

Minutes of a Meeting of the Industrial Commission of North Dakota
Held on November 29, 2021 beginning at 12:30 p.m.
Governor's Conference Room - State

Present: Governor Doug Burgum, Chairman
Attorney General Wayne Stenehjem
Agriculture Commissioner Doug Goehring

Also Present: This meeting was open through Microsoft Teams so not all attendees are known
Members of the Press

Governor Burgum called the Industrial Commission meeting to order at approximately 12:30 p.m. and the Commission took up North Dakota Mill business.

NORTH DAKOTA MILL (Mill)

It was moved by Attorney General Stenehjem and seconded by Commissioner Goehring that under the provisions of N.D.C.C. § 44-04-18.4 the Industrial Commission enter into executive session to discuss commercial information including the North Dakota Mill's marketing strategies and sales strategies and N.D.C.C. §44-04-19.1 to discuss strategy and instructions regarding upcoming union contract labor negotiations. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Governor Burgum reminded the Commission members and those present in the executive session that the discussion must be limited to the items listed on the agenda which was anticipated to last 30 minutes. The Mill executive session began at 12:35 p.m.

NORTH DAKOTA MILL EXECUTIVE SESSION

Members Present:

Governor Doug Burgum
Attorney General Wayne Stenehjem
Commissioner Doug Goehring

Others in Attendance:

Leslie Bakken Oliver	Governor's Office
Reice Haase	Governor's Office
Dutch Bialke	Department of Agriculture
Vance Taylor	North Dakota Mill
Cathy Dub	North Dakota Mill
Karlene Fine	Industrial Commission Office
Andrea Pfennig	Industrial Commission Office

The State Mill executive session ended at 1:24 p.m. and the meeting reconvened in open session.

Mr. Vance Taylor, North Dakota Mill CEO, introduced Ms. Robyn Hoffman, State Auditor's Office. Ms. Hoffman provided a report on the North Dakota Mill Audit for FY 2021. It was a clean audit with an unmodified opinion and no internal control deficiencies identified. Ms. Hoffman noted that there was one immaterial correction identified. The actual recording error was only \$55,632, however, extrapolated out it could result in a \$546,000 error. There were no recommendations.

Ms. Hoffman announced that the Auditor Office’s Stewardship Award had been given to the North Dakota Mill for excellence in auditing. State Auditor Gallion would be formally presenting the award in December.

The Commission congratulated Ms. Dub and the team at the Mill. Mr. Taylor noted this was Ms. Dub’s first fiscal year in leadership of the audit.

Mr. Taylor, and Ms. Cathy Dub, Mill CFO, presented the First Quarter results as follows.

*North Dakota Mill
Review of Operations
1st Qtr. Ended 9/30/21*

SUMMARY

The Mill experienced a profit of \$3,355,889 in the first quarter compared to a profit of \$3,282,775 last year.

	<i>Quarter</i>	
	<i>9/21</i>	<i>9/20</i>
Profits	\$ 3,355,889	\$ 3,282,775
Sales	101,460,273	80,226,268
 Cwt. Shipped:		
Spring	3,612,390	3,605,953
% to Total	92.3%	92.5%
Durum	302,322	290,615
	3,914,712	3,896,568
 Bulk Shipments	3,317,295	3,211,675
% to Total	84.8%	82.4%
 Bag Shipments	556,910	645,687
% to Total	14.2%	16.6%
 Tote Shipments	40,507	39,206
% to Total	1.0%	1.0%
 Family Flour Shipments	74,733	163,039
% to Total	1.9%	4.2%
 Organic Flour Shipments	33,478	40,673
% to Total	.9%	1.0%
 Wheat/Durum Bought:		
Spring/Winter	7,675,862	7,824,775
Durum	752,741	490,977
Total	8,428,603	8,315,752

Sales

Sales for the first quarter were \$101,460,273 compared to \$80,226,268 last year, an increase of 26.5%. The price of grain settled with suppliers at the mill for the first quarter of the year is \$3.09 per bushel higher

than last year. Shipments of 3,914,712 cwts. in the first quarter are 18,144 cwts. above last year. Bag shipments of 556,910 cwts. are 13.0% below last year. Family flour shipments were 74,733 cwts., a decrease of 88,305 cwts., from last year's first quarter shipments of 163,039 cwts. Organic flour shipments were 33,478 cwts., a decrease of 7,195 cwts. from last year.

Operating Costs

Operating costs for the first quarter were \$10,374,421 compared to \$9,314,610 last year, an increase of 11.4%. Total flour production for the first quarter was 1.9% above last year's first quarter. Operating cost per cwt. of production was \$ 2.62 per cwt., compared to \$2.40 last year, an increase of 9.2%

Profits

The Mill had profits of \$3,335,889 in the first quarter compared to \$ 3,282,775 last year. This is an increase of 2.2%. Gross margins as a percent of gross sales for the quarter was 13.9% compared to 16.1 % last year.

Risk Management Position

The table below shows our hedge ratio by futures month going forward. As the table indicates, the Mill continues to be closely matched in the overall net positions with some slight variations in monthly positions.

Position Report	
30-Sep-21	
Period	Hedge Ratio
Dec-21	1.0
Mar-22	1.0
May-22	1.0
Jul-22	1.0
Net Position	1.0

Ms. Dub noted that GASB 87 was implemented this quarter which puts all of the lease assets on the balance sheet. Rail cars are the primary difference. It was requested that Ms. Dub note that difference for the 1st year. Ms. Dub stated that the Commission will see the difference on the balance sheet by the increased assets. She will also show the difference on the return of assets.

Mr. Taylor presented an amendment to the FY 2022 Capital Budget for consideration. He proposed three capital projects totaling \$810,000 as follows.

*Rail Track, Crossing and Drainage Upgrades *Supplemental – \$200,000*

Tracks between the Bulk Plant and New Warehouse are deteriorated to the point where replacement is required. Additional drainage lines are needed in this area to extend life of the new track. The original project was approved on 7/27/21 for \$550,000. Competitive bids came in higher than expected, mainly due to increasing materials cost.

Grain Terminal Belt Conveyor Upgrades – \$460,000

Five belt conveyors located in the basement of the terminal elevator are worn out to the point where replacement is required. Replacing these conveyors with new vulcanized rubber belts, new motors, rollers, and drives including bearing rotation and temperature sensors will increase capacity, speed up wheat blending operations, and improve safety in the terminal.

