

Minutes of a Meeting of the Industrial Commission of North Dakota
Held on April 29, 2022 beginning at 9:00 a.m.
Governor's Conference Room – State Capitol

Present: Governor Doug Burgum, Chairman
Attorney General Drew H. Wrigley
Agriculture Commissioner Doug Goehring

Also Present: This meeting was open through Microsoft Teams so not all attendees are known
Agency representatives joined various portions of the meeting.

Governor Burgum called the meeting of the Industrial Commission to order at approximately 9:00 a.m. and the Commission took up North Dakota Transmission Authority business:

North Dakota Transmission Authority

Mr. John Weeda, North Dakota Transmission Authority Director and Ms. DeAnn Ament, North Dakota Transmission Authority Authorized Officer, presented a proposed Resolution that authorizes the North Dakota Transmission Authority to issue \$150,000,000 of taxable, transmission revenue bonds. The bond proceeds will be used for a loan to Nexus Line, LLC to finance the acquisition of an approximately 436-mile HVDC transmission line and related facilities. This is the first time the Authority has exercised its statutory authority to issue bonds. In response to a question, Mr. Weeda stated this transaction is related to the proposed purchase of Coal Creek Station by Rainbow Energy which is to take place over the weekend. The revenue from the operation of the transmission line will provide the funds to pay the debt service on the bonds.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the following Resolution Providing for the Issuance and Sale of a Taxable Transmission Revenue Bond, Series 2022A, Authorizing a Loan of the Proceeds Thereof and the Execution and Delivery of Loan Documents

RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A TAXABLE
TRANSMISSION REVENUE BOND, SERIES 2022A, AUTHORIZING A LOAN OF THE
PROCEEDS THEREOF AND THE EXECUTION AND DELIVERY OF LOAN DOCUMENTS

WHEREAS, the North Dakota Transmission Authority (the "Authority") is duly constituted as an instrumentality of the State of North Dakota exercising public and governmental functions under the governance of the Industrial Commission of North Dakota (the "Industrial Commission"), pursuant to Chapter 17-05, North Dakota Century Code (the "Act");

WHEREAS, under the Act the Industrial Commission is acting as the Authority;

WHEREAS, pursuant to the Act, the Authority is authorized to issue bonds and to make loans for the purposes authorized by the Act;

WHEREAS, the Authority proposes to issue its Taxable Transmission Revenue Bond, Series 2022A (the "Bond") in an amount not to exceed \$150,000,000 and loan the proceeds thereof to Nexus Line, LLC (the "Borrower") to finance (a) the acquisition by the Borrower of an approximately 436-mile HVDC

transmission line and related facilities, (b) fund a bond reserve fund, and (c) pay certain costs of issuing the Bond (the “Project”)

WHEREAS, the Project will promote the public interest by increasing employment, stimulating economic activity, fostering economic activity and improving the state’s economy by serving the preservation, development and utilization of the state’s energy resources;

WHEREAS, the Bond is to be purchased by the Bank of North Dakota (“BND”); and

WHEREAS, forms of the following documents have been presented to this Industrial Commission:

- a) an Appraisal Letter relating to an Appraisal prepared by Duff & Phelps which sets forth the appraised value of the transmission line and related facilities included in the Project;
- b) a Bond Purchase Agreement proposed to be entered into between the Authority and BND setting forth certain terms and conditions of the Bond (the “Bond Purchase Agreement”);
- c) an Indenture of Trust (the “Trust Indenture”) to be entered into between the Authority and the Bank of North Dakota, as trustee;
- d) a Loan Agreement to be entered into between the Authority and the Borrower (the “Loan Agreement”);
- e) a Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Financing Statement (the “Mortgage”) to be executed by the Borrower to secure the Borrower’s obligations under the Loan Agreement; and
- f) a Subordination Agreement (the “Subordination Agreement”) between the Authority, the Borrower and BNC National Bank (the “Bank”) whereby certain other obligations of the Borrower and security therefor will be subordinated to the Mortgage and the obligations of the Borrower to the Authority.

NOW THEREFORE, BE IT RESOLVED BY THE INDUSTRIAL COMMISSION OF NORTH DAKOTA, AS FOLLOWS:

Section 1. Definitions. All terms capitalized herein and not otherwise defined shall have the meanings ascribed to them in the Trust Indenture.

Section 2. Determination. The Appraisal is hereby approved. The Industrial Commission hereby determines that the principal amount of the Bond is less than 30 percent of the appraised value of the Project set forth in the Appraisal and that Section 17-05-08, Subsection 6, is applicable to the reserve fund for the Bond.

Section 3. Finding and Authorization. It is hereby found and determined that the issuance of the Bond and the loan of the proceeds thereof to the Borrower is in the best interests of the State of North Dakota and is in accordance with the purposes and procedures of the Act, and issuance of the Bond is authorized.

Section 4. Approval and Execution of Documents. The forms of the Bond Purchase Agreement, Trust Indenture, Loan Agreement, Mortgage, and Subordination Agreement are hereby approved. The Chairman of the Commission or DeAnn Ament, as an Authorized Officer of the Authority, or both, are authorized and directed to execute and deliver the Bond Purchase Agreement, Trust Indenture, Loan Agreement, Mortgage, Subordination Agreement and Bond in substantially the form on file with such modifications as may be approved by the officers executing the same and to execute any other documents necessary or convenient in connection with the issuance of the Bond as may be approved by the Authorized Officer.

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

The Governor on behalf of the Commission thanked John, DeAnn, and Karlene, along with the Bank of North Dakota staff, for all their work in getting this transaction completed.

NORTH DAKOTA PUBLIC FINANCE AUTHORITY (PFA)

Ms. DeAnn Ament, North Dakota Public Finance Authority Executive Director, presented the Resolution Authorizing the Issuance of up to \$330,000,000 of North Dakota Public Finance Authority Legacy Fund Infrastructure Program Bonds. This is for the remaining Legacy Fund Infrastructure bonds that were authorized during the regular legislative session in 2021. The plan is to issue the bonds in the near future.

In response to a question, Ms. Jessica Cameron Mitchell with Public Financial Management, PFA's Financial Advisor, discussed the current bond market conditions with rising interest rates. She noted that bond interest rates have risen on both tax exempt and taxable bonds—short-term (1-5 year period) bonds have risen more than long-term (15 – 20 year period) bonds. There has been volatility in the market over the past several weeks but the market appears to be stabilizing. She noted that while rates have increased from essentially historical lows in early 2021 on an overall basis compared to “normal” market rates, the current rates are still low. Long term rates are lower than what the bond market was back in 2015-2016.

