

AGENDA
Industrial Commission of North Dakota
Tuesday, January 17, 2017
Governor's Conference Room
11:00 a.m.

- I. Renewable Energy Program - *Andrea Holl Pfennig*
 - A. **Consideration of Renewable Energy Council proposed amendment to Renewable Energy Program policies** (Attachment 1)
 - B. Presentation of Legislative Update
 - C. Other Renewable Energy Program business

(approximately 11:05 a.m.)

- II. North Dakota Housing Finance Agency Business – *Jolene Kline*
 - A. Presentation of Legislative Update
 - B. Other North Dakota Housing Finance Agency business

(approximately 11:15 a.m.)

- III. North Dakota Mill - *Vance Taylor*
 - A. Presentation of the North Dakota Mill Second Quarter Financial Report (Attachment 2)
 - B. **Consideration of amendment to the Hedging Strategies and Risk Policy** (Attach. 3)
 - C. Presentation of Legislative Update
 - D. Presentation of Capital Projects Update
 - E. Other North Dakota Mill business

(approximately 11:30 a.m.)

- IV. North Dakota Department of Mineral Resources Business – *Lynn Helms*
 - A. **Review and Consideration of Revised Delegation of Authority Resolution** (Attach. 4)
 - B. **Consideration of extension of the Inactive Well Waiver and Non-Completed Well Waiver Programs through June 30, 2017 due to severe winter weather and persistent low oil prices.** (Attachment 5)

*****Consideration of a motion to close the meeting pursuant to North Dakota Century Code Sections 44-04-19.1 and 44-04-19.2 for the purpose of attorney consultation.*******

- C. The purpose of the executive session will be to consult with the Commission's attorney regarding the following pending adversarial administrative proceedings:
 - Case 25462
 - Case 25517

*****Meeting returns to open session*****

- D. Report on consent decree approved December 28, 2016 by U.S. District Judge John D. Bates regarding the appeal of Environmental Integrity Project et al. v. Gina McCarthy, Case Number 1:16-cv-00842, in the U.S. District Court for the District of Columbia. - *Attorney General Stenehjem/Lynn Helms*
- E. Report on legislation effecting the Department of Mineral Resources
- F. Other North Dakota Department of Mineral Resources business

(approximately 12:10 p.m.)

V. Oil and Gas Research Program Business – *Brent Brannan*

- A. Presentation of Oil and Gas Research Council Financial Report - *Karlene Fine* (Attach, 6)
- B. **Consideration of Oil and Gas Research Council recommendations on the following two Grant Round 41 applications:**
 - 1. G-041-01: **Functional Nanoparticle-Augmented Surfactant Fluid for Enhanced Oil Recovery in Williston Basin**; Submitted Department of Petroleum Engineering, Department of Chemistry, Institute of Energy Studies-University of North Dakota; Principal Investigators: Hui Pu & Julia Xiaojun Zhao; Project Duration: 3 years; Total Project Cost \$1,724,006; Request for: \$769,134; Recommended Revised Total Project Cost \$1,439,810; Recommended Revised OGRP Project Funding \$678,932 (Attachment 7)
 - 2. G-041-03: **Effects of Cropping Sequence, Ripping, and Manure on Pipeline Reclamation in Western North Dakota**; Submitted by North Dakota State University - Williston Research Extension Center; Principal Investigator: Austin Link; Project Duration: 4 years; Total Project Cost \$1,305,280; Request for \$652,640; Recommended Revised Total Project Cost \$1,035,936; Recommended Revised OGRP Project Funding \$517,968 (Attachment 8)
- C. Presentation of Pipeline Leak Detection - Field Evaluation of Multiple Approaches for Liquids Gathering Pipelines - *John Harju, Energy & Environmental Research Center* (Attachment 9)
- D. Other Oil and Gas Research Program business

(approximately 12:45 p.m.)

VI. North Dakota Pipeline Authority Business – *Justin Kringstad*

- A. Presentation of Pipeline Authority 2016 Annual Report (Attachment 10)
- B. Presentation of Pipeline Authority Fund Annual Financial Report (Attachment 11)
- C. Presentation of quarterly Pipeline Authority Report (Attachment 12)
- D. Other North Dakota Pipeline Authority business

(approximately 1:00 p.m.)

VII. North Dakota Outdoor Heritage Fund business - *Jim Melchior*

- A. Presentation of Outdoor Heritage Fund Financial Report - *Karlene Fine* (Attachment 13)
- B. **Consideration of the following Outdoor Heritage Fund Advisory Board's Grant Round 8 recommendations in the total amount of \$1,031,822:** (Attachment 14)
 - 1. GR8 - 004 - **Trail Restoration and Improvement Program Part 2**; Submitted by ND Parks and Recreation Department; Total Project Cost - \$441,870; OHF Funding Request - \$82,054; **Board Recommendation: \$82,054.** Duration 12 months (Attachment 15)

