



Public Service Commission

State of North Dakota

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January 9, 2013

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 2011-2014 AML Construction Grant

Dear Mr. Fleischman:

Enclosed is the final report for the construction portion of North Dakota's 2011-2014 AML Grant GR107380. The sub-grants for the construction portion of the grant were S11AF20015-0002-SS03, S11AF20015-0003-SS03, S11AF20015-0004-HC03, S11AF20015-0005-HC03 and S11AF20015-0006-HU03. The closeout report covers the period beginning March 1, 2011 and ending on November 30, 2012. All funds in the construction portion of the grant were spent by November 30, 2012. A completed Financial Status Report, SF 425, for closing out the 2011-2014 construction grant is enclosed. The original construction grant award was \$3,029,386.53. However, this amount was later increased by \$88,232.20 (S11AF20015-0007-SS03) when the remaining funds from the 2011 Administrative Grant were transferred to the 2011-2014 Construction Grant. Also enclosed is a summary of AML projects that were either partially or totally funded from this grant (attached to Form OSM-51).

All allowable, allocable and reasonable costs have been paid and all funds have been expended. OSM is released from all obligations under or arising from the construction 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: Dan Martinez
John Sieving

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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) 2011-2014 AML Construction - GR107380 Subgrants S11AF20015-0002-SS03, S11AF20015-0003-SS03, S11AF20015-0004-FC03, S11AF20015-0005-HC03, S11AF20015-0006-HU03 and S11AF20015-0007-SS03			Page 1	of 1 pages	
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 checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual		
8. Project/Grant Period From: (Month, Day, Year) 3/01/2011				To: (Month, Day, Year) 11/30/2012		9. Reporting Period End Date (Month, Day, Year) 11/30/2012	
10. Transactions					Cumulative		
<i>(Use lines a-c for single or multiple grant reporting)</i>							
Federal Cash (To report multiple grants, also use FFR Attachment):							
a. Cash Receipts							
b. Cash Disbursements							
c. Cash on Hand (line a minus b)							
<i>(Use lines d-o for single grant reporting)</i>							
Federal Expenditures and Unobligated Balance:							
d. Total Federal funds authorized							
\$3,117,618.73							
e. Federal share of expenditures							
\$3,117,618.73							
f. Federal share of unliquidated obligations							
\$0.00							
g. Total Federal share (sum of lines e and f)							
\$3,117,618.73							
h. Unobligated balance of Federal funds (line d minus g)							
\$0.00							
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							
11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
	Approved	35.73%	3/01/2011	6/30/2011	\$ 68,339.00	\$24,417.53	\$24,417.53
	Approved	33.85%	7/01/2011	11/30/2012	\$165,972.34	\$56,181.66	\$56,181.66
g. Totals:					\$234,311.34	\$80,599.19	\$80,599.19
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) January 9, 2013			
				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.

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 GR107380	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 construction portion of the grant.	

2011 AML Construction Grant Closeout Narrative

The construction portion of North Dakota's 2011 AML grant was used by the Public Service Commission (PSC) for Abandoned Mine Lands Reclamation construction projects for the 36-month grant period that began on March 1, 2011 and ending on February 28, 2014. By December 1, 2012, all funds in this construction grant had been drawn down so it is being closed-out at this time.

In addition to the actual construction costs incurred under contracts, the costs of staff time and travel for designing and overseeing the construction work between March 1, 2011 and February 29, 2012 were charged to the 2011 construction grant. Funds from this grant were used for the projects discussed below:

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. Staff time and travel costs for the completion work were charged to the 2011 construction grant and the total amount of these costs was \$92,279.71. The Commission's share of the completion contractor costs were charged to the PSC's 2010 construction grant.

2011 Columbus Phase 11 and 12 Projects – The objective of Phase 11 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 and it was completed in the spring of 2012. The objective of Columbus Phase 12 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. With the staff time and travel costs for these projects, the total amount charged to the 2011 construction grant was \$1,393,900.61.

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. The Niobe emergency project was also 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. With the staff time and travel costs for these projects, the total amount charged to the 2011 construction grant was \$1,210,648.31.

2011 Maintenance Project and Mine Investigations – 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. Three emergency projects were also conducted during the 2011 administrative grant period. The Wilton-Garrison emergency project was conducted in the spring of 2011 to fill several dangerous sinkholes that were caused by abandoned underground coal mines. The Scranton emergency project was conducted in July 2011 to fill two large dangerous sinkholes near public roads that were caused by abandoned underground coal mines. With the staff time and travel costs for the maintenance projects and other mine investigations, the total amount charged to the 2011 construction grant was \$205,383.99.

2012 Exploratory Drilling – This exploratory drilling project was conducted to determine the extent of underground mine voids at several locations in southwestern North Dakota. About 31,500 feet of drilling was done to locate underground mine voids on road right-of-ways and near homes and other buildings. The project was completed in the summer of 2012. With the staff design time and contractor costs, the total amount charged to the 2011 construction grant was \$81,762.11.

2012 Columbus Phase 13 and 14 Projects – The objective of Phase 13 was to backfill highwalls and fill mine pits at an abandoned surface mine south of Columbus in Burke County. About 50 acres of abandoned highwalls and pits were reclaimed and approximately 590,000 yards of spoil material was moved during reclamation. This project was completed in the fall of 2012. The objective of Columbus Phase 14 project involved final reclamation work at the Columbus site and it involved final grading, adding soil amendments, seeding and fencing. The contractor completed reclamation work on about 350 acres at this mine site in the fall of 2012. Part of the contraction costs were charged to the 2011 construction grant and that amount totaled \$133,644.00. The remaining costs were charged to AML's 2012 construction grant.