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

RESOLUTION AUTHORIZING ISSUANCE OF UP TO
\$330,000,000
NORTH DAKOTA PUBLIC FINANCE AUTHORITY
LEGACY FUND INFRASTRUCTURE PROGRAM BONDS

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, the Authority is authorized to issue bonds in an amount that provides for the funding of certain infrastructure projects and programs in specified maximum amounts and has previously issued its Legacy Fund Infrastructure Program Bonds, Federally Taxable Series 2021 to provide all or a portion of the authorized funding for each of such projects:

WHEREAS, the Authority is authorized to issue additional bonds under the Act and to transfer the proceeds therefrom to the Bank of North Dakota in order to provide the additional authorized funds for the Fargo Diversion Project, the Highway Fund and an agricultural products development facility at North Dakota State University, with a contingent reallocation to the Infrastructure Revolving Loan Fund (the “Projects”);

WHEREAS, the Authority proposes to issue up to \$330,000,000 Legacy Fund Infrastructure Program Bonds in one or more series (the “Bonds”) to fund transfers to the Bank of North Dakota for allocation to the Projects in the following estimated amounts:

Fargo Diversion Project	\$216,500,000
Highway Fund	54,000,000
NDSU Agriculture Products Facility	35,000,000

and to fund capitalized interest on the Bonds and provide for the payment of the costs of issuance of the Bonds, provided that the allocation to the Highway Fund is subject to Section 10 of HB 1431 enacted by the Sixty-seventh Legislative Assembly which provides that up to \$35 million of the funds allocated to the Highway Fund not required to match federal funds for highway projects as of October 1, 2022 is to be transferred to the Infrastructure Revolving Loan Fund at the direction of the Office of Management and Budget;

WHEREAS, the Bonds of each series are proposed to be issued pursuant to an Indenture of Trust for each series (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 for each series (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 for each series (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, forms 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 form of the Preliminary Official Statement to be used in connection with the sale of the Bonds of each series;

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, one or more series of Legacy Fund Infrastructure Program Bonds, with a series designation determined by the Executive Director, is hereby created and authorized to be issued in such principal amount as the Executive Director may determine, but not to exceed an aggregate amount of \$330,000,000.

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 on a December 1 or June determined by the Executive Director, and shall mature on June 1 or 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 June 1, 2042.

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 June 1 or December 1, 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 June 1 or 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 for each series 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 Official Statement prepared in connection with the Authority's Legacy Fund Infrastructure Bonds, Federally Taxable Series 2021 with all such updates or other 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 Representative of the Authority for purposes of the Trust Indenture, Project Agreement and Administrative Agreement and such Authorized Officer shall be authorized to take all actions authorized herein to be taken by the Executive Director.

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 Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Ms. Ament presented the following State Revolving (SRF) loan applications for consideration:

The City of Bismarck is requesting a Drinking Water Loan in the amount of \$1,500,000 for the replacement of lead service lines. The City is eligible for loan forgiveness of \$625,000 which will result in a net loan of \$875,000. The requested term is 15 years. The City will issue revenue bonds payable with water users fees. The average annual payment for the revenue bonds will be \$65,848. The reserve requirement will be \$68,900 and the 101% coverage requirement will be \$72,433. The PFA Advisory Committee recommended approval of the loan.

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

RESOLUTION APPROVING LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, the City of Bismarck (the "Political Subdivision") has requested a loan in the amount of \$1,500,000 from the Program to replace lead service lines; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

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

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

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

The East Central Regional Water District is requesting a \$4,125,000 loan for a project that has a total cost of \$16,499,000 (Water Commission is providing a grant in the amount of \$12,374,000) to construct six miles of sixteen-inch pipe south of the District's water treatment plant which will address both flow and pressure issues currently experienced during peak flow season. There will also be improvements to provide capacity for peak day demands for Hatton, Grandin, and the District as well as provide back-up emergency flows for Hatton and Grandin and potentially another connection with Hillsboro.

The requested loan term is 30 years. The District will issue revenue bonds payable with user fees for this loan. The average annual payment on the loan will be \$172,906. The required debt service reserve is \$187,775 and the 110% net operating coverage requirement is \$190,196. The PFA Advisory Committee recommends approval of the loan.

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

RESOLUTION APPROVING
LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, East Central Regional Water District (the "Political Subdivision") has requested a loan in the amount of \$4,125,000 from the Program to construct six miles of sixteen-inch pipe south of the water treatment plant which will address flow and pressure issues during peak flow season, improve capacity for peak day demands for Hatton, Grandin, and the District, and provide back-up emergency flows for Hatton, Grandin, and another connection with Hillsboro; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

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

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

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

The Upper Souris Water District is requesting a \$1,274,000 loan for a project with a total cost of \$5,097,000. The State Water Commission is providing a grant in the amount of \$3,823,000 for this project. The purpose of the project is for internal distribution system improvements including parallel lines, pump station improvements, and adding supervisory control and data acquisition to increase flow and pressure through the Upper Souris /Water District system. The requested loan term is 30 years. The District will issue revenue bonds payable with user fees for this loan. The average annual payment on the loan will be \$53,439. The required debt service reserve is \$61,800 and the 110% net operating coverage requirement is \$58,783. The PFA Advisory Committee recommends approval.

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

RESOLUTION APPROVING
LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, Upper Souris Water District (the "Political Subdivision") has requested a loan in the amount of \$1,274,000 from the Program for internal distribution system improvements including parallel lines, pump station improvements, and adding supervisory control and data acquisition to increase flow and pressure throughout the system; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

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

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

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

There was discussion on the type of funding that the Water Commission is providing on these projects and Ms. Ament was asked to provide, on future applications, more information on the Water Commission funding and the local share.

The Cass Rural Water Users District is requesting a \$2,500,000 loan for a project totaling \$7,948,000. The State Water Commission is providing cost share of \$5,448,000. This project will include paralleling and looping pipes in areas where pressure problems are persistent and increase storage at multiple reservoirs to lessen impacts from the higher water demands. The requested term for the loan is 20 years. Cass Rural

Water Users District will issue revenue bonds payable with water user fees. The net average annual payment for the revenue bonds will be \$148,148. The reserve requirement will be \$151,525 and the 110% coverage requirement will be \$162,962. The PFA Advisory Committee recommends approval.

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

RESOLUTION APPROVING
LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, Cass Rural Water Users District (the "Political Subdivision") has requested a loan in the amount of \$2,500,000 from the Program to include parallel and looping pipes in areas where pressure problems are persistent, and increase storage at multiple reservoirs to lessen impacts from higher water demands; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

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

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

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

Ms. Ament presented a memorandum regarding PFA Advisory Committee State Revolving Fund loan approvals for the following entities:

1. City of Bowbells – Drinking Water - \$218,000
2. City of Coleharbor – Drinking Water – increase of \$180,000 (total loan of \$880,000)

HOUSING FINANCE AGENCY (HFA)

Mr. David Flohr, HFA Executive Director, presented the 2022 Series D/E Resolution of the North Dakota Housing Finance Agency authorizing the Issuance of not to exceed \$100,000,000 of Home Mortgage Program Bonds for the Commission’s consideration. He stated that the proceeds from this bond issuance will be used primarily for the funding of the Roots Program (program for non-first time homebuyer loans.

