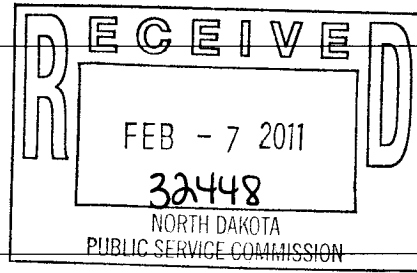


BASIN COOPERATIVE SERVICES

A BASIN ELECTRIC SUBSIDIARY

GLENHAROLD MINE
1717 EAST INTERSTATE AVENUE
BISMARCK, NORTH DAKOTA 58501-0564
PHONE: 701/223-0441
FAX: 701/224-5322



February 3, 2011

FROM DIRECTOR - RECLAMATION DIV.

Date: _____

Action: _____

Info. Only: _____

Info & File: _____

Mr. James R. Deutsch
Reclamation Director
Public Service Commission
600 East Boulevard
Bismarck, ND 58505-0480

Re: Revised Final Bond Release No. 3 – Permit CCGH-8003

Dear Mr. Deutsch:

Enclosed are 4 copies of the pages that changed as a result of PSC technical review dated September 8, 2010. Pages 9 and 10 changed along with Tables 31 - 40 and Attachment IX. Also, it was necessary to burn another copy of the CD that was included with the application. The revised CD includes all of the data originally submitted including changes from this review.

If you have questions, please contact me at the following address.

Leland Olds Power Station
3901 Hwy 200 A
Stanton, North Dakota 58571-9417

Phone no: 701-745-7242
Email: dnilson@bepc.com

Sincerely,

David J. Nilson
Reclamation Administrator

Attachment

cc: Permit CCGH-8003
Mike Murray

**Permit CCGH-8003
Bond Release No.3**

**Response to PSC Deficiencies
Dated: September 8, 2010**

PSC Item

Attachment VI – Vegetation Data Summary Statistics

1. On page 9, prior to the vegetation sampling discussion, please include a short narrative on the management practices used on the cropland and hayland control areas. This discussion should also indicate where they are located in the field and which attachment in the bond release application shows their location. (SAS)

Response: A discussion was added on page 9.

2. Original deficiency # 12: This deficiency dealt with the statement concerning Tract 1 where the narrative indicates (now on page 10) that Bond Release # 1 was granted on 238.28 acres for SPGM respreading. According to the Reclamation Division records, this bond release was only for completion of backfilling and grading. Please revise the sentence accordingly. (SAS)

Response: Page 10 was revised accordingly.

3. The calculations to show that the yield standard has been met for the cropland have not been included in Tables 31-33 nor has the unadjusted yield standard for the reclaimed cropland been included anywhere except to say on page 9 that it was located within the permit. It appears a straight comparison has been made between the undisturbed area and the reclaimed cropland area which is not correct since the undisturbed Temvik soil is a control area, not a reference area. In addition, the lbs/ac values have been divided by their respective test weights when they should have been divided by 60 or 32 lbs/ac for spring wheat or oats, respectively. The calculations must be corrected in Tables 31-33 and the new values placed in Table 1. In addition the yield standard calculations need to be included and may be done so in a table that could be added below Table 33 in the following manner: (SAS)

		Control	Control		Reclaimed	Reclaimed	Reclaimed	
Year		Unadjusted	Actual	Climatic	Unadjusted	Adjusted	Actual	
of		Yield	Yield	Correction	Yield	Standard	Yield	Stand
Data	Crop	(bu/ac)	(bu/ac)	Factor	(bu/ac)	(bu/ac)	(bu/ac)	ard
								Met
2006	Sp. Wht.	31.45	1.94 *	0.061	28.1	1.73	2.56*	YES
2007	Oats	66.83	48.7	0.729	59.7	43.5	58.5	YES
2009	Sp. Wht.	31.45	44.9	1.428	28.1	40.12	55.1	YES
*	Extremely low yields were evident in the sample data. As discussed with the cooperator, Anthony Berger, these extremely low yields were more evident than average yields noted in other parts of Mercer County in 2006. Yields were so poor that harvesting was not necessary for crop insurance purposes.							

Response: Tables 31-33 were changed. The above table was added below Table 33 as suggested.

- Although it only changes the sample adequacy value very slightly, it should be noted that one of the t values used in calculating the sample adequacy for the reclaimed data in Table 31 is incorrect. This should be change here and on the data CD to avoid any questions in the future. The correct value for 24df is 1.318 and not 1.345. (SAS)

Response: This correction was made.

- The formula in Tables 34-41 for calculating the climatic correction factor for hayland uses the wrong value in the denominator. The actual yield of the control area should be divided by the yield standard for the control area (which the permit has stated is 1.2 t/ac or 2400 lbs/ac). This changes all the reclaimed adjusted yield values in these tables. Please adjust the equation appropriately and recalculate the yearly reclaimed adjusted yield values within each table. (SAS)

Response: These changes were made on Tables 34 – 41. Additionally, the summary table (Table 31) comparing reclaimed data to standards was changed accordingly. Yield Standards were met or exceeded in 2006 and 2008.

- Although it only changes the sample adequacy value very slightly, it should be noted that one of the t values used in calculating the sample adequacy for the hayland data on the cd was incorrect for at least two tracts. The 2006 correct value for 19 df is 1.328 and not 1.341 for the reclaimed data for Tract 4. If other changes are made on the cd then these corrections should also be made. (SAS)

Response: These changes were minor and did not change the result.

7. Follow-up to Original Item No. 13. Please include copies of any correspondence from Oliver County indicating that the public road between Sections 9 & 16 and 10 & 15 has been built to their satisfaction. We understand that you have requested concurrence from the County and that you had not received it prior to responding to our initial review letter. (SAS/MDB/GAW)

Response: We sent a letter to the Oliver County Commission and I had talked to Commissioner Kent Albers about this matter. Because we did not get a response, we believe they have no concerns.

Attachment IX – Seeding Dates, Vegetation Sample Locations and Variance Areas

8. Original Item No. 28: The legend of Attachment IX mistakenly indicates that there is a variance area associated with the 2000 seeding. Please remove the wording "Variance Area = 15.94 AC" from the Legend. (GAW)

Response: This has been corrected on the 11X17 size copy as well as on the CD.