

January 14, 2013

James Mehlhaff
Grain Warehouse Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SC 57501-5070

Sent via email: james.mehlhaff@state.sd.us

**Re: Proof of Claim for Cash Grain
CHS v Anderson Seed
Our File No.: 026697.12014**

Dear Mr. Mehlhaff:

I am writing on behalf of Midwest Coop CHS, Inc. with respect to proposed payouts from the Anderson Seed bond. CHS, Inc. does not believe the figure of \$319,684.44 represents the proper amount of its claim against the bond. Mr. Hancock of CHS acknowledges receiving your letter of October 9, 2012 discussing calculation of the claim of CHS. Mr. Hancock believed an identical letter had been sent to me, as counsel for CHS. He did not discover his error until receiving your letter of January 9, 2013.

Attached is a spreadsheet showing deliveries made by CHS on its contracts with Anderson Seed. The spread sheet reflects that the entirety of CHS's claim is based on crops actually delivered. Contract no. PF02110-01 appears to be the contract on which the South Dakota Public Utilities Commission believed CHS's claim was based simply on a loss (as contrasted to actual delivery). Attached are copies of bills of lading relating to deliveries on contract PF02110-01 that show a delivery destination either as Redfield or unspecified. With respect to the truckers handling the shipments on the bills of lading where the destination is unspecified, CHS believes that, based on the location of those truckers, the deliveries would have been to Redfield.

Based on the above, CHS respectfully request that the South Dakota Public Utilities Commission increase the amount of the allowed claim of CHS to include the deliveries covered by the attached bills of lading. The dollar amount of the added bills of lading total \$124,182.75. If you add that to the total approved claim of \$319,684.44, the new total of the allowed claim is \$443,867.19.

Very truly yours,



Jon R. Brakke

JRB/sjt
Attachments
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