



Public Service Commission

State of North Dakota

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January 15, 2015

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 2013-2016 AML Construction Grant**

Dear Mr. Fleischman:

Enclosed is the final report for the "construction" portion of North Dakota's 2013-2016 Abandoned Mine Lands Grant No. GR307380. The total amount spent under this construction grant was \$3,452,622.45. The sub-accounts for the construction portion of the grant are S13AF20026-0002-SS03, S13AF20026-0003-HC03, S13AF20026-0004-HU03, S13AF20026-0006-HC03, S13AF20026-0007-HU03, S13AF20026-0008-SS03 and S13AF20026-0009-SS01. The closeout report covers the period beginning March 1, 2013 and ending November 30, 2014. All funds in the construction portion of this grant were spent by November 30, 2014 and the final drawdown occurred mid-December. A completed Financial Status Report, SF 425, for closing out the construction portion of North Dakota's 2013-2016 AML grant is enclosed as well as Form OSM-51 with a summary of the projects that were partially and fully funded with this grant.

The original construction grant award was \$3,124,953. However, this amount was later increased by \$191,739 following the release of a portion of the funds that were initially sequestered. The construction portion was again increased after closeout of the 2013-2016 administrative grant. The remaining balance in the administrative portion, \$135,930.45, was moved into the construction portion, sub-account S13AF20026-0009-SS01.

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 GR307380, 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

Minedata\AMLVA

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) 2013-2016 AML Construction - GR307380 Subgrant Account Numbers S13AF20026-0002-SS03, S13AF20026-0003-HC03, S13AF20026-0004-HC03, S13AF20026-0006-HC03, S13AF20026-0007-HU03, S13AF20026-0008-SS03 and S13AF20026-0009-SS01			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) GR307380		6. Report Type <input type="radio"/> Quarterly <input type="radio"/> Semi-Annual <input type="radio"/> Annual <input checked="" type="radio"/> Final	7. Basis of Accounting <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual		
8. Project/Grant Period From: (Month, Day, Year) 3/01/2013			To: (Month, Day, Year) 12/31/2014		9. Reporting Period End Date (Month, Day, Year) 12/31/2014		
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):							
a. 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							
\$3,452,622.45							
e. Federal share of expenditures							
\$3,452,622.45							
f. Federal share of unliquidated obligations							
\$0.00							
g. Total Federal share (sum of lines e and f)							
\$3,452,622.45							
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	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
	Approved	33.85%	3/01/2013	6/30/2013	\$ 71,895.65	\$24,336.69	\$24,336.69
	Proposed/Approved	34.76% / 31.25%	7/1/2013	2/28/2014	\$ 167,653.55	\$55,646.79	\$55,646.79
	g. Totals:				\$ 239,549.20	\$79,983.48	\$79,983.48
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		
b. Signature of Authorized Certifying Official 					d. Email address jdeutsch@nd.gov		
					e. Date Report Submitted (Month, Day, Year) January 15, 2015		
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 GR307380 PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave., Dept. 408 BISMARCK, ND 58505-0480	Type of Report: Grant Closeout Report
3. Project Title/Program GR307380 2013-16 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 North Dakota's 2013-2016 construction grant.	

2013-2016 AML Construction Grant Closeout Narrative

The construction portion of North Dakota's 2013-16 AML grant was used by the Public Service Commission (PSC) for Abandoned Mine Lands Reclamation construction projects during a 21-month period that began on March 1, 2013 and ended on November 30, 2014. However, the original grant period was scheduled to end on February 29, 2016, or a 36-month grant period. By December 31, 2014, all federal funds in this construction grant had been paid out and drawn down so the grant is being closed-out at this time. All project work under the 2013-2016 grant involved abandoned surface and underground coal mines. No non-coal related work was performed during the grant period.

In addition to the actual construction costs incurred under contracts for project work, the costs of staff time and travel for designing and overseeing the construction work between March 1, 2013 and February 28, 2014 were charged to the 2013 construction grant. After March 1, 2014, charges to this grant were limited to the payment of contractor invoices, including some of the work performed for the 2014 projects. Funds from this grant were used for the projects discussed below:

2013 Richter Project – This project involved the grading of approximately 45 acres of abandoned highwalls and pits at an abandoned surface mine northeast of Glen Ullin. Nearly 130,000 cubic yards of spoil material was moved during this reclamation project to backfill about 2,000 feet of highwalls. The project was completed in the summer of 2013. Part of the design costs were charged to the 2012 grant. The amount charged to AML's 2013 construction grant, including some design work and all construction costs, totaled \$306,359.22.

2013 Havelock C Project – This project involved the completion of reclamation work on about 16 acres of abandoned highwalls and pits at the abandoned Havelock mine site. Nearly 198,000 cubic yards of spoil material was moved during this reclamation project to backfill about 2,000 feet of highwalls. It was also completed in the summer of 2013. Part of the design costs were charged to the 2012 grant. The amount charged to AML's 2013 construction grant, including some design and all construction costs, totaled \$302,218.91.

2013 Scranton/Bowman Project – This project involved drilling and pumping pressurized grout into collapsed underground mine workings. The project included areas along county roads near Scranton in Bowman County. Approximately 15,600 feet of drilling was conducted and nearly 3,500 cubic yards of grout were injected into underground mined workings. The work was conducted in the fall of 2013. A separate contract was also issued for field and laboratory testing of the grout. Part of the design costs were charged to the 2012 grant. The amount charged to AML's 2013 construction grant, including some design and all construction costs, totaled \$969,580.26. This amount also includes some of the design work for the 2014 Scranton/Bowman Phase 2 project.

2013 Beulah/Zap – Phase 14 Project – This project involved drilling and pumping pressurized grout into collapsed underground mine workings. The project included areas along county roads north of Beulah. About 6,100 feet of drilling was conducted and over 7,100 cubic yards of grout were injected into underground mined workings. The work was conducted in the summer of 2013. A separate contract was also issued for field and laboratory testing of the grout. Part of the design costs and some of the construction costs were charged to the 2012 construction

grant. The amount charged to AML's 2013 construction grant totaled \$955,110.40. Also, this amount includes some of the design work and part of the construction costs for the 2014 Beulah/Zap Phase 15 project.

2013-2014 Maintenance Project – This project involved the filling of sinkholes caused by abandoned underground coal mines near Beulah, Bowman, Dickinson, Garrison, Hanks, Haynes, Garrison, New Salem, Noonan, Richardton, Scranton, Washburn, Williston, Wilton and Zap. Approximately 400 sinkholes were filled at these fifteen sites. Erosion features were also repaired at the Buechler/Velva surface mine site. The work was done in the fall of 2013. With staff time and travel costs for the maintenance project and other mine investigations, the total amount charged to the 2013 construction grant was \$251,783.93. Some of this work was also charged to North Dakota's 2014 construction grant.

2014 Hazen West Phase 3 – This project involved the backsloping of a highwall and filling a mine ramp at an abandoned surface mine north of Beulah in Mercer County. Most of the staff design and a majority of the construction costs were charged to the 2013 construction grant. The amount charged to the 2013 construction grant was \$665,704.30. The remaining costs were charged to the 2014 construction grant.

2014 Exploratory Drilling – Some staff time was also spent preparing design plans for the 2014 exploratory drilling project near Wilton in Burleigh County. The cost of this design work was \$1,865.43.