Roll Chills – \$150,000

Thirty pair of roll chills are worn out to the point where replacement is required to continue efficient grinding operations.

A question was raised regarding whether the conveyor belt selection is based on cost alone. Mr. Taylor indicated that the Mill has specific requirements for belts and has put out bids to several suppliers with those specifications. There is a difference in belts and the lowest cost is not always the best.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the Industrial Commission amend the North Dakota Mill FY 2022 Capital Budget in the total amount of \$810,000 as follows:

- **Rail Track, Crossing and Drainage Upgrades in the supplemental amount of \$200,000**
- **Grain Terminal Belt Conveyor Upgrades in the amount of \$460,000**
- **Roll Chills in the amount of \$150,000**

On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

HOUSING FINANCE AGENCY (HFA)

Mr. Dave Flohr, HFA Executive Director, and Ms. Jennifer Henderson, HFA, reported that project financing was made available through the programs offered through the federal Low Income Housing Tax Credit (LIHTC), HOME Investment Partnerships (HOME) and National Housing Trust Fund (HTF), and the state's Housing Incentive Fund (HIF) with an application deadline of September 30, 2021. The Agency received requests from 19 applicants for assistance from multiple funding sources resulting in the round being oversubscribed by a combined \$34 million. The scoring and ranking of the applications were completed in November and eight projects were selected. Ms. Henderson commented and responded to questions on each of the following projects that received the awards:

- Dakota II Redevelopment, Bismarck – commitment of \$718,750 LIHTC and \$760,659.60 HTF.
- Grand Forks Portfolio Scattered Site Rehab, Grand Forks – commitment of \$3,000,000 HIF.
- Jewel City, Rolla – commitment of \$1,598,600 HIF and \$2,013,800 HOME.
- Lantern Light, Fargo – commitments of \$1,922,512 HIF, \$1,244,663 HOME, and \$2,060,863 HTF.
- The Plaza Apartments, Fargo – commitments of \$776,635 LIHTC and \$1,306,196 HOME.
- The Plaza Apartments II, Fargo – commitments of \$803,750 LIHTC and \$1,412,303 HOME.
- Prairie Ridge Residences, Fargo – commitments for \$3,000,000 HIF. The project will be requesting \$1,087,000 in 4% LIHTC.
- Turtle Mountain Homes #10, Belcourt – commitment of \$718,750 LIHTC.

Mr. Flohr reported on the 2021 Series B & C Housing Finance Agency Bond Issue sale. The \$140 million was oversubscribed with over \$600 million in orders. Bonds are currently attractive to investors. This was the first time HFA received a designation as social bonds. A process was required for that designation but going through that process helps attract investors. The overall all-in cost was 1.97, compared to the 2021 Series A bond issue cost of 1.79 and the 2020 Series B bond issue cost of 1.9. This funding should be sufficient in meeting the HFA's needs until next March when the next bond issue will be sold.

Mr. Flohr reported that the Legislature carved out \$950,000 of the Housing Incentive Fund appropriation for homeless activities which are yet to be designated. HOME received an additional \$7.7 million in federal funds for the homeless activities and services. HFA also helped Youthworks ND to receive a \$1.7 million HUD's Youth Homeless Demonstration Grant. The next step is to create a plan and submit it to HUD. The HFA staff will be meeting with each homeless coalitions across the state, along with state agencies such as Commerce, Department of Human Services, and Department of Corrections and Rehabilitation. Hopefully the plan will be completed in March, depending on when guidance from HUD is issued. Mr. Flohr indicated the plan will be presented to the Commission for their consideration.

PUBLIC FINANCE AUTHORITY (PFA)

Ms. Ament, PFA Executive Director, presented a Resolution Authorizing the Issuance of the Legacy Fund Infrastructure Program Bonds in the amount of up to \$400,000,000. She anticipated they would be selling the bonds in early December.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the Industrial Commission adopt the following resolution.

**RESOLUTION AUTHORIZING ISSUANCE OF UP TO
\$400,000,000
NORTH DAKOTA PUBLIC FINANCE AUTHORITY
LEGACY FUND INFRASTRUCTURE PROGRAM BONDS
FEDERALLY TAXABLE SERIES 2021**

WHEREAS, the North Dakota Public Finance Authority (the “Authority”) is duly constituted as an instrumentality of the State of North Dakota exercising public and governmental functions under the operation, management and control of the Industrial Commission of North Dakota (the “Industrial Commission”), pursuant to Chapter 6-09.4, North Dakota Century Code (the “Act”);

WHEREAS, pursuant to the Act, the Authority is authorized to issue bonds and to transfer the proceeds therefrom to the Bank of North Dakota for allocation to infrastructure projects and programs in order to provide funds for the Fargo Diversion Project, the Resources Trust Fund, the Infrastructure Revolving Loan Fund, the Highway Fund and an agricultural products development facility at North Dakota State University (the “Projects”);

WHEREAS, the Authority proposes to issue up to \$400,000,000 Legacy Fund Infrastructure Program Bonds, Federally Taxable Series 2021 (the “Bonds”) to fund transfers to the Bank of North Dakota for allocation to the Projects in the following estimated amounts:

Fargo Diversion Project	\$219,000,000
Resources Trust Fund	74,500,000
Infrastructure Revolving Loan Fund	50,000,000
Highway Fund	16,000,000
NDSU Agriculture Products Facility	15,000,000

and to fund capitalized interest on the Bonds and provide for the payment of the costs of issuance of the Bonds, provided that the foregoing Project allocations may be revised as determined by the Executive Director of the Authority, subject to the maximum limitations set forth in the Act;

WHEREAS, the Bonds are proposed to be issued pursuant to an Indenture of Trust dated as of December 1, 2021 (the “Trust Indenture”) between the Authority and the Bank of North Dakota, as Trustee;

WHEREAS, the transfer of Bond proceeds to the Bank of North Dakota for allocation to the Projects is to be made pursuant to a Project Agreement date as of December 1, 2021 (the “Project Agreement”) between the Authority and the Bank of North Dakota;

WHEREAS, the Bonds are payable solely from funds appropriated by the Legislative Assembly;

WHEREAS, procedures for the Authority to make requests for legislative appropriations and the transfer of appropriated funds to the Trustee are set forth in an Administrative Agreement dated as of December 1, 2021 (the “Administrative Agreement”) between the Authority and the Office of Management and Budget;

WHEREAS, there have been presented to this Commission, or are on file in the office of the Executive Director of the Authority, copies of the following documents: (i) the Trust Indenture; (ii) the form of Continuing Disclosure Undertaking (the "Continuing Disclosure Undertaking") to be executed by the Executive Director of the Authority; (iii) the Project Agreement; (iv) the Administrative Agreement, and (v) a draft of the Preliminary Official Statement to be used in connection with the sale of the Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

ARTICLE I

Authority and Definitions

Section 1.01. Resolution. This Resolution is adopted in accordance with the provisions of and pursuant to the authority contained in the Act.

