

Minutes of a Meeting of the Industrial Commission of North Dakota

Held on July 30th, 2025, beginning at 9:00 a.m.

Governor's Conference Room – State Capitol

Present: Governor Kelly Armstrong, 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 Armstrong called the meeting of the Industrial Commission to order at approximately 9:02 a.m.

Ms. Karen Tyler took roll call, and Governor Armstrong, Commissioner Goehring, and Attorney General Wrigley were present.

Governor Armstrong invited the room to stand and join the Commission in saying the Pledge of Allegiance.

NORTH DAKOTA TRANSMISSION AUTHORITY

Mr. Claire Vigasaa presented for consideration of approval the recommended IJA Grant Re-Award Project Selection. The total requests were for \$11,582,606 and the amount of grant funds available are \$2,602,356. The ND Industrial Commission, acting as the ND Transmission Authority, recommended the following awards be granted:

McLean Electric Cooperative – Upgrading to Dielectric Reclosers - \$515,900

Montana Dakota Utilities - Merricourt Sub-Trans Upgrade - \$2,086,456

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission, acting as the North Dakota Transmission Authority, advance the following grant requests totaling \$2,602,356 to the Department of Energy:

McLean Electric Cooperative, Updating to Dielectric Reclosers - \$515,900

Montana Dakota Utilities, Merricourt Sub-Transmission Upgrade - \$2,086,456

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

Mr. Vigasaa presented the NDTA Annual Report. The report includes details the two grid reliability studies that were conducted in the last year, the budget for the ND Transmission Authority, various activities and studies, and a list of grid resiliency grant recipients. The full report can be found on the website.

RENEWABLE ENERGY RESEARCH PROGRAM

Mr. Jordan Kannianen presented the Renewable Energy Program Project Management and Financial Report. The program has had 74 cumulative projects with 15 currently active. There is currently \$5,323,560.79 in committed dollars and \$1,415,576.63 available for future projects.

Mr. Kannianen presented for consideration of approval the de-commitment of funds to two previously awarded Renewable Energy projects.

1. R-027-031 (Landfill Gas) - \$485,000
2. R-045-054 (Spiritwood Greenhouse) - \$500,000

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the de-commitment of funding to the following projects in the following amounts as recommended by the Industrial Commission Deputy Director:

R-027-037 – Landfill Gas - \$485,000

R-045-054 – Spiritwood Greenhouse - \$500,000

For a total de-commitment of \$985,000 to be returned to the Renewable Energy Fund

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

Mr. Kannianen presented for consideration of approval the following Grant Round 55 Applications:

- i. R-055-A University of North Dakota: Producing Silicon Anode Materials for Li-ion Batteries; Principal Investigator: Xiadong Hou; Duration – 1.5 Years; Total Project Cost - \$1,249,999, **Grant Amount Requested - \$200,000**
- ii. R-055-B BWR Innovations LLC: Improving Renewable Energy Resources with Hydrogen Offtake; Principal Investigator: Joel Jorgenson; Duration – 2 Years; Total Project Cost - \$1,120,232, **Grant Amount Requested - \$500,000**

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the following Renewable Energy Program grant round fifty-five applications as recommended by the Renewable Energy Council:

R-055-A University of North Dakota: Producing Silicon Anode Materials for Li-ion Batteries, \$200,000

R-055-B BWR Innovations LLC: Improving Renewable Energy resources with Hydrogen Offtake, \$500,000

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

NORTH DAKOTA PUBLIC FINANCE AUTHORITY

Ms. DeAnn Ament presented for consideration of approval the following State Revolving Fund Loans:

- i. **City of Cando – Drinking Water - \$3,275,000.** The purpose of this loan is to replace cast iron pipe with PVC water main and replace water service lines, curb stops, gate valves and hydrants. The requested loan term is 30-years, and the City will issue revenue bonds payable with water user fees. The average annual payment will be \$23,416.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Drinking Water State Revolving Fund loan request of \$3,275,000 for the City of Cando.

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

A RESOLUTION WAS MADE

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 Cando (the “Political Subdivision”) has requested a loan in the amount of \$3,275,000 from the Program to replace cast iron pipe with PVC water main and replace water service lines, curb stops, gate valves and hydrants; 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.

Adopted: July 30, 2025

- ii. **City of Minot – Drinking Water - \$29,575,000.** The purpose of this loan is to identify the composition of the 8,000 unknown service lines and begin replacement of the 280 known lead service lines in the City. The requested loan term is 30-years, and the City will issue revenue bonds payable with water/sewer/storm sewer fees. The average annual payment will be \$283,852.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Drinking Water State Revolving Fund loan request of \$29,575,000 for the City of Minot.

