



# Public Service Commission

## State of North Dakota

### COMMISSIONERS

Brian P. Kalk  
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600 East Boulevard, Dept. 408  
Bismarck, North Dakota 58505-0480  
Web: [www.psc.nd.gov](http://www.psc.nd.gov)  
E-mail: [ndpsc@nd.gov](mailto:ndpsc@nd.gov)  
Phone: 701-328-2400  
ND Toll Free: 1-877-245-6685  
Fax: 701-328-2410  
TDD: 800-366-6888 or 711

May 15, 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 2012-15 AML Administrative Grant, S12AF20002-0001-SS01

Dear Mr. Fleischman:

The Public Service Commission's Letter of Credit for the administrative portion of AML Grant GR207380 can be de-obligated in an amount totaling \$69,590.41. This is the balance in Administrative Subaccount S12AF20002-0001-SS01.

Please move the administrative subaccount balance of **\$69,590.41 into the construction portion** of our 2012-2015 AML grant under the state share subaccount, S12AF20002-0002-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 2012 Administrative grant.

All allowable, allocable and reasonable costs have been paid, except as noted above, the 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 GR207380, subject to final audit, if any.

If you have any questions, please contact me.

Sincerely,

James Deutsch  
Director  
AML Division


### Attachments

cc: Steve Trujillo

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# Standard Form 424

OMB Approval No. 0348-0043

<b>APPLICATION FOR FEDERAL ASSISTANCE</b>		2. DATE SUBMITTED <b>05/15/13</b>	Applicant Identifier
1. TYPE OF SUBMISSION: <i>Application</i> <input checked="" type="checkbox"/> <i>Pre-application</i> <input type="checkbox"/>		3. DATE RECEIVED BY STATE	State Application Identifier <b>ND111220-0458</b>
[x] Construction [x] Non-Construction	<input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier <b>GR207380 - Admin Grant S12AF20002-0001-SS01</b>
<b>5. APPLICANT INFORMATION</b>			
Legal Name: <b>Public Service Commission</b>		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): 45-0309764 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] <input type="checkbox"/> 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: 2012-2015 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 3/1/2012	Ending Date 2/28/2015	a. Applicant North Dakota	b. Project North Dakota
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON: DATE <u>12/23/2011</u> 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	
a. Federal	-\$69,590.41	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes," attach an explanation <input checked="" type="checkbox"/> No	
b. Applicant			
c. State			
d. Local			
e. Other			
f. Program Income			
g. TOTAL	-\$69,590.41		
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 May 15, 2013	

Previous Editions Not Usable

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

Authorized for Local Reproduction

# FEDERAL FINANCIAL REPORT

(Follow form instructions)

<b>1. Federal Agency and Organizational Element to Which Report is Submitted</b>  Office of Surface Mining	<b>2. Federal Grant or Other Identifying Number Assigned by Federal Agency</b> (To report multiple grants, use FFR Attachment)  S12AF20002-0001-SS01 (AML Admin 2012-2013)	Page <b>1</b>	of <b>1</b>  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

<b>4a. DUNS Number</b>  802-744-946	<b>4b. EIN</b>  45-0309764	<b>5. Recipient Account Number or Identifying Number</b> (To report multiple grants, use FFR Attachment)  GR207380	<b>6. Report Type</b> <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input checked="" type="checkbox"/> Final	<b>7. Basis of Accounting</b>  <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
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<b>8. Project/Grant Period</b> From: (Month, Day, Year) 3/01/2012	To: (Month, Day, Year) 2/28/2013	<b>9. Reporting Period End Date</b> (Month, Day, Year) 2/28/2013
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**10. Transactions** Cumulative

*(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	\$441,212.00
e. Federal share of expenditures	\$371,621.59
f. Federal share of unliquidated obligations	\$0.00
g. Total Federal share (sum of lines e and f)	\$371,621.59
h. Unobligated balance of Federal funds (line d minus g)	\$69,590.41

**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	33.85%	3/01/2012	2/28/2013	\$209,894.51	\$71,049.30	\$71,049.30
					<b>g. Totals:</b>	\$209,894.51	\$71,049.30

