

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

In the Matter of the Consideration of	)	
Proposed Amendments to Public Service	)	
Commission's Rules Related to	)	<b>Case No. MW-2016-0163</b>
Manufactured Housing	)	

**COMMENTS OF THE OFFICE OF THE PUBLIC COUNSEL**

COMES NOW the Office of the Public Counsel ("OPC" or "Public Counsel") and offers the following comments on the Staff's draft rule as follows:

**4 CSR 240-120.085**

1. Presently, the Commission's rules provide:

(3) The commission will not assess a reinspection fee to the dealer, installer, or the manufacturer if it is found during reinspection that there is neither any material defect, nor material violation of Chapter 700, nor any material violation of Part 3280 of the Manufactured Home Construction and Safety Standards Code.

2. Staff's proposed rule deletes that section. As a result, it is ambiguous whether or not a re-inspection fee will be assessed if the violation or deficiency found in the initial inspection has been corrected. If the violation listed in the original consumer inspection report has been resolved, there should be no additional fee assessed. A re-inspection occurring when issues are found is a natural outgrowth of the initial inspection. When the violations have not been resolved, thus necessitating another visit by the inspector, it is then reasonable that an additional re-inspection fee attach. Charging the re-inspection fee when the violation has already been resolved simply adds unnecessary cost that will ultimately be passed onto the consumer.

3. Public Counsel suggests amending the Staff's draft to include the phrase "If violations listed in the initial customer inspection report have not been resolved" at the beginning of Staff's draft section (3). The draft rule would be amended to read:

~~[(2)]~~**(3) If violations listed in the initial customer inspection report have not been resolved,** ~~[T]he~~ ~~[commission]~~ **manager shall** ~~[may]~~ assess the dealer, installer, or the manufacturer, or each entity, a fee for the re-inspection(s). The fee is charged to the dealer, installer, or the manufacturer who was responsible for making the corrections and completing the corrections in a timely manner as required in section (1).

4. Further, the Staff's proposed change to the Commission's rule regarding the fees for third party requests for inspection of manufactured homes provides:

~~[(10)]~~**(6) The** ~~[commission]~~ **manufactured housing and modular units program** shall assess an inspection fee of four hundred dollars (\$400) for all third party requests for inspections except third party inspection requests for the purpose of serial number verification will be charged two hundred dollars (\$200). Third party requests for inspections must be submitted in writing to the ~~[commission]~~ **manufactured housing and modular units program** and the inspection fee must accompany the request. Third parties do not include licensed manufacturers or dealers.

5. Public Counsel suggests the Commission evaluate and reconsider the cost differential between the inspection fee for third party requests (\$400) and all other re-inspection fees (\$200). If the same inspection is being performed, such a cost differential is unwarranted and a potential barrier to third party requests for inspections. It may be that such a cost differential is justified based on the circumstances surrounding a third party request for inspection. However, that is unclear from our reading of this proposed change.

#### 4 CSR 240-123.095

6. The Staff's draft rule relating to the re-inspection and re-inspection fee of modular homes also deletes the section of the Commission's rules indicating no re-inspection fee will be assessed if there is no defect or violation found during the re-inspection. However, Staff's

draft includes language in paragraphs (5) and (6) indicating a re-inspection fee will not be assessed if the violation or defect is corrected at the time of re-inspection.

7. Public Counsel suggests amending the Staff's draft to include the phrase "If violations listed in the original customer inspection report have not been resolved" at the beginning of Staff's draft paragraph (4). Public Counsel also suggests modifying the language in Staff's draft to change "both were responsible" to "required by circumstances." The draft rule would be amended to read:

**[(2)] (4) If violations listed in the original consumer inspection report have not been resolved, the manager shall assess the dealer or the manufacturer, or both, a fee for the reinspection(s). The fee is charged to the dealer or the manufacturer who was responsible for making the corrections, or both where required by circumstances, when items are not completed in a timely manner as required in section (1).**

8. The Staff's proposed changes to the Commission's rule related to the fee for third party requests for inspection of modular homes provides:

**[(10)] (7) The manufactured housing and modular units program shall assess an inspection fee of four hundred dollars (\$400) for all third party requests for inspections. Third party requests for inspections must be submitted in writing to the manufactured housing and modular units program and the inspection fee must accompany the request. Third parties do not include licensed manufacturers or dealers.**

9. The only proposed change to this paragraph is to renumber it from (10) to (7). As with the fee for third party requests for inspection of manufactured homes, Public Counsel suggests the Commission evaluate and reconsider the cost differential between the inspection fee for third party requests (\$400) and all other re-inspection fees (\$200). If the same inspection is being performed, such a cost differential is unwarranted and a potential barrier to third party requests for inspections. It may be that such a cost

differential is justified based on the circumstances that surround a third party request for inspection. However, that is unclear from the reading of this proposed rule change.

WHEREFORE Public Counsel submits these Comments.

Respectfully,

OFFICE OF THE PUBLIC COUNSEL

/s/ Tim Opitz

Tim Opitz

Senior Counsel

Missouri Bar No. 65082

P. O. Box 2230

Jefferson City MO 65102

(573) 751-5324

(573) 751-5562 FAX

Timothy.opitz@ded.mo.gov

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 16<sup>th</sup> day of March 2016:

/s/ Tim Opitz