

# SECRETARY'S RECORD, PUBLIC SERVICE COMMISSION

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## BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application ) Application No. GW-19  
of J.E. Meuret Grain, Co., Inc., )  
Brunswick, Nebraska, requesting )  
a \$25,000 deductible on its ) GRANTED  
stock insurance. )  
)  
) Entered: January 19, 2022

### BY THE COMMISSION:

On December 12, 2021, J.E. Meuret Grain, Co., Inc. ("Applicant" or "J.E. Meuret"), Brunswick, Nebraska filed an application requesting a \$25,000 deductible on its stock insurance. Notice of the application was published in The Daily Record, Omaha, Nebraska, on December 16, 2021.

On December 29, 2021, Applicant filed a Grain Inventory Insurance Verification ("GIIV") form with the Nebraska Public Service Commission ("Commission") showing it holds a policy with Nationwide Agribusiness Ins. Co. with a \$25,000 insurance deductible effective until January 1, 2023.

### O P I N I O N   A N D   F I N D I N G S

Minimum insurance coverage amounts are governed by Title 291, Chapter 8, Section 002.06C, which provides:

[A] warehousemen must maintain a policy or policies of combustion, fire, lighting, and tornado insurance in an amount sufficient to cover the total loss upon all grain in the licensed warehouse, as valued by the formula set forth in Subsection 002.08H2. Without in any way limiting the warehousemen's liability under this section, the warehousemen may carry a standard form of insurance policy approved for grain warehousemen, with a total deductible not to exceed \$10,000; provided that the Commission may require a lower deductible based on the warehousemen's financial condition. Any applicant or licensee seeking a deductible higher than \$10,000 will submit an application to the Commission for consideration.

A warehouseman must demonstrate and maintain an allowable net worth of \$0.25 per bushel for each bushel of licensed capacity and must maintain a minimum allowable net worth of \$10,000.<sup>1</sup> Pursuant to

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<sup>1</sup> 291 NAC Ch. 8 §002.04A.

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the Commission's rules regarding working capital a warehouseman's current liabilities to allowable current assets shall show a working capital ratio of not less than 1 to 1. If a warehouseman's financial condition fails to meet this requirement, the warehouseman shall provide additional data that sufficiently satisfies the Commission that additional operating capital be obtained to meet the requirement.<sup>2</sup>

On February 2, 2021, the Commission entered an Order granting J.E. Meuret an increase in its insurance policy deductible to \$25,000.<sup>3</sup> In that Order, the Commission held that if J.E. Meuret desired to retain the increased deductible for a subsequent license year, it must reapply for authority to do so. The December 29, 2021 GIIV form filed by J.E. Meuret shows a deductible on its policy higher than that which is prescribed in Commission Rule 002.06C. In its filed application, J.E. Meuret stated that a higher deductible allows it to be more cost-effective at its license renewal date. The Commission's most recent financial review of J.E. Meuret was conducted and based on J.E. Meuret's December 31, 2020 financial statement.

Based on the most recent financial review conducted by Commission staff, it appears J.E. Meuret has sufficient net worth and working capital to support an increase to the insurance deductible.

Based on the foregoing finds, the Commission finds the application of J.E. Meuret Grain Co., Inc., Brunswick, Nebraska requesting a \$25,000 deductible in its stock insurance should be granted. Further, the Commission finds that should J.E. Meuret Grain Co., Inc., Brunswick, Nebraska, desire to retain such increased deductible for a subsequent license year, it must reapply for authority to do so from this Commission.

### O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that J.E. Meuret Grain Co., Inc., Brunswick, Nebraska be, and is hereby granted authority to increase its insurance deductible to \$25,000 for its insurance policy effective until January 1, 2023.

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<sup>2</sup> 291 NAC Ch. 8 §002.04B.

<sup>3</sup> See *In the Matter of the Application of J.E. Meuret Grain Co., Inc., Brunswick, Nebraska, requesting a \$25,000 deductible on its stock insurance*, Order Granting (Entered: February 2, 2021).

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IT IS FURTHER ORDERED that should J.E. Meuret Grain Co., Inc., desire to retain such increased deductible for a subsequent license year, it must reapply for authority to do so from this Commission.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 19th day of January, 2022

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

*Rod Johnson*  
*Crystal Swader*  
*Mary Keddin*  
*Tim Schram*

*Don Watson*

Chair

ATTEST:

*Thomas W. Golden*  
Executive Director