**12. Remarks:** Attach any explanations deemed necessary of 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)

<b>a. Typed or Printed Name and Title of Authorized Certifying Official</b>  James R. Deutsch, Director AML Division	<b>c. Telephone (Area code, number and extension)</b> (701) 328-2251  <b>d. Email address</b> jdeutsch@nd.gov
<b>b. Signature of Authorized Certifying Official</b>  	<b>e. Date Report Submitted (Month, Day, Year)</b> May 15, 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 GR207380	Type of Report: Grant Closeout Report
PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave., Dept. 408 BISMARCK, ND 58505-0480	
3. Project Title/Program GR207380	
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.	

## **2012 Administrative Grant Closeout Narrative**

### **Administrative Activities**

This portion of North Dakota's 2012 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, 2012 and ended on February 28, 2013. 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-quarter of an administrative assistant's time, some of the time for other AML staff members, and some legal reviews conducted by the Commission's attorneys.

Some staff time was also spent reviewing proposed OSM policies related to the AML program. Staff time that was spent to attend training and attending conferences, meetings of the National Association of Abandoned Mine Lands Program and Interstate Mining Compact Commission were also charged to the administrative grant. In addition, a considerable amount of management time was spent dealing with issues related to the contractor's default on the 2010 Buechler/Velva project and the subsequent lawsuit that was filed by that contractor. Outside legal services for that lawsuit were also charged to the 2012 administrative grant.

In addition to general management and administrative costs for staff, 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 the scanning and geo-referencing of mine maps and enhancing the geographic information system (GIS) used for the mine maps and other data associated with the AML program. Progress was made during the period on converting and adding more mine data into the GIS and getting it ready for posting to North Dakota GIS Hub.

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

### **Summary of projects that were associated with the 2012 Administrative Grant**

2012 Columbus Phase 13 Project – This project involved the grading of approximately 50 acres of abandoned highwalls and pits at the abandoned surface mine site south of Columbus. Nearly 600,000 cubic yards of spoil material was moved during this reclamation project. It was completed in the fall of 2012.

2012 Columbus Phase 14 Project – This project involved the completion of reclamation work on about 350 acres of abandoned highwalls and pits at the Columbus abandoned

surface mine site. The work included adding soil amendments, seeding and fencing at this site during the summer and fall of 2012. Also, required cultural resource mitigation was done for the larger Columbus AML site by designing and installing a six panel interpretative display on the history of coal mining and reclamation in that locality. The durable display was installed in the Columbus City Park.

2012 Beulah/Zap – Phase 13 Project: This project involved drilling and pumping pressurized grout into collapsed underground mine workings. The project included areas along county roads north of Beulah. Over 4,000 feet of drilling was conducted and about 5,500 cubic yards of grout were injected into underground mined workings. The work was conducted in the summer and fall of 2012. A separate contract was also issued for this project for field and laboratory testing of the grout.

2012 Exploratory Drilling Project – This project involved exploratory drilling at several abandoned underground coal mines to locate mine voids and to better define the extent of those workings. About 30,000 feet of drilling was carried out. The work was done in the spring and summer of 2012.

2012 Maintenance Project – This project involved the filling of sinkholes caused by abandoned underground coal mines in the western portion of the state. Over 40 sinkholes were filled on ten different properties. The work was done in the fall of 2012.

2012 Coal Outcrop Fire Suppression Project – This project involved excavating and extinguishing coal outcrop fires at four sites on U.S. Forest Service lands in Slope and McKenzie Counties. The work was done in late 2012. While the contractor costs were paid out of the special coal fire grant, staff design and project management time and related expenses were charged to the 2012 AML 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. 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. However, as noted above, the original contractor then sued the PSC. This lawsuit was settled in early 2013 with a payment being made to the contractor.

2013 Projects – Some staff time was also spent preparing plans for designing major construction projects for 2013. These are the Havelock C and Richter projects at abandoned surface mines and the drilling and grouting of underground coal mine workings at the Beulah-Zap site (Phase 14 for that site) and the Scranton/Bowman site. Staff also responded to numerous sinkhole reports and questions about the location of abandoned mines.