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

A RESOLUTION WAS MADE

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 Minot (the “Political Subdivision”) has requested a loan in the amount of \$29,575,000 from the Program to identify the composition of the 8,000 unknown service lines and begin replacement of the 280 known lead service lines in the City; 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.

Adopted: July 30, 2025

- iii. **Western Area Water Supply Authority – Drinking Water - \$3,000,000 increase to previously approved \$16,500,000.** The purpose of this loan is to include system expansion to those without rural water service, capacity expansion to existing rural service areas, and design for the next expansion of the water treatment facility. There are five bulk users, serving a population of 67,552, which includes the Cities of Williston, Watford City, Ray, Tioga, Stanley, Wildrose, Crosby, Fortuna, Noonan, Columbus and Ross. The requested loan term is 30-years, and the Authority will issue revenue bonds payable with user fees. The average annual payment will be \$743,680.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Drinking Water State Revolving Fund loan request of \$3,000,000 for the Western Area Water Supply Authority.

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

A RESOLUTION WAS MADE

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 Western Area Water Supply Authority (the "Political Subdivision") has requested a \$3,000,000 loan increase to their previously approved \$16,500,000 loan (total \$19,500,000) from the Program for system expansion to those without rural water service, capacity expansion to existing rural service areas, and design for the next expansion of the water treatment facility; 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.

Adopted: July 30, 2025

Ms. Ament presented a Memo from the NDPFA Advisory Committee regarding SRF Loans Approved Under Policy P-3B.

- i. City of Jamestown – Drinking Water - \$1,984,000. The purpose of this loan is to replace cast iron water mains, valves and hydrants in a portion of the I-94 West Business Loop. The requested loan term is 20-years, and the City will issue an improvement bond payable with special assessment collections. The annual payment will average \$116,785.
- ii. City of Grand Forks – Clean Water - \$1,316,000. The purpose of this loan is to construct a storm sewer along 27th Avenue N and N 32nd Street, to be routed to the newly constructed regional stormwater pond. The requested loan term is 30-years, and the City will issue an improvement bond payable with special assessment collections. The annual payment will average \$54,742.

NORTH DAKOTA HOUSING FINANCE AGENCY

Ms. Jennifer Henderson presented a Report on the 2025 Emergency Solutions Grant (ESG) and North Dakota Homeless Grant (NDHG) Recipients.

The report reads in part as follows:

“The agency serves as the administrator for the Federal Emergency Solutions Grant (ESG) and the state appropriated ND Homeless Grant (NDHG). Similar to multifamily programs, the funds are allocated to recipients through the allocation plan which details the eligible activities and the selection criteria for each program.

Emergency Solutions Grant

Program Overview

Emergency Solutions Grants will be utilized to provide services to individuals experiencing homelessness

and those at risk of becoming homeless in the following eligible activities.

- Street Outreach;
- Emergency Shelter;
- Homelessness Prevention;
- Rapid Re-housing Assistance; and
- Homeless Management Information System- HUD required homeless data repository.

Individuals who are seeking homeless prevention services and extended rapid rehousing must meet income limits at 30% area median income. Programs are delivered through local non-profit organizations who are members of the Continuum of Care, the state’s homeless response system.

Funding Level

For FY 2025, the federal formula allocation for the small state minimum was \$484,140. ESG requires 100 percent match on all but \$100,000 of the federal allocation or \$384,140. NDHFA uses a portion of NDHG and staffing administrative costs to meet match requirements.

Awards

A total of 18 applications were received requesting \$2.4 million for the \$731,980 available to award. Seven agencies were selected for funding. A summary of the awards is attached.

North Dakota Homeless Grant Program Overview

ND Homeless Grant is modeled after ESG with some minor adjustments. Rents are allowed to exceed fair market rent and individuals served can earn up to 50% area median income.

Funding Level

Biennial allocation \$9.85 million, allocated over two year period. A portion of the fund is used to pay staff administration costs for the program and cover the required federal match for ESG and the Continuum of Care program.

Awards

A total of 26 applications were received requesting over \$7.5 million in funding. Eighteen agencies were selected for funding.”

BANK OF NORTH DAKOTA

Mr. Kelvin Hullet presented for consideration of approval Amendments to General Loan Policy related to Letters of Credit, limits on buydowns for establishing borrowing rates, qualifying projects for the Production Enhancement Program, and to adopt new policies related to legislation passed by the sixty-ninth Legislative Assembly.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the recommended changes to the Bank of North Dakota General Loan Policy related to Letters of Credit, limits on buydowns for establishing borrowing rates, qualifying projects for the Production Enhancement Program, and to adopt new policies related to legislation passed by the sixty-ninth Legislative Assembly.

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

Mr. Rob Pfennig presented the College SAVE Audit Report. The Independent Auditor’s Report states that in their opinion, the basic financial statements present fairly, in all material respects, the fiduciary net position of the Plan as of December 31, 2024 and 2023, and the changes in its fiduciary net position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Mr. Don Morgan presented the Second Quarter 2025 Performance Highlights. BND’s reported assets are \$10.7 billion. The \$4.1 billion securities portfolio is primarily a source of liquidity, and the loan portfolio balance is \$6.2 billion. BND reported earnings of \$93.9 million for the first half of 2025. Interest income exceeded budget by \$9.2 million primarily due to higher rates on securities and increased agriculture and PACE loan volumes, and interest expense reported higher than budget by \$3.3 million due to higher average deposit balances, rates, and Federal funds purchased. Non-interest income year-to-date was negative \$12.7 million and non-interest expense was \$1.1 million under budget.

Mr. Morgan presented the Non-Confidential Committee and Advisory Board Minutes for May 14th and 15th, 2025 meetings for the Commission member’s review.

It was moved by Attorney General Wrigley and seconded by Commissioner Goehring that under the authority of North Dakota Century Code Sections 6-09-35, 44-04-18.4, 44-04-19.1, 44-04-19.2, and 54-17.7-12 the Industrial Commission enter executive session for the purpose of Bank of North Dakota Confidential Business, Attorney Consultation, Pipeline Authority Confidentiality Requests and North Dakota Mill and Elevator confidential business.

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

The Commission is meeting in executive session pursuant to N.D.C.C. 6-09-35 and 44-04-19.2 to consider those items listed on the agenda under Bank of North Dakota Confidential Business. Only Commission members, their staff, Commission staff, and Bank of North Dakota staff will participate in this executive session.

Following the Bank of North Dakota executive session, the Commission is meeting in executive session pursuant to N.D.C.C. 44-04-19.1 and 44-04-19.2 for attorney consultation related to the item listed on the agenda. Only Commission members, their staff, Commission staff, and Department of Mineral Resources staff will participate in this executive session.

Following the attorney consultation executive session, the Commission is meeting in executive session pursuant to N.D.C.C. 44-04-18.4, 44-04-19.2 and 54-17.7-12 to consider two Pipeline Authority confidentiality requests. Only Commission members, their staff, Commission staff and Pipeline Authority staff will participate in this executive session.

Following the confidentiality request executive session, the Commission is meeting in executive session pursuant to N.D.C.C. 44-04-18.4 and 44-04-19.2 to consider those items listed on the agenda under North Dakota Mill and Elevator Confidential Business. Only Commission members, their staff, Commission staff, and Mill staff will participate in this executive session.

Any formal action taken by the Commission will occur after it reconvenes in open session.

Governor Armstrong reminded the Commission members and those present in executive session that the discussion must be limited to the announced purposes. The executive session is anticipated to last approximately one hour and will begin at 10:05 a.m.

Meeting Closed to the Public for Executive Session Pursuant to NDCC 6-09-35, 44-04-18.4, 44-04-19.1, 44-04-19.2 and 54-17.7-12.

BANK OF NORTH DAKOTA EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong
Attorney General Drew H. Wrigley
Agriculture Commissioner Doug Goehring

BND Members Present

Don Morgan
Kirby Evanger
Kelvin Hullet
Craig Hanson
Rob Phennig

Others in attendance

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office

Erin Stieg

Industrial Commission Office

ATTORNEY CONSULTATION EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

DMR Members Present

Nathan Anderson

Kayla Lemieux

Others in attendance

David Garner Attorney General's Office

Matt Sagsveen Attorney General's Office

Jacy Schafer Governor's Office

Chris Joseph Governor's Office

Karen Tyler Industrial Commission Office

Jordan Kannianen Industrial Commission Office

Erin Stieg Industrial Commission Office

PIPELINE AUTHORITY CONFIDENTIALITY REQUESTS PURSUANT TO NDCC 54-17.7-12

Industrial Commission Members Present

Governor Kelly Armstrong

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

Pipeline Authority Members Present

Justin Kringstad

Others in attendance

Jacy Schafer Governor's Office

Chris Joseph Governor's Office

Karen Tyler Industrial Commission Office

Jordan Kannianen Industrial Commission Office

Erin Stieg Industrial Commission Office

NORTH DAKOTA MILL AND ELEVATOR EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

ND Mill and Elevator Members Present

Vance Taylor

Cathy Dub

Others in attendance

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Brenna Jessen	Industrial Commission Office
Erin Stieg	Industrial Commission Office

The executive session ended at 11:15 a.m. and the Commission reconvened in open session.

