

NORTH
Dakota

Be Legendary.

Public Service Commission



Randy Christmann
Chair



Sheri Haugen-Hoffart
Commissioner



Jill Kringstad
Commissioner

**Period of July 1, 2023
through June 30, 2025**

Biennial Report

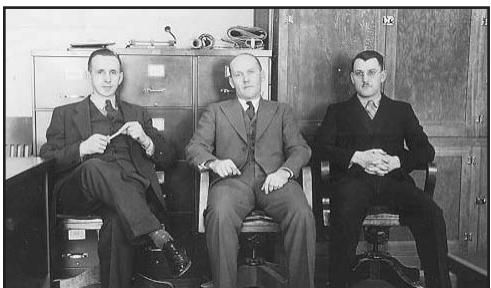
Table of Contents

Introduction/History	1
Commissioners	
Commissioner Randy Christmann	2
Commissioner Sheri Haugen-Hoffart	3
Commissioner Jill Kringstad	4
Agency Overview	
Executive Secretary	7
Mission Statement	7
Public Outreach	7
Financial Management	8
General Counsel	9
Organizational Chart	10
Public Utilities Division	
Economic Regulation	11
Telecommunications	13
Energy Conversion & Transmission Facility Siting	14
Compliance Division	
Railroad – Regulation and Safety Programs	18
Inspections	21
Weights and Measures Program	22
Gas Pipeline Safety Program	23
Damage Prevention & Enforcement Program	24
Reclamation Division	26
Abandoned Mine Lands Division	30
Former Commissioners	33
Contact Information	34

Introduction

The Public Service Commission (PSC) is a constitutional agency with varying degrees of statutory authority over electric and gas utilities; telecommunications companies; power plant, transmission line and pipeline siting; railroads; weighing and measuring devices; natural gas pipeline safety; underground facility damage prevention and enforcement; coal mine reclamation; and eliminating public hazards from abandoned mine lands.

The Commission typically meets in formal session every two weeks. Special meetings are held to handle special or emergency situations. The agendas for these special meetings are prepared and distributed in the same manner as those for regular meetings and are distributed to a mailing list. Agendas, meeting minutes, and copies of significant orders are also posted on the Commission's website at www.psc.nd.gov.



1936 Public Service Commissioners

The Commission is comprised of three commissioners who are elected on a statewide basis to staggered six-year terms. The Commission had 45 authorized full-time employees throughout the biennium.

History of the Public Service Commission

The Commission was established before North Dakota became a state. Lawmakers for Dakota Territory established a Board of Railroad Commissioners in 1885 to oversee railroads, sleeping car companies, express companies, and telephone companies. The North Dakota Constitution retained this board and entrusted it with powers and duties to be prescribed by law. In 1940, the board's name was changed to Public Service Commission.

As the preceding list indicates, the Legislature has broadened the Commission's duties since its early days. However, this trend has been reversed in some areas as technology and a changing regulatory environment at both the federal and state levels have resulted in a greater dependence on competitive market forces to regulate services and rates of what were traditionally monopoly service providers.

We anticipate that some degree of regulatory oversight will remain in most of the Commission's traditional areas of responsibility. The public's needs and legislative policymakers will ultimately decide how much regulation is required in various industries.

This report outlines the Commission's functions, goals, accomplishments, legislation affecting the agency and future challenges. The following pages contain summary discussions from each of the Commission's regulatory and support divisions. These reports will be presented following a brief biographical profile of each commissioner.



1926 Commission Staff

Commissioner Randy Christmann



Randy Christmann was elected to the North Dakota Public Service Commission in November 2012 and re-elected in 2018 and 2024. He brings to the Commission a background in agriculture, telecommunications, and 18 years in the North Dakota Senate representing energy country. Most of all, he brings what the Minot Daily News called a “let’s work together attitude.”

Outside of government service, Randy operated an over 100-year-old third generation cattle ranch west of Hazen, North Dakota. His wife, Bethanie, is a mortgage underwriter with Bravera Bank. Before graduating from Hazen High School in 1978, Randy enlisted in the North Dakota Army National Guard. He also enrolled at North Dakota State University and graduated from there in 1982 with a bachelor’s degree in business administration.

Randy was elected to the North Dakota Senate in 1994, helping Republicans achieve majority status in the North Dakota Senate. Governor Ed Schafer appointed Randy to serve as one of the two legislative appointees on the Lignite Research Council. He continued to serve in that position under Governors Hoeven and Dalrymple.

Following the statewide general election in 2000, Senate Republicans chose Randy to serve as their Assistant Majority Leader. He was re-elected to that post every two years through 2012. He also served on the Senate Appropriations Committee.

From 1999 through 2012 the members of West River Telecommunications Cooperative elected Randy to serve as a director. During part of this time, Randy also served as the President of the North Dakota Association of Telecommunications Cooperatives.

Randy now brings his agriculture, telecommunications, and energy industry background to the Public Service Commission. He has led the effort to implement rules for future decommissioning and reclamation of wind farms and solar farms, serves as a PSC representative on the Lignite Research Council, and serves as a PSC representative for the multi-state Southwest Power Pool. He is the current chair and his portfolios include:

- Business Operations
- Coal mining, reclamation, and abandoned mine lands
- Telecommunications
- SPP/RSC

Commissioner Sheri Haugen-Hoffart

Sheri was appointed to the Public Service Commission in February 2022 by Governor Doug Burgum and was confirmed by the voters in Nov. 2022. Sheri came to the Commission after working in the Office of State Tax Commissioner as a human resource manager since 2017.

Sheri's portfolio at the Public Service Commission includes wind & solar reclamation; economic regulation-electric; pipeline safety; damage prevention and enforcement; weights & measures; consumer affairs; and cybersecurity. Sheri currently serves as Vice President on the Mid-America Regulatory Conference (MARC) Board. She is also the Chair of the Upper Great Plains Transportation Institute's Advisory Council.

Sheri is a member of the DOE-NARUC Cyber Baselines Steering Committee. In this role, she participated in the development of cybersecurity baselines for electric distribution systems and distributed energy resources, published in 2024. Her work now focuses on developing strategies and guidance for Commissions and other stakeholders interested in implementing the new baselines. She lends her subject matter expertise to this effort in the areas of cybersecurity risk assessment, benefit-cost analysis, and regulatory mechanisms to spur baseline adoption.

In Nov. 2024, Sheri was honored with the National Association of Regulatory Utility Commissioners (NARUC) Barnich Award for International Work. The prestigious award recognizes state commissioners and staff who promote international cooperation among utility regulators and the development of professional regulation.

A native of Rugby, North Dakota, Sheri earned a bachelor's degree from the University of North Dakota in 1988 and a master's degree in management from the University of Mary in 1996. Previous to her most recent position at the Tax Commissioner's office, she served as the deputy state treasurer, director of education in the North Dakota Securities Department, coordinator for the University of North Dakota's Division of Continuing Education in Bismarck and emergency service director for the Burleigh-Morton Chapter of the American Red Cross.

Sheri was elected to the board of directors of Capital Electric Cooperative in 2010 and became chair of the board in 2020. She also previously chaired the board of Central Power Electric Cooperative, a wholesale power supply and transmission cooperative whose six member co-ops include Capital Electric. Sheri was proud to be the first female board chair for both Capital Electric and Central Power.

Sheri is married to Richard and they are proud to be owners of homesteaded land that has been in her family for three generations. She is passionate about working with military groups on several different issues including raising awareness about PTSD and stigmas surrounding it, caring for disabled veterans, and participating in Wreaths Across America.



Commissioner Jill Kringstad



Jill Kringstad was appointed to the Commission in Jan. 2025 by Governor Kelly Armstrong. She fills the position vacated by U.S Congresswoman Julie Fedorchak.

