



Public Service Commission

State of North Dakota

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August 20, 2012

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

RE: Closeout of North Dakota's 2011-14 AML Administrative Grant, S11AF20015-0001-SS01

Dear Mr. Fleischman:

The Public Service Commission's Letter of Credit for the administrative portion of AML Grant GR107380 can be de-obligated in an amount totaling \$88,232.20. This is the balance in Administrative Subaccount S11AF20015-0001-SS01.

Please move the administrative subaccount balance of **\$88,232.20 into the construction portion** of our 2011-2014 AML grant under the state share subaccount, S11AF20015-0002-SS03, or create of new subaccount for these funds. Attached is an updated Form 424 to reflect the reduction in the administrative portion of the grant and as well as Form 51 with an attachment that contains a narrative report for the administrative portion of the grant. A completed SF425 is also included for the 2011 Administrative grant.

All allowable, allocable and reasonable costs have been paid, all funds have been expended, and work under the administrative portion is considered complete. OSM is released from all obligations under or arising from the administrative portion of AML Grant GR107380, subject to final audit, if any.

If you have any questions, please contact me.

Sincerely,

James Deutsch
Director
AML Division

Attachments

cc: Carolyn Garrett


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6 AM-10-653 Filed 08/20/2012 Pages: 6

Administrative grant closeout report and request to transfer the balance to the Construction grant sent to OSM
Public Service Commission
Jim Deutsch

Standard Form 424

OMB Approval No. 0348-0043

APPLICATION FOR FEDERAL ASSISTANCE		2. DATE SUBMITTED 08/20/12	Applicant Identifier
1. TYPE OF SUBMISSION: <i>Application</i> <input checked="" type="checkbox"/> <i>Preapplication</i> <input type="checkbox"/>		3. DATE RECEIVED BY STATE	State Application Identifier ND101220-0500
<input checked="" type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier GR107380 - Admin Grant S11AF20015-0001-SS01
5. APPLICANT INFORMATION			
Legal Name: Public Service Commission		Organizational Unit: AML Division	
Address (give city, county, state, and zip code) 600 E Boulevard Ave., Dept 408 Bismarck, ND 58505-0480 Burleigh County		Name and telephone number of the person to be contacted on matters involving this application (give area code) James Deutsch (701) 328-2251	
5. EMPLOYER IDENTIFICATION NUMBER (EIN): 4 5 - 0 3 0 9 7 6 4 Duns Number: 802-744-946		7. TYPE OF APPLICANT (enter appropriate letter in box) [A] A. State H. Independent School District B. County I. State Controlled Institution of Higher Learning	
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input type="checkbox"/> Continuation <input checked="" type="checkbox"/> Revision If revision, enter appropriate letter(s) in box(es): [B] [] A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration Other (specify):		C. Municipal J. Private University D. Township K. Indian Tribe E. Interstate L. Individual F. Intermunicipal M. Profit Organization G. Special District N. Other (Specify)	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER <u>15 - 252</u>		9. NAME OF FEDERAL AGENCY: U.S. OFFICE OF SURFACE MINING	
TITLE: ND Abandoned Mine Lands Program		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: 2011-2014 North Dakota AML Simplified Grant Administrative Portion	
12. AREAS AFFECTED BY PROJECT (cities, counties, states, etc.) Entire State			
13. PROPOSED PROJECT:		14. CONGRESSIONAL DISTRICTS OF:	
Start Date 3/1/2011	Ending Date 2/28/2014	a. Applicant North Dakota	b. Project North Dakota
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	-\$88,232.20	a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON: DATE <u>12/20/2010</u>	
b. Applicant		b. NO <input type="checkbox"/> PROGRAM IS NOT COVERED BY E.O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED FOR STATE REVIEW	
c. State		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes," attach an explanation <input checked="" type="checkbox"/> No	
d. Local			
e. Other			
f. Program Income			
g. TOTAL	-\$88,232.20		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Typed Name of Authorized Representative James R. Deutsch		b. Title Director, AML Division, Public Service Commission	c. Telephone number 701-328-2251
d. Signature of Authorized Representative 		e. Date Signed August 20, 2012	

