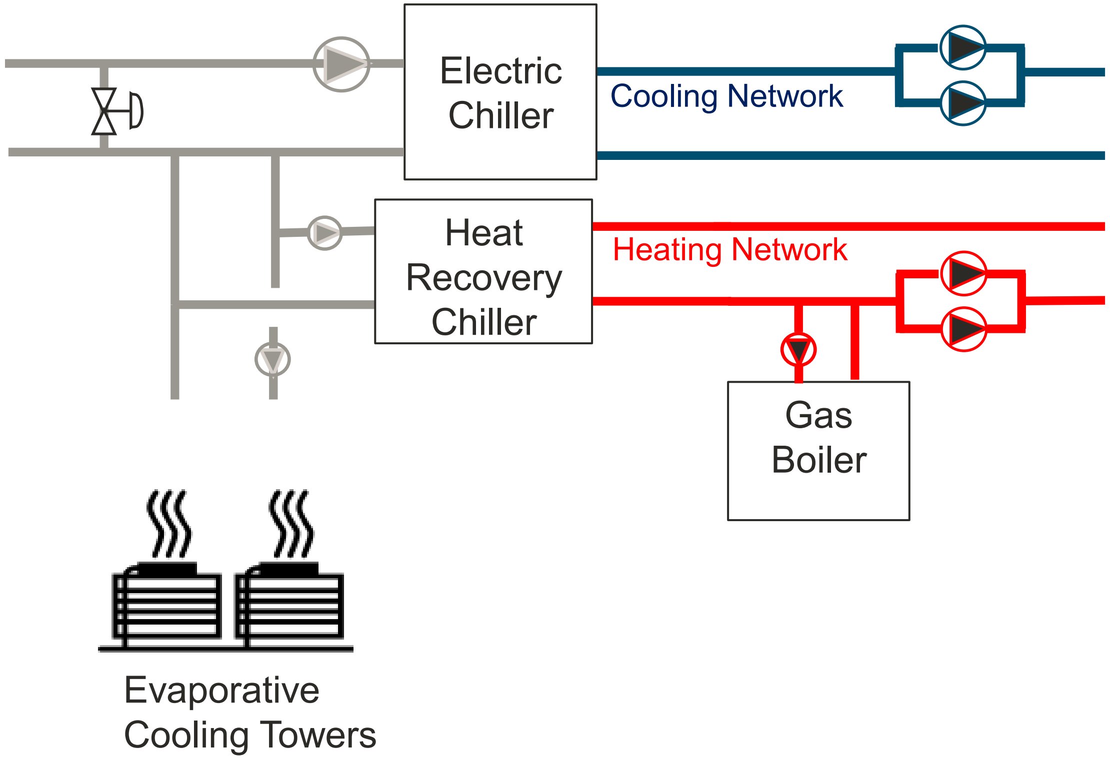
- Energy transfer point between DE and the building via heat exchangers with thermal energy metering.
- Small size frees up significant mechanical space that can be repurposed.
- Heat exchangers have no moving parts, increasing reliability and eliminating noise.

District Energy Benefits

- **Capital Cost Savings:** Reduces installed equipment capacity and eliminates the need for costly mechanical systems in individual buildings.
- **Lower Lifecycle Costs:** Improves operating efficiency, reduces maintenance, and extends equipment life.
- **Reliable & Resilient:** Corix systems are professionally operated 24/7 with backup capacity and multiple energy sources, ensuring uninterrupted service.
- **Unlock Valuable Space:** Mechanical rooms and rooftops become leasable, livable, or flexible design spaces—supporting better land use.
- **Reduced Peak Electrical Demand:** Demand diversity and efficient equipment sizing can reduce peak loads and shift demand to off-peak times.

Harnessing Waste Heat with District Energy

- **Harnessing Cooling Byproducts:** District energy systems can capture waste heat generated during cooling and redirect it for heating nearby buildings.
- **Maximizing Coincidental Loads:** Unlike standalone buildings, district energy can balance simultaneous heating and cooling demands across diverse users—turning one building's waste into another's resource.
- **Cross-Sector Integration:** Connecting residential, commercial, and institutional buildings creates thermal diversity, improving system efficiency and enabling broader heat recovery.
- **Reduced Water Consumption:** By lowering the run hours of cooling towers that rely on evaporative cooling, waste heat recovery reduces overall water usage.



