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Division Director

Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Brenda Salter, Assistant Director
Doug Wheelwright, Utility Technical Consultant Supervisor
Jeremy Hirschi, Utility Technical Consultant
Casey J. Coleman, Utility Technical Consultant
Imran Mohammed, Utility Analyst
Justin Shelton, Utility Analyst
Thomas Allred, Utility Analyst

Date: May 15, 2026

Re: **Docket No. 26-2666-01** Corix Utah City Heating and Cooling LLC's Initial General Rate Case

Recommendation (Approve)

The Division of Public Utilities ("Division") has performed a preliminary review of Corix Utah City Heating and Cooling LLC's ("Corix" or "Company") Application for an authorization to set initial thermal rates and charges for the Utah City District Energy Utility ("UCDEU"). Following its review of the documentation provided, the Division has concluded that Corix's submission fulfills the requirements of a complete filing as established by the Commission's Order dated March 26, 2026.¹ The Division's investigation confirmed that Corix appropriately identified and justified all areas where standard data was unavailable, maintaining compliance with the requirements of Utah Administrative Code R746-700-1(E)(1) and the specialized filing standards adopted in this docket. The Division recommends that the Public Service Commission ("Commission") acknowledge the Corix Application as a complete filing.

¹ Order at 4.



Issue

On May 4, 2026, Corix submitted its application to the Commission requesting an order to establish thermal energy rates and charges and to approve its initial thermal tariff for the UCDEU system in Vineyard, Utah. Per Utah Code Ann. § 54-7-12(2)(b)(ii), parties have 14 days to vet the completeness of an application. On May 5, 2026, the Commission issued an Action Request to the Division asking it to review Corix's application and provide a recommendation whether the application satisfies the requirements outlined in Utah Code Ann. § 54-7-12(1)(b)(i) and Utah Admin. Code R746-700-1, as well as the specialized filing requirements designated as R746-700-60 and R746-700-61 adopted by the Commission's March 26, 2026 Order. The following is the Division's response to the Commission's request.

Background

Corix is a "heat corporation," as defined by Utah Code Ann. § 54-2-1(16)(a), the first of its kind under regulation by the PSC. On February 6, 2026, Corix submitted a notice of intent to file a general rate case for providing services to UCDEU. The Commission consequently requested a collaborative proceeding between Corix, the Division, and the Office of Consumer Services to establish a set of filing standards for a heat corporation. The collaborative effort yielded a proposed set of filing requirements which the Commission adopted in its March 25, 2026, Order. The Order directs Corix to comply with Utah Admin. Code R746-700-1 and -10, and adopts a specific set of filing requirements, designated as R746-700-60 and R746-700-61, which serve as the primary compliance framework to accommodate the unique circumstances of this initial thermal rate filing.

Discussion

To meet the filing requirements outlined in the March 26 Order, Corix submitted an application consisting of direct testimony from seven witnesses, along with supplemental exhibits including Excel spreadsheets, informational documents, and the proposed initial thermal tariff. The Company also included the GRC Index Tool (Exhibit 2.1) to serve as a comprehensive roadmap of the various components of the Application, pursuant to R746-700-60.

The Division performed a preliminary evaluation of the financial models included in the filing. These models are inherently complex and highly technical, containing hundreds of integrated data points and live formulas. Given the density and sophistication of these spreadsheets, the Division's review was conducted at a high level to ensure that all essential components were present and functional. This initial assessment focused on where the models provide a sufficient basis for a rate case and did not involve an exhaustive audit of every individual spreadsheet or cell

The Division notes that because Corix is a greenfield utility, it lacks the typical historical information and operational data that a mature utility would traditionally provide, particularly regarding 'base year' historical information. Corix relied on the provisions of Utah Admin. Code R746-700-1(E) to address any inapplicable requirements where historical data is unavailable. The Division finds that Corix appropriately identified and provided sound justifications for any omitted data, substituting unavailable historical records with relevant alternative forecasts and projections, thereby constituting a complete filing.

As this represents the first general rate case for a heat corporation under the regulation of the Commission, the Division anticipates a significant learning curve regarding the unique operational and financial aspects of this industry. Thus, while this application is deemed satisfactory for the rules established for a 'complete filing' for a heat corporation under the Commission's March 26 Order, future heat corporation rate case applications may be subject to regulations, which may differ from the requirements in the Commission's order. Therefore, the Division notes that the determination of completeness in this initial regulatory proceeding should not automatically establish a precedent for future filings.

Conclusion

The Division has performed a review of Corix's Application to establish initial thermal rates and charges for the UCDEU. The Division concludes that Corix's submission contains the components required for a complete filing as established by the Commission's Order. The Division confirms that Corix has included all available information and provided appropriate justification for any missing information pertaining to inapplicable requirements due to its pre-operational status. Thus, it is in compliance with Utah Admin. Code R746-700-1(E)(1) and the filing requirements adopted in this docket.

The Division recommends the Commission acknowledge the Corix Application as a complete filing, emphasizing that this acknowledgement is specific to this filing and should not establish a binding precedent for future thermal rate cases. The Division will evaluate which information requirements are necessary as it gains a more comprehensive understanding of this new classification of utility.

cc: Errol South, Corix
Allan McGavin, Corix
Philip J. Russell, James Doge Russell & Stephens, P.C.
Sarah Puzzo, James Doge Russell & Stephens, P.C.
Michele Beck, OCS
Service List