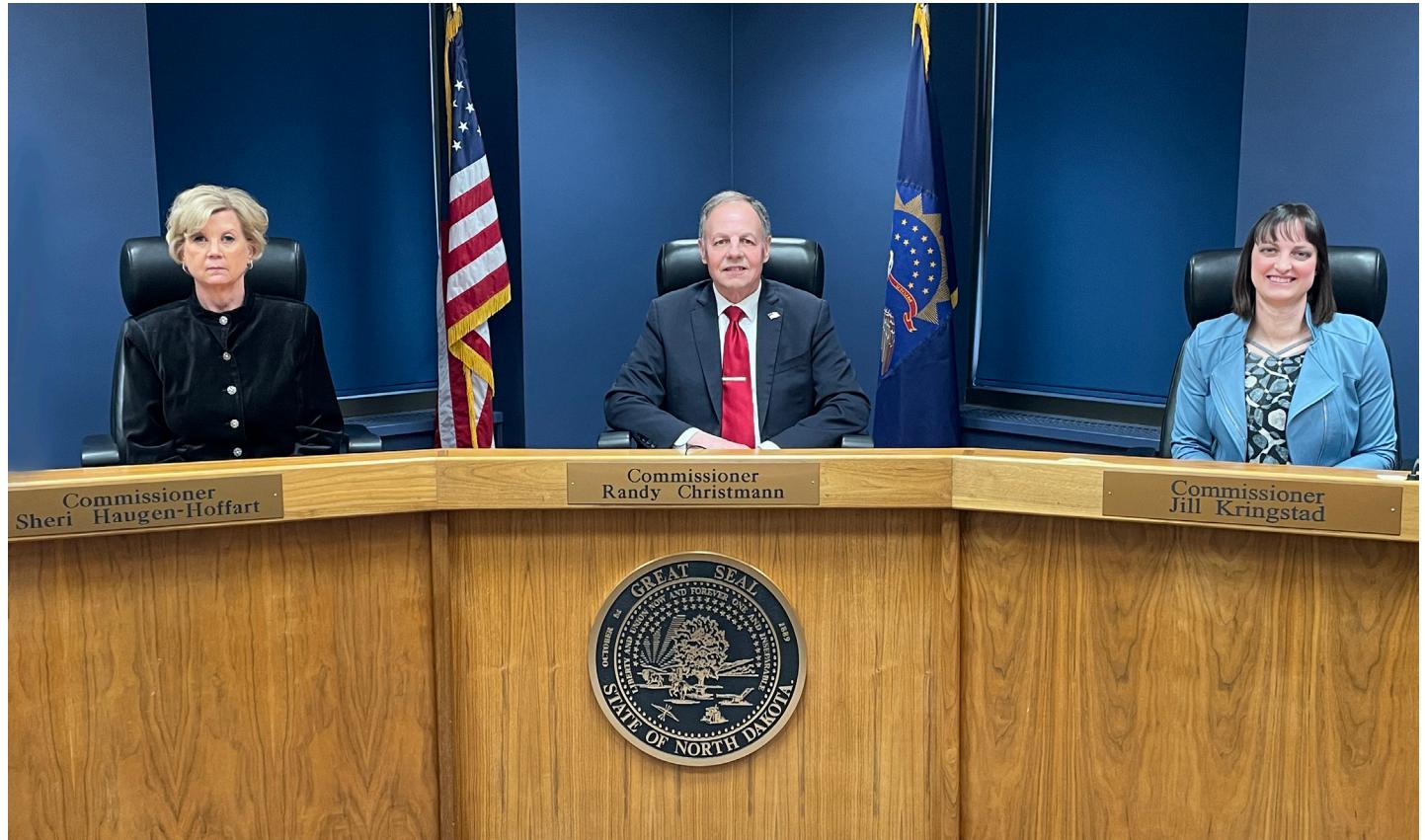
She heads the pipeline, electric transmission and energy conversion siting; gas economic regulation; railroad safety and regulation portfolios and is the state's liaison to the Midcontinent Independent System Operator (MISO) and the Organization of MISO states (OMS).

Jill's passion for public service began at a young age when she started volunteering in elementary school for local charities and political causes. She served as a Legislative Page-for-a-Day, interned in Washington, D.C., for Senator John Hoeven and worked in Congressman Rick Berg's North Dakota office.

Jill has a longstanding interest in the energy industry and began her professional career at Basin Electric Power Cooperative working in financial services and internal auditing. In 2016, she joined the ND Public Service Commission to serve the citizens of North Dakota as a budget specialist. In 2019, Jill was named the Manager of Business Operations, which included expanded responsibilities for agency operations and leadership on planning, agency mission, and strategic initiatives.

A North Dakota native, Jill was born in Bismarck, began elementary school in Dickinson, before returning to Bismarck and graduating from Bismarck Century High School. She earned her bachelor's degree in accounting and minor in economics from Minnesota State University Moorhead. Jill is a Certified Public Accountant.

Jill is married to Ben Kringstad who teaches and coaches at New Salem-Almont High School. They have three children and reside in Bismarck.



Public Service Commissioners

Agency Overview

The Legislature has given the Commission broad jurisdiction over several industries. In some cases the Commission functions like a court, in other instances it operates like a licensing board, and sometimes it serves as an environmental regulatory inspection agency.

This biennium there were 718 cases filed with the Public Service Commission to include industry filings, complaint proceedings, and rule making.

Formal hearings are held only when necessary and are used only in more complicated or contested cases, or when required by law. The vast majority of the cases that come before the Commission are handled without the need for a formal hearing. Some of these filings take effect with little more than staff review. More involved cases are typically discussed with the parties and the Commission at informal hearings.

The informal hearing is used by the Commission to give parties an opportunity to meet publicly with the Commission, but without the expense and delay that would be associated with a formal hearing. During this biennium the Commission held 10 formal hearings either in the Commission hearing room at the State Capitol or in the area directly affected.

- 99% of all formal cases were processed without the need for a formal hearing
- 20% of all formal cases were closed in less than 30 days
- 21% of all formal cases were closed in 60 days or less

The following graph summarizes the number and types of cases that were processed by the Commission during the biennium:

DIVISION	CASES
Compliance	
Damage Prevention	56
Gas Safety	3
Railroad	13
Weights & Measures	114
Miscellaneous	0
Public Utilities	
Electric	202
Gas	32
Pipeline	22
Telecom	221
Miscellaneous	13
Reclamation	
Abandoned Mine Lands	
Miscellaneous	
TOTAL	718

Executive Secretary

The Executive Secretary, appointed by the Public Service Commissioners, serves as the point of contact for companies and individuals who are seeking information or submitting formal filings.

The Executive Secretary is also responsible to certify, publish, and maintain all official Commission documents and case records; serve as the Commission's personnel and training officer; provide timely recommendations and reports to the Commission on operational and policy matters; coordinate efforts with other agencies; and serve as the main informational liaison with other agencies on operational matters.

The Commission meets in formal session every two weeks. Special meetings are held to handle special or emergency situations.

The Executive Secretary is responsible for ensuring all meetings are noticed and agendas and minutes are prepared and distributed appropriately.

Mission and Values

The Public Service Commission fulfills its statutory mandates by protecting consumers, the public interest and the environment. Our values include:

- **Balance:** balancing public and private interest affecting each decision
- **Collaboration:** tackling work challenges as a team to harness expertise and achieve better outcomes with greater impact
- **Continuous Improvement:** building a workplace that fosters growth, excellence and diversity
- **Creativity:** generating solutions by turning new and imaginative ideas into sound policies and regulations that protect citizens and promote orderly development
- **Responsiveness:** taking action to address the needs of industry and the public

Public Outreach

The Commission serves as a major resource for consumers who are having problems with the services provided by companies within the agency's areas of responsibility. Complaints or inquiries cover the gamut from utility billings to railroad issues and from gas pumps to ground water near coal mines. In some cases, the Commission has direct jurisdiction over the matters involved, while in other instances the agency has little or no authority to intervene in the matter. In either case, the Commission attempts to provide assistance, either through direct intervention or by disseminating information that will help the parties resolve the problem or by referring to another agency that can assist.



*Comm. Haugen-Hoffart Participates in
"Bison to the Bakken" Event*

The Commission recorded 1,606 informal complaints, inquiries and public input during the biennium. Of those contacts 283 were public input submitted for siting cases and rate cases. Informal complaints made up 205 of the contacts and involved billing disputes, electric disconnects, and quality of service complaints against regulated utilities.

The PSC reinstated a Consumer Affairs Portfolio in 2014, which provides additional focus on consumer issues and complaints and on improving communication with the public through traditional public information channels, public meetings and social media. Commissioner Haugen-Hoffart held the Consumer Affairs portfolio during this biennium and worked closely with the PSC's Public Outreach and Consumer Affairs Specialist to strengthen the Commission's relationship with consumers in North Dakota.

As part of this strengthened focus on communications, the following tools were implemented during this biennium:

- A 2023 and 2024 year-end public contact report was released showing data and trends relating to complaints and input received for each year. In addition, an internal monthly report is sent to Commissioners and Division Directors.
- News releases continue to be sent out before each siting hearing as another tool to educate about public hearings and projects before the Commission. News releases have also been incorporated to inform about Commission votes and other important activities.
- The agency continues to maintain and update its website (www.psc.nd.gov), including a series of “You Should Know” brochures. Case information, meeting notices and minutes, along with audio recordings and a link to live webcasting are all available on the site. A “hot topics” section is included on the website that provides a direct link to case files currently under review to make it easier for the public and reporters looking for that information.
- The agency's X account is used to educate about public hearings and other newsworthy events. Currently @NDPSC has 1,231 followers.

Financial Management

Accounting is responsible for processing payments, financial reporting, procurement, asset management, and budgeting for the North Dakota Public Service Commission. Accounting also establishes financial policies and procedures in compliance with OMB policies along with generally accepted accounting principles and state and federal regulations.

2023-2025 Financials

Revenue	General	Federal	Special
Licensing	\$375		
Federal Government		\$9,648,853	
Fines	\$101,950		
Interest on Investments			\$115,833
Filing Fees*	\$350		
Utility Valuation Reimb.			\$1,596
PSC Program Fund Revenue			\$899,161
Trsf. From Hwy Tax. Dist. Fund			\$664,654
Total	\$102,675	\$9,648,853	\$1,681,244

Note: Information is based on the June 2025 4911AA PeopleSoft Reports.

