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Item Number: 45

Addendum StartPage: 0

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JOINT REPORT AND APPLICATION §
OF ONCOR ELECTRIC DELIVERY §
COMPANY LLC, SHARYLAND §
DISTRIBUTION & TRANSMISSION §
SERVICES, L.L.C., SHARYLAND §
UTILITIES L.P., AND SEMPRA ENERGY §
FOR REGULATORY APPROVALS §
UNDER PURA §§ 14.101, 37.154, 39.262, §
AND 39.915 §

BEFORE THE
PUBLIC UTILITY COMMISSION
FILING CLERK

PUBLIC UTILITY COMMISSION
OF TEXAS

**STEERING COMMITTEE OF CITIES SERVED BY ONCOR'S
PROPOSED LIST OF ISSUES FOR CONSIDERATION
IN PRELIMINARY ORDER**

Pursuant to the Order Requesting List of Issues filed December 13, 2018, the Steering Committee of Cities Served by Oncor (Cities), intervenors in the above-referenced docket, respectfully submit the following Proposed List of Issues for Consideration in Preliminary Order.

ISSUES TO BE ADDRESSED

1. Are the transactions consistent with the public interest?
2. What are the reasonable values of the property, facilities, or securities to be acquired, disposed of, merged, transferred, or consolidated?
3. Will the transactions adversely affect the health or safety of customers or employees?
4. Will the transactions result in the transfer of jobs of citizens of this state to workers domiciled outside this state?
5. Will the transactions result in the decline of service to customers?
6. Will the public utility receive consideration equal to the reasonable value of the assets when it sells or transfers assets?
7. Will the transactions unreasonably affect rates or service?
8. If the transactions are not in the public interest, how shall the effect of the transactions be addressed so as to eliminate the unreasonable impact in future ratemaking proceedings?

45

9. Are the commitments made by Oncor Electric Delivery Company LLC (Oncor), Sempra Energy, Sharyland Distribution & Transmission Services L.L.C. (SDTS), and Sharyland Utilities, L.P. (Sharyland Utilities) in the Joint Application in the public interest?

10. Is the commitment for Oncor and Sharyland Utilities to provide their respective ratepayers in the form of bill credits 90% of interest savings and debt issuance savings that they realize resulting from the transactions appropriate and in the public interest?

11. Are the proposed amendments to Code of Conduct for Oncor appropriate and in the public interest?

12. Is the proposal to retain the North Texas Utility as a separate entity directly owned by Oncor appropriate and in the public interest?

13. Are adequate restrictive covenants in place to prevent using utility assets as collateral or guarantee for any unregulated business?

14. Will the transactions result in meaningful, tangible benefits to Texas customers?

15. Do the benefits of the transactions to customers outweigh the risks associated with the transactions?

16. What impacts will the transactions have on the utilities' service quality and customer relations?

17. What additional guarantees or commitments should be required to ensure that service quality and customer relations in Texas are equal to or better than current conditions?

18. What are the synergy savings resulting from the transactions and how will those savings be calculated and provided to customers?

19. What additional guarantees or commitments should be required to ensure that no cost shifting, cross subsidies, and discriminatory behavior occur among affiliates of the acquired companies?

20. Is the proposal to allow Oncor to establish a regulatory asset to track make-whole payments or expenses that Oncor may incur as part of the transactions appropriate and in the public interest?

21. What are the tax implications of the proposed transactions, and do they have the potential to benefit or harm ratepayers? If so, how should these effects be reflected for ratemaking purposes?

22. How will centralized services be provided and costs allocated to Oncor?

23. How will transaction costs be defined versus transition costs, and how will each be recorded for accounting purposes and treated for ratemaking purposes?

24. What are the proposed transactions' likely impact on Oncor's credit rating, cost of debt, cost of equity, and weighted cost of capital?

25. How will the pension and other employee benefit plans be separated and maintained from each utility going forward?

26. Is the proposal for Oncor to make a combined rate filing with North Texas Utility on or before October 2021 appropriate?

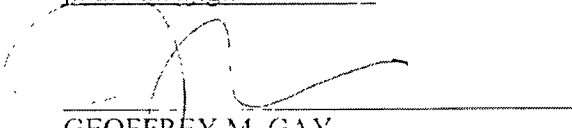
27. Is the proposal for South Texas Utility to file a base rate case no later than December 31, 2020 appropriate?

28. What reporting requirements are necessary?

WHEREFORE, PREMISES CONSIDERED, Cities respectfully pray that the Commission enter a Preliminary Order consistent with the issues identified above and grant Cities such other and further relief to which it may be just entitled.

Respectfully submitted,

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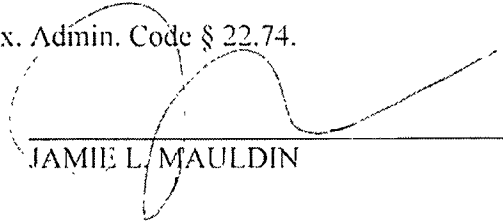
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ATTORNEYS FOR CITIES

CERTIFICATE OF SERVICE

I certify that a copy of this document was served on all parties of record on this 4th day of January 2019, in accordance with 16 Tex. Admin. Code § 22.74.



JAMIE L. MAULDIN