

# Useful Thinking: Electric Cooperatives and Crypto Mining

by Bill Patrie

Basin Electric Cooperative is planning on building a new generation plant near Epping, ND. The estimated cost is \$3.8 billion. The demand for more electricity is coming from the oil producers and data and crypto currency mining centers.

The Atlas Power Data Center is a crypto mining operation near Williston which expects to eventually require 700 megawatts of electricity.

Williston City Commission in March of this year approved plans for the Fighting Pike Data Center to be located alongside Highway 2 and 85 southwest of Love's Travel Stop. According to the story by KFYR, Fighting Pike will focus more on cloud computing rather than cryptocurrency mining.

Such centers are raising energy demand all over the United States, some states actively recruiting them and other states wary of potential negative consequences.

The Atlas Power Data Center electricity is supplied by Mountrail Williams Electric Cooperative. The monthly bill for 200 megawatts to that one customer is roughly the same as Capital Electric Cooperative's bill to its nearly 20,000 members. If Atlas goes to 700 Megawatts, it would use nearly one half of the power generated by the proposed plant near Epping.

In my work as a developer for the North Dakota Association of Rural Electric Cooperatives, I frequently encountered push back from members of electric cooperatives who were being asked to sell power to big users at prices less than the regular members had to pay.

Rural electric distribution cooperatives and their generation and transmission cooperatives have developed rates for special class users that reflect the cooperatives actual cost in providing that service. As a consequence, the small user of electricity winds up paying more for their electricity than the big user because it costs more per kilowatt to bring that power to their home or farm.

One alternative to this cost of power conflict is ask big demand users like data and crypto mining centers to generate their own power rather than buying electricity from the grid. In many cases, onsite generation of power is remarkably cheaper and doesn't



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require the generation cooperative to borrow billions of dollars and pay millions in interest to serve one or two big customers.

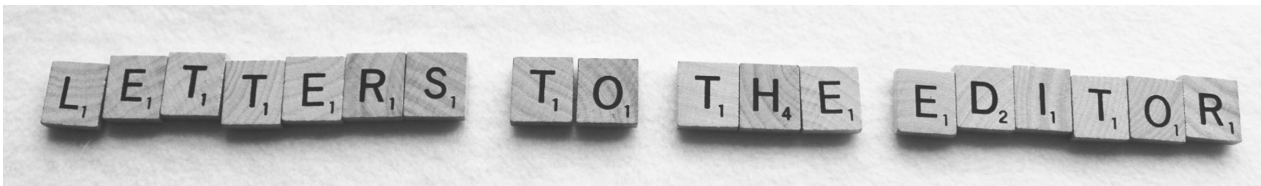
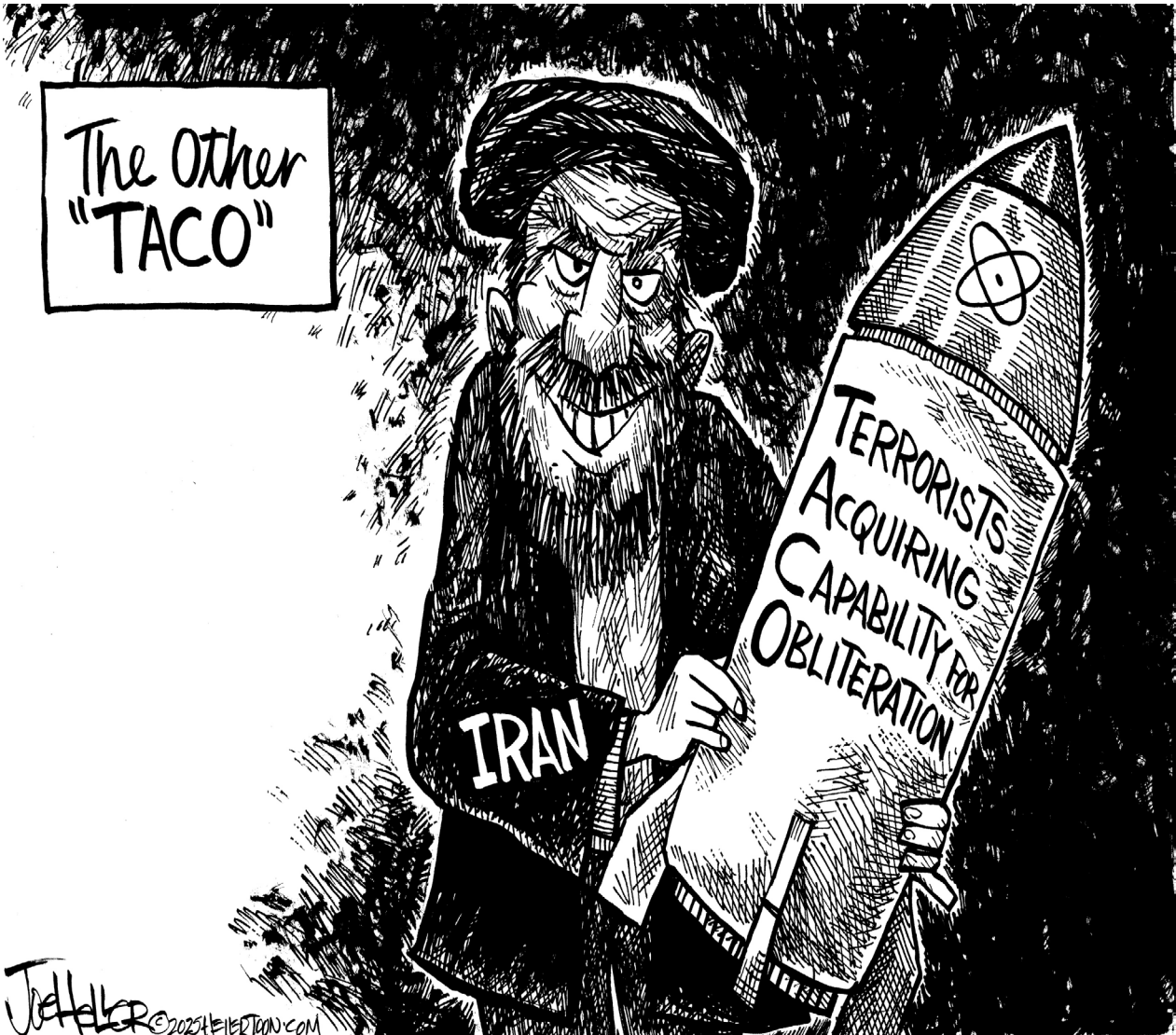
A second alternative is to require the large user of electricity pay their share of the construction costs based on the percentage of power they will use. If neither of those alternatives are used, existing members of rural electric cooperatives will likely see their monthly bills increased to pay for interest and principal costs on the new debt, extensive legal costs, and the establishment of reserve funds required by the lenders.