*Does not include fees filed by companies to process large cases like siting or rate cases

2023-2025 Budget

Expenses by Line Item	Appropriated	Expended	Unexpended
Salaries and Wages	\$11,796,656	\$10,894,107	\$902,549
Operating Expenses	\$2,205,487	\$1,851,307	\$354,180
Capital Assets	\$125,000	\$99,335	\$25,665
Grants	\$20,000	\$16,100	\$3,900
AML Construction	\$6,000,000	\$5,003,429	\$996,571
Rail Fund	\$900,000	\$0	\$900,000
Rail Safety Program	\$672,206	\$655,443	\$16,763
Litigation Fund	\$420,000	\$0	\$420,000
Total	\$22,139,349	\$18,519,721	\$3,619,627
Funding Source	Appropriated	Expended	Unexpended
General	\$8,128,631	\$7,604,587	\$524,044
Federal	\$11,708,512	\$9,629,558	\$2,078,954
Special	\$2,302,206	\$1,285,576	\$1,016,630
Total	\$22,139,349	\$18,519,721	\$3,619,627

Note: Information is based on the June 2025 4310AA PeopleSoft Report.

Line Item Funding Sources:

- Grants and AML Construction are 100% federal funds
- Rail Fund and Rail Safety Program are 100% federal and special funds
- All other items are a mix of general, federal and special funds

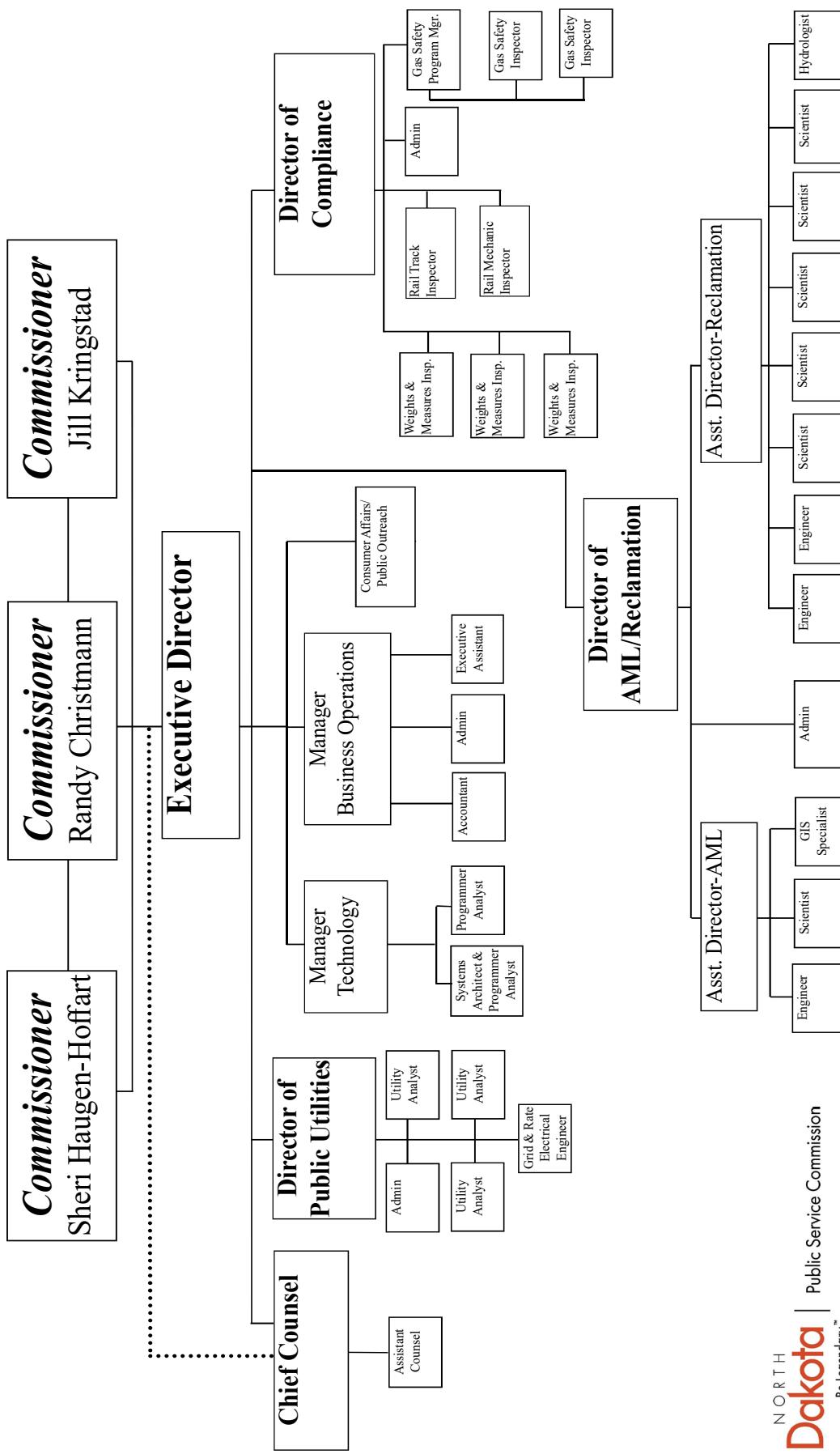
General Counsel

The mission of the Legal Division is to provide high quality legal representation, advice and counsel to the Commission and various divisions and to fulfill staff functions for divisions as situations warrant and time allows. Duties include rate case advocacy, appellate representation of the Commission, representation of the Commission before other state and federal agencies, representation of the Commission in civil proceedings, support for the Commission's legislative activities, and enforcement of laws, rules, and Commission decisions. The Legal Division also functions as the Commission's hearing administrator and maintains the Commission's case docket system. Federal agencies before which the Legal Division represents the Commission include the Department of Energy, Environmental Protection Agency, Surface Transportation Board, Federal Communications Commission, Federal Energy Regulatory Commission, and the Department of Interior.

Section 49-01-09 of the North Dakota Century Code provides that the Attorney General be ex-officio attorney for the Commission and, personally or through commerce counsel, represents the Commission in any proceeding which the Commission deems proper and expedient. The section also authorizes the Commission to employ additional counsel. Section 54-12-08 of the North Dakota Century Code provides that the Public Service Commission may employ attorneys to represent the agency. The Attorney General appoints the attorneys employed by the Commission as Special and Assistant Attorneys General.

Organizational Chart

North Dakota Public Service Commission 2025



Public Utilities Division

Statutory and Constitutional Responsibilities

The Commission:

- Regulates investor-owned electric and gas utilities to ensure that consumers receive safe and reliable service at reasonable rates.
- Is responsible for siting facilities such as electric generation, gas processing, oil refining, pipelines, and electric transmission lines.
- Regulates essential services offered by investor-owned phone companies.
- Works with public utility consumers to resolve billing disputes and service complaints.

Major Activities and Accomplishments

Economic Regulation

Rate Cases:

Following are the rate increase requests and increases granted during the biennium:

Filing Date	Utility Co.	Description	Request (Millions)	Granted (Millions)	Decision
11/01/2023	Montana-Dakota Utilities Co.	Natural Gas Rate Increase	\$11.6	\$4.2	11/07/2024
11/02/2023	Otter Tail Power Company	Electric Rate Increase	\$17.35	\$13.1	12/30/2024
12/29/2023	Northern States Power Company	Natural Gas Rate Increase	\$8.46	\$7.34	11/07/2024

Regulated public utilities that distribute natural gas to end use customers in North Dakota are Great Plains Natural Gas Co., Montana-Dakota Utilities Co. (MDU), Northern States Power Company (NSP), and Dakota Natural Gas.

Regulated public utilities that distribute electricity to end use customers in North Dakota are Montana-Dakota Utilities Co. (MDU), Northern States Power Company (NSP), and Otter Tail Power Company (OTP).

