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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS
Prehearing Conference
April 7, 2004
Jefferson City, Missouri
Volume 1

The Staff of the Missouri Public)
Service Commission,)
Petitioner,)
v.) Case No. TC-2004-0407
St. John's Mercy Hospital,)
Respondent.)

RONALD D. PRIDGIN, Presiding,
REGULATORY LAW JUDGE.

REPORTED BY:
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FOR: Staff of the Missouri Public
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1 P R O C E E D I N G S

2 JUDGE PRIDGIN: We're on the record. Good
3 morning. This is the prehearing conference in Case No.
4 TC-2004-0407, the Staff of the Missouri Public Service
5 Commission vs. St. John's Mercy Hospital.

6 I am Ron Pridgin. I am the Regulatory Law
7 Judge assigned to preside over this prehearing conference.
8 It's being held on April 7th, 2004, in the Governor Office
9 Building in Jefferson City, Missouri. The time is
10 ten o'clock in the morning.

11 We are here because of my March 24, 2004
12 Order setting this case for prehearing conference and
13 requiring the subsequent filing of a proposed procedural
14 schedule.

15 At this time I would like to get entries of
16 appearance from counsel, beginning with the Staff, please.

17 MR. BATES: Good morning, your Honor.
18 Bruce H. Bates appearing on behalf of the Staff of the
19 Missouri Public Service Commission. My address is Post
20 Office Box 360, Jefferson City, Missouri 65102.

21 JUDGE PRIDGIN: Mr. Bates, thank you. On
22 behalf of St. John's Mercy Hospital, please?

23 MR. JOHNSON: Yes. Robert C. Johnson and
24 Lisa C. Langeneckert, in care of the Stolar Law Firm,
25 911 Washington Avenue, St. Louis, Missouri 63101.

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1 JUDGE PRIDGIN: Mr. Johnson, thank you.

2 I don't believe I have any pending motions.
3 Is there anything that the parties need to bring to my
4 attention before we proceed?

5 MR. BATES: Your Honor, just for the
6 record, due to the nature of these cases that have come
7 before the Commission, these are somewhat unusual. In the
8 Order Setting Prehearing Conference, the Commission
9 refers, as it normally does in these cases, to the parties
10 discussing the status of settlement negotiations.

11 I understand that is something the
12 Commission normally puts in these Orders. However,
13 because of the unusual nature of these cases, I do think
14 it's important to put on the record that settlement
15 negotiations have not been authorized for Staff in these
16 cases at this stage.

17 JUDGE PRIDGIN: I understand, Mr. Bates,
18 and thank you for putting that on the record for me.
19 Notwithstanding your perhaps not being able to settle,
20 obviously the other main reason for this prehearing
21 conference is for the parties to get together to try to
22 hammer out a proposed procedural schedule.

23 You certainly have access to this room
24 until five o'clock to talk. I will be on the ninth floor.
25 If anybody has any scheduling questions, the Commission's

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1 calendar is also on the ninth floor.

2 If the parties are looking at some dates
3 around Memorial Day for a hearing, even though they may
4 appear to be clear on the Commission's calendar, they may
5 not be because I will be out of town. So if you're
6 looking at some dates in late May or early June, please
7 consult with me before you file your proposed procedural
8 schedule with those dates so you don't get some sort of
9 unpleasant surprise getting dates besides the ones that
10 you picked.

11 Any other questions or anything else that
12 the parties need to bring to my attention? Mr. Johnson?

13 MR. JOHNSON: Yes, your Honor. We --
14 frankly, I don't understand this case, because the notice
15 apparently was not properly given to our client about the
16 annual reports, but our client is in the process of
17 finishing completing those annual reports and I anticipate
18 they'll be filed within a short period of time.

19 So what the purpose of a hearing would be I
20 don't understand, because the Staff complaint has asked us
21 to file reports. We're going to file the reports. I
22 don't know what else has to be done in the case. This is
23 a -- St. John's is a not-for-profit hospital. They are
24 one of the major health care systems in the St. Louis
25 area.

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1 There's a question, they've always had a
2 question as to whether or not they were required to file,
3 and there's some factual issues on shared tenant services.
4 But rather than debate some of these issues, they're going
5 ahead and file the annual reports. So I anticipate that
6 those will be done within a week to ten days.

7 And after that's done, you know, we
8 certainly will ask them to waive the penalties under the
9 circumstances of the case, and then I think life can go on
10 for all of us after that. I don't see any point in really
11 spending a lot of time on worrying about hearings and
12 testimony and evidence at this point.

13 Anyway, that's our comments generally about
14 the case. I do anticipate that those filings will be
15 complete in a very short period of time.

16 JUDGE PRIDGIN: Mr. Johnson, thank you.
17 And obviously if that's something you wish to discuss with
18 Mr. Bates as to whether or not there's any need for a
19 hearing, that's obviously part of the reason for the
20 conference.

21 If you do file those or that annual report,
22 I would ask that you file a motion with that report
23 because I believe that that's going to be a report that's
24 out of time, and so you will need to ask leave of the
25 Commission to file that report out of time. If you do

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1 that, that may or may not create a separate case because
2 of the way our filing system works. If that does create a
3 separate case, do not panic or be alarmed. Chances are I
4 would simply consolidate those two cases and put them
5 together. So don't -- if you get some sort of reply back
6 with a different case number, don't -- feel free to
7 contact Mr. Bates about that. It's probably something
8 that we would catch and I would -- I would almost
9 definitely be assigned that same case so we can
10 consolidate them. So like I said, don't give that another
11 thought if that happens.

12 And I appreciate your letting me know that
13 your client is working on trying to file those reports. I
14 don't know if that will dispense with the issues or not,
15 but again that's something that you can certainly discuss
16 with the Staff and with Mr. Bates. Again, I appreciate
17 you bringing that to my attention and appreciate your
18 client trying to come into compliance.

19 Anything else from the parties?

20 MR. BATES: I don't believe so.

21 JUDGE PRIDGIN: Again, you have access to
22 this room until five o'clock. I'm on the ninth floor.
23 The Commission's calendar is on the ninth floor. Please
24 contact me if you have any questions or anything.

25 If there'll be nothing further, we will

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1 then go off the record. This prehearing conference is
2 adjourned. Thank you.

3 WHEREUPON, the recorded portion of the
4 prehearing conference was concluded.

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