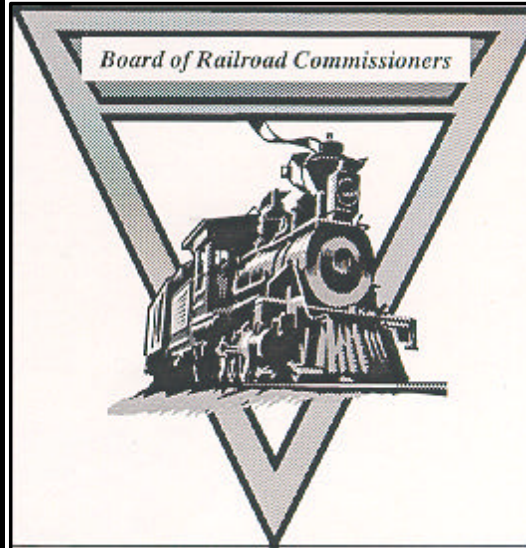


*S.D. Public Utilities Commission*

**History  
of the  
South Dakota  
Public Utilities Commission**



**1882 to 2001**



# Board of Railroad Commissioners and the Public Utilities Commission

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*Preface: This publication is intended to  
serve as a sketch of the  
Commission and its activities.*



*Created by Leni Healy  
2001*

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# Powers of the Commission



The current Public Utilities Commission is given legislative and statutory authority under Title 49 of the South Dakota Code, and is responsible, upon a utility company rate filing, for developing just and reasonable rates for natural gas, electric, and telephone service for customers of the investor-owned utilities. Assignment of territories and quality of service issues for all natural gas, electric and telephone utilities are within the Commission's authority. The Commission also is responsible for motor carrier registration, inspection and investigation of public warehouses in the state.

The Commission has statutory power to make the following rules:

1. Procedures for filing and canceling tariffs, and information required to be included in tariffs;
2. Procedures and requirements for filing action upon complaints;
3. Procedures and requirements for filing applications for new or revised rates;
4. Regulation of proceedings before the Commission, including forms, notices, applications, pleadings, orders to show cause and service;
5. Procedures for obtaining a declaratory ruling and action on petitions;
6. Procedures and requirements for handling confidential information and determining whether the information should be protected as confidential;
7. Procedures for communicating with the Commissioners.

# Qualifications of the Commissioners

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The following qualifications of the Commissioners are statutory and listed in Title 49 of the *South Dakota Codified Law*:

**49-1-2. Election of public utilities commissioners – Qualifications and term of office – Vacancies.** The public utilities commission shall be comprised of three commissioners. Each commissioner shall be elected from, and represent, the state at large. At each general election there shall be elected one public utilities commissioner having the qualifications prescribed by law. Each commissioner shall hold office for a term of six years from the first Tuesday after the first Monday in January following the election, until his successor is elected and qualified.  
SL 1992, ch 325.

**49-1-3. Qualifications of commissioners – Age and residence – Interest in companies prohibited.** No person is eligible to hold the office of public utilities commissioner except a citizen of the United States, a qualified voter of this state who has attained the age of twenty-five years and has resided within this state for at least two years next preceding his election, and who is not the owner of any bonds or stocks in any company, or in the employment of or in any manner pecuniarily interested in any company, of which the public utilities commission has supervision.  
SL 1992, ch 325.

**49-1-5. Vacancies in office of commissioner – Appointment by Governor – Term of appointment.** If a vacancy occurs in the office of public utilities commissioner from death, resignation, or otherwise, the Governor of the state shall make a temporary appointment to fill such vacancy, but the person so appointed shall hold such office only until the next general election and until his successor is elected and qualified. Notwithstanding such appointment, there shall be chosen at the next general election after such vacancy occurs in such office, a public utilities commissioner to fill such vacancy, who shall hold his office only for the unexpired term of the person originally elected thereto.

# Brief History Of the Commission

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The arrival of the railroad in Dakota Territory caused great excitement. It would bring the much needed and appreciated transportation services to the remote plains. Along with the excitement quickly came disappointment: there was only one railroad - a monopoly - so it could charge whatever the travelers would pay. The settlers felt they were being cheated, so they took their complaints to the territorial government.

In 1882, the territorial legislature created an ad hoc committee to deal with railroad issues. Each year the committee became more burdened with the impact railroads had on Dakota Territory. Committee members felt there was no authority to enforce their decisions. In 1885 the territorial legislature established the Board of Railroad Commissioners. Its powers and duties were implemented in 1886.

The first session of the South Dakota legislature (1889) expanded the commission, increasing its powers and duties. The Board consisted of three members serving a two-year term, or at the pleasure of the governor .

Since most grain facilities were adjacent to the railroads, regulation of grain warehouses was added to the Board's jurisdiction in 1890. In 1897, commissioner offices became elected positions, accountable to the voting public. Each term of office was defined as a six-year term, with one commission position elected each two years during the general election. Amendments in 1897 also gave the Commissioners the power to establish and enforce railroad rates.

In 1909 the legislature abolished the Telephone Commission (created in 1907) and placed authority over telephone and telegraph operation with the Board of Railroad Commissioners.

## Brief History Of the Commission (continued)

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In 1925 South Dakota became one of the first states to regulate for-hire motor carriers to assure public safety and reasonable rates. Freight rates, service territories and annual permits requiring adequate insurance became part of the Commission's responsibility. The Board was authorized to develop facts for presentation to the Interstate Commerce Commission and various courts. In 1937 the Commission was given authority to test and inspect heavy scales weighing one thousand pounds and over. Later the scale authority was assigned to Commerce and Consumer Affairs.

In 1939 the name was changed to the Public Utilities Commission to reflect the wider range of responsibility.

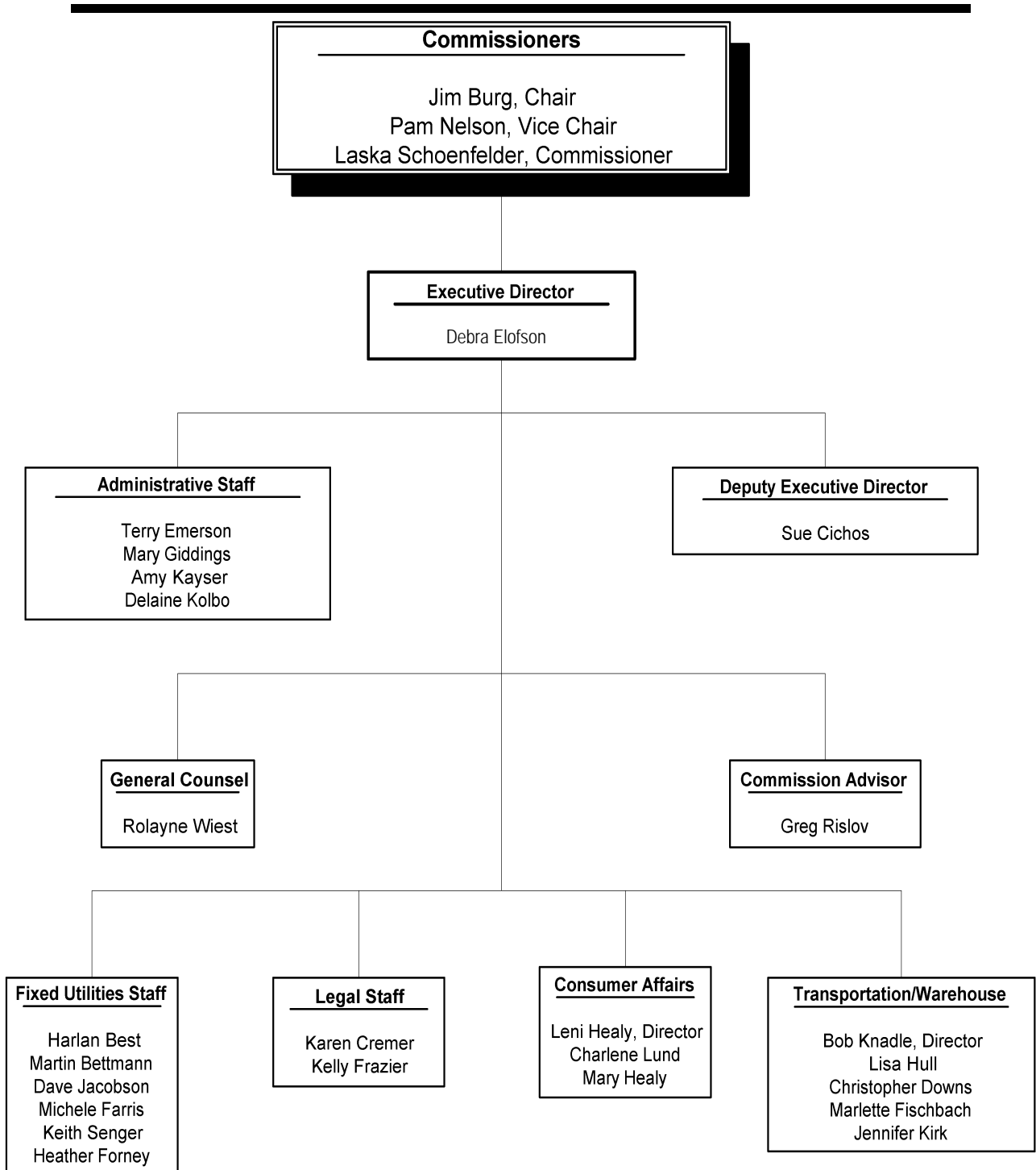
The 1975 state legislature granted the Commission regulation over natural gas and electric utilities.

In 1980 railroad authority was given to the Department of Transportation and in 1981, telegraph companies were no longer regulated.

Even though many changes have been made, the mission of the Public Utilities Commission remains the same: assuring that public utilities provide safe service at a fair price.



# Organization of the Commission



# **An Annual Review Of the Public Utilities Commission**

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1886

**Territorial Governor:** Gilbert Pierce

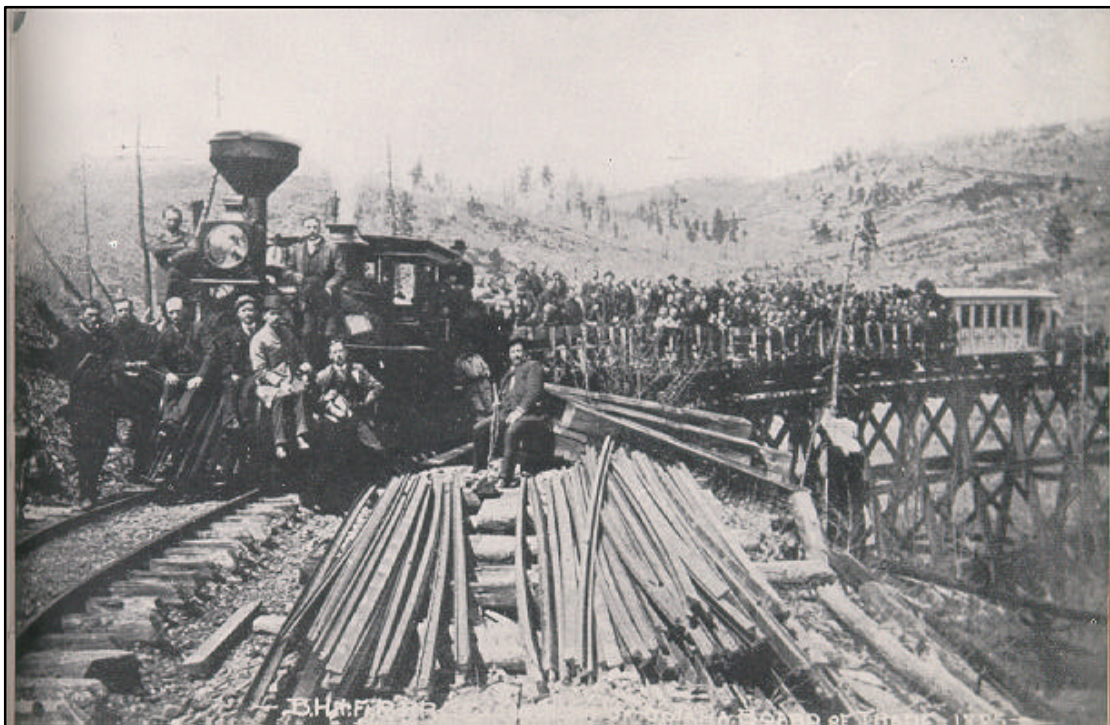
**Appointed Board of Railroad Commissioners:**

Chairman: Alexander Griggs

Vice Chairman: A. Boynton

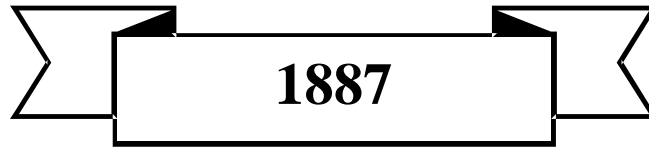
Commissioner: N.T. Smith

**Executive Secretary:** I.E. Weeks



*In 1885, the Black Hills & Ft. Pierre Railroad hosted the Omaha Board of Trade for an excursion. Men were packed into the open cars much closer than cattle would have been, all of them standing for the length of the train ride.*

*Photo from Homestake Mining Company.*



**Territorial Governor:** Louis Church

**Appointed Board of Railroad Commissioners:**

Chairman: Alexander Griggs

Vice Chairman: A. Boynton

Commissioner: N. T. Smith

**Executive Secretary:** J.M. Quinn

**Highlights:** From the annual report: “In no state or territory in the Union is the railroad problem - the question of policy, powers of the legislature to control or restrict - of greater importance than in Dakota, for she is not only a young and growing territory, but the most productive agricultural district on the continent. She is going through the process of development, and the relation of the railroad to the producer is the one paramount question which her legislators and official representatives must solve. Nowhere can the power of the railroad by a generous and public-spirited policy be of greater good to the people, and nowhere can it be more dangerous and discouraging should the corporations be left unchecked in a policy of greed.”

The Federal Inter-State Commerce Act , effective April 1, 1887, established the Inter-State Commerce Commission to regulate freight and passenger rates and settle disputes between common carriers and patrons.

Average speed for passenger trains: 21 miles per hour

Average speed for freight trains: 12 miles per hour



**Territorial Governor:** Louis Church

**Appointed Board of Railroad Commissioners:**

Chairman: Alexander Griggs

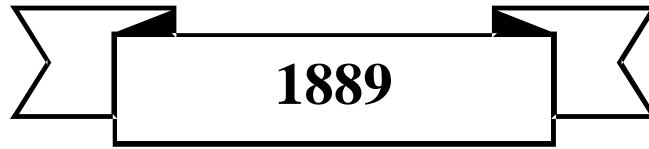
Vice Chairman: A. Boynton

Commissioner: N. T. Smith

**Executive Secretary:** J.M. Quinn

**Highlights:** The territorial commission struggled with the newly created federal Inter-State Commerce Commission. The annual report included this passage: “The creation of the Inter-State Commerce Commission did not add to the ease or facility of the state and territorial commissions, but on the contrary, tended to complicate and unsettle their work. Complaints which were formerly considered without hesitancy by the territorial commission were found to be within the jurisdiction of the Inter-State commission, and until the question of jurisdiction, the powers of the local commissions were pretty definitely settled; there was embarrassment and annoyance...laws were enacted by men must be to a certain degree faulty and the only hope of the public is that laws shall not be carefully and honestly enacted, but that they will be construed and enforced conservatively and intelligently.”

The territorial legislature imposed the responsibility for grain warehouse regulation on the Board of Railroad Commissioners but the funding portion of the legislation was not approved so the “Board was unable to give the law that thorough enforcement which should be expected, especially as regards a personal inspection of the warehouses and elevators, and an investigation of their methods of dealing with the farmers.



**Governor:** Arthur Mellette (Republican)

**Appointed Board of Railroad Commissioners:**

Chairman: Judson LaMoure

Vice Chairman: John King

Commissioner: Harvey Rice

**Executive Secretary:** J.L. Robinson



*The first load of wood hauled by the Black Hills & Fort Pierre Railroad leaves Ft. Pierre in 1881 venturing out over the snowy, twisty, hilly country. From February to May this line was impossible, or at least impractical, to run.*

*Photo from E.F. Irwin*

1890

**Governor:** Arthur Mellette (Republican)

**Appointed Board of Railroad Commissioners:**

Chairman: Harvey Rice

Vice Chairman: Charles McKinney

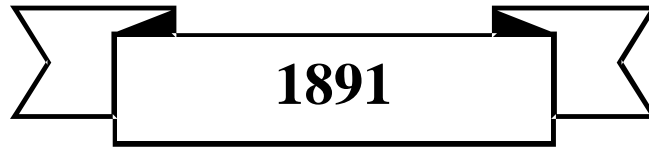
Commissioner: Frank Phillips

**Executive Secretary:** H.M. Mayhew



*The Elkhorn Engine #212 came through Deadwood Gulch on its way to Portland around 1900.*

*Photo from  
William H. Jackson*



**Governor:** Arthur Mellette (Republican)

**Appointed Board of Railroad Commissioners:**

Chairman: Harvey Rice  
Vice Chairman: Charles McKinney  
Commissioner: Frank Phillips

**Executive Secretary:** H.M. Mayhew



*Passengers wait for Elkhorn Engine # 209 in Deadwood Gulch. This stretch of the line was built in 1891 on the north side of Deadwood Creek.*

*Photo from William Jackson*





1892

**Governor:** Arthur Mellette (Republican)

**Appointed Board of Railroad Commissioners:**

Chairman: Charles McKinney

Vice Chairman: Frank Phillips

Commissioner: John King

**Executive Secretary:** H.M. Mayhew



*Above the old town of Terry the Elkhorn # 209 takes a passenger car over Nevada Gulch and slope down into the town. The Deadwood Central came up Nevada Gulch and under a trestle into Terry. The tracks to the right of the trestle continued on to Crown Hill.*

*Photo by William Jackson*



**Governor:** Charles Sheldon (Republican)

**Appointed Board of Railroad Commissioners:**

Chairman: Charles McKinney

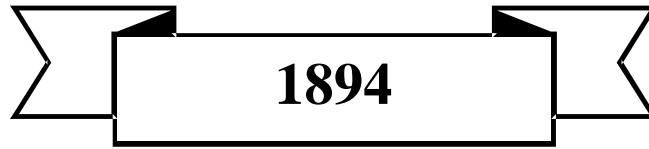
Vice Chairman: Frank Phillips

Commissioner: John King



*The Grand Island & Wyoming Central approach Spearfish Canyon down the west slope from Crown Hill station, a line built in 1893 and abandoned in 1934.*

*Photo by William Jackson*



**Governor:** Charles Sheldon (Republican)

**Appointed Board of Railroad Commissioners:**

Chairman: E.F. Conklin

Vice Chairman: J.R. Brennan

Commissioner: George Johnston



*Between the Sunset and Mogul gold mines, the Elkhorn ran through the Nevada Gulch, beyond Terry, and the Ruby Basin areas. The Mogul mine operated between 1893 and 1919.*

*Photo from  
William Jackson*

1895

**Governor:** Charles Sheldon (Republican)

**Appointed Board of Railroad Commissioners:**

Chairman: E.F. Conklin

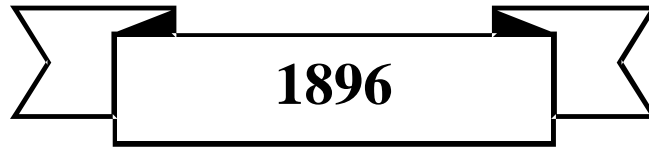
Vice Chairman: J.R. Brennan

Commissioner: George Johnston



*The “Cow Catcher” on the FE&MV Engine at the Crown Hill station holds a small group of ladies at the highest point on the line. The Elkhorn did limited passenger business concentrating on business with mines and small towns on the eastern side of Crown Hill.*

*Photo from  
William Jackson*



**Governor:** Charles Sheldon (Republican)

**Appointed Board of Railroad Commissioners:**

Chairman: E.F. Conklin

Vice Chairman: J.R. Brennan

Commissioner: W.T. LaFollette



*An engine and passenger car from the Grand Island & Wyoming Central line pass through the lower end of Spearfish canyon.*

*Photo from  
William Jackson*

1897

**Governor:** Andrew Lee (Populist)

**Appointed Board of Railroad Commissioners:**

- Chairman: W.H. Tompkins
- Vice Chairman: W.T. LaFollette
- Commissioner: Alex Kirkpatrick

**Executive Secretary:** H.W. Sawyer

**Highlights:** In order to assure accountability to the public, the 1897 State legislature made the Commission positions elective offices with staggered six-year terms. W.H. Tompkins would be the first Commissioner to run for this office during the general election in 1898.



