

**State of North Dakota
PUBLIC SERVICE COMMISSION
AML Division

Fax Transmittal

Fax No. 866-548-7321

Number of pages – 10 (including cover memo)

TO: Gene Sawyer, Senior Surety Claims Specialist
First National Insurance Company of America - Liberty Mutual Surety

FROM: Jim Deutsch, Director – AML Division

DATE: September 2, 2010

SUBJECT: Correspondence between Smith Contracting and PSC following the August 20th meeting

The following are copies of correspondence between Smith Contracting and the AML Division regarding the Buechler/Velva Project. Smith Contracting filed a request on August 25th for the approval of a charge order to nearly triple the amount they bid for the major earthmoving portion of the Buechler/Velva Project. This request was denied for the reasons explained in my letter that was sent to Mr. Lee Barron at Smith Contracting today.

If you have any questions regarding the status of the Buechler/Velva project, please call me at 701-328-2251.

TRANSMISSION VERIFICATION REPORT

TIME : 09/02/2010 14:49
NAME : ND PSC
FAX : 7013282133
TEL : 7013284096
SER.# : BROL2J841063

DATE, TIME	09/02 14:47
FAX NO./NAME	918665487321
DURATION	00:02:07
PAGE(S)	10
RESULT	OK
MODE	FINE
	ECM

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