

## Reiss, Amanda

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**From:** Chambliss, Cody  
**Sent:** Thursday, June 30, 2022 12:15 PM  
**To:** Reiss, Amanda; Kenefick-Aschoff, Paul; Blais, Justin  
**Subject:** FW: [EXT] Response to So Dakota request for a hearing

**From:** Mike Williams <mike@agpmc.com>  
**Sent:** Thursday, June 30, 2022 12:12 PM  
**To:** Chambliss, Cody <Cody.Chambliss@state.sd.us>  
**Cc:** Mike Williams <mike@agpmc.com>  
**Subject:** [EXT] Response to So Dakota request for a hearing

Cody

South Dakota Public Utilities Commission

Sirs:

OPINS coop had a flood that destroyed our office late winter March 2018, Justin your Inspector has seen the level of water damages. The filing cabinets that were housing OPINS paper work records were destroyed. Time lines of duties were part of that destruction of records.

OPINS needed 4-5 months to rebuild the office, as well as attempt to carry on business while we were re building.

Un be known to OPINS the So Dakota permit had expired. We did not receive notice from your office to that status change. OPINS was able to do business with clients who had grains to market and performed as per usual with permits we thought from So Dakota. OPINS was inspected by Justin and found a paper record corrections beyond the 33 contracts issues. These corrections needed to be done for record keeping as we move forward. We understand these were errors on our part. We noted that all 33 producers were paid as contracted was Justine's findings.

OPINS did re apply and receive a permit to work again earlier this year 2022.

Organic and OPINS coop have had an unparalleled marketing period in organics this past year. Drought and the economic down sales status in early 2022, added several months of heart issues and hospitalization and recovery were the factors. I was hospitalized for over 3 weeks, then recovery from by-pass surgery. Our full time office manager was hired by the Extension office. These factors combined created for OPINS coop were at best just not aware of the lapse in permits from So Dakota. Earlier in 2022 OPINS decided not to reapply for a So Dakota permit based on a lack of producers willing or having grains to market thru the fall of 2021 and early months of 2022 period.

Then OPINS had two producers call and desire to sell grains late spring.

That grain has not been able to move due to trucking delays before the June deadline for one producer. The second producers OPINS has not found a buyer for his Milo to date. OPINS offices have contacted the one producer under

contract to ensure a delay in marketing movement and grain movement till the new bond properly signed is in the So Dakota offices.

In reviewing OPINS cost of permits and volume of sales status. The fee of for a renewed permit is going to take several additional contracts to be profitable.

Understanding that there will be a hearing on OPINS error in marketing in the past

while we thought OPINS was legal, OPINS knows with hindsight it is our duty to have been properly permitted.

We also know that OPINS has responsibility to be current. OPINS has attempted in the last month to be renewed based on So Dakota producers desiring to once again market grains. The Bonding agency is in the process of sending the notarized paper work to your office OPINS understands.

OPINS will address the current financial request records to update thru the May 31 levels. We have closed our books and sent those to the CPA for our Nebraska required reviewed. OPINS can provide a bank statement as needed since the CPA thinks the new statement will be done in August. That is typical time frame. We did provide the most current CPA review to your office previously that review was CPA done was done a year ago.

Consideration at the hearing ahead, OPINS desires to serve properly permitted to the producers in So Dakota. OPINS understands how this error of permitting took place. This was not intentional and a result of the forces of the flood destruction, the weather event, health complications and the lack of communication on status between OPINS and your offices.

We regret our lack of permit, request your understanding that this was a human error and not intended to avoid our responsibility.

Respectfully submitted.

Mike Williams

OPINS Coop - Manager

Independent Agronomist - PMC

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