



Public Service Commission State of North Dakota

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August 28, 2013

Mr. Jeff Fleischman, Director
Casper Field Office
Office of Surface Mining
PO Box 11018
Casper WY 82602-5004

Dear Mr. Fleischman:

Enclosed is the final report for North Dakota's 2013 Administration and Enforcement Grant, GR203383 (S12AP20011-0001-G310 and S12AP20011-0002-G310). The report covers the grant period that began July 1, 2012 and ended June 30, 2013. A completed Financial Status Report, SF 425, covering the grant period is enclosed. Also, a summary of the activities that occurred during the grant period is provided in the narrative attached to the OSM-51 form.

Please note that we did not spend \$23,009.56 of the total federal funds (\$868,402) awarded by the original grant, \$842,802, and the \$25,600 grant amendment approved in September 2012. The primary reason for under spending the total grant award is that two positions in the Reclamation Division were vacant for a couple of months during the grant period.

The North Dakota Public Service Commission now considers Administration and Enforcement Grant GR103383 to be complete and that all payments by OSM to the State for allowable costs have been made. OSM is released from all obligations under or arising from the grant, subject to audit, if applicable. The unspent federal funds of \$23,009.56 may be de-obligated.

If you have any questions, please contact me.

Sincerely,

Jim Deutsch
Director
Reclamation Division

Enclosures

cc: Steve Trujillo (e-mail)

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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) S12AP20011-0001-G310 and S12AP20011-0002-G310 (North Dakota 2013 A& E Grant)	Page 1	of 1 pages
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3. Recipient Organization (Name and complete address including Zip code)
 Reclamation 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) GR203383	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 type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
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8. Project/Grant Period From: (Month, Day, Year) 7/01/2012	To: (Month, Day, Year) 6/30/2013	9. Reporting Period End Date (Month, Day, Year) 6/30/2013
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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	\$868,402.00
e. Federal share of expenditures	\$845,392.44
f. Federal share of unliquidated obligations	\$0.00
g. Total Federal share (sum of lines e and f)	\$845,392.44
h. Unobligated balance of Federal funds (line d minus g)	\$23,009.56

Recipient Share:

i. Total recipient share required	\$475,531.70
j. Recipient share of expenditures	\$475,531.70
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
	Final	33.85%	7/1/2012	6/30/2013	\$807,064.49	\$273,191.36	\$174,842.71
g. Totals:					\$807,064.49	\$273,191.36	\$174,842.71

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 - Reclamation 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) August 27, 2013

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**

A & E Grant

Performance Report

Program Narrative

1. Type of Program (Check Appropriate Box)	
ADMINISTRATION and ENFORCEMENT GRANT	<input checked="" type="checkbox"/> State and Federal
Grant Recipient	Type of Report
Public Service Commission 600 E. Boulevard Ave, Dept 408 Bismarck, ND 58505-0480	A & E FINAL REPORT
3. Project Title/Program GR203383 (S12AP20011)	
ADMINISTRATION & ENFORCEMENT RECLAMATION PROGRAM	
4. Performing Organization	
SAME AS ABOVE	
5. Program Narrative	
SEE ATTACHED NARRATIVE	

OSM-51(12/80)

The Paperwork Reduction Act of 1980 (44 U.S.C. 35) requires us to inform you that "This information is being collected to determine how an applicant plans to spend Federal dollars of a grant or cooperative agreement. This information will be used to prepare budget analyses and forecasting. The obligation to respond is required to obtain a benefit.

Activity Narrative for North Dakota's 2013 A&E Grant Report
(July 1, 2012 to June 30, 2013)

Permitting - During the grant period that began July 1, 2012 and ended June 30, 2013, the Reclamation Division received one new permit application. It was filed by the Coyote Creek Mining Co. for the shop/office and dragline erection site for the proposed Coyote Creek Mine. This permit application contains 84 acres. At the end of the grant period this application had not been deemed complete. The Reclamation Division also conducted a technical review of the new permit application from BNI Coal for a new mine area containing 8,360 acres. Staff also finished a second technical review on the permit application for the proposed South Heart Mine which covers 4,581 acres. The Reclamation Division was also awaiting a response to its second technical deficiency letter on the permit application for the proposed Otter Creek Mine that contains 5,490 acres. The Commission also received and staff conducted a completeness review for a significant revision application that adds 892 acres to a permit at the Beulah Mine. A total of 22 permit revision applications were approved during the grant period, including several that were considered significant revisions. Two permit renewal applications were also approved during the period and the Reclamation Division conducted five midterm permit reviews. At the end of the reporting period there were 24 OSM inspectable units totaling 116,766 acres, with 18 having active mining operations.

Inspection - Reclamation Division staff carried out 639 inspections on 24 inspectable units covering the active and inactive permits to ensure compliance with the regulatory program and approved mining and reclamation plans. Staff conducted 96 complete inspections and 543 partial inspections.

Complaints – No citizen complaints were received during the grant period.

Enforcement - Two notices of violation were issued during the grant period, but no off-site impacts occurred. The Commission collected \$2,000 for the civil penalty in one of the cases and the other case was pending at the close of the grant period.

Bond Release - The Commission approved four final bond release applications that totaled 1,667 acres during the grant period. Staff also reviewed and was evaluating five other final bond release applications at the end of the grant period.

Permit Fees – The Commission received \$10,320.10 in permit fees during the grant period. Pursuant to OSM policy, all of these funds were deposited in the State's general fund to help offset the state share of the program costs.