



Kristie Fiegen, Chairperson
 Gary Hanson, Vice Chairperson
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PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue
 Pierre, South Dakota 57501-5070
 www.puc.sd.gov

Capitol Office
 (605) 773-3201

Grain Warehouse
 (605) 773-5280

Consumer Hotline
 1-800-332-1782

Email
 puc@state.sd.us

March 30, 2018

Patricia Van Gerpen
 Executive Director
 SD Public Utilities Commission
 500 E. Capitol Ave.
 Pierre, SD 57501

RE: GW17-002 - In the Matter of the Grain Buyer Bond of H & I Grain of Hetland, Inc.

Dear Ms. Van Gerpen,

In order to provide clarification on the four options listed in our previous filing, Staff submits the following explanation.

	Option 1	Option 2 (recommended)	Option 3	Option 4
	Coverage?	Coverage?	Coverage?	Coverage?
Open payables	Yes	Yes	Yes	Yes
VCS transactions prior to December 2016	No	No	Yes, if claimed	No
VCS transactions after December 2016*	No	Yes, if seller claimed not to have received contract	Yes, if claimed	Yes
Explanation:	This option provides coverage according to the original investigation done by Staff. It does not account for claims made.	This option accounts for Staff's evaluation of claim forms submitted by sellers. Coverage is allowed for sellers who claimed not to have received their VCS contract.	This option accepts all claims made without evaluation by Staff.	This option is the same as Option 2, except it assumes all VCS contracts after December 2016 were not perfected and, therefore, are covered by the bond.

*Affidavit of Stacy Kruse establishes that contracts were not mailed in the course of business after this time.

Regards,

Kristen Edwards, Staff Attorney