

-----Original Message-----

From: Nelson, Chris

Sent: Friday, April 27, 2018 9:51 AM

To: Arlene Murphy [REDACTED]

Cc: Van Gerpen, Patty <Patty.VanGerpen@state.sd.us>

Subject: RE: [EXT] H&I Grain

Ms. Murphy,

Thank you for your email. As you might know, the Commission will again be discussing this issue during our meeting on May 1. <http://puc.sd.gov/agendas/2018/0501.aspx> . Commission Staff have filed their response to questions asked at the last meeting. <http://puc.sd.gov/commission/dockets/graindealer/2017/gw17-002/ltr042718.pdf> .

Sincerely,

Chris Nelson

South Dakota Public Utilities Commissioner

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Pierre, SD 57501

605-773-3201

Chris.Nelson@State.SD.US

-----Original Message-----

From: Arlene Murphy [REDACTED]

Sent: Thursday, April 26, 2018 11:15 AM

To: Fiegen, Kristie <Kristie.Fiegen@state.sd.us>; Nelson, Chris <Chris.Nelson@state.sd.us>; Hanson, Gary (PUC) <Gary.Hanson@state.sd.us>

Subject: [EXT] H&I Grain

Dear Commissioners,

Let me preface this email by saying I am Chad Murphy's mother. Chad and his wife Catherine are one of the farmers that have not received payment for their grain from H&I grain.

I have listened to your last meeting where at the end it was decided to ask staff to do a report on how much it would cost and the feasibility of taking receivership. I am requesting you take that a step further.

I don't think it is fair to the farmers to not only look at the costs. Therefore, I would ask that you also direct your staff to figure the loss to the state in revenue. Some of these farmers are not going to be able to keep farming, and if they do, they certainly will not be buying equipment or for that matter be spending money in businesses in South Dakota.

When a city like Sioux Falls has an event they always figure the money spent here by the people attending the event turns over 3 times. That's a lot of sales tax revenue for the state and income for other businesses. Not only is the reverse true when the money is not spent in the state but in this case there will be no chance for it ever coming back into the state coffers if the farmer goes out of business. It then becomes a loss of revenue.

I'd also like to address a couple other comments.

Commissioners Nelson, you ask why the PUC would do this for an individual. This not just an individual or even a group. It affects the whole state. Then at the end you said "we" need young farmers. That part is correct but the point is you said "we" meaning the state needs young farmers. SD's major industry is agriculture. You would not be doing it just for these farmers. You would be doing it for every person in the state, even if they don't realize it.

Mr. Hanson, you recalled an elderly couple that had lost everything when you first became a commissioner. In this case you can multiply that loss over and over.

Commissioners Fiegen, you stated that this is one of the hardest decisions you have had to make. Can you imagine how hard and stressful it is for these farmers who have absolutely no control over this decision and yet know they could lose everything.

Commissioners, their livelihood is depending on the decision of you 3.

Let me give you a little history on that young farmer "we" need.

The short story is that Chad is a first generation farmer and started farming with just 50 acres of rented land, three pieces of equipment and 8 cows. During that time he was getting his Ag Business degree and working full time at the Arlington Elevator. That's three commitments at once. He has at times struggled to build a successful business but they have done it. He and Catherine married 9 yrs. ago and both have probably work harder than any young couple you know.

The new law now requiring elevators to have and turn over their records is really like closing the barn door after the horse is out. The people that are familiar with this case feel the PUC was suppose to protect them and you let them down.

Saying how sorry you are that this happened to the farmers is nice of you, but feelings are not going to save the farm or help these young families or replace the money that would have went into the state coffers.

Please direct your staff to report on loss of income for the state also. To not do this would be not getting the whole picture.

I plead (not only for Chad and Catherine Murphy, but for all the farmers in multiple countries) with you to move forward with the receivership. To not do so would be like putting the last nail in the coffin for some of these family farmers. I don't mean that in a harsh way but it is just a fact.

Arlene Murphy

Sent from my iPad