North Dakota Public Service Commission

Inspection Activity Report from January 1, 2016 to March 31, 2016

Current as of 04/04/2016

Corp#	Licensee	Type	Oper	Cap	Inv	Inspector	Inspection Date	Inspection Summary	Response: Required - Pending	Locations Included in Inspection
4016	Alliance Valley Bean, LLC	PGW	☑	☑	☐	Hart & McNamee	3/1/2016	[2000] Examine and spot check procedure revealed no deficiency; good job folks! [2000]	☐	License# 1262 **Larimore**
493	Archer Daniels Midland Co.	PGW	☑	☑	☑	Hart	3/21/2016	[2000] All signatures gathered within the 45 days allowed on contracts. Great Job!! [2000]	☐	License# 1270 **Hebron**
493	Archer Daniels Midland Co.	PGW	☑	☑	☑	Hart & McNamee	3/17/2016	[1110] 5 Unsigned Delayed Price Contracts (1 - Knell, 2 - Ryan and 2 - Neal Peterson) past 45 days as provided by law as described above. Please remit proof of settlement or of signed contract to the Licensing Office within 30 days, April 22nd 2016. [1110]	☑ No	License# 1158 **Hensler**
								Response Date: 03/30/2016 Summary: Copies of fully executed credit-sale contracts. **Additional Response Required:** ☐		
3620	Busch Agricultural Resources, LLC	PGW	☑	☑	☐	Hart & McNamee	3/8/2016	[2000] Warehouse did not have storage and handeling policy posted but was printed and displayed during our inspeciton. Document Check went well. No issues. All Cash sales setteled well within 45 day requirement. [2000]	☐	License# 1198 **Sutton**
3670	Country Grain Cooperative, Inc.	PGW	☑	☑	☐	Hart & McNamee	3/8/2016	[2000] Document Check returned a half dozen Basis Fixed Contracts and a Priced Later Contract that was not signed. Before the inspection was complete the farmers in question were able to come into the facility and sign all contracts. No other issues were found. Great Job!! A private firm is measuring in the next month or six weeks, the results of the measure up will be forwarded to the Licensing Office. [2000]	☐	License# 1206 **Eldridge** 1207 **Cleveland**
3670	Country Grain Cooperative, Inc.	PGW	☑	☑	☐	Hart & McNamee	3/7/2016	[2000] Document Check returned a half dozen Basis Fixed Contracts and a Priced Later Contract that was not signed. Before the inspection was complete the farmers in question were able to come into the facility and sign all contracts. No other issues were found. Great Job!! A private firm is measuring in the next month or six weeks, the results of the measure up will be forwarded to the Licensing Office. [2000]	☐	License# 1206 **Eldridge** 1207 **Cleveland**
2798	Dakota Growers Pasta Company, Inc.	PGW	☑	☑	☐	McNamee	2/9/2016	[2000]Exam and spot check procedure revealed no indemnity fund statement on the credit-sale contact form (deferred contract). Please add an indemnity fund statement to your deferred contract form and send a copy to the Licensing Division Office within 30 days. Please contact the office if further assistance in required or questions arise. Thank you.[2000]	☑ No	License# 1111 **Carrington**
								Response Date: 02/19/2016 Summary: Copy of revised deferred payment contract with indemnity fund assessment language added to contract. All compliance has been met. **Additional Response Required:** ☐		

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1155	Dakota Quality Grain Cooperative	PGW	☑	☑	☐	Erdmann & McNamee	2/22/2016	[2000] There are several older delayed price contracts issued without expiration dates. Please issue new contracts for all contracts that do not have expiration dates when you transisiton to the new merged company on April 1st, 2016. We realize that notifaction has been sent to these contract holders on a yearly basis, however all credit sale contracts must have expiration dates. [2000]	☐	License# 839 **Parshall** 840 **Ross** 842 **New Town**
271	Emerado Farmers Elevator	PGW	☑	☑	☑	Erdmann & McNamee	2/29/2016	[1110] Deficiency - unsigned Priced Later Contracts for Ryan Lorenz 88339 and Calvin Holweger 88592. Please contact customers to get contracts listed above signed or pay for contracts and submit proof of correction to the Licensing Division Office within 30 days. Proof consists of signed contract or settlement report. Please contact office if any issues arise or if there are any quesitons. [1110] [1050] Deficiency - Greg Banks assembly number 180 for Corn not converted in 45 days. Please pay for the grain or put it on a credit sale contract. Please submit proof of correciton to Licensing Division Office within 30 days. Proof consists of signed contract or settlement report. Please contact office if any issues arise or if there are any questions. [1050] [2000] Installment Sale Contracts need Indemnity Fund Statements and Bond Disclosure added to the form. Please send corrected form to the Licensing Division Office at the Public Service Commission. Have four older Priced Later Contracts for Doreen Hartz, please issue new contracts with end dates included in the contract. [2000]	☑ No	License# 26 **Emerado**