*Utility companies were experimenting with electric streetcars in the 1890s.*

*Photo courtesy of MDU Resources*



**Governor:** Andrew Lee (Populist)

**Appointed Board of Railroad Commissioners:**

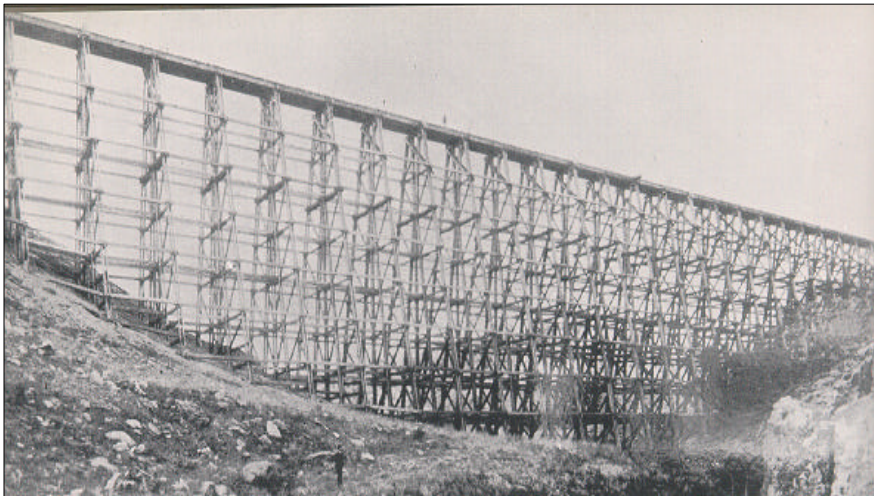
Chairman: W.H. Tompkins

Vice Chairman: W.T. LaFollette

Commissioner: Alex Kirkpatrick

**Executive Secretary:** H.W. Sawyer

**Highlights:** Dr. William Smith, a Republican, won the very first election for a seat on the Board of Railroad Commissioners.



*CBQ Bridge across Sheep Canyon. An early timetable dated November 15, 1895, showed trains running from Edgemont to Deadwood over this bridge twice daily, one freight and one passenger.*

*Photo courtesy of Roger O'Keefe*



**Governor:** Andrew Lee (Republican)

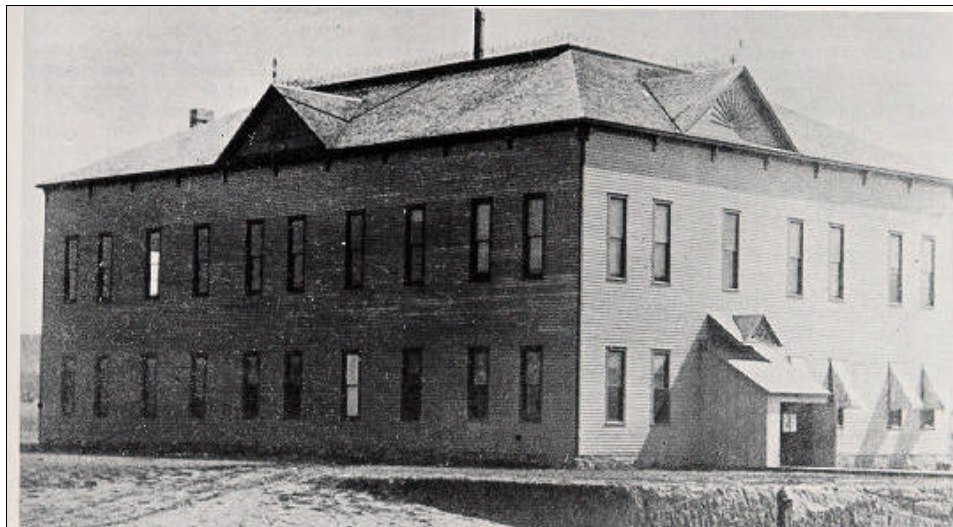
**Board of Railroad Commissioners:**

Chairman: Alexander Kirkpatrick (Appointed)

Vice Chairman: Dr. Wm. Smith (Republican)

Commissioner: W.T. LaFollotte (Appointed)

**Executive Secretary:** H.W. Sawyer



*The first Capitol Building in Pierre was a wooden structure completed in 1890. The first House of Representatives met there during the three-day session October 15, 16, and 17, 1889. It was the nation's only wooden State Capitol Building.*

*In November 1889, a group of ladies formed a committee to raise \$30 for a flag to fly over the building.*

*The Supreme Court did not move into the Capitol until an addition was added to the building in 1891.*

*Photo courtesy of the South Dakota Historical Society.*



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1900

**Governor:** Andrew Lee (Republican)

**Board of Railroad Commissioners:**

Chairman: Alexander Kirkpatrick (Appointed)

Vice Chairman: Dr. Wm. Smith (Republican)

Commissioner: W.T. LaFollotte (Appointed)

**Executive Secretary:** Frank Gardner

**Election Results:** Appointed Commissioner W. T. LaFollette, running as a Fusion party candidate, lost his election effort to Republican candidate Frank LeCocq. LeCocq took 56 percent of the vote; LaFollette received 42 percent, and Populist candidate A.D. Blundin received 1 percent of the vote.

*The Grand Island & Wyoming Central traveled over the waters of Spearfish Falls which were later diverted for Homestake Mining's hydroelectric plant at Maurice.*

*Photo from  
William Jackson*



1901

**Governor:** Charles Herreid (Republican)

**Board of Railroad Commissioners:**

Chairman: Dr. W.G. Smith (Republican)

Vice Chairman: Alexander Kirkpatrick (Appointed)

Commissioner: Frank LeCocq (Republican)

**Executive Secretary:** William Stanley



*Three trains at Lead show the J.B. Haggin hauling ore for the Homestake Mining Company on a trestle, the Fremont, Elkhorn & Missouri Valley on the train bridge, and the Deadwood Central with a passenger car on the ground.*

*Photo from  
Mrs. Kenneth Stormo*

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**1902**

**Governor:** Charles Herreid (Republican)

**Board of Railroad Commissioners:**

Chairman: Dr. W.G. Smith (Republican)

Vice Chairman: Frank LeCocq (Republican)

Commissioner: Alexander Kirkpatrick (Appointed)

**Executive Secretary:** William Stanley

**Election Results:** Four candidates sought the office that was vacated by Alexander Kirkpatrick who chose not to run. Republican candidate D.H. Smith was successful with 64 percent of the vote defeating Democrat Hiram Rose who received 29 percent, Prohibition H.W. Reinecke with 4 percent and Socialist E.B. Chase who received 3 percent.

**Highlights:** 1902 was a busy year for the railroads in South Dakota. Many more land seekers and new settlers came to live in the State and it was a prosperous year for harvesting. At times the railroad had difficulty keeping pace with both freight and passenger travel.

Passenger train service greatly expanded this year. Pullman sleeping cars were added from Mitchell to Sioux Falls to Minneapolis.

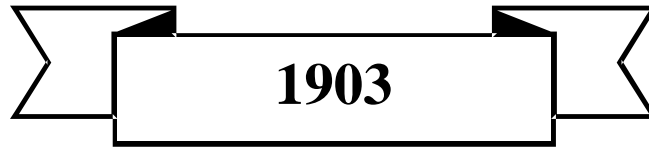
With electric railways rapidly developing, questions were raised concerning jurisdiction. Typically, one set of laws applied to railways using horse, mule, cable or

electric railways and another set applied to roads operated by steam.



*Around 1902 the Elkhorn takes a group above Pluma on its way to Central City from Lead. A trip like this was considered grand entertainment.*

*Photo from  
William Jackson*



**Governor:** Charles Herreid (Republican)

**Board of Railroad Commissioners:**

Chairman: Dr. W.G. Smith (Republican)

Vice Chairman: Frank LeCocq (Republican)

Commissioner: D.H. Smith (Republican)

**Executive Secretary:** William Stanley

**Highlights:** The Commission was successful in securing a substantial number of elevator and warehouse sites for grain, coal, and storage businesses. Several railway stations were reopened after investigation of records with false information submitted by the railway companies.

Three railroad employees and one passenger were killed in railroad accidents this year. The report lists 15 “others” killed due to railroad accidents during 1903.

The annual report reflected an atmosphere of concern for consumers by these statements: “Individuals, in pursuit of their private affairs, are more or less at the mercy of, and exposed to, the greed and rapacity of combinations of large corporate bodies, and consequently, it is quite necessary that the legislature should, by appropriate legislation, safeguard the interests of the public, and this safeguard secured, in a large measure, by the power vested in the Railroad Commission.”

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1904

**Governor:** Charles Herreid (Republican)

**Board of Railroad Commissioners:**

Chairman: Dr. W.G. Smith (Republican)

Vice Chairman: Frank LeCocq (Republican)

Commissioner: D.H. Smith (Republican)

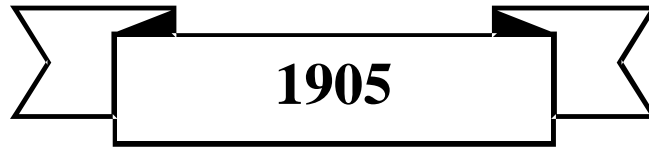
**Executive Secretary:** William Stanley

**Election Results:** Five candidates for the commission seat ran in 1904. Incumbent Republican Dr. W.G. Smith was able to obtain 69 percent of the vote. The challengers were Democrat Frank Abt who received 23 percent of the vote, Socialist Mark Knight who received 3 percent, Prohibition Thomas Whaley received 2 percent, and People's candidate C.D. Sanders received 1 percent.



*With the location of South Dakota's capital finally settled at Pierre during the 1904 election, plans to build a new capitol were considered. The above picture is of state employees in Pierre in 1904. Governor Charles N. Herreid is in the front row, fifth from the left.*

*Photo courtesy of South Dakota Historical Society.*



**Governor:** Charles Herreid (Republican)

**Board of Railroad Commissioners:**

Chairman: Frank LeCocq (Republican)

Vice Chairman: D.H. Smith (Republican)

Commissioner: Dr. W.G. Smith (Republican)

**Executive Secretary:** William Stanley

**Staff Member:** Warehouse and Scales Inspector: D.C. Ricker

**Highlights:** Railroad companies owned 40,449 miles of operating roads. 68,861,615 passengers and 116,989,462 tons of freight were carried over the railroads in 1905.



*The Black Hills gold rush of 1876 brought many people to South Dakota. Gold mines similar to the Uncle Sam Mine, hoist and mill at Perry (later renamed Roubaix), were serviced by the railroad systems. This photo was taken in 1905 by Mr. O'Harra .*

*Photo courtesy of South Dakota School of Mines and Technology.*



**Governor:** Samuel Elrod (Republican)

**Board of Railroad Commissioners:**

Chairman: Frank LeCocq (Republican)

Vice Chairman: D.H. Smith (Republican)

Commissioner: Dr. W.G. Smith (Republican)

**Executive Secretary:** William Stanley

**Election Results:** Republican George Rice won the seat vacated by Frank LeCocq who did not seek reelection. Rice won 64 percent of the vote while his challengers Democrat Burr Lien took 27 percent, Prohibition E.M. Dahlberg had 4 percent and Socialist Thomas Lunn received 3 percent of the vote.

**Highlights:** The following companies were operating in South Dakota:

*Chicago, Milwaukee and St. Paul Railway* formed through the 1852 foreclosure of the LaCrosse and Milwaukee Railway authorized in Wisconsin

*Great Northern Railway Company* authorized in the 1856 consolidation of St. Paul, Minneapolis and Manitoba line and the Duluth, Watertown and Pacific line, and the Willmar and Sioux Falls line

*Minneapolis & St. Louis Railway Company* authorized in 1853

*Chicago, Northwestern Railway* authorized in 1859

*Chicago, St. Paul, Minneapolis & Omaha* consolidated with Northern Wisconsin in 1880

*Minneapolis, St. Paul, Sault Ste. Marie* consolidated with Menominee & Sault Ste. Marie and Minneapolis, Sault Ste. Marie & Atlantic in 1888

*Chicago, Rock Island & Pacific* consolidated with Rock Island & LaSalle and Chicago & Rock Island lines in 1880

*Chicago, Burlington & Quincy* authorized in 1855

*Dubuque & Sioux City* authorized in 1888

*SD Central Railway* authorized in 1902

*Wyoming & Missouri* authorized in 1905

1907

**Governor:** Samuel Elrod (Republican)

**Board of Railroad Commissioners:**

Chairman: D.H. Smith (Republican)

Vice Chairman: Dr. W.G. Smith (Republican)

Commissioner: George Rice (Republican)

**Executive Secretary:** William Stanley



*Buck's Landing was a stop for Engine 532 on it's route from Nemo to Lead.*

*Photo from  
Roger O'Keefe*



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1908

**Governor:** Coe Crawford (Republican)

**Board of Railroad Commissioners:**

Chairman: D.H. Smith (Republican)

Vice Chairman: Dr. W.G. Smith (Republican)

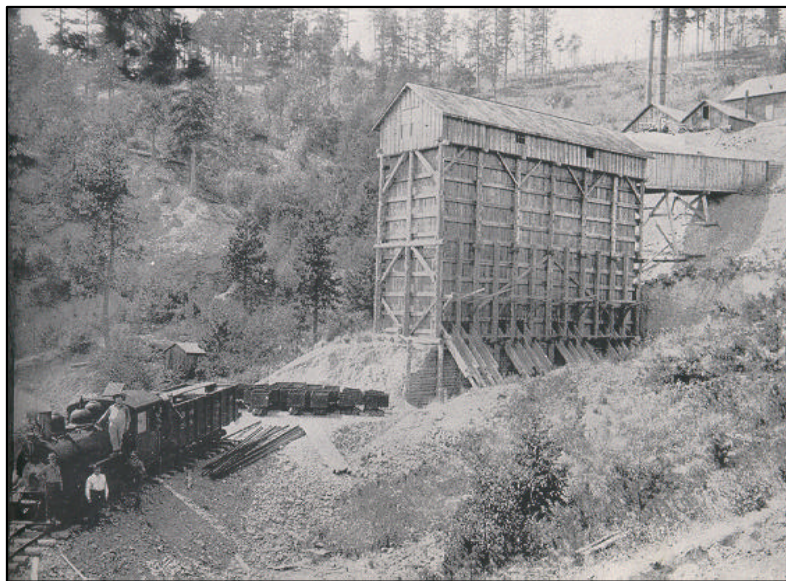
Commissioner: George Rice (Republican)

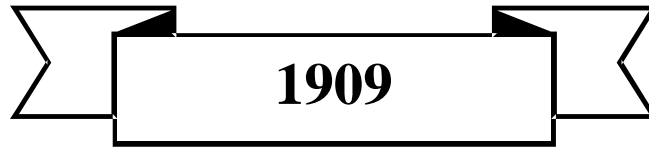
**Executive Secretary:** William Stanley

**Election Results:** In a highly contested race for Commissioner, Republican F.C. Robinson won with 72 percent of the vote, Good Government candidate S.V. Arnold took 20 percent; Prohibition Lee Woodward received 4 percent, Socialist T.J. Sloan had 3 percent and Scales of Justice candidate R.M. Maloy received 1 percent.

*Jim Hardin, in the white shirt, built a line from Galena past the Hoodoo mine, pictured here, through the town of Hoodoo between 1903 and 1912.*

*Photo from  
Fred Borsch*





**Governor:** Coe Crawford (Republican)

**Board of Railroad Commissioners:**

- Chairman: Dr. W.G. Smith (Republican)
- Vice Chairman: George Rice (Republican)
- Commissioner: F.C. Robinson (Republican)

**Executive Secretary:** T.E. Cassill



*This 1909 picture of Deadwood shows the Elkhorn railroad coming east into Deadwood. The Northwestern tracks switch to Deadwood Gulch on its ways to Central City. The Deadwood Central and Burlington lines came down from the smoke-filled gulch through the back edge of Deadwood.*

*Photo from William Jackson*



**1910**

**Governor:** Robert Vessey (Republican)

**Board of Railroad Commissioners:**

Chairman: George Rice (Republican)

Vice Chairman: Dr. W.G. Smith (Republican)

Commissioner: F.C. Robinson (Republican)

**Executive Secretary:** T.E. Cassill

**Election Results:** Republican incumbent Dr. W.G. Smith easily won reelection with 63 percent of the vote. His challengers were Democrat Warren Young with 31 percent, Prohibition W.S. Rowden took 4 percent and Independent R.N. Skutt had 2 percent of the vote.

**Highlights:** The legislature abolished the Telephone Commission in 1909 and placed authority over telephone and telegraph operations with the Board of Railroad Commissioners since telephone poles were typically built in the railroad right-of-ways.



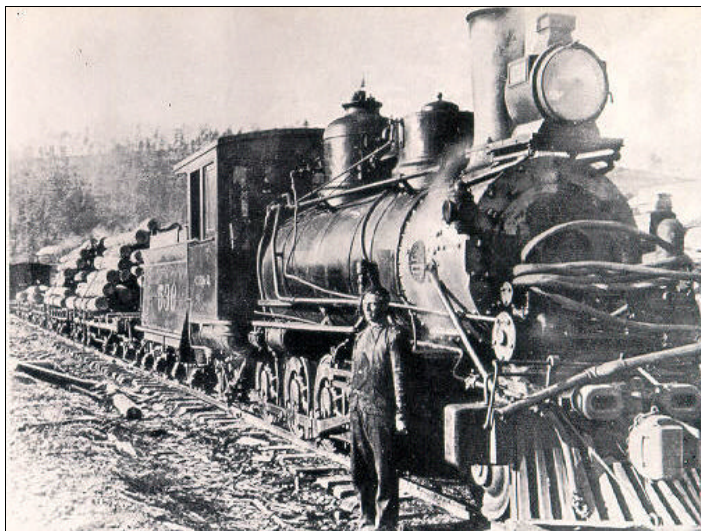
1911

**Governor:** Robert Vessey (Republican)

**Board of Railroad Commissioners:**

- Chairman: George Rice (Republican)
- Vice Chairman: Dr. W.G. Smith (Republican)
- Commissioner: F.C. Robinson (Republican)

**Executive Secretary:** T.E. Cassill



*This 1911 photo shows engine 538 with Fireman Leeper standing beside it at Merritt timber landing. Notice the hose on the front of the engine which permitted the crew to get water out of creeks in an emergency.*

*Photo courtesy of Roger O'Keefe*

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1912

**Governor:** Robert Vessey (Republican)

**Board of Railroad Commissioners:**

Chairman: George Rice (Republican)

Vice Chairman: F.C. Robinson (Republican)

Commissioner: Dr. W.G. Smith (Republican)

**Executive Secretary:** T.E. Cassill

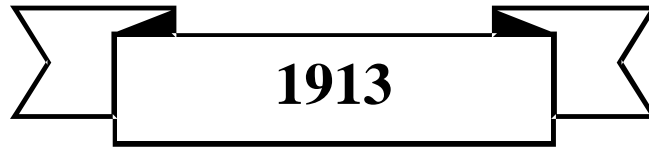
**Election Results:** Republican John Murphy won the Commission seat vacated by George Rice. Mr. Murphy took 55 percent of the vote. His challengers were Democrat L.C. Campbell who had 38 percent, Socialist Ole Venjum who took 4 percent and Prohibition W. H. Gifford who received 3 percent.



*Trolley 12150 at the Lead ticket office outside of the First National Bank around 1910.*

*Evidently an enterprising conductor made a small fortune by selling tickets and pocketing the money. Finally, a railroad employee trapped him by planting railroad detectives on the trolley. The conductor was fired on the spot, but took his ill-gotten gains to California where he bought a fruit farm and lived in comfort the rest of his life.*

*Photo by Arthur Jobe*



**Governor:** Frank Byrne (Republican)

**Board of Railroad Commissioners:**

Chairman: F.C. Robinson (Republican)  
Vice Chairman: J.J. Murphy (Republican)  
Commissioner: Dr. W.G. Smith (Republican)

**Executive Secretary:** T.E. Cassill

**Highlights:** The powers and duties of the Board of Railroad Commission were reviewed by the legislature and the following new laws were enacted:

- Provisions were made for condemnation of property for right-of-way for spur tracks designed to reach and service industries or industrial enterprises.
- Laws relating to private and farm crossings over railroad tracks were amended.
- The Commission was given power to collect excess charges from railway and express companies.
- Rental values for warehouses, coal sheds or other buildings upon the right of way, depot grounds or warehouse lots of railway companies, were determined.
- Cuspidors were required for all passenger cars.
- The Board was given power to require railways to provide lighting at street crossings and crossing alarms. The Board could require railways to build and equip platforms. The Board was given authority to classify railway services to determine rates and submit reports. Physical valuation of telephone lines and exchanges became the Board's responsibility .
- The Commissioners were required to "maintain their residence" at the Capitol and "remain in continuous session." The Board was given authority to issue notices, calls, and demands, make findings and conclusions, orders and subpoenas and other legal processes. The Board was given authority to try cases, define the final record, and provide for appeal of any order or determination of the Board and enforcement of actions.



1914

**Governor:** Frank Byrne (Republican)

**Board of Railroad Commissioners:**

Chairman: F.C. Robinson (Republican)

Vice Chairman: J.J. Murphy (Republican)

Commissioner: Dr. W.G. Smith (Republican)

**Executive Secretary:** T.E. Cassill

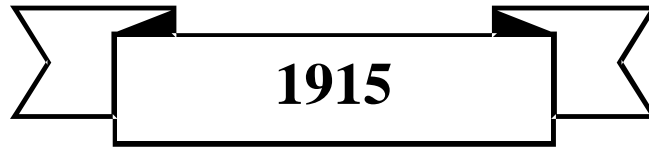
**Election results:** Republican P.W. Dougherty won the seat vacated by F.C. Robinson. Robinson received 59 percent of the vote. His challengers were Democrat J.J. Batterton and Prohibition Newt Lewis.



*Roger O'Keefe*

*Just below the section house at Portland (later Trojan) around 1914. To throw the switch, you had to insert a switch key, pull up the ball, throw the switch and push the ball down before the key could be removed.*

*Photo courtesy of*



**Governor:** Frank Byrne (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: P.W. Dougherty (Republican)

Commissioner: Dr. W.G. Smith (Republican)

**Executive Secretary:** H.A. Ustrud



*Winter travel in South Dakota has always been a challenge as shown in this 1915 picture of the Mark Twain spur at Trojan.*

*Photo from Roger O'Keefe*



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1916

**Governor:** Frank Byrne (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: P.W. Dougherty (Republican)

Commissioner: Dr. W.G. Smith (Republican)

**Executive Secretary:** H.A. Ustrud

**Election Results:** Republican F.E. Wells was successful in capturing 56 percent of the vote to gain the Commission post vacated by Dr. W.G. Smith. His challengers were Democrat Boe with 39 percent, Socialist Geer with 3 percent, and Prohibition Groth with 1 percent.