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

**2022 SERIES D/E RESOLUTION
of the
NORTH DAKOTA HOUSING FINANCE AGENCY**

**Authorizing the Issuance of
NOT TO EXCEED \$100,000,000
STATE OF NORTH DAKOTA
NORTH DAKOTA HOUSING FINANCE AGENCY
HOUSING FINANCE PROGRAM BONDS
HOME MORTGAGE FINANCE PROGRAM
2022 Series D (TAXABLE)
2022 Series E (TAXABLE)**

WHEREAS, the Industrial Commission of North Dakota (the “**Commission**”), acting in its capacity as a state housing finance agency, i.e., the North Dakota Housing Finance Agency (the “**Agency**”), is empowered by the provisions of the North Dakota Century Code Chapter 54-17 (the “**Act**”) to establish and has established a home mortgage finance program to contract to purchase from lenders mortgage loans made to persons or families of low or moderate income to finance the purchase or substantial rehabilitation of owner occupied, residential dwelling units; and

WHEREAS, the Commission adopted the Housing Finance Program General Bond Resolution of 1994, on July 21, 1994, as amended (the “**General Resolution**”) under which Wilmington Trust, National Association, Minneapolis, Minnesota, was appointed successor trustee (the “**Trustee**”), which General Resolution was accepted by the Trustee, and which General Resolution is hereby ratified and confirmed; and

WHEREAS, the General Resolution authorizes the issuance and sale of the captioned 2022 Series D Bonds (the “2022 Series D Bonds” or the “Fixed Rate Bonds”) and 2022 Series E Bonds (the “2022 Series E Bonds” and, together with the Fixed Rate Bonds, the “**Bonds**”) pursuant to the Act, the application of the proceeds of which will provide funding for the captioned Home Mortgage Finance Program, including the North Dakota Roots Program (the “**Program**”), contemplated by the Act in furtherance of the Program for the providing of decent, safe, and sanitary housing for persons and families of low or moderate income; and

WHEREAS, the Commission acting as the Agency, pursuant to that 2022 General Authorization Resolution adopted by the Commission on February 22, 2022 (the “**General Authorization Resolution**”),

regarding the authorization of and the negotiation and sale of the Bonds, appointed as its agents the Executive Director, the Director of Homeownership Programs, and the Chief Financial Officer of the Agency (the “**Authorized Officers**”) for the purpose of negotiation of the terms of sale of the Bonds, subject to the limitations set out in the General Authorization Resolution, and to sign such agreements as are required for the issuance of the Bonds on behalf of the Commission after such terms of sale had been negotiated and to sign such certificates and other documents as are necessary and customary to complete the sale of the Bonds and to enter into agreements for their sale by the Agency and purchase by the Underwriters (as hereinafter defined, and which are so designated by an Authorized Officer); and

WHEREAS, the Agency wishes to authorize the issuance of not to exceed \$100,000,000 in aggregate principal amount of the Bonds upon the terms stated herein and in the 2022 Series D Bond Certificate and 2022 Series E Bond Certificate (each as defined below); and

WHEREAS, the Authorized Officers intend to formally negotiate the interest rates on, and sale of, the Fixed Rate Bonds on or about May 5, 2022 within the limitations set out in the General Authorization Resolution (as hereby supplemented and amended) as to, final maturities and maximum interest rates; and

WHEREAS, the Authorized Officers intend to formally negotiate the initial interest rate on, and sale of, the 2022 Series E Bonds on or about June 13, 2022 within the limitations set out in the General Authorization Resolution (as hereby supplemented and amended) as to, final maturity and maximum interest rate, with a variable interest rate, subject to tender by bondholders; and

WHEREAS, the following documents (collectively, the “**Closing Financing Documents**”) are expected to be prepared in connection with the issuance of the Bonds:

- A. 2022 Series D Bond Certificate, (the “2022 Series D Bond Certificate”);
- B. 2022 Series E Bond Certificate, (the “2022 Series E Bond Certificate”);
- C. 2022 Series D Purchase Contract (the “2022 Series D Purchase Contract”) by and between the Commission and RBC Capital Markets, LLC as representative of the underwriters of the Fixed Rate Bonds selected by an Authorized Officer (as defined below) of the Agency (collectively the “Underwriters”);
- D. 2022 Series E Purchase Contract (the “2022 Series E Purchase Contract”) by and between the Commission and RBC Capital Markets, LLC (“RBCCM”) as sole underwriter of the 2022 Series E Bonds;
- E. Preliminary Official Statement, with respect to the Bonds (the “Preliminary Official Statement”);
- F. Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) by and between the Agency and the Trustee;
- G. Remarketing Agreement (the “Remarketing Agreement”) by and among the Commission, RBCCM and Wilmington Trust, National Association, as tender agent (the “Tender Agent”); and

- H. Standby Bond Purchase Agreement (the “Standby Bond Purchase Agreement”) by and among the Agency, the Trustee, the Tender Agent and a counterparty selected by an Authorized Officer (as defined below) of the Agency.

WHEREAS, in the judgment of the Commission, it is advisable that the Agency by its Executive Director, its Director of Homeownership Programs, or its Chief Financial Officer (each an “Authorized Officer”), jointly or severally, be authorized, and are hereby so authorized, to do all things necessary to establish the final rates and terms of the Bonds and to complete the transaction described herein, and in the Closing Financing Documents.

NOW BE IT HEREWITH RESOLVED:

1. The Agency is hereby authorized to issue, execute, sell and deliver the Bonds, in substance as provided in the final forms of the Closing Financing Documents as approved by an Authorized Officer, provided that the Bonds meet the following conditions:
 - A. The Bonds: (i) shall be sold, issued, executed and delivered at such time as an Authorized Officer shall determine, in one or more series, in an aggregate principal amount not to exceed the amount set forth in the preambles to this Resolution; (ii) shall be subject to redemption prior to maturity, at prices and otherwise as determined by an Authorized Officer to be in the best interests of the Agency; (iii) shall have long term ratings no lower than the long term rating on the bonds outstanding under the General Resolution immediately prior to the issuance of the Bonds; and (iv) shall mature not later than January 1, 2055.
 - B. The Fixed Rate Bonds shall bear interest at fixed rates determined by an Authorized Officer, provided, however that such rates shall not exceed 7.0% per annum. The 2022 Series E Bonds shall bear interest at a variable rate that shall not initially exceed 7.0%.
 - C. Unless otherwise determined by an Authorized Officer, the Bonds shall be issued as bonds the interest on which is not exempt from federal income taxation.
 - D. The Bonds shall not constitute debt of the State or any political subdivision thereof. Neither the faith and credit nor the taxing powers of the State or any political subdivision thereof may be pledged to the payment of the principal of or interest on the Bonds.
 - E. The Bonds shall be special limited obligation revenue bonds of the State payable solely from the revenues and assets pledged therefore under the General Resolution.
2. The form of the 2022 Series D Bond Certificate, in substantially the form of the 2022 Series A/B Bond Resolution adopted by the Commission on March 24, 2022, and the form of the 2022 Series E Bond Certificate, in substantially the form of the 2022 Series C Bond Resolution adopted by the Commission on March 24, 2022, are hereby approved with such changes, variations, omissions and insertions as an Authorized Officer shall approve. The execution and delivery of such Certificates by an Authorized Officer shall constitute conclusive evidence of such approval.

