BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

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IN THE MATTER OF THE REQUEST FOR APPROVAL OF SETTLEMENT STIPULATION REGARDING VIOLATIONS OF SDCL 49-45 AMENDED STIPULATION AND SETTLEMENT AGREEMENT

GW20-003

This Stipulation and Settlement Agreement reflects the resolution reached between the Staff of the Public Utilities Commission (Commission) and the grain buyer Dakota AgSynergy, LLC (Dakota AgSynergy) of Bismarck, North Dakota. If adopted by the Commission, this Agreement resolves any and all violations for purchase of grain without a license occurring on and prior to the date this Agreement is filed.

I. BACKGROUND

In August of 2018, Grain Warehouse Manager Cody Chambliss became aware that Dakota AgSynergy was conducting business in the State of South Dakota. Mr.Chambliss contacted the company at that time to inform them of licensing requirements. It was confirmed that the purchase was an isolated incident. Mr. Chambliss again contacted Dakota AgSynergy on January 18, 2019, to follow up on the previous communication. No action was taken at that time, and Staff is unaware of any purchases between the time of the isolated purchase and purchase occurring in 2020. After receiving a complaint in June of 2020, alleging that Dakota AgSynergy was buying grain without a license, Mr. Chambliss contacted Dakota AgSynergy, at which time Dakota AgSynergy admitted fault and worked with Staff to obtain a license. Dakota AgSynergy has a valid grain buyer license at this time. Staff believes it could produce evidence that Dakota AgSynergy purchased at least 25 loads of grain in South Dakota prior to obtaining a license. Both Parties agree that Dakota AgSynergy operated as a grain buyer as defined in SDCL 49-45-1.1(3). 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.

II. Requested Resolution

Staff and Dakota AgSynergy agree that the appropriate resolution for this violation is that Dakota AgSynergy be fined in the amount of \$3,000. This amount reflects the fact that Dakota AgSynergy purchased grain after being informed of the license requirement, but also reflects the recent actions of Dakota AgSynergy in coming into compliance and working in good faith with Staff.

WHERFORE, Staff and Dakota AgSynergy respectfully request the Commission adopt this Agreement and order a fine in the amount of \$3,000 as a complete and final resolution of this matter.

Dated this <u>11</u> day of <u>September</u> 2020.

South Dakota Public Utilities Commission Staff

Its: Glain Walehouse

Dakota AgSynergy, LLG By: Its: