

STATE OF NORTH DAKOTA

IN DISTRICT COURT

COUNTY OF GRAND FORKS

NORTHEAST CENTRAL JUDICIAL DISTRICT

|                             |             |                         |
|-----------------------------|-------------|-------------------------|
| _____ )                     |             | CIVIL NO. 18-09-C-00251 |
| Public Service Commission ) |             |                         |
| )                           |             |                         |
| )                           | Petitioner, |                         |
| vs. )                       |             | BRIEF IN SUPPORT OF     |
| )                           |             | MOTION FOR APPROVAL AND |
| Northwood Mills LLLP )      |             | ADOPTION OF REPORT AND  |
| )                           |             | RECOMMENDATION OF       |
| )                           | Respondent. | TRUSTEE                 |
| _____ )                     |             |                         |
| PSC Case No. GE-09-31 )     |             |                         |
| _____ )                     |             |                         |

The Public Service Commission (Commission), as trustee of the trust fund provided by N.D.C.C. §60-04-03 for the purpose of marshalling all trust assets of Northwood Mills LLLP, an insolvent grain warehouse, seeks an order approving the Report and Recommendation of Trustee. The Commission has the authority to bring this motion and the Court has the power to grant the relief requested under N.D.C.C. §§60-04-03 and 60-04-07.

A warehouseman’s bond must be filed with the Commission before any license can be issued to any public warehouseman in North Dakota. N.D.C.C. §60-02-09. The bond is for the protection of holders of outstanding receipts from the North Dakota licensed facility. N.D.C.C. §60-02-09(6)(a). The insolvent warehouse, Northwood Mills LLLP, had such a bond issued by Travelers Casualty and Surety Company of America, One Tower Square, Hartford, Connecticut 06183, as surety.

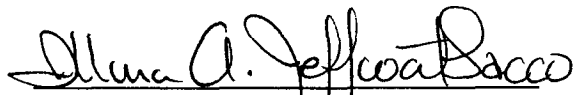
The Commission has reviewed claims filed against the warehouseman and detailed its determination regarding valid claims in the Report and Recommendation of Trustee. The proceeds from the bond will be needed to redeem outstanding receipts issued by Northwood Mills LLLP.

N.D.C.C. §60-04-09 provides in part:

Following hearing, the court shall approve or modify the report and issue an order directing payment of the necessary bond proceeds, distribution of the trust fund, and discharge of the commission from its trust.

The Commission respectfully requests the Court approve the Report and Recommendation of Trustee and authorize payment of valid claims as recommended in the report.

Bismarck, North Dakota, this 29<sup>th</sup> day of July, 2009.



Illona A Jeffcoat-Sacco (ID#03315)  
Annette Bendish (ID#05790)  
Special Assistant Attorneys General  
Public Service Commission  
State Capitol – 12<sup>th</sup> Floor  
600 E Boulevard Ave – Dept 408  
Bismarck, North Dakota 58505-0480  
701-328-2400

Attorneys for the Public Service Commission