3. The form of the 2022 Series D Purchase Contract, in substantially the form of the purchase contract prepared in connection with the issuance of the Agency's Housing Finance Program Bonds, Home Mortgage Finance Program, 2022 Series A/B (the "2022 Series AB Bonds"), and the form of the 2022 Series E Purchase Contract, in substantially the form of the purchase contract prepared in connection with the issuance of the Agency's Housing Finance Program Bonds, Home Mortgage Finance Program, 2022 Series C (the "2022 Series C Bonds" and, together with the 2022 Series A/B Bonds, the "2022 Series ABC Bonds"), are hereby approved with such changes variations, omissions and insertions as an Authorized Officer shall approve. The execution and delivery of the respective Purchase Contracts by an Authorized Officer shall constitute conclusive evidence of such approvals.
4. The Preliminary Official Statement, in substantially the form of the Official Statement prepared in connection with the issuance of the 2022 Series ABC Bonds, with such changes, omissions, insertions and revisions as an Authorized Officer shall deem advisable, is hereby authorized, and the furnishing of the information in the Preliminary Official Statement and in a final Official Statement for the Bonds, and the use of such Preliminary Official Statement and final Official Statement by the Underwriters and RBCCM in connection with the offering of the Bonds to the public, are hereby approved. Any Authorized Officer is hereby authorized to execute and deliver to the Underwriters the final Official Statement for the Bonds in substantially the form of the Preliminary Official Statement with such changes therein as are approved by such Authorized Officer. The execution and delivery of one or more copies of the final Official Statement by an Authorized Officer shall constitute conclusive evidence of such approval.
5. The form of the Continuing Disclosure Agreement, in substantially the form of the Continuing Disclosure Agreement prepared in connection with the issuance of the 2022 Series ABC Bonds is hereby approved with such changes, variations, omissions, and insertions as an Authorized Officer shall approve. The execution and delivery of the Continuing Disclosure Agreement by such Authorized Officer shall constitute conclusive evidence of such approval.
6. The form of the Remarketing Agreement, in substantially the form of such agreement prepared in connection with the issuance of the 2022 Series C Bonds is hereby approved with such changes, variations, omissions, and insertions as an Authorized Officer shall approve. The execution and delivery of the Remarketing Agreement by such Authorized Officer shall constitute conclusive evidence of such approval.
7. The form of the Standby Bond Purchase, in substantially the form of such agreement prepared in connection with the issuance of the Agency's Housing Finance Program Bonds, Home Mortgage Finance Program, 2019 Series E if the counterparty specified by an Authorized Officer of the Agency is Federal Home Loan Bank of Des Moines or substantially in the form prepared in connection with the issuance of the 2022 Series C Bonds if any other counterparty is specified by an Authorized Officer of the Agency, is hereby approved with such changes, variations, omissions, and insertions as an Authorized Officer shall approve. The execution and delivery of the Standby Bond Purchase

- Agreement by such Authorized Officer shall constitute conclusive evidence of such approval.
8. The use of interest rate hedging agreements with such financial organizations as an Authorized Officer of the Agency may specify (each, a “Counterparty”) is hereby approved, in particular financial organizations with whom the Agency already has such hedging agreements and the form of the interest rate hedging agreements with such counterparties, consisting of an ISDA Master Agreement, including a Schedule and Credit Support Annex, and one or more Confirmations thereto, relating to the 2022 Series C Bonds, which Counterparties and form of agreements satisfy the provisions of the Agency’s Interest Rate Swap Policy (collectively, the “Hedging Agreements”), and the Authorized Officers of the Agency are authorized to negotiate the final terms of, approve and execute any such Hedging Agreements; and such execution and delivery shall constitute conclusive evidence of their approval of all changes thereto.
 9. The Authorized Officers of the Agency are hereby authorized, empowered and directed to do all acts and things required or provided for by the Closing Financing Documents and to execute and deliver all such additional certificates, instruments, agreements and documents, (including any tax certificate or forms) pay all such fees, charges and expenses and to do all such further acts and things as may be necessary, or in the reasonable discretion of applicable Authorized Officer, desirable and proper to effect the purposes of this resolution and to cause compliance by the Agency with all the terms, covenants and provisions of such documents binding upon the Agency.
 10. All prior acts of the officers, agents and employees of the Commission and the Agency which are in conformity with the purpose and intent of the General Resolution, the General Authorization Resolution, this 2022 Series D/E Resolution and the Closing Financing Documents in furtherance of the sale of the Bonds shall be and the same hereby are in all respects approved, ratified and confirmed, and the officers, agents and employees of the Commission and the Agency are hereby authorized, empowered and directed to take any actions required to effect the transactions contemplated therein and to finalize the terms of and execute any instruments and take any actions required to effect the issuance of the Bonds, and to apply the monies received by the Commission from the bond proceeds in such manner as is necessary to give effect to the Program.

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

Mr. Flohr presented a request for the appointment of himself as the Public Hearing Representative regarding the proposed issuance of up to \$400,000,000 Home Mortgage Finance Program bonds. This public hearing is required by law to be held for the issuance of bonds that will be done over the next year.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission appoint Dave Flohr, Housing Finance Agency Executive Director, as the Commission’s public hearing representative for a public hearing required by Section 147(f) of the Internal Revenue Code of 1986, for the issuance of Housing Finance Agency Home Mortgage Revenue Bonds in one or more series, pursuant to a plan of finance, and in the maximum amount of

\$400,000,000. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Flohr and the Commission members discussed the impact on the housing markets as the interest rates increase, the negative arbitrage if bonds are issued but not utilized to purchase loans in a timely manner and how the HFA determines when to issue bonds. He commented on the expertise received from their financing team as they determine the size and structure of the bond issues and what the appropriate timing is to issue the bonds. Mr. Flohr noted that in this current market there is an interest in variable rate debt which will be included in their structuring of bond issues.

NORTH DAKOTA RENEWABLE ENERGY PROGRAM

Karlene Fine, Industrial Commission Executive Director and Secretary, presented the Renewable Energy Fund Financial Report. She noted that the cash balance of the Fund as of February 28, 2022 was \$6,890,162.86. Of that amount, \$3.5 million is uncommitted and available for the Commission to make grant awards.

Mr. Rich Garman, Department of Commerce, presented the following two Grant Round 49 applications that were recommended for approval by the Renewable Energy Council.

The first application has been submitted by GP Turnkey Tharaldson, LLC to integrate the “MSC™ High Protein Project at the Tharaldson Ethanol Plant.” The MSC™ high protein project is designed to implement equipment to generate a high-grade protein product from whole stillage that will trade at a value substantially higher than DDGS. The MSC™ High Protein will be made using Maximized Stillage Co-Products (MSC) Technology, which was developed and patented by Fluid Quip Technologies. The protein has shown great success in the pet food, aqua, dairy, poultry and swine markets. The total project cost is \$80,322,468 and the Council has recommended an award of \$500,000. The Council vote was 6 to fund and 0 to not fund.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accepts the recommendation of the Renewable Energy Council to fund the grant application “MSC™ High Protein Project” and authorizes the Industrial Commission Executive Director/Secretary to execute a contract with GP Turnkey Tharaldson, LLC in an amount not to exceed \$500,000. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

The second application was submitted by Great River Energy for a project titled “Front End Engineering and Design (FEED) Study for Creosote Treated Railroad Tie.” The total cost of the study is \$133,000 and the Council has recommended funding at \$66,500. This project would evaluate alternative fuel availability, fuel costs, and the capital costs of converting the boiler, fuel handling systems and ash handling system at the Spiritwood Plant to replace coal with biomass, specifically creosote treated railroad crossties. The Council vote was 5 to fund 1 to not fund. There was one conflict of interest.

There was a discussion on the amount of railroad ties in the region and what happens to these railroad ties if a beneficial use is not identified.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accepts the recommendation of the Renewable Energy Council to fund the

grant application “Front End Engineering and Design (FEED) Study for Creosote Treated Railroad Tie” and authorizes the Industrial Commission Executive Director/Secretary to execute a contract with Great River Energy in an amount not to exceed \$66,500. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

OIL AND GAS RESEARCH PROGRAM

Mr. Brent Brannan, Oil and Gas Research Program Director, presented the Oil and Gas Research Council recommendation regarding a Grant Round 55 application. He stated that this application was not presented last month as the applicant had a change in one of the key team members. The applicant has subsequently identified a qualified contractor to be a part of the project team.