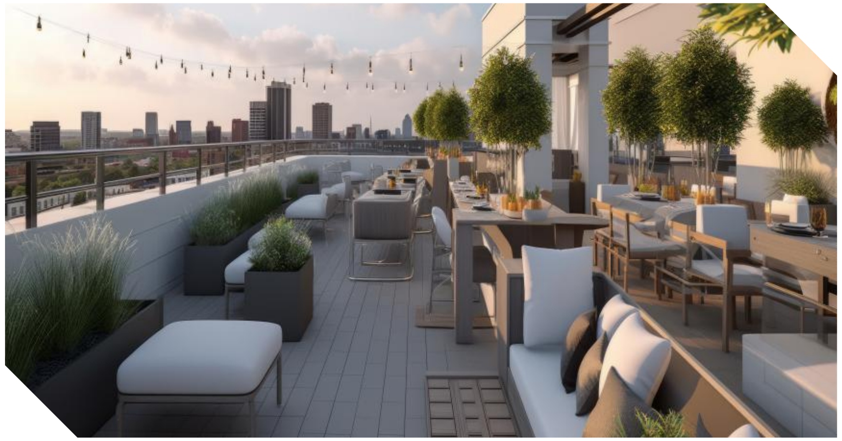
Utah City District Energy Utility (UCDEU)

District Energy in Utah City

- Flagborough L.L.C. (the Developer) is building "Utah City", a master-planned development in Vineyard, Utah.
- After considering various options for heating and cooling, the Developer decided that a district energy system with a centralized energy center was the best solution for Utah City. The Developer noted that:
  - If a district energy system was not built, the Developer would instead be relying on electricity to provide space heating, hot water, and cooling.
  - The first two buildings in Utah City, which predated the district energy concept, have been built with electric heat pumps and electric domestic hot water tanks.
- In early 2024, the Developer and Corix engaged in negotiations and discussions with respect to the feasibility and initial design of a district energy system.

Utah City Planning: Rethinking the Default Mechanical Strategy

- Default mechanical strategy:
  - Hundreds of air-source heat pumps on every roof and electric hot water tanks per unit
  - High electrical grid demand, especially during peak periods
  - Frequent maintenance requirements
  - Short equipment lifespans and replacement cycles
  - Wasted space
- District energy strategy:
  - Higher overall system efficiency and lower peak electrical loads
  - Reduced non-fuel operations and maintenance costs
  - Longer-lasting centralized equipment with lower replacement costs
  - Fuel flexibility enhances energy resilience and reliability
  - Reclaims valuable space for livable or leasable use



UCDEU Location

- **Project Location**: 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).

(Corix Exhibit E: Owen Figure 4 – Utility Project – CPCN Application, p. 18 and Corix Exhibit CS.B Project Area Map.)

UCDEU Overview

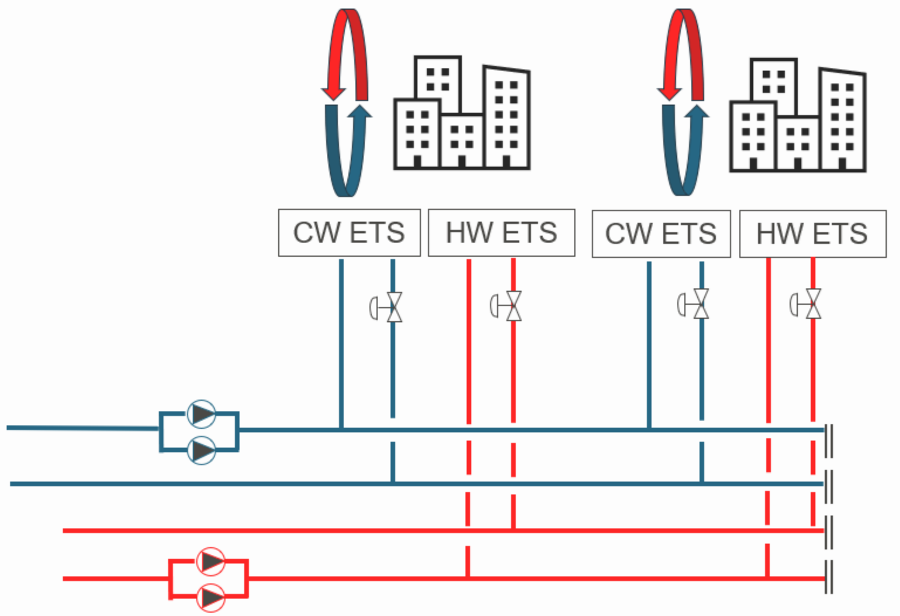
18M sq ft of connected floor space	**58 MW** heating capacity	**81 MW** cooling capacity	**~2044** construction completion

