



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

South Dakota

PUBLIC UTILITIES COMMISSION

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January 8, 2015

The Honorable Dennis Daugaard
Governor of South Dakota
Office of the Governor
500 E Capitol Ave
Pierre, SD 57501

Dear Governor Daugaard:

Currently pending before the Public Utilities Commission is Docket HP14-002, In the Matter of the Application of Dakota Access, LLC for an Energy Facility Permit to Construct the Dakota Access Pipeline. In this docket, Dakota Access, LLC has applied for a facility permit to construct and operate the Dakota Access Pipeline Project, which is a proposed 1,134 mile, 12-inch to 30-inch diameter pipeline that will connect the Bakken and Three Forks crude oil production areas in North Dakota to existing pipeline infrastructure in Illinois. According to the application, approximately 271.6 miles of the proposed pipeline would be constructed within South Dakota, crossing 13 counties in the eastern half of the state.

I have recently been informed that the proposed pipeline would cross land owned by my sister-in-law (my husband's sister) and her husband in the counties of McCook and Minnehaha. Pursuant to SDCL 49-1-9, a Public Utilities Commissioner may not participate in a proceeding in which the Commissioner has a conflict of interest. Given this familial relationship, I am regretfully disqualifying myself from participating in this proceeding.

As required by SDCL 49-1-9, I hereby certify that I am disqualifying myself from participating in this docket and request that you appoint an elected constitutional officer, other than the attorney general, as a member of the Commission in my place. In order to give notice of my disqualification, I am filing this letter in Docket HP 14-002.

Thank you for your attention to this matter.

Sincerely,

Kristie Fiegen
Commissioner, Public Utilities Commission

State of South Dakota)
) SS
County of _____)

I, Rich Sattgast, do solemnly swear that I will support the Constitution of the United States and the Constitution of the State of South Dakota and that I will faithfully discharge the duties as Acting Commissioner of the South Dakota Public Utilities Commission.

Dated this _____ day of _____, 2015.

Rich Sattgast

Subscribed and sworn to before me this
_____ day of _____, 2015.

(Seal)

Notary

My Commission Expires:

State of South Dakota
Statement of Financial Interest
Governor's Appointees

To be filed with: Secretary of State, State Capitol, Pierre, SD 57501

1. Name: <p style="text-align: center;">Rich Sattgast</p>	
2. Address:	
3. Appointed Office: <p style="text-align: center;">Acting Commissioner of the South Dakota Public Utilities Commission</p>	
4. What is your occupation or profession?	
5. List any enterprise in which you, your spouse, or minor children control more than 10 percent of, or contributed more than \$2,000 to, your family income in the preceding calendar year. _____	6. What is the nature of your association with each? (The value of the financial interest need not be reported.) _____
7. List any enterprise in which you, your spouse, or minor children control more than 10 percent of the capital stock. _____	8. What is the nature of your association with each? _____

State of South Dakota

County of _____

)
) SS
)

Verification

I have reviewed my Statement of Financial Interest and hereby certify that the information reported thereon is a complete, true, and accurate representation of my financial interests for the preceding calendar year.

Rich Sattgast

Subscribed and sworn to before me this _____ day of _____, 2015.

(SEAL)

Officer Administering Oath

My Commission Expires: _____

Information Regarding Statement of Financial Interest

1. **Who Files (3-1A-3).** This form is to be completed by all gubernatorial appointees which require Senate confirmation.
2. **Deadline.** The statement must be filed in the secretary of state's office prior to Senate confirmation.
3. **Nature of your association** in #5 and #6 means if you were an employee, officer, director, associate, partner, stockholder, member, proprietor, served in an advisory or consulting capacity, or provided professional services. This must be provided for each enterprise which is listed.
4. **Definitions of Terms (SDCL 3-1A-1)**
 - (1) "Any member of his immediate family," a spouse or minor children living at home;
 - (2) "Close economic interest," any enterprise that, in the calendar year preceding filing of a statement under this chapter, contributes either more than 10 percent of or more than two thousand dollars to the gross income of the family which shall include the individual required to file the statement and any member of his immediate family, or an enterprise in which such individual or any member of his immediate family control more than 10 percent of the capital or stock;
 - (3) "Enterprise," any business or economic relationship [where you were an employee, officer, director, associate, shareholder, member, partner or proprietor];
 - (4) "Statement of financial interest," a description of the type of financial activity and the nature of the association with the enterprise as provided in subdivision (1) of this section.
5. **Penalty (SDCL 3-1A-6).** Failure to file the statement of financial interest is a petty offense. An intentional violation is a Class 2 misdemeanor.
6. **Conflict of Interest Provisions (SDCL 5-23-14.2).** State officers are generally prohibited from being interested in any state contract which the officer has the supervisory power to approve, award or administer. Exempted from this prohibition are officers who serve without compensation, or whose compensation is limited to per diem pursuant to SDCL 4-7-10.4. Corporations, partnerships and other business entities in which the officer holds some interest or control may likewise be precluded from doing governmental business. Spouses and other family members of the officeholder may be similarly prohibited (although no definitive court decision has yet been issued). A prohibited contract may be declared void or subject the officer to criminal sanctions. In addition to SDCL 5-23-14.2, other conflict of interest prohibitions may apply to some state officer positions. Appointees should review all personal and family financial interests accordingly and contact a lawyer with questions.