



# Public Service Commission

## State of North Dakota

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August 20, 2009

Mr. Jeff Fleischman, Director  
Casper Field Office  
Office of Surface Mining  
PO Box 11018  
Casper WY 82602-5004

Dear Mr. Fleischman:

Enclosed is the final report for North Dakota's 2009 Administration and Enforcement Grant, GR803383 (S08AF12691-0001-G310). The report covers the grant period that began July 1, 2008 and ended June 30, 2009. A completed Financial Status Report, SF 269, covering the grant period is enclosed. Also, a summary of the activities that occurred during the grant period is in the narrative attached to the OSM-51 form. The appropriate information from the financial report and narrative will also be entered online into FBMS.

Please note that \$8,350.79 of the federal funds awarded in this grant was not spent following the reduction of the original grant from \$644,571 to \$619,571. The primary reason for under spending the grant was a position that was vacant for several months during the grant period. Had this vacancy not occurred, all of the federal funds would have been spent.

The North Dakota Public Service Commission now considers Administration and Enforcement Grant GR803383 to be complete and that payment by OSM to the State for allowable costs have been made. OSM is released from all obligations under or arising from the grant, subject to audit, if applicable.

Also enclosed is a copy of the current inventory of federal equipment used for the coal regulatory program. If you have any questions, please contact Gloria Geiger or me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim Deutsch".

James R. Deutsch  
Director  
Reclamation Division

Enclosures

cc: Frank Atencio (e-mail)

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5 RC-08-161 Filed 08/20/2009 Pages: 4  
Grant Closeout Documents Sent to OSM  
Public Service Commission  
Jim Deutsch

U.S. DEPARTMENT OF THE INTERIOR  
Office of Surface Mining  
Washington, DC 20240

A & E Grant

Performance Report

Program Narrative

1. Type of Program (Check Appropriate Box)	
<b>ADMINISTRATION and ENFORCEMENT GRANT</b>	<input checked="" type="checkbox"/> State and Federal
Grant Recipient	Type of Report
<b>PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave, Dept 408 BISMARCK, ND 58505-0480</b>	<b>A &amp; E FINAL REPORT</b>
3. Project Title/Program <b>GR803383</b>	
<b>ADMINISTRATION &amp; ENFORCEMENT RECLAMATION PROGRAM</b>	
4. Performing Organization	
<b>SAME AS ABOVE</b>	
5. Program Narrative	
<b>SEE ATTACHED NARRATIVE</b>	

OSM-51(12/80)

The Paperwork Reduction Act of 1980 (44 U.S.C. 35) requires us to inform you that "This information is being collected to determine how an applicant plans to spend Federal dollars of a grant or cooperative agreement. This information will be used to prepare budget analyses and forecasting. The obligation to respond is required to obtain a benefit.

**Activity Narrative for Semiannual 2009 A&E Grant Report**  
(July 1, 2008 to June 30, 2009)

**Permitting** - During the grant period that began July 1, 2008 and ended June 30, 2009, the Reclamation Division received two new permit applications, but one was later withdrawn. The new permit application currently under review covers 5,490 acres for the proposed Otter Creek Mine. The Reclamation Division received 32 revision applications and 24 were approved. Three permit renewal applications were also approved during the period. The Reclamation Division also carried out ten midterm or similar permit reviews. At the end of the reporting period there were 30 OSM inspectable units, with 20 having active mining operations.

**Inspection** - Reclamation Division staff carried out 659 inspections on 31 inspectable units covering active and inactive mines to ensure compliance with the regulatory program and approved mining and reclamation plans. Complete inspections totaled 127 and 532 partial inspections were conducted.

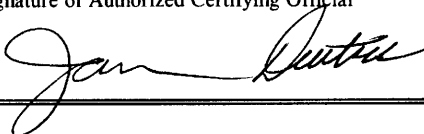
**Complaints** – One written complaint was received near the end of the grant period and was being investigated as of June 30<sup>th</sup>.