Integrated Heating and Cooling Service

- Central energy plants (2 x interim and 3 x permanent)
- A four-pipe distribution network
- Energy Transfer Station in each building
- Control systems and metering infrastructure

System Phasing

- Phase 1 (2025-2028):
  - 1.5 million ft^2, 8 buildings served
  - Heating capacity - 18,000 MBH (5.3 MW)
  - Cooling capacity - 2,000 tons (7.0 MW)
  - $42 million
- Full Build-out (2025-2044):
  - 17.9 million ft^2, 64 buildings served
  - Heating - 197,905 MBH (58 MW)
  - Cooling – 23,032 tons (81 MW)
  - $318 million



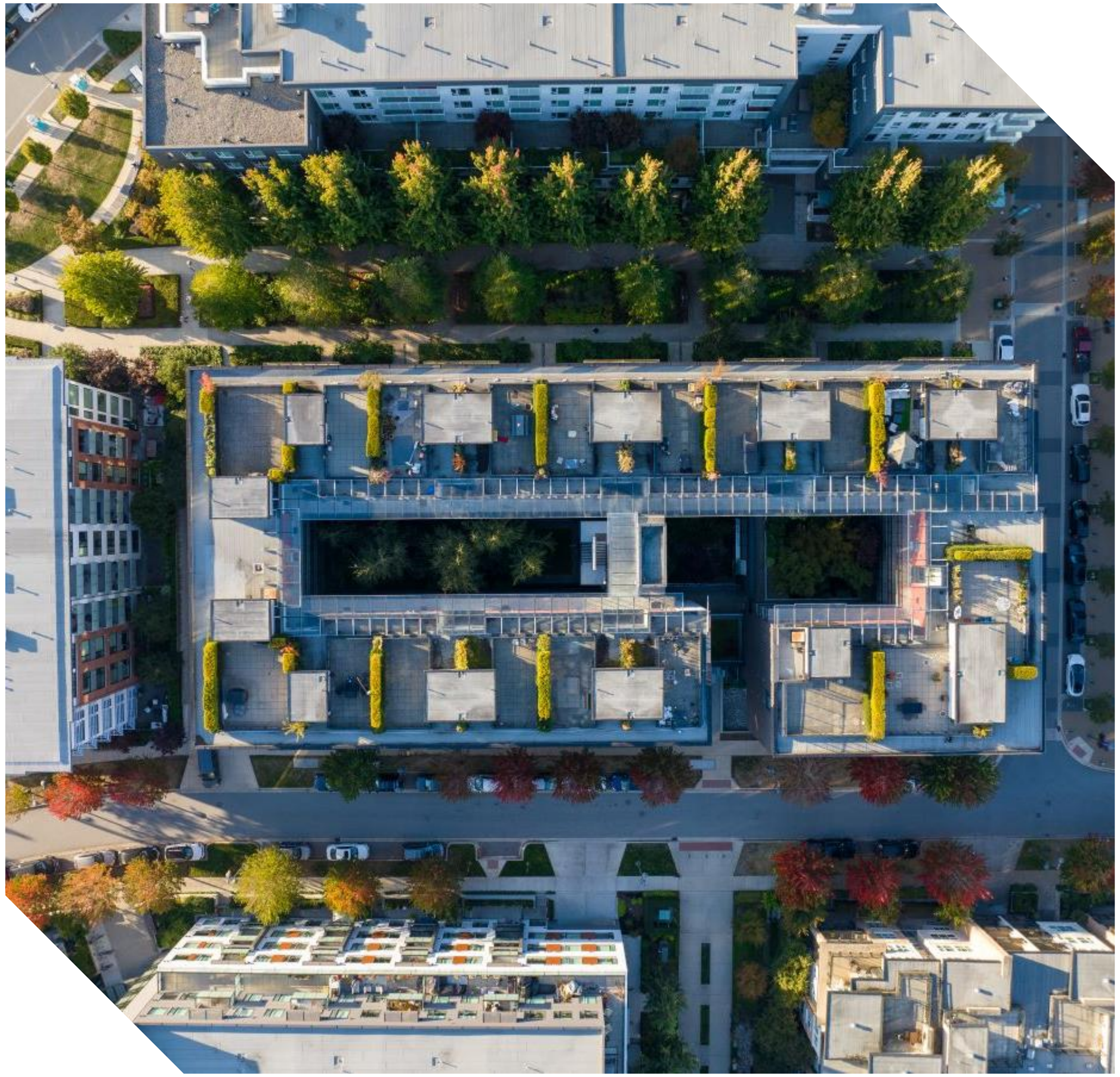
Corix's Experience with Other Regulated District Energy Utilities

