

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Public Service Commission
Reclamation
Rulemaking**

Case No. RC-11-236

**Small Entity Economic Impact Statement
October 21, 2011**

The Commission is proposing to amend the collateral bond provisions for surface coal mining and reclamation operations under North Dakota Administrative Code Section 69-05.2-12-04. The proposed amendment relates to letters of credit that are pledged as collateral, as well as the financial information and notices that banks issuing a letter of credit must provide to the Commission. An option is being added to allow a bank to provide a certified copy of financial reports, or portions thereof, that are already required by a federal agency instead of a balance sheet that is certified by a certified public accountant. In addition, a change is being proposed that banks give the Commission notice of actions alleging insolvency or bankruptcy only to the extent allowed by state or federal banking regulations. It should also be noted that any mining and reclamation rules adopted by the Commission must be as effective as the counterpart federal rules that have issued by the federal Office of Surface Mining within the Department of the Interior.

Small Entity Economic Impact Statement

N.D.C.C. § 28-32-08.1(3) requires that before adoption of any proposed rule that may have an adverse impact on small entities, the adopting agency shall prepare an economic impact statement that includes consideration of:

- a. The small entities subject to the proposed rule;
- b. The administrative and other costs required for compliance with the proposed rule;
- c. The probable cost and benefit to private persons and consumers who are affected by the proposed rule;
- d. The probable effect of the proposed rule on state revenues;
and
- e. Any less intrusive or less costly alternative methods of achieving the purpose of the proposed rule.

The proposed rule changes in Case No. RC-11-236 will not have an adverse impact on small entities since no additional requirements are being imposed on them as stated in the Statement on Regulatory Analysis, Small Entity Analysis and Takings Assessment for this case.