Previous Editions Not Usable

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Standard Form 424 (REV 4-88)
Prescribed by OMB Circular A-102

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

Performance Report

Program Narrative Statement

1. Type of Program (Check Appropriate Box)	
<input checked="" type="checkbox"/> Abandoned Mine Lands Program	
2. Grant Recipient GR007380	Type of Report: Grant Closeout Report
PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave., Dept. 408 BISMARCK, ND 58505-0480	
3. Project Title/Program GR007380 Abandoned Mine Lands Reclamation Grant	
4. Performing Organization SAME AS ABOVE	
5. Program Narrative Please see the attached narrative for the closeout report for the administrative portion of the grant.	

2011 Administrative Grant Closeout Narrative

Administrative Activities

This portion of North Dakota's 2011 AML grant was used by the Public Service Commission to administer North Dakota's Abandoned Mine Lands Reclamation Program for the 12-month grant period that began on March 1, 2011 and ended on February 29, 2012. Costs charged to this portion of the grant included the salary and fringe benefits for the division's director and assistant director for overseeing and managing activities in the AML Division, work performed by the GIS Specialist, about one-third of an administrative assistant's time, some of the time for other AML staff members, and legal reviews conducted by the Commission's attorneys.

Management staff time was also spent reviewing proposed OSM policies related to the AML program. Some time was spent by staff who attended training and attending conferences, meetings of the National Association of Abandoned Mine Lands Program and Interstate Mining Compact Commission. Also, a considerable amount of management time was spent dealing with issues related to the contractor's default on the 2010 Buechler/Velva project and subsequent lawsuit that was filed by that contractor.

In addition to general management and administrative costs for staff, salary and fringe benefits associated with the projects listed below, other activities included budget preparation, preparing information and data for OSM's annual oversight of the program, reviewing applicable policies and procurement guidelines, responding to requests for information, etc. Indirect costs were determined based on the total amount of salaries and benefits charged to the administrative grant.

Another significant activity during the grant period was work on developing and enhancing the geographic information system (GIS) used for mine maps and data associated with the AML program. Additional progress was made during the period on converting and adding more mine data into the GIS and getting it ready for posting to the Commission's website.

No equipment purchases of \$5,000 or more was made during the grant year. Other costs included rent, office supplies, copying, printing, etc.

Project Summaries for the Closeout of the 2011 Administrative Grant

2010 Buechler/Velva Project – This project involved the elimination of approximately 2 miles of hazardous highwalls in an abandoned surface mine south of Sawyer in Ward County. This AML site is characterized by unstable highwalls that are more than 75 feet high in some areas and most of the surrounding area is cropland. The reclamation work involved backfilling the highwalls with material from adjacent spoil piles. Reclamation work began in June 2010 but the contractor abandoned the project in September after

performing about one-third of the work. The AML Division then filed a claim on the contractor's performance bond and the bonding company arranged for a completion contractor to finish the project and it was completed in the fall of 2011.

2011 Columbus Phase 11 Project – The objective of this project was to reclaim approximately 200 acres of abandoned highwalls and pits at the abandoned surface mine site south of Columbus. Approximately 900,000 cubic yards of spoil material was moved during this reclamation project. It was not completed until the spring of 2012.

2011 Columbus Phase 12 Project – The objective of this project was to reclaim approximately 120 acres of abandoned highwalls and pits in another portion of the Columbus abandoned surface mine site. A little over 500,000 cubic yards of spoil material was moved during this reclamation project that was completed in the fall of 2011. In addition, a cultural resource survey was conducted in the spring of 2011 for the Columbus Phase 11 and 12 projects and title memoranda's were also prepared for lands affected by these projects.

2011 Beulah/Zap – Phase 12 Project: This project involved drilling and pumping pressurized grout into collapsed underground mine workings. The project included areas along State Highway 200 and a county road near Beulah. Nearly 16,000 feet of drilling was conducted and 9,000 cubic yards of grout were injected into underground mined workings. The work was conducted in the summer and fall of 2011. A separate contract was also issued for this project for field and laboratory testing of the grout.

