

BUDGET NARRATIVE

The budgeted amounts in Form OSM-47 for permitting, inspection and enforcement, and administrative activities are based on the estimated time that Public Service Commission (PSC) staff will spend on each activity. However, these amounts do not include all such costs since similar activities on Federal lands are listed separately on Form OSM-47. Costs for the PSC to regulate coal mining on Federal lands (pursuant to the Cooperative Agreement between the Department of the Interior and North Dakota) are considered 100% federal costs, whereas costs for the regulatory program activities on other lands are equally split between OSM and the PSC. The percent of the total grant amount that will be used for regulatory program activities on the Federal lands (at the 100% federal rate) comes to 28%. The remaining 72% of the program costs are split 50-50 between OSM and the PSC. This results in the overall Federal share being 64% and the State share is 36%.

The PSC will maintain detailed accounting records to support all direct charges to the regulatory program grant. Staff will also complete monthly time sheets to document the amount of time spent on permitting, inspection and enforcement, and administrative activities, plus any unexpected activities related to designating lands unsuitable for mining. The total anticipated budget for the 2022-2023 Administrative & Enforcement Grant is shown in Table 1. This grant covers a 12-month period, beginning July 1, 2022 and ending on June 30, 2023.

PERSONNEL

The North Dakota Public Service Commission (PSC) will use 9.6 full-time equivalents (FTE) to administer the approved state program for this 12-month grant period. Staff members who spend 100% of their time on the regulatory program include the assistant director of the Reclamation Division, two environmental engineers, one hydrologist, and four environmental scientists. The following is the list of other PSC staff that spend part of their time working for the Reclamation Division and the estimated percentage of time that each will spend on coal regulatory program matters: the director of the Reclamation and AML Divisions – 65%, administrative assistant – 65%, and GIS specialist – 30%.

Total salaries for the administration and enforcement grant period are listed as \$741,843. However, we estimate this amount is understated by approximately \$59,000. Due to retirements and subsequent filling of positions internally during the 2021-2022 grant period, we have new staff or staff in new roles in the following positions: Director, Assistant Director, Hydrologist, two Environmental Scientists, Environmental Engineer, and GIS Specialist. We are currently fully staffed and anticipate minimal, if any vacancies during the grant period. As a result, unlike what we have seen in the past several grant periods, we anticipate any remaining grant allocation at the end of the grant period to be minimum, if at all. Due to the reduction of ND's grant allocation for 2022-2023, we are concerned we will need additional grant funding in order to cover the personnel costs and fringe benefits.

FRINGE BENEFITS

The total fringe benefits for 9.6 FTE positions for this grant period are listed as \$310,386. Included under fringe benefits are state retirement, FICA, worker's compensation, medical insurance, and unemployment insurance. A fringe benefit rate of 42% is used based on historic costs plus the increased cost of health insurance. However, as mentioned above due to the salaries being understated, we estimate fringe benefits to be approximately \$26,000 higher than listed.

TRAVEL

The PSC estimates travel costs of approximately \$41,900 during this grant period. These travel costs are related to work efforts such as partial and complete mine inspections, bond releases, public meetings, training, state/federal programmatic meetings, and technical conferences. The estimated travel budget is based on motor pool mileage costs, air transportation, lodging, and per diem expenses.

EQUIPMENT

OMB A-87 circular states that equipment purchases of less than \$5,000 are considered supplies and allowable as direct expenditures without specific awarding agency approval. For the 2022-2023 grant period, we do not anticipate any equipment purchases of more than \$5,000.

SUPPLIES

The Reclamation Division has estimated \$12,625 for supplies in this budget. The costs for repairs and printing are also included in this category.

CONTRACTUAL

This budget category totals \$8,500 for this grant. It is anticipated that the Commission will pass through these funds to the North Dakota Geological Survey for coal exploration activities during the grant period.

CONSTRUCTION

No construction costs will be incurred under this grant.

OTHER

The Reclamation Division has estimated \$77,250 for "other" expenses. This includes costs for office space rent charged by OMB, professional development, half of the annual IMCC dues, administrative hearing officers, audit services, outside attorney fees for hearings, publishing newspaper notices, lab testing services, central service charges by OMB, and miscellaneous fees and services.