Mr. Brannan stated that this project, with a total cost of \$582,000, is to enhance an existing prototype methane detector that address the largest source of methane leaks on an oil and gas production site and incorporates it into a producer’s Leak Detection and Repair program. The proposed project is expected to further develop and build a multiple prototype methane detection device to be used in a Pilot Program. This program will demonstrate how the devices will detect leaks and emissions at a much faster rate than traditional monitoring practices resulting in a substantial reduction of fugitive methane emissions from the production site. The Oil and Gas Research Council voted 6 to 1 to fund the project in the amount of \$266,000.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accepts the Oil and Gas Research Council’s recommendation to fund the grant application “Well Site Thief Hatch Methane Detectors” as amended and authorizes the Industrial Commission Executive Director/Secretary to execute a contract with Blue Rock Solutions in an amount not to exceed \$266,000. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

DEPARTMENT OF MINERAL RESOURCES (DMR)

Mr. Lynn Helms, DMR Director, presented orders for the Commission’s consideration.

Mr. Helms stated that this application (Case 29235) is to change the operator of 12 wells that are in abandoned status from 31 Operating, LLC to Mimir Energy, LLC. The order grants that request and requires the new operator to post full plugging/reclamation cost single well bonds for the wells. The Commission discussed with staff the reasons why there is value to having these older wells operated rather than being abandoned and perhaps becoming a well that the state would need to plug and reclaim. These are also legacy wells that could be candidates for enhanced oil recovery. There was discussion regarding use of CO₂ for enhanced oil recovery, need for having several wells/units to make this economical, tax credits that are available for this purpose, an explanation of how the CO₂ is utilized in the Weyburn Field (recycled and not vented), and actions that are being considered at the federal level to increase the amount of the tax credits, etc.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that Order No. 31804 issued in Case No. 29235 approving a change of operator from 31 Operating, LLC to Mimir Energy, LLC contingent upon the posting of full plugging/reclamation cost single well bonds for the following wells: Hedges 1-R (File No. 5814), Thomas Hedges 3 (File No. 7815), Hedges 6 (File No. 9235), Hedges 5-R (File No. 9236), Hedges 7H (File No. 13737), Hedges/Steinhaus 8H (File No. 13857), Hedges/Steinhaus 9H (File No. 13880), Hedges/Steinhaus 10H (File No. 14489), Hedges/Steinhaus 11H (File No. 14650), Hedges/Steinhaus 12H (File No. 15060), Hedges/Steinhaus 13H (File No. 15061),

Steinhaus 1 (File No. 7319), all located in Section 30, T.162N., R.81W., Bottineau County, be approved this 29th day of April, 2022. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Helms stated this matter is a complaint case and the proposed order is implementing the recommendation from the Administrative Law Judge to assess a penalty of \$162,886 plus costs. In response to a question, he provided the history on the case and the reasons given by the company for not doing the reclamation as required by law.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that Order No. 31900 issued in Case No. 28908 assessing a penalty of \$162,886 plus costs on Specialized Technological Threading, Inc. for violating the Industrial Commission's reclamation rules be approved this 29th day of April, 2022. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Helms stated Case 29258 involves an amendment of field rules to establish 2560-acre spacing units. He stated that at the hearing the applicant learned there is an alternative method to do what they want by commingling production from the wells. If they utilize commingling, there is no need to establish the 2560-acre spacing units. In addition, the applicant had requested elimination of the setbacks at the end of each spacing units. The staff has determined that if their request was granted, it would not be protecting correlative rights.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that Order No. 31827 issued in Case No. 29258 denying the application of Hunt Oil Company to create and establish three overlapping 2560-acre spacing units in Williams County be approved this 29th day of April, 2022. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Bruce Hicks presented the Oil and Gas Division Quarterly Report. (A copy of the report is available in the Commission files.) He highlighted the statistics for permitting, drilling, well count, production, prices and inspection and enforcements. He provided slides on Daily State Gas Volumes, Gas Plants (new and expanded), North Dakota Bakken Gas Captured, Solving the Flaring Challenge, Drilling Permit Review Policy and Complaints. He also provided annual performance measurement graphs on Oil and Gas Permits Issued, UIC Permits Issued, Orders Signed—Cases Heard, Sales Meter Tests, Well Construction, and Mechanical Integrity Tests.

The Commission and staff had an extensive discussion on the issues facing the oil and gas industry and the opportunities for development.

Mr. Hicks presented the Oil and Gas Division's proposed 2022 Strategic Plan. The Commission suggested one amendment to the proposed plan noting that references to carbon sequestration should also include utilization.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the 2022 Oil and Gas Division Strategic Plan be approved as presented with the change proposed and restated as follows:

OIL AND GAS DIVISION STRATEGIC PLAN

April 29, 2022

MISSION

Encourage and promote the development, production, and utilization of oil and gas in the state in such a manner as will prevent waste, maximize economic recovery, and fully protect the correlative rights of all owners to the end that the landowners, the royalty owners, the producers, and the general public realize the greatest possible good from these vital natural resources.

GOALS

- 1) Give timely hearing, consideration, and processing to all forms and applications.
- 2) Open communication with the Industrial Commission.
- 3) Achieve clean audits, high employee morale and professionalism, and efficient use of division employees and assets.
- 4) Leadership in maintaining good relationships with other state agencies, federal agencies, and the legislature.
- 5) Service nearly 2500 website subscribers and the data needs of seven state agencies through our current Risked-Base Data Management System (RBDMS), NorthSTAR (Statewide Tracking and Reporting System), and web servers.

IMPLEMENTATION 1-YEAR

- 1) Provide regular quarterly reports to Industrial Commission members.
- 2) Collaborate with State agencies, research organizations, UNO and the Unmanned Aerial System startups located in North Dakota, and the oil and gas industry to develop policy and procedure for identifying state-of-the-art pipeline monitoring systems and utilizing such systems to reduce the frequency and magnitude of pipeline spills.
- 3) **Implement Enhance** NorthSTAR Project **to develop by developing** web-based forms and batch systems utilizing contractors and in-house personnel to implement electronic filing of "most used" Oil and Gas Division forms.
- 4) Provide computer and job skill training for appropriate agency staff, concentrating on virtual training opportunities through Leadership Everywhere.
- 5) Review and revise Rules and Regulations as appropriate.
- 6) Review and recommend revisions to Century Code as appropriate.
- 7) Podcast DMR information to reach a broader audience.
- 8) Develop tier-subscription services to provide daily, weekly, and monthly data downloads for industry.
- 9) Coordinate with TOPCORP and TrainND to provide training courses for OGD staff in petroleum geology & engineering, petroleum technology, communication, and environmental management.
- 10) Coordinate and accelerate programs with Oil and Gas Research Council and research facilities in North Dakota to determine best techniques for remediating salt and other contamination from soil surrounding legacy waste pits.
- 11) Provide funding for North Dakota Department of Health's Environmental Quality Restoration Fund through AWPSRF.
- 12) Defend State's rights with regard to hydraulic fracturing, chemical disclosure, methane emissions, oil conditioning, and other federal regulatory overreach.
- 13) Encourage staff and website users to provide recommendations for improving and re-branding DMR website.
- 14) Upgrade current RBDMS to a web-based platform (NorthSTAR).
- 15) Continuously evaluate NorthSTAR system to integrate automatic uploads and decommission hand-inputted data entry practices.
- 16) Encourage beneficial use of surplus gas to reduce surplus gas flaring emissions.
- 17) Document institutional knowledge of senior employees and share knowledge retention

techniques with other state agencies.