Section 1.02. Definitions. All terms defined in Article I of the Trust Indenture or in the Act shall have the same meanings, respectively, in this Resolution and with respect to the Bonds as such terms are given in said Article I of the Trust Indenture or the Act. References herein to the "Executive Director" are to the Executive Director of the Authority, except the attestation hereof by the Executive Director and Secretary of the Commission, and include the Authorized Officer in circumstances in which the Executive Director is unable to act.

ARTICLE II

Authorization of Bonds

Section 2.01. Authorization of Bonds. Pursuant to the Trust Indenture, a series of Bonds designated as the Legacy Fund Infrastructure Program Bonds, Federally Taxable Series 2021 is hereby created and authorized to be issued in such aggregate principal amount as the Executive Director may determine, but not to exceed \$400,000,000.

Section 2.02. Purposes. The Bonds are being issued for the purposes described above and in the Project Agreement and the Trust Indenture.

Section 2.03. Date, Payment Dates and Maturities. The Bonds shall be dated as of the date of delivery, or such other date as the Executive Director may determine, shall bear interest payable semiannually on June 1 and December 1 in each year, commencing June 1, 2022, and shall mature on December 1 in each of the years and in the principal amounts as the Executive Director may determine, provided that the final maturity shall not be later than December 1, 2041.

Section 2.04. Sinking Fund Payments. The Bonds maturing on any date or dates (the "Term Bonds") may be subject to mandatory redemption prior to their stated maturity by payment of mandatory sinking fund payments, upon notice as provided in the Trust Indenture, on December 1 in each of the years and amounts as follows, in each case at a redemption price of 100% of the principal amount of such Term Bonds or portions thereof to be so redeemed, together with accrued interest to the redemption date on such mandatory redemption dates and in such amounts as the Executive Director may determine.

Section 2.05. Optional Redemption. The Bonds identified by the Executive Director shall be subject to redemption and prior payment at the option of the Authority on December 1 of the year designated by the Executive Director and on any date thereafter in whole or in part in such amounts from such maturities as the Authority may determine and by lot within a maturity at the redemption prices determined by the Executive Director together with accrued interest to the redemption date.

Section 2.06. Interest Rates. The Bonds shall bear interest at the rates per annum determined by the Executive Director, but not to exceed a true interest cost of 5.00%.

Section 2.07. Denominations, Numbers and Letters. Each Bond shall be in an integral multiple of \$5,000 and shall be numbered separately from R-1 consecutively upwards in order of issuance.

Section 2.08. **Sale of Bonds; Acceptance of Offer.** The Bonds shall be sold on the basis of competitive bids. Upon receipt of an offer for the purchase of Bonds which she determines to be acceptable, the Executive Director is authorized to execute the official bid form or other document to evidence acceptance of the successful bid.

Section 2.09. **Official Statement.** The Executive Director shall prepare a Preliminary Official Statement of the Authority in respect to the Bonds, in substantially the form of the draft Preliminary Official Statement on file in the office of the Executive Director with all such changes as the Executive Director may approve, and a final Official Statement shall be distributed with such changes, omissions, insertions and revisions as the Executive Director shall deem advisable in order to make such Official Statement a complete and accurate disclosure of all material facts to prospective purchasers of the Bonds.

Section 2.10. **Continuing Disclosure.** The form of Continuing Disclosure Undertaking in substantially the form on file is approved and shall be executed by the Executive Director in substantially the form on file with all such changes as the Executive Director may approve, which approval shall be conclusively evidenced by the execution thereof. The Continuing Disclosure Undertaking shall constitute a contractual obligation of the Authority as provided therein.

ARTICLE III

Use of Proceeds of Bonds; Allocations

Section 3.01. **Application of Proceeds.** The proceeds of the Bonds shall initially be deposited in the Funds and Accounts established under the Trust Indenture as determined by the Executive Director and shall be applied as provided by the Trust Indenture and Project Agreement.

Section 3.02. **No Reserve Fund.** It is hereby determined that Section 6-09.4-10 of the Act is not applicable to the Bonds, so no reserve fund shall be established for the Bonds.

ARTICLE IV

Form, Execution and Other Details of Bonds

Section 4.01. **Form of Bond.** The Bonds, the Registrar's Authentication Certificate, and the form of assignment shall be in substantially the form set forth in Exhibit A to the Trust Indenture, with all such insertions as may be consistent with this Resolution.

Section 4.02. **Execution and Delivery.** The Bonds shall be executed and delivered as provided in the Trust Indenture.

ARTICLE V

Approval and Execution of Trust Agreement, Project Agreement, Administrative Agreement and Other Documents; Approval of Pledge of Appropriations

Section 5.01. **Trust Indenture.** The form of Trust Indenture is approved and shall be executed by the Chairman of the Industrial Commission and Executive Director of the Authority in substantially the form on file with all such changes as are required to reflect the accepted bid for the Bonds and such other changes as the Executive Director may approve, which approval shall be conclusively evidenced by the execution thereof.

Section 5.02. **Project Agreement and Administrative Agreement.** The forms of Project Agreement and the Administrative Agreement are approved and shall be executed by the Executive Director of the Authority in substantially the form on file with all such changes as the Executive Director may approve, which approval shall be conclusively evidenced by the execution thereof.

Section 5.03. **Other Documents.** The Executive Director and Authorized Officer are authorized to execute such other documents, instruments and certificates and take such action as may be necessary or convenient in connection with the issuance and sale of the Bonds and to take such further actions as may be necessary or convenient for the performance of the Trust Indenture, Project Agreement and Administrative Agreement.

Section 5.04. Pledge of Security for the Bonds. The pledge by the Authority of the Trust Estate (as defined in the Trust Indenture) pursuant to the Trust Indenture as security for the Bonds, including the pledge of funds appropriated by the Legislative Assembly for the payment of debt service on the Bonds, is hereby authorized and approved.

