

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

**IN THE MATTER OF THE PUC STAFF'S
COMPLAINT AGAINST DALLAS
LANGLEY TRUCKING FOR
VIOLATIONS OF SDCL 49-45-1**

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**AFFIDAVIT OF CODY
CHAMBLISS**

GW21-007

STATE OF SOUTH DAKOTA)
:
COUNTY OF HUGHES)


I, Cody Chambliss, being first duly sworn, state as follows:

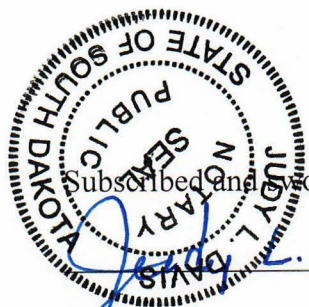
1. I am the manager of the Grain Warehouse Program of the South Dakota Public Utilities Commission (Commission).
2. My job duties include approving Grain Buyers Licenses and ensuring all companies applying for a Grain Buyer License under SDCL 49-45-1 meet the minimum financial licensing requirements.
3. Dallas Langley Trucking's Grain Buyer License lapsed beginning July 1, 2021 as the Commission had not received a new application for a Grain Buyer License.
4. On July 7, 2021 the Commission received an incomplete application for a Grain Buyer License from Dallas Langley Trucking and bond and a copy of Dallas and Peggy Langley year-end financials (Attachment 7 Confidential) and Dallas Langley Trucking (Attachment 8 Confidential) year-end financials for December 31, 2020. Dallas Langley Trucking was notified of deficiencies in the application and with the bond.
5. On September 27, 2021, Dallas Langley Trucking submitted a completed application and bond.
6. On September 30, 2021, after I reviewed all the financials, I sent a denial letter to Dallas. Attachment 9
7. On November 30, 2021, I emailed a data request to Dallas Langley Trucking requesting scale tickets and assembly sheets along with proof of payment of purchases any made by Dallas Langley Trucking. A data request was sent after seeing the number of purchases on the income statement received September 27, 2021. Attachment 10
8. On December 1, 2021, Dallas Langley Trucking provided responses to the data request. The response showed Dallas Langley made five separate purchases between July 1, 2021

and November 30, 2021. Dallas Langley Trucking did not have a valid Grain Buyer License at the time these purchases were made. Attachment 11

9. On December 1, 2021 Paul and I had a phone conversation with Dallas about the denial of his application. A follow-up email was sent see Attachment 10.
10. On December 13, 2021, I received an updated compiled November 30, 2021 financial from Dallas Langley Trucking's accountant. Attachment 12
11. That compiled financial showed in the category other current assets: equity in future contracts. Seeing the applicant does not have a facility it is my interpretation that he does not have title or possession of the equity he is claiming as a current asset. Therefore, by disallowing that category the applicant has negative working capital. An email was sent to the applicant. Attachment 14.
12. December 20, 2021, I received an email from the applicant's secretary providing a copy of a recently issued Nebraska Grain Dealers License. Dallas Langley Trucking was late in applying for his Nebraska Grain Dealers License. Attachment 13.
13. This was not the first instance Dallas Langley Trucking made purchases while unlicensed. In May 2019 it was discovered after routine inspection of another licensed facility that Dallas Langley Trucking purchased 26 loads without a license. The applicant was made aware that the purchases without a license could face a violation of SDCL 49-45-1. The applicant completed his FY2019 and FY2020 applications on June 5, 2020. No penalties were brought forward at that time. Attachment 15.

Dated this 30 day of December 2021.


Cody Chambliss



Subscribed and sworn to before me this 30th day of December, 2021.

Judy L. Davis (Notary Public)

My Commission expires: 07-23-2027