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Secretary/Chief Regulatory Law Judge

DANA K. JOYCE
General Counsel

February 16, 2000

FILED²

FEB 16 2000

Missouri Public
Service Commission

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. MC-2000-181


Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a **DIRECTOR'S RESPONSE TO RESPONDENT'S REQUEST FOR RECONSIDERATION AND REDUCTION OF PENALTY.**

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,


David J. Steffen
Assistant General Counsel
(573) 751-6726
(573) 751-9285 (Fax)

DS/dkf
Enclosure
cc: Counsel of Record

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

FILED²

FEB 16 2000

**Missouri Public
Service Commission**

Director of the Department of)
Manufactured Homes and Modular Units of)
the Public Service Commission,)

Complainant,)

v.)

Pitts Mobile Homes,)

Respondent.)

Case No. MC-2000-181

**DIRECTOR'S RESPONSE TO RESPONDENT'S REQUEST FOR RECONSIDERATION AND REDUCTION
OF PENALTY**

COMES NOW the Director of the Department of Manufactured Homes and Modular Units of the Public Service Commission ("Director" and "Department"), by and through the Missouri Public Service Commission's ("Commission") Office of General Counsel, and for his Response To Respondent's Request For Reconsideration And Reduction Of Penalty states as follows:

1. On August 24, 1999, the Director filed a complaint against Pitts Mobile Homes ("Pitts"). The Director caused to be mailed a service copy of the Complaint to Pitts by certified mail, return receipt requested. It was delivered on August 28, 1999 and William ("Billy") Pitts, the owner of Pitts, signed for the receipt for the service copy. The Commission issued a Notice of Complaint on August 31, 1999, and then reissued the Notice of Complaint on October 7, 1999, because the first Notice of Complaint was not sent by certified mail.

2. On November 19, 1999, the Director filed a Motion for Default, in that Pitts failed to file an Answer to the Complaint.

3. The Commission issued an Order of Default on December 7, 1999 and closed the case on December 21, 1999. On February 7, 2000, Pitts filed a Request for Reconsideration and Reduction of Penalty.

4. Pursuant to 4 C.S.R. 240-2.160, a request for rehearing may be filed prior to the effective date of the order and requests for reconsideration of procedural and interlocutory orders shall be filed within ten days. Pitts' request fails to meet either requirement.

5. The Director recognizes the work that Pitts has performed on the homes that are the basis of the complaint in this case and recognizes the contractual dispute between Pitts and Judith E. Bacon on the only home for which Pitts has not rectified setup deficiencies.

6. Because Pitts has performed the work as required by the Director, the Director believes that the seeking of civil penalties is no longer necessary, and he recommends that the authority given to the General Counsel's Office to seek civil penalties be withdrawn. However, the Director requests that the Commission not adjust the suspension period for Pitts. Pitts failed to respond to the Director's Complaint, and only now requests leniency, well out of time for any such request.

7. While Pitts may contend that the suspension is excessive, it is appropriate in this case and is warranted, not only because of the failure to properly setup the homes that were sold, but also because of the disregard shown for the Director's authority as well as the authority of the Commission.

8. For the above reasons, the Director's position is that suspension of Pitts' registration should remain in effect for the entire 98 days, as ordered.

WHEREFORE, the Director respectfully requests that Commission to affirm the Order of Default, except that the Director requests that the authorization to seek civil penalties be withdrawn.

Respectfully submitted,

DANA K. JOYCE
General Counsel

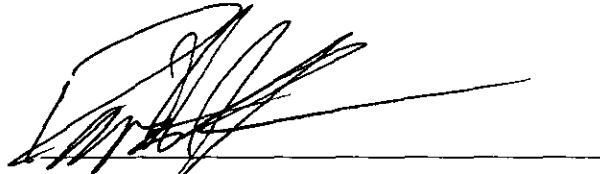


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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to the persons listed below on this 16th day of February 2000.



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P.O. Box 7800
Jefferson City, MO 65102

William Pitts
c/o Pitts Mobile Homes
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Kansas City, MO 64129