

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

**IN THE MATTER OF THE PUC STAFF'S) AFFIDAVIT OF JAN BANGHART
COMPLAINT AGAINST BANGHART) IN SUPPORT OF MOTION TO
PROPERTIES, LLC, GETTYSBURG,) APPROVE FORMS AND QUARTERLY
SOUTH DAKOTA) FINANCIAL STATEMENTS
)
)**

GW23-001

STATE OF SOUTH DAKOTA)
)SS
COUNTY OF POTTER)

Comes now Jan Banghart, sole, managing-member of Banghart Properties, LLC, a South Dakota Limited Liability Company, and being first duly sworn under oath, does depose and state as follows:

1. I am the sole, managing-member of Banghart Properties, LLC (hereinafter referred to as "Banghart"), party to be above-captioned action.

2. Banghart has held its current Class B Grain Buyer license since July 1, 2023, pursuant to this Commission's order dated July 7, 2023.

3. That order required that Banghart submit to this Commission copies of its proposed contract and business forms consistent with the terms of said order.

4. Attached hereto as Exhibit A is a copy of Banghart's proposed contract for purchase of grain. The proposed contract contains the bond coverage warning ordered by this commission; the "delivery location" language which was the subject of much contention at the evidentiary hearing has been removed; and a minor typographical error at the bottom has been corrected.

5. Attached hereto as Exhibit B is a copy of Banghart's proposed "On Farm Bill of Lading." The proposed bill of lading removes the Nebraska warning language contained in the previous bill of lading, and a clarification has been made to the "Consignee" language at the request of Cody Chambliss.

6. The on farm bill of lading is utilized as an internal document. Banghart uses the bill of lading primarily for the purpose of keeping track of what specific loads are assigned to each Banghart customer. Once the load is assigned, we include the trucker information, delivery ticket information, destination ticket number, producer contract number, and destination contract number. Consolidating all this information on this form acts as a double check process against our computer system. This document enables us to catch any potential errors, and provides

additional assurance that the ticket numbers match, that the producer is correctly identified, and that trucking is charged only when applicable. This form will allow PUC staff to more quickly and easily reconcile and trace any Banghart grain loads.

7. Attached hereto as Confidential Exhibit C is an example file for one of our recent customers. Exhibit C includes this customer's grain sale contract, Customer Settlement Summary, Customer Settlement Details, Payment Information, a Banghart issued ticket, an on farm bill of lading form, and the destination ticket.

8. Exhibit C is an example of how a typical producer file is maintained, and it also illustrates how the forms tie together.

9. Additionally, Banghart now maintains a separate binder/file for all contracts in sequential order.

10. Banghart also maintains a separate binder/file for all bill of lading forms.

11. The proposed contract in Exhibit A is intended to be offered in triplicate (white, yellow, and pink).

12. Banghart office policy has been updated to require that any time an independent contractor desires to make a contractual agreement with a producer, I must personally be contacted to approve the same. If approved, I assign the contract number, and I personally fill out or verify that all relevant and needed contractual terms are included in the agreement. I personally communicate with the independent contractor to make sure that all appropriate steps were followed. Once all information is entered, and the contract is approved, I sign the contract.

13. Once a contract is filled out by our office, one copy of the form (pink copy) is retained by our office for record keeping. The remaining two copies are mailed to the producer/customer. The producer retains the white copy and the yellow signed copy is returned to Banghart. The yellow copy is maintained in the producer file, and the pink copy is stored in the sequential binder.

14. Lastly, Exhibit D is a true and correct copy of Banghart's quarterly financial statement ending September 30, 2023.

15. Banghart's current assets exceed its current liabilities. Furthermore, the accounts receivable listed by Banghart are not in excess of 180 days old. The "grain loan" under the "Fixed Asset" section should be disallowed by rule as it is an insider loan.

16. Exhibit D, given the exceptions and assurances in paragraph 16 herein, indicates that Banghart meets or exceeds the minimum financial requirements for a Class B grain buyer under South Dakota law.

Certificate of Service

The undersigned counsel hereby certifies that a true and correct copy of the forgoing Affidavit of Jan Banghart in Support of Motion to Approve Forms and Quarterly Financial Statements was served on the following parties in the following manner, on this the 17th day of October, 2023:

Ms. Patricia Van Green
Executive Director
South Dakota Public Utility Commission
500 E. Capitol Ave.
Pierre, SD 57501
patty.vangerpen@state.sd.us

VIA EMAIL
AND ELECTRONIC FILING

Mr. Cody Chambliss
Grain Warehouse Manager
South Dakota Public Utility Commission
500 E. Capitol Ave.
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cody.chambliss@state.sd.us

VIA EMAIL

Amanda M. Reiss
Staff Attorney
South Dakota Public Utility Commission
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VIA EMAIL

Dated this 17th day of October, 2023.

/s/Robert Thomas Konrad


BY: Robert Thomas Konrad

Further your affiant sayeth naught.

Dated this 17th day of October, 2023.


Jan Banghart

Sworn and subscribed to before me this 17th day of October, 2023.


South Dakota Notary Public

My commission expires: Oct 25, 2026

