


# PUBLIC SERVICE COMMISSION

State of North Dakota

Memorandum

To: Commissioners Fedorchak, Christmann and Kroshus  
Executive Director Steve Kahl  
General Counsel John Schuh

From:  Dean Moos and Joan Breiner - AML Division  
Jill Kringstad - Accounting Division

Date: March 25, 2021

Subject: AML's 2021 Grant Application and Major AML Reclamation Projects  
Case No. AM-21-118

On March 2, 2021, we received notice that OSM allocated North Dakota \$2,829,000 for the next AML grant period that began March 1, 2021. We should have been allocated \$3,000,000 this year as a minimum program funded state, but this amount was reduced 5.7% due to sequestration. Attached is the 2021-2024 AML Simplified Grant Application. Commission approval is requested to submit this grant application to OSM. The major AML reclamation projects are also described in the grant application.

The AML Division plans the following AML projects in 2021:

**Exploratory Drilling:** This investigatory project will be conducted to locate and characterize suspected abandoned underground coal mines near Belfield and Garrison, North Dakota. This project includes drilling into the mine workings and casing drill holes where voids are found for future grouting. It is estimated that 15,000 feet of drilling will be needed. The estimated project cost is \$200,000.

**Beulah/Zap Phase 16:** This remote backfilling project will stabilize underground coal mine workings along North Dakota State 200, 60th Ave SW and a residential lot. All are about 2 miles northeast of Beulah in Mercer County. This project will use previously drilled and cased holes with additional drilling completed as needed. An estimated 3,000 cubic yards of grout and 2,000 tons of sand will be pumped into mine voids. The estimated project cost is \$950,000.00.

**2021 Buechler/Velva Phase 2:** This 30-acre project will eliminate approximately 3500 feet of dangerous highwall and over 90 dangerous sinkholes on three abandoned coal mines located in Ward County. The proposed reclamation work involves backsloping and backfilling the highwalls with earthen material from adjacent spoil piles at the surface mine sites and filling sinkholes using spoil material from a nearby abandoned surface mine. The estimated project cost is \$400,000.

**Sinkhole Filling, Maintenance and Emergencies:** This fills dangerous sinkholes caused by underground mine collapse. Sinkhole filling projects like this have been

conducted since the 1980s. Some funds may be used to conduct maintenance work on reclaimed sites. If necessary, some of these funds may also be used for emergency projects. The estimated 2021 project cost is \$75,000.

The total estimated project contract costs for 2021 are \$1,625,000. It appears about \$1,750,000 will remain in North Dakota's 2020-2023 AML grant. The remaining funds in the 2020-2023 grant will be used to pay a portion of the contract costs incurred during the 2021 construction season. Any funds from the 2021-2024 construction grant that are not used in 2021 will be used similarly during the 2022 construction season.

Attached is a motion for the April 1, 2021, Commission meeting to approve the major AML construction projects for 2021 and to submit the next AML grant application to OSM.

#### Attachment

Minedata/AML/AMLGrants/2021/2021\_Grant\_memo\_3-24-2021