

**DIVIDER**  
STATE OF NORTH DAKOTA  
INFORMATION TECHNOLOGY DEPARTMENT  
SFN 2053 (4-2002)

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**DESCRIPTION**

**GE-04-516**  
**Public Service Commission**  
**vs. Rayglen Commodities, Inc.**  
**Complaint** 04  
**Filed 9/30/2004**      **Closed 10/22/2004**

Licensing Division  
600 E Boulevard Ave – Dept 408  
Bismarck, ND 58505-0480  
701/328-4097 - phone  
701/328-2410 - fax

**Public Service  
Commission**

# Fax

**To:** Ray Germain **From:** Sue Richter *Sue Richter*  
**Fax:** 306-931-6739 **Page(s):** 2  
**Phone:** 306-249-9602 **Date:** October 26, 2004  
**Re:** Rayglen Commodities

Attached is a copy of the North Dakota Grain Dealers Association's one page broadcast fax that was provided to association member elevator managers and allied members on Friday October 22, 2004.

As stated before, the Licensing Division routinely provides the North Dakota Grain Dealers Association copies of grain related orders issued by the Commission. The North Dakota Grain Dealers Association decides which items will be included in their industry broadcasts.

Please call if you have any questions.

skr  
Attachment

cc Beth Baumstark via fax 701-223-5366

23

GE-04-515

Pages 1

Copy of NDGDA broadcast faxed to  
Rayglen Commodities  
by Public Service Commission

10/26/2004

CC Comm Legal Licensing

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GE-04-516

Pages 1

Copy of NDGDA broadcast faxed to  
Rayglen Commodities  
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10/26/2004

CC Comm Legal Licensing

Licensing Division  
600 E Boulevard Ave – Dept 408  
Bismarck, ND 58505-0480  
701/328-4097 - phone  
701/328-2410 - fax

**Public Service  
Commission**

# Fax

**To:** Beth Baumstark                      **From:** Sue Richter *Sue Richter*  
**Fax:** 701-223-5366                      **Page(s):** 2  
**Phone:** 701-223-5300                      **Date:** October 26, 2004  
**Re:** Rayglen Commodities

Attached is a copy of the North Dakota Grain Dealers Association's one page broadcast fax that was provided to association member elevator managers and allied members on Friday October 22, 2004

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cc Ray Germain via fax 306-931-6739

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Pages 1

Copy of NDGDA broadcast faxed to Beth  
Baumstark  
by Public Service Commission

10/26/2004

CC Comm Legal Licensing

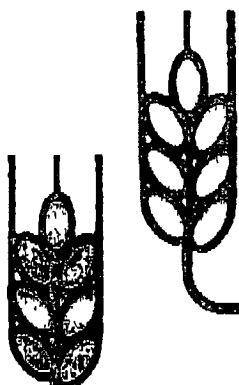
16 GE-04-516

Pages 1

Copy of NDGDA broadcast faxed to Beth  
Baumstark  
by Public Service Commission

10/26/2004

CC Comm Legal Licensing



# NORTH DAKOTA GRAIN DEALERS ASSOCIATION

STEVEN D. STREGE, Executive Vice President  
 CHERYAL WELLE, Executive Assistant  
 CONNIE LEIER, Administrative Assistant  
 Ph: 701-235-4184, Fax: 701-235-1026  
 118 Broadway, 606 Black Bldg, Fargo, ND 58102  
 Website: www.ndgda.org

STU LETCHER, Safety & Health Director  
 Ph: 701-543-3110, Fax: 701-543-4183  
 P.O. Box 72, Hatton, ND 58240

HAL GRIEVE, Safety Specialist  
 Ph: 701-633-5256, Fax: 701-633-5258  
 204 4th Avenue S., Buffalo, ND 58011

October 22, 2004  
 One page broadcast fax

TO: Association Member Elevator Managers and Allied Members

**Rayglen Commodities back in business.** The North Dakota Public Service Commission has dissolved the cease and desist order and dismissed its complaint against Rayglen Commodities effective October 22, 2004 upon agreement to the following stipulations: Rayglen will: 1) cease any solicitation of sellers of grain in North Dakota except when acting in the capacity as an agent for a North Dakota licensed grain buyer; 2) use only North Dakota licensed grain buyer's forms when contracting for the purchase of grain as an agent for a North Dakota licensed grain buyer; 3) not solicit any North Dakota buyers of grain on behalf of any grain sellers, unless or until Rayglen becomes a North Dakota licensed grain buyer

**Earth Harvest Mills hearing on Monday.** The Public Service Commission has scheduled a formal hearing on Monday October 25 at 9:00 a.m. CDT to consider the allegations of the Public Service Commission Staff Complaint against Earth Harvest Mills, Inc. and to consider the request for hearing on the Cease and Desist Order. You can listen to the proceeding at <http://pc6.psc.state.nd.us/media/comm-live/> Click on Listen to the Commission. You must have the appropriate software on your computer for this to work

**Rabobank Purchase of FCSA Off.** Farm Credit Services of America has terminated its agreement to be purchased by Rabobank of The Netherlands. Announcement several weeks ago of the pending sale had created a political firestorm. The President of the Farm Credit Council congratulated the FCSA Board on halting the sale.

**BNSF Wheat Rate Action.** There will be a \$98 per car reduction in the single car rate from Fargo to Minneapolis effective December 1. BNSF is also reducing single and 26-car rates from North Dakota to the PNW. Little if any wheat moves west in these shipment sizes.

**NGFA Meeting Six Weeks Away.** The National Grain and Feed Association's Country Elevator Council Conference and Trade Show will be held December 5-7, 2004 at the Adams Mark Hotel in Denver. The early bird registration deadline is November 5. Hotel reservation deadline is November 12 For further information go to [www.ngfa.org](http://www.ngfa.org).

