

Submitting A Grant Application To The Lignite Research, Development And Marketing Program

**Prepared by
Lignite Research Council**

DISCLAIMER

This document contains information collected by the Lignite Research Council (LCR) to help interested parties prepare grant applications. The LRC, Industrial Commission, nor any members of these organizations, make any warranty, expressed or implied, with respect to the use of the information. The LRC, Industrial Commission, nor any members of these organizations, make any warranty, expressed or implied, with respect to providing grant awards to any party whether or not any grant requests are submitted.

Acknowledgments

This document is a reference source for parties interested in obtaining funds under the North Dakota Lignite Research, Development and Marketing Program. The report contains suggestions and a collection of rules and regulations concerning grant applications.

The Lignite Research Council is a volunteer, citizen, industry, and government group which provides advice to the Industrial Commission on policies and recommends research for funding under the program. The contributions of the members of the Council in recommending programs and reviewing proposals is appreciated.

LIGNITE RESEARCH COUNCIL MEMBERS

Foreword

The Lignite industry is vital to the economy of our state. North Dakota lignite creates thousands of jobs and millions of dollars in income to the citizens. It generates millions of dollars in tax revenues to support the basic government services needed for the citizens of our state.

In addition, lignite is a valuable energy resource for North Dakota, the Upper Great Plains and the nation. It creates much of the electricity used in

the state and in many neighboring states. North Dakota lignite is a reasonably priced, reliable source of electricity.

The Great Plains Gasification Plant is a world class facility which provides substitute natural gas for the Upper Midwest. Lignite has played an important role in the history of North Dakota, and it will play an important role in our future.

While providing a reasonably priced, reliable source of electricity, lignite has been mined in North Dakota with the highest mineland reclamation practices and environmental standards. We remain committed to that tradition.

"Submitting a Grant Application" was prepared to help potential applicants. We welcome your comments and suggestions on the documents and ways to improve the Program and the application process.

Doug Burgum
Governor of North Dakota

Wayne Stenehjem
Attorney General of North Dakota

Doug Goehring
Agriculture Commissioner

Executive Summary

The primary use of North Dakota lignite has evolved over the past three decades from a home heating fuel into a fuel for electric power plants and as a feedstock for the nation's largest coal gasification plant.

In an effort to further develop lignite's potential, the State of North Dakota and the lignite industry have joined in a partnership to preserve and enhance this valuable resource. The State provides grants which assist in research and development that: preserve and enhance jobs and production; ensure economic growth, stability and opportunity; maintain a stable and competitive tax base for the state's lignite industry; and benefit the general welfare of North Dakota.

Since the program was started in 1987, over \$9,000,000 in lignite R and D grants have been awarded to 98 applicants. These funds have been leveraged with matching funds to support nearly \$44,000,000 of lignite R and D grants.

The objective of this document is to provide information that will help interested parties submit grant applications.

The Grant Application

All grant applications must meet the provisions of [Chapter 43-03 of the North Dakota Administrative Code \(NDAC 43-03\)](#). Also, the grant application must conform to the provisions of the [North Dakota Century Code Chapter 54-17.5](#). Information in this document, "Submitting a Grant Application", is merely provided to help the proposer and does not govern the grant application process. [NDCC 54-17.5](#) and [NDAC 43-03](#) are included in this document as [Exhibit A](#) and [Exhibit B](#) respectively.

Who Can Submit an Application?

An application may be submitted by any person, corporation, partnership, cooperative, association, or consortium of such parties.

When Can Grant Applications Be Submitted?

Grant applications are accepted on dates set by the Industrial Commission of North Dakota. [NDAC 43-03-04-02](#) states that applications must be postmarked on or before these dates.

Where Should Grant Applications Be Submitted?

Grant applications should be submitted to:

Karlene Fine, Executive Director
North Dakota Industrial Commission
State Capitol
600 East Boulevard Ave Dept 405
Bismarck, ND 58505-0840
ndicinfo@nd.gov

For technical information, contact:

Jason Bohrer
Lignite Energy Council
P.O. Box 2277
Bismarck, ND 58502
jasonbohrer@lignite.com

What Is the Grant Application Format?

The grant application must follow the format given in Chapter 43-03-04 of [North Dakota Administrative Code \(NDAC\) 43-03](#). The application must be accompanied by a transmittal letter signed by someone authorized to contract on behalf of the applicant. The application must contain a title page and table of contents. The outline for the application should follow the application format listed in [NDAC 43-03-04-01](#). Each application must include a \$100 application fee. Submit 35 copies of the proposal. (The rules listed in [Chapter 43-03-04](#) of the [North Dakota Administrative Code \(NDAC\) 43-03](#) require that 35 copies of the proposal must be submitted. Revised rules would require two hard copies of the proposal and an electronic version of the proposal.) Please submit your application in electronic format (Word or Adobe). Do not use colored graphics in the proposal.

Can Confidential Information Be Submitted?

Confidential information can be submitted if the submission conforms with [North Dakota Century Code 54-17.5-06 \(Exhibit A\)](#).

How Are Applications Reviewed?

The applications are reviewed by the Industrial Commission (Commission) to determine if they meet eligibility requirements and are complete. (This process is called a completion review and a copy of the completion review form is included as [Exhibit C](#)). Those applications meeting eligibility and completion requirements are submitted to two or more peer reviewers for independent technical review.

The independent technical reviewers are selected by the Commission as authorities in the field. The identities of these peer reviewers are confidential. The comments and ranking of these anonymous reviewers are provided to the Lignite Research Council, Industrial Commission and grant applicants. Technical reviewer guidelines, ranking forms and comment sheets are included as [Exhibit D](#).

The Lignite Research Council (Council) meets to consider the application requests and technical reviewers' comments. The Council prepares and submits a recommendation for funding to the Industrial Commission. The Commission may approve or reject applications that have received a favorable Council recommendation.

What Are the Funding Limits?

Grants may not exceed the legislative appropriation. All projects must generate matching private industry investment (see [NDCC 54-17.5-03](#) and [NDAC 43-03-03](#)).

Who Owns the Information and Rights?

The information contained in the application remains the applicant's, but the Commission will retain file copies. Except for confidential information, applications are public information. Rights to technical data and patents are covered in [NDAC 43-03-06](#).

How Are the Funds Disbursed?

The grantee must enter into a contract. The contract will include provisions for disbursement of funds and reporting requirements. The contract is covered in [NDAC 43-03-05-03 through 43-03-05-08](#). A sample contract is included in [Exhibit E](#).

Priorities

The Commission has established funding guidelines for programs and projects. Funds are set aside for demonstration projects and research program activities. The Commission has set aside 55 percent of the program funds for demonstration projects. A single project cannot receive more than 50 percent of the available funds.

State awards for demonstration projects would be obtained from bonds with program funds used to retire the bonds. Economic development jobs and production in North Dakota are important considerations in funding for demonstration projects.

The Lignite Research Council approved a plan to focus research program activities. The Industrial Commission accepted the recommendation to focus on areas of highest priority for the industry.

The five highest ranked lignite research program activities are:

1. Emissions/Environmental Issues
2. Coal Combustion
3. Reclamation
4. Noncombustion Uses
5. Beneficiation (including coal handling and processing)

Exhibit

A [NDCC 54-17.5](#)

B [NDAC 43-03](#)

C [LRC Project Eligibility Criteria Form](#)

D [Technical Reviewer's Guidelines](#) and [Ranking Forms](#)

E [Sample Contract](#)