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# **Opinion**

**Editorial Board** 

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OUR VIEW

# Bitcoin miners may threaten NW's low-cost power

The quest for bitcoins, the cryptocurrency that exists only in cyberspace, probably doesn't weigh heavily on the minds of most farmers.

But it should.

Bitcoin "miners" are proliferating around the world, but the Pacific Northwest and its low power rates make this region particularly attractive. The miners use racks crammed with powerhungry computer servers to solve cryptographic puzzles and ferret out the cryptocurrency.

At stake for the lucky miners is millions of dollars.

But while more miners are joining the rush for bitcoins they also may threaten the agricultural economy, much of which is based on low-cost hydropower. The same power grid that supplies

megawatts of electricity to the bitcoin crowd also supplies it to food processors, packers, irrigators and others in agriculture.

The issue has sparked a debate in the Mid-Columbia Basin of Washington state. There, public utility districts

operate five dams that produce massive amounts of electricity that powers the region and, through sales to other utilities, other regions as well. Add in the low-cost power produced by the Bonneville Power Administration you have the foundation of the entire Pacific Northwest economy.

> Currently, bitcoin miners have requested 2,000 megawatts of electricity about two-thirds of the average

output of the Mid-Columbia Basin's five dams.

The problem with bitcoin miners is they are temporary. They need lots of power today, or when the value of a bitcoin or other cryptocurrencies is high, but they don't need it at all when the value drops. That happens on occasion, as a bitcoin has ranged in value

from a few hundred dollars to nearly \$20,000. In fact, the value of bitcoin has bounced between \$6,630 and \$8,366 so far this month. That's down from \$19,216 last December.

That calls into question to value of cryptocurrency. It's not backed by any government or precious metal; it's just a digital halogram of money. Paul Krugman, a Nobel Prize-winning economist and columnist for the New York Times, called it a Ponzi scheme.

We won't argue with him.

Because of the volatility of cryptocurrencies the success of miners could be fleeting, and their ability to pay their power bills could be, too.

In dealing with the requests for power, the PUDs have take a prudent course of reconsidering

their rate structures and requirements for large power users to pay for added transmission lines and substations. They also are being careful not to commit too much power to temporary users such as bitcoin miners and have enough available for the expansion of real economic operations such as fruit processors.

April 27, 2018

The fear is that a bitcoin miner might close down, leaving a PUD and its customers holding the bill for the power and expensive equipment they no longer need.

Utilities should exercise great caution in dealing with cryptocurrency miners.

There's an old adage: If it sounds too to be true, it is.

That would apply to cryptocurrency as well.

## OUR VIEW



SNAP electronic benefits cards from around the nation. The program is one of several non-agricultural programs that make up the lion's share of the farm bill — and spark the most divisiveness in Congress.

## SNAP a wild card in new farm bill

epublicans in the House Agriculture Committee last week passed a draft of the next farm bill on a partisan vote.

As in past years, the issues dividing Republicans and Democrats are the welfare components of the legislation.

Democrats want to take back the House and the Senate in November. To accomplish this "blue wave" they'll need to turn a lot of districts in farm country — districts that voted for Donald Trump in the 2016 election. Both Democrats and Republicans want to protect farmers, so you'd think it would be a snap to pass a new farm

It turns out that rather than being a snap, it is wrangling over SNAP — the Supplemental Nutrition Assistance Program — that led to the partisan committee vote. SNAP, what used to be known as food stamps, is a \$68 billion a year program that accounts for 69 percent of domestic food programs. SNAP and other nutrition programs make up 80 percent of what

we think is inaccurately called the farm bill.

Republicans attached language in the new bill that would require most able-bodied SNAP recipients to either work or be enrolled in a work training program to qualify for assistance. That's a nonstarter for Democrats.

We won't weigh in on the pros and cons of asking those who are getting assistance to make some effort towards employment, though it doesn't seem like an entirely bad idea. Once again, we have trouble seeing the benefits of folding social welfare programs into the farm bill.

Decades ago Congress decided to put food stamp and school lunch funding into the farm bill. The thinking goes that urban legislators don't really care much for commodity subsidies, crop insurance and dairy pricing, but they do care about nutrition programs that impact their constituents. Lumped in with the welfare programs urban legislators do care about, the farm expenditures seem like small potatoes

We admit there was probably some logic behind that thinking. But in practice, the thing that was supposed to grease the skids seems to always throw the farm bill off the rails.

The 2008 Farm Bill was set to expire in September 2012. In order to avoid running into election season, Democrats who controlled Congress began working on a new bill in 2011. It wasn't until 2014 that a bill was passed, mostly because of partisan differences on how much to fund nutrition programs.

It's too early to tell if the "2018 Farm Bill" will suffer the same fate. But it is another election year and politics are even more divisive than five years ago.

We can't help but wonder, as we did in 2013, whether farmers and ranchers would be better served by a relatively modest bill that stands on its own than rather than being held hostage by partisan wrangling over welfare spending.

