



Public Service Commission

State of North Dakota

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September 17, 2015

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

Dear Mr. Fleischman:

Enclosed is the final report for North Dakota's 2015 Administration and Enforcement Grant, GR403383 (S14AP20027-0001-G310). The report covers the grant period that began July 1, 2014 and ended June 30, 2015. 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.

The original grant awarded was \$944,097 in federal funds but we de-obligated \$25,000 from this grant in July with an amendment. However, \$5,152.41 in federal funds was not spent by June 30th. The primary reasons for under spending the original grant award were 1) the project to scan paper documents in the mining permits that have been bond released cost less than expected; 2) a staff member took some unpaid leave during the grant period; and 3) some other operating expenses were less than anticipated.

The North Dakota Public Service Commission now considers Administration and Enforcement Grant GR403383 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 remaining unspent federal funds of \$5,152.41 may be de-obligated.

If you have any questions, please contact me.

Sincerely,

Jim Deusch
Director
Reclamation Division

Enclosures

cc: Steve Trujillo and John Sieving

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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) S14AP20027-0001-G310 (North Dakota 2015 A& E Grant)	Page 1	of 1
pages			

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) GR403383	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 checked="" type="checkbox"/> Accrual
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8. Project/Grant Period From: (Month, Day, Year) 7/01/2014	To: (Month, Day, Year) 6/30/2015	9. Reporting Period End Date (Month, Day, Year) 6/30/2015
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10. Transactions	Cumulative
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(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	\$919,097.00 (after the de-obligation of \$25,000)
e. Federal share of expenditures	\$913,944.59
f. Federal share of unliquidated obligations	\$ 0.00
g. Total Federal share (sum of lines e and f)	\$913,944.59
h. Unobligated balance of Federal funds (line d minus g)	\$ 5,152.41

Recipient Share:

i. Total recipient share required	\$514,091.71
j. Recipient share of expenditures	\$514,091.71
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	31.35%	7/1/2014	6/30/2015	\$962,109.11	\$301,621.23	\$193,037.91
					g. Totals:	\$962,109.11	\$301,621.23
						\$301,621.23	\$193,037.91

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) September 17, 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**

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 GR403383 (S14AP20027-0001-G310)	
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 2015 A&E Grant Closeout Report
(July 1, 2014 to June 30, 2015)

Permitting - During the grant period that began July 1, 2014 and ended June 30, 2015, the Reclamation Division did not receive any new permit applications. However, a permit application filed by the Coyote Creek Mining Company in the previous grant period was approved during the 2015 grant period. The permit covers 8,092 acres at the new Coyote Creek Mine. The Reclamation Division continues to wait for company responses to second technical review letters on permit applications for the proposed Otter Creek Mine (5,490 acres) and the proposed South Heart Mine (4,581 acres). A total of 11 permit revision applications were approved during the grant period, including four that were considered significant revisions. One significant revision added 352 acres to a permit. One permit renewal application was also approved during the period and the Reclamation Division conducted four midterm permit reviews. At the end of the reporting period there were 26 OSM inspectable units totaling 133,587 acres, with 21 having active mining operations.

Inspection - Reclamation Division staff carried out 665 inspections on 27 inspectable units covering the active and inactive permits to ensure compliance with the regulatory program and approved mining and reclamation plans. Staff conducted 109 complete inspections and 556 partial inspections.

Complaints – One formal written citizen complaints was received near the end of the grant period. A response to this complaint was sent out in July 2015.

Enforcement - Two notices of violation were issued during the grant period and a minor off-site impact occurred at one site. The Commission collected \$2,500 for civil penalties that were assessed for those two NOV's and another \$1,250 was collected for a NOV case that was pending when the previous grant period ended.

Bond Release - The Commission approved three final bond release applications that totaled 654 acres during the grant period. One of the releases was for the remaining acreage in the last initial program permit that had not been previously entirely bond released. Staff also reviewed and was evaluating another two final bond release applications that were pending approval at the end of the grant period.

Permit Fees – The Commission received \$4,021.05 in permit fees during the grant period. Pursuant to OSM policy, all of these funds were deposited in the State's general fund that indirectly offsets a small part of the state share of the program costs.