

**Crockford, Konrad S.**

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**North Dakota  
Court System**

## Filing Accepted

Envelope Number: 3608004  
Case Number: 35-2018-CV-00088  
Case Style: Public Service Commission vs.  
Hunter Hanson d/b/a NoDak Grain, et al.

The filing below was reviewed and has been accepted by the clerk's office. You may access the file stamped copy of the document filed by clicking on the below link.

| Filing Details             |   |
|----------------------------|---|
| <b>Court</b>               | Pierce County - Northeast District                                    |
| <b>Case Number</b>         | 35-2018-CV-00088  |
| <b>Case Style</b>          | Public Service Commission vs. Hunter Hanson d/b/a NoDak Grain, et al. |
| <b>Date/Time Submitted</b> | 11/1/2019 9:03 AM CST   |
| <b>Date/Time Accepted</b>  | 11/1/2019 9:55 AM CST   |
| <b>Accepted Comments</b>   |   |
| <b>Filing Type</b>         | Exhibit   |
| <b>Filing Description</b>  | 12 - Roger Harstad  |
| <b>Activity Requested</b>  | EFileAndServe   |
| <b>Filed By</b>            | Mitchell Armstrong  |
| <b>Filing Attorney</b>     | Mitchell Armstrong  |

| Document Details   |                                       |
|--|---------------------------------------|
| <b>Lead Document</b>   | Exhibit 12 to Aff of AJS.pdf          |
| <b>Lead Document Page Count</b>  | 3                                     |
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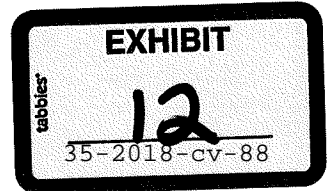
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Claimant Name & Address  
 Roger Harstad  
 5580 78th Ave. SW  
 Palermo, ND 58769  
 701-629-1001  
 rharstad@live.com

Date Claim Filed March 27, 2019  
 Date Payment Demand Made None made after NSF check

PSC Calculated value total \$ 111,943.95  
 Less other payments  
 Total cash claim \$ 111,943.95

| Settlement #                   | Date         | date         | Date         | date      |
|--------------------------------|--------------|--------------|--------------|-----------|
| 156                            | 8/16/2018    | 207          | 9/24/2018    | 9/24/2018 |
| ECGM Trade Confirmation #      | 21642        | 21304        | 5/22/2018    | 9/18/2018 |
| Seller Contract #              | na           | na           |              |           |
| Midwest Contract #             | na           | 187275       |              |           |
| Claim applied against:         | Cash         | Cash         | Cash         |           |
| Commodity                      | Spring Wheat | Spring Wheat | Spring Wheat |           |
| Contracted Price Per Bushel    | \$ 5.71      | \$ 6.05      | \$ 5.4125    |           |
| Contracted Bushels             | 7,000.00     | 10,000.00    | 1,900.00     |           |
| Delivered bushels*             | 7,000.00     | 10,000.00    | 1,822.01     |           |
| Gross Amount Due*              | \$ 40,989.16 | \$ 61,185.19 | \$ 10,051.94 |           |
| Less Total Fees & assessments* | \$ 105.00    | \$ 150.01    | \$ 27.33     |           |
| PSC calculated value*          | \$ 40,884.16 | \$ 61,035.18 | \$ 10,024.61 |           |
| Estimated Value per Midwest    | \$ 43,592.43 | \$ 68,295.82 |              |           |
| Claimant calculated claim      |              | \$111,888.25 |              |           |



**Comments:**

**1. Summary**

- a. Claimant received check 1728 from Midwest Grain Trading. Check was dated 10-24-18, for \$111,888.25.
- b. Claimant attempted to deposit the check several times based on the date stamps on the back of the check included in the claim.
- c. The check was written against MGT Estimates 156 and 207 for 18,822.01 bushels of Hard Red Spring Wheat that was delivered between the months of Aug-Sept. 2018.