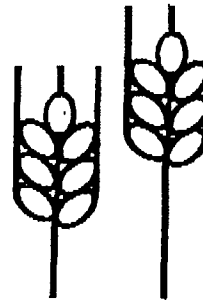
FAX COVER SHEET

DATE: 10-22-04 TIME: \_\_\_\_\_

To: Sue Rutter

Fax: \_\_\_\_\_

From: Steve Strey



NORTH DAKOTA GRAIN DEALERS ASSOCIATION  
118 BROADWAY, 606 BLACK BUILDING  
FARGO, ND 58102

FAX # 701-235-1026  
PHONE # 701-235-4184  
WATS # 1-800-342-4778

Number of pages including coversheet: 2

Contact sender ASAP if you do not receive all pages.

COMMENTS.

Page 2 here was faxed mid-afternoon to the same group to whom we faxed the memo on cease & desist orders a couple weeks ago.



|                   |                    |         |               |              |   |
|-------------------|--------------------|---------|---------------|--------------|---|
| Post-it® Fax Note | 7671               | Date    | 10-22-04      | # of pages ▶ | 6 |
| To                | Ray Germain        | From    | Shelly Bauske |              |   |
| Co /Dept          | Raylen Commodities | Co      | ND PSC        |              |   |
| Phone #           |                    | Phone # | 701-328-2400  |              |   |
| Fax #             | 306-931-6739       | Fax #   | 701-328-2410  |              |   |

|                   |                |         |               |              |   |
|-------------------|----------------|---------|---------------|--------------|---|
| Post-it® Fax Note | 7671           | Date    | 10-22-04      | # of pages ▶ | 6 |
| To                | Beth Baumstark | From    | Shelly Bauske |              |   |
| Co /Dept          | Wheeler Wolf   | Co      | ND PSC        |              |   |
| Phone #           |                | Phone # | 701-328-2400  |              |   |
| Fax #             | 223-5346       | Fax #   | 701-328-2410  |              |   |

ACTIVITY REPORT

TIME : 10/22/2004 10:11  
 NAME : NDPSC  
 FAX : 7013282410  
 TEL : 7013282400  
 SER.# : BROJ1J595612

| NO.   | DATE  | TIME  | FAX NO./NAME | DURATION     | PAGE(S) | RESULT | COMMENT |        |
|-------|-------|-------|--------------|--------------|---------|--------|---------|--------|
| #011  | 10/20 | 11:12 | 7018526058   | 44           | 01      | OK     | RX ECM  |        |
|       | 10/20 | 11:47 | 912183469004 | 01:18        | 01      | OK     | TX      |        |
| #012  | 10/20 | 14:05 | 917012241677 | 43           | 01      | OK     | TX ECM  |        |
| #013  | 10/20 | 14:09 | 92241677     | 44           | 01      | OK     | TX ECM  |        |
| #014  | 10/20 | 15:00 | 917013244334 | 01:34        | 03      | OK     | TX ECM  |        |
|       | 10/20 | 19:06 | 701 523 5394 | 40           | 02      | OK     | RX ECM  |        |
| #015  | 10/21 | 08:54 | 7018526058   | 01:10        | 02      | OK     | RX ECM  |        |
|       | 10/21 | 09:10 | 7018526058   | 05:28        | 02      | OK     | RX ECM  |        |
|       | 10/21 | 09:30 | 81506        | 17           | 01      | OK     | TX ECM  |        |
|       | 10/21 | 09:34 | 7018526058   | 45           | 01      | OK     | RX ECM  |        |
|       | 10/21 | 09:57 | 6125711789   | 57           | 02      | OK     | RX ECM  |        |
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|       | 10/21 | 11:59 | 7018526058   | 01:19        | 03      | OK     | RX ECM  |        |
|       | 10/21 | 12:01 | 7018526058   | 01:19        | 03      | OK     | RX ECM  |        |
| #018  | 10/21 | 12:06 | 915152818821 | 04:29        | 14      | OK     | TX ECM  |        |
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| #019  | 10/21 | 14:13 | 87585        | 41           | 01      | OK     | TX ECM  |        |
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|       | 10/21 | 15:05 | 701 252 0540 | 03:46        | 07      | OK     | RX ECM  |        |
| #020  | 10/21 | 15:10 | 7013382128   | 12           | 01      | OK     | RX ECM  |        |
|       | 10/21 | 15:13 | 701 235 1026 | 29           | 01      | OK     | RX ECM  |        |
|       | 10/21 | 15:15 | 917013244334 | 05:19        | 09      | OK     | TX ECM  |        |
|       | #021  | 10/21 | 15:21        | 917019681747 | 03:47   | 07     | OK      | TX ECM |
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| #024  | 10/21 | 16:05 | 306 931 6739 | 28           | 03      | OK     | RX ECM  |        |
|       | 10/21 | 16:06 | 7013283254   | 01:13        | 03      | OK     | RX ECM  |        |
|       | 10/21 | 16:38 | 917013244334 | 31           | 01      | OK     | TX ECM  |        |
| #023  | 10/21 | 16:45 | 917013244334 | 00           | 00      | BUSY   | TX      |        |
| #025  | 10/21 | 16:47 | 92234324     | 02:24        | 01      | OK     | TX ECM  |        |
|       | 10/21 | 18:47 | 480 483 6752 | 18           | 02      | OK     | RX ECM  |        |
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| #027  | 10/22 | 09:40 | 83254        | 54           | 01      | OK     | TX ECM  |        |
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| #029  | 10/22 | 10:09 | 913069316739 | 02:09        | 06      | OK     | TX ECM  |        |

BUSY: BUSY/NO RESPONSE  
 NG : POOR LINE CONDITION / OUT OF MEMORY  
 CV : COVERPAGE  
 POL : POLLING  
 RET : RETRIEVAL  
 PC : PC-FAX

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Public Service Commission  
Rayglen Commodities, Inc.  
Ex Parte Cease & Desist**

**Case No. GE-04-515**

**Public Service Commission  
vs. Rayglen Commodities, Inc.  
Complaint**

**Case No. GE-04-516**

**ORDER APPROVING STIPULATED AGREEMENT**

**October 22, 2004**

**Preliminary Statement**

On October 8, 2004, the Public Service Commission issued a Cease and Desist Order and a corresponding Notice of Opportunity for Hearing in Case No. GE-04-515 ordering Rayglen Commodities, Inc. (Rayglen) to cease and desist all grain buying activities in North Dakota. On that same date, the Commission found that the Public Service Commission Staff (Staff) Complaint filed on October 6, 2004, in Case No. GE-04-516 stated a prima facie case and served the Complaint on Rayglen. The Complaint alleged that Rayglen was in violation of North Dakota law because it was operating as a grain buyer in the State of North Dakota without the required license and bond.