Response Date: 03/16/2016
Summary: Proof of correction filed with Commission consisting of fully executed credit sale contract, proof of payment and revised installment sales contract
Additional Response Required: ☐

Corp#	Licensee	Type	Oper	Cap	Inv	Inspector	Inspection Date	Inspection Summary	Response: Required - Pending	Locations Included in Inspection
2586	Engstrom Bean and Seed, Inc.	PGW	☑	☑	☐	McNamee	1/12/2016	[1110]Deficiency: unsigned price later contracts. 6 contracts not signed by the seller. Please refer to the list provided. Please contact these individuals and get the contracts signed or purchase the grain accounted. Proof of correction must be fowarded to the Licensing Division Office within 30 days(by Feb 11). Proof consists of a copy of the signed contract or a copy of the settlement report. Please contact the office if further assistance is required or questions arise. Please be aware of the expiration dates on all credit-sale contracts. Contracts must be reissued or an amendment must be issued if both parties agree to extend the duration of the contract. Thank you.[1110][2000]A measure up was not done as a private measurement service had measured a short time ago.[2000]	☑ No	License# 1076 **Leeds**

Response Date: 02/11/2016
Summary: Proof of corrective action consisting of settlement on one price later contract and copies of three signed price later contracts was filed. Corrective action on two contracts remains pending.
Additional Response Required: ☐

Response Date: 02/12/2016
Summary: Additional signed price later contract filed and proof of settlement on the remaining contract. All compliance has been filed.
Additional Response Required: ☐

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292	Equity Elevator & Trading Co.	PGW	☑	☑	☑	Hart & McNamee	3/31/2016	[2000] Examination and Spot check procedure revealed no deficiencies. Good Job! [2000]	☐	License# 111 **Turtle Lake**
145	Finley Farmers Grain & Elevator Company	PGW	☑	☑	☐	McNamee	3/15/2016	[1050]Deficiency; Price later, open asseblies, not converted in 45days. Please refer to the list provided. Please contact the sellers and get the grain on signed credit-sale contracts or purchase the grain. Proof of correction must be forwared to the Licensing Division Office within 30 days (by April 14). Proof is a copy of the signed contract or a copy of the settlement report.[1050][1110]Deficiency; Credit-sale contracts not signed by the seller. 6 price later and 1 basis fixed contracts not signed by the seller and 8 price later and 4 basis fixed contracts not found in the file. Please refer to the list provided. Please contact the seller and get these contracts signed or purchase the grain accounted. Proof of correction must be forwared to the Licensing Division Office within 30 days. Proof of correction is a copy of the signed contract or a copy of the settlement report. Please contact the office if further assistance is required or questions arise. [1110][2000]There are a number of old price later contracts that do not have all the correct language or expiration dates on them. Please reissue these contracts or purchase the grain accounted. A PSC examiniar will return within 6 months to follow up on this exam.[2000]	☑ Yes	License# 289 **Finley**
920	G & R Grain and Feed, Inc.	PGW	☑	☑	☐	McNamee	1/13/2016	[2000]Exam and spot check procedure revealed no deficiency . Good work. Thank you.[2000]	☐	License# 179 **New Rockford**
4008	General Grain Cleaning Co.	PGW	☑	☑	☐	Hart & McNamee	3/8/2016	[2000] Initial Exam incuded proper method for converting Weigh Tickets to a consecutively numbered Assemby Sheet and then to an Invoice and Payment to settle account. We collected a copy of the Assembly Sheet. General Grain Cleaning uses Quickbooks and will record the Assembly numbers on the Invoices. [2000]	☐	
1943	Hubbard Feeds, Inc.	PGW	☑	☑	☑	Erdmann & McNamee	2/18/2016	Exam and spot check procedure revealed no deficiency	☐	License# 1127 **Bismarck**
270	Hunter Grain Company	PGW	☑	☑	☐	Hart & McNamee	3/16/2016	[1110] There were 9 unsigned Priced Later Contracts, 7 Deferred Payment Contracts unsigned and 20 assembly sheets that had gone past 45 days without getting settled or converted to a Contract. Per state law assembly sheets must be converted 45 days from first delivery. Send proof of correction which is satisfied with settlement or a contract signed by both parties within 30 days, March 15th 2016, to the Licensing Office. [1110] [2000] A measure was done on 12/2/2015 by Hunt Grain Inventory Services. Upon inspection of the notes the inventory was within a reasonable tolerance before adjustment. [2000]	☑ Yes	License# 201 **Hunter**

