

BEFORE THE UTAH PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE APPLICATION OF CORIX UTAH CITY HEATING AND COOLING LLC TO ESTABLISH A THERMAL TARIFF WITH RATES AND TERMS OF SERVICE	Docket No. 26-2666-01
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**DIRECT TESTIMONY OF
HANG HOCKLEY FOR CORIX**

May 1, 2026

CORIX EXHIBIT 8.0

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I. INTRODUCTION

Q. Please state your name, business address, and position with Corix.

A. Hang Hockley, Director, Business Operations. My business address is 1188 W Georgia St #1160, Vancouver, BC V6E 4A2.

Q. Please describe the responsibilities of your current position.

A. I am responsible for various support functions including customer care and billing, receivables, procurement, payables, and management of utility and fleet assets. I am testifying on behalf of Corix Utah City Heating and Cooling LLC (Corix).

Q. What are your qualifications to testify in this proceeding?

A. I have 13 years of experience managing customer care and billing for Corix's thermal energy utilities across multiple provinces, states and jurisdictions.

Q. Have you testified in previous regulatory proceedings?

A. No, I have not.

Q. Was Corix Exhibit 1.0 Thermal Tariff prepared by you or under your direction?

A. Yes. I was involved in the preparation of the whole Thermal Tariff document and it was under my direction. I did receive support from other Corix personnel for certain sections. The material in the Thermal Tariff involving the Energy Cost Reconciliation Account, Revenue Deficiency Deferral Account, and Calculation of Carrying Costs are addressed in the Direct Testimony of Douglas Chong filed as Exhibit 2.0.

Q. Were the attached Corix Exhibits 8.1 and 8.2 prepared by you or under your direction?

A. Yes.

24 **II. PURPOSE OF TESTIMONY**

25 **Q. What is the purpose of your testimony?**

26 A. My testimony supports Corix's request in this docket to establish a thermal tariff and set
27 initial rates, as well as Corix's request for interim rates. The purpose of my testimony is
28 to provide rationale and context for key sections of the thermal tariff (Corix Exhibit 1.0)
29 and explain the relationship between the thermal tariff, the District Energy Services
30 Agreement (DESA) (Corix Exhibit 8.1) and the Customer Agreement (Corix Exhibit 8.2).

31 **Q. Please summarize your testimony/recommendations.**

32 A. My testimony includes a statement regarding applicability of the thermal tariff, a
33 summary of key sections of the tariff and an overview of the service delivery standards.
34 The DESA and the Customer Agreement which will be substantially in the form included
35 here as Corix Exhibits 8.1 and 8.2.

36 I recommend the Commission approve the terms and conditions set out in the
37 proposed thermal tariff, the DESA, and the Customer Agreement.

38 **Q. Is your testimony supported by exhibits, workpapers, or other documents?**

39 A. Yes, my testimony is supported by, and incorporates the exhibits, workpapers, and
40 appendices referenced herein. This includes Sections 27 and 28 of the document labeled
41 Attachment 1: Supplement to the Application. Attachment 1 consolidates all of the
42 information and support for all aspects of this rate case filing. I wrote and am responsible
43 for the materials in the Sections of Attachment 1 referenced above and those portions of
44 Attachment 1 are incorporated into my testimony. Additionally, I wrote substantially all
45 of, and am responsible for, Corix Exhibit 1.0 – Thermal Tariff.

46 I also include herewith the following two exhibits, both of which I discuss below:

69 This section addresses the Energy Cost Reconciliation Account (ECRA), the purpose of
70 which is to recover Corix's commodity costs (electricity, natural gas, water/sewer,
71 chemicals and safety/testing) through the Energy Charge on Rate Schedule 1, as a direct
72 pass through. This section provides details on the costs included and how the Energy
73 Charge is set. Please see the direct testimony of Johan Grueso-Baron (Exhibit 7.0) for
74 ECRA forecasts and the ECRA model (Exhibit 7.2).