On October 20, 2004, Rayglen and Staff filed a Stipulated Agreement. Rayglen and Staff agreed as follows.

1. Rayglen will cease any solicitation of sellers of grain in North Dakota except when acting in the capacity as an agent for a North Dakota licensed grain buyer.
2. Rayglen will use only North Dakota licensed grain buyer's forms when contracting for the purchase of grain as an agent for a North Dakota licensed grain buyer.
3. Rayglen will not solicit any North Dakota buyers of grain on behalf of any grain sellers, unless or until Rayglen becomes a North Dakota licensed grain buyer.
4. The Public Service Commission will lift the Cease and Desist Order immediately upon its approval of the Stipulated Agreement
5. The Public Service Commission will dismiss the Complaint against Rayglen Commodities, Inc.

6. The Public Service Commission will notify the North Dakota Grain Dealers Association that it has dissolved the Cease and Desist Order against Rayglen Commodities, Inc.

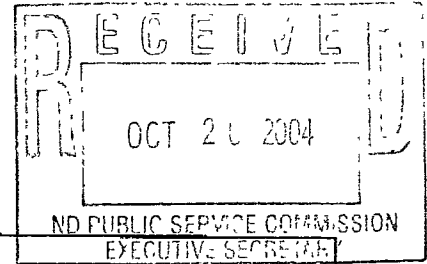
Having considered this matter, the Commission finds the Stipulated Agreement filed October 20, 2004, is reasonable and should be approved. Therefore, the Commission issues the following:

**Order**

1. The Stipulated Agreement filed October 20, 2004, a copy of which is attached to this Order and made a part of this Order, is **APPROVED**.
2. The Cease and Desist Order issue on October 8, 2004, in Case No. GE-04-515 is **DISSOLVED**.
3. The Complaint filed in Case No. GE-04-516 is **DISMISSED**.
4. The North Dakota Grain Dealers Association will be notified that the Cease and Desist Order has been dissolved.

**PUBLIC SERVICE COMMISSION**

|   |  |   |
|---|--|---|
|  |  |  |
| Susan E. Wefald<br>Commissioner   | Tony Clark<br>President  | Kevin Cramer<br>Commissioner  |



| STATE OF NORTH DAKOTA<br>PUBLIC SERVICE COMMISSION   |   |
|--|---|
| <p>Public Service Commission,</p> <p style="text-align: center;">Complainant,</p> <p>vs.</p> <p>Rayglen Commodities, Inc.</p> <p style="text-align: center;">Respondent.</p> | <p>Case No. GE-04-515<br/>and<br/>Case No. GE-04-516</p> <p style="text-align: center;"><b>STIPULATED AGREEMENT</b></p> |

WHEREAS, The Public Service Commission entered an Ex Parte Cease and Desist Order on October 8, 2004 against Rayglen Commodities, Inc., and

WHEREAS, The Public Service Commission Staff filed a Complaint against Rayglen Commodities, Inc. on October 6, 2004, and

WHEREAS, Rayglen Commodities, Inc., through its president Ray Germain, has been in communication with and offered its full cooperation with the recommendations and requests of the Public Service Commission staff, and

WHEREAS, The Public Service Commission has determined that it is not a violation of North Dakota grain buyers' licensing laws for Rayglen Commodities, Inc. to arrange for the sale of grain to a buyer outside of North Dakota when a North Dakota seller of grain contacts Rayglen Commodities, Inc. to represent it in finding a buyer outside of North Dakota,

WHEREAS, Rayglen Commodities, Inc. has not intentionally violated the grain buyer licensing laws of North Dakota, and

WHEREAS, The Public Service Commission has received confirmation from Pizzey's Milling and Baking Company, a North Dakota licensed grain buyer, that Rayglen Commodities, Inc. is its authorized agent for purchasing grain, and

WHEREAS, There is no indication that any North Dakota farmer has been injured in any manner by or through the activities of Rayglen Commodities, Inc., and

WHEREAS, Both the Public Service Commission and Rayglen Commodities, Inc. desire to reach a settlement of this matter as expeditiously as possible to allow Rayglen Commodities, Inc. to conduct business activities in North Dakota as set forth in this Agreement,

Now, therefore, the parties hereby agree as follows:

1. Rayglen Commodities, Inc. agrees to cease any solicitation of sellers of grain in North Dakota except when acting in the capacity as an agent for a North Dakota licensed grain buyer, and

2. Rayglen Commodities, Inc. agrees to use only the North Dakota licensed grain buyer's forms when contracting for the purchase of grain as an agent for a North Dakota licensed grain buyer, and

3. Rayglen Commodities, Inc. agrees not to solicit any North Dakota buyers of grain on behalf on any grain sellers, unless or until Rayglen Commodities, Inc. becomes a North Dakota licensed grain buyer.

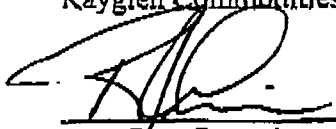
4. The Public Service Commission agrees to lift the Ex Parte Cease and Desist Order immediately upon approval of this Stipulated Agreement by the Public Service Commission, and

5. The Public Service Commission agrees to notify the North Dakota Grain Dealers Association that it has lifted the Cease and Desist Order against Rayglen Commodities, Inc., and

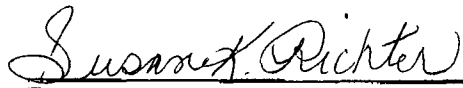
6. The Public Service Commission agrees to dismiss the Complaint against Rayglen Commodities, Inc.

Entered this 20<sup>th</sup> day of October, 2004.

Rayglen Commodities, Inc.