**Enforcement** - Five notices of violation were issued during the grant period.

**Bond Release** - The Commission approved five final bond release applications that totaled 2,664 acres during the grant period. Staff also worked on eight other final bond release applications.

**Permit Fees** - The Commission received \$67,550 in permit fees during the grant period; however, \$2,745 of that was refunded following the withdrawal of a new permit application. Pursuant to OSM policy, all of these funds were deposited in the State's general fund to help offset the state share of the program costs.

**FINANCIAL STATUS REPORT  
(Long Form)**

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  U.S. Department of Interior Office of Surface Mining	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b>  GR803383	<b>OMB Approval No.</b> 0348-0039	<b>Page</b> 1	<b>of</b> 1 Pages
<b>3. Recipient Organization (Name and complete address, including ZIP code)</b> PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave., Dept. 408 Bismarck, ND 58505-0480				
<b>4. Employer Identification Number</b> 45-0309764	<b>5. Recipient Account Number or Identifying Number</b> 6. RO34-09	<b>6. Final Report</b> [X] Yes [ ] No	<b>7. Basis</b> [x] Cash [ ] Accrual	
<b>8. Funding/Grant Period (See Instructions)</b> From: (Month, Day, Year) 7-1-08	To: (Month, Day, Year) 6-30-09	<b>9. Period Covered by this Report</b> From: Month, Day, Year 7-1-08	To: (Month), Day, Year) 6-30-09	
<b>10. Transactions:</b>	<b>I</b> Previously Reported	<b>II</b> This Period	<b>III</b> Cumulative	
a. Total outlays		940,340.35	940,340.35	
b. Refunds, rebates, etc.		0	0	
c. Program income used in accordance with the deduction alternative		0	0	
d. Net outlays (Line a, less the sum of lines b and c)		940,340.35	940,340.35	
<b>Recipient's share of net outlays, consisting of:</b>				
e. Third party (in-kind) contributions		14,586.20	14,586.20 *	
f. Other Federal awards authorized to be used to match this award		0	0	
g. Program income used in accordance with the matching or cost sharing alternative		64,805.00	64,805.00	
h. All other recipient outlays not shown on lines e, f, or g		249,728.94	249,728.94	
i. Total recipient share of net outlays (Sum of lines e, f, g and h)		329,120.14	329,120.14	
j. Federal share of net outlays (line d less line i)		611,220.21	611,220.21	
k. Total unliquidated obligations			0	
l. Recipient's share of unliquidated obligations			0	
m. Federal share of unliquidated obligations			0	
n. Total federal share (sum of lines j and m)			611,220.21	
o. Total federal funds authorized for this funding period			619,571.00 **	
p. Unobligated balance of federal funds (Line o minus line n)			8,350.79	
<b>Program income, consisting of:</b>				
q. Disbursed program income shown on lines c and/or g above			64,805.00	
r. Disbursed program income using the addition alternative			0	
s. Undisbursed program income			0	
t. Total program income realized (Sum of lines q, r and s)			64,805.00	
<b>11. Indirect Expense</b>	a. Type of Rate (Place "X" in appropriate box) <input type="checkbox"/> Provisional <input checked="" type="checkbox"/> Predetermined <input type="checkbox"/> Final <input type="checkbox"/> Fixed <input type="checkbox"/> Proposed			
	b. Rate 39.98%	c. Base \$602,292.55	d. Total Amount \$240,796.58	e. Federal Share \$156,517.78
<b>12. Remarks:</b> Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation  * Indicates third party match for the State portion of rent and central service costs paid of the Office of Management and Budget and coal exploration activities paid by ND Geological Survey. ** The original grant award was \$644,571 but was later reduced by \$25,000 to \$619,571.				
<b>13. Certification</b> I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents				
Typed or Printed Name and Title  James R. Deutsch Director, Reclamation Division		Telephone (area code, number and extension)  (701) 328-2251		
Signature of Authorized Certifying Official  		Date Report Submitted  August 20, 2009		