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Addendum StartPage: 0

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APPLICATION OF PK-RE § BEFORE THE STATE OFFICE CLERK
DEVELOPMENT COMPANY, INC. §
D/B/A GREENSHORES UTILITY §
SERVICES AND D/B/A OAK SHORES § OF
WATER SYSTEM FOR AUTHORITY §
TO CHANGE RATES AND TARIFFS §
IN TRAVIS COUNTY § ADMINISTRATIVE HEARINGS

**GREENSHORES ON LAKE AUSTIN PROPERTY
OWNERS' ASSOCIATION, INC.'S
LIST OF ISSUES**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE:

Greenshores on Lake Austin Property Owners' Association, Inc. ("Greenshores") files this List of Issues. This list is not exhaustive, and Greenshores reserves the right to address additional issues raised by other parties not set forth below.

**I.
BACKGROUND**

On October 12, 2016, PK-RE Development Company, Inc. d/b/a Greenshores Utility Services and d/b/a Oak Shores Water System filed an application to change rates and tariffs in Travis County ("Application"). The Application was referred to the State Office of Administrative Hearings on January 24, 2017, which required any interested party to file this List of Issues by February 10, 2017. This List of Issues is timely filed.

**II.
LIST OF ISSUES**

In addition to the issues presented by PUC Staff, Greenshores proposes the following list of issues in this docket if a hearing on the merits is necessary:

A. Who are the appropriate parties to the case? And in particular, does Undine have standing to participate as an intervenor considering that the pending sale, transfer, merger application in Docket No. 46150 is contested and has not been approved by the Commission?

115

B. Do the water or wastewater systems have any deficiencies or problems that need correction to be in compliance with the rules of the Commission and the TCEQ? If so,

1. what are those deficiencies or problems;
2. how and when will those deficiencies or problems be corrected; and
3. does the purchaser have access to adequate financial resources to timely correct those deficiencies and problems?

C. What is the appropriate amount of invested capital in the utility, including consideration of the following:

1. the original cost of plant, property, and equipment acquired from an affiliated interest that may not be included in invested capital;
2. the assets or portion of assets should be treated as developer contributions;
3. the appropriate amount of original costs for assets installed by the developer;
4. whether there are system improvements that the developer must make to ensure adequate service to existing customers as a result of recent new development and projected future development that should not be included as invested capital in the utility.

D. What is the appropriate rate of return on invested capital considering the efforts and achievements of the utility in the conservation of resources, the quality of the utility's services, the efficiency of the utility's operations, and the quality of the utility's management, along with other relevant conditions and practices?

E. Does the requested revenue requirement inappropriately include any expenses associated with the proposed sale of the system to Undine and Docket No. 46150?

F. What is the utility's compliance history?

G. Has the owner inappropriately used utility funds for development purposes instead of utility operations and maintenance?

III.
LIST OF ISSUES THAT SHOULD NOT BE ADDRESSED

Greenshores serves the right to submit additional issues that should not be addressed at a later time.

IV
**THRESHOLD LEGAL/POLICY ISSUES THAT SHOULD BE BRIEFED FOR
PRELIMINARY ORDER**

There are no threshold legal/policy issues that should be briefed for the Preliminary Order.

V.
CONCLUSION

Greenshores requests that an Order be issued consistent with the issues provided by PUC Staff and those set forth above.

Respectfully submitted,

By: _____

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ATTORNEY FOR GREENSHORES ON LAKE
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CERTIFICATE OF SERVICE

I hereby certify that I have served or will serve a true and correct copy of the foregoing document via hand delivery, facsimile, electronic mail, overnight mail, U.S. mail and/or Certified Mail Return Receipt Requested to all parties on this the 10th day of February, 2017.

A handwritten signature in black ink, appearing to read 'J. Carlton', is written over a horizontal line.

John Carlton