

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

**IN THE MATTER OF FARMERS COOPERATIVE
ELEVATOR, AVON, SOUTH DAKOTA**

)
) **ORDER**
) **GRANTING REQUEST**
) **TO APPLY TO THE**
) **CIRCUIT COURT TO**
) **APPOINT A RECEIVER**
)

GW21-002

On July 7, 2021, the South Dakota Public Utilities Commission (Commission) received a Petition from the South Dakota Public Utilities Grain Program staff (staff) requesting the Commission immediately apply to the circuit court in which Farmers Cooperative Elevator (FCE) operates for that court to appoint a receiver pursuant to SDCL 49-43-5.6 and 49-45-16. Staff filed the Petition after becoming aware that FCE was unable to obtain a bond and was thus unable to obtain licenses beginning July 1, 2021. FCE's Grain Warehouse and Grain Buyer licenses for FY 2021 terminated on June 30, 2021. Upon receiving this information, staff conducted a full inspection of FCE. The inspection indicated that without immediate Commission intervention in the form of seeking receivership of the facility, FCE would likely be unable to pay the full amount owed to producers due to how quickly FCE is losing money and its inability to bring in additional revenue as a grain buyer or grain warehouse. In its Petition, staff stated that staff has worked with FCE and its bank since early 2019 and is no longer able work toward financial stability due to FCE's inability to obtain current licenses.

On July 8, 2021, the Commission electronically transmitted notice of the filing on the Commission's PUC Weekly Filings electronic listserv. A special hearing was held on July 9, 2021 pursuant to SDCL 1-25-1.3.

The Commission has jurisdiction over this matter pursuant SDCL Chapters 1-25, 1-26, 49-43, and 49-45, specifically, SDCL 49-45-1 49-45-16, and 49-43-5.6.

At the special Ad Hoc meeting on July 9, 2021, the Commission considered this matter. Having thoroughly reviewed the filings in the docket and after making further inquiry of the parties, the Commission voted unanimously to grant staff's Petition, instructing staff to immediately apply to Circuit Court to take receivership of Farmers Cooperative Elevator and to open a docket for bond proceedings. It is therefore

ORDERED, that the Grain Program staff shall apply to the Circuit Court to take receivership of Famers Cooperative Elevator; it is further

ORDERED, that a new docket will be opened for the purpose of taking any necessary action on Farmers' Cooperative Elevator's grain buyer bond.

Dated at Pierre, South Dakota, this 12th day of July 2021.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.
By: <u>Adam deHueck</u>
Date: <u>7/12/21</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson
CHRIS NELSON, Chairman

Kristie Fiegen
KRISTIE FIEGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner