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**PUC DOCKET NO. 42961
SOAH DOCKET NO. 473-15-0614**

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PUBLIC UTILITY COMMISSION
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REQUEST OF GREENWOOD WATER § PUBLIC UTILITY COMMISSION
CORPORATION FOR APPROVAL OF §
WATER UTILITY STOCK TRANSFER § OF TEXAS
CCN NO. 11792 §

PERMIAN BASIN WATER RESOURCES, LLC'S
PROPOSED LIST OF ISSUES

COMES NOW Permian Basin Water Resources, LLC ("Permian") and files this Proposed List of Issues and would show the following:

I. INTRODUCTION

A request for approval of the transfer of the stock of Greenwood Water Corporation from Paul R. Wilhite to Permian was filed with the Texas Commission on Environmental Quality on August 20, 2014, and was transferred to the Commission's jurisdiction on September 1, 2014.

On October 6, 2014, Commission Advising and Docket Management issued an Order of Referral referring this docket to the State Office of Administrative Hearings to conduct a hearing and issue a proposal for decision, if such is necessary. The Order of Referral directs parties to file a proposed list of issues by October 22, 2014. Therefore, this pleading is timely filed.

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II. THRESHOLD LEGAL AND POLICY ISSUES

A request for approval of a stock transfer is governed by Texas Water Code § 13.302 (Vernon Supp. 2014) and P.U.C. SUBST. Rule 24.111. The purchaser's financial capability for providing continuous and adequate service is a criteria addressed by the statute and rule. With respect to this criteria and this application, the Commission should consider and issue a statement of policy as follows:

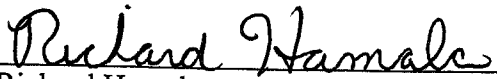
- (1) The reasonably anticipated positive net revenues, if any, of the acquired utility may be considered in determining the financial capability of the purchaser.
- (2) The amount of financial capability required for a purchaser shall not exceed the historical average negative net revenues, if any, experienced by the acquired utility in the five years preceding the fiscal year of the proposed transfer.

These proposals will assist the parties in quantifying the amount of financial capability that should apply for a proposed stock transfer transaction. Also, these proposals are intended to match the amount of financial capability to the financial status of the utility being acquired.

III. CONCLUSION

Permian respectfully requests the entry of a preliminary order containing a statement of policy as set forth above.

Respectfully submitted,

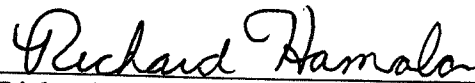

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ATTORNEY FOR PERMIAN BASIN WATER
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Certificate of Service

I certify that a copy of this document was served on all parties of record in this proceeding on October 22, 2014, by regular mail, facsimile transmission, or hand delivery.


Richard Hamala