*The Missouri-James River flood of 1916 near Yankton did considerable damage to railroads in the area.*



1917

**Governor:** Peter Norbeck (Republican)

**Board of Railroad Commissioners:**

- Chairman: P.W. Dougherty (Republican)
- Vice Chairman: J.J. Murphy (Republican)
- Commissioner: F.E. Wells (Republican)

**Executive Secretary:** H.A. Ustrud

**Staff Members:**

- Legal Counsel: O.E. Sweet
- Traffic Expert: D.L. Kelley
- Statistician: L.R. Bitney
- Engineer: Ross Miller
- Official Reporter: E. H. Zempel

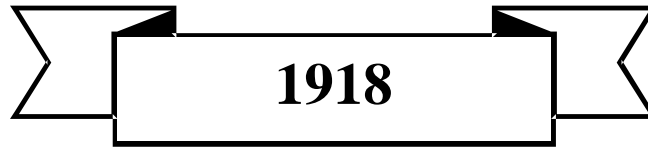
**Highlights:** The U S Congress gave the President authority to assume control over transportation facilities in the event of war.

A monthly bulletin had been distributed to teach fire prevention. The annual report listed this reasoning: “Through this avenue we are endeavoring to impress upon all, that among the enemies we face during these war times, one of the greatest is the destruction by fire of grain, flour, hay, lumber, clothing, groceries, and other necessities of life.”

*Trouble crews for the Dakota Power Company in Rapid City were delighted when they took delivery of their first gasoline-powered service truck in 1917.*

*Photo courtesy of NWPS*





**Governor:** Peter Norbeck (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: F.E. Wells (Republican)

Commissioner: P.W. Dougherty (Republican)

**Executive Secretary:** H.A. Ustrud

**Staff Members:**

Legal Counsel: O.E. Sweet

Traffic Expert: D.L. Kelley

Statistician: L.R. Bitney

Engineer: Ross Miller

Official Reporter: E. H. Zempel

**Election Results:** Republican J.J. Murphy was reelected to his Commission position by defeating his opponent with 51 percent of the vote. His opponents were Independent Larson with 26 percent and Democrat Churchill with 23 percent.

**Highlights:** Late in December 1917, the President took control of all transportation facilities in the nation, indicating that hopefully this action would be brief. The Commission is waiting for more direction on their changing responsibilities and the impact which would be felt by the railroad companies and its users.

1919

**Governor:** Peter Norbeck (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: J.W. Raish (Republican)

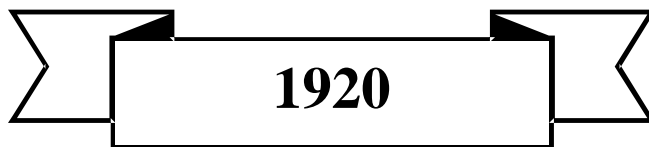
Commissioner: D.E. Brisbane (Republican)

**Executive Secretary:** H.A. Ustrud



*The only hydroelectric plant of any note in eastern South Dakota during the 1920s was operated by Northern States Power Company in Sioux Falls.*

*Photo courtesy of NWPS*



**Governor:** Peter Norbeck (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)  
Vice Chairman: J.W. Raish (Republican)  
Commissioner: D.E. Brisbane (Republican)

**Executive Secretary:** H.A. Ustrud

**Staff Members:**

Legal Counsel: O.E. Sweet  
Traffic Experts: D.L. Kelley, E. M. Hendricks  
Statistician: L.R. Bitney  
Engineer: Ross Miller  
Official Reporter: A.M. Hanson

**Election Results:** Republican Dawes Brisbane captured 58 percent of the vote to maintain his seat on the Commission. N.P. challenger F .Jennewein received 24 percent of the vote and Democrat challenger, S.B. Linstad received 17 percent.

**Highlights:** In March the President relinquished control, possession and operation of the nation's railroads.

The Interstate Commerce Commission had begun to make property valuations of railroad companies throughout the United States. The National Association of Railway and Utility Commissioners created a Valuation Committee to watch legislation and actions of the Interstate Commerce Commission and keep members informed. A solicitor was hired in Washington, DC to represent the interest of the Committee.



**Governor:** William McMaster (Republican)

**Board of Railroad Commissioners:**

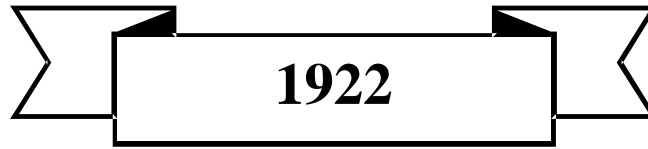
Chairman: J.W. Raish (Republican)  
Vice Chairman: D.E. Brisbane (Republican)  
Commissioner: J.J. Murphy (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: O.E. Sweet  
Traffic Experts: D.L. Kelley, C.A. Carr  
Statistician: L.R. Bitney  
Engineer: Ross Miller  
Official Reporter: D.W. Lewis

**Highlights:** Under the terms of the Transportation Act of 1920, each railroad was guaranteed operating income to be “not less than 1/2 of the amount of contracts entered between the railroad and the government immediately following the acquisition of the railroads by the government and in effect during the Federal control period.” Federal control was in effect from December 28, 1917, to March 1, 1920. Careful studies were made to determine the exact amount each railroad should receive. 1921 was very busy with rate increase requests following federal control.



**Governor:** William McMaster (Republican)

**Board of Railroad Commissioners:**

Chairman: D.E. Brisbane (Republican)

Vice Chairman: J.J. Murphy (Republican)

Commissioner: J.W. Raish (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: R.L. Dillman

Traffic Experts: D.L. Kelley, C.A. Carr

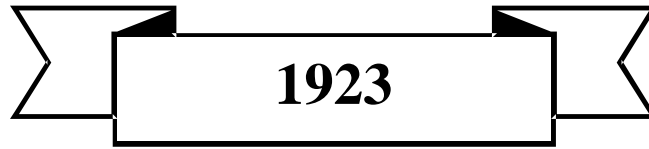
Statistician: L.R. Bitney

Engineer: Ross Miller

Official Reporter: Otto Lindbloom

**Election Results:** Republican Dawes Brisbane defeated Democrat Orville Short with a 66 percent to 34 percent margin.

**Highlights:** Following the war, a shortage of railroad cars was very evident. The process of determining railroad property value continued. Many rate increase requests were considered.



**Governor:** William McMaster (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)  
Vice Chairman: J.W. Raish (Republican)  
Commissioner: D.E. Brisbane (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: R.L. Dillman  
Traffic Experts: D.L. Kelley, C.A. Carr  
Statistician: L.R. Bitney  
Engineer: Ross Miller  
Official Reporter: John Burke

**Highlights:** From the *Annual Report*: “During the period covered by this report the Board has held at its offices in the Capitol Building, one hundred and forty-two regular meetings on as many different dates. In addition to these regular meetings, forty-nine cases were tried at different points in the state. One hundred and seventy-one cases have been disposed of on the informal docket and thirty-five on the formal docket. In addition to these meetings and hearings, the members of the Board have taken part in conferences held with the officials of the Car Service division of the American Railway Association, and the Interstate Commerce Commission at Washington, Chicago, St. Paul, Kansas City and other points in the United States. Much of the time of the Commission and its staff has been consumed in attending to and answering a large volume of correspondence. One thousand one hundred and forty-four licenses were issued to elevators, warehouses and mills, of which six hundred and fifty-two were bonded warehouses, the bonds for which were approved by this office. The scale inspectors have, during this time, inspected three thousand and twenty-seven scales. Annual reports of seven hundred fourteen telephone companies were received and filed. These reports, while not in all cases complete, cover the financial operations of the companies reporting, as well as furnishing itemized data with respect to the physical properties of over eight hundred plants and exchanges.”





**Governor:** William McMaster (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)  
Vice Chairman: J.W. Raish (Republican)  
Commissioner: D.E. Brisbane (Republican)

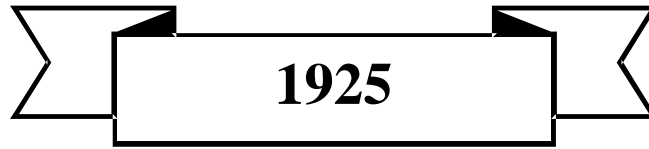
**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: R.L. Dillman  
Traffic Experts: D.L. Kelley, C.A. Carr  
Statistician: H.A. Hanson  
Engineer: Ross Miller  
Official Reporter: Will E. Smith

**Election Results:** Republican John Murphy was reelected with 54 percent of the vote. His challengers included Democrat Thomas Taubman with 20 percent, Farmer-Laborer Theodore Reise with 17 percent, and Independent A. Amundson with 9 percent.

**Highlights:** The Interstate Commerce Commission provided copies of the tentative valuations for railroad properties within South Dakota. The Engineer found inaccuracies with the valuations for the Chicago, Rock Island & Pacific Railway; The Chicago & North Western Railway, The Chicago, Burlington & Quincy Railway; The Chicago, St. Paul, Minneapolis & Omaha Railway; and the Great Northern Railway. Protests were filed and hearings in Washington, D.C. had begun.



**Governor:** Carl Gunderson (Republican)

**Board of Railroad Commissioners:**

Chairman: J.W. Raish (Republican)  
Vice Chairman: J.J. Murphy (Republican)  
Commissioner: D.E. Brisbane (Republican)

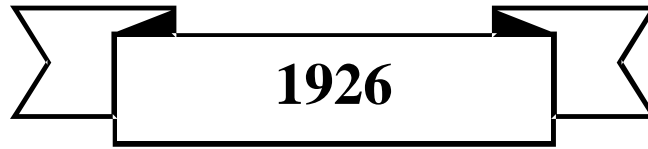
**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: R.L. Dillman  
Traffic Experts: D.L. Kelley, C.A. Carr  
Statistician: H.A. Hanson  
Engineer: Ross Miller  
Official Reporter: Will E. Smith

**Highlights:** An advisory committee consisting of engineers from Wisconsin, Minnesota, Maryland, Washington, and Ross Miller from South Dakota, was formed to make a special study of the railroad property valuations. Hearings with the Interstate Commerce Commission were held concerning the valuation of the Rock Island and Great Northern Railroads in which great amounts of evidence disputing the valuation were presented. A ruling had not yet been issued. The Soo Line had a hearing date set for a future meeting.

South Dakota became one of the first states to regulate for-hire motor carriers to assure public safety and reasonable rates. Freight rates, service territories and annual permits requiring adequate insurance became part of the Commission's responsibility.



**Governor:** Carl Gunderson (Republican)

**Board of Railroad Commissioners:**

Chairman: J.W. Raish (Republican)

Vice Chairman: J.J. Murphy (Republican)

Commissioner: D.E. Brisbane (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: R.L. Dillman

Traffic Experts: D.L. Kelley, C. A. Carr

Statistician: H.A. Hanson

Engineer: Ross Miller

Official Reporter: Will E. Smith

**Election Results:** Republican J.W. Raish was reelected with 56 percent of the vote. His challengers were Democrat F.L. Perry who received 37 percent of the vote and Farmer-Laborer E.A. Bardell who received 7 percent.

**Highlights:** The Supreme Court held that Class D motor carriers licenses were unconstitutional; therefore the 167 applications were cancelled and the fees and compensations received were refunded. In addition to the regular meetings, hearings, and cases, the Board participated in 23 hearings before the Interstate Commerce Commission in various cities throughout the country.



**Governor:** William Bulow (Democrat)

**Board of Railroad Commissioners:**

Chairman: J.W. Raish (Republican)  
Vice Chairman: J.J. Murphy (Republican)  
Commissioner: D.E. Brisbane (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: R.L. Dillman  
Traffic Experts: D.L. Kelley, C.A. Carr  
Statistician: H.A. Hanson  
Engineer: Ross Miller  
Official Reporter: Will E. Smith

**Highlights:** A general rate structure investigation was instituted whereby the Board took an active part in all investigations involving rates on commodities to and from South Dakota. Efforts were made to have consistent rates with adjacent states.



*Jim Bullard was a leading conductor in South Dakota for over 49 years. He was responsible for the innovative idea of the “Get the Business” car in which his crew tied down a portable typewriter to a pine board and outfitted a caboose as an office. The crew solicited freight from towns and farmers along the Kansas City-St. Louis line. The idea was so novel, the caboose was shown in the Missouri State Fair in 1928, the 1934 Century of Progress in Chicago, the 1936 International Petroleum Exposition in Tulsa, and the Texas Centennial in 1936.*



*The Caboose and Mr. Bullard retired together in 1949.*



**Governor:** William Bulow (Democrat)

**Board of Railroad Commissioners:**

Chairman: D.E. Brisbane (Republican)  
Vice Chairman: J.J. Murphy (Republican)  
Commissioner: J.W. Raish (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: R.L. Dillman  
Traffic Experts: D.L. Kelley, C.A. Carr  
Statistician: H.A. Hanson  
Engineer: Ross Miller  
Official Reporter: Will E. Smith

**Election Results:** Republican Dawes Brisbane defeated Democrat challenger James Trusdale with a 60 to 40 percent margin.

**Highlights:** The federal Hoch-Smith resolution demanded a federal investigation of freight rates throughout the country. Certain influences, including competition between railroads, resulted in depressed rates in certain areas, and on certain commodities and serious complaints had been voiced to South Dakota as part of the investigation. The chief purpose of this investigation was to establish reasonable rates to provide a uniform method of applying rates. Evidence from the Board indicated that South Dakota should seek higher rates than were being charged in neighboring states.



**Governor:** William Bulow (Democrat)

**Board of Railroad Commissioners:**

Chairman: D.E. Brisbane (Republican)  
Vice Chairman: J.J. Murphy (Republican)  
Commissioner: J.W. Raish (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: R.L. Dillman  
Traffic Experts: D.L. Kelley, C.A. Carr  
Statistician: J.N. Peller  
Engineer: Ross Miller  
Official Reporter: Will E. Smith

**Highlights:** Much of the activity in 1929 revolved around the federal rate structure investigation. In several states, producers of grain and livestock formed groups to help represent their concerns for this investigation. South Dakota did not have any such representation so the burden of representation was mainly placed on the Board and its staff. Railroad companies had the opinion that South Dakota had so much less volume of traffic originating or handled in the state that rates should be higher than Minnesota, Nebraska, or Iowa. In many areas of the investigation, hearings had been held and briefs had been filed. Orders were expected in the near future

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1930

**Governor:** William Bulow (Democrat)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: J.W. Raish (Republican)

Commissioner: D.E. Brisbane (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Traffic Experts: D.L. Kelley, J.C. Winter

Statistician: J.N. Peller

Engineer: Ross Miller

Official Reporter: Will E. Smith

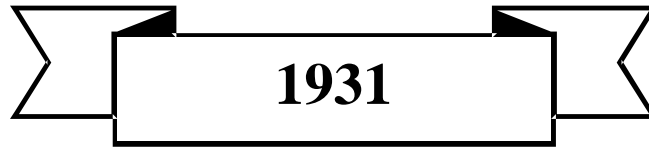
**Election Results:** Republican J.J. Murphy defeated opponents Democrat N.E. Wadden and Independent Hartsough by winning 58 percent of the vote.

**Highlights:** The federal general rate investigation was finally producing results. The decision would bring increased rates in South Dakota. Although substantial increases for South Dakota were issued, it improved the relationship with Minnesota, Iowa and other more easterly states. Certain commodities did receive better rates.



*Gas well drilling on the plains around 1930.*

*Photo courtesy of MDU resources*



**Governor:** Warren Green (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)  
Vice Chairman: J.W. Raish (Republican)  
Commissioner: D.E. Brisbane (Republican)

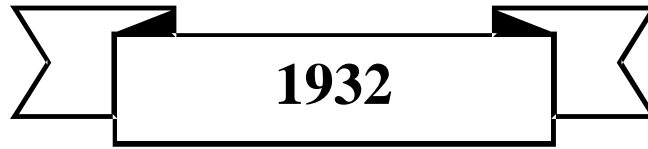
**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode  
Traffic Experts: D.L. Kelley, J. C. Winter  
Statistician: J.N. Peller  
Engineer: Ross Miller  
Official Reporter: Will E. Smith

**Highlights:** The rate department recovered \$419 in refunds from overcharges and reparation on materials received or shipped by state institutions. This amount was returned to the state treasury. 660 telephone companies and 11 railroads were operating in the state. 675 motor carriers filed application for authority to operate. Commodity prices were extremely low.





**Governor:** Warren Green (Republican)

**Board of Railroad Commissioners:**

Chairman: J.W. Raish (Republican)

Vice Chairman: D.E. Brisbane (Republican)

Commissioner: J.J. Murphy (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Traffic Experts: D.L. Kelley, J.C. Winter

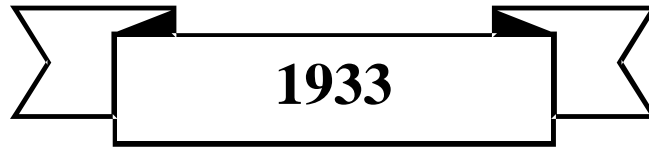
Statistician: J.N. Peller

Engineer: Ross Miller

Official Reporter: Will E. Smith

**Election Results:** Democrat Pickart unseated Republican incumbent Raish with a 54 percent to 44 percent lead. Libertarian Walstad received 2 percent of the vote.

**Highlights:** Commodity prices were the lowest on record in three decades. The annual report describes the railroad companies effort in attempting to ease the stress: “Despite their own difficulties, the South Dakota carriers have sacrificed perhaps several hundred thousand dollars from their meager income through the publication of reduced rates on hay, grain and grain products for livestock feeding purposes and grain for seed. Rates were published on hay for feeding purposes and for two-thirds of the normal basis. Were it not for this aid, voluntarily offered by the South Dakota railroads, the losses by starvation and the sacrifice of the breeding herds and other livestock during the past winter would have far exceeded the actual losses and forced sales.”



**Governor:** Tom Berry (Democrat)

**Board of Railroad Commissioners:**

Chairman: D.E. Brisbane (Republican)  
Vice Chairman: F.S. Pickart (Democrat)  
Commissioner: J.J. Murphy (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode  
Traffic Experts: D.L. Kelley, J.C. Winter  
Statistician: J.N. Peller  
Engineer: Ross Miller  
Official Reporter: Will E. Smith

**Highlights:** The Interstate Commerce Commission began studying the diversity of depreciation rates used by various telephone companies. A standard allowance was to be determined.

Due to the depression, commodity prices continued to be the lowest on record. The railroads continued assessing half rates which put the railway business in peril. Every railroad in South Dakota operated at a loss and was compelled to resort to loans from the federal government through the Reconstruction Finance Corporation in order to pay interest on their bonds, taxes, and direct operating costs.



1934

**Governor:** Tom Berry (Democrat)

**Board of Railroad Commissioners:**

Chairman: D.E. Brisbane (Republican)

Vice Chairman: F.S. Pickart (Democrat)

Commissioner: J.J. Murphy (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Traffic Experts: D.L. Kelley, J.C. Winter

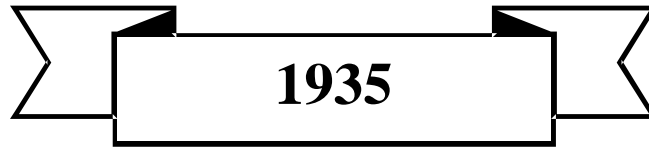
Statistician: J.N. Peller

Engineer: Ross Miller

Official Reporter: Will E. Smith

**Election Results:** Democrat Windsor Doherty unseated Republican incumbent Dawes Brisbane with a 55 to 45 percent lead.

**Highlights:** Although the financial conditions caused by the depression were somewhat improving, the crop production was substantially below expectations due to drought. The railroads were not only suffering from the depression and drought, but also from increased competition from trucks, pipelines, inland waterways, natural gas lines, as well as increased numbers of busses, private automobiles and airplanes. At the same time the Hoch-Smith Resolution was put in place, the Interstate Commerce Commission required the railroads to increase wage levels of employees and provide pension to retiring employees. These actions further increased operating expenses.



**Governor:** Tom Berry (Democrat)

**Board of Railroad Commissioners:**

Chairman: F.S. Pickart (Democrat)

Vice Chairman: Windsor Doherty (Democrat)

Commissioner: J.J. Murphy (Republican)

**Executive Secretary:** A.J. Schaeffer

**Staff Members:**

Legal Counsel: Herman Bode

Traffic Expert: D.L. Kelley

Assistant Traffic Expert: C.A. Carr

Account-Clerk: Stanely Brekhus

Engineer: Ross Miller

Motor Carrier Director: E.N. Dennison

Official Reporter: Will E. Smith

**Highlights:** Studies of a large number of telephone exchanges were made for rate review. Revision of classification and schedules were made in the tariffs of both Northwestern Bell and Dakota Central Telephone Companies which resulted in reduction of rates. In addition to the regularly scheduled meetings and hearings in the state capitol, the Board participated in 18 hearings before the Interstate Commerce Commission and took part in conferences held with the Northwest Shippers Advisory Board, the Interstate Commerce Commission, commissions of other states and agencies.

