



Public Service Commission
State of North Dakota

COMMISSIONERS

Brian P. Kalk
Randy Christmann
Julie Fedorchak

Executive Secretary
Darrell Nitschke

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

November 1, 2013

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

RE: Closeout of North Dakota's 2012-2015 AML Construction Grant

Dear Mr. Fleischman:

Enclosed is the final report for the 'construction' portion of North Dakota's 2012-2015 Abandoned Mine Lands Reclamation Grant GR207380. The total amount spent under this construction grant was \$3,549,974.41. The sub-grants for the construction portion of the grant are S12AF20002-0002-HU03, S12AF20002-0003-SS03, S12AF20002-0004-HC03 and S12AF20002-0005-SS03. The closeout report covers the period beginning March 1, 2012 and ending October 31, 2013. All funds in this construction grant were spent by September 30, 2013 and the final drawdown occurred mid-October. A completed Financial Status Report, SF 425, for closing out the construction portion of our 2012-2015 AML grant is enclosed.

The original construction grant award was \$3,480,384. However, this amount was later increased by \$69,590.41 (S12AF20002-0005-SS03) when the remaining balance of the 2012-2015 administrative portion was transferred to the construction portion after we closed out of the administrative portion earlier this year. Attached to the enclosed Form OSM-51 is a summary of AML projects that were either partially or entirely funded with the 2012-2015 construction grant.

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 GR207380, subject to final audit, if any.

If you or others have any questions, please contact me.

Sincerely,

James Deutsch
Director – AML Division

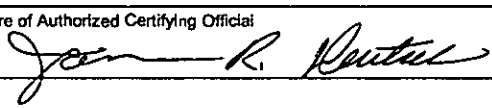
Attachments

cc: Steve Trujillo
John Sieving

9 AM-11-712 Filed 11/01/2013 Pages: 5
Construction subgrant closeout report sent to OSM
Public Service Commission
Jim Deutsch

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) 2012-2015 AML Construction - GR207380 Subgrants S12AF20002-0002-HU03, S12AF20002-0003-SS03, S12AF20002-0004-HC03, S12AF20002-0005-SS03			Page 1	of 1	
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) GR207380		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) 3/01/2012			To: (Month, Day, Year) 10/31/2013		9. Reporting Period End Date (Month, Day, Year) 11/1/2013		
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):							
e. 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							
\$3,549,974.41							
e. Federal share of expenditures							
\$3,549,974.41							
f. Federal share of unliquidated obligations							
\$0.00							
g. Total Federal share (sum of lines e and f)							
\$3,549,974.41							
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	e. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
	Approved	33.85%	3/01/2012	6/30/2013	\$ 223,670.52	\$75,712.54	\$75,712.54
g. Totals:					\$ 223,670.52	\$75,712.54	\$75,712.54
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) November 1, 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 PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave., Dept. 408 BISMARCK, ND 58505-0480	Type of Report: Grant Closeout Report
3. Project Title/Program GR207380 2012-15 Abandoned Mine Lands Reclamation Grant (Construction Portion)	
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.	

2012 AML Construction Grant Closeout Narrative

The construction portion of North Dakota's 2012 AML grant was used by the Public Service Commission (PSC) for Abandoned Mine Lands Reclamation construction projects during the 36-month grant period that began on March 1, 2012 and that is scheduled to end on February 28, 2015. However, by October 31, 2013, 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, 2012 and February 29, 2013 were charged to the 2012 construction grant. Funds from this grant were used for the projects discussed below:

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 nearly 600,000 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 grading, adding soil amendments, seeding and fencing. Reclamation work was completed on about 350 acres at this site in the fall of 2012. Part of the design costs and all of the construction costs were charged to the 2012 grant. The amount charged to AML's 2012 construction grant totaled \$1,409,485.31.

2012 Beulah/Zap – Phase 13 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. 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. With the staff time and travel costs, the total amount charged to the 2012 construction grant was \$808,309.08.

2012 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 40 sinkholes were filled on ten different properties. With staff time and travel costs for the maintenance project and other mine investigations, the total amount charged to the 2012 construction grant was \$110,934.48.

2012 Coal Fire Suppression – This project involved excavating and extinguishing coal fires on National Grasslands owned by the U.S. Forest Service in Slope and McKenzie Counties. Although the construction costs were charged to the PSC's special coal fire grant in 2012, staff time and travel costs for this project were charged to the 2012 construction grant. The total amount was \$1,742.00.

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 30,000 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. The total amount charged to the 2012 construction grant was \$149,172.47.

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 against the contractor's performance bond and the bonding company arranged for a completion contractor to finish the project in the fall of 2011. However, the contractor then filed a lawsuit against the PSC in state district court making several claims about the Buechler/Velva project and related contract. A settlement agreement was reached in early 2013 and the PSC paid \$275,000 to the original contractor. This payment was charged to the 2012 construction grant.

2013 Maintenance Project and Mine Investigations – This involved design plans for the 2013 project to fill sinkholes caused by abandoned underground coal mines in the western North Dakota. Staff time charged to the 2012 construction grant was \$1,992.39.

2013 Beulah/Zap – Phase 14 Project – This project involved drilling and the pumping of grout into additional collapsed underground mine workings north of Beulah. Nearly 6,000 feet of drilling was planned and 7,000 cubic yards of grout were to be injected into underground mined workings. The work was conducted in the summer of 2013. Most of the design work and a large portion of the construction costs were charged to the 2012 construction grant. (The remaining construction costs were charged to the 2013 construction grant.) The total amount charged to the 2012 construction grant was \$747,355.48.

2013 Scranton/Bowman 14 Project – This project involves drilling and the pumping of grout into underground mine workings near Scranton and Bowman. Most of the staff design work was charged to the 2012 construction grant at a cost of \$10,688.24.

2013 Havelock C – This project involved backfilling highwalls and filling mine pits at an abandoned surface mine between New England and Regent in Hettinger County. Most of the staff design and preparatory work was charged to the 2012 construction grant at a cost of \$19,608.12.

2013 Richter – This project involved backfilling highwalls and filling mine pits at an abandoned surface mine near Glen Ullin in Morton County. Staff design costs and other preparatory work was charged to the 2012 construction grant at a total cost of \$15,686.84.