In my years of development work in North Dakota, I learned what rural bankers already know. You have to know your customer. You have to understand the business they are in, who are their customers, who are their competitors, and you have to judge their character.

More than one rural banker has told me they would not lend to certain individuals based on their credit history or criminal behavior. Big users of electricity should not be exempt from such scrutiny-including understanding the industry well enough to judge their capacity to be profitable and remain in business for the duration of the amortization of the power plant built to serve them.

Basin Electric in 2024 was the 21<sup>st</sup> largest cooperative, in terms of revenue, in the United States. It generated \$2.9 billion in sales. But in the world of cooperatives, what matters most is how well the cooperative serves its members. How does this proposed new plant serve them?

Bill Patrie is a retired planner and economic developer having worked in regional and statewide positions. He is the author of "Creating Co-op Fever" printed by USDA as a service bulletin, and "100 Stories of Hope" a book about his interviews with 100 people in poverty.



## Letter writer shares quotes from US presidents regarding immigrants

These are quotes of men who have served as President of the U. S., all speaking of immigrants.

Dwight D. Eisenhower: "We are, one and all, immigrants, or the sons and daughters."

John F. Kennedy: "We are the descendents of 40 million people who left other countries to make a new opportunity for themselves and their children."

Lyndon B. Johnson: "The lamp of this grand old lady (referring to the Statue of Liberty) is brighter today, and the golden door that she guards gleams more bril-

liantly in the light of an increased liberty for the people from all countries."

Gerald R. Ford: "I'm convinced that the vast majority of Americans today want these people to have another opportunity."

James Carter: "I was in a party that welcomes generations of immigrants."

Ronald Reagan: "If we ever close the door to new Americans, our leadership in the world would soon be lost."

George H. W. Bush: "Immigration is not just a link to America's past; it's also a bridge to America's

future."

William J. Clinton: "This is one country. We like our diversity. We are proud of it."

George W. Bush: "Amid all the complications of policy, may we never forget that immigration is a blessing and a strength."

Barack Obama: "These people, our neighbors, our classmates, our friends, they did not come here in search of a free ride or an easy life. They came to work."

Joseph R. Biden Jr.: "We don't demonize immigrants. We don't single them out for attacks. We

don't believe they're poisoning the blood of the country. We are a nation of immigrants, and that is why we are so (expletive) strong."

Donald J. Trump: "They're eating the dogs, the people that came in; they're eating the cats. They're eating – they're eating the pets!"

This last man tells lies to convince himself that he is justified in attacking those he lies about. And too many believe him.

**Kerry Boese, Jamestown, ND**  
Verified by phone - June 19 - LAO