  
By: Ray Germain

Public Service Commission

  
By: Susan K. Richter, Director  
Licensing Division

**APPROVED**

DATE: 10-22-04  
KMF

**MOTION**

**OCTOBER 22, 2004**

**Public Service Commission  
Rayglan Commodities, Inc.  
Ex Parte Cease & Desist**

**Case No. GE-04-515**

**Public Service Commission  
vs. Rayglan Commodities, Inc.  
Complaint**

**Case No. GE-04-516**

I move the Commission approve the Order Approving Stipulated Agreement in Case No. GE-04-515 – Public Service Commission, Rayglan Commodities, Inc , Ex Parte Cease and Desist and Case No. GE-04-516 – Public Service Commission vs. Rayglan Commodities, Inc., Complaint.

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**GE-04-515**

Pages 1

Motion approving Order Approving  
Stipulated Agreement  
by Public Service Commission

10/22/2004

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**GE-04-516**

Pages 1

Motion approving Order Approving  
Stipulated Agreement  
by Public Service Commission

10/22/2004

CC Comm Legal Licensing



# RAYGLEN COMMODITIES INC

#1 - 3815 THATCHER AVENUE SASKATOON SK S7R 1A3

TEL: (306) 242-9100 FAX: (306) 931-6739

## FACSIMILE TRANSMITTAL SHEET

|  |   |
|--|---|
| TO:<br><b>Susan Richter</b>                        | FROM:<br><b>Desmond Guenther</b>                |
| COMPANY:<br><b>North Dakota Service Commission</b> | DATE:<br><b>10/21/04</b>                        |
| FAX NUMBER:<br><b>701-328-2410</b>                 | TOTAL NO. OF PAGES INCLUDING COVER:<br><b>3</b> |
| PHONE NUMBER:<br><b>701-328-4097</b>               | SENDER'S PHONE NUMBER:<br><b>306-249-9602</b>   |
| <b>Agreement with ADM</b>                          | SENDER'S FAX NUMBER:<br><b>306-931-6739</b>     |

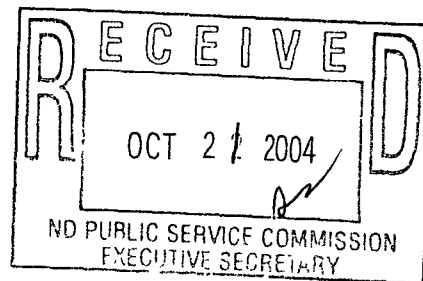
URGENT  
 PLEASE REPLY

### NOTES/COMMENTS:

As per Ray, I am sending you the agreement that we have with ADM Processing in Velva, ND. If you have any questions, please contact Ray.

Thanks.

**DESMOND GUENTHER**  
 Rayglenn Commodities Inc  
 (306) 249-9602

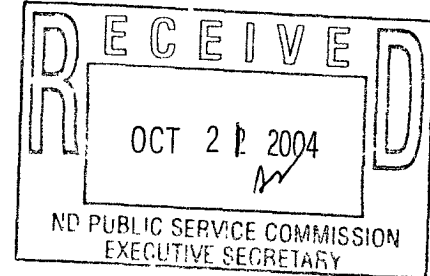




**ADM Processing Company**  
1388 Highway 97  
Velva, ND 58790-9003  
T 701.338.2491 F 701.338.2128

October 21, 2004  
ND Public Service Commission  
600 E. Boulevard Ave., Dept. 408  
Bismarck, North Dakota 58505-0480

To The ND PSC:

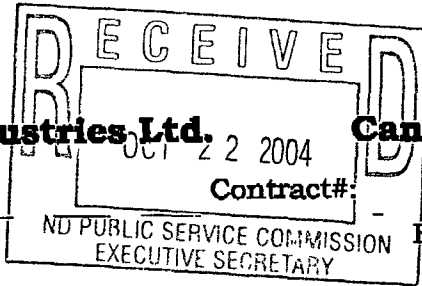


I am writing this letter to inform those that are interested that Rayglen Commodities has been appointed as an agent of ADM Processing in Velva ND to originate canola seed from southern Saskatchewan and Manitoba, to ship to ADM Processing in Velva ND. I would request that Rayglen be permitted to call my location to confirm canola seed values so that he can continue to find Canadian seed for Velva. Rayglen's compensation for originating canola seed for ADM will be as before. We have never bought seed directly from Rayglen Commodities. And as you are aware ADM Processing is a licensed grain dealer in both ND and Canada so these activities should be able to continue unhampered by any scrutiny from the PSC.

Sincerely,

A handwritten signature in cursive script that reads "Eric J. Mack".

Eric J. Mack  
Merchandising Manager  
ADM Processing



# ADM Agri-Industries Ltd. Canola Purchase Confirmation

Date: \_\_\_\_\_ Contract#: \_\_\_\_\_ Vendor # \_\_\_\_\_  
 RAYGLEN Contract No.: RCMylLc3038

Fixed Price     Basis     Input     Minimum Price     DP 90 Days

Vendor: Andrew Johnson  
 Box437  
 Canwood, SK S0J0K0                      Fax:  
 CWB ID#: 00-41667080                      Mobile: 747-7297  
 Phone: (306) 468-2111                      Phone2: \_\_\_\_\_

Sold By: \_\_\_\_\_

Quantity: 60.000MT Price:\$128.60 MT Basis: \$0.00 Futures Month: \_\_\_\_\_

Delivery Period: November 2004 - December 2004

Freight Basis:  FOB \$0.00 Canwood    Strike Price    \$0.00  
 DELIVERED                      Futures Month:                      \$0.000

Location:  271 Lloyd                      Basis:                      \$0.00  
 415 Watson                      Call/Put Prem: \$0.000  
 752 Velva                      Service Fee:                      \$0.00  
 604 Thunder Bay                       Truck                       Rail

Basis Price By Date / Expiry Date: \_\_\_\_\_ Estimated Quality: \_\_\_\_\_  
 Commission \$/MT: \$3.00