*Photo courtesy of the State Historical Society.*



*In 1934, the Dakotas were afflicted with dust storms that blotted out the sun for days on end. The dust storms were the result of topsoil blowing off the parched plains. Many South Dakota towns burned streetlights all day. Following the dust storms, the summer of 1936 set record high temperatures – 53 days above 100 degrees. The combination of dust and heat, coupled with already low crop prices, dealt a heavy blow to farmers.*

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1936

**Governor:** Tom Berry (Democrat)

**Board of Railroad Commissioners:**

Chairman: Fred Ray (Republican)

Vice Chairman: J.J. Murphy (Republican)

Commissioner: F. S. Pickart (Democrat)

**Executive Secretary:** A.J. Schaeffer

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: D.L. Kelley

Assistant Rate Expert: C.A. Carr

Accountant: Stanely Brekhus

Engineer: Ross Miller

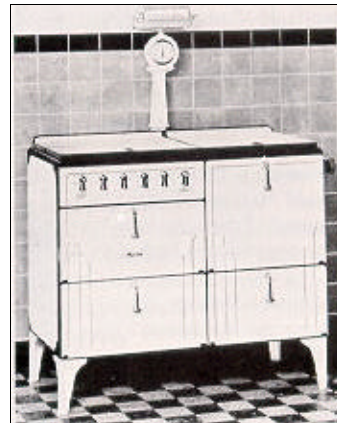
Official Reporter: Will E. Smith

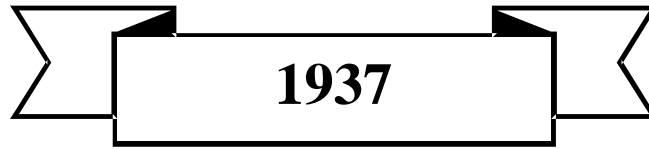
**Election Results:** Incumbent Republican J.J. Murphy defeated Democrat Wilfred Chaussee in a close 50 to 49 percent race.

**Highlights:** Extensive studies of telephone exchanges in Mitchell, Yankton, Britton, Sisseton, Milbank and Webster were made for rate purposes. Several thousand complaints were received, handled, and disposed although not formally docketed. 71 cases were heard and 618 orders were issued. 1940 certificates and permits for transportation authority were issued. 679 elevators, warehouses and mills certificates were issued and 613 telephone companies were operating within the state.

*During the 1930s, new appliances, like this gas oven, became very popular.*

*Photo courtesy of MDU Resources.*





**Governor:** Leslie Jensen (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: F.S. Pickart (Democrat)

Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: D.L. Kelley

Assistant Rate Expert: C.A. Carr

Engineer: Ross Miller

Statistician: J.N. Peller

Official Reporter: Vernon Drenkow

**Highlights:** The law required approval of the Railroad Commission for all crossing protection signals. The Board's engineer examined and approved plans for over thirty automatic signals for protection at grade crossings at various locations throughout the state. The Board's engineer and accountant spent a substantial amount of time reviewing information for the application of Associated Railways Company to purchase the Minneapolis & St. Louis Railroad Company to abandon a large amount of track in South Dakota. The property of the Chicago & Northwestern Railway Company assessed valuation had been in litigation with the engineer and accountant presenting evidence in Federal Court. Various federal agencies requested information on utilities, railroads and other matters under the Board's supervision.



**Governor:** Leslie Jensen (Republican)

**Board of Railroad Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: F.S. Pickart (Democrat)

Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: D.L. Kelley

Assistant Rate Expert: C.A. Carr

Engineer: Ross Miller

Statistician: J.N. Peller

Official Reporter: Vernon Drenkow

**Election Results:** Republican C.A. Merkle unseated Democrat incumbent Pickart with a 55 to 45 percent margin.



*Emergency generation in Yankton during the 1930s was handled by a steam tractor-driven portable generator.*

*Photo courtesy of MDU Resources*

1939

**Governor:** Harlan Bushfield (Republican)

**Board of Railroad Commissioners:**

- Chairman: J.J. Murphy (Republican)
- Vice Chairman: C.L. Doherty (Republican)
- Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

- Legal Counsel: William Williamson
- Rate Expert: D.L. Kelley
- Assistant Rate Expert: C.A. Carr
- Engineer: J. Harper Hamilton
- Statistician: J.N. Peller
- Official Reporter: Vernon Drenkow

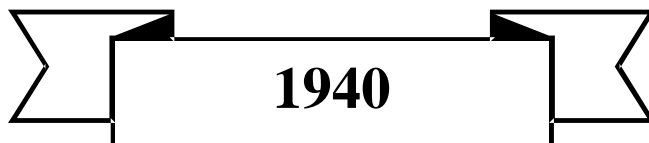
**Highlights:** 468 telephone companies, 11 railroads, 816 elevators, warehouses and mills plus 2056 motor carriers were under the Board’s jurisdiction.



*Appliance sales were soaring in 1939. With the United States’s involvement in the war in the early 1940s, appliance sales dropped dramatically.*

*Photo courtesy of MDU Resources*





**Governor:** Harlan Bushfield (Republican)

**Public Utilities Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: C.L. Doherty (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Expert: D.L. Kelley

Assistant Rate Expert: C.A. Carr

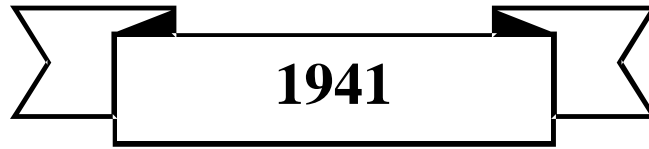
Engineer: J. Harper Hamilton

Statistician: J.N. Peller

Official Reporter: Bert McCoy

**Election Results:** Republican C.L. Doherty maintained his seat on the Commission by gaining 60 percent of the vote. His challenger was Democrat Schliessman who had 40 percent of the vote.

**Highlights:** The staff had considerable difficulty obtaining annual reports from all 602 telephone companies. An outside agency was consulted to determine which companies no longer existed, which companies changed their names, and which companies had a change in officers. The engineering services of the Commission assisted the Division of Taxation to determine valuation matters. A conference was held in July 1939 with bonding companies concerning losses with bonds covering warehouses. As a result, in January 1940, all bonding companies doing business in the state voluntarily reduced premiums on warehouse bonds by 20 percent of the published rates. \$6400 was saved through this method.



**Governor:** Harlan Bushfield (Republican)

**Public Utilities Commissioners:**

Chairman: J.J. Murphy (Republican)  
Vice Chairman: C.L. Doherty (Republican)  
Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson  
Rate Expert: D.L. Kelley  
Assistant Rate Expert: C.A. Carr  
Engineer: Elwin H. Quinney  
Statistician: J.N. Peller  
Motor Carrier Division: Mel Barnes  
Official Reporter: L.H. Petersen

**Highlights:** 717 telephone companies were operating in the state. 2244 certificates and permits were used for motor carriers. 932 licenses were issued to elevators and warehouses. 11 railroad companies were operating in the state.



**Governor:** Harlan Bushfield (Republican)

**Public Utilities Commissioners:**

Chairman: J.J. Murphy (Republican)

Vice Chairman: C.L. Doherty (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Expert: D.L. Kelley

Assistant Rate Expert: C.A. Carr

Engineer: Elwin H. Quinney

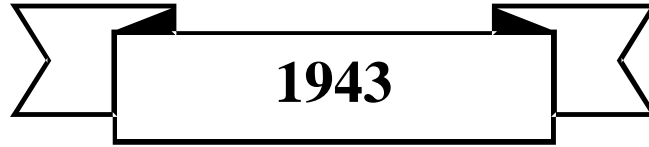
Statistician: J.N. Peller

Motor Carrier Division: Mel Barnes

Official Reporter: L.H. Petersen

**Election Results:** J.J. Murphy did not seek reelection. Republican Fred Lindekugel won the election with 63 percent of the vote. Democrat George Abild received 37 percent of the vote.

**Highlights:** Dan Kelley, who had worked with the Commission for nearly 30 years, died unexpectedly in July. The annual report for 1942 includes letters and resolutions from several sources citing his “sterling character, outstanding public service, and untiring zeal.” The annual report also state that the public had suffered “an irreparable loss” with his passing.



**Governor:** M.Q. Sharpe (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)

Vice Chairman: F.L. Lindekugel (Republican)

Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Expert: C.A. Carr

Assistant Rate Expert: F.P. Aughnay

Engineer: Elwin H. Quinney

Statistician: J.N. Peller

Motor Carrier Division: Mel Barnes

Official Reporter: Margaret Marta

**Highlights:** Two staff members were serving the country during the war. Lt. Col. J.H. Hamilton, engineer, was commanding officer at Geiger Field, Washington. Petty Officer H.L. Peterson, reporter, was stationed at Great Lakes Naval Station in Illinois.

755 warehouses, 667 telephone companies and 11 railroads were operating within the state in 1943.



**Governor:** M.Q. Sharpe (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)

Vice Chairman: C.L. Doherty (Republican)

Commissioner: F.L. Lindekugel (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Experts: C.A. Carr, W.A. Rouse

Engineer: Elwin H. Quinney

Statistician: J.N. Peller

Motor Carrier Division: Mel Barnes

Official Reporter: Margaret Marta

**Election Results:** Republican incumbent C.A. Merkle successfully maintained his seat on the Commission with 61 percent of the vote. His Democrat challenger Joe Brennan received 39 percent of the vote.

**Highlights:** Reciprocity agreements for motor carriers were signed between Minnesota and South Dakota. There was a shortage of grain cars in the state. Numerous complaints of shippers were made. More adequate standards from the Interstate Commerce Commission for railroad abandonment were sought. The General Solicitor of the National Association of Railroad and Utilities Commissioners was directed to appear before a U S Senate Committee to support standard requirements in abandonment applications.



1945

**Governor:** M.Q. Sharpe (Republican)

**Public Utilities Commissioners:**

Chairman: C.L. Doherty (Republican)

Vice Chairman: C.A. Merkle (Republican)

Commissioner: F.L. Lindekugel (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Expert: C.A. Carr

Engineer: Elwin H. Quinney

Statistician: J.N. Peller

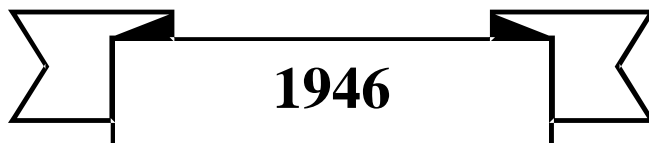
Motor Carrier Division: L. Holland

Official Reporter: Margaret Marta

**Highlights:** As outlined in the annual report: “Due to the extreme shortage of grain cars, attributable directly to the prosecution of the war, considerable inconvenience and loss had been experienced in the grain business as early as the fall of 1943. The winter of 1944 and the early spring of 1945 appear to have been the most critical period. The 1944 corn crop, the largest in the history of the state, had a high moisture content. Grain elevators could not accept it for storage purposes, and in most instances, would not buy it unless grain cars were furnished to them so that the corn could be shipped to terminal markets immediately. The terminal markets refused, in most instances, to accept it any faster than the terminal could run the corn through its dryers in order to reduce the high moisture content. Early in 1945 the Commission notified all grain elevators in the state that they were not compelled to accept corn of a high moisture content for storage purposes. The Commission also suggested to the grain dealers that they advise the farmers wherever possible to crib and pile the ear corn in the cribs or at least with a wooden floor under it. To a great extent this advice was followed on the part of the farmers, resulting in the saving of thousands of dollars to the producers of corn.

“Due to conditions brought on by the war, box cars normally used in the shipment of grain were diverted and used in the transportation of war materials, principally to the Eastern seaboard, and later, after Germany was defeated, to the seaports on the West Coast. Numerous conferences were held, participated in by the Commission, with railroad and Officers of Defense. A Commission member attended a conference in Kansas City, and the following week one at Washington, D.C.

“Railroads at this time have approximately 600,000 less box cars, 22,000 less locomotives, and approximately 400,000 less employees...”



**Governor:** M.Q. Sharpe (Republican)

**Public Utilities Commissioners:**

Chairman: C.L. Doherty (Republican)

Vice Chairman: F.L. Lindekugel (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Expert: C.A. Carr

Engineer: Harper Hamilton

Statistician: J.N. Peller

Motor Carrier Director: L. Holland

Reporter: Margaret Marta

**Election Results:** Republican C.L. Doherty ran unopposed.

**Highlights:** Taken from the annual report: “There have been many important matters regarding both South Dakota interstate and intrastate freight and truck rates which have been before the Commission. Even though Germany and Japan have surrendered, many restrictive regulations on transportation by rail, truck, and bus travel have been necessarily continued during the past year. Transportation agencies have been afflicted with labor troubles and scarcity of and rising costs of needed materials, but have served the public excellently considering all circumstances.”



1947

**Governor:** George T. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: F.L. Lindekugel (Republican)  
Vice Chairman: C.A. Merkle (Republican)  
Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson  
Rate Expert: C.A. Carr  
Engineer: Harper Hamilton  
Statistician: J.N. Peller  
Motor Carrier Director: L. Holland  
Reporter: Margaret Marta

**Highlights:** There was an abundance of requests for rate increases in express, rail and truck transportation. Most increases were granted in order that transportation agencies can meet operating costs. 34 miles of rail were abandoned in the Black Hills area. Conferences with surrounding state commissions were held to establish uniform rates and rules. Some of the most important issues are listed below:

**UNIFORM CLASS RATES:** The Supreme Court upheld the Interstate Commerce Commission's decision of uniform rates between all points east of the Rocky Mountains.

**INCREASED RAIL RATES:** The Interstate Commerce Commission increased all rail rates in the United States. Intrastate rates were raised accordingly.

**TRUCK RATES:** Upon showing that operating expenses were very close to income, both Class "A" and Class "B" were granted rate increases.

**CEMENT RATES:** Rates from the State Cement Plant were out of alignment. Horizontal increases rather than percentage were considered.

**GENERAL COMMODITIES:** Efforts were made to secure reduced rates for livestock, grain, switching rates, reconsigning charges, brick, glassware, milk and cream, beverages, lime, sand, gravel, and crushed stone, lumber and posts, and petroleum products.





1948

**Governor:** George T. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: F.L. Lindekugel (Republican)

Vice Chairman: C.A. Merkle (Republican)

Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Expert: C.A. Carr

Assistant Rate Expert: James Smith

Engineers: J. Harper Hamilton and E.H. Quinney

Statistician: J.N. Peller

Motor Carrier Director: L. Holland

Reporters: Margaret Marta and Maxine Isenberg

**Election Results:** Republican Fred Lindekugel won reelection by defeating Democrat Arthur Tullis with a 57 to 43 percent victory.

**Highlights:** Chief Engineer Harper Hamilton died in April after serving 33 years in civil engineering and also served as an engineer with the 866th Headquarters Engineering Aviation Battalion from which he separated as a colonel.

The nation was still experiencing increasing costs in materials, labor, etc., after the war. All forms of transportation were requesting significant increases.

During World War II serious difficulties arose in the transportation and delivery of petroleum products to bulk stations throughout the state. This resulted from the tremendous demand of the government for these products, German submarines sinking our ocean tankers, and inadequate pipeline systems from refineries. A burden was placed on the railroads which did not have sufficient cars to handle the government's need as well as regular business. The Office of Defense put severe restrictions on railroad tank cars delivering petroleum products.

Since South Dakota's agriculture industry requires petroleum for tractors and equipment, the Commission quickly issued permits to motor carriers on a temporary basis, extending the war emergency to six months after the war's end. By this time, the petroleum motor carriers had invested a large amount in tanks, trucks and other equipment and were now applying for permanent authority to carry petroleum exclusively. The railroads protested but the Circuit Court upheld the PUC's decision.



1949

**Governor:** George T. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: F.L. Lindekugel (Republican)  
Vice Chairman: C.A. Merkle (Republican)  
Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson  
Rate Expert: C.A. Carr  
Assistant Rate Expert: James Smith  
Engineer: E.H. Quinney  
Statistician: J.N. Peller  
Motor Carrier Director: L. Holland  
Reporters: Margaret Marta and Maxine Isenberg

**Highlights:** A 15 percent increase was granted to Class A motor carriers, rail and bus express shipments.

The Commission ordered an investigation into all rules, rates and practices of Class B motor carriers. Five hearings were held throughout the state, a tentative report issued, oral arguments held and a final report and order were created.

During the blizzard in the western part of the state, a considerable amount of hay was shipped from the eastern part of the state. The Commission actively helped to arrange transportation to help with the near disaster.

The railroad car shortage was acute during certain parts of the year. Freight rate changes were considered for wool, scrap paper, dairy products, fruits and vegetables, coal, brick, cement, petroleum products, lime, fresh meat and packing house products, feldspar, lumber, cereals, beverages, sand and gravel, and calcium chloride.

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1950

**Governor:** George T. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)

Vice Chairman: C.L. Doherty (Republican)

Commissioner: F.L. Lindekugel (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Expert: C.A. Carr

Assistant Rate Expert: Richard Strsnak

Engineers: E.H. Quinney

Statistician: J.N. Peller

Motor Carrier Director: L. Holland

Reporters: Margaret Marta and Maxine Isenberg

**Election Results:** Republican Commissioner Chris Merkle defeated his Democrat challenger Goldie Wells with a 56 to 43 percent margin.

**Highlights:** The Interstate Commerce Commission reopened railroad proceedings on the Uniform Class Rates system which eliminated the outdated zoning system when applying transportation rates and classifications.

Class B motor carriers applications with van equipment for moving household goods were reviewed for changes in rules and increases in accessorial charges.

The Commission had a busy year in connection with formal and informal freight rate charges. Continued meetings concerning increases in transportation of petroleum products resulted in 168 proceedings being removed.

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1951

**Governor:** Sigrud Anderson (Republican)

**Public Utilities Commissioners:**

Chairman: C.L. Doherty (Republican)

Vice Chairman: Fred Lindekugel (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: William Williamson

Rate Expert: C.A. Carr

Assistant Rate Expert: Richard Strsnak

Engineer: E.H. Quinney

Statistician: J.N. Peller

Motor Carrier Director: L. Holland

Reporters: Margaret Marta and Maxine Isenberg

**Highlights:** The uniform class rates prescribed by the Interstate Commerce Commission in 1945 were not yet in effect. The western area of the affected area, including South Dakota, did reduce rates by 10 percent and the area east of Chicago increased rates by 10 percent which brought the rates closer together. Public utility commissioners from Texas, Oklahoma, Missouri, Kansas, Nebraska, North Dakota and South Dakota formed a committee to help get the uniform rates into compliance.

The Commission denied a rate increase for Northwestern Bell Telephone. The telephone company appealed the decision to the Circuit Court which granted an increase for an amount less than requested. The Commission appealed to the State Supreme Court which affirmed the lower court decision. The Farmers Educational and Cooperative Union and the Mitchell Junior Chamber of Commerce petitioned the United States Supreme Court for a writ of certiorari and review of the State Supreme Court decision. Certiorari was denied.

The report of the 1948 investigation of Class B motor carriers was published in the 1950 annual report. The interpretation of the law by the Commission with respect to its jurisdiction and authority to regulate Class B motor carriers was "sharply challenged" and exceptions were taken to its ruling concerning leasing equipment for use in the carriers' operation. The issue was heard in the Circuit Court which affirmed the Commission's decisions. The case was then appealed to the State Supreme Court which ordered the protestants to appear to show cause. The protestants did not appear and the appeal was dismissed.

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1952

**Governor:** Sigrud Anderson (Republican)

**Public Utilities Commissioners:**

Chairman: C.L. Doherty (Republican)

Vice Chairman: Fred Lindekugel (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: C.A. Carr

Assistant Rate Expert: Gerald Karpf

Engineer: E.H. Quinney

Statistician: J.N. Peller

Motor Carrier Director: L. Holland

Reporters: Margaret Marta and Maxine Isenberg

**Election Results:** Incumbent Republican Doherty soundly defeated his Democrat challenger A.D. Larson with a 67 to 33 percent victory.

**Highlights:** 47 new formal and informal cases were considered. 827 licenses were issued to warehouses and mills. 740 telephone companies were operating in the state.

Railroads: Minneapolis, St. Louis discontinued service to Bradley. Chicago, Northwestern discontinued service to Winner, Smithwick, and Fruitdale and limited service between Winner and Fairfax. Chicago, Minneapolis, St. Paul & Pacific discontinued passenger service between Canton and Rapid City and Norbeck. The Great Northwestern discontinued service at Albee and the Huron stockyards.

Telephone: The City of Faith was granted a license to operate a municipal telephone service. Peoples Telephone Company received a rate increase and Northwestern Bell received a 6% rate increase.



1953

**Governor:** Sigrud Anderson (Republican)

**Public Utilities Commissioners:**

Chairman: Fred Lindekugel (Republican)  
Vice Chairman: C.A. Merkle (Republican)  
Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode  
Rate Expert: C.A. Carr  
Engineer: E.H. Quinney  
Statistician: J.N. Peller  
Motor Carrier Director: L. Holland  
Reporter: Margaret Marta

**Highlights:** Transportation: Nine railways were operating within the state in 1953. The Uniform Classification of rail rates which affected states from the Rocky Mountains to the Atlantic Ocean substantially reduced traffic to South Dakota due to higher costs. Railway Express requested a 25% increase in rates which was pending before the Interstate Commerce Commission at the end of the year. The Great Northern Railway was required to drop \$4242 in charges against John Morrell & Company. The rates charges were deemed “unreasonable.” In another issue, the Great Northern and the Chicago, St. Paul, Minneapolis and Omaha railways were charged with charging unreasonable rates to Manchester Biscuit Company, Polar Cold Storage, Western Soy Bean Mills, the South Dakota Penitentiary and L .Beal Distributing. Previously accessed excessive charges were ordered to be waived. The Chicago, Northwestern line discontinued service to Altamont. Warehouse: 817 warehouse licenses and 147 grain buyers licenses were issued. Telephone: Northwestern Bell received a 6% rate increase.