- 18) Work with industry to provide adequate assurance that uneconomic wells will not be abandoned and a liability to the State of North Dakota.
- 19) Continue to collaborate with Information Technology Division to enhance systems and telecommuting efficiency, while maintaining cybersecurity standards.
- 20) Prioritize staff utilization for timely carbon sequestration and enhanced oil recovery/utilization applications and inquiries, while outlining a proficient and friendly application process.
- 21) Seek legislative approval for additional FTEs to administer an efficient and necessary carbon sequestration and enhanced oil recovery/utilization program until carbon injection fees are adequate to sustain the program.
- 22) Continue aggressive recruitment activities utilizing job fairs, web-based platforms, and in-person visits to high schools, tech schools, and colleges.
- 23) Enhance agency retention by providing promotional incentives for dedicated employees.

IMPLEMENTATION 3-YEAR

- 1) Provide regular quarterly reports to Industrial Commission members.
- 2) Provide additional training and professional development opportunities for entire agency staff.
- 3) Continue scanning new case and well files.
- 4) Increase field inspection and support staffing.
- 5) Review and revise Rules and Regulations as appropriate.
- 6) Review and recommend revisions to Century Code as appropriate.
- 7) Continue with NorthSTAR Project developing web-based forms and batch systems for electronic tiling of remaining Oil and Gas Division forms.
- 8) Upgrade drone system and software to automate drone runs with intelligent cameras and obtain effective data collection beyond visual line of sight.
- 9) ~~Set up procedure for carbon dioxide administration.~~
- 10) Provide video conferencing and streaming of expert testimony at hearings. Explore live video streaming solutions utilizing credible low-cost commercial vendors.
- 11) Research, plan, and successfully transition appropriate portions of the Oil and Gas Division website to the new Drupal platform.

IMPLEMENTATION 5-YEAR

- 1) Provide regular quarterly reports to Industrial Commission members.
- 2) Continue scanning new case and well files.
- 3) Provide training and professional development opportunities for entire staff including tuition reimbursement.
- 4) Review and revise Rules and Regulations as appropriate.
- 5) Review and recommend revisions to Century Code as appropriate.

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

Mr. Helms presented a draft welcome letter for the Twenty-Ninth Williston Basin Petroleum Conference to be held on May 17-18, 2022 in Regina, Saskatchewan.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission execute the following welcome letter for the Twenty-Ninth Williston Basin Petroleum Conference to be held on May 17-18, 2022 in Regina, Saskatchewan.

Twenty-Ninth Williston Basin Petroleum Conference

May 17-18, 2022

Regina, Saskatchewan

Greetings!

Welcome to the 29th annual Williston Basin Petroleum Conference!

The conference continues to foster cooperation which benefits the oil industry on both sides of the international border and serves as a forum for the exchange of ideas and technologies that have resulted in more efficient oil drilling and production methods. Now more than ever we have been reminded of the critical importance of having strong relationships with reliable, domestic partners in energy. The North Dakota Industrial Commission recognizes the important role the oil industry plays in our regional economies and the benefits we all share from oil and gas exploration and development within the Williston Basin.

A special thank you to the founding partners of the Williston Basin Petroleum Conference in Saskatchewan through the Geological Survey of Saskatchewan and the Ministry of Energy and Resources, and the Petroleum Technology Research Centre. Thank you as well to North Dakota's founding partners - the Department of Mineral Resources, Geological Survey and the North Dakota Petroleum Council. All of these groups helped develop the conference into the premier event it is today.

We hope that you will find this conference to be both enjoyable and informative!

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

Mr. Helms provided the following update on litigation:

- 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 – *Discovery extended into 3Q 2022*
- Case No. 05-2019-CV-00085 - Northwest Landowners Association vs. State of North Dakota, et al. – *North Dakota Supreme Court decision pending*
- Case No. 04-2021-CV-00011 Gallatin Oil, LLC vs. ND Industrial Commission, Attorney General Stenehjem and Lime Rock Resources III-A, L.P. – *District Court affirmed NDIC order – appeal deadline is May 26.*
- Case No. 13-2021-CV-00036 - Blue Appaloosa vs. North Dakota Industrial Commission – *North Dakota Supreme Court decision pending*
- Case No. 27-2022-CV-00305 - Blue Steel Oil and Gas, LLC v. North Dakota Industrial Commission, Slawson Exploration Company, Inc and White Butte Oil Operations, LLC – *appealed to District Court on 3/15/22*
- North Dakota Industrial Commission v. U.S. Department of Interior – *The plan is to file a motion by May 6 asking the Judge to require the Department of Interior to complete the record.*

Mr. Helms noted that the non-completed well waiver will expire when load limits come off this spring. There are still 65 wells in that category, and they will flip to non-completed and abandoned. Staff will be encouraging the operators to get those wells completed. Out of the 475 “drilled and uncompleted” wells, 65 of them have that waiver.

Mr. Helms updated the Commission on the impact of the blizzard on well production. Going into the blizzard production was at 1.1 million barrels a day. With the loss of power and access to well sites, production dropped to 750,000 barrels a day. Production recovered to approximately 950,000 barrels a day and then the second blizzard came. It is currently estimated that production dropped to 300,000 barrels a day. Currently, it is estimated that production is back to 700,000 barrels a day. Williams and Divide Counties were the hardest hit. All the natural gas processing plants were down--some as briefly as nine hours and some are still down six days after the blizzard.

Governor Burgum reported on his tour of the area, the number of power lines that were down, and the impact on infrastructure. He expressed his hope that there are lessons learned from these events regarding how powerlines are maintained and the need for guide wires.

Mr. Helms noted kudos to the industry that was much better prepared than in 2011 when there were 64 reportable spills with only 38 of those spills contained on the well sites. During the first blizzard there were only three reportable well spills all contained on site. So far during this second blizzard they are aware of only one spill, and it was contained on the well site.

NORTH DAKOTA OUTDOOR HERITAGE FUND (OHF)

Ms. Fine presented the Outdoor Heritage Fund Financial Report and noted that \$8.8 million of the cash balance is uncommitted and is sufficient to award the grants recommended by the OHF Advisory Board if the Commission should choose to do so. Ms. Fine noted that this would be Mr. Bina’s last meeting with the Commission as his term expires. He has been with the OHF Advisory Board since it was initiated.