75 Section E – Rate Schedule 1: General Service

76 This section includes the proposed thermal tariff, which contains one rate schedule with
77 two charges: A Capacity Charge, which is a \$ per kilowatt (kW) per month charge; and
78 an Energy Charge, which is a \$ per kilowatt hour (kWh) charge.

79 **IV. RELATED AGREEMENTS**

80 **Q. Are there agreements with the Utah City developer to facilitate the provision of**
81 **service from Corix?**

82 A. Corix has included in this testimony the District Energy Services Agreement (DESA) as
83 Corix Exhibit 8.1, which is an unfilled blank form that is used by the building developer
84 to request the design and service for a future building to be connected to the district
85 energy system. Prior to requiring service to each building in the development, the
86 developer will execute a DESA which specifies the mechanical and technical
87 prerequisites to connecting to the UCDEU and stipulates the design capacity (kW) of the
88 building, the delivery temperatures, the estimated target date by which the building will
89 require thermal energy services, and the billing commencement terms. The building
90 design capacity stated in the DESA will be used to calculate the monthly capacity charge
91 (\$ per kilowatt per month) in the tariff.

92 Corix has also included in this testimony the Customer Agreement attached as
93 Corix Exhibit 8.2, which is an unfilled blank form to be completed by the customer. The
94 Customer Agreement contains the necessary information for setup and management of a
95 customer account for billing. The building design capacity and billing commencement
96 date derived from the DESA will be noted on the Customer Agreement for billing and
97 record keeping purposes.

98 Once the DESA and Customer Agreement are executed, Corix has the necessary
99 information to commence utility billing for that specific building using the rates and
100 standard fees in the thermal tariff.

101 If the building is transferred to a homeowners association, the Customer
102 Agreement with the developer will be terminated and the homeowners association will
103 enter into a new Customer Agreement. The homeowners association does not need to
104 enter into a DESA.

105 V. KEY SECTIONS OF THE THERMAL TARIFF

106 A. *Fair Allocation of Thermal Energy Costs*

107 **Q. Please describe the proposed Tariff Section B, (3)(a) – Fair Allocation of Thermal**
108 **Energy Costs.**

109 A. Installation of sub-meters by the utility to directly bill end-users in individual units is
110 cost-prohibitive for several reasons, including upfront purchase and installation costs, as
111 well as on-going administration, data collection and analysis, maintenance and
112 replacement costs. For those reasons, district energy utility companies typically install
113 one meter for billing each service in a building (i.e., one meter for heating, one meter for

114 cooling). Corix's customers are therefore the building owners, and they are responsible
115 for allocating the thermal energy bill to the end-users/tenants.

116 This section of the tariff states that when allocating the thermal energy bill to end-
117 users, no mark-up or profit on the allocation is permitted and allocations must be fair,
118 reasonable and transparent. Corix includes guidance on allocating the fixed and variable
119 portions of the thermal energy bill to ensure fairness and further states that any use of
120 sub-meters installed by the customer must comply with the Tariff. The terms and
121 conditions applicable to the use of sub-meters by the customer for cost allocation are
122 covered in the next section of this testimony.

123 ***B. Sub-meters For Cost Allocation***

124 **Q. Please describe the proposed Tariff Section 7 - Sub-meters for Cost Allocation.**

125 A. This section of the tariff contains the terms and conditions applicable to the installation of
126 sub-meters by the developer for the purpose of allocating the thermal energy bill from
127 Corix. Corix proposes that the developer may install sub-meters in a building that
128 maintains the following automatic eligibility criteria:

129 (a) the building has a peak design thermal capacity of no more than 15 MW, and no end
130 user residential tenant bears the cost of any sub-metering, including any costs to
131 install, maintain and administer sub-meters.

132 This is in addition to Tariff Section 2a that states that when the customer allocates
133 the thermal energy bill to end-users, no mark-up or profit on the allocation is permitted
134 and allocations must be fair, reasonable and transparent.

