



Public Service Commission

State of North Dakota

COMMISSIONERS

Julie Fedorchak
Randy Christmann
Brian P. Kalk

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

October 21, 2015

Bank of North Dakota
1200 Memorial Hwy
PO Box 5509
Bismarck, ND 58506-5509

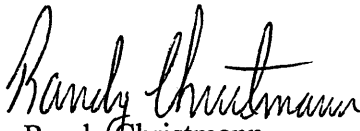
Dear Ms. Neigum:


The Public Service Commission has approved Collateral Bond No. CB-9501-8 provided by the Coteau Properties Company that covers surface coal mining permits at the Freedom Mine. The amount of Collateral Bond No. CB-9501-8 is \$14,600,000. This new bond replaces Collateral Bond CB-9501-7 where the funds are currently being held in escrow at the Bank of North Dakota. We understand that you and Coteau have agreed that the funds in the current certificate of deposit, \$11,900,000, for CB-9501-7 can be rolled into a new certificate for \$14,600,000, including an additional \$2,700,000 provided by Coteau. Enclosed is Coteau's check for \$2,700,000. The term of the new Certificate of Deposit must not exceed 180 days as required by paragraph 5 of the Escrow Agreement for Collateral Bond No. CB-9501-8.


Also, enclosed is a copy of the collateral bond documents for Collateral Bond No. CB-9501-8 and the Escrow Agreement to be signed by you or another official at the Bank of North Dakota. We need an original of this agreement returned for our records. In addition, we are enclosing a copy of the bond rider for Collateral Bond No. CB-9501-7 that reduces the amount of this bond to zero, effectively canceling it.

Thank you for your assistance in this matter.

Sincerely,


Randy Christmann
Commissioner


Julie Fedorchak
Chairman


Brian P. Kalk
Commissioner

Enclosures

Minedata/Freedom/Permits/NACT-9501/Bonding/Bond Documents/BND_itr_CB-9501-8_10-21-15.docx

37 RC-14-439 Filed: 10/21/2015 Pages: 1
Letter to BND enclosing check, copy of collateral
bond documents, escrow agreement, and bond rider