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1954

**Governor:** Sigrud Anderson (Republican)

**Public Utilities Commissioners:**

Chairman: Fred Lindekugel (Republican)  
Vice Chairman: C.A. Merkle (Republican)  
Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode  
Rate Expert: C.A. Carr  
Assistant Rate Expert: W.H. Kessel  
Engineer: E.H. Quinney  
Statistician: J.N. Peller  
Motor Carrier Director: L. Holland  
Reporter: Margaret Marta

**Election Results:** Republican incumbent Fred Lindekugel defeated Democrat challenger Carl Anderson with a 54 to 46 percent margin.

**Highlights:** Transportation: American Busline discontinued service between Rapid City and Belle Fourche. Telephone: Sanborn Telephone Company extended its territory. Railroads: South Dakota rail carriers received an overall increase of 15%. The Great Northwestern Railway limited passenger service between Yankton and Sioux Falls and discontinued service to Cavour. The Chicago, St. Paul, Minneapolis & Omaha discontinued passenger service between Mitchell and Valley Springs. Minneapolis, St. Paul & Sault Ste. Marie discontinued service at Victor. Chicago, Northwestern discontinued its service to Unityville, Broadland, Piedmont, Tilford, Esmond, Aurora, and Hetland. The Chicago, Minneapolis, St. Paul & Pacific discontinued service at Butler, Roswell, Fairview, Big Stone City and Firesteel. The Chicago, Burlington and Quincy discontinued service at Dewey.



1955

**Governor:** Joe Foss (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)  
Vice Chairman: C.L. Doherty (Republican)  
Commissioner: Fred Lindekugel (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode  
Rate Expert: C.A. Carr  
Engineer: E.H. Quinney  
Statistician: J.N. Peller  
Motor Carrier Director: L. Holland  
Reporter: Margaret Marta

**Highlights:**    Transportation/Warehouse: 797 licenses were issued to elevators, warehouses and mills. Greyhound Lines discontinued service to Watertown, Waubay, Webster, Bristol, Groton, and Aberdeen. Railroads: Chicago, Northwestern Railroad discontinued service to Buffalo Gap, Hermosa, Oelrichs, Oral, St. Charles, Gregory, Owanka, and Vilas. Railway Express discontinued service to Athol, Northville, Mansfield, Hitchcock, and Grover. Chicago, Northern Railways discontinued service to Fairburn.





1956

**Governor:** Joe Foss (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)

Vice Chairman: C.L. Doherty (Republican)

Commissioner: Fred Lindekugel (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: C.A. Carr

Engineer: E.H. Quinney

Statistician: Wayne Baumgart

Motor Carrier Director: L. Holland

Reporter: Margaret Marta

**Election Results:** Republican incumbent Chris Merkle was able to keep his Commission seat by defeating Democrat challenger R.Y. Bagby with a 53 to 47 percent victory.

**Highlights:** Transportation/Warehouse: 59 new applications for motor carrier authority were processed. 2304 certificates and permits were issued, consisting of 1 new Class A, 43 new Class B, 16 new Class C and 2244 renewals of authority were issued. Railroads: A rate increase for intrastate traffic for all South Dakota lines was approved. The Chicago, Milwaukee, St. Paul & Pacific received approval to discontinue service to Glencross, Madison, Okaton, Egan, Vienna, and Wilmot. The Great Northern Railway discontinued service to Claremont, Sherman, Badger, and Bancroft. Chicago, Rock Island & Pacific discontinued service to Bushnell. Minneapolis, St. Paul & Sault Ste. Marie discontinued service to Hillhead. Telephone: Sorum Telephone Company received a rate increase. Farmers and Merchants Telephone Company extended its territory to include township boundaries. Midstate Telephone Company had its request for extended territory approved.



1957

**Governor:** Joe Foss (Republican)

**Public Utilities Commissioners:**

Chairman: C.L. Doherty (Republican)

Vice Chairman: Fred Lindekugel (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: C.A. Carr

Engineer: E.H. Quinney

Statistician: Wayne Baumgart

Motor Carrier Director: L. Holland

Reporter: Margaret Marta

**Highlights:** Railroads: The Minneapolis, St. Paul & Sault Ste. Marie Railroad along with 18 other railroads filed a civil action to set aside orders of the Interstate Commerce Commission relating to rates on iron and steel contrasting costs to certain destination points. The case was brought to hearing before a three-judge Federal Court. The South Dakota Public Utilities Commission intervened on behalf of the jobbers, manufacturers, and receivers of iron and steel articles in South Dakota. The case was still pending at the time of the annual report. South Dakota railroads were granted an increase for a single shipment to a minimum charge of \$1.71. Transportation: 116 new applications for motor carrier authority were filed. 2336 certificates and permits were issued, consisting of 1 new Class A, 57 new Class B, 31 new Class C and 2247 renewals of authority were issued. Telephone: 10 new certificates were issued. 692 telephone companies were operating.



1958

**Governor:** Joe Foss (Republican)

**Public Utilities Commissioners:**

Chairman: C.L. Doherty (Republican)

Vice Chairman: Fred Lindekugel (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: C.A. Carr

Assistant Rate Analyst: Gary Jorstad

Engineer: E.H. Quinney

Statistician: Wayne Baumgart

Motor Carrier Director: L. Holland

Reporter: Margaret Marta

**Election Results:** In a close race, Republican incumbent “Roy” Doherty defeated his Democrat challenger, Carl Boe, with a 50 to 49.8 percent vote.

**Highlights:** Railroads: Action was instituted by the Order of Railroad Telegraphers seeking an injunction to restrain the Commission and Chicago & Northwestern Railway from carrying out the service order of the Commission to close or revise service to 69 stations within the state. A hearing was held before the Circuit Court in Sioux Falls, in which case the court held that injunction proceedings were not the proper remedy. An appeal in the Circuit Court of Minnehaha County was pending to test the validity of the Commission’s service order previously issued. Rail carriers were granted a 5% increase on intrastate traffic. Chicago Northwestern discontinued services to St. Onge; Chicago, St. Paul & Pacific discontinued service to Lesterville. Chicago, Milwaukee, St. Paul & Pacific discontinued service to Elm, Artesian, Vermillion, Erwin, Snake Creek, Lantry, Dante, Bath, Chancellor, Dolton, Renner, Virgil, Bonilla, Alexandria, Parker, Burbank, Utica, and Ravinia. The Great Northern Railway changed its service to Mission Hill, Tea, Huffton, and Thomas. Railway Express discontinued service at Lantry, Virgil, Bonilla, Utica, and Ravinia. Telephone: Northwestern Bell was denied a rate increase. Baltic Cooperative purchased Crooks Telephone Company. Jasper Telephone Company and Midstate Telephone Company expanded their territories. Warehouse: Wilson Storage & Transfer received a rate increase.

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1959

**Governor:** Ralph Herseth (Democrat)

**Public Utilities Commissioners:**

Chairman: Fred Lindekugel (Republican)

Vice Chairman: C.A. Merkle (Republican)

Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: C.A. Carr

Assistant Rate Analyst: Gary Jorstad

Engineer: E.H. Quinney

Statistician: Wayne Baumgart

Motor Carrier Director: L. Holland

Reporter: Margaret Marta

**Highlights:** Transportation/Warehouse: There were 97 new applications for motor carrier authority; 2225 certificates and permits were issued, consisting of 3 new Class A, 55 new Class B, and 23 new Class C, and 2144 renewals of authority previously issued. 6 elevator bonds were canceled and 4 grain buyers license and bonds were canceled. Telephone: Northwestern Bell's rate increase was denied but license to operate in Dupree, Smithwick, and Custer State Park were approved. Trail Telephone Company's certificate of authority was revised to redefine its service area. Rate increases were approved for Farmers Mutual, Garretson Cooperative, Alpena, Sanborn, Valley, Kennebec, Menno Rural, Jefferson, City of Brookings, Peoples and Cheyenne River Sioux Tribe. Approval was granted for Valley Telephone to purchase Hosmer, Modena, Western Mutual, Koto Mutual, Arena Valley, and Lone Star telephone companies; Sanborn purchased Letcher; Dakota Cooperative purchased Grant Township; Cheyenne River Sioux Tribe purchased West River; Midstate purchased Delmont; Brookings-Lake purchased Farmers Mutual and Battle Creek; Corson purchased McLaughlin; Midstate purchased Northeast and Farmers Northwest; Golden West purchased Wasta, Enning, Hereford-Haydraw, Marcus, White Owl, Plainview South Line and Interior. Railroad: Chicago, Milwaukee, St. Paul & Pacific discontinued service to Marvin, Twin Brooks, Jefferson, Worthing, Kaylor, Tabor, Letcher, Fedora, Forestburg, and Corona. Railway Express discontinued service to Pringle, Spencer, Humboldt, Worthing, Forestburg, Fedora, Letcher, Amherst, Putney, Roslyn, Eden Grenville, Lake City, Northville, Elkton, Kaylor, Tyndall, Lead and Deadwood. Great Northern discontinued passenger service at Plano and between Sioux Falls and Yankton.



1960

**Governor:** Ralph Herseth (Democrat)

**Public Utilities Commissioners:**

Chairman: Fred Lindekugel (Republican)

Vice Chairman: C.A. Merkle (Republican)

Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** E.F. Norman

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: C.A. Carr

Assistant Rate Analyst: Gary Jorstad

Engineer: E.H. Quinney

Statistician: Wayne Baumgart

Motor Carrier Director: L. Holland

Grain Elevator Director: Janelle Farris

Reporter: Margaret Marta

**Election Results:** Republican Commissioner Fred Lindekugel maintained his position by defeating Democrat Marshall Gerken with a 56 to 44 percent margin.

**Highlights:** The South Dakota Public Utilities Commission hosted the 11-state Midwest Association of Railroad and Utilities Commissioners annual meeting held in Rapid City. Over 175 commissioners and staff people attended the meeting.

**Railroads:** Chicago, Milwaukee, St. Paul & Pacific Railroad discontinued service to Barnard, Wakpala, Orient, Lily, Naples, Ramona, Winfred, Erwin, Hillsvie, Ashton, Tulare, Mt. Vernon, Alpena, Pukwana, Harrisburg, Peever, Warner, Chancellor, Gayville, Baltic, Ethan, Reliance, Morrystown, Watauga, and Belvidere. Minneapolis, St. Paul & Sault Ste. Marie Railroad company discontinued service between Hawkinson, ND and Greville, SD. Minneapolis & St. Louis Railway adjusted service to Leola and Wetonka. Railway Express discontinued service to Roscoe, Naples, Lily, Davis, Volin, Hillsvie, Erwin, Hetland, Ashton, Tulare, Pukwana, Ortle, Big Stone City, Peever, Warner, Chancellor, Sherman, Hudson, Morrystown, Watauga, and Gayville. **Telephone:** Certificates of authority were granted to Worthen-Rosdale Township Telephone Company, West River Mutual Aid Corporation, West River Telephone Cooperative, Northwestern Bell, and Midstate Telephone Company. Schedule of rates and charges were approved for Brookings-Lake Telephone Company, Hanson County Telephone, Midstate Telephone, Dickey Rural Telephone, West River Coop, Union Telephone, Valley Telephone, Black Hills Telephone, and Davison County Telephone.



1961

**Governor:** Archie Gubbrud (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)  
Vice Chairman: C.L. Doherty (Republican)  
Commissioner: Fred Lindekugel (Republican)

**Executive Secretary:** Loretta Holland (Acting)

**Staff Members:**

Legal Counsel: Herman Bode  
Rate Expert: C.A. Carr  
Assistant Rate Analyst: Gary Jorstad  
Engineer: E.H. Quinney  
Statistician: Wayne Baumgart  
Grain Elevator Director: Charlotte Bowers  
Reporter: Margaret Marta

**Highlights:** Transportation /Warehouse: 92 new applications for motor carriers were filed; 2271 certificates and permits were issued, consisting of 6 new Class A, 44 new Class B, and 19 new Class C, and 2202 renewals of authority. 51 motor carrier licenses were revoked. Railroad: Chicago, Milwaukee, St. Paul, & Pacific Railroad Company withdrew service and facilities from LaPlant, Vivian and Geddes. Great Northern Railway Company withdrew service from Rutland, Putney, and LaBolt. Minneapolis, St. Paul, & Sault Ste. Marie Railroad retired service and removed depots at Hammer and Victor. Railway Express Agency discontinued service at LaBolt, LaPlant, and Estelline. Telephone: Certificates of authority were issued to Golden West at Quinn, West River at Bison, Consolidated Telephone Cooperative, DeSmet Telephone Association and Northwestern Bell at Newell, Tripp, Todd, Mellette, Stanley, Haakon, Meade, Pennington and Lawrence counties. Rate increases were granted for Spirit Lake, Lake Preston Cooperative, Moody Telephone Cooperative, Consolidated Telephone Cooperative and Walworth County Telephone. Charges for dial automatic services were approved for Tri-County and Golden West.



1962

**Governor:** Archie Gubbrud (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)

Vice Chairman: C.L. Doherty (Republican)

Commissioner: Fred Lindekugel (Republican)

**Executive Secretary:** Loretta Holland (Acting)

**Staff Members:**

Legal Counsel: Herman Bode

Rate Expert: C.A. Carr

Assistant Rate Analyst: Gary Jorstad

Engineer: E.H. Quinney

Statistician: Wayne Baumgart

Grain Elevator Director: Charlotte Bowers

Reporter: Margaret Marta

**Election Results:** Republican Chris Merkle was reelected to his Commission position by defeating Democrat challenger Randolph Peterson with a 55 to 45 percent vote.

**Highlights:** Transportation/Warehouse: 768 licenses were issued to elevators, warehouses, and mills with separate storage certificates issued. 30 licenses were issued authorizing grain buyers to purchase grain from the owners for the purpose of resale. There were 129 applications for motor carrier authority; 2294 certificates and permits issued, consisting of 6 new Class A, 61 new Class B, and 46 new Class C and 2181 renewals of authority previously issued. Railroads: Due to severe drought conditions in western South Dakota, the Commission asked Chicago & Northwestern, and Chicago, Minneapolis, St. Paul & Pacific to voluntarily reduce their rates by 50% on hay from eastern South Dakota. Chicago & Northwestern Railway terminated services to Crandall, Crocker, Randolph, Standburg, and Waverly. The Great Northern Railway Company, The Northern Pacific Railway Company, The Chicago, Burlington, and Quincy Railroad Company, and the Spokane, Portland and Seattle Railroad Company filed an application with the Interstate Commerce Commission requesting authorization to merge these four large railroads into one system. The Chicago, Milwaukee, St. Paul and Pacific Railway and the Chicago & Northwestern were the two principal railways in South Dakota. The merger would have created an adverse competitive condition for the two railways. The Commission intervened and participated in hearings and proceedings, and prepared to stop the approval of the merger.

1963

**Governor:** Archie Gubbrud (Republican)

**Public Utilities Commissioners:**

Chairman: C.L. Doherty (Republican)

Vice Chairman: Fred Lindekugel (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** Harlan Palmer

**Staff Members:**

Legal Counsel: Herman Bode

Motor Carrier Director: Loretta Holland

Rate Expert: C.A. Carr

Assistant Rate Analyst: Dale Ruffcorn

Engineer: E.H. Quinney

Statistician: Wayne Baumgart

Grain Elevator Director: Charlotte Bowers

Reporter: Margaret Rensch

**Highlights:** Severe drought conditions in western South Dakota caused several railroad companies to voluntarily reduce rates. 58 special authorities were granted to railroad companies and motor carriers to change rates.



*MDU's board of directors stands in front of their largest gas customer, the South Dakota Cement Plant.*

*Photo courtesy of MDU Resources.*



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1964

**Governor:** Archie Gubbrud (Republican)

**Public Utilities Commissioners:**

Chairman: C.L. Doherty (Republican)

Vice Chairman: Fred Lindekugel (Republican)

Commissioner: C.A. Merkle (Republican)

**Executive Secretary:** Harlan Palmer

**Staff Members:**

Legal Counsel: Herman Bode

Motor Carrier Director: Loretta Holland

Rate Expert: C.A. Carr

Assistant Rate Analyst: Dale Ruffcorn

Engineer: E.H. Quinney

Statistician: Wayne Baumgart

Grain Elevator Director: Charlotte Bowers

Reporter: Margaret Rensch

**Election Results:** Incumbent Republican “Roy” Doherty defeated Democrat Norman Schmeling with a 51 to 49 percent victory.

**Highlights:** Drought conditions continued in western South Dakota impacting activity with rail, truck, warehouse and elevator industries.



1965

**Governor:** Nils Boe (Republican)

**Public Utilities Commissioners:**

Chairman: Fred Lindekugel (Republican)  
Vice Chairman: C.A. Merkle (Republican)  
Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** Robert Amundson

**Staff Members:**

Legal Counsel: Herman Bode  
Motor Carrier Director: Loretta Holland  
Rate Analyst: E.P. Springer  
Engineer: E.H. Quinney  
Grain Elevator Director: Charlotte Bowers  
Reporter: Margaret Rensch

**Highlights:** It was a busy year for reviewing and licensing applications for all classes of motor carriers. Railroads: Chicago Northwestern Railway was ordered to remove a bridge at Wallace and raise their tracks. Soo Line Railway retired and removed depot facilities at Dahlbert. Great Northern Railroad retired and removed depot facilities at Mission Hill and discontinued service between Aberdeen and the North Dakota border. Telephone: A rate increase was approved for Cheyenne River Sioux Tribe Telephone Company. The Commission determined that there was not enough demand to force Northwestern Bell Telephone Company to provide special equipment and services to telephone answering companies.

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1966

**Governor:** Nils Boe (Republican)

**Public Utilities Commissioners:**

Chairman: Fred Lindekugel (Republican)  
Vice Chairman: C.A. Merkle (Republican)  
Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** Loretta Holland

**Staff Members:**

Legal Counsel: Herman Bode  
Motor Carrier Director: Loretta Holland  
Rate Analyst: E.P. Springer  
Engineer: E.H. Quinney  
Grain Elevator Director: Charlotte Bowers  
Reporter: Margaret Rensch

**Election Results:** Commissioner Lindekugel did not seek reelection. Republican Harvey Scharn defeated his Democrat challenger Al Rohde with a 59 to 41 percent vote.

**Highlights:** Seven railroad companies were operating in South Dakota. 734 licenses were issued to elevators, warehouses and mills. 23 licenses were issued, authorizing grain buyers to resale. 255 new applications plus 2323 renewal certificates for motor carrier authority were issued. The Engineer helped small telephone companies compile their annual reports.

Chicago, Burlington & Quincy Railroad closed and removed the stations located in Ardmore and Dewey. The Chicago, Milwaukee, St. Paul & Pacific Railroad closed and removed stations located in Interior, Belvidere and Deadwood. Chicago & Northwestern Railroad closed and removed stations in Mosher and Witten. Increased freight rates for rail carriers were approved.



1967

**Governor:** Nils Boe (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)

Vice Chairman: C.L. Doherty (Republican)

Commissioner: Harvey Scharn (Republican)

**Executive Secretary:** Loretta Holland

**Staff Members:**

Legal Counsel: Herman Bode

Motor Carrier Director: Loretta Holland

Rate Analyst: E.P. Springer

Assistant Rate Analyst: Charlotte Bowers

Engineer: E.H. Quinney

Grain Elevator Director: Gladys Gifford

Reporter: Margaret Rensch

**Highlights:** Railroad: Chicago, Milwaukee, St. Paul & Pacific abandoned and removed facilities from Trent, Colman, Wilmot, Java, Mellette, Hosmer, Faith, Delmot, Stickney, Corisca, Bradley, Emery, Flandreau, Oldham, Avon, Bryant, Alexandria, Bridgewater, Lake Andes, Geddes, Lennox and Wentworth. Railway Express Agency discontinued intrastate service to Avon, Bryant, Claremont, Dimock, Doland, Estelline, Fredrick, Geddes, Hayti, Herreid, Hosmer, Isabel, Java, Kennebec, Langford, Mellette, New Effington, Newell, Pollock, Provo, Rosholt, Timber Lake, Veblen, Wetonka, White, White Lake, Willow Lake, Bonesteel, Faith, Leola, and Waubay. Great Northern Railway closed its stations at Badger, Sinai, Nunda, and Hayti. Chicago, Burlington & Quincy closed its Hot Springs station. Telephone: Rate increases were approved for Peoples Telephone and Telegraph, Deuel Telephone Cooperative and James Valley Cooperative. Mobile radio telephone service authority was given to the City of Beresford and Electro-Craft, Inc.

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1968

**Governor:** Nils Boe (Republican)

**Public Utilities Commissioners:**

Chairman: C.A. Merkle (Republican)

Vice Chairman: C.L. Doherty (Republican)

Commissioner: Harvey Scharn (Republican)

**Executive Secretary:** Loretta Holland

**Staff Members:**

Legal Counsel: Herman Bode

Motor Carrier Director: Loretta Holland

Rate Analyst: E.P. Springer

Assistant Rate Analyst: Charlotte Bowers

Engineer: E.H. Quinney

Grain Elevator Director: Gladys Gifford

Reporter: Margaret Rensch

**Election Results:** Commissioner Merkle did not seek reelection. Republican Winston Barness defeated Democrat Thomas Smith with a 55 to 45 percent margin.

**Highlights:** Railroads: Great Northern Railway abandoned and removed its facilities in Yale. Soo Line Railroad discontinued freight shipments of 6000 pounds or less. Chicago, Milwaukee, St. Paul & Pacific discontinued service to Bowdle, Faulkton, and Langford. Telephone: A rate increase was granted to Sanborn Telephone Cooperative.