ARTICLE VI

Miscellaneous

Section 6.01. Authorized Representative. The appointment of the Director of the Office of Management and Budget as an Authorized Officer of the Authority is hereby acknowledged, and such Authorized Officer shall be an Authorized Authority Representative for purposes of the Trust Indenture, Project Agreement and Administrative Agreement.

Section 6.02. Determinations. All determinations of the Executive Director required or permitted to be made hereunder shall be in writing, and the Executive Director shall file a copy thereof with the Trustee and the Secretary of the Industrial Commission.

Section 6.03. Effective Date. This Resolution is effective immediately.

On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Ms. Fine noted the tremendous amount of work that had been done by Ms. Ament and the finance team in pulling together this bond issuance—the first one for the state. The Commission thanked Ms. Ament for getting this accomplished.

NORTH DAKOTA BUILDING AUTHORITY

Ms. Ament introduced Ms. Mindy Piatz, Brady Martz. Ms. Piatz presented the results of the 2021 North Dakota Building Authority audit. It was a clean audit with an unmodified opinion. There were no findings or recommendations, and no internal control deficiencies were identified.

OIL & GAS RESEARCH PROGRAM

Ms. Andrea Pfennig, Industrial Commission Deputy Executive Director, presented a no-cost budget modification request for consideration.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the Industrial Commission grant the no-cost budget modification request from Terran Corporation and Oasis Petroleum and authorize the Industrial Commission Executive Director/Secretary to amend Contract No. G-045-087 “Solar Powered Electrokinetic Soil Desalinization” as follows:

Increase Personnel Expense	+22,424.00
Increase G&A Expense	+10,291.00
Decrease Equipment/Materials	<u>- 32,715.00</u>
	0.00

On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

LIGNITE RESEARCH, DEVELOPMENT, MARKETING, & EDUCATION PROGRAM

Ms. Karlene Fine, Industrial Commission Executive Director, provided a financial report. She reviewed the budget for the 21-23 biennium and noted that there is currently \$5,489,281.33 available for Small

Research/Education/Demonstration Projects and \$14,999,999.59 available for Advanced Energy Technology Projects.

Mr. Jason Bohrer, Lignite Research Council Chairman, and Mr. Mike Holmes, Lignite Research Program Director presented the Lignite Research Council's Grant Round 97 recommendations.

LRC-97A – "Production of Germanium and Gallium Concentrates for Industrial Processes" – Microbeam Technologies; Request for \$20,000; Total Project Costs: \$189,943; Duration 9 Months

Microbeam Technologies Incorporated (MTI) is proposing to lead a team with UND and North American Coal to develop a conceptual design of a process to extract, separate, recover, and purify germanium and gallium from lignite coal-derived rare earth element concentrates. The team has received an award from the Department of Energy (DOE), providing a strong leveraging of NDIC project funding. The process will be integrated into the University of North Dakota's (UND) rare earth extraction process and will be designed to co-produce germanium and gallium concentrates. The overall effort involves an integrated development that spans feedstock sourcing, feedstock optimization, extraction/concentration/separation/refining, and product use in industrial applications. All three technical reviewers recommended funding and the Lignite Research Council vote was 15 – 0 to fund.

It was moved by Attorney General Stenehjem and seconded by Commissioner Goehring that the Industrial Commission accepts the recommendation of the Lignite Research Council to fund the grant application "Production of Germanium and Gallium Concentrates for Industrial Processes" and authorizes the Industrial Commission Executive Director/Secretary to execute a contract with Microbeam Technologies, Inc to provide a total of Industrial Commission Lignite Research Program funding in an amount not to exceed \$20,000 with the following contingencies:

- **Technical Advisor participates in project reviews.**
- **Technical Advisor reviews the project management plan with the project team**
- **Technical Advisor will work with Microbeam Technologies, Inc. management in further defining the standards of success measurements.**

On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

LRC-97B – "North Dakota Lignite Coal-Based Pitch for Production of High Value Carbon Products via AmeriCarbon Liquid Carbon Pitch (LCP) Process" – AmeriCarbon Products, LLC; Request for \$550,000; Total Project Costs: \$1,209,794; Duration: 18 months

AmeriCarbon is proposing to utilize their pilot-scale, patented/proprietary LCP (Liquid Carbon Pitch) process to demonstrate the successful and economically viable conversion of North Dakota lignite coal into a valuable pitch intermediate chemical used in carbon products manufacturing. A secondary objective will be to outline a development pathway based on performance and technoeconomic results for a next-stage commercial pitch plant based in North Dakota to enhance lignite coal production, high-wage jobs, and increased economic opportunities with pitch and downstream carbon manufacturing. AmeriCarbon is teaming with North American Coal on the evaluation and plans to provide pitch samples to carbon products manufacturers for evaluation.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the Industrial Commission accepts the recommendation of the Lignite Research Council to fund the grant application "North Dakota Lignite Coal-Based Pitch for Production of High Value Carbon Products via AmeriCarbon Liquid Carbon Pitch (LCP) Process" and authorizes the Industrial Commission Executive Director/Secretary to execute a contract with AmeriCarbon Products, LLC

to provide a total of Industrial Commission Lignite Research Program funding in an amount not to exceed \$550,000 with the following contingencies:

- **Technical Advisor participates in project reviews.**
- **Technical Advisor reviews the project management plan with the project team.**
- **Technical Advisor will work with AmeriCarbon Products, LLC management in further evaluating the timeline and budget.**

On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

LRC-97C – “Development of Novel Sintered Coal Building Materials” – Microbeam Technologies Inc.; Request for \$62,500; Total Project Costs: \$649,407; Duration 12 months

Microbeam Technologies Incorporated (MTI) is proposing to lead a team with UND and North American Coal, to develop value-added products from lignite coal for use in the fabrication of a prototype carbon-based building. The team is developing a method for producing high-value carbon-based building materials by using a flexible manufacturing process that can be adapted into either a batch or continuous manufacturing process. Their sintered coal building materials (SCBM) technology has been used to produce sintered lignite and additive composites (LIG2) at UND and MTI laboratories, and preliminary analysis shows great opportunity for the technology to be scaled up to the pilot scale and eventually the commercial level. These materials show great potential to be used in masonry brick veneer applications as well as others. The team has been notified of the funding award by the DOE. The Lignite Research Council vote was 15 to fund and no votes not to fund.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the Industrial Commission accepts the recommendation of the Lignite Research Council to fund the grant application “Development of Novel Sintered Coal Building Materials” and authorizes the Industrial Commission Executive Director/Secretary to execute a contract with Microbeam Technologies, Inc to provide a total of Industrial Commission Lignite Research Program funding in an amount not to exceed \$62,500 with the following contingencies:

- **Technical Advisor participates in project reviews.**
- **Technical Advisor reviews the project management plan with the project team.**
- **Technical Advisor will work with Microbeam Technologies, Inc. in further defining the standards of success measurements and addressing the comparison to the complexity of materials manufactured in the ceramics industry.**

On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Discussion was held regarding options for attracting more research and technology companies to the State to work on these types of projects. It was noted that Commerce and CSEA are resources. The strategies that were used for the Unmanned Aircraft Systems in Grand Forks is a good example of invested funds and getting results. Vertical integration with state incentives is a key component along with information on what is available and price points should all be considered in promoting this work. Federal agencies could and should play a key part in growing this industry. It was noted that this work goes along with the industry also being able to maintain its baseload production.

Mr. Holmes reported that the Commission has received a request from Energy & Environmental Research Center (EERC), for the establishment of an additional grant round. EERC has been working with North American Coal Corporation, University of North Dakota Institute for Energy Studies and the U.S. Department of Energy (DOE) on a project titled "Advanced Processing of Coal and Coal Waste to Produce Graphite for Fast-Charging Lithium Ion Battery Anode." The EERC has been in negotiations with DOE to

have a projected start date of February 1, 2022. The EERC will be seeking funding of \$500,000 for this project from the Lignite Research Program. To accommodate the projected start date of February 1, 2022, the EERC has asked for a special grant round. The next regular grant round deadline is April 1, 2022, which could delay commencement of the project.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the Industrial Commission accepts the recommendation of the Industrial Commission Executive Director/Secretary and approve an additional grant round for the Lignite Research, Development and Marketing Program with an application submission deadline of December 15, 2021. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

ADMINISTRATION

Ms. Fine presented the October 19, 2021 non-confidential meeting minutes for consideration.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the October 19, 2021 non-confidential meeting minutes be approved. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Ms. Fine presented a request from the State Investment Board for authority to invest the Capital Building Investment Fund for the ND University System and recommended approval of their request.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the Industrial Commission accept the Industrial Commission Executive Director's recommendation and grant the Investment Board's request to enter into an agreement with the North Dakota University System to provide investment management services for the North Dakota University System's Capital Building Fund. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

BANK OF NORTH DAKOTA (BND)

Mr. Todd Steinwand, BND President, presented the Bank of North Dakota Advisory Board recommendations on the appointment of Mr. Kelvin Hullet and Mr. Craig Hanson as BND Senior Vice Presidents. Mr. Steinwand clarified that because it is a change in titles, it has to be approved by the Commission.

It was moved by Attorney General Stenehjem and seconded by Commissioner Goehring that the Industrial Commission accept the recommendation of the Bank of North Dakota Advisory Board and appoint Kelvin Hullet and Craig Hanson as Senior Vice Presidents effective immediately. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Steinwand presented the 2022 BND Holiday Schedule for consideration.

It was moved by Attorney General Stenehjem and seconded by Commissioner Goehring that the Industrial Commission approve the following Bank of North Dakota 2022 Holiday Schedule:

**BANK OF NORTH DAKOTA
2022 HOLIDAY SCHEDULE**

The 2022 holidays will be observed by the Bank of North Dakota and the Federal Reserve Bank of Minneapolis and its Helena Branch on the following dates:

New Year's Day	Saturday, January 1*
Martin Luther King Jr. Day	Monday, January 17
Presidents Day	Monday, February 21
Memorial Day	Monday, May 30
Independence Day	Monday, July 4
Labor Day	Monday, September 5
Columbus Day	Monday, October 10
Veterans Day	Friday, November 11
Thanksgiving Day	Thursday, November 24
Christmas Day	Monday, December 26**

* BND will be open Friday, December 31, 2021 when State employees will have the day off in recognition of January 1, 2022. We will have a skeleton crew. Employees who work Friday can choose to take another day off.

**Actual holiday is Sunday, December 25th. The holiday will be observed the following Monday.

Note: According to NDCC 1-03-01.1 state offices close at noon on Christmas Eve Day when it falls on a Monday-Thursday.

On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Steinwand and staff presented the Third Quarter 2021 Performance Highlights. September ended with a balance of \$10,154,922. Commercial loans are higher than budget by \$42 million. Ag loans are down from budget by \$61 million due to faster than anticipated payoffs and lower renewals. Residential loans are experiencing a faster runoff of their loan portfolio while overall volume of student loans is down. Total deposits of \$8.3 billion exceeds budget and prior year due to \$1 billion in state dollars received from the American Rescue Plan, higher correspondent bank deposits and larger deposits because of higher than budgeted oil and sales tax revenue in the state. Changes in the Bank's Equity position are a result of net income, changes in unrealized gain/loss positions, allocations of capital to various legislative programs and distributions to the State's General Fund.

Net Income at the end of third quarter 2021 is \$106.9 million, \$11 million over budget. Interest Income exceeded budget by \$3.7 million primarily due to yield maintenance payments on investments and higher investment balances compared to budget. This is partially offset by higher interest expense. Provision for credit losses of \$4.75 million is \$4.25 million lower than budget year to date as the Bank continues to evaluate the overall allowance needs. Non-Interest Expense is \$3.7 million under budget and consists of several operating components with year-to-date variances largely due to timing of incurrence, specifically with IT projects, marketing, conferences, and related travel. Salaries and benefits are over budget for the year by \$433 thousand due to timing of budget items, retirements, additional FTEs approved by the legislature, and overtime needs at the Bank.

As of September 30, 2021, the Bank's leverage ratio is 10.10%, below the Bank's internal benchmark of 12%. BND is well within Net Loans to Earning Assets Ratio limit of 90% at 46.24%, a decrease from

51.71% as of the previous quarter end. The decline in the Net Loans to Earning Asset ratio is attributed to the Bank's increase in asset size due to the addition of \$1 billion in state dollars received from the American Rescue Plan.

The residential loan portfolio decreased \$107 million with BND funding \$8 million of home loans YTD 2021. As of September 30, 2021, BND has 61 in COVID-19 deferment for a total of approximately \$10 million.