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3081	JM Grain Inc	PGW	☑	☑	☐	Hart & McNamee	3/23/2016	[1050] Payable for Russell Hauge Scale Ticket 29781 was delivered on 1/19/16. Payables need to be converted to a contract or setteled within 45 days. Please remit proof of settlement or contract to the licensing office within 30 days, April 23rd, 2016. Proof consists of copy of Settlement Report or signed Credit Sale Contract [1050] [1110] Deferred Payment Contract for James Suydam 106426 was not dated or signed. Please remit signed and dated Contract to the Licensing Office by April 23rd, 2016. [1110] [2000] Contracts must be signed by the seller. Verbal consent for a Buyer to sign on the Sellers behalf does not fulfill the necessary requirements for a valid contract. Measurement was not taken due to inability to access the bin doors in hen house. Recommended betterhouse keeping. Will return at a later date to take measurement. [2000]	☑ Yes	License# 1146 **Garrison**
3408	Joliette Ag Systems Inc.	PGW	☑	☑	☐	McNamee	2/4/2016	[2000] The company conducted no business involving the grain warehouse license in the past year. The business is currently operating full time with seed conditioning and seed processing not related to grain warehouse regulations. Thank you, [2000]	☐	License# 1179 **Pembina**
2097	Larimore Sunflower, Inc.	PGW	☑	☑	☐	McNamee	2/10/2016	[2000]Exam and spot check procedure revealed no deficeincy. Please remember to add the Idemnity Fund Assessment statement on all credit-sale contracts. Thank you.[2000]	☐	License# 1022 **Larimore**
3798	Lone Prairie Grain, Inc.	PGW	☑	☑	☑	McNamee	1/25/2016	[1110]Deficiency; unsigned price later contract. 4 of 46 contracts not signed by the seller. Please refer to the list provided. Please take immediate action to get these contracts signed or purchase the grain accounted for. Proof of correction must be forwarded to the Licensing Division Office within 30 days (by Feb 25). Proof consists of a copy of the signed contract or a copy of the settlement report. Also expiration dates must be on all credit-sale contracts. Please make sure that all price later contracts have an expiration date on them and that a new contract or an amendment to the contract is issued when the contract expires. [1110][2000]Your purchase contracts are not credit-sale contracts, please remove bond disclaimer from purchase contract forum. Please send a copy of the corrected forum to the Licensing Division Office. Thank you[2000]	☑ No	License# 1226 **Maddock** 1227 **Tunbridge** 1295 **Drake** 1296 **Martin**

Response Date: 02/23/2016

Summary: Proof of conversion consisting of copies of four fully executed price later contracts.