Contract Remarks: \_\_\_\_\_

### Payment Terms:

At unload plus 10 business days

Merchant( Logan Connor/Myles Penner

Read Contract Back  Tape # \_\_\_\_\_

Producer's Signature \_\_\_\_\_

## PLEASE SIGN AND RE-FAX WITHIN 24 HRS

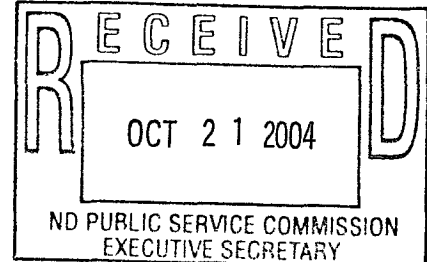
*Example of ADM document to be used*

*Example Only*



ADM Processing Company  
1388 Highway 97  
Velva, ND 58790-9003  
T 701.338.2491 F 701.338.2128

October 21, 2004  
ND Public Service Commission  
600 E. Boulevard Ave., Dept. 408  
Bismarck, North Dakota 58505-0480



To The ND PSC:

I am writing this letter to inform those that are interested that Rayglen Commodities has been appointed as an agent of ADM Processing in Velva ND to originate canola seed from southern Saskatchewan and Manitoba, to ship to ADM Processing in Velva ND. I would request that Rayglen be permitted to call my location to confirm canola seed values so that he can continue to find Canadian seed for Velva. Rayglen's compensation for originating canola seed for ADM will be as before. We have never bought seed directly from Rayglen Commodities. And as you are aware ADM Processing is a licensed grain dealer in both ND and Canada so these activities should be able to continue unhampered by any scrutiny from the PSC

Sincerely,

Eric J. Mack  
Merchandising Manager  
ADM Processing

16 GE-04-515 Pages 1

Letter re Rayglen has been appointed as an agent of ADM Processing by ADM Processing

10/21/2004 CC Comm Legal Licensing

10 GE-04-516 Pages 1

Letter re Rayglen has been appointed as an agent of ADM Processing by ADM Processing

10/21/2004 CC Comm Legal Licensing

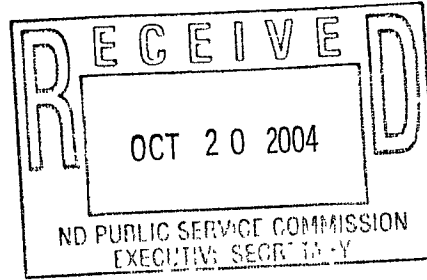


# Public Service Commission State of North Dakota

## COMMISSIONERS

Tony Clark, President  
Susan E. Wefald  
Kevin Cramer

Executive Secretary  
Illona A. Jeffcoat-Sacco



600 E Boulevard Ave Dept 408  
Bismarck, North Dakota 58505-0480  
web www.psc.state.nd.us  
e-mail ndpsc@state.nd.us  
TDD 800-366-6888  
Fax 701-328-2410  
Phone 701-328-2400

October 20, 2004

Ms. Illona A. Jeffcoat-Sacco  
Public Service Commission  
600 E Boulevard Ave. Dept 408  
Bismarck, ND 58505-0480

**RE: Public Service Commission vs.  
Rayglan Commodities, Inc.  
Complaint  
Case No. GE-04-516**

**Public Service Commission  
Rayglan Commodities, Inc.  
Ex Parte Cease & Desist  
Case No. GE-04-515**

Dear Ms. Jeffcoat-Sacco,

Enclosed for filing in the above referenced cases are the original and seven copies of the **Stipulated Agreement** in the referenced proceedings.

Thank you

Sincerely,

Susan K. Richter, Director  
Licensing Division

Enclosures

# Wheeler Wolf

ATTORNEYS

Albert A Wolf  
Jack McDonald  
Gregory C. Larson  
Steven L Latham  
Sarah Vogel

Michael F Daley  
Courtney Koebele  
Damian J Huettl  
Beth A Baumstark

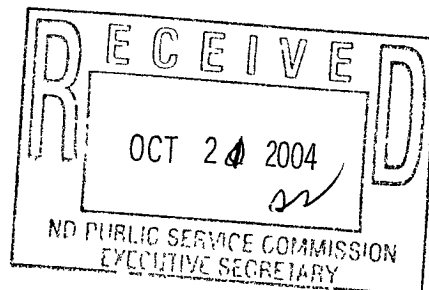
*Legal Assistants*  
Dianne M Taix, CLAS  
Char J Jacober, CP  
Sharon R Cavender, CLA

220 North Fourth Street • P.O. Box 2056 • Bismarck, ND 58502-2056 • (701) 223-5300 • Fax (701) 223-5366

October 21, 2004

**HAND DELIVERY (12<sup>TH</sup> FLOOR - DOOR # 1201)**

Sue Richter  
Public Service Commission  
600 E Boulevard Ave # 408  
Bismarck, ND 58505



**RE: PSC v. Rayglen Commodities, Inc.**  
**OUR FILE: 02-366**

Dear Sue:

Enclosed is a Stipulated Agreement in the above captioned matter.

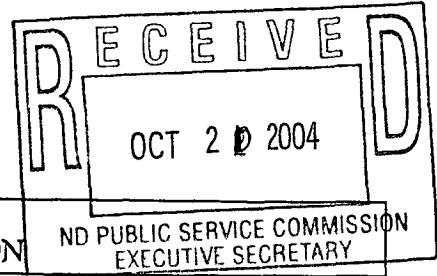
Sincerely,

WHEELER WOLF LAW FIRM

A handwritten signature in cursive script, appearing to read "Trina Gilhooly".