Advance Determination of Prudence (ADP):

In accordance with N.D.C.C. §49-05-16, the investor-owned electric utilities operating in North Dakota may request an advance determination of prudence for certain major capital investments. If the Commission determines a project is prudent, then the utilities can include the costs of that project in future rates. During the biennium, the Commission received the following ADP filings:

Filing Date	Utility Company	Description	Purpose	ADP Decision
08/29/2023	Northern States Power Company	Brookings Second Circuit Project	Add second 345kV circuit to the Brookings County, SD to Lyon County, MN transmission line	Withdrawn
10/13/2023	Northern States Power Company	345kV Transmission Line	Build 345kV transmission line from Big Stone, SD to Alexandria, MN and to Big Oaks, MN	Withdrawn
02/17/2025	Montana-Dakota Utilities Co.	Badger Wind	Purchase 49% or approximately 122.5 MW of the Badger Wind Project	Pending

Public Convenience and Necessity:

During the biennium, the Commission received the following applications for certificates of public convenience and necessity for North Dakota public utility plant or systems:

- Dakota Natural Gas, LLC’s August 31, 2023, application to construct and operate facilities to provide natural gas service to the Larimore and Arvilla, North Dakota, areas. (Case # PU-23-300)
- Montana-Dakota Utilities Co.’s October 2, 2023, applications to provide retail electric service to Applied Digital’s 2nd Office and Data Processing Facilities near Ellendale, North Dakota. (Case #s PU-23-330 & PU-23-321)
- Otter Tail Power Company and Montana-Dakota Utilities Co.’s February 29, 2024, application to construct, own and operate a 345kV electric transmission line from Ellendale, North Dakota to Jamestown, North Dakota. (Case # PU-24-91)
- Montana-Dakota Utilities Co.’s August 30, 2024, application to provide retail electric service to an expansion of Applied Digital’s Data Processing Facilities near Ellendale, North Dakota, area. (Case # PU-24-330)
- Montana-Dakota Utilities Co.’s December 17, 2024, application to provide retail electric service to a new natural gas town border station near Glen Ullin, North Dakota. (Case #s PU-24-384 & PU-24-385)
- Montana-Dakota Utilities Co.’s February 18, 2025, application to own a 49% interest in the Badger Wind Project near Wishek, North Dakota. (Case # PU-25-076)

Telecommunications

Competition for telecommunications continues to evolve in the state and the Commission continues to receive filings of interconnection agreements negotiated by incumbent local exchange companies and competitive local exchange companies. Interconnection agreements make provisions for wireline and wireless competitors to interconnect to local exchange areas served by incumbent rural telephone companies, and provision of wholesale prices for services that may be resold by competitors. During the 2023-2025 biennium, the Commission received for approval 15 interconnection agreements and 1 interconnection agreement amendment.

The Commission takes a hands-on role in reclaiming telephone numbers that have been allocated to a company but have not been activated by that company within six months. The Commission also assists in the procurement of telephone numbers not otherwise available to a telecommunications company.

Each year the Commission provides to the Federal Communications Commission verification by the rural telephone companies that federal universal service funds are used only for those purposes specified by the Federal Communications Commission and therefore are eligible to receive such federal funding for the next calendar year.

Since 2007, telecommunications companies designated by the Commission as eligible to receive federal universal service funds began filing annual reports of the federal funds received. The report includes the

following information: the use made of those federal funds for the provision of universal telephone services in the state, projections for future federal funds, and anticipated projects funded by those future dollars. Federal universal funds are to be used only for those purposes specified by the Federal Communications Commission. This information supports rural company certification to receive future universal service funds.

The Commission continues to provide a web-based electronic self-registration system for telecommunications companies other than incumbent local exchange telecommunications companies. The self-registration process is a streamlined process for non-incumbent telecommunications carriers to obtain the equivalent of a Certificate of Public Convenience and Necessity to provide telecommunications services in North Dakota. Approximately 665 telecommunications companies are self-registered.

At the national level, the Commission will continue to present the challenges unique to a rural state concerning the deployment of broadband and wireless services.

The Commission will voice North Dakota concerns as the Federal Communications Commission determines the appropriate monetary compensation to owners of telecommunications networks used by other companies originating or terminating communications on those networks.

As the number of telecommunications consumers and competition in the state increases, and as types of telecommunications services provided to those consumers expands, the supply of telephone numbers for the 701 area code will dwindle. As noted earlier, the Commission takes a hands-on role in reclaiming telephone numbers that have been allocated to a company but have not been activated by that company within six months.

Energy Conversion and Transmission Facility Siting

Prior to beginning construction of an energy conversion or transmission facility, a certificate of site compatibility or route permit must be obtained from the Commission. It is the responsibility of the Commission to assure that such facilities are sited in an orderly manner to ensure that energy needs are met and fulfilled in an efficient manner, continuing system reliability and integrity, while minimizing adverse human and environmental effects.

During the biennium, the Commission received siting applications for 5 pipelines, 6 AC electric transmission lines, two DC electric transmission lines, 2 energy storage facilities, 1 natural gas power plant, 1 wind farm, 1 solar farm, 1 gas to liquid facility and one application to amend/upgrade an existing wind farm. The Commission received 6 electric transmission line filings under the abbreviated siting process (SECs) defined in North Dakota Century Code section 49-22-03 for construction of facilities wholly within the geographic area for which the utility had previously obtained a certificate or permit or on which a facility was constructed before April 9, 1975. The Commission also received filings under the abbreviated siting process defined in North Dakota Century Code section 49-22.1-01 (SECs) regarding 1 pipeline and 1 gas or oil processing plant. The Commission received formal requests for jurisdictional determination from Dakota Natural Gas, LLC, Montana-Dakota Utilities Co. and Otter Tail Power Company.

Energy Conversion and Transmission Facility Siting Activities During the Biennium					
Case No.	Applicant	Description	Date of Application	Date of Order	Estimated Investment
PU-23-313	Rugby Wind, LLC	Rugby Wind Repower Project	9/20/2023	3/27/2024	Unavailable
PU-23-317	Oliver Wind IV, LLC	200 MW Oliver Wind IV Project	09/28/2023	04/29/2024	\$345,000,000
PU-23-318	Oliver Wind IV, LLC	345kV Electric Transmission Line – Oliver & Mercer Counties	09/28/2023	04/29/2024	\$45,000,000
PU-23-325	Cerilon GTL ND Inc.	Two Gas to Liquids (GTL) facilities converting 240 MMCF of gas per day	10/05/2023	09/27/2024	\$3,000,000,000
PU-23-338	Basin Electric Power Cooperative	345kV Electric Transmission Line – Williams County	10/18/2023	03/05/2024	\$31,000,000
PU-23-361	Basin Electric Power Cooperative	345kV Electric Transmission Line – Dunn & McKenzie Counties	12/15/2023	06/05/2024	\$74,000,000
PU-24-086	Thunder Butte Pipeline, LLC	34.6 miles of crude oil pipeline – Ward & Mountrail Counties	02/20/2024	05/08/2025	\$19,600,000
PU-24-236	Basin Electric Power Cooperative	345kV Electric Transmission Line – Williams County	06/10/2024	10/09/2024	\$32,000,000
PU-24-311	Grayson Mill Operating, LLC	14.72 miles of crude oil pipeline – Williams & McKenzie Counties	08/15/2024	01/22/2025	\$1,000,000
PU-24-321	Minnkota Power Cooperative, Inc.	230kV Electric Transmission Line – Reroute Oliver County	08/26/2024	09/27/2024	\$3,200,000
PU-24-351	Flickertail Solar Project, LLC	295.1 Flickertail Solar Project	10/08/2024	06/18/2025	\$375,000,000
PU-24-361	Basin Electric Power Cooperative	345kV Electric Transmission Line – Mercer, McLean, Ward, Mountrail & Williams Counties	10/24/2024	04/22/2025	\$360,000,000

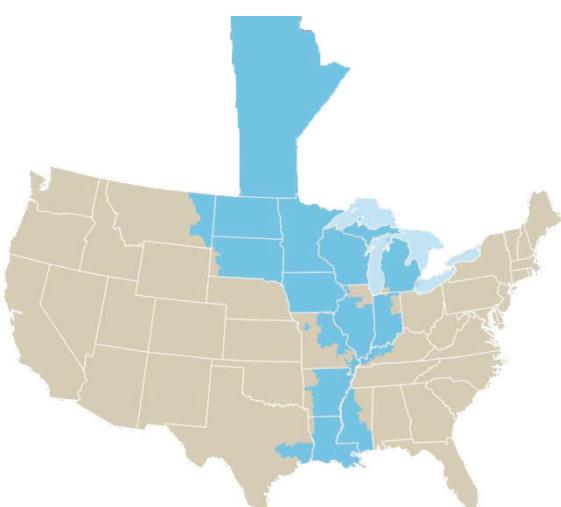
PU-24-371	Northern Divide Energy Storage, LLC	3,000 MW Energy Storage	11/19/2024	Pending	\$128,600,000
PU-24-381	Minnesota Power & Light	HVDC Modernization Project – Oliver County	12/11/2024	06/04/2025	\$599,000,000
PU-24-382	Great River Energy	HVDC Modernization Project – Oliver County	12/11/2024	06/04/2025	\$5,400,000
PU-25-083	Hiland Crude, LLC	Gullickson Reroute Project	03/03/2025	08/07/2025	\$9,500,000
PU-25-084	Hiland Crude, LLC	Hiland Express Spine Pipeline Project	03/03/2025	08/07/2025	\$37,200,000
PU-25-086	Basin Electric Power Cooperative	Bison Generation Station – Williams County	03/05/2025	08/07/2025	\$3,680,000,000
PU-25-172	ONEOK Bakken Pipeline, L.L.C.	6-Inch NGL Pipeline Project – Williams County	04/28/2025	08/20/2025	\$13,000,000
PU-25-209	Emmons-Logan Energy Storage, LLC	140 MW Energy Storage	06/18/2025	Pending	\$181,000,000

Electricity

Midcontinent ISO Footprint

Midcontinent Independent System Operator (MISO)

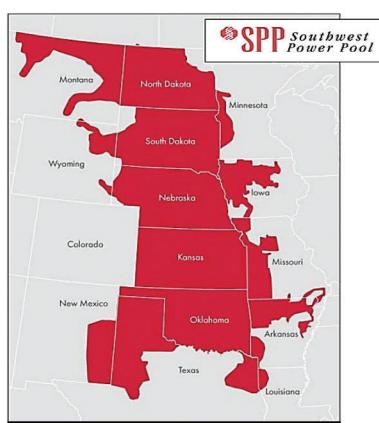
The Midcontinent Independent System Operator (MISO) is an independent, nonprofit organization responsible for reliable operation of the regional electric grid owned by member utilities in 15 states (Montana, North Dakota, South Dakota, Minnesota, Wisconsin, Michigan, Iowa, Illinois, Indiana, Missouri, Kentucky, Arkansas, Mississippi, Texas and Louisiana) and the Canadian province of Manitoba.