Mr. Randy Bina, Chairman of the Outdoor Heritage Fund Advisory Board, presented the Grant Round 20 Application List of eleven applications totaling \$6,911,296. He reviewed the recommendations from the Board in the amount of \$6,715,967 and gave a brief summary of each of the nine recommended applications.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accepts the recommendations of the Outdoor Heritage Fund Advisory Board and approves funding of the following nine projects in the total amount of \$6,715,967 and authorizes the Industrial Commission Executive Director and Secretary to enter into contracts with the applicants as noted below:

- 1. Carrington Area Healthy Communities Coalition: Playground Renovation, \$10,000**
- 2. Ducks Unlimited: Cover Crop & Livestock Integration Project III, \$1,609,000**
- 3. Ducks Unlimited: Grasslands Enhancement Project Phase II, \$315,750**
- 4. Golden Valley County Water Board: Odland Dam Sedimentation & Nutrient Removal Project Phase 2, \$971,720**
- 5. Hettinger Research Extension Center: Southwestern North Dakota Pheasant Initiative, \$74,297**
- 6. North Dakota Forest Service: Sheyenne River State Forest Access Improvement Project, \$45,000**
- 7. Pembina County Water Resource District: Tongue River Restoration, \$703,700**

8. North Dakota Natural Resources Trust: Grazing Resiliency in the Bakken (GRB) II, \$1,970,000

9. North Dakota Natural Resources Trust: North Dakota Partners for Wildlife Project 2, \$1,016,500

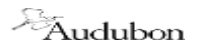
On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Bina stated that the OHF Advisory Board also recommended amendments to three previously awarded projects. He summarized the amendments that were requested by Audubon Dakota for the following projects:

1. Contract 011-129 – Stutsman County Prairie Management Toolbox
2. Contract 013-141- Central Coteau Prairie Management Toolbox
3. Contact 017-169 - ND Conservation Forage Program

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accepts the recommendations of the Outdoor Heritage Fund Advisory Board and authorizes the Industrial Commission Executive Director/Secretary to make the following amendments with Audubon Dakota:

Contract 011-129 – Stutsman County Prairie Management Toolbox – reallocate funding within the approved budget as follows:



Stutsman County PMT Original Budget

Project Expense	OHF Request	Applicant's Match (Cash)	Applicant's Match Share (In-Kind)	Applicant's Match Share (Indirect)	SCSCD Match (In-Kind)	Landowner Match (40%)	Total Project Expense
High Diversity Seeding	\$174,820		\$62,532			\$54,015	\$291,367
Seeding Labor	\$223,650		\$63,900			\$85,200	\$372,750
Livestock and Wildlife Friendly Grazing System	\$461,652	\$60,000	\$109,944			\$217,824	\$849,420
Invasive Species Removal	\$83,368					\$55,578	\$138,946
Administration			\$4,541		\$20,000		\$24,541
Indirect Costs (24.66%)				\$848			\$848
Total Costs	\$943,490	\$60,000	\$240,917	\$848	\$20,000	\$412,617	\$1,677,872

Project Expense	OHF Request	Applicant's Match (Cash)	Applicant's Match Share (In-Kind)	Applicant's Match Share (Indirect)	SCSCD Match (In-Kind)	Landowner Match (40%)	Total Project Expense
High Diversity Seeding	\$91,124		\$43,785			\$4,295	\$139,204
Seeding Labor	\$ -		\$3,429			\$-	\$3,429
Livestock and Wildlife Friendly Grazing System	\$839,101	\$-	\$249,162			\$399,479	\$1,487,742
Invasive Species Removal	\$13,265					\$8,843	\$22,108
Administration			\$4,541		\$20,000		\$24,541
Indirect Costs (24.66%)				\$848			\$848
Total Costs	\$943,490	\$0	\$300,917	\$848	\$20,000	\$412,617	\$1,677,872

Contract 013-141 – Central Coteau Prairie Management Toolbox – reallocate funding within the approved budget as follows:

CCPMT Original Budget

Project Expense	OHF Request	Applicant's Match Share (In-Kind)	Applicant's Match Share (Indirect)	Partner Match	Landowner Match (40%)	Total Project Expense
High Diversity Seeding	\$108,374				\$72,249	\$180,623
Seeding Labor	\$73,206				\$48,804	\$122,010
Livestock and Wildlife Friendly Grazing System	\$348,294			\$10,000	\$237,880	\$596,174
Administration		\$30,000	\$7,398	\$12,454		\$49,852
Total Costs	\$529,874	\$30,000	\$7,398	\$22,454	\$348,933	\$948,659



CCPMT New Budget

Project Expense	OHF Request	Applicant's Match Share (InKind)	Applicant's Match Share (Indirect)	Partner Match	Landowner Match (40%)	Total Project Expense
High Diversity Seeding	\$-				\$-	\$-
Seeding Labor	\$-				\$-	\$-
Livestock and Wildlife Friendly Grazing System	\$529,874			\$10,000	\$358,933	\$888,807
Administration		\$30,000	\$7,398	\$12,454		\$49,852
Total Costs	\$529,874	\$30,000	\$7,398	\$22,454	\$358,933	\$948,659

Remaining Grant Funds: \$275,976 for grazing infrastructure

Contract 017-169 Amend their application which is part of the contract to use ND Department of Trust Lands Rates instead of the National Agricultural Statistics Service.

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

The Commission expressed they're thanks to Mr. Bina for his long service on the Board and for his leadership as Chairman.

It was moved by Attorney General Wrigley and seconded by Commissioner Goehring that under the authority of North Dakota Century Code Sections 17-05-14, 44-04-18.4 and 44-04-19.2 the Industrial Commission enter into executive session for the purpose of considering

Transmission Authority, and Clean Sustainable Energy Authority confidentiality requests. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Governor Burgum stated that the Commission will be meeting in executive session to consider Transmission Authority, and Clean Sustainable Energy Authority confidentiality requests. Only the Commission members, their staff, Transmission Authority staff, and Clean Sustainable Energy Authority staff will be in the pertinent sessions.

Following the Clean Sustainable Energy Authority executive session, the Industrial Commission will enter into executive session regarding Bank of North Dakota business pursuant to N.D.C.C. 6-09-35 to consider those items listed on the agenda under Bank of North Dakota confidential business. Only Commission members, their staff, and BND staff will participate in that executive session. Any formal action by the Commission will occur after it reconvenes in open session

The public was asked to leave the meeting and the executive session for Transmission Authority business began at 11:30 a.m.

NORTH DAKOTA TRANSMISSION AUTHORITY EXECUTIVE SESSION

Members Present:

Governor Doug Burgum
Attorney General Drew Wrigley
Agriculture Commissioner Doug Goehring

Transmission Authority Personnel Present:

John Weeda

Others in Attendance:

Ryan Norrell	Governor's Office
Reice Haase	Governor's Office
Dutch Bialke	Department of Agriculture
Karlene Fine	Industrial Commission Office
Katie Haarsager	Industrial Commission Office

The Transmission Authority executive session ended at 11:35 a.m. The executive session for Clean Sustainable Energy Authority began at 11:37 a.m.

CLEAN SUSTAINABLE ENERGY AUTHORITY EXECUTIVE SESSION

Members Present:

Governor Doug Burgum
Attorney General Drew Wrigley
Agriculture Commissioner Doug Goehring

Clean Sustainable Energy Authority Personnel Present:

Al Anderson

Others in Attendance:

Ryan Norrell Governor's Office

Reice Haase	Governor's Office
Dutch Bialke	Department of Agriculture
Karlene Fine	Industrial Commission Office
Katie Haarsager	Industrial Commission Office

The Clean Sustainable Energy Authority executive session ended at 11:40 a.m.