1969

**Governor:** Frank Farrar (Republican)

**Public Utilities Commissioners:**

Chairman: Harvey Scharn (Republican)

Vice Chairman: Winston Barness (Republican)

Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** Loretta Holland



*When crews installed the reactor assembly in the Pathfinder's containment building, the optimism surrounding the project was palpable. The superheater's job in the core of the reactor was to make hot steam even hotter. Steam produced and heated to 489 degrees in the boiler region of the reactor was designed to be channeled through uranium dioxide fuel tubes in the superheater, where its temperature would be raised to 825 degrees.*

*In reality, the superheated steam corroded the 412 tubular fuel assemblies, and the Pathfinder plant was shut down for maintenance more often than it operated.*

*The reactor operated at full power only once, a 30-minute period in September 1967.*

*Photo courtesy of NSP*

*The Pathfinder Atomic Power Plant between Sioux Falls and Brandon was designed to produce 66,000 kilowatts per year. In 1990, NSP dismantled the Pathfinder reactor and shipped it to a low-level radiation disposal facility in Richland, Washington.*

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1970

**Governor:** Frank Farrar (Republican)

**Public Utilities Commissioners:**

Chairman: Harvey Scharn (Republican)

Vice Chairman: Winston Barness (Republican)

Commissioner: C.L. Doherty (Republican)

**Executive Secretary:** Loretta Holland

**Staff Members:**

Legal Counsel: Herman Bode

Financial Analyst: Robert Hall

Rate Analyst: E.P. Springer

Official Reporter: Margaret Rensch

Motor Carrier Director: Shirley July

**Election Results:** Commissioner Doherty did not seek reelection. Democrat Jack Weiland defeated Republican Ken Donnenwirth with a 51 to 49 percent margin.

**Highlights:** The Commission owned four large scales which were used to test and inspect heavy scales located in grain elevators throughout the state. Inspection fees were assessed based upon the scale capacity. The fees were increased during 1970. The scales department was revised to meet the requirements of the National Conference on Weights and Measures. The scale inspectors cooperated with packers and stockyard administrations, and the U S Department of Agriculture in testing scales used to weigh livestock.

1971

**Governor:** Richard Kneip (Democrat)

**Public Utilities Commissioners:**

Chairman: Harvey Scharn (Republican)

Vice Chairman: Winston Barness (Republican)

Commissioner: Jack Weiland (Democrat)

**Executive Secretary:** Loretta Holland

*Photo  
courtesy of  
Missouri  
Basin  
Municipal  
Power  
Agency*



*The Fort Randall Dam with eight turbine generators can produce up to 320 megawatts of electric energy. It is one of the eight major hydroelectric sources located along the Missouri River (four in South Dakota) in the Upper Midwest.*



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**1972**

**Governor:** Richard Kneip (Democrat)

**Public Utilities Commissioners:**

Chairman: Harvey Scharn (Republican)

Vice Chairman: Winston Barness (Republican)

Commissioner: Jack Weiland (Democrat)

**Executive Secretary:** Bob Hall

**Election Results:** Democrat P.K. Ecker unseated Republican Harvey Scharn in a 51 to 49 percent victory. A very colorful series of events happened after the election. Scharn refused to vacate his seat because Ecker had stock in Western Union, a regulated utility. Ecker came to the office to find his desk relocated in a hall outside of the Commission's suite of offices. Eventually, the issue went to the State Supreme Court. Ecker sold his stock in Western Union and took the office.

**Highlights:** The Rapid City Flood, June 9-10, 1972, devastated that city and the surrounding area. The flash flood resulted from a cloudburst over the watersheds west of the city. The weather systems stalled over the Black Hills, leaving 14 inches of rain to create havoc in the area. Hugh waves of water from Canyon Lake and Dark Canyon raised the water level by four feet in a little over a minute. The Canyon Lake Dam broke, forcing the flow into Rapid City.

238 people died in that flood along with property destruction which included 458 mobile homes, 717 other other dwellings, 5100 cars and trucks, and substantial damage to 1,400 homes. Property damages ran well over \$100 million.

Utility companies went beyond the call of duty to assist with clean up and restoration activities.



*Photos courtesy of MDU Resources*



1973

**Governor:** Richard Kneip (Democrat)

**Public Utilities Commissioners:**

Chairman: Jack Weiland (Democrat)

Vice Chairman: Winston Barness (Republican)

Commissioner: P.K. Ecker (Democrat)

**Executive Secretary:** Bob Hall

**Issues:** During the 1970s the nation became more conscience of environment and air quality issues at the same time that utilities were attempting to expand operations. Regulators were challenged with enforcement of fair laws while promoting energy consumption.



*Higher energy prices precipitated by Arab oil embargoes in 1973 and 1979, coupled with inflation and sharply escalating interest rates, contributed to the difficult economic conditions for South Dakota farmers in the 1980s.*

*Photo courtesy of NWPS*

**1974**

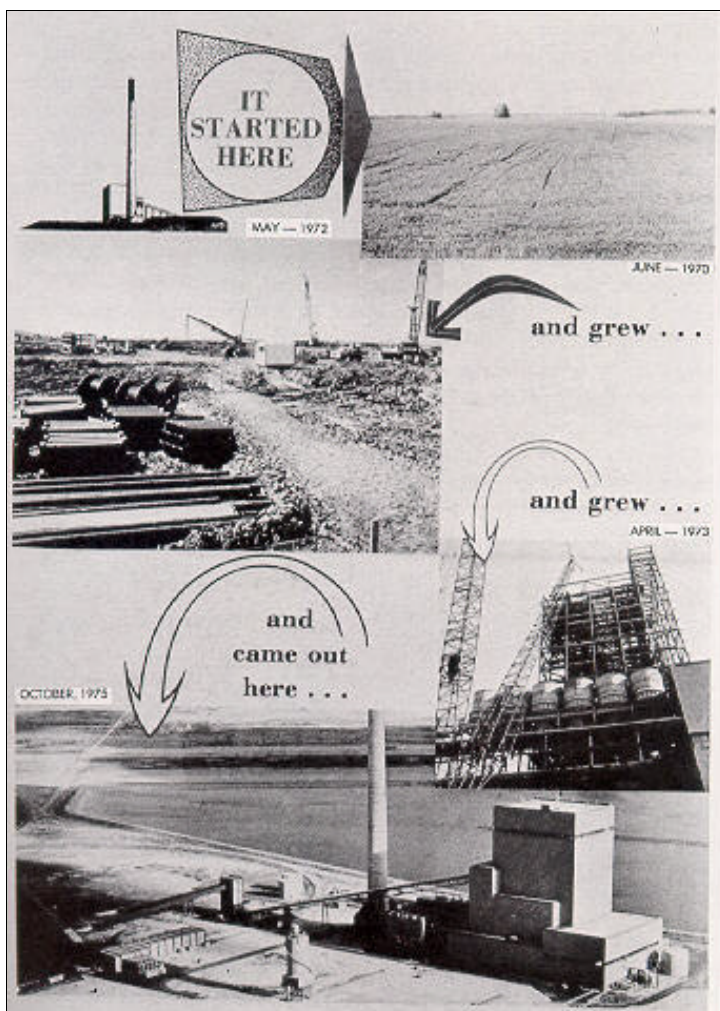
**Governor:** Richard Kneip (Democrat)

**Public Utilities Commissioners:**

Chairman: Jack Weiland (Democrat)  
 Vice Chairman: Winston Barness (Republican)  
 Commissioner: P.K. Ecker (Democrat)

**Executive Secretaries:** Bob Hall and Joe Norton

**Election Results:** Democrat Norma Klinkel unseated Winston Barness with a 51 to 49 percent victory.



*The Watertown Public Opinion published a special issue showing the progress of the Big Stone Power plant construction.*

*Photo courtesy of MDU Resources.*

1975

**Governor:** Richard Kneip (Democrat)

**Public Utilities Commissioners:**

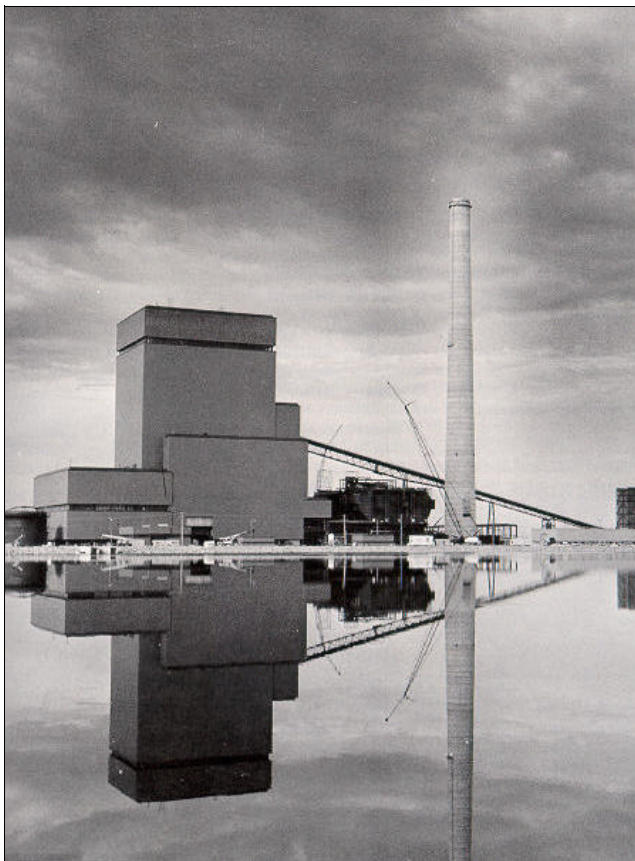
Chairman: Jack Weiland (Democrat)

Vice Chairman: P.K. Ecker (Democrat)

Commissioner: Norma Klinkel (Democrat)

**Executive Secretaries:** Bob Hall and Joe Norton

**Highlights:** The state legislature granted the Commission regulation over natural gas and electric utilities.



*Three utility companies, Otter Tail Power, Northwestern Public Service, and Montana-Dakota Utilities, joined together to create the Big Stone generation station. Reflected above in the Big Stone Lake, this 400,000-kilowatt station took five year to build, but began operation as planned on May 1, 1975.*

*Photo courtesy of MDU Resources*



1976

**Governor:** Richard Kneip (Democrat)

**Public Utilities Commissioners:**

Chairman: Jack Weiland (Democrat)

Vice Chairman: P.K. Ecker (Democrat)

Commissioner: Norma Klinkel (Democrat)

**Executive Secretary:** Joe Norton

**Election Results:** Republican Char Fischer defeated incumbent Democrat Jack Weiland with a 58 to 42 percent victory.



**1977**

**Governor:** Richard Kneip (Democrat)

**Public Utilities Commissioners:**

Chairman: P.K. Ecker (Democrat)

Vice Chairman: Norma Klinkel (Democrat)

Commissioner: Char Fischer (Republican)

**Executive Secretary:** Joe Norton



1978

**Governor:** Harvey Wollman (Democrat)

**Public Utilities Commissioners:**

Chairman: P.K. Ecker (Democrat)

Vice Chairman: Norma Klinkel (Democrat)

Commissioner: Char Fischer (Republican)

**Executive Secretary:** Joe Norton

**Election Results:** Democrat Ken Stofferahn defeated Republican James Melgaard with a 55 to 45 percent vote.

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1979

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Ken Stofferahn (Democrat)

Vice Chairman: Norma Klinkel (Democrat)

Commissioner: Char Fischer (Republican)

**Executive Secretary:** Steve Blomeke

**Staff Members:**

Commission Assistant: Vernell Neyhart

Director\Fixed Utilities: Faye Brown

Deputy Director\Fixed Utilities: Gwen Steingraber

Attorneys: Ben Stead, S. Walter Washington, John Wiles

Director\Transportation & Warehouse: Rick Meek, Pat Springer

Deputy Director\Transportation & Warehouse: Lorrell Larson

Engineers: Martin Bettmann, Elmer Alksmitis

Analysts: Harlan Best, Cindy Kingsbury, Greg Rislov, Timothy Dupic, David Peterson, Theresa Didier

Specialists: Barbara Boddicker, Steve Kinsella, Deborah Jorgensen

Inspectors: Richard Gallup, Morris Sandal, Lou Hammond

Executive Administrative Secretary: Della Andre

Administrative Aide: Margaret Nickels

Clerical: Dorothy Fleishacker

Court Reporter: Margaret Rensch

Receptionist: Mary Beth Ludemann

Staff Assistants: Jolene Sayer, Roberta Parsons, Tracey Nickels, Mary Klein, Velma Otten and Dominica Goc

**Highlights:** Natural Gas: Montana-Dakota Utilities and Iowa Public Power were granted rate increases. Montana Dakota Utilities Canadian gas purchase gas agreement was approved. Electric: Black Hills Power & Light and a portion of Northwestern Public Service rate increases were approved. The Commission approved the sale of 350,000 shares of Black Hills Power & Light common stock and granted Black Hills Power & Light service territory to include Spearfish High School. Northern States Power Company and Valley Springs traded some territory and NSP received approval for transmission lines for the Splitrock-Cherry Creek area. Telephone: Long Valley was allowed to switch from Golden West to the Martin exchange. Golden West purchased People's Telephone and Telegraph. Eight telephone companies revised tariffs to comply with Part 68 of FCC rules. Dakota Cooperative and Dickey Rural Telephone companies received rate increases. Northwestern Bell received approval for ESSX-1 service.

Transportation: Eleven hearings were held. Four applications were approved; two were denied; and five decisions were pending.



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1980

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Char Fischer (Republican)

Vice Chairman: Ken Stofferahn (Democrat)

Commissioner: Norma Klinkel (Democrat)

**Executive Secretary:** Patricia de Hueck

**Election Results:** Republican Jeff Solem defeated Democrat George Kane with a 59 to 41 percent margin.

**Highlights:** Statutory changes in 1980 removed Public Utilities Commission authority to intervene in proceeding before the Interstate Commerce Commission relative to consolidation, abandonment and merger of railroads. PUC authority was limited to providing car service tariffs and rate regulation of intrastate railroads. Municipal telephone companies were allowed to choose to be PUC rate regulated. The charge of failure to deliver grain was changed from larceny to theft.

The legislature gave authority over railroads to the Department of Transportation.

1981

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Char Fischer (Republican)

Vice Chairman: Jeff Solem (Democrat)

Commissioner: Ken Stofferahn (Democrat)

**Executive Secretary:** Patricia de Hueck

**Highlights:** In July 1981, new legislation was passed which required utilities to show the need to build new transmission lines. In relation to this legislation, the Circuit Court overruled a PUC decision which denied the Nebraska Public Power District the authorization to build an interstate transmission line through South Dakota. Also in 1981 legislation was passed which decreased the maximum suspension for telephone rate cases from 12 months to six months. Prior to this law, only electric and gas cases were required to be decided within a six-month period.

Telegraph companies were no longer regulated.



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1982

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Char Fischer (Republican)

Vice Chairman: Jeff Solem (Republican)

Commissioner: Ken Stofferahn (Democrat)

**Executive Secretary:** Patricia de Hueck

**Election Results:** In a very close race, Democrat Dennis Eismach defeated Republican Beverly Nuttbrock with a 50 to 49.9 percent margin.

**Highlights:** Upon reconsideration in June 1982, the PUC authorized Northwestern Bell a \$3.6 million increase for expensing of station connections on a flash-cut basis. The PUC had initially rejected the expensing of station connections on any basis. Northwestern Bell appealed this ruling to the Circuit Court. Northwestern Bell withdrew the appeal.

In November the PUC began hearings to determine the proper standards for electric utilities' monthly automatic fuel adjustments.



1983

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Ken Stofferahn (Democrat)  
Vice Chairman: Jeff Solem (Republican)  
Commissioner: Dennis Eisnach (Democrat)

**Executive Secretary:** Betty Larson

**Highlights:** In June Northwestern Bell's rate proceeding, in which it requested a \$21.5 million rate increase, was bifurcated into an \$9.4 million rate increase and an \$8.3 million increase to account for the impact of divestiture. The general rate case issues were resolved in a PUC decision issued in November. In that order the Commission required Northwestern Bell to decrease rates by \$1.8 million. A decision on the divestiture issue portion of the case was made at a later date.

In April the PUC and Northern States Power stipulated to a settlement granting the company a \$3.9 million rate increase. The stipulation included an agreement on the proper regulatory treatment of the South Dakota portion of the cancelled Tyrone nuclear generating station. Under the terms of the agreement, the company would amortize costs associated with Tyrone through March 1999. NSP would collect a full return on amounts held in abeyance since the PUC order in November up through April 1983 and earn a partial return on the unamortized balance. NSP had first sought recovery of its investment in Tyrone in June 1980. The South Dakota Supreme Court ruled in January that the PUC had the authority to refuse to allow the company to recoup costs through rates pending issuance of a final Federal Energy Regulatory Commission order which determines these costs and which is no longer subject to judicial review.

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1984

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Ken Stofferahn (Democrat)

Vice Chairman: Jeff Solem (Republican)

Commissioner: Dennis Eisnach (Democrat)

**Executive Secretary:** Roberta Lovald

**Election Results:** Democrat Ken Stofferahn was able to maintain his Commission seat by defeating Republican challenger Jack Weiland with a 55 to 45 percent vote.

**Highlights:** In July the PUC awarded Northwestern Bell Telephone an additional Phase I rate increase of \$1 million following reconsideration on remand of NWBT's request for a \$16.5 million general rate increase. This case was initiated in May 1983 and later bifurcated into a Phase I general rate request (\$9.1 million) and a Phase II divestiture case (\$7 million). In November 1983 the PUC authorized a net rate reduction of \$1.1 million in Phase I. Upon appeal the Phase I portion of the case was remanded to the PUC by the Circuit Court in May. In January the PUC awarded NWBT an additional increase of \$1 million, retroactive to January resulting from an increase in allowed overall rate of return to 10.96%.

In September the PUC approved an incentive rate package for Northwestern Public Service designed to diminish excess capacity by encouraging electricity sales. A novel feature of this plan was that a discount available to nondemand customers was based upon the individual customers' previous pattern of consumption rather than providing for a lower rate for all customers in a given rate class. Option X, or Discounted Energy Option Rider, was one of a set of proposals presented to the PUC by NWPS in response to a Commission-sponsored price-elasticity study.

In December the PUC approved a settlement agreement between NWPS, the PUC staff, and intervenors regarding the sale of 40 mw of the Big Stone #1 coal plant to Montana-Dakota Utilities and Otter Tail Power at a price above book value. The settlement agreement specified that the benefits of the sale be shared by shareholders and ratepayers and assumed a reduction in revenue requirements of \$16 million stemming from the sale with \$2 million to shareholders and \$14 million to ratepayers amortized over ten years.



1985

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Jeff Solem (Republican)

Vice Chairman: Ken Stofferahn (Democrat)

Commissioner: Dennis Eisnach (Democrat)

**Executive Secretary:** Roberta Lovald

**Highlights:** Statutory changes clarified the penalties for unlicensed operation, imposed requirements for ordering warehouse receipts, repealed provisions relating to public terminal grain warehouses, modified the bonding requirements for grain dealers, authorized the Commission to prescribe the terms of grain credit sale contracts and conferred law enforcement powers on PUC inspectors. Other statutory changes defined “common carrier” exempted wreckers and tow trucks from Commission regulation, authorized the Commission to place conditions and limitations on motor carrier permits; and authorized issuance of a single trip ticket permit to interstate charter bus carriers.

Northwestern Public Service and Montana-Dakota Utilities received rate increases after approval of settlement agreements.

A settlement agreement was reached for Iowa Public Services’s rate increase request.

A settlement agreement was reached for AT&T’s rate increase request for intrastate telephone service. Northwestern Bell filed a rate increase request in which it estimated two months of data along with ten months of actual data. This was in violation of a Commission order which required filing for test years which contained actual data. This request was dismissed. Later Northwestern Bell requested an increase of over \$10 million on an annual basis. The Commission approved a \$4 million increase. Northwestern Bell appealed to the Circuit Court and at the end of the year was appealed to the State Supreme Court.

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1986

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Jeff Solem (Republican)

Vice Chairman: Ken Stofferahn (Democrat)

Commissioner: Dennis Eisnach (Democrat)

**Executive Secretary:** Roberta Lovald

**Election Highlights:** Democrat Jim Burg unseated Republican Jeff Solem with a 51 to 49 percent margin.

**Highlights:** 1986 was a very interesting year for court action, the PUC and Northwestern Bell Telephone Company. The State Supreme Court approved a settlement agreement resolving issues presented in Northwestern's court case for a rate increase. Four other lawsuits were filed attacking the Commission's jurisdiction. A Writ of Prohibition was filed by Northwestern Bell seeking to prevent further Commission proceedings. The Sixth Circuit court issued an order affirming the Commission's jurisdiction. Four private citizens filed with the State Supreme Court requesting that the Court prevent the settlement approved earlier from being implemented. The request was denied. The same citizens filed an application for a writ of certiorari which the Circuit Court quashed. The Appellants appealed to the State Supreme Court and at the end of the fiscal year oral arguments were being scheduled. These citizens plus one more also filed a complaint with the U S District Court alleging that their civil and constitutional rights had been violated with the earlier cases. This complaint was dismissed.

Several legal issues were brought forward when Ellsworth Air Force Base, which had been served by Black Hills Power and Light for many years, awarded a one-year contract to Heartland Consumers Power District. The controversy involved the Commission's jurisdiction over a federal military contract. Five separate court actions involving the US Department of Defense, the PUC, Heartland Consumer Power District, West River Electric Association and Black Hills Power & Light were appealed to the federal level. These cases were consolidated and at the end of the fiscal year, the matters were pending before the U S Court of Appeals.