Throughout the biennium, the Commission participated as a member of the Organization of MISO States, Inc. (OMS). The OMS is a nonprofit membership corporation consisting of regulatory agencies (Canadian province of Manitoba, 15 states, and the City of New Orleans) having jurisdiction within the region served by MISO. The OMS provides a means for these regulatory agencies to share resources and to act in concert when deemed to be in their common interest.

Southwest Power Pool (SPP)

SPP Footprint



The Southwest Power Pool (SPP) is an independent, nonprofit organization responsible for reliable operation of the regional electric grid owned by member utilities in 14 states (Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas and Wyoming). The Basin Electric Power Cooperative/Western Area Power Administration/Heartland Consumer Power District Integrated System (IS) was added to the SPP footprint in 2015.

Throughout the biennium, the Commission participated as a member of the SPP Regional State Committee (RSC). Similar to the OMS, the RSC is a nonprofit membership corporation consisting of 12 state regulatory agencies having jurisdiction within the region served by the SPP and provides a means for these regulatory agencies to share resources.

MISO and SPP Energy Markets

MISO began operating a regional energy market in 2005 that continues to serve the loads of all MISO participants, including the three jurisdictional investor-owned electric utilities providing service in North Dakota. The SPP operates a similar regional energy market. Both provide a centralized generating unit dispatch procedure that co-optimizes the energy and ancillary services markets to ensure that the lowest cost generators are always being used throughout the regions regardless of utility control area boundaries. The markets establish Locational Marginal Prices (LMP's) for electric energy at local pricing nodes. All energy must be provided through the markets. Producers are paid the LMP for their energy at the time and node where it enters the market. The load pays the LMP at the time and node where the energy is delivered.

Collaborating with MISO and SPP while representing North Dakota's interests in addressing gaps in an electric resource's ability to show up during times of need to properly incentivize those resources for doing so will be increasingly important for a fleet undergoing significant change. States are ultimately responsible for resource adequacy. Continuing to work with MISO and SPP to balance the cost and need for interstate transmission lines under federal jurisdiction with the cost and need for resources under local jurisdiction is critical in ensuring ratepayers are served with affordable and reliable electricity. Such transmission investments are forecasted to be significant, and the Commission must ensure both local and regional industries are working to advance ratepayer interests.

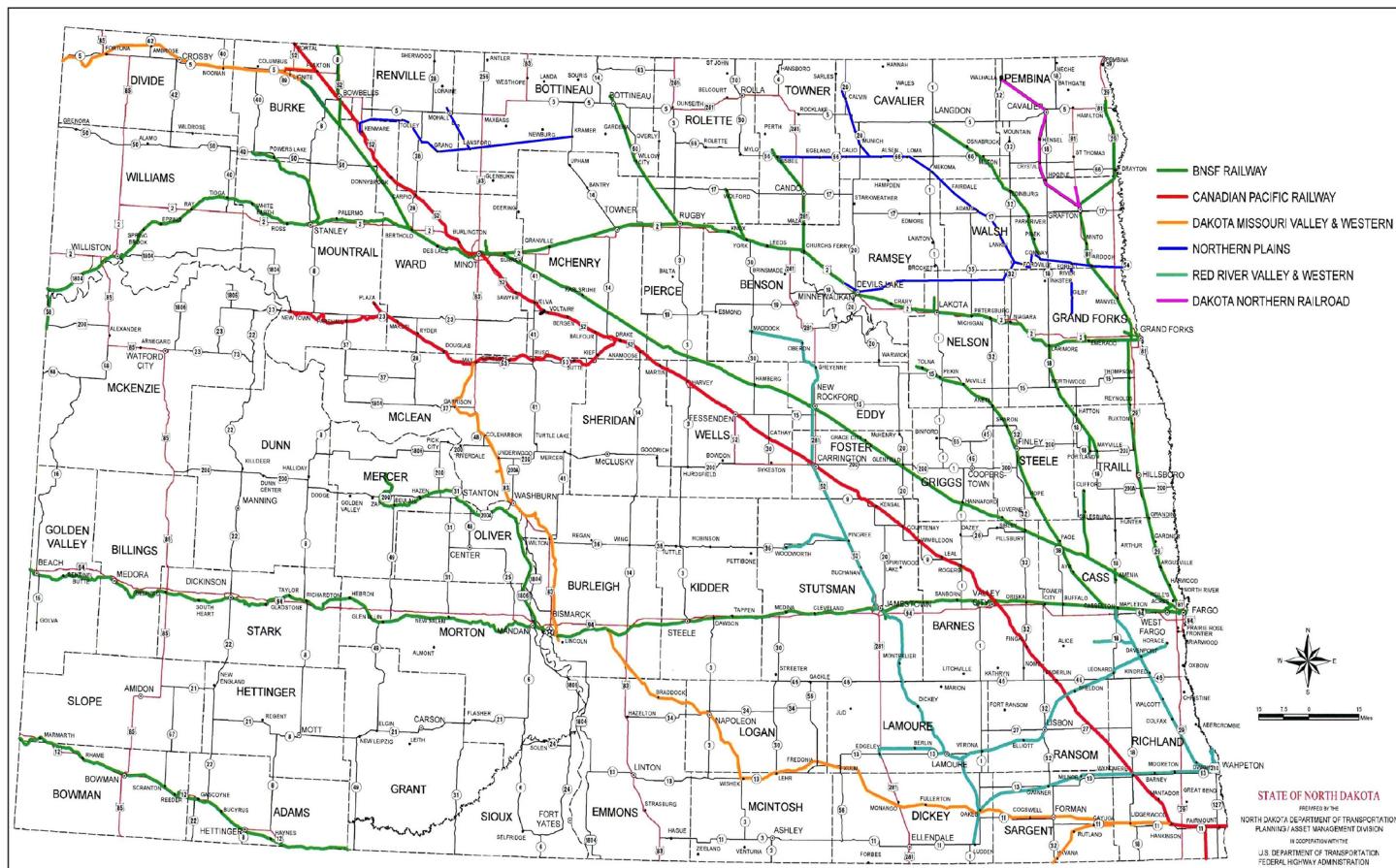
Compliance Division

The Compliance Division regulates the operations of the following jurisdictions:

- Railroad companies and railroad safety to the extent permitted under federal law;
- Commercial use of weighing and measuring devices, device owners, operators, registered service companies, and registered service persons;
- Intrastate gas gathering, transmission and distribution system operators; and
- Underground utility and facility damage prevention and enforcement.

The division employed 10 FTEs during the biennium and houses all the Commission's state inspectors. Consolidating these regulated jurisdictions under one division enables a more unified approach to regulatory enforcement and compliance within these program areas.

Railroad - Regulation and Safety Programs



The Railroad Regulatory & Safety Program employs 2.6 FTEs and functions within two areas:

1. Regulating class 1 and short line railroads to the extent permitted under federal law, and
2. Conducting railroad safety inspections and enforcement activities.

Railroad Regulation

While the Commission's regulatory authority over railroads narrowed as a result of the enactment of the Staggers Rail Act in 1980 and the Interstate Commerce Commission Termination Act in 1995, the Commission is the sole state agency charged with representing North Dakota's rail interests before federal agencies and in direct negotiations with rail carriers. The Commission, to the extent consistent with federal law, has jurisdiction over certain railroad activities covering intrastate commerce and works on behalf of North Dakotans to resolve railroad related issues. Some of these jurisdictions and issues include:

- Pasture fencing issues along railroad right of ways.
- Private grade crossings.
- Grade crossing designation (public or private).
- Close clearance issues.
- Railroad abandonment.
- Grade crossing separation.
- Blocked crossings.

With respect to blocked crossings, frequency and duration of blocked crossings has been on the rise nationally and North Dakota is no exception. The Commission does not have authority to enforce blocked crossing violations with railroads; however, when blocked crossing complaints are received, staff works with the railroad company to promote a healthy symbiotic relationship between the railroads and the local communities they serve and travel through. The Commission encourages all blocked crossings to be reported to the Federal Railroad Administration (FRA) at this website: <https://www.fra.dot.gov/blockedcrossings/>. The FRA is the federal entity, under the U.S. Department of Transportation (USDOT), working on studying blocked crossings at a national level.