If successful, these prac-

signed to provide farmers with options depending on what types of crops they grow and what habitat features occur in their fields, such as gravel road shoulders, drowned-out areas, drainage ditches or gravel

One general theme is to provide disturbed patches (ideal Lark nesting habitat) in non-critical or low-yielding areas, and then avoid those patches to allow for

In other cases, certain crops may provide suitable breeding habitat, and practices simply involve slight shifts in timing of non-critical farming activities, which allows the bird

coupled with financial incentives, first funded by grants, and then as a standard program through a conservation organization, the Partnership hopes.

Importantly, what type

## support threatened Willamette Valley bird Guest

comment Niles Brinton

By NILES BRINTON For the Capital Press

ecent Capital Press articles (March 8 and 15) have covered the lawsuit over the threatened Streaked Horned Lark, a ground-nesting grassland bird found in the Willamette Valley.

Ag practices can

This lawsuit has set the stage for a new opportunity for producer participation in the recovery of the Lark. An interdisciplinary group called The Lark Partnership is seeking farmers and landowners as partners in testing a new suite of agricultural practices for the Lark.

The group consists of representatives from Willamette Valley farmers, the Oregon Farm Bureau, USDA Natural Resources Conservation Service, Oregon Department of Fish and Wildlife, American Bird Conservancy, U.S. Fish and Wildlife Service and Pacific Birds Habitat Joint Venture.

Based on input from farmers, biologists and ecologists, the agricultural practices intend to improve breeding and nesting success for the Lark on working lands in the Willamette Valley.

tices should help the population grow, a key condition for removal of the bird from the Threatened Species list.

The practices are deridges.

undisturbed breeding.

enough time to breed.

The practices will be

But questions remain. How effective will these practices be at improving breeding success? How costly will they be, and which practices will be most cost-effective?

of reassurances can be

A Safe Harbor Agreement is one tool used by the Fish and Wildlife Service for this purpose, and could be initiated with interest from producers and landowners.

provided to cooperative

landowners to protect their

farm from regulatory risk?

To answer these questions, the Partnership is seeking landowners that are willing to pilot these conservation practices on their

The recent lawsuit filed by the Center for Biological Diversity has the potential to upgrade the status of the Lark to Endangered and to remove the special 4(d) rule that currently protects agri cultural operations from prosecution for harming the Lark under the Endangered Species Act.

A decision will likely take at least one year, and if the lawsuit is successful, the U.S. Fish and Wildlife Service will have to re-evaluate the listing status of the bird at that point in time. Continued progress toward lark recovery through landowner participation will support the case for maintaining the agricultural protections under the 4(d) rule.

Farmland and farming practices provide the wide open spaces and disturbed areas the bird uses, but farming activities during the summer breeding season also create a risk of disturbing nests, eggs or young birds.

Today the Willamette Valley harbors most of the remaining Lark population, and if there is to be any hope of de-listing the species, partnering with valley farmers will be critical. The Partnership remains committed to working collaboratively to help recover the

Farmers, landowners or others who are interested in the work on Streaked Horned Lark conservation can contact or join The Lark Partnership.

For more information, visit www.larkpartnership. org or call Niles Brinton at 971-273-4813.

Niles Brinton is a conservation specialist with the Pacific Birds Habitat Joint Venture who works with landowners on Streaked Horned Lark habitat conservation. He lives in Salem, Ore., and works throughout the Willamette Valley. Submitted on behalf of The Lark Partnership. www.larkpartnership.org

### Readers' views

## Elk problems the fault of wildlife managers

Regarding the Capital Press April 12, "Elk disrupt farming in Northwest Washington valley.'

Double O Ranch, Concrete, founded in early 1940s has always been home to an abundance of wildlife including deer and an occasional elk.

There has never been a elk herd until the fall of 2012 when we were inundated with about 50 elk.

After more than 6 years of feeding 30-60 head of elk during late summer, fall and winter we are experiencing losses from diminishing returns.

Elk constantly overgraze pastures, destroying our grass production and making it a continuous battle to restore hay and grazing capacity.

This year alone we spent \$16,000 to purchase hay to replace feed consumed by elk along with 400 tons we

When you add costs of increased fertilizer, pasture damage, fencing, purchasing hay and spoilage from torn bales, timber losses and useless hazing it makes it difficult for a small family to continue ranching.

Another looming hazard is threat of deadly hoof disease found in elk herds in Skagit County.

I can go on all day about our losses and struggles, but the legality of the elk invasion of our properties lies at the core of the whole elk issue.

As law-abiding, tax paying citizens of Washington we should not be subjected to undue hardships that threaten our livelihood and our safety.

Why have the Washington Department of Fish and Wildlife and the Tribes ignored state laws to the extent they have? We would be subject to fines and jail

time.

After years of abiding by laws and following WDFW's hazing and permit recommendations for elk removal with no relief from damages, landowners are faced with the dilemma of how to protect their

The lack of a plan by co-managers has left us with few solutions. If WDFW does not present a clear plan for removal, it will be up to us to do so.

Why didn't the co-managers plan for this before their negligence created this problem? Cindy Kleinhuizen

Concrete, Wash.