British Columbia Regulated District Energy Utilities

- **The British Columbia Utilities Commission (BCUC) regulates** thermal energy (i.e. district energy) systems in BC: ranging from a legacy steam system to modern thermal energy systems (TES).

- **District TES** (with centralized energy center):
  - Fully rate regulated requiring CPCN and rate applications.
  - Small greenfield utilities in a master-planned community with a long development build-out.

- The BCUC regulates district energy utilities who are generally small and greenfield in nature by using proportional regulation appropriate for the size of the utility.



Learnings from Other District Energy Utilities

- The rate base of district energy utilities are much smaller than natural monopoly electric and gas utilities in BC.
  - Electric: ~$50 billion
  - Natural Gas: ~$6 billion
  - Thermal Energy: ~$100 million (smaller by a factor of 60 to 500 times)

- District energy utilities operate in the “Business-to-Business” market.
  - Customers of district energy utilities are equivalent to large commercial or firm medium general service customers of an electric/gas utility.

- Typically, district energy customers “opt-in” to take service in the form of usable thermal energy.
  - District energy utilities have no obligation to serve new customers since new customers are optional.
  - The Customers are the building owners and not the individual occupants.

Utah City District Energy Utility CPCN

Stakeholder Support

- UCDEU Has Received Three Written Stakeholder Support Letters

  1. Flagborough: the Developer and Customer who will own all buildings in the Utility Project area
     - This means Corix has received 100% support from all the customers in the CPCN Application Project area. (Corix Exhibit F2)

  2. Huntsman Cancer Institute: an adjacent party interested in being a potential future customer (Corix Exhibit F3)

  3. State Representative Val Peterson (Corix Exhibit F1)

CPCN Application

- "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."

- Project Location (see slide 15)

  References:

  - Corix Exhibit E, Owen Figure 4 – Utility Project – CPCN Application, p. 18.
  - Corix Exhibit CS.B Project Area Map

CPCN Requirements

- CPCN Requirements (Utah Code § 54-4-25):
  - (4)(a): “evidence as required by the commission to show that 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.”
    - Corix Exhibit E Direct Testimony of Jason Owen, p. 35
      and Corix Confidential Exhibit G (Consents, Permits, and Authorizations)
  - (4)(b): “statement that any proposed line, plant, or system, 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.”
    - Corix Application, Section IV(C), pp. 7 to 8

- Other information provided including technical, financial, and managerial abilities to design, build, construct, own, and operate the utility.
  - Corix Exhibit A, Section III: Technical
  - Corix Exhibits CS.F and CS.G: Financial
  - Corix Exhibit K: Managerial

Stakeholder Advance Questions

Advance Questions: Enbridge Gas

Q1. Please provide a timeline for each phase of the development.

Q2. What will Corix's total natural gas load be for each phase of the development?

Q3. What rate class does Corix anticipate joining for purposes of receiving natural gas service?

Q4. Will customers within the development be required to receive Corix's heating and cooling service? Will any customers be permitted to provide their own heating/cooling from another energy source?

Q5. How much heat for each phase of the development will be coming from waste heat? Please provide a comparison showing which portion of the heating will come from waste heat and how much will come from natural gas.

Q6. When will Corix file a general rate case?

Q7. When will Corix commence service to any customer within the subject development?

corix

Energy that inspires