Additionally, the Commission takes a proactive approach to safety and stakeholder concerns. Annually, the Commission hosts a railroad safety and stakeholder roundtable discussion. Railroad officials, along with stakeholders from around the state, are invited to participate in the roundtable discussion which focuses on performance, shipping, safety and other concerns to keep the lines of communication open and to understand unique challenges that arise.

The Commission responded to the following railroad complaints and inquiries, during the biennium:

Rail Complaints	2023-2025
Abandonment	2
Blocked Crossings	7
Clearance	1
Rail Crossing	12
Rail Fences	4
Rail Information (Current/Historical)	2
Rail Safety	2
Right of Way/Property	1
Train Noise/Horns	1
Train Speed	1
Weed Control	1
Total	34

Railroad Safety Program

The Railroad Safety Program serves the public, railroad employees, and railroad customers by implementing inspection and compliance programs that reduce the potential for property damage, injuries, and deaths in and along railroads throughout North Dakota. The program's goal is to reduce the number of accidents, derailments, and other equipment failures experienced within the state of North Dakota. The intent is to directly reduce fatalities and injuries in addition to economic losses and environmental impacts.

The Commission's Railroad Safety Program has operated for five bienniums with great success. The four-year pilot program was established by the

North Dakota 64th Legislative Assembly and the 68th Legislative Assembly made the rail program a permanent fixture in the Commission.

The Railroad Safety Program works in cooperation with the FRA under the U.S. Department of Transportation. The program employs 2 state

inspectors. One is certified as a track inspector and the other is certified for both motor power and equipment (mechanical) and HAZMAT inspections. The inspectors are state employees who are trained and certified by the FRA to inspect and enforce federal laws and regulations and are authorized to inspect all equipment and track utilized by Class I and short line railroads operating in North Dakota.

The Commission's current track inspector was hired in April 2021 and achieved FRA certification in March 2022. Additionally, the Commission's mechanical inspector achieved FRA certification in 2016 and was certified in a second inspection discipline (HAZMAT) in September 2021.



“First Responders Train During Derailment Simulation”

Inspections

State rail safety inspectors have jurisdiction within their respective disciplines throughout North Dakota. They conduct inspections on all 3,000+ miles of track, Class I and short line locomotives and rolling stock, and HAZMAT shippers and receivers. These inspections are conducted on a notice and no notice basis. Inspectors work with railroad personnel to establish good working relationships to gain cooperation. Railroads have been very receptive to state inspectors and understand the goal is to increase and sustain rail safety not only for the public but also railroad employees.



Inspectors categorize their findings as follows:

- **Informational** – Informational may be used for a condition that meets the minimum requirements but may need additional monitoring or for a condition that is not covered under regulation.
- **Defect** – Defects are conditions that do not meet the minimum requirements prescribed by the Federal Railroad Administration and do not pose imminent danger but, if not addressed, could develop into a serious problem
- **Violation** – A violation is a serious problem that requires immediate attention. Violations trigger various compliance strategies depending on severity such as fines, reduced speeds or taking equipment out of service.

Inspector	Discipline	Data	2023-2025 Biennium
Mechanical & HAZMAT Inspector Certified: 08/2016		Inspection Days	289
	Mechanical	Units Inspected*	36,686
		Defects	1,993
		Violations	5
	HAZMAT	Units Inspected*	1,812
	Certified: 09/2021	Defects	37
		Violations	1
Track Inspector Certified: 03/2022	Track	Inspection Days	278
		Units Inspected**	7,268
		Defects	1,936
		Violations	10

* Units inspected consist of all rolling stock. Each car can consist of multiple units or regulations inspected.

** One unit consists of one mile of track, a switch or turnout, and/or a single derail.

Weights and Measures Program

The Commission ensures the safe and equitable operation of commercial weighing and measuring devices in the state. This is accomplished through inspections, documentation review, licensing of service companies and registered service persons, and quality assurance testing. In addition to devices, the Commission also maintains all working standards used to inspect the accurate operation of weighing and measuring devices. The Commission employs 3.6 FTEs to carry out these duties.

As of June 30, 2025, there were 26,306 commercial devices operated in North Dakota. These devices were tested for accuracy, at a minimum of every 15 months, by three state inspectors employed by the Commission and 153 registered service persons employed by 52 registered service companies.

In addition to device testing and inspection, the Commission also has a heavy scale quality assurance (QA) program which serves the entire state of North Dakota and is staffed with one of the three full-time state inspectors. The heavy scale QA program reviews new installations for compliance, monitors the processes and test results of registered service persons, and performs on-site reviews prior to the approval of a permanent variance.



The following table includes tests and inspections completed by both the Commission and private inspectors:

Device Type	Total Devices	State Testing	State QA	Private Testing
Gas Pump	15,761	3,047	0	26,305
Counter/Platform Scale	3,780	5,922	0	3,140
Pipeline/Transport Meter	241	39	0	545
Motor Truck Scale	1,027	0*	470	2,297
Hopper Scale	1,268	0*	246	2,358
Deck/Dormant Scale	1,206	0*	223	2,371
Auxiliary Beam	14	0*	1	6
Livestock Scale	95	0*	2	182
Track/Hanging Scale	68	136	0	40
Onboard Weigh System	9	0	0	21
Ag Chemical	180	0	0	349
Anhydrous Meter	187	0	0	345
LPG Meters	550	0	0	877
Bulk Delivery	1,608	0	0	1,964
RR Track Scale	42	0	0	117
Total:	26,036	9,144	942	40,917

*Zero tests are a result of the change to the large scale program

Note: Some devices are tested at a higher frequency than required by law

Revenues generated for weights and measures inspection fees along with registered service company registrations and registered service person testing and permitting fees received during the biennium totaled \$205,600.

Gas Pipeline Safety Program

As a requirement of the gas pipeline safety program, the Commission submits an annual Certification to the Secretary of Transportation to assume safety responsibility with respect to all intrastate gathering, transmission, and distribution of natural gas and propane and other gas by pipeline, and for intrastate liquefied natural gas (LNG) facilities used in the transportation of gas by pipeline. At this time, the Commission has not submitted a certification for hazardous liquids pipeline facility safety which would include intrastate transportation of carbon dioxide (CO₂), ammonia (NH₃), and crude oil by pipeline.

The Commission employed 3 FTEs who provided inspections on the jurisdictional pipelines and operators during the biennium.

Under the authority provided by North Dakota Century Code section 49-02-01.2, the Commission adopted rules for pipeline safety, including minimum safety standards, and has authority to require proof of compliance. The Commission requires each owner or operator of pipeline facilities to establish and maintain records, make reports, provide information, and conduct inspections as proof of compliance.

In addition, Commission personnel conduct inspections, audits, and investigations regarding safety concerns, including:

- Facility design.
- Facility construction.
- Facility operation, including control room operation.
- Facility operator qualification.
- Drug and alcohol abuse.
- Facility maintenance.
- Leak detection and mediation.
- Corrosion detection and mediation.
- Pressure control and overpressure protection.
- Third party damage prevention.
- System failures (incidents).
- Continuing integrity of the system.
- Public education regarding system characteristics and attributes.

During the 2023-2025 biennium, gas pipeline safety inspectors conducted inspections of 5 distribution system operators, 11 transmission system operators, and 16 gathering system operators on a combined total of just over 10,076 miles of pipeline (distribution, transmission, and gathering). The total number of inspection days are illustrated below:

Pipeline Inspections by Type	2023-2025
Standard Inspection – Records Audit	285
Compliance Follow-up	4
Design / Testing and Construction	85
Investigating Gas Explosion Incidents	6
Onsite Operator Training (Seminars)	3
Operator Qualifications	17
Integrity Management	32
Damage Prevention Activities	0
Total	432

Program Changes

The federal Pipeline and Hazardous Materials Safety Administration (PHMSA) “Mega Rule” was announced in 2021 and became effective in 2022. This new rule changed the definition of regulated gas gathering lines and how they are regulated. These changes initially increased the number of regulated gathering operators by four and jurisdictional gathering line miles from 14 to 2,758, a 19,600% increase.

Additionally, this change increased regulated total pipeline miles from 7,416 miles to 9,923 miles, a 34% increase.

Damage Prevention and Enforcement Program

North Dakota law requires excavations which do not fall within the statutory exemptions listed in N.D.C.C. § 49-23-01(7) to notify 8-1-1 at least two business days in advance of digging. Utility personnel and representatives will be sent to mark the locations of the underground facilities within the locate period. The markings are valid for 21 days from the planned excavation date. This process is coordinated through North Dakota One Call. The Commission’s role is to enforce the requirements of the state’s damage prevention laws by investigating complaints submitted to the PSC and to take action when violations are identified. The Commission can levy a fine up to \$25,000 per violation depending on the severity.

