



Chris Nelson, Chair  
 Kristie Fiegen, Vice Chair  
 Gary Hanson, Commissioner

*South Dakota*

**PUBLIC UTILITIES COMMISSION**

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January 9, 2013

To all Anderson Seed Bond Proceeds Claimants:

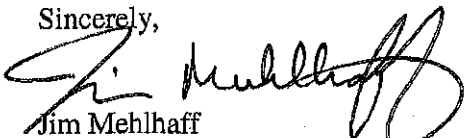
On January 15, 2013, the PUC's Grain Warehouse Staff will ask the Commission to approve Staff's recommendations for the disbursement of the bond proceeds and all the accrued interest. With this letter I have included a spreadsheet that details the recommendation that we will present to the Commission.

In the upper right corner of the spreadsheet you will find a small table that shows the bond amount and an estimate of the accrued interest. On the left side of the page you will find a table that has the names of all those who have filed claims and the amount of the claim that was initially filed by each claimant. In the middle table you will find the claim amounts that were recommended based on the audit performed by PUC Staff. You were previously made aware of Staff's findings in a letter dated October 9, 2012, in which you were advised of your right to challenge Staff's findings. As a result of this letter we received one request for a hearing from Martinmaas Dairy Inc. The hearing was held on December 18, 2012; however, the Commission opted not to make a ruling at that time. We expect the Commission to issue a ruling on this matter at its January 15, 2013 meeting. This center table details the distribution percentages and dollar amounts with the assumption that Staff's recommendations will be accepted by the Commission and Martinmaas Dairy will not participate in the distribution. On the far right is a third table that details the distribution plan if the Commission would rule in favor of Martinmaas Dairy and allow them to participate in the bond proceeds.

If the Commission makes a ruling on the Martinmaas Dairy matter and approves a distribution plan, we will then take the distribution plan back to circuit court for final approval. When this process is complete, we will recalculate the distribution according to the percentages in the appropriate table and issue the checks. The recalculation will be done to account for any additional accrued interest.

As always if you would like to listen to or participate in the proceedings, you will find the instructions for this at the top of the enclosed agenda. Please do not hesitate to call our office if you have any questions.

Sincerely,

  
 Jim Mehlhaff  
 Director, Grain Warehouse Division