



Public Service Commission

State of North Dakota

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October 26, 2016

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 2015-2018 AML Construction Grant

Dear Mr. Fleischman:

Enclosed is the closeout report for the "construction" portion of North Dakota's 2015-2018 Abandoned Mine Lands Federal Grant no. S15AF20022 or our ID# GR507380. This is also the final report for this grant since the "administrative" portion was closed out earlier this year. The total amount spent under the construction portion of the grant was \$2,481,417.05. The sub-accounts used for the construction portion of Grant S15AF20022 are S15AF20022-0002-SS03, S15AF20022-0003-HC03, S15AF20022-0004-FE03, and S15F20022-0006-SS03. Please note that we did not draw down the one cent that was placed in Sub-grant S15AF20022-0005-FE-03 because that was not formally awarded to us.

This closeout report covers AML construction related costs from the period that began March 1, 2015 and ended on August 31, 2016. All funds from the construction portion of the grant were spent by August 31, 2016 and the final drawdown occurred in September. Enclosed are the Financial Status Report, SF 425, for closing out the construction grant and Form OSM-51 that summarizes AML projects that were fully or partially funded with this grant.

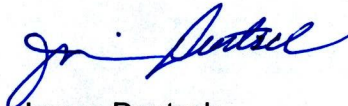
The original award for North Dakota's 2015-2018 construction grant was \$2,386,414.00. However, this amount was later increased when the administrative portion was closed out. The balance that remained in the administrative portion, \$95,003.05, was then transferred to the construction portion and those funds went into sub-account S15AF20022-0006-SS03.

All allowable, allocable and reasonable costs have been paid and all grant funds have been expended. OSM is released from all obligations under or arising from AML Grant No. S15AF20022, subject to final audit, if any.

Mr. Jeff Fleischman
October 26, 2016
Page 2 of 2

If you or others have any questions about the closeout documents, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Deutsch".

James Deutsch
Director – AML Division

Enclosures

cc: Steve Trujillo
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 Reclamation and Enforcement	2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment) 2015-2018 AML Construction - S15AF20022 - Subgrant Account Numbers S15AF20022-0002-SS03, S15AF20022-0003-HC03, S15AF20022-0004-FE03, and S15AF20022-0006-SS03	Page 1	of 1 pages
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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) GR507380	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) 3/01/2015	To: (Month, Day, Year) 8/31/2016	9. Reporting Period End Date (Month, Day, Year) 10/26/2016
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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	\$2,481,417.05
e. Federal share of expenditures	\$2,481,417.05
f. Federal share of unliquidated obligations	\$0.00
g. Total Federal share (sum of lines e and f)	\$2,481,417.05
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	31.35%	3/01/2015	6/30/2015	\$ 90,889.09	\$28,493.75
	Est. & approved	28% & 29.68%	7/01/2015	8/31/2016	\$171,418.40	\$49,827.96	\$49,827.96
g. Totals:					\$ 262,307.49	\$78,321.71	\$78,321.71

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 AML Division	c. Telephone (Area code, number and extension) (701) 328-2251 d. Email address jdeutsch@nd.gov
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b. Signature of Authorized Certifying Official 	e. Date Report Submitted (Month, Day, Year) October 26, 2016
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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 Land Program		<input type="checkbox"/> State and Federal Program	
2. Grant Recipient	Type of Report	Reporting Period	Control Number(s)
NORTH DAKOTA PUBLIC SERVICE COMMISSION 600 E. Boulevard Ave., Dept. 408 BISMARCK, ND 58505-0480	Grant Closeout Report	March 1, 2015 to August 31, 2016	GR507380
3. Project Title/Program			
2015-18 Abandoned Mine Lands Reclamation Grant (Construction Portion)			
4. Performing Organization			
North Dakota Public Service Commission			
5. Program Narrative			
Please see the attached narrative for the closeout report for the construction portion of North Dakota's 2015-2018 construction grant.			

OSM-51(12/80)

Paperwork Reduction Act Statement

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501) requires us to inform you that: Federal Agencies may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. This information is being collected to review, administer and evaluate the States/Tribes grants for program development and administration and enforcement to meet the requirements of the Surface Mining Control Reclamation and Enforcement Act. The obligation to respond is required to obtain a benefit.

Public reporting burden for this form is estimated to average 10 hours per response, including time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to the Information Collection Clearance Officer, Office of Surface Mining Reclamation and Enforcement, Room 203 SIB, 1951 Constitution Ave., NW, Washington, D.C. 20240.