Trina Gilhooly  
Legal Secretary

Enclosure



|  |  |
|--|--|
| STATE OF NORTH DAKOTA<br>PUBLIC SERVICE COMMISSION   |  |
| Public Service Commission,<br><br><p style="text-align: center;">Complainant,</p> vs.<br><br>Rayglen Commodities, Inc.<br><br><p style="text-align: center;">Respondent.</p> | Case No. GE-04-515<br>and<br>Case No. GE-04-516<br><br><b>STIPULATED AGREEMENT</b> |

WHEREAS, The Public Service Commission entered an Ex Parte Cease and Desist Order on October 8, 2004 against Rayglen Commodities, Inc., and

WHEREAS, The Public Service Commission Staff filed a Complaint against Rayglen Commodities, Inc. on October 6, 2004, and

WHEREAS, Rayglen Commodities, Inc., through its president Ray German, has been in communication with and offered its full cooperation with the recommendations and requests of the Public Service Commission staff, and

WHEREAS, The Public Service Commission has determined that it is not a violation of North Dakota grain buyers' licensing laws for Rayglen Commodities, Inc. to arrange for the sale of grain to a buyer outside of North Dakota when a North Dakota seller of grain contacts Rayglen Commodities, Inc. to represent it in finding a buyer outside of North Dakota,

WHEREAS, Rayglen Commodities, Inc. has not intentionally violated the grain buyer licensing laws of North Dakota, and

WHEREAS, The Public Service Commission has received confirmation from Pizzey's Milling and Baking Company, a North Dakota licensed grain buyer, that Rayglen Commodities, Inc. is its authorized agent for purchasing grain, and

WHEREAS, There is no indication that any North Dakota farmer has been injured in any manner by or through the activities of Rayglen Commodities, Inc., and

WHEREAS, Both the Public Service Commission and Rayglen Commodities, Inc. desire to reach a settlement of this matter as expeditiously as possible to allow Rayglen Commodities, Inc. to conduct business activities in North Dakota as set forth in this Agreement,

Now, therefore, the parties hereby agree as follows

1. Rayglen Commodities, Inc. agrees to cease any solicitation of sellers of grain in North Dakota except when acting in the capacity as an agent for a North Dakota licensed grain buyer, and

2. Rayglen Commodities, Inc. agrees to use only the North Dakota licensed grain buyer's forms when contracting for the purchase of grain as an agent for a North Dakota licensed grain buyer, and

3. Rayglen Commodities, Inc. agrees not to solicit any North Dakota buyers of grain on behalf on any grain sellers, unless or until Rayglen Commodities, Inc becomes a North Dakota licensed grain buyer.


4. The Public Service Commission agrees to lift the Ex Parte Cease and Desist Order immediately upon approval of this Stipulated Agreement by the Public Service Commission, and

5. The Public Service Commission agrees to notify the North Dakota Grain Dealers Association that it has lifted the Cease and Desist Order against Rayglen Commodities, Inc., and

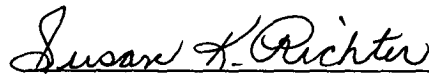
6. The Public Service Commission agrees to dismiss the Complaint against Rayglen Commodities, Inc.

Entered this 20<sup>th</sup> day of October, 2004.

Rayglen Commodities, Inc.

  
By: Ray Germain

Public Service Commission

  
By: Susan K. Richter, Director  
Licensing Division

STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION

Public Service Commission  
Rayglan Commodities, Inc.  
Ex Parte Cease & Desist

Case No. GE-04-515

Public Service Commission  
vs. Rayglan Commodities, Inc.  
Complaint

Case No. GE-04-516

STATE OF NORTH DAKOTA                    )  
  )ss  
COUNTY OF BURLEIGH                    )

Shelly Bauske deposes and says that she is over the age of 18 years and not a party to this action and on the 8<sup>th</sup> day of October, 2004, she deposited in the United States Mail, Bismarck, North Dakota, 1 envelope by registered mail, return receipt requested, with postage fully prepaid, securely sealed and containing a photocopy of

- 1 Ex Parte Motion for Cease and Desist Order
- 2 Cease and Desist Order
- 3 Affidavit in Support of Ex Parte Motion for Cease and Desist Order
4. Notice of Opportunity for Hearing
5. Complaint

The envelope was addressed as follows

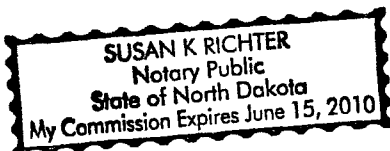
Desmond Guenther  
Rayglan Commodities, Inc.  
#1-3815 Thatcher Avenue  
Saskatoon, SK S7R 1A  
Registered No. RR 047 682 465 US

To the best of affiant's knowledge each address shown is the respective addressee's last reasonably ascertainable mailing address.

Shelly A Bauske

Subscribed and sworn to before me  
this 8<sup>th</sup> day of October, 2004.

Susan K Richter  
Notary Public





# Public Service Commission

## State of North Dakota

---

### COMMISSIONERS

Tony Clark, President  
Susan E Wefald  
Kevin Cramer

Executive Secretary  
Illona A Jeffcoat-Sacco

600 E Boulevard Ave Dept 408  
Bismarck, North Dakota 58505-0480  
web www.psc.state.nd.us  
e-mail ndpsc@psc.state.nd.us  
TDD 800-366-6888  
Fax 701-328-2410  
Phone 701-328-2400

October 8, 2004

Mr Desmond Guenther  
Rayglen Commodities, Inc.  
#1 - 3815 Thatcher Avenue  
Saskatoon, SK S7R 1A3

**RE: Public Service Commission  
vs. Rayglen Commodities, Inc.  
Complaint  
Case No. GE-04-516**

Dear Mr. Guenther:

Enclosed is a copy of the referenced Complaint that is being served upon Rayglen Commodities, Inc. Rayglen Commodities, Inc. has twenty (20) days from the receipt of the complaint in which to file its answer and, if desired, to request a hearing.

Please contact us if you have any questions.

Thank you.

Sincerely,

Susan K. Richter, Director  
Licensing Division

Enclosure

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Public Service Commission,**

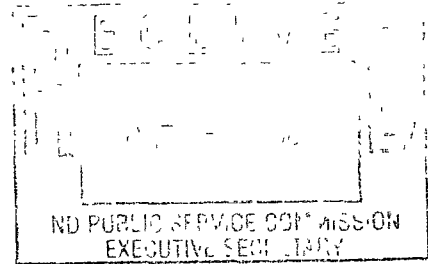
**Case No. GE-04-516**

**Complainant,**

**vs.**

**Rayglen Commodities, Inc.,**

**Respondent.**



**COMPLAINT**

The Public Service Commission's Staff, (Staff) for its complaint against the Respondent Rayglen Commodities, Inc. alleges and shows the following:

I.