Each year North Dakota’s underground utility infrastructure is jeopardized by unintentional damage from those who fail to call 8-1-1 before digging. During the 2023-25 biennium, the Commission received 57 complaints alleging violations of North Dakota Century Code Chapter 49-23, the One-Call Excavation Notice System. The Commission completed 47 complaint proceedings resulting in penalties totaling \$63,900. Of that amount, \$19,300 in penalties were against underground facility operators and \$44,600 in penalties were against excavators. The Commission believes these cases bring a greater industry awareness of the One-Call law.

Additionally, the Commission has participated in the U.S. Department of Transportation's Pipeline and Hazardous Materials Administration One-Call Grant since 2015. As a result of the annual grant, approximately 5 to 11 roadside advertising billboards are placed each year in major markets throughout North Dakota and for the first time, a 30-day digital advertising campaign was launched in conjunction with safe digging month (April) to promote "Call Before You Dig" to reduce third-party damage to underground facilities in the state. The digital campaign was able to produce measurable results and quantify the number of individuals that went to the North Dakota 8-1-1 website as a result of seeing the public service advertisement on a website they viewed, something that billboard advertisements just cannot provide. Staff is looking to increase the use of digital media in future campaigns. The Commission also participated in 8-1-1 Day at the North Dakota State Fair in Minot, where thousands of fair attendees meet with companies and regulators who are all promoting 8-1-1 and damage prevention.



8-1-1 Day at State Fair

Reclamation Division

Statutory and Constitutional Responsibilities

The Reclamation Division administers and enforces North Dakota's laws and rules governing surface coal mining and reclamation operations under North Dakota Century Code Chapter 38-14.1.

North Dakota's reclamation law is based on the federal Surface Mining Control and Reclamation Act of 1977 (P.L. 95-87). The federal Office of Surface Mining Reclamation and Enforcement (OSMRE) provides oversight to North Dakota's program. The Commission continued to receive excellent evaluation reports from OSMRE's Casper Field Office during the biennium on its implementation of North Dakota's coal regulatory program. OSMRE provided 64 percent of the funding needed to run this regulatory program during the 2023-25 biennium. However, the required 64 percent of federal funding was not initially provided by OSMRE, and additional funding was received through supplemental funding requests.

Prior to issuing a mining permit, the Commission also ensures certain requirements of the Surface Owner's Protection Act, North Dakota Century Code Chapter 38-18, are met.

Key 2025 Legislation

There were no legislative bills passed during the 2025 session that directly affected the coal regulatory program.

Major Accomplishments and Activities

Significant coal mine permitting activities during the 2023-25 biennium:

- 1) Twelve insignificant permit revisions were issued.
- 2) Eleven significant permit revisions were issued. Significant revisions are subject to the same public notice and comment period as new permit applications.
- 3) Five permit renewal applications were issued.
- 4) Six bond release applications were issued. Final bond release was approved on 1,984 acres. The Commission's jurisdiction terminates upon final bond release.
- 5) As of June 30, 2025, there were 136,418 acres under permit for surface coal mining and reclamation operations.



Mining and reclamation activities at the Freedom Mine, northwest of Beulah

- 6) At the end of the biennium, permits were held by eight companies for eight mines (6 coal and 2 leonardite mines)
- BNI Coal, Ltd., which owns and operates the Center Mine (active)
 - The Coteau Properties Company, which owns and operates the Freedom Mine (active)
 - The Coyote Creek Mining Company, LLC, which owns and operates the Coyote Creek Mine (active)
 - The Falkirk Mining Company, which owns and operates the Falkirk Mine (active)
 - Westmoreland Beulah Mining, LLC, which operates the Beulah Mine (inactive and in reclamation status)
 - Knife River Corporation, Former Gascoyne Mine (inactive and reclaimed acreage is still under permit)
 - American Colloid Company, Page/Perkins/Tompkins Leonardite Mine (active)
 - Leonardite Products, LLC, Stony Creek Mine (active)

Routine mine inspections are conducted and reported based on inspectable units. Each permit is considered an inspectable unit, and a single mine may have more than one mining permit. The following inspections were conducted during the 2023-25 biennium:

- 1) 917 inspections were conducted.
- 2) 176 complete inspections were conducted that also included review of office records on both active and inactive permits. (complete inspections cover all aspects of the mining and reclamation operations being conducted).

Two Notices of Violation (NOV) were issued to mining companies during the 2023-25 biennium and \$9,000 in civil penalties were assessed.

During the 2023-25 biennium, Policy Memorandum No. 16 to Mine Operators - Reclamation Cost Estimating Guidelines was updated twice and adopted by the Commission. The updates changed the equipment cost methodology by adjusting the capacity of a front-end loader, incorporating current productivity and fuel-consumption data for major equipment, and updating maintenance cost calculations using Caterpillar's latest data.

Additional information was added to the Reclamation Division's Geographic Information System (GIS) for storing and managing much of the data received from mining companies. GIS has become an important tool for tracking mining and reclamation activities and for the technical analysis of permit applications. Information entered into the GIS includes recent high altitude air photos, permit boundaries, roads, stockpile locations, ponds and related features. Information from annual mine maps and bond releases are also entered. GIS data is then loaded onto tablet computers and iPads equipped with Global Positioning System (GPS) receivers that inspectors use when carrying out mine inspections. This allows for accurate tracking and recording of activities during mine inspections.

Staff attended numerous OSMRE sponsored training classes and technical conferences during the biennium.

Major Challenges

Permitting Federal Coal: Staff reviewed a number of permit revisions dealing with the mining of federal coal during the 2023-25 biennium and prepared associated draft mine plan decision documents that are associated with those revisions. On January 20, 2023, the Bureau of Land Management (BLM) issued a notice in the Federal Register that the Resource Management Plan (RMP) for North Dakota was updated, which started a 90-day public comment period. Staff spent countless hours reviewing the RMP, meeting with other state agencies, and drafting comments on behalf of North Dakota. On August 8, 2024, the BLM published a Notice of Availability and the Proposed Resource Management Plan and Final Environmental Impact Statement. Staff worked with the Governor's Office and other agencies to draft comments for Governor Burgum's September 9, 2024, protest letter.



Dragline at the Freedom Mine northwest of Beulah

Federal Funding: An ongoing concern is the amount of federal funding that the Reclamation Division receives to cover the federal share of the coal regulatory program costs. OSMRE currently covers 64 percent of the program costs, and the remaining 36 percent is paid with state general funds. However, as part of OSMRE budget requests for the past several years, the administration has proposed reducing the amount of federal dollars nationwide for states to administer their coal regulatory programs. Federal funding available to states for the fiscal year 2024 was reduced to \$62.4 million from \$65 million in fiscal year 2023. The adequacy of future federal funding continues to be a major concern. In comparison, the state regulatory grants available about a decade ago in fiscal year 2014 were funded at \$68.59 million. It is imperative that at some point, the federal grant amount will have to increase to account for inflation and other increased program costs.

Trends

The Commission plans to continue to add more data to the GIS system to manage data and carry out its permit review and inspections more efficiently and effectively. In addition, nearly all of the active permits (those with active mining operations taking place) have converted their permits to electronic permits. Only a few paper permits remain.

During the previous biennium, the legislature approved an additional Environmental Scientist position in the Commission, and one employee retired during the 2023-25 biennium. As a result of the new position and the retirement, the Commission filled two vacancies in this division during this period.

Compared to the previous biennium, final bond release increased by approximately 61 percent in the 2023-25 biennium. Final bond release activity is expected to increase as additional reclaimed lands become eligible for release, especially at the four large active mines.

Major Cases

Landowners filed a request for an informal conference on a significant revision during the 2023-25 biennium. During the informal conference, the issues regarding a proposed haul road location, proposed mining operations within 500 feet of residences, dust, noise, and lack of communication from the mining company regarding past agreements and future mining plans were discussed. An order was issued after the informal conference, and the mining permit was revised accordingly.

A formal hearing was held from a complaint filed pursuant to Chapter 28-32 of the Administrative Agencies Practice Act and Article 69-02 of the Administrative Code against a mining company regarding grade approvals approved by the Commission. The complaint also alleged the Commission had granted an exception by approving several grade approval requests that allow less soil to be redistributed on reclaimed land. The formal hearing was held and an order was issued affirming the grade approvals and dismissing the complaint. The Commission's order was appealed to district court and the court affirmed the Commission's order.

Another formal hearing was requested by a landowner in response to the Commission's conditional approval of a significant revision and the renewal of a surface coal mining permit. The hearing addressed issues related to reference areas, the relocation of a road, access concerns, compaction, yield maps, dust control, and graded spoil sampling. Following the hearing, the Commission issued an order affirming its conditional approval of the revision and the approval of the renewal. After the order was issued, the prevailing party submitted a petition for attorney fees. The Commission reviewed the petition, considered responses from both parties, and awarded partial attorney fees to the mining company.

