

PUBLIC SERVICE COMMISSION

State of North Dakota

Memorandum

To: Commissioners Fedorchak, Christmann and Haugen-Hoffart
Executive Director Steve Kahl
General Counsel John Schuh

From: ZAB ZAB ZAB ZAB
Zanna Brinkman, Joan Breiner, and Jill Kringstad

Date: December 14, 2022

Subject: AML's 2022 - 2027 Bipartisan Infrastructure Law Grant Application,
Case No. AM-22-417

On February 7, 2022, the Department of the Interior announced nearly \$725 million in Fiscal Year 22 funding is available to 22 states and the Navajo Nation to create good-paying union jobs and catalyze economic opportunity by reclaiming abandoned mine lands (AML) as part of President Biden's Bipartisan Infrastructure Law (BIL). The law allocates a total of \$11.3 billion in AML funding over 15 years, which will help communities eliminate dangerous environmental conditions and pollution caused by past coal mining. This historic funding allocation is expected to address the vast majority of inventoried abandoned mine lands in this country.

As required by the Infrastructure Law, the allocations of the BIL grant funds are determined based on the number of tons of coal historically produced in each state or on Indian lands before August 3, 1977, when the Surface Mining Control and Reclamation Act of 1977 (SMCRA) was enacted. States are guaranteed at least \$20 million over the 15-year life of the program if their inventory of AML sites would cost more than \$20 million to address. As state AML inventories are updated, future distributions will change. The BIL grants supplement the traditional annual AML grants, which are funded by coal operators through 2034. North Dakota was allocated \$3,101,700 in BIL funds for the 2022 - 2027 AML grant period.

On July 21, 2022, the Biden-Harris administration released final guidance for eligible states and Tribes on how to apply for the first \$725 million in funding available for reclaiming abandoned mine lands. The 2022 - 2027 BIL AML grant will fund contracted work to eliminate hazards associated with abandoned surface and underground coal mines located in western North Dakota. Project lists were not required for this grant application and potential projects have not been fully developed. Grant funds will be used to address abandoned mine hazards, project design, and administrative costs as approved by the Commission and OSM. Staff has completed the application for the 2022 - 2027 BIL grant and recommends the Commission approve submittal of the BIL grant application to OSM.

The 2022 - 2027 AML Bipartisan Infrastructure Grant Application and a motion to submit the grant application to OSM are attached for your consideration at the December 14, 2022 meeting.

Attachments

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