During the Bank of North Dakota executive session, the Commission discussed those items listed on the agenda and a motion was made to approve two loans.

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

During the attorney consultation executive session the item on the agenda was discussed. No action was taken.

During the Pipeline Authority executive session, two confidentiality requests were considered.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the two confidentiality requests as presented.

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

During the Mill and Elevator executive session, the Commission discussed the item listed on the agenda.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the FY 2026 Mill and Elevator Strategic Plan as presented.

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

NORTH DAKOTA MILL AND ELEVATOR

Mr. Vance Taylor presented the 2026 Mill and Elevator Strategic Plan. The five key objectives listed in the plan are as follows:

Key Objective 1: Promote and Support North Dakota Agriculture, Commerce, and Industry

Key Objective 2: Identify and Respond to Emerging Issues in the Flour Milling Industry

Key Objective 3: Maximize Profit Potential

Key Objective 4: Grow our Customer Base

Key Objective 5: Invest in and Protect our Employees

Mr. Taylor and Ms. Cathy Dub presented a report on FY 2025 Transfers to APUF and General Fund. The transfers were as follows:

**North Dakota Mill & Elevator
FY 2025 Transfers**

	<u>Dollars</u>	<u>Percent</u>
FY 2025 Profit	\$ 26,694,411.27	
Ag Product Utilization Fund	\$ 1,334,720.56	5.0%
General Fund	\$ 12,679,845.36	50% of remaining profits
Total Transfers	\$ 14,014,565.92	

* Transfers made Monday, July 21, 2025

**North Dakota Mill
FY 2024-2025 Biennium Transfers**

	<u>Dollars</u>	<u>Percent</u>
FY 2024 Profit	\$ 20,795,168.10	
Ag Product Utilization Fund	\$ 1,039,758.41	5.0%
General Fund	\$ 9,877,704.85	50% of remaining profits
Total Transfers	\$ 10,917,463.26	
 FY 2025 Profit	 \$ 26,694,411.27	
Ag Product Utilization Fund	\$ 1,334,720.56	5.0%
General Fund	\$ 12,679,845.36	50% of remaining profits
Total Transfers	\$ 14,014,565.92	
 Biennium Transfers	 2023-2025	 \$ 17,000,000.00 Estimate
APUF	\$ 2,374,478.97	
General Fund	\$ 22,557,550.21	
Total Transfers	\$ 24,932,029.18	

Mr. Taylor presented a Review of Operations, 4th Quarter Ended June 30, 2025. Sales for the 4th quarter were \$118,201,365 compared to \$122,415,824 last year. Sales for the fiscal year came in at \$476,072,638. Operating costs for the 4th quarter were \$15,233,074 compared to \$14,061,483 last year, an increase of 8.3%. For the 4th quarter, the Mill had a profit of \$9,164,367 compared to a profit of \$5,767,217 last year. The full financial report is available on the website.

Mr. Taylor presented for consideration of approval the FY 2026 Capital Plan.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the North Dakota Mill and Elevator FY 2026 capital expenditures plan as presented.

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

Mr. Taylor presented for consideration of approval the FY 2026 Gain Share Plan.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the North Dakota Mill and Elevator FY 2026 gain share plan as presented.

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

DEPARTMENT OF MINERAL RESOURCES

Mr. Nathan Anderson presented for consideration of approval the following cases:

- i. Order 34407 in Case 31675 – Regarding an application of KODA Resources Operating LLC to amend field rules to create and establish overlapping 1920 spacing unit, authorize drilling not to exceed five horizontal wells, and/or such further relief as appropriate.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 34407 issued in Case No. 31675, approving the application of KODA Resources Operating, LLC to amend the field rules for the Writing Rock-Bakken Pool, Divide County, ND, to create and establish an overlapping 1920-acre spacing unit comprised of Sections 19, 30, and 31, T.161N., R.101W., authorizing the drilling of a total not to exceed five horizontal wells on said proposed spacing unit, and/or such further relief, thereby denying Phoenix's opposition and alternate development plan.