Additional Response Required: ☐

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223	McLean Elevator Company	PGW	☑	☑	☑	Hart & McNamee	3/28/2016	[1050] Payable for Russell Hauge Scale Ticket 29781 was delivered on 1/19/16. Payables need to be converted to a contract or setteled within 45 days. Please remit proof of settlement or contract to the licensing office within 30 days, April 23rd, 2016. Proof consists of copy of Settlement Report or signed Credit Sale Contract [1050] [1110] Deferred Payment Contract for James Suydam 106426 was not dated or signed. Please remit signed and dated Contract to the Licensing Office by April 23rd, 2016. [1110] [2000] Contracts must be signed by the seller. Verbal consent for a Buyer to sign on the Sellers behalf does not fulfill the necessary requirements for a valid contract. Measurement was not taken due to inability to access the bin doors in hen house. Recommended betterhouse keeping. Will return at a later date to take measurement. [2000]	☑ No	
		Response Date: 03/03/2016 Summary: Licensee filed bond increase rider. Full compliance has been filed. **Additional Response Required:** ☐								
4385	North Dakota Bean, LLC	PGW	☑	☐	☐	McNamee	2/8/2016	[1050][1050][1090][1090][1110][1110][1130][1130][1150][1150][1170][1170][1220][1220][2000]met with Lowell Swanson, office manager of the Grand Forks Bean facility. Completed the document check that was started at the first visit in October of 2015, everything was completed as required. Discussed the above laws and the need to send a copy of the form that will be used for credit-sale contacts to the Licensing Division Office in Bismarck. Thank you.[2000]	☐	License# 1304 **Grand Forks**
1632	O'Brien Seed, Inc.	PGW	☑	☑	☐	Erdmann & McNamee	3/3/2016	[1170]Deficiency: unlicensed space, the addition of storage exceeds licensed capacity and current bond amount. The current capacity of 548,000 bushels requires a bond of $260,000. Immediate action must be taken to increase bond to $260,000 and present the bond rider to the PSC Licensing Division office. This must be completed within 3 working days. Please contact the office if further assistance is required or questions arise.[1170][2000]There is a list of documents that must be conspicuously posted to view by your customers. Please refer to the list provided by the inspectors in the Examination Manual and post in an easily viewable area. Thank you.[2000]	☑ No	License# 946 **Mayville**
		Response Date: 03/03/2016 Summary: Licensee filed bond increase rider. Full compliance has been met. **Additional Response Required:** ☐								
3391	Pekin Cooperative Elevator Company	PGW	☑	☑	☐	McNamee	1/11/2016	[1220]deficiency; no indemnity fund statement on deferred payment contracts. Please purchase a stamp with indemnity fund statement to apply to all credit-sale contracts. Thank you.[1220]	☐	License# 367 **Pekin**

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4260	S & S Grain, Inc.	PGW	☑	☑	☐	McNamee	2/3/2016	[1110]Deficiency; unsigned credit-sale contracts. 4 basis & 5 price later contracts not signed by the seller. Please refer to the list provided. Please contact these individuals and get the contracts signed or purchase the grain accounted. Proof of correction must be forwarded to the Licensing Division Office within 30 days, (by Mar 4). Proof consists of a copy of the signed contract or a copy of the settlement report. Please contact the office is further assistance is required or questions arise.[1110][2000]Please review the language on your price later contract form and make the necessary changes and forward a copy of the corrected contract to the office. Please attach an amendment sheet on contracts that have been extended or rolled. Also please make sure all your contracts have an expiration date. Thank you.[2000]	☑ No	License# 1288 **Walhalla**
								Response Date: 03/02/2016 Summary: Proof of conversion was provided in the form of settlement information and fully executed priced later contracts. **Additional Response Required:** ☐		
3802	Star of the West Milling Company	PGW	☑	☑	☐	McNamee	2/10/2016	][2000]Exam and spot check procedure revealed no deficiency. 19 price later contracts and 14 warehouse receipts correctly issued. Good work. Thank you.[2000]	☐	License# 1228 **McCanna**
2101	The Arthur Companies, Inc.	PGW	☑	☑	☐	McNamee	1/28/2016	[1110]Deficiency; Unsigned credit-sale contracts. 44 price later contracts not signed by the seller. Please refer to the list provided. Please take immediate action to get these contracts signed or purchase the grain accounted. Proof of correction must be forwarded to the Licensing Division Office within 30 days (by Feb 27). Proof consists of a copy of the signed contract or a copy of the settlement report.[1110][2000]Please remember that the law states that scale tickets must be converted to cash, warehouse receipt, credit-sale contract or non-credit-sale contract within 45 days of delivery. If a scale ticket is to be converted to a credit-sale contract it is not converted until the contract is signed by both parties. Please also add payment terms to your purchase contracts. Thank you.[2000]	☑ No	License# 332 **Harvey** 1077 **Anamoose**
								Response Date: 02/23/2016 Summary: Licnesee provided proof of conversion consisting of 44 fully executed price later contracts. Sue visited with licensee regarding the addition of payment terms on purchase contract and asked that they wait for direction from Staff before adding payment terms to purchase contracts. **Additional Response Required:** ☐		
2588	Turtle River Bean Company, A Division of C & F Foods Inc.	PGW	☑	☑	☐	Erdmann & McNamee	3/2/2016	[2000] Upon inspection of Warehouse Recepts selected at random and compared to Weigh Scale tickets, no deficiencies were found all weights entered correctly. [2000]	☐	License# 1078 **Manvel**
3684	Valley Grain Milling Inc.	PGW	☑	☑	☑	McNamee	1/5/2016	[2000]The addition of hopper bins that are being added to Beulah will raise your total capacity to 545,000 bushels. This will raise your bond requirement to $338,000. You are required to raise your bond to this amount before you put this added space into operation. Please contact your bonding company and raise your bond and have the bonding company send the bond rider to the Licensing Division Office. Thank you.[2000]	☐	License# 1209 **Casselton** 1216 **Beulah** 1254 **Wheatland**