TOTAL DIRECT CHARGES

The estimated total of direct charges (Items 1 through 8) is \$1,192,504.

INDIRECT CHARGES

The estimated indirect costs are \$355,022. The negotiated and finalized indirect cost rate of 33.74 percent is used for this grant period. This is the indirect cost rate for the two-year biennium that begins on July 1, 2021 and ends June 30, 2023. The indirect cost rate will be only charged to the salary and fringe benefit line items. As previously mentioned, we estimate salary and benefit amounts to be understated and therefore indirect costs would be understated as well. If this is the case, additional funding will be needed.

TOTAL COST

The total budget for North Dakota's 2022-2023 Permanent Program Administration and Enforcement Grant is listed as \$1,547,526 for the 12-month period (July 1, 2022 to June 30, 2023). Based on the federal lands funding formula shown below and as noted above, the federal share will be 64%. The total federal share will be \$990,417 which is the amount OSM allocated to North Dakota for this grant period. Due to reasons outlined above, we strongly believe we will exceed our allocated amount and additional funding will be needed.

PROGRAM INCOME

The Reclamation Division anticipates that some permit fees and penalty assessments will be collected during the grant period. This income will be deposited in the State's general fund which will offset a small portion of the State share outlays for the program.

COOPERATIVE AGREEMENT FUNDING

The following calculations show the overall federal funding share for the regulatory program following OSM's federal lands funding policy that was adopted in February 1995. The Area-Weighted Average Option was used in the following calculations. However, this option was slightly modified to take into account several small Leonardite permits which are regulated by North Dakota, but do not come under SMCRA jurisdiction. Therefore, the funding formula shows these permits as receiving no federal funds since they are considered 100% state funded. The funding calculations below show that the overall federal share of the program costs will be 64% and the state share will be 36% for the 2022-2023 grant period. Activities pertaining to federal lands during the grant period include conducting mine inspections and reviewing and approving applications for new permits, revisions, renewals, and bond releases. Most of these activities, as well as any enforcement actions, will normally be carried out in conjunction with similar actions for adjacent non-federal lands. The Reclamation Division will prepare draft decision documents required for Department of the Interior mine plan approval on leased federal coal tracts.

The slightly modified Area-Weighted Average Option for determining the federal funding for state regulation on federal lands is based on the following table:

Percent Federal Lands	Federal Lands Funding Percent	Overall Federal Funding Percent
Leonardite mining permits	0	0
0	0	50
>0 but <25	25	62.5
>25 but <50	50	75
>50 but <75	75	87.5
>75	100	100

The following provides the breakdown of all State Program permits that have been issued and pending applications and new applications expected in the grant period that propose to permit additional lands using the formula presented in the above table:

- 1) Permits for Leonardite mines; this acreage receives no federal funding since it is 100% State funded:

<u>Permit No.</u>	<u>Total Acres</u>
ACPG-9701	657
GRGR-0501	96
Total	753

753 acres at 0% Federal Funding

- 2) Permits with no Federal lands; the total of this acreage is federally funded at the 50% rate:

<u>Permit No.</u>	<u>Total Acres</u>
BNCR-8106	1,169

1,169 acres at 50% Federal Funding

- 3) Permits with some Federal coal but less than 25% of the total permit area; the total of this acreage is federally funded at the 62.5% rate:

<u>Permit No.</u>	<u>Total Acres</u>	<u>Federal Coal Acres</u>
NAFK-8405	13,437	886
NAFK-8705	10,486	258
KRSB-8802	4,905	975
NACT-9101	7,949	542
BNCR-9401	338	20
BNCR-9702	7,655	1554
NACT-9501	6,526	1184
NAFK-9503	29,110	1513
NAFK-9601	2,049	125
NACT-0401	6,070	160
BNCR-1101	11,023	1080
NACC-1302	8,444	1788
NACT-1801	5,272	639
NACT-9001	1409	282
Total	114,673	