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

- ii. Order 34409 in Case 31677 – Regarding an application of Continental Resources to amend field rules to create and establish two overlapping 1920 spacing units, authorize drilling on or near section line between existing spacing units and/or such further relief as appropriate.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 34409 issued in Case No. 31677, denying the application of Continental Resources, Inc. to amend the field rules for the Brooklyn-Bakken Pool and/or Dollar Joe-Bakken Pool, Willaims County, ND, to create and establish the following: (i) two overlapping 1920-acre spacing units comprised of Sections 6, 7, and 18; and Sections 19, 30, and 31, T.155N., R.97W., authorizing the drilling of a horizontal well on each proposed overlapping 1920-acre spacing unit; and (ii) four overlapping 3840-acre spacing units comprised of Sections 1, 12, and 13, T.155N., R.98W. and Sections 6, 7, and 18, T.155N., R.97W.; Sections 24, 25, and 36, T.155N., R.98W. and Sections 19, 30, and 31, T.155N., R.97W.; Sections 5, 6, 7, 8, 17, and 18, T.155N., R.97W.; and Sections 19, 20, 29, 30, 31, and 32, T.155N., R.97W., authorizing the drilling of a horizontal well on or near the section line between existing spacing units on each proposed overlapping 3840-acre spacing unit; and/or such further relief.

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

- iii. Order 32768 in Case 29868 – Regarding an application of Spotted Hawk Development LLC to amend field rules to create and establish overlapping 3520 spacing unit, authorize drilling not to exceed eight horizontal wells, and such further relief as appropriate.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 32768 issued in Case No. 29868, affirming Order No. 32477 that was signed by the Commission on March 28, 2023 approving the application of Spotted Hawk Development, LLC for an order amending the field rules for the Van Hook-Bakken

Pool, McLean and Dunn Counties, ND, so as to create and establish an overlapping 3520-acre spacing unit comprised of Sections 16, 17, 18, 19, 20, and N/2 of Section 21, T.150N., R.91W., authorizing the drilling of a total not to exceed eight horizontal wells on said proposed overlapping 3520-acre spacing unit, and such other and further relief as appropriate.

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

Mr. Nathan Anderson presented the Executive Director Oil and Gas Production Update. This update included production levels in North Dakota, Well Counts, Pricing and Activity Levels, and Permits and Completions. The full executive summary can be found on the website.

OFFICE OF THE INDUSTRIAL COMMISSION

Ms. Karen Tyler presented for consideration of approval a Compensation Increase for BND President, Don Morgan.

The memo reads as follows:

“Section 17 of House Bill 1015 adopted by the 69th Legislative Assembly states in part:

The 2025-27 biennium compensation adjustments for permanent state employees **are to average 3 percent per eligible employee for the first fiscal year of the biennium** and are to average 3 percent per eligible employee for the second year of the biennium. **The increases for the first year of the biennium are to be given beginning with the month of July 2025, to be paid in August 2025**, and for the second year of the biennium are to be given beginning with the month of July 2026, to be paid in August 2026.

Since joining the Bank as President in August of 2024, Don Morgan has led with excellence and a dedicated commitment to upholding the Bank’s mission and serving North Dakota citizens and businesses. The Bank Advisory Board has recommended the following salary increase effective July 1, 2025, and I concur with their recommendation:

	<u>Current</u>	<u>3%</u>	<u>New</u>
Don Morgan	430,000	12,900	442,900

Thank you for your consideration.”

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Bank of North Dakota President salary increase as appropriated by the 69th Legislative Assembly and recommended by the Bank of North Dakota Advisory Board and Industrial Commission Executive Director.

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

The Commission took a recess until 1:00 p.m.

NORTH DAKOTA PIPELINE AUTHORITY

The Commission heard a presentation from representatives of Intensity Infrastructure Partners in response to the Pipeline Authority's Request for Information related to a pipeline capacity purchase program.

The Commission entered executive session during the presentation for discussion of information previously determined confidential pursuant to NDCC 44-04-18.4 and 54-17.7-12.

The Commission heard a presentation from representatives of WBI Energy Transmission in response to the Pipeline Authority's Request for Information related to a pipeline capacity purchase program.

The Commission entered executive session during the presentation for discussion of information previously determined confidential pursuant to NDCC 44-04-18.4 and 54-17.7-12.

With no further business, Governor Armstrong adjourned the meeting of the Industrial Commission at approximately 3:00 p.m.

North Dakota Industrial Commission



Brenna Jessen, Recording Secretary



Karen Tyler, Interim Executive Director



Jordan Kannianen, Deputy Executive Director