
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	<u>DOCKET NO. 25-2666-01</u> <u>ORDER</u>
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ISSUED: February 2, 2026

INTRODUCTION

On August 1, 2025, Corix Utah City Heating and Cooling LLC (“Corix”) filed a verified application and numerous exhibits (“Application”) with the Public Service Commission (PSC) requesting a Certificate of Public Convenience and Necessity (“CPCN”) for a Heat Corporation to Provide Heating and Cooling Services within the State of Utah, in accordance with Utah Code Ann. § 54-4-25. Corix seeks the CPCN so that it may offer “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 [S]tate of Utah.”¹

The Application describes the development to be served by UCDEU pursuant to a CPCN as a high-density, transit-oriented, mixed-use development owned by Flagborough LLC, a 50/50 joint venture between Utah City Partners and the Woodbury Corporation (“Utah City Project”). Corix represents in the Application that the Utah City Project has received all required zoning and permit approvals.

¹ Application at 1.

According to the Application, the UCDEU system will include interim central energy plants, a distribution piping system, and energy transfer stations. Corix asserts UCDEU is classified as a “heat corporation” as defined in Utah Code Ann. § 54-2-1(16)(a), and therefore requires a CPCN to operate.² Corix is a registered foreign corporation with the State of Utah, with its corporate headquarters located in British Columbia. Corix is fully owned by the British Columbia Investment Management Corporation.³

PROCEDURAL HISTORY

On August 1, 2025, the PSC issued an Action Request to the Division of Public Utilities (DPU) to review the Application and make recommendations. On August 7, 2025, the Office of Consumer Services (OCS) requested a scheduling conference, which was set by the PSC for August 25, 2025. On August 11, 2025, Enbridge Gas Utah (EGU) moved to intervene in this docket. On August 22, 2025, Rocky Mountain Power (RMP) similarly moved to intervene. EGU and RMP were granted intervention, and there were no other intervenors.

On August 28, 2025, the PSC issued a Scheduling Order, Notice of Technical Conference, and Notice of Hearing. On September 25, 2025, a technical conference

² See *id.* at 2.

³ See *id.* at 3.

was held. Representatives from Corix, DPU, OCS, RMP, and EGU were in attendance. Corix discussed the Application and explained Corix's technical expertise.⁴

On October 29, 2025, DPU, OCS, and RMP submitted initial comments.⁵ EGU did not submit any comments. Corix filed reply comments on November 26, 2025 ("Reply Comments").

COMMENTS

DPU's Comments provide an overview of the Application and recommend the PSC approve the Application. DPU states that, according to Utah Code § 54-2-1(24)(a) and (b)(i), Corix qualifies as a public utility and should be granted the CPCN as requested.⁶ DPU further states that Corix meets the definition of a heat corporation as defined in Utah Code Ann. § 54-2-1(16).⁷ DPU confirms that Corix has provided all necessary information to fulfill the statutory requirements to obtain a CPCN. DPU also confirms that Corix has substantial experience in operating a heating and cooling operation of this scale. DPU concludes that granting Corix a CPCN to construct, own, and operate a heat corporation will promote the public interest because it 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 Project and the surrounding area.⁸

⁴ See Corix Technical Conference Presentation.

⁵ These are referred to herein as "DPU's Comments", "OCS's Comments", and "RMP's Comments".

⁶ See DPU's Comments at 1.

⁷ See *id.* at 2.

⁸ See *id.* at 3.

OCS's Comments similarly provide an overview of the Application and, among other things, "did not identify any issues of concern sufficient to oppose the [requested] CPCN."⁹ OCS states that, if approved, Corix would become the first designated heat corporation in Utah. OCS further states Corix satisfies the requirements for a CPCN including obtaining (or seeking) permits from the relevant public authorities and by adequately addressing why and how the CPCN will not adversely affect the operations of existing public utilities.¹⁰ The OCS concurs with DPU that Corix has adequate technical expertise to operate a heating and cooling corporation of this size.