The student loan portfolio decreased by \$21 million YTD 2021, with BND disbursing \$84 million in the DEAL programs. As of September 30, 2021, BND had 171 borrowers for \$7.3 million in COVID-19 Disaster forbearances compared to \$24 million at last quarter-end.

In response to a question, Mr. Steinwand indicated the Bank has made a point of letting individuals know that if federal loans were forgiven, it may be better for them to not consolidate. It sounds like student loan forgiveness is not being pursued anymore. However, it may be possible to include student loans in bankruptcy in the future.

The agriculture portfolio decreased by \$55 million with BND funding and renewing \$185 million of loans YTD 2021.

Commercial delinquencies were 1.01% of which 0.82% were delinquent over 90 days. BND provided payment modifications to 243 borrowers totaling \$468 million as a response to the economic impact of COVID-19. Of those borrowers, only three borrowers totaling \$13 million remain in deferment status as of September 30, 2021.

Farm delinquencies were 1.76% of which 1.52% were delinquent over 90 days. Residential delinquencies were 7.43% of which 4.33% were delinquent over 90 days. The overall student loan portfolio has a delinquency rate of 3.00% with 1.03% of the loans being over 90 days. The \$8.8 million delinquent over 90 days is an increase from \$6.6 million as of June 30, 2021.

Mr. Steinwand noted that the Bank is actively recruiting for five open FTEs.

Mr. Steinwand reported that the Bank is in the process of updating the 3-year strategic plan. If Commission members are interested in meeting with consultant, he will arrange it.

Mr. Steinwand presented the BND Advisory Board September 16 & 27, 2021 nonconfidential meeting minutes.

CLEAN SUSTAINABLE ENERGY AUTHORITY (CSEA)

Mr. Al Anderson, CSEA Director, provided an update on Grant Round 1, which closed on November 1, 2021. Ten projects were submitted. During the initial review, one was disqualified for not meeting the statute criteria and one chose to defer until the next round due to time constraints. The remaining eight applications totaled \$49,532,600 in grant requests with four of the projects requesting \$165,000,000 in loans. The applications have been submitted to independent technical reviewers and BND for both technical and economic feasibility reviews. The projects will then be reviewed for their technical merits and feasibility by the CSEA Technical Committee on December 8, 2021. This information will be compiled and forwarded to the entire Clean Sustainable Energy Authority for their consideration on December 14, 2021. Any recommendations for funding will be brought to the Commission for consideration at the December 20, 2021 Commission meeting.

PIPELINE AUTHORITY

Mr. Justin Kringstad, Pipeline Authority Director, provided an update on Senate Bill 2345 Section 1 (subsection 1) and Section 9 and presented a proposed process for administering the Natural Gas Pipeline Program (NGP) and the \$150,000,000 appropriation. The funds were appropriated for the purpose of pipeline infrastructure grants to allow for the transportation of natural gas to eastern North Dakota for the period beginning December 1, 2021 and ending June 30, 2023. Of the funds appropriated in Senate Bill 2345 at least \$10,000,000 must be considered for a project to transport natural gas to areas in Grand Forks County.

Application deadlines were proposed of March 1st for the \$10 million allocation and April 1st for the \$140 million allocation. A Review Committee which is being proposed to consist of: Pipeline Authority Director (Chair), Bank of ND President (or designee), Clean Sustainable Energy Authority Director, Commerce Commissioner, and the Oil & Gas Division Director will make recommendations to the Commission,

To be eligible, projects must meet the following criteria:

1. Be recommended by the Natural Gas Pipeline Grant Review Committee.
2. Upon grant award approval, the recipient must demonstrate within five months that sufficient shipper commitments on the pipeline have been obtained.
3. Have a minimum 60% private sector funding.
4. Achieve the priorities and purposes of the NGP Program.
5. Operate as a common carrier pipeline.
6. Certify funds be used exclusively to lower or “buy down” the transport rate through a fixed return on equity basis.

A question was raised as to whether projects will size the pipeline differently because of the grant funding. Mr. Kringstad indicated that the size will depend on several different factors. New pipeline will be built with expansion capability. However, projects won't be oversized for unknown demand.

It was noted that because there is a public investment it would be hoped that the pipeline(s) would be sized for the future. Legislators in the middle part of the state supported this because they believed it would provide opportunities for economic development in their districts.

It was noted this is an exciting day for North Dakota. Natural gas that could have been taken out of state will now be utilized in state.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that the Industrial Commission approve the Natural Gas Pipeline Grant Program Guidelines including the application and review processes as presented. (A copy of the guidelines is available in the Industrial Commission files.) On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

DEPARTMENT OF MINERAL RESOURCES (DMR)

Mr. Ed Murphy, State Geologist, and Mr. Clint Boyd, DMR, presented the Geological Survey Quarterly Report including a report on the Paleo Program. A core workshop was held in August. Core usage rose to 7,629 feet during the third quarter of 2021. There was 5,815 feet of core photographed generating 10,212 standard photographs for the subscription site. Progress continues to be made on the outstanding core as 80% has been recovered. Missing core will need to be addressed before the bond is released.

A paper on salts was completed illustrating that the Dunham Salt extends over portions of a dozen counties in western North Dakota, but also can rapidly thin to nothing over a relatively short distance. The structure contour and isopach maps are available in shape files so companies can overlay these coverages onto their maps.

Attendance decreased for 2020 fossil digs due to covid but allowed attendance increased this year. Disinfecting protocols were maintained, and masks were required in the vans. One of the best discoveries of the dig season was a nearly complete, seven-foot-long skeleton of the fish Xiphactinus, at the Pembina Gorge dig site. Registration opens Feb. 5th for the 2022 digs.

The grand opening for Dakota the Dinosaur was held in October. It was well received with a series of educational talks during the day about the preparation of "Dakota," what North Dakota was like during the Cretaceous, and what we have learned from "Dakota." Behind the scenes tours of the paleontology lab were offered throughout the day along with a kid's room with a variety of fun arts and crafts projects. Over 600 people attended.

Work is underway on identifying a location for a potential dinosaur park. NDGS paleontologists obtained a permit from State Trust lands and surveyed 32 tracts in 10 sections during the summer and fall of 2021 to determine whether any tracts contained sufficient paleontological material to support a dinosaur park. Those tracts were located in Bowman, Burleigh, Emmons, Morton, and Slope Counties. The team identified 103 paleontological localities within the surveyed tracts, including several sites with dinosaur bones still in place in the ground. Fossils of the dinosaurs Triceratops, Edmontosaurus, and Tyrannosaurus were discovered, along with other animals like crocodiles and turtles. One of the surveyed tracts may be a potential site for a Dinosaur Park and will be detailed in the final report. Survey work will resume in 2022 with the goal of completing the survey of tracts in Morton, Grant, and Sioux Counties.