Six public warehouse suspension or revocation proceedings occurred. Selland Grain of Woonsocket had not applied for renewal or provided a surety bond upon expiration of previous license and they were closed down on September 30. They applied for renewal and provided bonding on October 4 and were approved. Farmer's Feed and Seed of Sturgis, Empire Bean of Sioux Falls & Vermillion, and Stegmeier Company of Canistota were closed. Steffenson Grain of Hetland and Alfafa Feed of DeSmet did not file for renewal and were closed.



1987

**Governor:** George S. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: Dennis Eisnach (Democrat)  
Vice Chairman: Ken Stofferahn (Democrat)  
Commissioner: Jim Burg (Democrat)

**Executive Secretary:** Mary Vanderpan

**Staff Members:**

Administrative Assistants: Marilyn Teske, Jolene Nelson  
Consumer Information Specialist: Geoff Simon  
Consumer Representative: Della Andre  
Fixed Utilities Director: Greg Rislov  
Telecommunications: Harlan Best  
Analysts: Bob Knadle, Dave Jacobson  
Hearing Officer: Pat Springer  
Clerical: Mary Sieck, Kathy Job  
Special Projects: Bill Stevens  
Administration Director: Betty Larson  
Secretaries: Jody Duffy, Micki Oaks  
Attorneys: Diane Patrick, Doug Eidahl  
Engineer: Martin Bettmann  
Transportation: Lorell Larson  
Inspectors: Richard Gallup, Morris Sandall, Lou Hammond

**Highlights:** Expanded takeover protection activities were given to the PUC which would require that anyone trying to acquire control of 10 percent or more of a South Dakota electric or gas utility must first gain approval of the PUC. The law applied to all companies doing business in South Dakota as well as those who earned 25 percent or more revenue in South Dakota

Bison State Telephone was released from regulatory oversight. The emancipation resulted from an increase in the cutoff mark for telephone company rate of return regulation from 7,000 to 10,000 customers.





1988

**Governor:** George S. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: Dennis Eisnach (Democrat)

Vice Chairman: Ken Stofferahn (Democrat)

Commissioner: Jim Burg (Democrat)

**Executive Secretary:** Mary Vanderpan

**Staff Members:**

Administrative Assistants: Marilyn Teske, Jolene Nelson

Consumer Information Specialist: Geoff Simon

Consumer Representative: Della Andre

Fixed Utilities Director: Greg Rislov

Telecommunications: Harlan Best

Analysts: Bob Knadle, Dave Jacobson

Hearing Officer: Pat Springer

Clerical: Mary Sieck, Kathy Job

Special Projects: Bill Stevens

Administration Director: Betty Larson

Secretaries: Jody Duffy, Micki Oaks

Attorneys: Diane Patrick, Doug Eidahl

Engineer: Martin Bettmann

Transportation: Lorell Larson

Inspectors: Richard Gallup, Morris Sandall, Lou Hammond

**Election Results:** Republican Laska Schoenfelder unseated Democrat Commissioner Dennis Eisnach with a 51 to 49 percent vote.

**Highlights:** In 1988, legislation established partial deregulation of certain telephone services. Implementation of the law's provisions were blocked in June by petitions filed by People for Fair Rates, as an ad hoc consumer group. As a result of these actions and other subsequent events, the issue was placed on the November ballot as a referendum. The PUC had begun four investigations concerning telecommunication's competitiveness to study the different classes of service. One investigation dealt with optional services including Touch Tone and custom calling features. The second investigation dealt with private line and special access lines. The third investigation dealt with all other services. These investigations were suspended until the referendum vote.



1989

**Governor:** George S. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Laska Schoenfelder (Republican)

Commissioner: Ken Stofferahn (Democrat)

**Executive Secretaries:** Mary Vanderpan (Jan.-March), Doug Eidahl (March-July),  
Marshall Damgaard (July-)

**Staff Members:**

Legal Services: Doug Eidahl, Rich Coit, Nancy Nelson

Consumer Affairs: Della Andre, Geoff Simon

Fixed Utilities: Greg Rislov, Harlan Best, Martin Bettmann, Bob Knadle,  
Dave Jacobson

Transportation: Jolene Nelson, Mary Sieck, Kally Williams, Richard Gallup,  
Morris Sandal, Lou Hammond

Administration: Marilyn Teske, Sue Cichos, Dominica Oaks, Jody Duffy

**Highlights:** Following the passage of SD 42, the PUC instituted an investigation into the competitiveness of telecommunications services in South Dakota. In February the PUC approved the partial deregulation of certain telecommunication services provided by U S West Communications. The PUC ruled that intraLATA toll, measured toll (MTS), and wide area toll (WATS) services could be classified as emerging competitive if certain criteria were met: that “1+” dialing service be instituted to assure equal access; and that US West impute access charges in such a way as to create a “level playing field.” Although U S West was the only facility-based carrier in South Dakota, a single LATA state, there was sufficient competition from resellers for competition to justify the relaxed regulation.

In November 1988, U S West filed a request that Commissioner Stofferahn disqualify himself from all telecommunications proceedings to which U S West was a party. This request was a reaction to Commissioner Stofferahn’s opposition to SB 42 and his allegations of U S West’s anticompetitive behavior. Upon Commissioner Stofferahn’s refusal to disqualify himself, U S West sought a court order. Two court hearings were held. In January 1989, the Court determined that Commissioner Stofferahn should be disqualified from reclassification hearings but in June 1989, the Court ruled that Commissioner Stofferahn should be disqualified from dockets “where the material facts, law or policy involve the deregulation or classification of the competitive status of telecommunication services.” An appeal was anticipated by both parties.

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1990

**Governor:** George S. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Laska Schoenfelder (Republican)

Commissioner: Ken Stofferahn (Democrat)

**Executive Director:** Marshall Damgaard

**Staff Members:**

Legal Services: Doug Eidahl, Rich Coit, Nancy Nelson

Fixed Utilities: Greg Rislov, Harlan Best, Martin Bettmann, Bob Knadle,  
Dave Jacobson, Steve Wegman, Della Andre, Geoff Simon

Transportation/Warehouse: Jolene Nelson, Ed Anderson, Mary Sieck, Kally  
Williams, Richard Gallup, Morris Sandal, Lou Hammond

Administration: Marilyn Teske, Sue Cichos, Dominica Oaks, Jody Duffy,  
Lisa Forest

**Election Results:** Democrat Ken Stofferahn was reelected to a third term with 52 percent of the vote. His Republican challenger was Mary Wiese who received 48 percent.

**Highlights:** Newly approved telephone deregulation legislation allowed for the creation of three categories of telephone service: fully-competitive; emerging competitive; and noncompetitive. Fully competitive services, such as cellular radio services, Centron and Centron-type services, billing and collection, private line services, premise cable and inside wiring installation or repair, speed dialing, call forwarding, and call waiting, were removed from PUC regulation. Emerging competitive services, and most long distance calling were made much more flexible to regulation but still under PUC authority. Noncompetitive services, such as local exchange service, and emergency and pay phone services, continued to be PUC regulated. The law also provided that these services could be reclassified by the PUC at any time if the initial classification was deemed incorrect. Legislation, which was upheld following an unsuccessful referendum to block implementation, also gave the PUC authority to regulate access charges of small independent companies.

The State Supreme Court overturned a Circuit Court decision to disqualify Commissioner Stofferahn from pending and future telecommunications proceedings to which U S West Communications was a party.



1991

**Governor:** George S. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Laska Schoenfelder (Republican)

Commissioner: Ken Stofferahn (Democrat)

**Executive Director:** Marshall Damgaard

**Staff Members:**

Legal Services: Doug Eidahl, Rolayne Ailts, Gus Jacobs

Fixed Utilities: Greg Rislov, Harlan Best, Martin Bettmann, Bob Knadle,  
Dave Jacobson, Steve Wegman, Della Andre, Geoff Simon,  
Charlie Bolle

Transportation: Jolene Nelson, Marlette Fischbach, Mary Sieck

Warehouse: Ed Anderson, Dick Gallup, Lou Hammond, Jim Konechne

Administration: Sue Cichos, Lisa Forest, Shirleen Kennedy, Stephanie  
Stocking

**Highlights:** In February the PUC agreed to review a plan by Northern States Power Company to build four 100-mw combustion turbines near the Pathfinder power plant. NSP predicted a shortfall of as much as 200 mw by 1994 and 700 mw by 1997.

Slamming, the unauthorized switching of long distance service, became an activity which received much PUC attention in 1991. Investigations of both MCI and U S Sprint resulted in meeting between the PUC and the marketing departments of the companies to identify questionable telemarketing activities.



1992

**Governor:** George S. Mickelson (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Laska Schoenfelder (Republican)

Commissioner: Ken Stofferahn (Democrat)

**Executive Director:** Marshall Damgaard

**Staff Members:**

General Legal Counsel: Doug Eidahl

Legal Services: Rolayne Ailts, Gus Jacobs

Director of Fixed Utilities: Greg Rislov

Analysts: Harlan Best, Bob Knadle, Dave Jacobson, Charlie Bolle, Steve Wegman

Engineer: Martin Bettmann

Director of Transportation/Warehouse: Ed Anderson

Inspectors: Dick Gallup, Lou Hammond, Jim Konechne

Director of Administration: Sue Cichos

Consumer Information Specialist: Kathy Lucas

Legal Secretary: Stephanie Stocking

Administrative Secretaries: Lisa Forest, Shirleen Kennedy

Administrative Assistants: Marlette Fischbach, Mary Sieck, Marc Peterson

**Election Results:** Democrat Commissioner Jim Burg won reelection by defeating Republican Ken May by a 54 to 46 percent vote.

**Highlights:** People moving buildings under utility lines would be assessed a deposit to cover potential damages. A comprehensive review and revision of all telecommunications statutes was made. Class B carriers expanded their travel radius to 100 miles. Requirements for Commission candidacy were revised and the district nomination requirement was abolished. Rates for grain warehouse storage, handling and redelivery were revised; rulemaking for financial reports from grain warehouses were established; and civil fines could now be assessed for violators of grain warehouse or dealer status. Utility companies were allowed to file stability plans when anticipated heavy costs for purchased power or addition of new facilities would greatly increase rates. Motor carriers were required to maintain copies of PUC permits in each vehicle, and certify each bill of lading to show authority and insurance for that load.

South Dakota Intrastate Pipeline was granted a permit to construct natural gas transmission lines along US 12 west to Selby and US 83 south to Pierre. Minnegasco filed and later withdrew a weather normalization adjustment.

Interim appropriations were granted for a trucking audit. Turton Farmers Elevator had insufficient assets to satisfy outstanding grain liabilities to area producers. Quast Transfer was investigated for 109 possible illegal shipments.

NSP's rate increase request was approved through a settlement agreement and the PAYCO accounting method was continued.

Administrative rules were adopted for intrastate switched access. Reclassification of services was established.

1993

**Governor:** George S. Mickelson (Republican) Governor Mickelson was killed in an airplane crash. Lieutenant Governor, Walter D. Miller, assumed the Governorship.

**Public Utilities Commissioners:**

Chairman: Laska Schoenfelder (Republican)

Vice Chairman: Ken Stofferahn (Democrat)

Commissioner: Jim Burg (Democrat)

**Executive Director:** Marshall Damgaard

**Staff Members:**

Legal Services: Doug Eidahl, Rolayne Ailts Weist, Gus Jacob

Fixed Utilities: Greg Rislov, Harlan Best, Bob Knadle, Dave Jacobson, Charlie Bolle, Martin Bettmann, Steve Wegman, Becky Foote, Paulette Gates

Transportation/Warehouse: Ed Anderson, Dick Gallup, Lou Hammond, Jim Konechne, Marlette Fischbach, Terri Lesmeister

Consumer Representative: Leni Healy

Administration: Sue Cichos, Lisa Forest, Shirleen Kennedy, Becky Zebroski

**Highlights:** The PUC initiated a generic integrated resource planning (IRP) docket to address issues pertaining to demand-and-supply side management, energy conservation, and the 1992 Energy Act.

The PUC approved a petition by Black Hills Power & Light to build a 80-mw coal-fired plant, NSU 2, and rejected a proposal by an independent power producer Rosebud Enterprises, to construct a 40-mw petroleum coke-fired qualifying facility. The PUC ruled that the proposal was not submitted in time for Black Hills Power & Light to be considered for power requirements.

The PUC approved a plan by Northern States Power to build four 100-mw combustion turbines near the Pathfinder power plant.

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1994

**Governor:** Walter Miller (Republican)

**Public Utilities Commissioners:**

Chairman: Laska Schoenfelder (Republican)

Vice Chairman: Ken Stofferahn (Democrat)

Commissioner: Jim Burg (Democrat)

**Executive Director:** Marshall Damgaard

**Staff Members:**

Legal Services: Rolayne Ailts Weist, Karen Cremer, Camron Hoseck

Fixed Utilities: Greg Rislov, Harlan Best, Bob Knadle, Dave Jacobson, Charlie Bolle, Martin Bettmann, Steve Wegman, Paulette Gates, Tammi Hendrix

Transportation/Warehouse: Ed Anderson, Dick Gallup, Lou Hammond, Jim Konechne, Marlette Fischbach, Terri Lesmeister

Consumer Representative: Leni Healy

Administration: Sue Cichos, Lisa Forest, Shirleen Kennedy, Lori Waldner

**Election Results:** Incumbent Republican Laska Schoenfelder was able to maintain her position on the Commission by cornering 51 percent of the vote. Her challengers were Democrat Red Allen who received 44 percent of the vote and Libertarian James Christen who received 5 percent of the vote.

**Highlights:** In an attempt to provide administrative and financial relief, the Interstate Commerce Commission implemented a new system by which motor carriers would register in their base state. Each state distributes fees to appropriate state agencies.

U S West has proposed a sale of several local exchanges in South Dakota. Currently 80 percent of South Dakotans receive local service through U S West.

A pipeline safety program was developed and a new position of pipeline safety inspector was added. By separating from Northern Natural Gas, People's Natural Gas became subject to PUC regulation.

The One-Call Notification Board for excavation activities was set up.

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1995

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Laska Schoenfelder (Republican)

Vice Chairman: Ken Stofferahn (Democrat)

Commissioner: Jim Burg (Democrat)

**Executive Director:** William Bullard

**Staff Members:**

Business Manager: Sue Cichos

Administration: Shirleen Fugitt, Terry Norum, Delaine Kolbo

Warehouse/Transportation: Ed Anderson, Marlette Fischbach, Dick Gallup,  
Lou Hammond, Terri Lesmeister

Consumer Affairs: Leni Healy

Legal Services: Rolayne Ailts Wiest, Camron Hoseck

Fixed Utilities: Greg Rislov, Harlan Best, Martin Bettmann, Charlie Bolle,  
Tammi Hendrix, Dave Jacobson, Bob Knadle, Steve Wegman

**Highlights:** Momentum was building toward structural change in South Dakota's utility environment. More utility rate cases were processed in 1995 than in any previous year; more utility ownership changes and mergers were initiated in 1995 than in recent years; more consumers interacted with the Commission in 1995; and the Commission began a deliberate departure from traditional ratemaking and began formalizing overtures toward incentive-based regulation. The state's trucking industry was wholly deregulated. The number of grain warehouse failures and mergers increased substantially.

The Commission issued a resolution opposing the sale of WAPA. The Commission sponsored region-wide workshops on power interruptions, electric and magnetic fields, and stray voltage. The Commission and Black Hills Power & Light reached a settlement by stipulation in a rate case. Several territory changes were negotiated. NSP proposed a merger with Wisconsin Energy. Midwest Energy merger and changed its name to MidAmerican Energy and immediately filed for a rate increase which was settled through stipulation.

An intrastate transmission pipeline which was operated for a milk processing plant helped bring up rate regulation questions for clarification. The Commission sponsored legislation to clarify Commission authority over transmission pipelines serving one or more customers other than itself.

1995 marked the first full year of operation for the South Dakota Pipeline Safety Program which included inspections and investigations.

U S West proposed the sale of 67 rural telephone exchanges. The Commission approved 63 of the sales. U S West also proposed an alternative rate increase filing. This docket was settled by stipulation which included a \$25 million investment in infrastructure, competition-oriented pricing structure, elimination of touch tone charges, elimination of outside the base rate area (OBRA) charges, and a rate increase phased in over a 36-month period. The second and third planned increases would be contingent upon a review of U S West's service quality performance.

Two major fiber cuts, each lasting several hours, caused the Commission to hire a consultant to assist in the investigation of the redundancy capabilities of U S West's network.

Several requests for Extended Area Service for local toll were made. The largest area included the "Black Hills Area."

The Commission opened a "MEGATEL" docket to solicit comments to determine what future telecommunications needs there would be in South Dakota.

In 1995, the legislature attempted to remove the Transportation/Warehouse division from PUC authority and place it with Commerce. This effort was unsuccessful; however, the legislation did reduce funding for that division by \$100,000. The Commission is considering legislation which would recoup the shortfall by raising the grain dealer and grain warehouse license fees from \$15 to \$160.





1996

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Ken Stofferahn (Democrat)

Vice Chairman: Jim Burg (Democrat)

Commissioner: Laska Schoenfelder (Republican)

**Executive Director:** William Bullard

**Staff Members:**

General Legal Counsel: Rolayne Wiest

Staff Attorneys: Karen Cremer, Camron Hoseck

Director of Fixed Utilities: Greg Rislov

Telecommunications Analysts: Harlan Best, Charlie Bolle

Engineer/Pipeline Safety Coordinator: Martin Bettmann

Analysts: Dave Jacobson, Bob Knadle, Tammi Stangohr, Steve Wegman

Business Manager: Sue Cichos

Director of Consumer Affairs: Leni Healy

Director of Warehouse/Transportation: Ed Anderson

Inspectors: Lou Hammond, Jeff Lorensen

Administrative Secretary: Shirleen Fugitt

Legal Secretary: Delaine Kolbo

Internet Coordinator: Terry Norum

Administrative Assistants: Marlette Fischbach, Terri Lesmeister

**Election Results:** Democrat Pam Nelson won the position vacated by Ken Stofferahn with a 48.18 percent lead. Her challengers were Republican Roy Letellier with 46.81 percent of the vote and Libertarian James Christen with 5 percent of the vote.

**Highlights:** Commissioner Stofferahn retired after servicing 18 years with the Commission.

South Dakota and three other states successfully led a legal challenge to stay that portion of the FCC rules which preempted state's authority to effectively facilitate intrastate competition.

The Commission approved eight applications from companies requesting to provide local telecommunications service competition within U S West's exchanges. The first arbitration pursuant to the Telecommunications Act of 1996 involved U S West and Western Wireless Corporation.

Commissioner Schoenfelder completed her first full year of serving on the Federal/State Joint Board which submitted its universal service recommendations to the FCC on November 8, 1996.



1997

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Pam Nelson (Democrat)

Commissioner: Laska Schoenfelder (Republican)

**Executive Director:** William Bullard

**Staff Members:**

General Legal Counsel: Rolayne Wiest

Staff Attorneys: Karen Cremer, Camron Hoseck

Director of Fixed Utilities: Greg Rislov

Telecommunications Analyst: Harlan Best, Charlie Bolle

Engineer/Pipeline Safety Coordinator: Martin Bettmann

Analysts: Dave Jacobson, Bob Knadle, Tammi Stangohr, Steve Wegman

Business Manager: Sue Cichos

Director of Consumer Affairs: Leni Healy

Director of Warehouse/Transportation: Ed Anderson

Inspectors: Lou Hammond, Jeff Lorensen

Administrative Secretary: Shirleen Fugitt

Legal Secretary: Delaine Kolbo

Internet Coordinator: Terry Norum

Administrative Assistants: Marlette Fischbach, Katie Hartford

**Highlights:** The PUC approved a request by U S West to allow the company to establish a price cap-type rate structure, thus providing U S West more rate flexibility in the wake of competition. This alternative regulation was implemented in 1996 and included a \$25 million infrastructure investment plan and a phase-in of rate increases. The second phase of the rate increase was to occur in 1997, contingent upon a finding by the PUC that U S West's service quality was adequate. Based on inadequate service quality, the PUC denied the second phased-in of rate increase, except for a touch-tone roll-in increase. U S West appealed the PUC's denial to state circuit court and suspended its investment activity in the state.

Commission staff filed a petition to show cause with the Commission alleging that U S West's performance is inadequate and may pose a threat to health, safety and welfare of the citizens of the state as well as an impediment to economic development. The petition asks the Commission to order U S West to show cause as to why the Commission should not force the company to make improvements in its service territory or possibly lose its authority to do business in South Dakota.



**1997**  
*(continued)*

Montana Dakota Utilities customers in western South Dakota will be receiving a percentage share of a \$30.8 million refund following the Commission's and Montana Consumer Counsel's challenge of excessive rates implemented by Williston Basin Interstate Pipeline Company from 1992 to 1995.

A study commissioned by Black Hills Power Company concluded that South Dakota would not benefit from electric deregulation.

The Commission's consumer affairs division registered 1565 consumer contacts in 1997. The leading concern was the unauthorized switching of long distance service.