**2. Differences in calculated claim amount for all contracts:**

- a. Midwest did not apply loads to contracts according to the standard practice, they were filled in a non-consecutive fashion. PSC calculations reflect applying the earliest delivered loads to the contract with the the earliest delivery period and oldest contract first per standard industry practice.
- b. Midwest applied more than the contracted amount to the first two trade confirmations (21304, 21642) whereas the PSC calculations reflect filling the contract to the contracted amount and then applying the overage to the next earliest delivery period and next oldest contract per industry standard practices.
- c. Midwest incorrectly calculated the checkoff fees to be deducted prior to final settlement.
  1. Claimant based claim amount off of MGT estimates and NSF checks received, as stated above they were incorrectly calculated amounts.

**3. Trade Confirmation #21642:**

- a. ECGM Trade Confirmation #21642 is the first contract to be filled based on having the earliest delivery period of all trade confirmations included in the claim.
- b. Midwest Estimate #156 lists 7 scale tickets, PSC calculations reflect filling the 7,000 contracted bushels and then applying the overage to the next contract (21304)
- c. Trade confirmation (21642) was a basis fixed contract with a basis of \$0.39 under the SEP2018 futures price. Price was established on Aug-17-2018 at \$6.10 per bushel per email from East Central Grain Marketing
  - i. Futures price was established at \$6.10/bu less basis of \$0.39/bu equals a cash price of \$5.71/bu
  - ii. Midwest miscalculated the cash price, they used \$5.66/bu
    1. Midwest used \$6.05/bu less basis of \$0.39/bu equals a cash price of \$5.66/bu, which is incorrect.
- d. PSC calculations reflect using the protein premiums and discounts per the agreement.

**4. Trade Confirmation #21304**

- a. Basic information based on claim documents
  - i. 10,000bu of Hard Red Spring Wheat priced at \$6.05 per bushel.
  - ii. Overage of applied bushels was applied to next oldest trade confirmation (21837)

b. Differences in claim calculated amounts:

- i. Midwest applied the entirety of the bushels on the 10 delivered loads whereas per the trade confirmation only 10,000 bushels were agreed to. The PSC calculations reflect that the overage was then applied to the next oldest contract, 21837 which was created for overfill.

**5. Trade Confirmation #21837**

- a. ECGM Trade Confirmation #21837 was created for overfill of grain delivered against the previous two contracts.
- b. Price was fixed at \$5.4125 per bushel
- c. Midwest incorrectly calculated the protein premiums and discounts per the trade confirmation.

Summary table of how value of each load calculated:

| Destination Information - inbound |                |               |          | Pricing               |                      |                  |                  | Scale ticket Grade Factors |                |      |      | Contracts |      |            |        |                 |                  |
|-----------------------------------|----------------|---------------|----------|-----------------------|----------------------|------------------|------------------|----------------------------|----------------|------|------|-----------|------|------------|--------|-----------------|------------------|
| Elevator                          | Scale Ticket # | Delivery Date | Net Bu   | Base Price per Bushel | Prem. & Disc. per bu | Net Price per Bu | Gross Amount Due | Checkoff                   | NET Amount Due | TW   | MST  | Protein   | Dock | Estimate # | ECGM # | Seller Contract | Midwest contract |
| ADM-Hensler                       | 152772         | 8/7/2018      | 1,079.99 | \$ 5.71               | \$ 0.20              | \$ 5.91          | \$ 6,382.74      | \$ 16.20                   | \$ 6,366.54    | 63.3 | 13.0 | 14.4      | 0.4  | 156        | 21642  | na              | na               |
| ADM-Hensler                       | 152818         | 8/7/2018      | 1,111.81 | \$ 5.71               | \$ 0.40              | \$ 6.11          | \$ 6,793.16      | \$ 16.68                   | \$ 6,776.48    | 62.9 | 13.8 | 14.8      | 0.4  | 156        | 21642  | na              | na               |
| ADM-Hensler                       | 152842         | 8/8/2018      | 1,123.25 | \$ 5.71               | \$ 0.40              | \$ 6.11          | \$ 6,863.06      | \$ 16.85                   | \$ 6,846.21    | 62.6 | 13.9 | 14.9      | 0.7  | 156        | 21642  | na              | na               |
| ADM-Hensler                       | 152888         | 8/8/2018      | 1,104.75 | \$ 5.71               | \$ 0.30              | \$ 6.01          | \$ 6,639.55      | \$ 16.57                   | \$ 6,622.98    | 62.9 | 13.9 | 14.7      | 0.5  | 156        | 21642  | na              | na               |
| ADM-Hensler                       | 154259         | 8/23/2018     | 1,103.43 | \$ 5.71               | \$ (0.15)            | \$ 5.56          | \$ 6,135.07      | \$ 16.55                   | \$ 6,118.52    | 63.4 | 14.2 | 13.5      | 0.7  | 156        | 21642  | na              | na               |
| ADM-Hensler                       | 154282         | 8/24/2018     | 1,090.95 | \$ 5.71               | \$ (0.20)            | \$ 5.51          | \$ 6,011.13      | \$ 16.36                   | \$ 5,994.77    | 63.7 | 14.4 | 13.3      | 0.7  | 156        | 21642  | na              | na               |
| ADM-Hensler                       | 154317         | 8/24/2018     | 385.82   | \$ 5.71               | \$ (0.10)            | \$ 5.61          | \$ 2,164.45      | \$ 5.79                    | \$ 2,158.66    | 63.5 | 14.6 | 13.6      | 0.6  | 156        | 21642  | na              | na               |
| ADM-Hensler                       | 154317         | 8/24/2018     | 735.81   | \$ 6.05               | \$ (0.10)            | \$ 5.95          | \$ 4,378.07      | \$ 11.04                   | \$ 4,367.03    | 63.5 | 14.6 | 13.6      | 0.6  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 154894         | 9/4/2018      | 1,129.00 | \$ 6.05               | \$ (0.10)            | \$ 5.95          | \$ 6,717.55      | \$ 16.94                   | \$ 6,700.61    | 63.3 | 13.6 | 13.6      | 0.7  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 154898         | 9/5/2018      | 1,085.16 | \$ 6.05               | \$ (0.05)            | \$ 6.00          | \$ 6,510.96      | \$ 16.28                   | \$ 6,494.68    | 63.7 | 13.7 | 13.8      | 0.6  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 154931         | 9/5/2018      | 1,090.42 | \$ 6.05               | \$ (0.05)            | \$ 6.00          | \$ 6,542.52      | \$ 16.36                   | \$ 6,526.16    | 63.6 | 13.1 | 13.9      | 0.6  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 154952         | 9/6/2018      | 1,083.13 | \$ 6.05               | \$ (0.05)            | \$ 6.00          | \$ 6,498.78      | \$ 16.25                   | \$ 6,482.53    | 63.7 | 13.1 | 13.9      | 0.6  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 154991         | 9/6/2018      | 1,101.45 | \$ 6.05               | \$ (0.05)            | \$ 6.00          | \$ 6,608.70      | \$ 16.52                   | \$ 6,592.18    | 63.3 | 13.0 | 13.8      | 0.8  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 155310         | 9/13/2018     | 1,104.66 | \$ 6.05               | \$ 0.30              | \$ 6.35          | \$ 7,014.59      | \$ 16.57                   | \$ 6,998.02    | 63.5 | 13.7 | 14.7      | 0.6  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 155318         | 9/14/2018     | 1,120.00 | \$ 6.05               | \$ 0.30              | \$ 6.35          | \$ 7,112.00      | \$ 16.80                   | \$ 7,095.20    | 63.4 | 13.8 | 14.7      | 0.7  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 155350         | 9/14/2018     | 1,122.09 | \$ 6.05               | \$ 0.30              | \$ 6.35          | \$ 7,125.27      | \$ 16.83                   | \$ 7,108.44    | 63.5 | 13.5 | 14.7      | 0.7  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 155456         | 9/18/2018     | 428.28   | \$ 6.05               | \$ 0.20              | \$ 6.25          | \$ 2,676.75      | \$ 6.42                    | \$ 2,670.33    | 64.0 | 12.9 | 14.5      | 0.6  | 207        | 21304  | na              | 187275           |
| ADM-Hensler                       | 155456         | 9/18/2018     | 708.19   | \$ 5.4125             | \$ 0.08              | \$ 5.49          | \$ 3,889.73      | \$ 10.62                   | \$ 3,879.11    | 64.0 | 12.9 | 14.5      | 0.6  | 207        | 21837  | na              | na               |
| ADM-Hensler                       | 155491         | 9/18/2018     | 1,113.82 | \$ 5.4125             | \$ 0.12              | \$ 5.53          | \$ 6,162.21      | \$ 16.71                   | \$ 6,145.50    | 64.1 | 13.2 | 14.6      | 0.7  | 207        | 21837  | na              | na               |