2011 Maintenance Project – This project involved the filling of sinkholes caused by abandoned underground coal mines in the western portion of the state. Over 170 sinkholes were filled on eighteen different properties. Most of the work was done in the fall of 2011 but it was not completed until the spring of 2011.

2011 Emergency Projects – Three emergency projects were conducted during the 2011 administrative grant period. The Wilton-Garrison emergency project was conducted in the spring of 2011 and \$8100 was spent to fill several dangerous sinkholes that were caused by abandoned underground coal mines. The Scranton emergency project was conducted in July 2011 and \$3284 was spent to fill two large dangerous sinkholes near public roads that were caused by abandoned underground coal mines. The Niobe emergency project was conducted in December to fill several dangerous sinkholes near a public road that were caused by an abandoned underground coal mine. This work was done for a cost of \$772.50 through a change order for the 2011 Beulah/Zap project.

2012 Projects – Some staff time was also spent preparing plans for designing the major construction projects for 2012. These are the Beulah-Zap Phase 13 project and the Columbus Phase 13 and 14 projects. Plans for the 2012 exploratory drilling and maintenance projects were prepared during the grant period. Staff also responded to numerous sinkhole reports and questions about the location of abandoned mines.

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted Office of Surface Mining	2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) S11AF20015-0001-SS01 (AML Admin 2011-2012)	Page 1	of 1 pages
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3. Recipient Organization (Name and complete address including Zip code) AML Division, Public Service Commission, 600 East Boulevard Ave., Dept. 408, Bismarck, ND 58505-0480

4a. DUNS Number 802-744-946	4b. EIN 45-0309764	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment) GR107380	6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final	7. Basis of Accounting <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
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8. Project/Grant Period From: (Month, Day, Year) 3/01/2011	To: (Month, Day, Year) 2/29/2012	9. Reporting Period End Date (Month, Day, Year) 2/29/2012
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10. Transactions	Cumulative
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(Use lines a-c for single or multiple grant reporting)

Federal Cash (To report multiple grants, also use FFR Attachment):

a. Cash Receipts	
b. Cash Disbursements	
c. Cash on Hand (line a minus b)	

(Use lines d-o for single grant reporting)

Federal Expenditures and Unobligated Balance:

d. Total Federal funds authorized	\$404,278.00
e. Federal share of expenditures	\$316,045.80
f. Federal share of unliquidated obligations	\$0.00
g. Total Federal share (sum of lines e and f)	\$316,045.80
h. Unobligated balance of Federal funds (line d minus g)	\$88,232.20

Recipient Share:

i. Total recipient share required	\$0.00
j. Recipient share of expenditures	\$0.00
k. Remaining recipient share to be provided (line i minus j)	\$0.00

Program Income:

l. Total Federal program income earned	\$0.00
m. Program income expended in accordance with the deduction alternative	\$0.00
n. Program income expended in accordance with the addition alternative	\$0.00
o. Unexpended program income (line l minus line m or line n)	\$0.00

	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
11. Indirect Expense	Approved	35.73%	3/01/2011	6/30/2011	\$67,943.54	\$24,276.22	\$24,276.22
	Approved	33.85%	7/01/2011	2/29/2012	\$136,515.89	\$46,210.63	\$46,210.63
					g. Totals:	\$204,459.43	\$70,486.85

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:

13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)

a. Typed or Printed Name and Title of Authorized Certifying Official James R. Deutsch, Director AML Division	c. Telephone (Area code, number and extension) (701) 328-2251 d. Email address jdeutsch@nd.gov
b. Signature of Authorized Certifying Official 	e. Date Report Submitted (Month, Day, Year) August 20, 2012
14. Agency use only:	

Standard Form 425
 OMB Approval Number: 0348-0061
 Expiration Date: 10/31/2011

Paperwork Burden Statement

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0060), Washington, DC 20503.