

**PUBLIC SERVICE COMMISSION  
STATE OF NORTH DAKOTA**

**NEWS RELEASE**

**September 1, 2010**

**Commissioner Clark, Cramer, and Kalk**

**\*\*For Immediate Release\*\***

**Phone 701-328-2400**

**Licensed Grain Elevators Increase for First Time in 15 years.**

For the first time since 1995, the number of licensed grain elevators has increased for the current license year beginning August 1. This increase includes new construction of grain elevators at Surry, New Rockford, and Maddock, along with relicensing of the ethanol plant at Hankinson and the canola oilseed crushing facility at Northwood.

Commissioner Tony Clark, who holds the portfolio for grain elevators, said the increased level of licenses is a sign of growth in North Dakota's ag sector.

"This is another indicator of the diversification of our ag economy," said Clark. "We are seeing a number of facilities like processors, organics, and specialized crops that were less prevalent than in the past."

In addition to the number of licenses granted, the PSC is also seeing an increase in the total number of bushels licensed. Since August 1, the Commission has approved 18 capacity increase requests totaling 3.2 million bushels. This is the largest increase in storage since 2007 when the Commission approved 31 requests totaling 5.6 million bushels during the same period of time.

The average capacity of licensed grain elevators continues to increase. It is currently 890,700 bushels, compared to 569,500 bushels in the 2000-2001 license years. Since 1990, the average capacity has consistently increased.

The Commission currently licenses 399 grain facilities, an increase of 9 from last year. The Commission also licenses roving grain buyers. As of August 1, there were 71 licensed roving grain buyers, an increase of four from the same time a year ago.

"Grain elevators and grain buyers are required to be licensed and bonded. The bond can provide some protection for those selling grain in North Dakota in the event of default by the licensee," said Commissioner Brian Kalk. "In addition to the protection provided by the bond, there is also partial protection available to anyone that sells grain via credit-sale contracts."

"While the trend in grain handling and shipping has been toward consolidation of small elevators to large facilities, it is interesting to see the actual number of facilities increase slightly. The steady growth in volume of commodities is an indicator of the scientific advancements in agriculture science and the sophistication of modern farmers," said Commissioner Chairman Kevin Cramer.

Chart Below Shows Number of Licensed Elevators and Average Capacity(thousands of bushels)

<u>License Year</u>	<u>Elevators (as of 8/1/10)</u>	<u>Average Capacity</u>
2010-2011	399	890.7
2009-2010	390	873.9
2005-2006	401	665.0
2000-2001	443	569.5
1995-1996	486	514.8
1994-1995	484	508.3
1985-1986	577	345.1
1970-1971	658	196.5
1950-1951	1025	59.3

### Grain Elevator Statistics August 1, 2010

State Licensed Elevators:	292
Federal Licensed Elevators:	<u>107</u>
<b>Total Licensed Elevators</b>	<b>399</b>
Roving Grain Buyers	71
Roving Hay Buyers	0
Firms Operating State Elevators:	182
Firms Operating Federal Elevators:	<u>18</u>
<b>Total Firms Operating Elevators</b>	<b>200</b>

State Elevators - Licensed Capacity: 252,659,913 bushels

Federal Facilities - Licensed Capacity: 102,747,200 bushels

**Total Licensed Capacity**

**355,407,113 bushels**