114,673 acres at 62.5% Federal Funding

- 4) Permits with more than 25% Federal coal but less than 50% of the total permit area; the total of this acreage is federally funded at the 75% rate:

<u>Permit No.</u>	<u>Total Acres</u>	<u>Federal Coal Acres</u>
BNCR-8602	312	103
KRSB-8603	3,872	1,048
NACT-0201	17,171	5,500
Total	21,355	

21,355 acres at 75% Federal Funding

- 5) Permits with more than 50% Federal coal but less than 75% of the total permit area; the total of this acreage is federally funded at the 87.5% rate:

<u>Permit No.</u>	<u>Total Acres</u>	<u>Federal Coal Acres</u>
KRGC-8101	688	510

688 acres at 87.5% Federal Funding

- 6) Permits with more than 75% Federal coal; this acreage is federally funded at the 100% rate:

<u>Permit No.</u>	<u>Total Acres</u>	<u>Federal Coal Acres</u>
BNCR-8202	728	578

728 acres at 100% Federal Funding

Summaries and calculation of overall funding rates:

0% Federal Funding	753 acres
50% Federal Funding	1169 acres
62.5% Federal Funding	114,673 acres
75% Federal Funding	21,355 acres
87.5% Federal Funding	688 acres
100% Federal Funding	728 acres
Total Acres	139,366 acres

Calculation of federally funded areas:

753 x 0%	=	0 acres federally funded
1,169 x 50%	=	585 acres federally funded
114,673 x 62.5%	=	71,671 acres federally funded
21,355 x 75%	=	16,016 acres federally funded
688 x 87.5%	=	602 acres federally funded
728 x 100%	=	728 acres federally funded
Total		89,602 acres federally funded

Calculation of overall federal funding percentage:

$$89,602 \text{ acres (federally funded)} \div 139,366 \text{ acres (total)} = 64\%$$

Overall, the Federal share is 64% and the State share is 36% for the 2022-2023 grant period.

Application for Federal Assistance SF-424

* 1. Type of Submission:

- Preapplication
 Application
 Changed/Corrected Application

* 2. Type of Application:

- New
 Continuation
 Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received:

08/17/2022

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: North Dakota Public Service Commission

* b. Employer/Taxpayer Identification Number (EIN/TIN):

45-0309764

* c. UEI:

YNSNV6MQURB3

d. Address:

* Street1: 600 E Boulevard Ave

Street2: Dept. 408

* City: Bismarck

County/Parish:

* State: ND: North Dakota

Province:

* Country: USA: UNITED STATES

* Zip / Postal Code: 585050480

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

* First Name:

Zanna

Middle Name:

* Last Name:

Brinkman

Suffix:

Title: Director of Reclamation and AML

Organizational Affiliation:

* Telephone Number: 701-328-3403

Fax Number:

* Email: zbrinkman@end.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Office of Surface Mining

11. Catalog of Federal Domestic Assistance Number:

15.250

CFDA Title:

Regulation of Surface Coal Mining and Surface Effects of Underground Coal Mining

*** 12. Funding Opportunity Number:**

S-S-REG-22-003-096223 / S-S-REG-22-003

* Title:

FY 2022 Western Region - Regulatory Funding Opportunity

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

2022-2023 Administrative & Enforcement Grant, North Dakota Regulatory Program

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:
* a. Applicant * b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:
* a. Start Date: * b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="990,417.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="557,109.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="1,547,526.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**
 a. This application was made available to the State under the Executive Order 12372 Process for review on .
 b. Program is subject to E.O. 12372 but has not been selected by the State for review.
 c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**
 Yes No
If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**
 ** I AGREE
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:
Prefix: * First Name:
Middle Name:
* Last Name:
Suffix:
* Title:
* Telephone Number: Fax Number:
* Email:

* Signature of Authorized Representative: * Date Signed:

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006

Expiration Date: 02/28/2022

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. FY22 Regulatory Program	15.250	\$ []	\$ []	\$ 990,417.00	\$ 557,109.00	\$ 1,547,526.00
2. []	[]	[]	[]	[]	[]	[]
3. []	[]	[]	[]	[]	[]	[]
4. []	[]	[]	[]	[]	[]	[]
5. Totals		\$ []	\$ []	\$ 990,417.00	\$ 557,109.00	\$ 1,547,526.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1) FY22 Regulatory Program	(2)	(3)	(4)	
a. Personnel	\$ 741,843.00	\$	\$	\$	\$ 741,843.00
b. Fringe Benefits	310,386.00				310,386.00
c. Travel	41,900.00				41,900.00
d. Equipment	0.00				0.00
e. Supplies	12,625.00				12,625.00
f. Contractual	8,500.00				8,500.00
g. Construction	0.00				0.00
h. Other	77,250.00				77,250.00
i. Total Direct Charges (sum of 6a-6h)	1,192,504.00				\$ 1,192,504.00
j. Indirect Charges	355,022.00				\$ 355,022.00
k. TOTALS (sum of 6i and 6j)	\$ 1,547,526.00	\$	\$	\$	\$ 1,547,526.00
7. Program Income	\$	\$	\$	\$	\$

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SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program		(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	FY22 Regulatory Program	\$ <input type="text"/>	\$ 557,109.00	\$ <input type="text"/>	\$ 557,109.00
9.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
12. TOTAL (sum of lines 8-11)		\$ <input type="text"/>	\$ 557,109.00	\$ <input type="text"/>	\$ 557,109.00

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ 990,417.00	\$ 247,604.00	\$ 247,605.00	\$ 247,604.00	\$ 247,604.00
14. Non-Federal	\$ 557,109.00	139,277.00	139,277.00	139,278.00	139,277.00
15. TOTAL (sum of lines 13 and 14)	\$ 1,547,526.00	\$ 386,881.00	\$ 386,882.00	\$ 386,882.00	\$ 386,881.00

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program		FUTURE FUNDING PERIODS (YEARS)			
		(b) First	(c) Second	(d) Third	(e) Fourth
16.	FY22 Regulatory Program	\$ 990,417.00	\$ 0.00	\$ 0.00	\$ 0.00
17.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
19.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
20. TOTAL (sum of lines 16 - 19)		\$ 990,417.00	\$ 0.00	\$ 0.00	\$ 0.00

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges: <input type="text" value="1,192,504"/>	22. Indirect Charges: <input type="text" value="355,022"/>
23. Remarks: <input type="text"/>	

Key Contacts Form

*** Applicant Organization Name:**

North Dakota Public Service Commission

Enter the individual's role on the project (e.g., project manager, fiscal contact).

*** Contact 1 Project Role:** Program Director

Prefix:

*** First Name:** Zanna

Middle Name:

*** Last Name:** Brinkman

Suffix:

Title: Director of Reclamation and AML

Organizational Affiliation:

*** Street1:** 600 E Boulevard Ave

Street2: Dept 408

*** City:** Bismarck

County:

*** State:** ND: North Dakota

Province:

*** Country:** USA: UNITED STATES

*** Zip / Postal Code:** 58505-0480

*** Telephone Number:** 701-328-3403

Fax:

*** Email:** zbrinkman@nd.gov

Delete Entry

Next Person

Table 1

**North Dakota Permanent Program Budget Summary
July 1, 2022 to June 30, 2023**

1. Personnel *	(increases on 7-1-21 averaged 2%)		\$	741,843	
2. Fringe Benefits *	(42% of salary)		\$	310,386	
3. Travel			\$	41,900	
	Meals and Lodging				
	In-State	\$	2,350		
	Out-of-State	\$	8,850		
	Air Transportation	\$	8,500		
	Motor Pool (30K @\$0.39/mile + \$10,500 depr)	\$	22,200		
4. Equipment			\$	-	
5. Supplies			\$	12,625	
	Office Equipment	\$	1,900		
	Specialized Computer Software & Hardware	\$	3,500		
	Repairs	\$	1,400		
	Printing	\$	750		
	Resource Materials & Scientific Supplies	\$	2,850		
	Miscellaneous Supplies and Equipment	\$	2,225		
6. Contractual			\$	8,500	
	ND Geological Survey	\$	8,500		
7. Construction			\$	-	
8. Other			\$	77,250	
	Office Rent	\$	28,000		
	Professional Development	\$	3,050		
	Membership dues (IMCC)	\$	8,600		
	Administrative Hearings	\$	11,000		
	Audit Services	\$	1,000		
	Other Operating Fees & Services	\$	16,500		
	Advertising (Public Notices) & transcripts	\$	1,800		
	Laboratory Services	\$	900		
	Central Service Costs	\$	6,400		
9. Total Direct Costs			\$	1,192,504	
10. Indirect Costs					
	Rate - 33.74% X Base =	\$	1,052,229	\$	355,022
11. Total			\$	1,547,526	
	Federal Share - 64% of Total Costs		\$	990,417	
					Difference
			Grant Allocation	\$ 990,417	\$ 0

U.S. DEPARTMENT OF THE INTERIOR
Office of Surface Mining Reclamation and Enforcement

OMB Control No. 1029-0059
Exp. Date: 9/30/2024

Budget Information Report

IMPORTANT: Please read instructions on the reverse of this page before completing this form.

A. Program North Dakota Permanent Program	E. Budget Period (Month, Day, Year)	F. Mark 'X' in Appropriate Box
B. Grantee ND Public Service Commission	Beginning Date 07/01/2022	<input checked="" type="checkbox"/> New Budget
C. Grant Program Administration & Enforcement	Ending Date 06/30/2023	<input type="checkbox"/> Revised Budget (Enter Grant Number)
D. Rate of Federal Sharing (%) 64.00		<input type="checkbox"/> Grant Number

PROGRAM/FUNCTIONS/ACTIVITIES	(a)	(b)	(c)	(d)	(e)	(f)	TOTAL (g)
1. Personnel	\$296,737.00	\$118,695.00	\$0.00	\$118,695.00	\$0.00	\$207,716.00	\$741,843.00
2. Fringe Benefit	\$124,154.00	\$49,662.00	\$0.00	\$49,662.00	\$0.00	\$86,908.00	\$310,386.00
Section A	\$1,508.00	\$15,084.00	\$0.00	\$13,576.00	\$0.00	\$11,732.00	\$41,900.00
by							
4. Equipment	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Object Class							
5. Supplies	\$0.00	\$0.00	\$0.00	\$9,090.00	\$0.00	\$3,535.00	\$12,625.00
6. Contractual	\$0.00	\$0.00	\$0.00	\$6,120.00	\$0.00	\$2,380.00	\$8,500.00
7. Construction	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8. Other	\$0.00	\$0.00	\$0.00	\$55,620.00	\$0.00	\$21,630.00	\$77,250.00
9. Total Direct Charges	\$422,399.00	\$183,441.00	\$0.00	\$252,763.00	\$0.00	\$333,901.00	\$1,192,504.00
10. Indirect Charges	\$142,008.00	\$56,804.00	\$0.00	\$56,804.00	\$0.00	\$99,406.00	\$355,022.00
11. Total	\$564,407.00	\$240,245.00	\$0.00	\$309,567.00	\$0.00	\$433,307.00	\$1,547,526.00
Section B							
by							
12. Non-Federal Share	\$282,204.00	\$120,122.00	\$0.00	\$154,783.00	\$0.00	\$0.00	\$557,109.00
Source							
13. Federal Share	\$282,203.00	\$120,123.00	\$0.00	\$154,784.00	\$0.00	\$433,307.00	\$990,417.00
Section C							
by							
Income							\$0.00
Section D	15. Detail on Indirect Cost () Predetermined () Provisional () Final (x) Fixed						
Indirect	Type of Rate (mark 'X' in Box)		Total Amount \$355,022.00		Base \$1,052,229.00		
Cost	Rate 33.74 %						

E. Signature of Authorizing Official 	F. Name and Title (type or print) Zanna Brinkman, Director, Rec. Div.	G. Telephone Number (Area Code, Number and Extension) (701) 328-3403	H. Date Report Submitted
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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 1 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, 1849 C Street, NW, Room 4559, Washington, DC 20240.