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1916	Walhalla Farmers Grain, LLC	PGW	☑	☑	☑	McNamee	2/3/2016	[1050]deficency; Scale tickets not converted. 2 open assemblies over 45 days not converted as per above law. Please contact D&L Farms and Longtin Farms and either purchase the sunflowers or put them on a credit-sale contract. Proof of correction must be forwarded to the Licensing Division Office within 30 days (by Mar 4). Proof is a copy of the settlement report of a copy of the signed contract. Please contact the office is questions arise or further assistance is required.[1050][2000]Please check your credit-sale and noncredit-sale contracts to make sure that they have an expiration date and payment terms on them. Thank you. You are doing good work.[2000]	☑ No	License# 1004 **Walhalla**

Response Date: 02/10/2016
Summary: Proof of corrective action was provided as licensee mailed executed contracts. All responses received.
Additional Response Required: ☐

Corp#	Licensee	Type	Oper	Cap	Inv	Inspector	Inspection Date	Inspection Summary	Response: Required - Pending	Locations Included in Inspection
3954	Walsh Grain Terminal, LLC	PGW	☑	☑	☑	McNamee	2/2/2016	[1050]Deficiency: 1 spot open assembly over 45 days from time of delivery not settled. Please contact GLD Farms and pay for the soybeans or put them on a credit-sale contract. Proof of correction must be forwarded to the Licensing Division Office within 30 days, (by Mar 3). Proof of correction is a copy of the settlement report or a copy of the signed contract. Please contact the office if questions arise or further assistance is required,[1050][1110]Defiency; 6 delayed price and 1 basis contract not signed by the seller. Please contact these individuals and get them to sign the contract or purchase the grain accounted. Proof of correction must be forwarded to the Licensing Division Office witiin 30 days . Proof consist of a copy of the signed contract or a copy or the settlement report.[1110][2000]Please note the above law about credit-sale contracts. Your cash purchase contracts are not credit-sale contracts, thus should not have the bond disclaimer and indemnity fund statement. Please remove those statements from your cash contracts. Your basis and/or HTA contracts may or may not be credit-sale contracts, depends on when payment is expected. Please correct your cash contracts and send a copy to the Licensing Division Office with your proof of correction for the above deficiencies or sooner. If you require assistance please call the office. Thank you.[2000]	☑ No	License# 1264 **Park River**

Response Date: 06/24/2016
Summary: Proof of conversion filed consisting of signed credit-sale contracts or documents to show proof of settlement.
Additional Response Required: ☐

Corp#	Licensee	Type	Oper	Cap	Inv	Inspector	Inspection Date	Inspection Summary	Response: Required - Pending	Locations Included in Inspection
128	Wilton Farmers Union Elevator Co.	PGW	☑	☑	☑	Hart & McNamee	3/31/2016	[1110] Deficiency: Failure to convert scale tickets within 45 days of first delivery. 3 open Assembly's sheets over 45 days not converted. (2) Lance Makeef and (1) Pablo Ronderos. Please take immediate action to convert these accounts. Proof of conversion must be forwarded to the licensing Division Office within 30 days, April 30th 2016. Proof of conversion is a copy of the settlement report or appropriate credit-sale contracts. [1110] [1050] Deficiency: 8 Unsigned Credit Sale Contracts. 2 Unsigned Deferred Payment Contracts. Please refer to the list provided. Please contact individuals involved and get these contracts signed or purchase the grain accounted on these contracts. Proof of correction must be forwarded to the Licensing Division Office within 30 days, April 30th 2016. Proof consists of a copy of the signed contract or a copy of the settlement report. [1050] [2000] Measurement information was provided by management from last independant third party measurement. [2000]	☑ No	License# 59 **Wilton** 751 **Regan**

Response Date: 03/03/2016
Summary: Licensee filed bond increase rider. Full compliance has been met.
Additional Response Required: ☐