Abandoned Mine Lands (AML) Division

Statutory and Constitutional Responsibilities

The Abandoned Mine Lands (AML) Division is responsible for administering North Dakota's abandoned mine land reclamation law, North Dakota Century Code Chapter 38-14.2, for eliminating hazards associated with abandoned mines. This program covers lands that were mined prior to the federal Surface Mining Control and Reclamation Act (P.L. 95-87) that was enacted in 1977.

The Abandoned Mine Lands Division seeks to enhance the public's safety by using available funds efficiently and effectively to prioritize and reclaim abandoned coal mine sites that pose health, safety, and general welfare hazards. Projects are selected based on public input and an analytical review of all known abandoned mine sites. Projects are completed using the most cost-effective manner possible to ensure maximum returns for the monies expended.

The program receives all its funding with oversight from the federal Office of Surface Mining Reclamation and Enforcement (OSMRE) within the Department of the Interior. The AML Division continued to receive excellent evaluation reports from OSMRE's Casper Field Office during the 2023-25 biennium.

Key 2025 Legislation

During North Dakota's 2025 Legislative Session, the Public Service Commission introduced Senate Bill No. 2117 (SB 2117) to amend N.D.C.C. Ch. 38-14.2 in response to the Infrastructure Investment and Jobs Act (Public Law 117-58); Consolidated Appropriations Act, 2023 (Public Law 117-328); and changes to Title 30, Chapter VII, Subchapter R of the Code of Federal Regulations.

The amendment updated the purposes for which the Abandoned Mine Reclamation Fund may be used and created a special fund in the State Treasury called the State Abandoned Mine Reclamation Safeguarding Treatment for the Restoration of Ecosystems from Abandoned Mines Fund Set-Aside Trust Account as provided by Public Laws 117-58 and 117-328. SB 2117 also amends N.D.C.C. §§ 38-14.2-06 and 38-14.2-07 to align with Title 30, Chapter VII, Subchapter R of the Code of Federal Regulations by clarifying the definitions of eligible lands and waters, as well as the priorities for projects under this program.

Major Accomplishments and Activities

The Commission received five grants from the federal Office of Surface Mining Reclamation and Enforcement (OSMRE) during the 2023-25 biennium for North Dakota's AML program. The Commission received fee-based grants for \$2,829,000 in 2023, 2024 and 2025. As a minimally funded state, North Dakota should have received grants of \$3 million for each of these years. The state grant amounts were reduced by sequestration of federal funds.

In November 2021, Congress passed legislation that amended the Surface Mining Control and Reclamation Act of 1977 to re-authorize the AML Program and extended the collection of the federal reclamation fee that is used to fund it until September 30, 2034. The AML fee on North Dakota lignite mined changed from eight cents per ton to 6.4 cents per ton. The Commission is scheduled to receive minimum funding for state AML Programs, or \$3 million per year, for the remaining life of the program (less the amount of future sequestration).

The Infrastructure Investment and Jobs Act (IIJA), also known as The Bipartisan Infrastructure Law (BIL), was enacted on Nov. 15, 2021.



Excavator Digs up Sinkhole that Formed Under Highway 12 Near Scranton

conducted in Mercer and Ward Counties.

Sinkhole filling projects were conducted during the 2023-25 biennium to fill approximately 452 hazardous sinkholes caused by underground mine collapse at numerous sites in western North Dakota. Maintenance work to address erosion and inadequate vegetation was performed at three completed surface mine project sites in Morton and Burke Counties.

As directed by the IIJA, the distribution amounts were based on the number of tons of coal historically produced in each state or from the applicable Tribal lands before August 3, 1977.

North Dakota was allocated an additional \$3,101,210 dollars for the fiscal year 2023 and \$3,396,506.30 for the 2024 fiscal year. The 2024 IIJA grant was increased by \$296,296.30 as a one-time distribution to support activities related to the enhanced Abandoned Mine Land Inventory System, commonly known as e-AMLIS. Lastly, up to 30 percent of the IIJA grant funds can be set aside for specific projects when the state no longer receives any AML funding from OSMRE.

During the 2023-25 biennium, one major underground mine reclamation project was conducted to inject cementitious grout into underground mine voids beneath public roads and near other infrastructure near Dickinson (Stark County) to stabilize the mine and prevent a collapse that could endanger people and damage property. Exploratory drilling projects were conducted near Dickinson, New Salem, and Scranton to locate and characterize the condition of the underground mine workings. Two major construction projects to backfill dangerous surface mine highwalls and eliminate spoil piles were

The AML Division's Geographic Information System (GIS) is continually updated to provide the most recent information to the abandoned mine inventory. The public has access to this data through the North Dakota GIS Hub and the Commission's website.

Staff attended OSMRE sponsored in-person and virtual training classes and technical conferences during the biennium.

Major Challenges

While over \$42 million in reclamation is yet to be completed in North Dakota, the remaining sites are smaller in size than previous project sites. The current inventory does not include all the abandoned mines in North Dakota, and recent increases in construction costs are only included for a few sites in the \$42 million estimate.

As construction work is completed at the larger AML sites, staff will need to design and manage more reclamation sites each year to expend the available funds. Contractor prices for some AML reclamation work have increased in recent years, primarily due to a demand for cement, fly ash, and increasing labor costs. In March of 2024, all of the Commission's AML grants were amended by OSMRE to require Davis-Bacon Act provisions for all of the division's construction contracts.

The additional IIJA grant increased the AML Division's annual funds from approximately \$3 million to \$6 million per year. The increased budget and the overall smaller project sizes make spending the grant money in an effective and efficient manner a challenge. Staff will need to find efficiencies, such as having multi-year, multi-site projects and using the latest technology to improve productivity.

Trends

The AML Division uses the latest technology to investigate sites and plan AML reclamation projects. North Dakota's 2025 Legislature approved the purchase of an Unmanned Aircraft System (UAS) and Light Detection and Ranging (LiDAR) system. The AML Division started the procurement process to purchase a Freefly UAS and YellowScan LiDAR system at the end of the biennium. Aerial photography capabilities are crucial for project planning and management, and the implementation of LiDAR technology will greatly expedite the pre- and post-construction topographic surveys. Efficiency increases from using these products will decrease project costs and enhance our ability to effectively use our time-dependent federal grant monies.

Major Cases

No significant cases involving the AML Division occurred during the 2023-25 biennium.



Pumping Grout Near Highway 15 in Garrison

Former Commissioners

1. Bartlett, David	1889-1890
2. Underhill, T.S.	1889-1890
3. Walsh, Geo. H.	1891-1892
4. Sletten, Andrew	1891-1892
5. Stevens, Ben	1893-1894
6. Cameron, Peter	1893-1894
7. Rasmussen, Nels P.	1893-1894
8. Keyes, Geo. H.	1895-1898
9. Wamberg, John	1895-1896
10. Currie, John W.	1895-1896
11. Gibson, J.R.	1897-1898
12. Erickson, Henry	1899-1900
13. Simons, John	1899-1900
14. Walton, L.L.	1897-1900
15. Youngblood, J.	1901-1902
16. Shea, J.F.	1901-1904
17. Schatz, A.	1903-1904
18. Lord, O.J.	1901-1904
19. Christianson, John	1905-1906
20. Diesem, C.S.	1905-1908
21. Stafne, Erick	1905-1908
22. Westby, Simon	1907-1908
23. Mann, William H.	1909-1916
24. Anderson, O.P.N.	1909-1916
25. Stutsman, W.H.	1909-1916 & 1921-1922
26. Johnson, N.P.	1917-1918
27. Bleick, Chas	1917-1918
28. Aandahl, S.J.	1917-1920
29. Dupuis, C.F.	1919-1920
30. Milholland, Frank	1919-1932
31. Harding, Fay	1923-1934
32. McDonnell, G.W.	1921-1936 & 1940-1950
33. McDonald, S.S.	1937-1948
34. Larkin, Ben G.	1928-1949
35. Cart, Elmer W.	1935-1940 & 1949-1954
36. Brant, E.H.	1951-1954
37. Anderson, Anson J.	1955-1960
38. Nelson, Ernest D.	1949-1961
39. Vaaler, Martin	1954-1962
40. Thompson, Richard J.	1961-1966
41. Wolf, Ben J.	1963-1980
42. Elkin, Richard	1967-1983
43. Sandstrom, Dale	1983-1992
44. Hagen, Bruce E.	1961-2000
45. Reinbold, Leo M.	1981-2003
46. Wefald, Susan E.	1993-2008
47. Clark, Tony	2001-2012
48. Cramer, Kevin	2003-2012
49. Fetch, Bonny (temporary appointment)	2012
50. Kalk, Brian P.	2009-2017
51. Kroshus, Brian	2017-2022
52. Fedorchak, Julie	2013-2025

Contact the ND Public Service Commission

Website: www.psc.nd.gov

Email: ndpsc@nd.gov

Address:

600 East Boulevard Ave., Dept. 408
Bismarck, ND 58505-0480

Phone:

701-328-2400
877-245-6685 (toll-free)
800-366-6888 (relay ND TTY)

