

1 STATE OF MISSOURI  
2 PUBLIC SERVICE COMMISSION  
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6 TRANSCRIPT OF PROCEEDINGS  
7 Prehearing Conference  
8 May 25, 2006  
9 Jefferson City, Missouri  
Volume 1

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12 Manager of the Manufactured )  
Housing and Modular Units Program )  
13 of the Public Service Commission, )  
Complainant, )  
14 )  
15 v. ) Case No. MC-2006-0389  
Blakely Manufactured Homes, )  
16 )  
17 Respondent. )

18 STEVEN C. REED, Presiding,  
19 REGULATORY LAW JUDGE.

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12 FOR: Staff of the Missouri Public  
13 Service Commission.

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1 P R O C E E D I N G S

2 JUDGE REED: This case is styled Manager of  
3 the Manufactured Housing and Modular Units Program of the  
4 Public Service Commission vs. Blakely Manufactured Homes.  
5 The case number is MC-2006-0389. My name is Steve Reed.  
6 I'm the Regulatory Law Judge assigned to preside over this  
7 case.

8 Today we're here for a prehearing  
9 conference. Let's have entries of appearance, beginning  
10 with the Staff of the Commission.

11 MR. BERLIN: Robert S. Berlin, Post Office  
12 Box 360, Jefferson City, Missouri 65102, appearing on  
13 behalf of the Staff of the Missouri Public Service  
14 Commission.

15 JUDGE REED: I presume you're Ms. Crane?

16 MS. CRANE: Yes.

17 JUDGE REED: Okay. For Blakely  
18 Manufactured Homes, correct?

19 MS. CRANE: Yes.

20 JUDGE REED: Okay. Go ahead and give us  
21 your address.

22 MS. CRANE: Sue Crane, 411 Court Street,  
23 Fulton, Missouri 65251, appearing on behalf of Blakely  
24 Manufactured Homes, and Mr. and Mrs. Blakely are present  
25 as well.

1 JUDGE REED: Very good. This is Staff, I  
2 take it?

3 MR. WINN: Yes. Gene Winn with the  
4 Manufactured Housing Department of the Missouri Public  
5 Service Commission, P.O. Box 360, Jefferson City, Missouri  
6 65102.

7 JUDGE REED: This is the prehearing  
8 conference. The portion on the record will be brief. I  
9 wanted to pose a couple questions if I could before I  
10 leave you-all to work out a procedural schedule and  
11 propose that to the Commission.

12 When this case was filed, there was a  
13 motion for an expedited answer, and then there was an  
14 extension of the answer date so that the full 30 days was  
15 granted. Mr. Berlin, do you anticipate that you'll still  
16 try to expedite this case because of public safety  
17 concerns, or have those concerns somehow abated?

18 MR. BERLIN: Staff's concern particularly  
19 in the filing of the complaint was to expedite an answer  
20 to the allegations. Staff's overarching primary concern  
21 is the damages sustained by Mr. and Mrs. King are  
22 addressed, and to that end, Staff would move this  
23 complaint process accordingly. So that's Staff's primary  
24 concern is that Mr. and Mrs. King be made whole, and so we  
25 are going to progress this case accordingly.

1 JUDGE REED: There's a case that was filed  
2 the same day against Four Seasons.

3 MR. BERLIN: Correct.

4 JUDGE REED: And I was wondering if the  
5 Staff intends to seek consolidation? This is a question  
6 that I'll pose tomorrow as well when someone from Four  
7 Seasons is here.

8 MR. BERLIN: The Staff does not view these  
9 complaints worthy of consolidation because the issues are  
10 different.

11 JUDGE REED: All right. Ms. Crane, do you  
12 want to speak to any of those two issues, the expedition  
13 of the complaint process or the issue of consolidation?

14 MS. CRANE: In regards to the concern, my  
15 client is aware and actually in agreement that there are  
16 concerns for the Kings to be made whole and have  
17 cooperated with their insurance regarding liability  
18 issues. And it may be that we would be making a request  
19 to maybe slow things down in order for the Kings to be  
20 made whole and his cooperation with the insurance carrier  
21 not be interfered with by this.

22 My client also felt perhaps that the  
23 Commission was concerned about he be doing this further.  
24 He is not. There are three homes sitting on his lot. I'm  
25 hoping that informally we'll be able to make some

1 agreement in regards to that. But his plans are to not be  
2 in the business of the sale of manufactured homes.  
3 So that I think is addressed. We take that seriously.

4 In regards to the consolidation, that of  
5 course is entirely up to the Commission. I do know in  
6 preparing my answer and in speaking with counsel that I've  
7 kind of made it known of what we think there are some  
8 concerns in regard to that party's culpability here, I  
9 suppose.

10 JUDGE REED: And that's kind of what I was  
11 thinking of in terms of whether there may be a  
12 consolidation, because these cases could be tried  
13 separately, of course, but I would anticipate that the  
14 same parties may be testifying in both cases. That's kind  
15 of what I was thinking.

16 MR. BERLIN: Your Honor, I kind of think  
17 differently. The issues are so different from Staff's  
18 viewpoint. The issues regarding this complaint pertain to  
19 the setup procedures of the home. The issues pertaining  
20 to the Four Seasons complaint case pertain more to the  
21 meeting of regulatory requirements, which are was the home  
22 sent into the state of Missouri without a proper seal or a  
23 data plate, and was the home's plan approved when it was  
24 shipped into the state. Those issues we don't believe  
25 bear directly on the setup.

1                   Now, any defense in any future civil  
2     litigation that Blakely Manufactured Homes may have, you  
3     know, that might be a different issue in a civil court  
4     proceeding, but we don't believe it affects these  
5     complaint cases for the consolidation of them.

6                   JUDGE REED: That's fine. We'll see how  
7     the case develops, and we'll just take it as it goes. If  
8     you are not able to agree on a procedural schedule, you'll  
9     need to let the Commission know. We would hope that the  
10    parties can agree and present something through the Staff  
11    by next Friday, propose a procedural schedule.

12                  Is that feasible? I know there's a holiday  
13    coming up. If you want a little more time, we can --

14                  MR. BERLIN: I think, your Honor, from  
15    where I sit at this point, I think that's feasible. As I  
16    indicated earlier, Staff's primary concern rests with the  
17    Kings and the damages that they have sustained both in  
18    physical property and in physical injury type damages.

19                  So I think Ms. Crane and I can work some  
20    kind of a procedural schedule out that would coincide with  
21    any possibility of settling the civil claims of the Kings.

22                  JUDGE REED: I just have one more thing.  
23    Who's Thomas Riley?

24                  MR. BERLIN: Thomas Riley is the attorney  
25    of Mr. and Mrs. King.

1 JUDGE REED: Well, that's all I had. Do  
2 you -- Ms. Crane, do you have any questions for me, or  
3 Mr. Berlin, anything else?

4 MS. CRANE: No.

5 JUDGE REED: Okay. That will be the end of  
6 that portion on the record, and I'll leave you to work  
7 something out.

8 WHEREUPON, the recorded portion of the  
9 prehearing conference was concluded.

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