Mr. Lynn Helms, DMR Director, and Mr. Bruce Hicks, Oil and Gas Division Assistant Director, presented the following orders for consideration.

Case 28961, Order 31512 – Actions regarding Tracy Mountain-Tyler Unit

This involves a unit that is in the late stages of operation with the third operator of the unit. Virtually all the wells in the unit are temporarily abandoned or inactive. Statewide, there are 875 abandoned wells of which 379 are in units. These are approached differently than individual wells because of the future potential for EOR and carbon storage.

The operator wants to move forward with a gas injection recovery project. There are concerns about the economics due to natural gas prices. However, the gas prices may not hold long term. The goal is to take a targeted approach on units with abandoned wells. The Commission can only terminate a unit if no one's correlative rights would be harmed.

Want to impose parameters on units that are declining in success that would cover future costs of plugging and reclamation. As the operator plugs wells, the bond could be reduced to no lower than \$100,000. The current recommendation is a \$1.5 million bond. The operator has a plan to return wells to production if the injection process works. The calculated plugging and reclamation costs includes the amounts for each well. These are all vertical wells from the 1980s and the operator is projecting gas flooding to be a 20-year project if successful.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that Order No. 31512 issued in Case No. 28961 authorizing the director to approve Southwestern Production

Corp. temporarily abandoned status extension requests for the following wells within the Tracy Mountain-Tyler Unit: Ardene 34-8 (File No. 13375); Jiggs 11-16 (File No. 13382); Jiggs 32-16 (File No. 13396); Ardene 14-8 (File No. 13408); Custer State 41-8 (File No. 13409); Shapiro 23-10 (File No. 13414); Buffalo Federal 34-7 (File No. 13768); Tracy Mountain Federal 2-9 (File No. 14609); Tracy Mountain 1-16 (File No. 15936); Tracy Mountain Unit 1-15 (File No. 16058); and Tracy Mountain WSW 1 (File No. 90079) with the requirement that there be a status review in 12 months and requiring a unit bond amount of \$1.525 million with the provision that administrative orders may reduce the bond to no less than \$100,000 as wells are brought into compliance be approved this 29th day of November, 2021. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Case 29009, Order 31560 – Actions regarding Glass Bluff-Madison Unit

This unit used CARES Act funds to plug 22 wells but there are still 8 active wells within the unit that produce 10 barrels per day. The unit also has 2 abandoned wells, 7 wells in temporary abandonment (TA) status, and 28 wells that have not been reclaimed. There is active water injection, and 3 wells appear to be responding to water injection. The current operator did not get all the title work completed and to disband the unit would cost millions of dollars. The goal is to incentivize units to be active or plugged rather than reviewing them on an annual basis. None of the TA wells have future potential and will be plugged next year. If plugged the bond amount will be decreased.

There are 9 wells that are liabilities. The remainder will stay on the \$100,000 bond. The unit is turning a profit. Within 18 months, the bond can be reduced down to \$100,000 if the operator follows the plan.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that Order No. 31560 issued in Case No. 29009 granting Liberty Resources Management Co., LLC's request to affirm the Glass Bluff-Madison Unit, McKenzie and Williams Counties, ND boundaries and interval with the requirement that there be a status review in 12 months of Order No. 31560 and requiring a unit bond amount of \$2.4 million with the provision that administrative orders may reduce the bond to no less than \$100,000 as wells are brought into compliance be approved this 29th day of November, 2021. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Case 28940, Order 31535 – Approval of amendments to Rules and Regulations

There were four hearings held in Bismarck, Dickinson, Williston, and Minot. No one appeared at the hearing in Minot. There were 12 commenters, including written comments. DMR acted on 11 of the 12, including a withdrawal of one of the proposed rules.

Mr. Hicks highlighted some of the proposed changes, including:

- Oil allocation metering will be done on a semiannual basis.
- Work can start on a frack job and companies will have 24 hours to notify DMR. Plan to incorporate into NorthStar.
- GPS will now be required for the location of compressor sites, instead of associated above ground equipment.
- Clarification that if rules differ or are preempted by federal requirements on federally regulated pipelines, the federal rules take precedence.
- If underground gathering pipelines are inactive for seven years, a hearing will be held to determine TA status.

It is anticipated that the rules will become effective April 1st, 2022.

It was moved by Commissioner Goehring and seconded by Attorney General Stenehjem that Order No. 31535 issued in Case No. 28940 amending the General Rules and Regulations for the Conservation of Crude Oil and Natural Gas codified as Article 43-02 North Dakota Administrative Code be approved this 29th day of November, 2021. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Helms presented the proposed 2022 Oil and Gas Hearings Schedule for consideration.

It was moved by Attorney General Stenehjem and seconded by Commissioner Goehring that the Industrial Commission approve the following 2022 Oil and Gas Hearings Schedule

<u>Hearing Date</u>	<u>Docket Closing Date</u>
January 19, 2022 January 20, 2022	December 17, 2021
February 16, 2022 February 17, 2022	January 14, 2022
March 23, 2022 March 24, 2022	February 18, 2022
April 20, 2022 April 21, 2022	March 18, 2022
May 25, 2022 May 26, 2022	April 22, 2022
June 22, 2022 June 23, 2022	May 20, 2022
July 27, 2022 July 28, 2022	June 24, 2022
August 24, 2022 August 25, 2022	July 22, 2022
September 28, 2022 September 29, 2022	August 26, 2022
October 26, 2022 October 27, 2022	September 23, 2022
November 16, 2022 November 17, 2022	October 14, 2022
December 14, 2022 December 15, 2022	November 11, 2022
January 18, 2023 January 19, 2023	December 16, 2022

On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Helms reported on Senate Bill 2345 of the 2021 Special Legislative Session. DMR requested \$6.4 million for 32 wells and received \$3.2 million. DMR will prioritize which wells are turned into water wells, which is expected to cost ~\$200,000 per well.

DMR would prefer that the funds not be a grant that people have to apply for. DMR would like to go out and do the work. Because of this, they may need guidance from the Attorney General's office. The work can be done in the winter. It is possible that the grant is to DMR and not to subrecipients.