The BND executive session began at 11:45 a.m. to discuss the following items:

- **Consideration of loan requests**
 - Non-Accrual Loans Quarterly Recap/Detail
 - Problem Loans – Adversely Classified Quarterly Recap
 - Loan Charge-Offs and recoveries Y.T.D. 3/31/2022
 - Presentation of Bank of North Dakota Advisory Board February 24, 2022 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 Drew Wrigley
Agriculture Commissioner Doug Goehring

Bank of North Dakota Personnel Present:

Todd Steinwand
Craig Hanson
Rob Pfennig
Kirby Evanger
Kelvin Hullet

Others in Attendance:

Ryan Norrell	Governor's Office
Reice Haase	Governor's Office
Dutch Bialke	Department of Agriculture
Karlene Fine	Industrial Commission Office
Katie Haarsager	Industrial Commission Office

The BND executive session ended at 12:05 p.m. and the Commission reconvened in open session.

Governor Burgum noted that during the BND Executive Session, the Commission made motions regarding three loan requests. **On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye on the three loan request motions**

Governor Burgum asked what action the Commission wishes to take on the Transmission Authority confidentiality request that was discussed during executive session.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accept the recommendation of Karlene Fine, Industrial Commission Executive Director, and John Weeda and pursuant to sections 17-05-14, 44-04-19.2 and 44-04-18.4 grant the confidentiality request and the procedures outlined therein and determine that the request

is confidential and the information described in the request is a trade secret, financial or proprietary information, and is confidential. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Governor Burgum stated that during the CSEA executive session the Commission considered requests for confidentiality. What action does the Commission wish to take on the confidentiality request?

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley 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, Section 44-04-18.4 and 44-04-19.2 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 Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

Mr. Todd Steinwand, Bank of North Dakota President, presented the 2022-2024 Strategic Plan. He noted that the Strategic Plan included information on the Bank's history, governance structure, Bank's Mission, Vision, and Core Values, how it aligns with North Dakota's Plan to Empower People, Improve Lives, and Inspire Success along with a section on Major Accomplishments. He reviewed the process that had been used in developing the 2022-2024 Strategic Plan and then walked through the Strategic Plan and the Five Strategic Focuses and highlighted key parts of each of the five strategies. (A copy of the plan is available in the Industrial Commission files.)

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the amended BND Strategic Plan 2022-2024 as follows:

BND's Five Strategic Focuses

These five strategies will assist with prioritization of projects, resources and direction through 2024:

Strategy 1

Drive innovation to enhance effective delivery of products and services.

- A. Implement new products and/or services to meet customers' changing needs**
- B. Implement strategies to enhance the customer experience for BND and our partners**
- C. Continue to implement innovative solutions within BND business units**
- D. Develop a Technology Roadmap – 3-Year Strategic Plan**
- E. Risk Management innovation**

Strategy 2

Establish the new work environment to build community.

- A. Enhance onboarding processes to build commitment and community**
- B. Implement the new BND workplace**
- C. Enhance BND leadership development and expectations to ensure accountability as culture champions.**

Strategy 3

Support diversification in North Dakota's economy by creating financial solutions to current and emerging needs.

- A. Integrate DOSS-CRM into daily lending activities to efficiently serve financial institution customers**
- B. Expand current calling program to understand needs and opportunities of key stakeholders**

- C. Evaluate loan programs to ensure they meet today's needs.**
- D. Expand collateral valuation services to offer commercial evaluations.**
- E. Determine the role of BND related to ESG (environmental, social, and corporate governance) in North Dakota.**

Strategy 4

Education North Dakotans about post-high school education opportunities and deliver innovative products and services that support them.

- A. Analyze the changing environment and evolving perspective related to post-secondary funding and how it will impact BND's loan products and portfolio.**
- B. Determine how BND's support of post-secondary education could assist in workforce attraction and retention.**
- C. Develop and integrate the new student loan online application form with new fields in Campus Door that will enhance future data correlation with student loan defaults.**
- D. Accountability for vendors in execution of contracts.**

Strategy 5

Increase stakeholder appreciation for BND's roles as a bank in a competitive marketplace.

- A. Increase messaging with key stakeholders**
- B. Maintain a strong financial capital position for growth and to reduce risk**
- C. Effectively communicate with Bank's financial performance to key stakeholders**

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

Mr. Steinwand and the Bank Management team presented the First Quarter 2022 Performance Highlights including a discussion on each of the following items: (A copy of the report is available in the Commission files.)

- BND Balance Sheet
- BND Income Statement
- Leverage Ratio
- Net Loans to Earning Assets
- Five-Year History and BND Peer Group Comparison (This is a revised report from what the Commission has seen previously.)
- Loan Originations
- Legislative Administered Loan Programs (suggestion was to change this to Legislative Directed Loan Programs)
- Credit Quality
- College Save
- Human Resources

Mr. Steinwand provided the Commission with a copy of the Bank of North Dakota Advisory Board February 24, 2022 non-confidential meeting minutes.

CLEAN SUSTAINABLE ENERGY AUTHORITY (CSEA)

Mr. Al Anderson, Clean Sustainable Energy Authority Director, provided an update on the Grant Round 2 Applications and provided a listing of the eight applications that are currently under review. He noted that there is not sufficient funding remaining to fund all these requests. The CSEA Technical Committee and

the CSEA will be meeting in the next few weeks and is anticipating coming to the May Industrial Commission meeting with their recommendations. He provided a brief summary on each of the application requests.

Clean Sustainable Energy Authority						
Round 2 Applications (March 1, 2022)						
Grant #	Application Title	Applicant	Grant Funding Requested	Loan Funding Requested	Total Project Costs	Duration
C-02-01	Flare Mitigation/Elimination through Wellsite Energy Recovery and Advanced Computing	Digital Stream Energy, Inc.	\$0	\$15,000,000	\$58,000,000	2 years
C-02-02	Hydrooil McKenzie #1 Slurry Fracture Injection TENORM Disposal Facility	Hydrooil Solutions, LLC	\$2,500,000	\$0	\$13,852,914	7 months construction 15 to 20 year operational life
C-02-03	SAFuels X	AIC Energy Corp John F. Melk	\$10,000,000	\$25,000,000	\$357,000,000	2 years
C-02-04	Commercial Deployment of Carbon Dioxide Capture & Geological Sequestration in McLean County	Carbon America Developments, LLC and Midwest AgEnergy Group	\$0	\$34,467,061	\$68,934,121	18 months
C-02-05	Internal Combustion Engine Carbon Capture and Sequestration	Enerplus Resources (USA) Corporation	\$9,055,000	\$0	\$18,100,000	38 months
C-02-06	Accelerating the Waste-to-Energy Commercialization Pathway for the Sandwich Gasifier	Dakota Green Power	\$5,371,457	\$0	\$10,985,489	30 months
C-02-07	Green Hydrogen Generation and Storage System	BWR Innovations LLC	\$5,764,000	\$0	\$16,400,000	36 months
C-02-09	Project Tundra*	Minnkota Power Cooperative	\$0	\$150,000,000	\$1,450,000,000	4 years Construction; 20 years operations
			\$32,690,457	\$224,467,061	\$1,993,272,524	
	*The applicant indicates up to \$150,000,000 in potential future requests.					

INDUSTRIAL COMMISSION ADMINISTRATIVE BUSINESS

Ms. Fine presented a request from the State Investment Board for authority to invest the Lewis and Clark Interpretive Center Endowment Fund on behalf of the State Historical Society.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley 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 State Historical Society to provide investment management services for the Lewis and Clark Interpretive Center Endowment Fund. On a roll call vote, Governor Burgum, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

With no further Industrial Commission business, Governor Burgum adjourned the meeting at 12:50 p.m.

North Dakota Industrial Commission

Karlene Fine, Executive Director and Secretary