Rayglen Commodities, Inc., #1-3825 Thatcher Avenue, Saskatoon, Saskatchewan, S7R 1A3, is a grain buyer / broker.

II.

Rayglen is operating as a grain buyer within the State of North Dakota without the required license, bond, and corresponding filing requirements.

III.

Under N.D.C.C § 60-02.1-01(6) a grain buyer means any person, other than a public warehouseman, who purchases or otherwise merchandises grain for compensation

IV.

On August 30, 2004 and on September 1, 2004, staff received phone calls from the elevator manager for Demeter (1993) Inc. dba Agricore (Agricore) in Ray, North Dakota and from the Executive Director of the ND Dry Pea and Lentil Association

regarding the license status of Rayglen Commodities, Inc Both callers alleged that Rayglen Commodities, Inc. is merchandising peas and lentils in North Dakota.

V

On September 21, 2004, staff received a phone call and e-mail from Desmond Guenther, representing Rayglen Commodities, Inc. Staff informed Mr. Guenther of the grain buyer license laws and directed Mr. Guenther to the grain buyer laws, rules, and applicable application documents on the Commission's web-site.

VI.

On September 28, 2004, the manager of the Ray Farmers Union Elevator Company faxed copies of four grain merchandising contracts entered into between Rayglen Commodities, Inc and the Ray Farmers Union Elevator Company. Two of the merchandising contracts are dated September 24, 2004 and two are dated September 27, 2004.

VII

N.D.C.C. § 60-02 1-07 requires that grain buyers must be licensed by the Commission to operate in the State of North Dakota.

VIII.

Rayglen Commodities, Inc., violated N D C.C. Chapter 60-02.1 by failing to apply for and receive the required grain buying license.

IX.

Pursuant to N.D.C.C § 28-32-21(e), an answer to this complaint must be filed with the Commission within twenty (20) days after service of the complaint, or the Commission may deem the complaint to be admitted If the Respondent, Rayglen Commodities, Inc fails to answer as required within twenty days after service of the complaint, the Commission may enter an order in default as the facts and the law may warrant

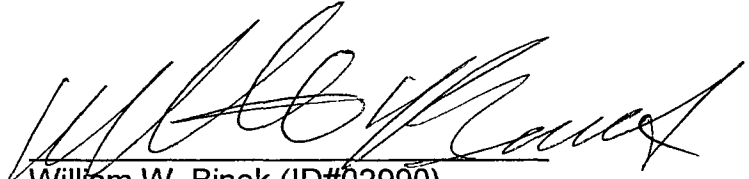
Wherefore, the Commission Staff seeks the following relief.

### Relief Sought

1. That the Respondent be found to have violated N.D.C.C Chapter 60-02.1 by failing to apply for and receive the required grain buyer license.
2. That the Commission impose sanctions or penalties as appropriate under the circumstances and as allowed by N.D.C.C § 49-07-01 1, which may include a fine of up to \$5,000.
3. For such other relief that the Commission finds just and proper.

Dated this 6<sup>th</sup> day of October, 2004.

PUBLIC SERVICE COMMISSION STAFF



William W. Binek (ID#02990)

Chief Counsel

North Dakota Public Service Commission

600 East Boulevard Avenue, Dept. 408

Bismarck, ND 58505-0480

Phone: 701-328-4088

Fax: 701-328-2410

Counsel for Public Service Commission Staff

**APPROVED**

DATE: 10-8-04  
[Signature]

**MOTION**

**October 8, 2004**

**Public Service Commission,**

**Case No. GE-04-516**

**Complainant,**

**vs.**

**Rayglen Commodities, Inc.,**

**Respondent.**

I move the Commission find the Complaint in Case No. GE-04-516, Public Service Commission, Complainant, vs. Rayglen Commodities, Inc., Respondent, states a *prima facie* case and serve it on the respondent.

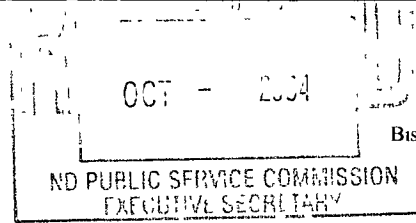


Public Service Commission  
State of North Dakota

COMMISSIONERS

Tony Clark, President  
Susan E Wefald  
Kevin Cramer

Executive Secretary  
Illona A Jeffcoat-Sacco



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Bismarck, North Dakota 58505-0480  
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e-mail ndpsc@psc.state.nd.us  
TDD 800-366-6888  
Fax 701-328-2410  
Phone 701-328-2400

October 6, 2004

Ms. Illona A. Jeffcoat-Sacco  
Public Service Commission  
600 E Boulevard Ave. Dept. 408  
Bismarck, ND 58505-0480

**RE: Public Service Commission vs.  
Rayglen Commodities, Inc.  
Complaint  
Case No. GE-04-516**

Dear Ms Jeffcoat-Sacco.

Enclosed for filing in the above referenced case are the original and seven copies of the **Complaint** in this proceeding.

Thank you

Sincerely,

Susan K Richter, Director  
Licensing Division

Enclosures

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Public Service Commission,**

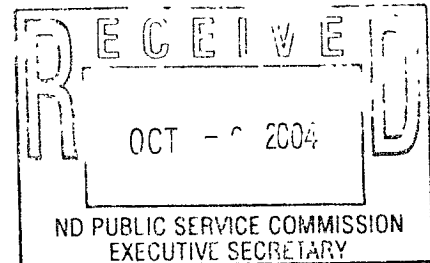
**Case No. GE-04-516**

**Complainant,**

**vs.**

**Rayglen Commodities, Inc.,**

**Respondent.**



**COMPLAINT**

The Public Service Commission's Staff, (Staff) for its complaint against the Respondent Rayglen Commodities, Inc. alleges and shows the following.

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II.

Rayglen is operating as a grain buyer within the State of North Dakota without the required license, bond, and corresponding filing requirements.

