

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF HIGH COUNTRY)	STIPULATION AND
MERCANTILE, INC.)	SETTLEMENT AGREEMENT
)	
)	GW19-002
)	

This Settlement Agreement is made and entered into between the Grain Warehouse Division of the Public Utilities Commission (Staff) and High Country Mercantile, Inc. (HCM).

HCM has done business in the state of South Dakota for more than six years. During that time, HCM operated as a grain buyer as defined in SDCL 49-15-1.1(3). HCM became licensed as a grain buyer in South Dakota in August 12, 2019. On January 30, 2019, Staff became aware that HCM was operating as a grain buyer in South Dakota. On February 2, 2019, Staff made contact with HCM and explained that HCM needed to obtain a license in order to continue operating as a grain buyer. HCM continued to purchase grain and entered into a number of new contracts to purchase grain, acting as a grain buyer under South Dakota Law after that time, and before it was licensed. On numerous occasions during this period, Staff notified HCM of the need to be licensed.

The penalty for operating as a grain buyer without a license is described in SDCL 49-45-1, which provides for a fine of \$1,000 for each purchase of grain up to a maximum fine of \$20,000. If, after a hearing, the Commission believed HCM had made 20 or more purchases during the time it was not licensed, it could be subject to a \$20,000 fine.

Now, to avoid a hearing, Staff and HCM stipulate to the facts below and agree to resolve this matter as follows:

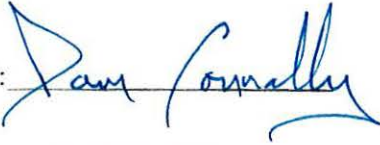
1. HCM is located in Wyoming and is in the business of commodity merchandising. HCM operates as a “grain buyer” in South Dakota as the term is defined in SDCL 49-45-1.1(3).
2. HCM was licensed and bonded to operate as a grain buyer in South Dakota on August 12, 2019.
3. HCM engaged in the business of purchasing grain for the purpose of resale prior to August 12, 2019.
4. HCM is subject to licensure as required by SDCL 49-45-1.
5. HCM made at least 20 purchases of grain in South Dakota prior to obtaining a grain buyer license on August 12, 2019
6. Both Staff and HCM acknowledge that HCM is subject to penalties for operating as a grain buyer without a license. Staff and HCM both believe a civil penalty of \$15,000 for failure to obtain a grain buyer license should be paid by HCM for this violation.
7. HCM is currently licensed as a grain buyer and is in good financial standing.
8. HCM agrees that it will abide by all practicable licensing rules and regulations for as long as HCM operates as a grain buyer in the state of South Dakota.
9. HCM agrees that it will make payment of the \$15,000 civil fine within thirty days of receipt of the Commission Order.
10. Staff agrees this Stipulation and Settlement Agreement, if approved by the Commission, represents the final disposition of the issues specified herein and will not pursue additional fines or penalties for the infractions outlined in this Agreement.

Both Parties acknowledge that they may have different reasoning for the agreed upon settlement and absent the settlement both parties would have presented argument supporting their

positions. This settlement does not reflect the concession of any single issue, but a negotiated global agreement.

Dated this 27th day of September 2019

High Country Mercantile, Inc.

BY: 

TITLE: PRESIDENT

DATE: 30 SEP 19

Grain Warehouse Division of the South
Dakota Public Utilities Commission

BY: 


TITLE: Grain Warehouse Manager

DATE: 9-30-2019