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes 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 (0348-0040), Washington, DC 20503.

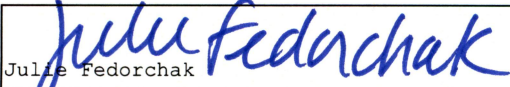
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93- 205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL  Julie Fedorchak	TITLE Chair
APPLICANT ORGANIZATION North Dakota Public Service Commission	DATE SUBMITTED 08/17/2022

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C.1352

OMB Number: 4040-0013
Expiration Date: 02/28/2025

1. * Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. * Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input checked="" type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. * Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
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4. Name and Address of Reporting Entity:

Prime SubAwardee

*Name: North Dakota Public Service Commission

*Street 1: 600 E Boulevard Ave *Street 2: Dept 408

*City: Bismarck State: ND: North Dakota Zip: 58505-0480

Congressional District, if known: ND-001

5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime:

6. * Federal Department/Agency: U.S. Office of Surface Mining	7. * Federal Program Name/Description: OSMRE Western Region Regulatory Grants CFDA Number, if applicable: 15.250
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8. Federal Action Number, if known: _____	9. Award Amount, if known: \$ 990,417.00
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10. a. Name and Address of Lobbying Registrant:

Prefix _____ *First Name N/A Middle Name _____

*Last Name N/A Suffix _____

*Street 1 _____ *Street 2 _____

*City _____ State _____ Zip _____

b. Individual Performing Services (including address if different from No. 10a)

Prefix _____ *First Name N/A Middle Name _____

*Last Name N/A Suffix _____

*Street 1 _____ *Street 2 _____

*City _____ State _____ Zip _____

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

*Signature: Julie Fedorchak

*Name: Prefix _____ *First Name Julie Middle Name _____

*Last Name Fedorchak Suffix _____

Title: Chair, Public Service Commission Telephone No.: _____ Date: 08/17/2022

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION <input style="width: 90%; border: none; border-bottom: 1px solid black;" type="text" value="North Dakota Public Service Commission"/>	
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
Prefix: <input style="width: 80px; border: none; border-bottom: 1px solid black;" type="text"/>	* First Name: <input style="width: 250px; border: none; border-bottom: 1px solid black;" type="text" value="Julie"/> Middle Name: <input style="width: 180px; border: none; border-bottom: 1px solid black;" type="text"/>
* Last Name: <input style="width: 410px; border: none; border-bottom: 1px solid black;" type="text" value="Fedorchak"/>	Suffix: <input style="width: 100px; border: none; border-bottom: 1px solid black;" type="text"/>
* Title: <input style="width: 320px; border: none; border-bottom: 1px solid black;" type="text" value="Chair, Public Service Commission"/>	
* SIGNATURE: <input style="width: 350px; height: 50px; border: none; border-bottom: 1px solid black;" type="text" value="Julie Fedorchak"/>	* DATE: <input style="width: 100px; border: none; border-bottom: 1px solid black;" type="text" value="08/17/2022"/>

**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 type="checkbox"/> Abandoned Mine Land Program		<input checked="" type="checkbox"/> State and Federal Program	
2. Grant Recipient	Type of Report	Reporting Period	Control Number(s)
Public Service Commission 600 East Boulevard Ave, Dept. 408 Bismarck ND 58505-0408	Administrative & Enforcement Grant Narrative	July 1, 2022 to June 30, 2023	S-S-REG-22-003-0962 23
3. Project Title/Program			
FY 2022 Western Region - Regulatory Funding Opportunity			
4. Performing Organization			
Same as above.			
5. Program Narrative			
See the following pages.			

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, 1849 C Street, NW, Room 4559, Washington, DC 20240.