North Dakota's 2015-2018 AML Construction Grant Closeout Narrative

The construction portion of North Dakota's 2015-18 AML grant was used by the Public Service Commission (PSC) for Abandoned Mine Lands Reclamation construction projects during a 18-month period that started on March 1, 2015 and ended on August 31, 2016. The original 36-month grant period was scheduled to end on February 28, 2018. However, by the end of August 2016, all federal funds in the construction portion of this grant had been paid out and the final drawn down had been made so the grant is being closed out at this time. All project work under North Dakota's 2015-2018 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 AML Division staff time and travel when designing and overseeing the construction work between March 1, 2015 and February 28, 2016 were charged to the 2015 construction grant. After March 1, 2016, charges to this grant were limited to the payment of contractor invoices, including some of the work performed on projects carried out in 2016. Funds from this grant were used for the projects discussed below and the amount spent on each project is also provided.

2015 Scranton/Bowman Phase 3 and Wilton Project: This project involved drilling and pumping pressurized grout into collapsed underground mine workings. Rotary drilling was used to locate underground mine voids and then a cement-like grout was pumped into the mine voids. The filling of mine voids should prevent future collapse and eliminates the associated hazards. This multi-location project included a farmstead south of Reeder in Adams County and areas along county roads near Bowman and Scranton in Bowman County and Wilton in Burleigh County. The amount of grout injected into mine voids at each site were 953 cubic yards near Reeder, 4,500 cubic yards north of Bowman, 86 cubic yards at Scranton, and 2,400 cubic yards southeast of Wilton. The work was conducted in the summer and fall of 2015. A separate contract was also issued for field and laboratory testing of the grout. The total amount charged to AML's 2015 construction grant, including some design of the costs, was **\$680,693.51**. However, much of the design costs and a significant amount of the construction costs had been previously charged to the 2014 construction grant.

2016 Wilton Phase 2 Project: This project also involved drilling and pumping pressurized grout into collapsed underground mine workings. This project was the continuation of work along county roads and a state highway near Wilton in Burleigh County. The amount of grout injected into mine voids was 8,494 cubic yards and the work was conducted in the summer of 2016. A separate contract was also issued for field and laboratory testing of the grout. The amount of construction costs that were charged to AML's 2015 construction grant totaled **\$995,526.38**. However, the remaining construction costs were charged to the 2016 construction grant.

2015 Columbus Phase 15 Project – This project involved eliminating about 5,000 feet of highwalls and spoil grading at two abandoned surface mine sites. One of the sites was located southwest of Columbus and the other was southeast of Columbus in Burke County. Approximately 255,000 cubic yards of overburden material was moved to backfill the highwalls and about 65 acres were reclaimed. This work was carried out during the summer of 2015 and

the amount charged to the 2015 construction grant was **\$578,284.00**. Most of the staff design costs for this project were charged to the 2014 construction grant.

2015-16 Maintenance Project – The 2015 phase of this two-year project involved the filling of sinkholes caused by abandoned underground coal mines at sites near the towns of Beulah, Zap, New Leipzig, Scranton, Dickinson and Wilton. Approximately 207 sinkholes were filled at these sites. Erosion features were also repaired at a surface mine site near Glen Ullin. The work was done in the spring and fall of 2015. In addition, two emergency coal fire projects were conducted in May and June of 2015 near Haynes and east of Williston. Including staff time and travel costs for this maintenance project and other mine investigations, the total amount charged to the 2015 construction grant was **\$209,630.37**.

2014 Hazen West Phase 3 – This project involved reducing the slopes on about 3,000 feet of highwalls to eliminate hazardous conditions; and spoil grading at an abandoned surface mine west of Hazen in Mercer County. The site is within an area that is owned and managed by the State Game and Fish Department as a Wildlife Management Area. Approximately 30 acres of highwalls and mine pits were reclaimed in 2014 and that involved moving about 315,000 cubic yards of overburden during the reclamation process. Most of the work was carried out during the summer and fall of 2014, but final seeding and fencing was not finished until the spring of 2015. The staff design work and all of the construction costs for this project were charged to the 2013 and 2014 construction grants. However, **\$5,947.76** was charged to the 2015 construction grant for staff time spent to complete the project in the spring of 2015.

2014 Exploratory Drilling – The 2014 exploratory drilling project involved rotary drilling and drill hole casing at abandoned underground mines to better define the extent of the mine workings. This work was conducted in the Wilton area in northern Burleigh County. The total footage drilled was 25,727 feet and 5,023 feet of drilled holes were cased when mine voids were found. Most of the work was carried out in the fall of 2014 but some of the drilling and final cleanup was not finished until the spring of 2015. Staff design work and all of the construction costs for this project were charged to the 2014 construction grant. However, **\$10,629.50** was charged to the 2015 construction grant for staff time to complete the project in the spring of 2015.

2016 Bowman Foxhole Project – This 2016 project involved backfilling highwalls at two small abandoned surface mines north of Bowman in Bowman and Slope Counties. Some of the preliminary design costs for this project were charged to the 2015 construction grant. The amount charged to the 2015 construction grant was **\$705.53**. The remaining project costs, including all construction costs, were charged to the 2016 construction grant.