OCS also commented on future regulation relating to Corix, noting Corix is not requesting its own prescribed regulatory framework but rather will adhere to a framework later determined by the PSC if granted the CPCN.¹¹ The OCS asserts that it reserves any outstanding questions relating to any subsequent docket regarding Corix's approval of rates and terms of service. Ultimately, the OCS finds the Application to be in the public interest and recommends the PSC grant the CPCN.¹²

RMP's Comments explain that responses to discovery served on Corix helped RMP better understand the services that Corix intends to provide. RMP attached Corix's discovery responses as Attachment 1 and, based on those responses,

⁹ OCS's Comments at 3.

¹⁰ *See id.*

¹¹ *See id.* at 4.

¹² *See id.* at 5.

confirmed that Corix does not plan to operate as an electric utility, and therefore RMP does not oppose the Application.¹³

REPLY COMMENTS

Corix notes that both DPU and OCS (1) conclude the Application is in the public interest and (2) recommend the PSC grant the CPCN. Corix also notes that RMP does not oppose the Application and EGU did not provide any comments. Based on these positions, Corix requests the PSC to approve the Application and grant the CPCN.

HEARING

On December 9, 2025, an evidentiary hearing was held in which Corix, DPU, OCS, and EGU appeared.¹⁴ It was noted, and not disputed, that adjudicating the Application in this proceeding was only the first of two proceedings that will be necessary for Corix to ultimately provide service pursuant to a CPCN, with the second proceeding adjudicating the establishment of just and reasonable rates and terms and conditions of service.¹⁵

Corix witness Jason Owen provided an overview of the UCDEU system and the Utah City Project. Mr. Owen testified about Corix's phased buildout strategy, noting that two interim facilities will be used in the early stages of the UCDEU system to avoid overbuilding and risking having stranded assets. Mr. Owen explained that the

¹³ See RMP's Comments at 1.

¹⁴ Having been excused by an order on an earlier motion, RMP did not appear at the hearing. Although EGU entered its appearance, it was excused from participation in the hearing because it did not oppose the Application.

¹⁵ See December 9, 2025, Hearing Transcript at 5:22-6:1.

material from these interim facilities will then be reused in the permanent plant. Mr. Owen also represented there would be a reduction of approximately 20 percent in capital expenditure for the UCDEU system compared to traditional electric and/or natural gas heating and cooling systems. Mr. Owen further testified that Corix plans on participating in RMP's demand response program(s) by leveraging thermal mass within the water distribution piping to shift loads off peak.

Mr. Owen also testified that the owners of the buildings in the Utah City Project would be the utility customers served by Corix's UCDEU system, and that those building owners would in turn execute individual agreements with tenants of the buildings relating to utility services. Regarding what, if any, available methods of recourse the end use customers (tenants) would have as to Corix in the case of unsatisfactory heating and/or cooling service(s) – since those tenants are not direct customers of Corix, Mr. Owen explained that as a public utility Corix would be subject to PSC regulatory oversight.¹⁶ The scope and particulars of this PSC oversight will be addressed in a forthcoming docket to establish, among other things, just and reasonable rates and conditions of service.

DPU witness Ron Slusher generally testified he reviewed the Application and related statutes, sent one set of data requests to Corix, and authored DPU's Comments. Mr. Slusher also testified that Corix provided the necessary information to

¹⁶ See *id.* at 21:4-9.

obtain a CPCN, and represented that the public interest will be promoted by granting Corix the requested CPCN in conjunction with the Utah City Project. Mr. Slusher further testified about the steps he took to confirm that Corix has appropriate financial capacity and managerial experience for this endeavor.¹⁷ Finally, Mr. Slusher testified that after the Application is adjudicated, Corix will be required to make “[f]uture filings ... to establish rates before service begins[,]”¹⁸ and noted that such future filings will also better define issues relating to the rights of the ultimate end user of the utility’s services – the tenants of the buildings.¹⁹

OCS witness Alex Ware confirmed that Corix appears both technically and financially capable of constructing and supporting the UCDEU system based on managerial support and project history. Mr. Ware testified that OCS is reserving questions regarding just and reasonable rates, appropriate tariff structures, and other issues for future proceedings, asserting that many of these questions cannot be answered at this point.²⁰ These future proceedings could include consideration of, among other things, the relationship of building owners versus end user customers (tenants), and how end user customers (tenants) will know how rates are set and what their relationship is with the utility providing them public utility services (Corix).