135 If a building is not automatically eligible under the criteria set out above, sub-
136 metering is permitted on a case-by-case basis when the customer has met all the
137 following requirements:

- 138 (b) The customer has received a sub-metering exception from the Commission (the case-
139 by-case exemption test is modelled after Rocky Mountain Power's exemptions to
140 master metering noted in Electric Service Regulation No. 7);
141 (c) All sub-metered end-users have anticipated load sizes of 1,000 kW or greater; and
142 (d) The customer has agreed that when allocating the thermal energy bill to end-users, no
143 mark-up or profit on the allocation is permitted and allocations must be fair,
144 reasonable and transparent.

145 These case-by-case exemptions are intended to capture buildings with a
146 significant thermal energy load where the presence of commercial end-users would
147 warrant sub-metering to maintain fairness across customers and customer groups as well
148 as promote efficiency and conservation.

149 ***C. Distribution Extensions***

150 **Q. Please describe the proposed Tariff Section 10 – Distribution Extensions.**

151 A. This section of the tariff states that Corix may in its sole discretion decide whether to
152 complete a distribution extension of the district energy system to connect one or more
153 potential new customers and includes a list of factors that will be considered. The main
154 consideration is an economic test to confirm the impact the distribution extension would
155 have on existing customers and rate base. The distribution extension would only be
156 deemed economic if the economic test indicated a zero or positive net present value.

157 *D. Capacity Charge Deferred Payment Plan (CCDPP)*

158 **Q. What is a capacity charge deferred payment plan (Tariff Section 13)?**

159 A. The capacity charge deferred payment plan is available during the 12-month period
160 following billing commencement for a building that is not fully occupied. The purpose of
161 the payment plan is to support customers during the period of partial occupancy, where
162 the customer may not be able to fully allocate the utility bill charges and may need some
163 flexibility to assist with cash flow.

164 Once the customer elects to enter a capacity charge deferred payment plan, up to
165 50% of the capacity charges may be deferred for the first six months. The total deferred
166 capacity charges shall be evenly split across months seven through twelve and added to
167 the capacity charges that have not been deferred for those respective months.

168 If the relevant building reaches full occupancy during the twelve-month period,
169 the customer must notify Corix, at which point, the CCDPP is terminated and the full
170 amount of deferred capacity charges and applicable interest becomes due. Customers that
171 are already enrolled in a deferred payment agreement (detailed in the next section) are not
172 eligible for a capacity charge deferred payment plan.

173 *E. Deferred Payment Agreement (DPA)*

174 **Q. What is a Deferred Payment Agreement (Tariff Section 14)?**

175 A. The deferred payment agreement is another payment plan offered to customers and is
176 consistent with the Commission's Residential Utility Service Rules for Electric, Gas,
177 Water, and Sewer Utilities, R746-200-5. Deferred Payment Agreement. Customers that
178 are already enrolled in a capacity charge deferred payment plan are not eligible for a
179 deferred payment agreement.

180

F. Dispute Resolution

181 **Q. Please describe the proposed Tariff Section 30. Dispute Resolution**

182 A. Customers of the utility can formally submit a written notice of dispute to the utility and
183 as long as the customer pays the undisputed portion of the account, the utility will not
184 take any action to terminate service. If Corix and the customer are not be able to resolve
185 the dispute, this section includes the contact information for the Division of Public
186 Utilities to launch an informal review and states that the activities of the Division of
187 Public Utilities may be followed by a formal review by the Commission.

188 Corix also recognizes that end-users are indirect customers of the utility and this
189 section includes information on how end-users may lodge a complaint with the utility and
190 how the complaint may be resolved.

191

G. Standard Fees and Charges Schedule

192 **Q. Provide a summary of the standard fees and charges included in the proposed tariff.**

193 A. There are six (6) administrative charges included in the tariff and they are associated with
194 setting up new accounts, collection efforts, meter testing, and processing late, dishonored
195 or deferred payments.

196

VI. SERVICE QUALITY STANDARDS

197 **Q. Please describe the proposed service quality standards.**

198 A. There are service quality standards included in the tariff associated with:

- 199
- Meter Reading and Testing

200

 - Keeping district energy system infrastructure in good working order

201

 - Billing estimates and actual meter readings

202

 - Flexible payment plans