DETAILED INSTRUCTIONS FOR COMPLETING OSM 51 - PROGRAM NARRATIVE

1. Self-explanatory.
2. Enter the name of the grant applicant.
3. Enter the name of the program and the project being described.
4. Enter the name of the performing organization if it is different from the grant or cooperative agreement recipient.
5. Enter the program narrative statement. As detailed in OMB Circular A-102 (Revised), the Program Narrative Statement should include the following information:

Objectives and Need for Assistance. Precisely describe any relevant physical, economic, social, financial, institutional or other problems requiring a solution. Demonstrate the need for the assistance and state the principal and subordinate objectives of the project. Supporting documentation or other testimonies from concerned interests other than the applicant may be used. Any relevant data based on planning studies should be included or footnoted.

Results and Benefits Expected. Identify results and benefits to be derived. For example, show how the facility will be used. For land acquisition or developmental projects, explain how the project will benefit the public.

Approach. Outline a plan of action pertaining to the scope of the project and detail how the proposed work will be accomplished for each assistance program. Cite factors which might accelerate or decelerate the work and your reasons for taking this approach as opposed to others. Describe any unusual features of the project, such as design or technological innovations, reductions in cost or time, or extraordinary social and community involvements. Provide for each assistance program quantitative projections of the accomplishments to be achieved, if possible. When accomplishments cannot be quantified, list the activities in chronological order to show the schedule of accomplishments and their target dates. Identify the kinds of data to be collected and maintained, and discuss the criteria to be used to evaluate the results and success of the project. Explain the methodology that will be used to determine if the needs identified and discussed are being met and if the results and benefits identified are being achieved. List each organization, cooperator, consultant or other key individuals who will work on the project along with a short description of the nature of their effort or contribution.

Geographic Location. Give the precise location of the project and area to be served by the proposed project. Maps or other graphic aids may be attached.



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

State and Local Governments Indirect Cost Negotiation Agreement

EIN: 45-0309764

Date: 06/07/2021

Organization:

North Dakota Public Service Commission
600 E. Boulevard Ave., Dept 408
Bismarck, ND 58505

Report Number: 2021-0281

Filing Ref.:

Last Negotiation Agreement
dated: 08/26/2019

The indirect cost rate contained herein is for use on grants, contracts, and other agreements with the Federal Government to which 2 CFR Part 200 applies subject to the limitations in Section II.A. of this agreement. The rate was negotiated by the U.S. Department of the Interior, Interior Business Center, and the subject organization in accordance with the authority contained in applicable regulations.

Section I: Rate

Start Date	End Date	Rate Type	Name	Rate	Base	Location	Applicable To
			07/01/2021	06/30/2023	Fixed Carry forward	Indirect	33.74 %

Note: The Commission's indirect cost rate is negotiated and finalized on a biennial basis (24 months).

(A) Base: Total direct salaries and wages, including fringe benefits. The rate applies to all programs administered by the non-federal entity. To determine the amount of indirect costs to be billed under this agreement, direct salaries and wages and related fringe benefits should be summed and multiplied by the rate. All other program costs should be eliminated from the calculation.

Treatment of fringe benefits: Fringe benefits applicable to direct salaries and wages are treated as direct costs; fringe benefits applicable to indirect salaries and wages are treated as indirect costs.

