

2013

**North Dakota
Permanent Program**

AMENDMENT

to the Administration and Enforcement Grant

July 1, 2012 to June 30, 2013

Submitted by

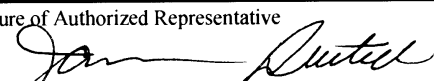
Public Service Commission

Bismarck, North Dakota

August 16, 2012

Standard Form 424

OMB Approval No. 0348-0043

APPLICATION FOR FEDERAL ASSISTANCE		2. DATE SUBMITTED 8-16-12	Applicant Identifier RO34-13
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 ND120410-0144
<input 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 GR 203383
5. APPLICANT INFORMATION			
Legal Name: North Dakota Public Service Commission		Organizational Unit: Reclamation Division	
Address (give city, county, state, and zip code): 600 E. Boulevard Ave. Department 408 Bismarck, ND 58505-0480		Name and telephone number of the person to be contacted on matters involving this application (give area code) James R. Deutsch 701-328-2251	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): <u>4 5 -- 0 3 0 9 7 6 4</u> DUNS# 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 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)	
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):] A. <input checked="" type="checkbox"/> Increase Award B. <input type="checkbox"/> Decrease Award C. <input type="checkbox"/> Increase Duration D. Decrease Duration Other (specify): New Application			
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: <u>1 5 -- 2 5 0</u>		9. NAME OF FEDERAL AGENCY: U.S. OFFICE OF SURFACE MINING	
TITLE: Reclamation Permanent Regulatory Program		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: ND Regulatory Program, Administration & Enforcement	
12. AREAS AFFECTED BY PROJECT (cities, counties, states, etc.) North Dakota			
13. PROPOSED PROJECT:		14. CONGRESSIONAL DISTRICTS OF:	
Start Date 7-1-2012	Ending Date 6-30-2013	a. Applicant North Dakota	b. Project North Dakota
15. ESTIMATED FUNDING: A total increase of \$40,000 is proposed, with the Federal share being \$25,600 as shown below. The total grant amount would increase to \$1,356,878, with the Federal share increasing to \$868,402 and the State share increases to \$488,476.		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>4-10-12 for original application</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	\$25,600		
b. Applicant			
c. State	\$14,400		
d. Local			
e. Other			
f. Program Income		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes," attach an explanation <input checked="" type="checkbox"/> No	
g. TOTAL	\$40,000		
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 Deutsch		b. Title Director, Reclamation Division, ND Public Service Commission	c. Telephone number 701-328-2251
d. Signature of Authorized Representative 		e. Date Signed August 16, 2012	

U.S. DEPARTMENT OF THE INTERIOR
Office of Surface Mining
BUDGET INFORMATION REPORT

OMB Approval No. 1029-0059
Exp. Date: 5/31/2012

IMPORTANT: Please read instructions on the reverse of this page before completing this form.

A. Program North Dakota Permanent Regulatory Program	E. Budget Period (Month, Day, Year)	F. Mark 'X' in Appropriate Box
B. Grantee Public Service Commission	Beginning Date 7/1/2012	<input type="checkbox"/> New Budget
C. Grant Program Administration & Enforcement	Ending Date 6/30/2013	<input checked="" type="checkbox"/> Revised Budget
D. Rate of Federal Sharing (%) 64%		Grant Number - S12AP20011-0001-G310 (GR 203383)

PROGRAM/FUNCTIONS/ACTIVITES	Permitting (a)	Insp/Enf/Bond Rel (b)	Lands Unsuitable (c)	Administrative (d)	(e)	Federal Lands (f)	TOTAL (g)
1. Personnel	254,613	104,160	-	104,160	-	180,029	642,962
2. Fringe Benefit	94,207	38,539	-	38,539	-	66,611	237,896
Section A	1,444	12,992	-	14,436	-	11,228	40,100
by	-	-	-	-	-	-	
Object Class	-	-	-	12,600	-	4,900	17,500
6. Contractual	-	-	-	9,000	-	3,500	12,500
7. Construction	-	-	-	-	-	-	
8. Other	-	-	-	77,580	-	30,170	107,750
9. Total Direct Charges	350,263	155,691	-	256,315	-	296,438	1,058,708
10. Indirect Charges	118,075	48,304	-	48,304	-	83,488	298,170
11. Total	468,339	203,995	-	304,619	-	379,926	1,356,878

Section B	12. Non-Federal Share	234,169	101,998	-	152,309	-	-	488,476
by								
Source	13. Federal Share	234,169	101,998	-	152,309	-	379,926	868,402

Section C								
by								
Income	14. Program Income	0	0	0	0	0	0	0

Section D	15. Detail on Indirect Cost	<input type="checkbox"/> Predetermined <input type="checkbox"/> Provisional <input checked="" type="checkbox"/> Final <input type="checkbox"/> Fixed <input type="checkbox"/> Estimated
Indirect	Type of Rate (mark 'X' in Box)	Total Amount \$298,170
Cost	Rate 33.85%	Base \$880,858

E. Signature of Authorizing Official 	F. Name and Title (type or print) James Deutch Director, Reclamation Division	G. Telephone Number (Area Code, Number and Extension) (701) 328-2251	H. Date Report Submitted 8/16/2012
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NARRATIVE FOR GRANT AMENDMENT

The Public Service Commission (PSC) is submitting this amendment to the 2013 A & E grant to increase the budgeted amount in the "Other" category to cover non-budgeted and unexpected legal expenses. The unexpected legal expenses are being incurred for the PSC's defense of two lawsuits that have been filed in federal district court by the Dakota Recourse Council and the Dacotah Chapter of Sierra Club involving our coal regulatory program. These lawsuits were filed in United States District Court, District of North Dakota, Southwest Division, in late May 2012. The PSC is named as the defendant in one of the lawsuits. While the Secretary of the Interior is named as the defendant in the other, the plaintiffs are seeking the withdrawal of the Secretary's approval of the North Dakota's coal regulatory program. The PSC has filed a motion to intervene in this lawsuit. Neither the PSC nor North Dakota's Office of the Attorney General have attorneys who are well experienced in dealing with federal lawsuits. Therefore, the Attorney General recommended the hiring of a law firm having federal District Court experience to defend the PSC in these matters.

In early July, outside legal counsel was retained by the PSC for its defense of these two lawsuits. The PSC's successful defense is necessary for maintaining its effective and successful coal regulatory program. While limited funds are available in the approved grant for some legal expenses associated with these lawsuits, this amendment proposes to increase the total amount of the "Other" object class by \$40,000. The current amount budgeted for "Other" is \$67,750 and this is being increased to \$107,750. These are all direct charges and no indirect costs apply to this object class.

The overall Federal funding share of North Dakota's regulatory program costs in 64% and the State share is the other 36%. Therefore, the Federal share of the \$40,000 increase will be \$25,600 and the State share will be \$14,400. The PSC has sufficient State general funds in its current budget to pay the State share.