1998

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Pam Nelson (Democrat)

Commissioner: Laska Schoenfelder (Republican)

**Executive Director:** William Bullard

**Deputy Director/Business Manager:** Sue Cichos

**Staff Members:**

General Legal Counsel: Rolayne Wiest

Commission Advisor: Greg Rislov

Staff Attorneys: Karen Cremer, Camron Hoseck

Telecommunications Analyst: Harlan Best

Engineer/Pipeline Safety Coordinator: Martin Bettmann

Analysts: Dave Jacobson, Bob Knadle, Kylie Tracy, Steve Wegman

Director of Consumer Affairs: Leni Healy, Charlene Lund

Director of Warehouse/Transportation: Jeff Lorensen

Inspector: Lou Hammond

Administrative Secretaries: Shirleen Fugitt, Delaine Kolbo

Internet Coordinator: Terry Norum

Administrative Assistants: Marlette Fischbach, Katie Hartford

**Election Results:** Incumbent Jim Burg won the statewide election over Republican candidate Andy Fergel. Burg won 64.85% of the votes cast.

**Highlights:**

- Chairman Burg was appointed to the NARUC Electricity Committee.
- Chairman Burg was elected President of Mid American Regulatory Commissioners (MARC).
- PUC internal structure was reorganized
- SDPUC and 22 other low cost electric states voice electric deregulation concerns to Congress.
- The City of Pierre filed for a declaratory ruling with the assumption that no siting permit would be required for construction of a transmission line looping the city. The Commission ruled that a permit would be required.
- The City of Vermillion annexed property and later notified Clay-Union Electric Cooperative that the city intended to provide service on the annexed property. Clay-Union would not consent to the relinquishment of service rights, based in part on federal constitution grounds, and the matter was brought before the Commission. The Commission's ruling based on South Dakota law, was for the City of Vermillion.
- Electric restructuring was a matter of discussion both within the Commission and around the state, but there has been no consequent legislative or rulemaking activity. The PUC had not supported any change, federal or state.



**1998**  
*(continued)*

- Northern States Power Company (NSP) began its first full year of retail natural gas operations. The new entity uses a natural gas pipeline owned by NSP's South Dakota electric operation.
- MidAmerican Energy filed to increase natural gas rates by \$3.2 million. The Commission suspended the rates pending further review.
- ◆ OtterTail Power purchased PAM Natural Gas, a retail natural gas marketer.
- ◆ In its fourth year of operation, the South Dakota One-Call Notification Board has contracted with One Call Systems, Inc. of Pittsburgh, Pennsylvania, as its systems operator. The One Call Notification Board continues to function as an eleven-member board whose members are appointed by the Governor, and by statute represents various utility and contracting industries.
- The natural gas transmission and distribution system continues to expand at a steady pace. Approximately 300 miles of pipe and 5,000 new customers were added to the systems in South Dakota during the year. These increases bring the number of miles of pipe to 3,500 and the number of customers to 155,000.
- On May 30, 1998, the town of Spencer was severely damaged by a tornado. Approximately two-thirds of the town, including the business area, was destroyed or damaged by the storm. One hundred and eleven gas services were either destroyed or lost because of damage. Six people died and over 150 were injured by the storm but none of the damage, deaths, or injuries could be attributed to damage done to the gas system. Damages to the gas system were estimated to be \$74,193.
- The South Dakota Circuit Court affirmed the Commission's decision to deny U S West's rate increase on the basis of unsatisfactory service quality.
- The Commission dismissed its show cause proceeding against U S West in favor of opening a more expansive investigation to identify areas within the entire state where adequate phone service is lacking. The investigation will be followed by a rulemaking proceeding that sets service quality standards for phone service throughout the state.
- In a unanimous decision, the PUC voted to impose a \$1,000 per day penalty against U S West if the company fails to meet a September 30, 1998, completion deadline for upgrading its telephone network in Carpenter, South Dakota.
- The PUC proposed telecommunications rules to establish quality service standards and provide slamming and cramming prohibitions and consumer remedies. It also addressed local exchange service competition, interexchange carrier classification, and general rules of practice.
- The 1998 Legislature did not establish a universal service fund but it did make significant changes to the state's telecommunication laws. Some of the changes include: All Commission regulations pertaining to telecommunications companies shall apply to all telecommunications carriers; the Commission may not order dialing parity for intraLATA long distance until all providers are allowed into the interLATA market;

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**1998**  
*(continued)*

- the definition of local exchange service is no longer limited to “two-way switched voice,” but is now expanded to two-way switched telecommunications services, which would include voice, data, and video; the threshold size of independent telephone companies subject to Commission rate regulation is raised from 10,000 access lines to 50,000 access lines; Commission approval is no longer required for consolidations or mergers as companies are now only required to notify the Commission of consolidations or mergers; telecommunications companies may jointly provide facilities and enter into revenue pooling arrangements, and may also form associations and pool resources consistent with the state’s infrastructure policies. Such activities receive statutory protection from unfair trade practices, antitrust, and restraint of trade laws.
- In addition, the new laws state that customers in rural and high cost areas shall have access to services and rates that are reasonably comparable to services and rates in urban areas; any telecommunications company may grant any discounts, incentives, services or other business practice necessary to meet competition; prices for U S West’s residential and business local exchange service are capped by the legislature as of January 1, 1998. If such rates are lowered by the company, they cannot be raised without legislative approval.
- Due to excessive consumer complaints of slamming against Utility Analysts, doing business as Basic Long Distance, the Commission ordered the company to appear in a hearing to determine wrongdoing. As a result, all of the company’s South Dakota customers were contacted to determine if the services of the company had been requested. The company was ordered to refund, in full, all charges assessed to South Dakotans who did not request the services. The company is no longer doing business in South Dakota and cannot unless telemarketing scripts are submitted for approval.
- During the year, the Commission received 54 applications for certificates of authority from interexchange carriers, 1 application from a competitive local exchange carrier, and 4 applications for carriers wanting to do both long distance and local service. At year-end 1998, South Dakota had 246 certified long distance providers, 27 certified competitive local exchange providers and 61 certified local exchange companies. Thirteen long distance companies had their certificates revoked for nonpayment of the gross receipts tax.
- Eleven formal interconnection agreements were in effect between U S West and new, competitive local exchange companies, including six wireless carriers. Only one interconnection agreement exists between two rural telecommunications companies. The Commission arbitrated one interconnection agreement filed by AT&T Communications of the Midwest on November 20, 1996.
- The Commission approved 17 switched access cost studies submitted by the Local Exchange and Carriers Association (LECA), some of its small independent, cooperative and municipal telephone company members and the South Dakota Network.



1999

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Pam Nelson (Democrat)

Commissioner: Laska Schoenfelder (Republican)

**Executive Director:** William Bullard

**Deputy Director/Business Manager:** Sue Cichos

**Staff Members:**

General Legal Counsel: Rolayne Wiest

Commission Advisor: Greg Rislov

Staff Attorneys: Karen Cremer, Camron Hoseck

Telecommunications Analyst: Harlan Best

Engineer/Pipeline Safety Coordinator: Martin Bettmann

Analysts: Dave Jacobson, Keith Senger, Michelle Farris, Heather Forney

Director of Consumer Affairs: Leni Healy

Consumer Representative: Charlene Lund

Director of Warehouse/Transportation: Bob Knadle

Inspectors: Lou Hammond, Lisa Hull

Administrative Secretaries: Shirleen Fugitt & Mary Giddings

Legal Secretary: Delaine Kolbo

Internet Coordinator: Terry Norum

Administrative Assistants: Marlette Fischbach, Katie Hartford

**Highlights:**

- Commissioner Nelson named Vice Chair of the National Consumer Affairs Committee.
- Chairman Burg appointed to the Advisory Council of Electric Power Research Institute
- Commissioner Schoenfelder elected Chairwoman of Federal/State Joint Board on Universal Service
- Over half of the consumer complaints received involved unauthorized switching of telecommunications services.
- Legislature passed tough enforcement laws concerning unauthorized switching of telecommunications services.

**ACTIVITIES**

**Electricity:** The Commission approved Black Hills Power & Light's request for a new general service large-optional combined account billing rate schedule thus allowing its industrial and commercial customers to aggregate their previously individualized bills by combining energy and demand usage from multiple locations onto one bill.

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**1999**  
*(continued)*

The Commission approved several applications for changes to assigned service territories.

The Commission received a filing from Northern States Power requesting approval of the inclusion of financial incentives in its fuel clause. The Commission also opened a docket to determine if the Sioux Falls, SD, customers of Northern States Power should share equally in the cost of burying Northern States Power's overhead facilities pursuant to a city ordinance requiring such burial whenever the city resurfaces streets in an urban renewal area defined by city ordinance.

**Natural Gas:** Montana-Dakota Utilities Company filed an application to pass through both a refund and a surcharge related to FERC jurisdictional rate cases of its affiliate Williston Basin Interstate Pipeline Company. The net effect was a \$1.5 million refund which was passed through to South Dakota customers via an out-of-cycle reconciliation of over collections for purchased gas adjustment from December 1999 through April 2000.

MidAmerican Energy filed a rate increase request. The Commission approved a settlement resulting in a \$2.4 million increase in rates.

Northwestern Public Service filed a rate increase request. The Commission approved a settlement resulting in a \$1.28 million increase in rates. The Commission also approved a refund related to a FERC jurisdictional rate case in the amount of \$507,041 for consumers.

**One Call Notification:** South Dakota One-Call is a mandatory statewide one-call notification system established to inform all South Dakota underground facility operators of intended excavation. In its fifth year of operation, the South Dakota One Call Notification Board contracted with One Call Systems, Inc. of Pittsburgh, Pennsylvania, as its systems operator. The One Call Notification Board functions as an eleven-member board whose members are appointed by the Governor and, by statute, represent various utility and contacting industries.

**Pipeline Safety Program:** The purpose of this program is to protect South Dakota citizens from avoidable safety mishaps involving the transmission and distribution of natural gas and propane. This program has jurisdiction over 3,619 miles of transmission and distribution pipelines that serve over 152,000 South Dakota customers. South Dakota has 18 operators subject to the program's jurisdiction. There are three large natural gas system operators, five municipal natural gas operators, two natural gas master meter system operators, four propane system operators, and four intrastate pipeline operators. This program performs semi-annual inspections. Over each two-year period, more than 65 safety inspections have been completed.





2000

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Pam Nelson (Democrat)

Commissioner: Laska Schoenfelder (Republican)

**Executive Director:** William Bullard

**Deputy Director/Business Manager:** Sue Cichos

**Staff Members:**

General Legal Counsel: Rolayne Wiest

Commission Advisor: Greg Rislov

Staff Attorneys: Karen Cremer, Camron Hoseck, Kelly Frazier

Telecommunications Analyst: Harlan Best

Engineer/Pipeline Safety Coordinator: Martin Bettmann

Analysts: Dave Jacobson, Keith Senger, Michelle Farris, Heather Forney

Director of Consumer Affairs: Leni Healy

Consumer Investigators: Charlene Lund, Mary Healy

Director of Warehouse/Transportation: Bob Knadle

Inspectors: Christopher Downs, Lisa Hull

Administrative Secretaries: Shirleen Fugitt & Mary Giddings

Legal Secretary: Delaine Kolbo

Internet Coordinator: Terry Emerson

Administrative Assistants: Marlette Fischbach, Jennifer Kirk

**Election Results:** Commissioner Schoenfelder, a Republican, was challenged by a Rapid City attorney, Arnie Laubach, a Democrat. Schoenfelder won her third term by taking 56.27% of the vote.

**Highlights and Activities:**

ELECTRICITY No electric industry restructuring legislation has been introduced and there is little impetus for electric restructuring in South Dakota. A study by the University of South Dakota, sponsored by the state's rural electric cooperatives, found that electricity industry restructuring was not in the interest of most customers in the state. There are few industrial customers in the state and even those have not pushed aggressively for electric industry restructuring. The Commission continues to use its authority to approve contracts with deviations to allow pricing that is both flexible and reflective of a market-oriented approach.

The Commission in the past year approved interactive rates between utilities and customers that allow customers to share benefits of marketed power made available when the customer foregoes consumption. The Commission continues to encourage inventive and incentive service and pricing strategies by energy suppliers which inject market-type discipline and are expected to benefit both company and customers.

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**2000**  
*(continued)*

The Commission has been responsible for regulating electric rates since 1975. The Commission has the authority to set retail rates, territorial boundaries and customer service regulations such as credit and disconnection policies, and these regulations are applied to investor-owned utility companies. The PUC also regulates rural electric cooperatives, but has no jurisdiction over the rates charged by cooperatives or municipal utilities.

South Dakota is ranked fourth in the nation for its wind generating potential. A number of developers are securing easements for wind development and East River Power Cooperative is looking into the possibility of forming a wind power cooperative that would retain ownership of wind energy from generation to marketing.

South Dakota is closely monitoring RTO activity. Recent developments and proposals for both planned and potential RTOs could have significant impacts on the delivered cost of South Dakota's power supply. The PUC has additional concerns about FERC-adopted ratemaking principles which could cause dramatic increases in transmission rates. The PUC is in a "wait-and-see" posture, but are prepared to press our case if necessary.

NATURAL GAS Through the summer and fall of 2000, the Commission was involved in settlement negotiations with Northern Natural Gas pipeline, various utilities and natural gas producers located in the state of Kansas regarding the issue of refunds to be paid by Kansas producers concerning overcharges stemming from prices paid to those producers during the 1980s. A settlement was reached and submitted to the Federal Regulatory Commission on November 20, 2000. Comments were submitted to expedite the FERC's approval so that refunds could help offset current high gas prices. At this time refunds are hoped to be passed through to end users in March of 2001.

ONE- CALL NOTIFICATION South Dakota One-Call is a mandatory statewide one-call notification system established to inform all South Dakota underground facility operators of intended excavation. In its sixth year of operation, the South Dakota One Call Notification Board has contracted with One Call Systems Inc. of Pittsburgh, Pennsylvania, as its systems operator. The One Call Notification Board functions as an eleven-member board whose members are appointed by the Governor, and, by statute, represent various utility and contracting industries.

PIPELINE SAFETY PROGRAM The purpose of this program is to protect South Dakota citizens from avoidable safety mishaps involving the transmission and distribution of natural gas and propane. This program has jurisdiction on over 3,775 miles of transmission and distribution pipelines that serve over 154,600 South Dakota customers. South Dakota has 18 operators subject to the program's jurisdiction. There are three large natural gas system operators, five municipal natural gas system operators, two natural gas master meter system operators, four propane system operators, and four intrastate pipeline operators.



2000  
(continued)

This program performs a semi-annual inspection schedule. Over each two-year period, more than 65 safety features are inspected. The safety features subject to inspection each year of the two-year schedule are further divided into semi-annual inspections. Efficiency is achieved for smaller operators by limiting their inspections to a single, annual inspection. This program routinely conducts unscheduled inspections of new construction and investigates safety infractions. There was one incident reported during the 2000 calendar year.

TELECOMMUNICATIONS On March 22, 2000, the Circuit Court overturned the Commission's denial of ETC designation for GCC License Corporation (Western Wireless). The Commission appealed the decision to the South Dakota Supreme Court and a decision is pending.

U S WEST and Qwest Merger - The Commission has no jurisdiction over the merger. However, prior to the merger, Qwest Communications paid a fine of \$2,500 to the state and a \$1,000 payment to each consumer it slammed.

Slamming and cramming remain the top consumer complaints and the Commission streamlined its complaint process procedure by eliminating its probable cause determination through rulemaking. The Commission entered into a settlement agreement with Western Telecom following numerous slamming complaints against the company. The company paid a fine of \$2,500 to the state and a \$1,000 payment to each of the consumers it slammed.

South Dakota does not have a state universal service fund program though it is expected that the state's independent and cooperative telephone companies will introduce enabling legislation this year.

Service quality complaints decreased by half compared to 1999.

The Commission participated in the Section 706 field hearings and completed a survey of the deployment of advanced services in the state.

Qwest has deployed DSL service only in its two largest exchanges, Sioux Falls and Rapid City. Held orders for this service are rising as Qwest appears unable to keep up with demand. The state's cooperative and independent telephone companies are deploying DSL services in many of their small exchanges.

The Commission did not join but is monitoring the Qwest multi-state Section 271 process. Qwest filed its Statement of Generally Accepted Terms (SGAT) on November 22, 2000. Action on this filing is pending.

Qwest Corporation sold one of its rural exchanges in South Dakota to a local cooperative telephone company. Three exchanges were also sold in which the central offices were located in adjoining states. Citizens has filed to acquire these exchanges and a decision is pending before the Commission.

The Commission approved 53 new Certificates of Authority bringing the number of certified companies to 280 in the state.

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**2000**  
*(continued)*

TRANSPORTATION/WAREHOUSE The transportation/warehouse division licensed and monitored 349 grain dealers and warehouses consisting of 242 grain storage facilities, 32 non-storage facilities, 42 truck grain dealers and 33 grain brokers. It also approved licenses and required bonding or insurance coverage for 24 general storage facilities. In addition, the division registered and issued permits to 1,135 single state SSRS Federal Highway Authority (previously known as ICC) truckers and 2,766 exempt commodity haulers.

The division has one part-time and two full-time inspectors who annually perform 300-400 general and special inspections on the grain warehouses and grain dealers. The inspectors also perform grain checkoff inspections for the SD Wheat Commission and the SD Soybean Council. These inspectors additionally work with the motor carrier division of the SD Highway Patrol to examine truckers passing through the ports and weigh stations for proper authority and grain license truck decals.

There appears to be a trend developing involving moving away from stored grain to Voluntary Credit Sales contracts. By doing this elevator facilities are able to free up grain for shipping, allowing the facilities to handle larger quantities of grain. This poses a risk for producers as the VCS contracts are not covered by the grain dealer or grain warehouse bonds. Therefore, the Commission is closely monitoring the financial health of all grain dealers within the state making sure producers are doing business with strong companies that will not default on these contracts.

Another trend concerning Voluntary Credit Sales contracts is the move from basic VCS contracts (delayed price, deferred payment) to more elaborate hybrid contracts. Due to this the contracts are becoming more complex and harder to understand. Additionally, the grain warehouse industry continues to change as evidenced by the 17 facilities that changed hands in 2000.



2001

**Governor:** William Janklow (Republican)

**Public Utilities Commissioners:**

Chairman: Jim Burg (Democrat)

Vice Chairman: Pam Nelson (Democrat)

Commissioner: Laska Schoenfelder (Republican) deceased while in office;  
(Governor to appoint person to fill open position until the next general election.)

**Executive Director:** William Bullard, through April; Deb Eloffson

**Deputy Executive Director:** Sue Cichos

**Staff Members:**

Commission General Counsel: Rolayne Wiest

Commission Advisor: Greg Rislov

Staff Attorneys: Karen Cremer, Kelly Frazier

Telecommunications Analyst: Harlan Best

Pipeline Safety Program Manager: Martin Bettmann

Analysts: Dave Jacobson, Keith Senger, Michelle Farris, Heather Forney

Director of Education & Outreach: Leni Healy

Consumer Investigators: Charlene Lund, Mary Healy

Director of Warehouse/Transportation: Bob Knadle

Inspectors: Christopher Downs

Warehouse Administrator/Administrative Assistant: Marlette Fischbach

Warehouse Inspector/Accountant: Lisa Hull

Transportation Administrator/Warehouse Inspector: Jennifer Kirk

Administrative Secretaries: Amy Kayser & Mary Giddings

Legal Secretary: Delaine Kolbo

Information Systems Specialist: Terry Emerson



## Index of Commissioners

**Board of Railroad Commissioners**DAKOTA TERRITORY**(Appointed)**

William Evans, Milbank	1886
W. H. McVay, Yankton	1886
Alex Griggs, Grand Forks	1886-1888
A. Boynton, Lennox	1887-1888
N. T. Smith, Huron	1887-1888
Judson LaMoure, Pembina	1889
John H. King, Rapid City	1889
Harvey Rice, Huron	1889

STATE OF SOUTH DAKOTA**(Appointed)**

Harvey Rice, Huron	1890
John King, Rapid City	1890-1892
Albion Chase, Watertown	1890-1892
Charles McKinney, Sioux Falls	1892
Frank Phillips, Watertown	1892

**(Elected)**

E.F. Conklin	1895-1898
J.R. Brennan	1895-1898
George Johnston	1895-1897
W.T. LaFollette	1897-1901
W. H. Tompkins	1898-1900
Alex Kirkpatrick, Wessington	1898-1903
Wm. G. Smith, Sturgis	1900-1917
Frank Le Cocq, Jr., Harrison	1901-1907
D. H. Smith, Miller	1903-1909
George Rice, Flandreau	1907-1913
F.C. Robinson, Groton	1909-1915
J.J. Murphy, Parker	1913-1943
P.W. Dougherty, Webster	1915-1919
F.E. Wells, Bonesteel	1917-1919
J.W. Raish, Aberdeen	1919-1933
D.E. Brisbane, Faith	1919-1935
F.S. Pickart, Hoven	1933-1939
Windsor Dougherty, Winner	1935-1936
Fred B. Ray, Rapid City	1936-1937
C.L. "Roy" Doherty, Rapid City	1937-1971

**Public Utilities Commissioners****(Elected)**

C.A. Merkle, Leola	1939-1969
F.L. Lindekugel, Madison	1943-1967
Harvey Scharn, Sioux Falls	1967-1973
Winston Barness, Redfield	1969-1875
Jack Weiland, Rapid City	1971-1977
P.K. Ecker, Sioux Falls	1973-1979
Norma Klinkel, Brookings	1975-1981
Charlotte Fischer, Wall	1977-1983
Ken Stofferahn, Humboldt	1979-1996
Jeff Solem, Aberdeen	1981-1987
Dennis Eisnach, Pierre	1893-1989
Jim Burg, Wessington Springs	1987-present
Laska Schoenfelder, Pierre	1989-2001
Pam Nelson, Sioux Falls	1997-present