¹⁷ See, e.g., *id.* at 51:24-53:15.

¹⁸ *Id.* at 50:23-24.

¹⁹ See, e.g., *id.* at 54:17-55:6.

²⁰ See, e.g., *id.* at 62:5-25 & 63:4-64:8.

DISCUSSION, FINDINGS OF FACT, AND CONCLUSIONS OF LAW

The Application is unopposed. Based on the Application, DPU's Comments, and OCS's Comments, RMP's Comments, and the sworn testimony at hearing, the PSC finds that Corix is technically and financially able to support and complete the UCDEU system. The PSC also finds the same evidence adequately supports the Application and the representations therein, including, but not limited to, Corix's representation that the UCDEU 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."²¹ The PSC further finds that Corix has obtained, or is in the process of applying for, required permits and approvals for the Utah City Project and UCDEU system. An Applicant for a CPCN must provide evidence establishing, among other things, that it "has received or is in the process of obtaining the required" approvals.²²

As testified at the hearing, outstanding questions remain regarding, among other things, the establishment of just and reasonable rates, appropriate tariff structures, and available methods of recourse for end use customers (tenants) as to Corix in the case of unsatisfactory heating and/or cooling service(s). For example,

²¹ Application at 5 (*citing* Utah Code Ann. § 54-4-25(4)(b)).

²² See Utah Code Ann. § 54-4-25(4)(a) & (e). These approvals include the required consent, franchise, or permit of the proper county, city, municipal, or other public authority ("Required Approvals").

building owners will be Corix's customers, thus resulting in the ultimate end users (tenants) of the UCDEU system being reliant on the building owners' decision on the rates to charge these end users for these public utility services because these end users do not have any direct relationship to the public utility – Corix. These are significant unresolved issues relative to the Utah City Project and the UCDEU system which must be resolved. For this reason, the PSC grants the CPCN with the conditions set forth in the ordering paragraphs.

ORDER

Based on the foregoing, the PSC orders:

1. Corix is granted the conditional CPCN attached as Exhibit A, incorporated by reference into this Order. Corix is directed to file with the PSC all Required Approvals and other items required by applicable law for the construction and operation of the UCDEU system, after they are obtained and before construction and operation of the UCDEU system begins. Once these conditions have been satisfactorily met before the PSC, the CPCN will no longer be conditional as to this point.
2. The CPCN is further conditioned upon the creation of an acceptable regulatory framework in the forthcoming rate design and terms of service docket that protects just and reasonable rates and service quality standards and recourse for the ultimate end users of the UCDEU

system (tenants). Once these conditions have been satisfactorily met before the PSC, the CPCN will no longer be conditional as to this point.

DATED at Salt Lake City, Utah, February 2, 2026.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph. D., Commissioner

Attest:

/s/ Gary L. Widerburg

PSC Secretary

DW#343643

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

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EXHIBIT A

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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	<u>DOCKET NO. 25-2666-01</u> <u>CERTIFICATE NO. 2666</u>
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ISSUED: February 2, 2026

The Public Service Commission of Utah (PSC), pursuant to Utah Code Ann. § 54-4-25, issues a Certificate of Public Convenience and Necessity authorizing Corix Utah City Heating and Cooling LLC to provide heating and cooling services as a “heat corporation” pursuant to Utah Code Ann. § 54-2-1(16) within the State of Utah as described in Corix’s August 1, 2025, Application and subject to satisfying the conditions described in the PSC Order dated February 2, 2026, in the above referenced docket.

DATED at Salt Lake City, Utah, February 2, 2026.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph. D., Commissioner

Attest:

/s/ Gary L. Widerburg

PSC Secretary

DW#343643

CERTIFICATE OF SERVICE

I CERTIFY that on February 2, 2026, a true and correct copy of the foregoing was served upon the following as indicated below:

By Email:

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