2. GR8 - 009 - **Grasslands Enhancement Pilot Project**; Submitted by Ducks Unlimited, Inc. ND Natural Resources Trust; Total Project Cost - \$438,681.40; OHF Funding Request - \$241,529.40; **Board Recommendation: \$230,000**. Duration 3 years (Attachment 16)
3. GR8 - 012 - The Bee Integrated Demonstration Project; Submitted by Keystone Policy Center; Total Project Costs \$527,076; OHF Funding Request - \$94,768; **Board Recommendation: \$94,768**. Duration 3 years. (Attachment 17)
4. GR8 - 002 - Cass County Cover Crop Project; Submitted by Cass County Soil Conservation District; Total Project Cost - \$100,000; OHF Funding Request - \$60,000; **Board Recommendation: \$60,000**. Duration 2 years. (Attachment 18)
5. GR8 - 008 - Logan County Natural Resource Program; Submitted by Logan County Soil Conservation District; Total Project Cost - \$700,000; OHF Funding Request - \$420,000; **Board Recommendation: \$210,000**. Duration 4 years. (Attachment 19)
6. GR8 - 005 - Powers Lake Watershed Project - Lake Improvement Phase; Submitted by Powers Lake Watershed Management Committee/City of Powers Lake; Total Project Cost - \$571,500; OHF Funding Request - \$220,000. **Board Recommendation \$220,000**. Duration 10 years. (Attachment 20)
7. GR8 - 006 - LaMoure County Dam Reparation Project; Submitted by LaMoure County Water Resource District; Total Project Cost - \$180,000; OHF Funding Request - \$135,000; **Board Recommendation \$135,000**. Duration 3 months (Attachment 21)
8. Presentation of Legislative Update - *Karlene Fine*
9. Other Outdoor Heritage Fund business

(approximately 1:20 p.m.)

- VIII. Lignite Research, Development & Marketing Program Business – *Jason Bohrer, Mike Holmes*
- A. **Consideration of a request for a special grant round** (Attachment 22)
 - B. Presentation of Legislative Update.
 - C. Other Lignite Research, Development & Marketing Program business

(approximately 1:30 p.m.)

- IX. North Dakota Public Finance Authority Business – *DeAnn Ament* -
- A. **Consideration of the following Drinking Water State Revolving Fund loan requests:**
 1. **City of Casselton - \$1,210,000** (Attachment 23)
 2. **R & T Commerce Authority - \$5,000,000** (Attachment 24)
 3. **Williams Rural Water District - \$5,000,000** (Attachment 25)
 - B. Presentation of memorandum on the Public Finance Authority Advisory Committee SRF Clean and Drinking Water loan approvals for the following entities: (Attachment 26)
 1. Ward County Water Resource District, Clean Water SRF - \$213,978
 2. City of Colfax, Clean Water SRF - \$555,000
 3. City of Glenburn, Drinking Water SRF - \$939,000
 4. City of Kindred, Drinking Water SRF - \$600,000
 5. North Prairie Rural Water District - \$175,000
 - C. Bond Counsel update (Attachment 27)
 - D. Other North Dakota Public Finance Authority business

(approximately 1:40 p.m.)

- X. Bank of North Dakota Business – *Eric Hardmeyer*
- A. Presentation of Fourth Quarter 2016 Performance Highlights (Attachment 28)

- B. Presentation of 2017 Legislative Update
- C. Presentation of Nonconfidential Bank of North Dakota Advisory Board November 17, 2016 meeting minutes (Attachment 29)
- D. Other Bank of North Dakota business

*****Meeting closed pursuant to N.D.C.C. 6-09-35 to discuss items listed below on the agenda under Bank of North Dakota Confidential Business*****

- XI. Bank of North Dakota Confidential Business – *Eric Hardmeyer* -
 - A. **Consideration of Bank of North Dakota loan application** (Attachment 30)
 - B. **Determination of the Loan Chargeoffs and Recoveries for the year ending December 31, 2016 with 10-Year Summary** (Attachment 31)
 - C. **Determination of Uncollectible Loans** (Attachment 32)
 - D. Presentation of the following reports:
 - 1. Non-Accrual Loans Quarterly Recap/Detail (Attachment 33)
 - 2. Problem Loans - Adversely Classified Quarterly Recap (Attachment 34)
 - 3. Off-Balance Sheet Risk Quarterly Recap (Attachment 35)
 - E. Presentation of confidential Bank of North Dakota Advisory Board November 17, 2016 meeting minutes (Attachment 36)
 - F. Other Bank of North Dakota confidential (as defined under N.D.C.C. 6-09-35) business

*****Meeting returns to open session*****

(approximately 2:40 p.m.)

- XII. Western Area Water Supply Authority business – *Jaret Wirtz/Karlene Fine*
 - A. Presentation of Western Area Water Supply Authority December Financial Report and Debt Reduction Report - *Karlene Fine* (Attachment 37)
 - B. Legislation update.
 - C. Other WAWSA business

(approximately 2:55 p.m.)

- XIII. North Dakota Student Loan Trust - *Karlene Fine*
 - A. Legislative Update
 - B. Other North Dakota Student Loan Trust business

XIV. Adjournment

Bold items require Industrial Commission action

Any person who requires an auxiliary aid or service must contact or notify the Industrial Commission Office at 328-3722 at least three (3) working days prior to the scheduled meeting.