Section II: General

- A. **Limitations:** Use of the rate(s) contained in this agreement is subject to any applicable statutory limitations. Acceptance of the rate(s) agreed to herein is predicated upon these conditions: (1) no costs other than those incurred by the subject organization were included in its indirect cost rate proposal, (2) all such costs are the legal obligations of the grantee/contractor, (3) similar types of costs have been accorded consistent treatment, and (4) the same costs that have been treated as indirect costs have not been claimed as direct costs (for example, supplies can be charged directly to a program or activity as long as these costs are not part of the supply costs included in the indirect cost pool for central administration).
- B. **Audit:** All costs (direct and indirect, federal and non-federal) are subject to audit. Adjustments to amounts resulting from audit of the cost allocation plan or indirect cost rate proposal upon which the negotiation of this agreement was based will be compensated for in a subsequent negotiation.
- C. **Changes:** The rate(s) contained in this agreement are based on the accounting system in effect at the time the proposal was submitted. Changes in the method of accounting for costs which affect the amount of reimbursement resulting from use of the rate(s) in this agreement may require the prior approval of the cognizant agency. Failure to obtain such approval may result in subsequent audit disallowance.
- D. **Rate Type:**
1. **Fixed Carryforward Rate:** The fixed carryforward rate is based on an estimate of the costs that will be incurred during the period for which the rate applies. When the actual costs for such period have been determined, an adjustment will be made to the rate for a future period, if necessary, to compensate for the difference between the costs used to establish the fixed rate and the actual costs.
 2. **Provisional/Final Rate:** Within six (6) months after year end, a final indirect cost rate proposal must be submitted based on actual costs. Billings and charges to contracts and grants must be adjusted if the final rate varies from the provisional rate. If the final rate is greater than the provisional rate and there are no funds available to cover the additional indirect costs, the organization may not recover all indirect costs. Conversely, if the final rate is less than the provisional rate, the organization will be required to pay back the difference to the funding agency.
 3. **Predetermined Rate:** A predetermined rate is an indirect cost rate applicable to a specified current or future period, usually the organization's fiscal year. The rate is based on an estimate of the costs to be incurred during the period. A predetermined rate is not subject to adjustment.
- E. **Rate Extension:** Only final and predetermined rates may be eligible for consideration of rate extensions. Requests for rate extensions of a current rate will be reviewed on a case-by-case basis. If an extension is granted, the non-Federal entity may not request a rate review until the extension period ends. In the last year of a rate extension period, the non-Federal entity must submit a new rate proposal for the next fiscal period.
- F. **Agency Notification:** Copies of this document may be provided to other federal offices as a means of notifying them of the agreement contained herein.
- G. **Record Keeping:** Organizations must maintain accounting records that demonstrate that each type of cost has been treated consistently either as a direct cost or an indirect cost. Records pertaining to the costs of program administration, such as salaries, travel, and related costs, should be kept on an annual basis.
- H. **Reimbursement Ceilings:** Grantee/contractor program agreements providing for ceilings on indirect cost rates or reimbursement amounts are subject to the ceilings stipulated in the contract or grant agreements. If the ceiling rate is higher than the negotiated rate in Section I of this agreement, the negotiated rate will be used to determine the maximum allowable indirect cost.
- I. **Use of Other Rates:** If any federal programs are reimbursing indirect costs to this grantee/contractor by a measure other than the approved rate(s) in this agreement, the grantee/contractor should credit such costs to the

Section II: General (continued)

affected programs, and the approved rate(s) should be used to identify the maximum amount of indirect cost allocable to these programs.

- J. **Central Service Costs:** If the proposed central service cost allocation plan for the same period has not been approved by that time, the indirect cost proposal may be prepared including an amount for central services that is based on the latest federally-approved central service cost allocation plan. The difference between these central service amounts and the amounts ultimately approved will be compensated for by an adjustment in a subsequent period.
- K. **Other:**
1. The purpose of an indirect cost rate is to facilitate the allocation and billing of indirect costs. Approval of the indirect cost rate does not mean that an organization can recover more than the actual costs of a particular program or activity.
 2. Programs received or initiated by the organization subsequent to the negotiation of this agreement are subject to the approved indirect cost rate(s) if the programs receive administrative support from the indirect cost pool. It should be noted that this could result in an adjustment to a future rate.
 3. Indirect cost proposals must be developed (and, when required, submitted) within six (6) months after the close of the governmental unit's fiscal year, unless an exception is approved by the cognizant agency for indirect costs

Section III: Acceptance

Listed below are the signatures of acceptance for this agreement:

By the State and Local Governments

By the Cognizant Federal Government Agency

North Dakota Public Service Commission

US Department of the Interior - OSM

DocuSigned by:
Jill Kringstad
BA2E5670C4D748C...

DocuSigned by:
Craig Wills
B47DB1F4A5DB4BF...

Signature

Signature

Jill Kringstad

Craig Wills

Name:

Name:

Manager of Business Operations

Division Chief
Indirect Cost Services Division
Interior Business Center

Title:

Title:

6/9/2021

6/9/2021

Date

Date

Negotiated by: Wayne Guanzon
Telephone: (916) 930-3813

Next Proposal Due Date: 12/31/2022