Mr. Helms reported on the REGROW portion of Infrastructure Investment and Jobs Act. This is a formula funded grant developed by the Department of Interior. With the consent of the Commission, DMR will file an "Intent to Apply" for a \$25 million grant. The funds must be applied for by June 2022. There are also performance and regulatory improvement matching grants for which DMR also intends to apply. All money would go to the Abandoned Well Fund. This federal funding is based on the work done by DMR with CARES Act funds. The Commission congratulated the DMR team for their efforts that are being replicated at the federal level across the United States.

It was moved by Attorney General Stenehjem and seconded by Commissioner Goehring that under the authority of North Dakota Century Code Sections 44-04-19.1 and 44-04-19.2 the Industrial Commission enter into executive session for the purpose of attorney consultation on Department of Mineral Resources business. The purpose of the executive session will be to consult with the Commission's attorney(s) regarding current adversarial proceedings as follows and listed on the agenda:

- Case No. 31-2020-CV-0018 - Northern Oil and Gas, Inc. vs. Continental Resources, Inc; Board of University and School Lands and ND Industrial Commission et al
- Case No. 08-2021-CV-00026 – Armstrong vs. North Dakota Industrial Commission
- Case No. 13-2021-CV-00036 - Blue Appaloosa vs. North Dakota Industrial Commission
- Case No. 05-2019-CV-00085 - Northwest Landowners Association vs. State of North Dakota, et al.
- State of North Dakota vs. U.S. Department of Interior, Bureau of Land Management, et al
- North Dakota Industrial Commission & Divide County vs. Aaland
- Case No. 04-2021-CV-00011 Gallatin Oil, LLC vs. ND Industrial Commission, Attorney General Stenehjem and Lime Rock Resources III-A, L.P.

And further moved that upon conclusion of the DMR Executive Session the Industrial Commission, under the authority of North Dakota Century Code 54-63.1-06 and 44-04-19.2(1) enter into executive session for the purpose of considering Clean Sustainable Energy Authority confidentiality requests. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Governor Burgum noted that the Commission was meeting in executive session to consult with the Commission's attorney(s) regarding the current adversarial proceedings listed on the agenda. Following the DMR executive session, the Industrial Commission would enter executive session regarding the Clean Sustainable Energy Authority confidentiality requests.

Only the Commission members, their staff and the attorneys were present in the executive sessions. DMR staff was present for the DMR session, and the Clean Sustainable Energy Authority Director was present for the CSEA session along with the Attorney General staff as needed.

Governor Burgum reminded the Commission members and those present in the executive sessions that the discussion during these executive sessions must be limited to those items listed on the agenda. The

executive sessions in total were anticipated to last 60 minutes. Any formal action by the Commission regarding the confidential items listed on the agenda would occur after it reconvenes in open session.

Commission members, their staff including attorneys, and DMR staff were asked to join the executive session at this time and the public was asked to leave the room. The DMR executive session began at 3:58 p.m.

DMR EXECUTIVE SESSION

Members Present:

Governor Doug Burgum
Attorney General Wayne Stenehjem
Agriculture Commissioner Doug Goehring

DMR Personnel Present:

Lynn Helms
Bruce Hicks
Katie Haarsager

Others in Attendance:

Leslie Bakken Oliver	Governor's Office
Reice Haase	Governor's Office
Dutch Bialke	Department of Agriculture
David Phillips	Attorney General's Office (remotely)
Matt Sagsveen	Attorney General's Office (remotely)
Karlene Fine	Industrial Commission Office
Andrea Pfennig	Industrial Commission Office

The DMR executive session ended at 4:25 p.m. The executive session for Clean Sustainable Energy Authority began at 4:26 p.m.

CLEAN SUSTAINABLE ENERGY AUTHORITY EXECUTIVE SESSION

Members Present:

Governor Doug Burgum
Attorney General Wayne Stenehjem
Commissioner Doug Goehring

Others in Attendance:

Leslie Bakken Oliver	Governor's Office
Reice Haase	Governor's Office
Dutch Bialke	Department of Agriculture
Al Anderson	Clean Sustainable Energy Authority
Karlene Fine	Industrial Commission Office
Andrea Pfennig	Industrial Commission Office

The Clean Sustainable Energy Authority executive session ended at 4:33 p.m.

The BND executive session began at 4:34 p.m. to discuss the following items:

- Consideration of loan applications
- Presentation of the Concentrations of Credit Report as of 9/30/2021
- Presentation of Bank of North Dakota Advisory Board September 16 & 27, 2021 confidential meeting minutes
- Other Bank of North Dakota confidential (as defined under N.D.C.C. 6-09-35) business

BANK OF NORTH DAKOTA EXECUTIVE SESSION

Members Present:

Governor Doug Burgum

Attorney General Wayne Stenehjem

Commissioner Doug Goehring

Others in Attendance:

Leslie Bakken Oliver Governor's Office

Dutch Bialke Department of Agriculture

Todd Steinwand Bank of North Dakota

Kirby Evanger Bank of North Dakota

Craig Hanson Bank of North Dakota

Karlene Fine Industrial Commission Office

Andrea Pfennig Industrial Commission Office

The BND executive session ended at 5:23 p.m. and the Commission reconvened in open session.

Governor Burgum noted that during the DMR executive session, guidance was provided to the Commission's counsel regarding the matters listed on the agenda.

During the CSEA session the Commission considered requests for confidentiality.

It was moved by Attorney General Stenehjem and seconded by Commissioner Goehring that the Industrial Commission accept the recommendation of the Clean Sustainable Energy Authority Director and pursuant to N.D.C.C. Section 54-63.1-06 and Section 44-04-18.4 grant the confidentiality requests and determine that the information described in the requests consists of trade secrets and/or financial or proprietary information and is confidential. On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye. The motion carried unanimously.

Governor Burgum noted that during the BND Executive Session, the Commission made a motion regarding five loan requests. **On a roll call vote, Governor Burgum, Attorney General Stenehjem, and Commissioner Goehring voted aye approving the loan requests. The motion carried unanimously.**

Ms. Fine noted that the biennial report had been completed and copies distributed as required by statute. Ms. Rebsom was the individual responsible for getting that accomplished.

With no further Industrial Commission business, Governor Burgum adjourned the meeting at 5:25 p.m.

North Dakota Industrial Commission



Karlene Fine, Executive Director and Secretary