

**PUBLIC SERVICE COMMISSION**  
**Reclamation Division**  
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**Memorandum**

**TO:** Commissioners Christmann, Kroshus, and Fedorchak  
Darrell Nitschke  
Illona Jeffcoat-Sacco

**FROM:** *DKM*  
Dean K. Moos, Reclamation Division

**DATE:** May 9, 2018

**SUBJECT:** 2019 Administration and Enforcement Grant for the coal regulatory program,  
Case No. RC-18-146

The Office of Surface Mining (OSM) recently announced the federal grant allocations for the states. For the July 1, 2018 to June 30, 2019 grant period, OSM has allocated \$994,638 for our coal regulatory program. This is the same amount as our current grant and is slightly less than our earlier budget projection of \$1,003,415 (\$8777 less) provided to OSM. Although the amount of money allocated is less than our earlier projection, the actual allocation amount will be satisfactory. The 2019 Administration and Enforcement Grant Application for the coal regulatory program has been prepared based on the OSM grant allocation and is ready to submit to OSM.

The total amount of the grant application, including the state share, is \$1,554,121. This includes both direct and indirect costs. Of this total, the federal share is \$994,638 and the state share is \$559,483. The federal/state funding split will be 64% federal and 36% state based on OSM's federal lands funding formula. This formula considers the federal coal acreage in existing permits and pending applications that will permit new acreage.

The operating items proposed in the 2019 grant budget are about half of the total operating funds that were budgeted for the Reclamation Division for the 2017-2019 biennium. The approved 2017-19 biennium indirect cost rate of 33.41% was used in the grant application.

Attached is a motion for the May 15<sup>th</sup> Commission meeting to submit the grant application to OSM.

Attachment

Minedata/OSM/Grant&Budget/2019 Grant/2019\_A&E\_grant\_memo\_5-9-18

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**Memorandum**

Public Service Commission Staff  
Dean Moos