III

Under N.D.C.C. § 60-02.1-01(6) a grain buyer means any person, other than a public warehouseman, who purchases or otherwise merchandises grain for compensation.

IV.

On August 30, 2004 and on September 1, 2004, staff received phone calls from the elevator manager for Demeter (1993) Inc. dba Agricore (Agricore) in Ray, North Dakota and from the Executive Director of the ND Dry Pea and Lentil Association.

regarding the license status of Rayglen Commodities, Inc. Both callers alleged that Rayglen Commodities, Inc. is merchandising peas and lentils in North Dakota.

V.

On September 21, 2004, staff received a phone call and e-mail from Desmond Guenther, representing Rayglen Commodities, Inc. Staff informed Mr. Guenther of the grain buyer license laws and directed Mr. Guenther to the grain buyer laws, rules, and applicable application documents on the Commission's web-site.

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On September 28, 2004, the manager of the Ray Farmers Union Elevator Company faxed copies of four grain merchandising contracts entered into between Rayglen Commodities, Inc. and the Ray Farmers Union Elevator Company. Two of the merchandising contracts are dated September 24, 2004 and two are dated September 27, 2004.

VII.

N.D.C.C. § 60-02.1-07 requires that grain buyers must be licensed by the Commission to operate in the State of North Dakota.

VIII.

Rayglen Commodities, Inc , violated N.D.C.C. Chapter 60-02.1 by failing to apply for and receive the required grain buying license

IX.

Pursuant to N.D.C.C § 28-32-21(e), an answer to this complaint must be filed with the Commission within twenty (20) days after service of the complaint, or the Commission may deem the complaint to be admitted. If the Respondent, Rayglen Commodities, Inc. fails to answer as required within twenty days after service of the complaint, the Commission may enter an order in default as the facts and the law may warrant

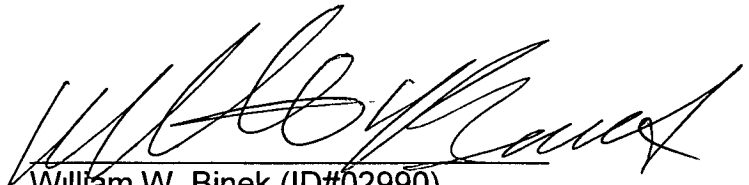
Wherefore, the Commission Staff seeks the following relief:

### Relief Sought

1. That the Respondent be found to have violated N D C.C. Chapter 60-02.1 by failing to apply for and receive the required grain buyer license.
2. That the Commission impose sanctions or penalties as appropriate under the circumstances and as allowed by N.D.C.C. § 49-07-01.1, which may include a fine of up to \$5,000
3. For such other relief that the Commission finds just and proper.

Dated this 6<sup>th</sup> day of October, 2004.

PUBLIC SERVICE COMMISSION STAFF



William W. Binek (ID#02990)

Chief Counsel

North Dakota Public Service Commission

600 East Boulevard Avenue, Dept. 408

Bismarck, ND 58505-0480

Phone: 701-328-4088

Fax: 701-328-2410

Counsel for Public Service Commission Staff

MEMORANDUM

TO: Commissioners Clark, Wefald, and Cramer  
Illona A Jeffcoat-Sacco  
Bill Binek

FR Sue Richter, Licensing Division



DT: October 4, 2004

RE: Rayglen Commodities, Inc.  
Cease and Desist / Staff Complaint

On August 30, I received a call from Joe Blooms, the elevator manager for Demeter (1993) Inc. dba Agricore, Ray, North Dakota. On September 1, I received a call from Eric Bartsch, with the ND Pea and Lentil Association. Both calls were to check on the license status of Rayglen Commodities, Inc. (Rayglen), Saskatoon, Saskatchewan. Joe said that Rayglen merchandised / brokered about \$350,000 worth of peas and lentils in 2003 (without a license). The company that Rayglen had arranged to purchase the peas and lentils ended up in receivership and Agricore in Ray, bought the producer contracts and paid producers directly. Rayglen is now operating as a grain buyer in North Dakota without a license. Although Rayglen is not actually purchasing grain, they are merchandising grain for compensation. NDCC § 60-02.1-01(6) identifies a grain buyer as a person, other than a public warehouseman, who purchases or merchandises grain for compensation.

In 2002, Eric contacted our office regarding the license status of Rayglen. Eric faxed a newspaper advertisement and I called Rayglen's area sourcing agent, Ann Watterud, regarding the advertisement. I made her aware of our license law requirement and directed her to our website where she could obtain the application forms as well as applicable laws and rules. Miss Watterud said she was going to pull the information off the internet and would decide if she was going to obtain a license. Rayglen did not apply for a license.

On September 21, I responded to a phone call and an e-mail message from Desmond Guenther, a Rayglen representative. Desmond was actually checking on the license status of a ND licensee. I asked which company he represented and he said Rayglen, I made him aware of the grain buyer / merchandiser license law and directed him to our website where he could access our laws and rules as well as our license application forms.

On September 27, Joe, with Agricore, faxed me copies of contracts issued by Rayglen to Ray Farmers Union Elevator Company. On September 28, Dave,

the manger at Ray Farmers Union Elevator Company, faxed me copies of those same contracts

Rayglen Commodities, Inc was asked to cease operating as a grain buyer / merchandiser and obtain a license in 2002. In 2003 they again operated as a grain buyer / merchandiser without obtaining an applicable license. I visited with a representative of Rayglen Commodities, Inc. on September 21, 2004, and again made him aware of our license requirements; however Rayglen continues to enter into merchandising contracts with North Dakota entities

Rayglen Commodities, Inc is merchandising grain in North Dakota without a license and corresponding bond. This is a violation of state grain buyer laws. NDCC § 60-02.1-39 provides that the Commission may order an entity to cease and desist from the activity. I believe it is in the best interest of North Dakota producers that the Commission order Rayglen Commodities, Inc. to cease operating as a grain buyer / merchandiser. Ex Parte Cease and Desist and Staff Complaint cases have been docketed and the paperwork is being prepared for the October 8, Commission Meeting.

cc Tim Erdmann  
Rick Fillbrandt