**Wenatchee World**
23 hrs · 🌟

A Bitcoin data-mining operation had set up in the back of this multi-tenant building which formerly housed Nancekivell's Cleaners. The operation overloaded the power line that supplied the building with electricity, and burned off part of its insulation, according to Chelan PUD officials.

The ability of these energy-intense data-mining operations to spring up almost anywhere in the city doesn't only pose fire danger, but also threatens the reliability of the power supply and the sustainability of county's low electric rates, say PUD officials. They've been studying rule changes and new rates for these customers since December.



(full story at wwrld.us/cpud-dataminers)


70 Likes 34 Comments 29 Shares


👍 Like 💬 Comment ➦ Share


Kimberly Webber, Natalie Williams, Humming Bird and 67 others like this. Most Relevant ▾


29 shares

 Write a comment... 

**Chris Ellis** Yeah, this is bitcoin mining not data mining. And no its not another word for hackers. Please stop.
Like · Reply · 👍 11 · 22 hrs

**Rachel Love** What is Bitcoin mining? Data mining? I have no clue what either of these are.
Like · 19 hrs

**Chris Ellis** Here is a read on what bitcoin is.
https://en.m.wikipedia.org/wiki/History_of_Bitcoin... See More

**History of Bitcoin - Wikipedia, the free encyclopedia**
Bitcoin is a cryptocurrency, a form of...
EN.WIKIPEDIA.ORG
Like · 19 hrs



Michael Williamson That phrasing is bias. They probably thought that people wouldn't know what Bitcoin mining is, while technically you are mining for data, this is obviously not what "Data Mining" is generally associated with. It's misleading and is biased.

Like · 1 · 17 hrs



Write a reply...



Sean Wilson Furthermore, chelan county is already 18% more for customers drawing under 40 kW, which is most people and businesses. Douglas County doesn't want to raise rates, and they don't ever complain about us. The insulation burned there because like ours was before they replaced it, the insulation was old and weathered and couldn't hold up to the full load the wire inside was rated for.

Like · Reply · 6 · 22 hrs



Dean Lambson Unless these data miners are tampering with the master breakers it sounds more like the pud is using them as a scapegoat to blame their poor quality lines failing on. It wasn't the buildings wiring that failed, it was the PUD's.

Like · Reply · 10 · 22 hrs



Chris Ellis Not data mining. Bitcoin mining.

Like · 21 hrs



Dean Lambson Number of ways that affects my statement. Zero.

Like · 2 · 21 hrs



Chris Ellis Indeed. But the less technically adept, as evidenced by the comments in this very thread, think of data mining as inherently negative. Thus it's important to be technically accurate when describing these activities. Bitcoin mining and data mining are two completely different things.

Like · 16 hrs



Dean Lambson I completely agree. That's where quality journalism would come in quite handy but news is a business and catch phrases sell

Like · 1 · 16 hrs



Chris Ellis Aka be technically accurate before I nerd rage.

Like · 1 · 16 hrs



Write a reply...





Sean Wilson Chelan county pud doesn't like our mining operations. They have dated infrastructure that they don't want to spend money to upgrade earlier than they need to. We had a 144kW operation right down the street from there and they did everything they could to try to get us shut down. When it didn't work, they replaced the old lines and gave us a dedicated transformer only once the load on the existing one that fed our building exceeded 130%. That's chelan county pud in a nutshell.
Like · Reply · 5 · 22 hrs



Tom McIntosh Shut them down, they are stealing available power from others.
Like · Reply · 1 · 19 hrs



Dustin Allen You do understand that they are paying for this power don't you? Plenty of other businesses run server farms. This type of power draw is no different just larger than the PUD wants to support on antiquated gear. Maybe with the technology of the future upon us the PUD should be looking forward.
Like · 1 · 12 hrs



Kelly McNair What they are doing is using huge amounts of subsidized power to generate profit without any benefit to the community.
Like · 3 hrs



Tom McIntosh The problem is that they are not declaring what they are actually doing. Overusing the power grid does more than just damage the infrastructure.
Like · 1 · 3 hrs



Steve Garcia Interesting. So much confusion between bit-coin mining and data mining. It's not illegal, it's not hacking, and it DOES consume large amounts of power (Central WA = cheap power). That being said, if the PUD infrastructure can't handle the power loads then they lack strategic long term infrastructure planning. At least they are moving to establish pricing models for these operations.
Like · Reply · 1 · 19 hrs · Edited



Milo Klanke Bitcoin mining is an economic mistake of the first order. The PUD has every right to refuse contracts to the miners and they should.
Like · Reply · 2 · 21 hrs



David DiToro Why?
Like · 19 hrs



Jay Hansen So a publicly funded entity has the "right" to refuse service to an entity engaged in legal commerce why exactly?

Like · 18 hrs



Kelly McNair The PUD is publicly owned, governments are publicly funded and no they don't have the "right" to refuse service, they do have the right to put a progressive rate structure in place that would make it less then profitable for bitcoin mining to set up operations locally.

Like · 16 hrs



Write a reply...



Kathy Miland-Jerry Ledoux data-mining should be against the law.

Like · Reply · 4 · 23 hrs



David DiToro Why? And it's not coin mining.

Like · 19 hrs



Write a reply...



Chuck Farley These new rate going to apply to data centers also? Yeah that'll draw them here. I'm sure it takes a bit of power to run servers and charge back up battery banks. It's really more a problem of aging infrastructure that the PUD doesn't want to admit. I live downtown and have worked downtown. I have seen many a power outage that was from failure of aging equipment. What the PUD doesn't publicize is that a good portion of the wiring in town especially the downtown area was installed between the 1930-1950's. We've had power outages downtown from exploding transformers. Reason they exploded when asking PUD workers. It was just too old. I saw an underground conduit burst into flames at Wenatchee Ave and 7th as PUD workers tried to repair it during a power outage. Reason given for explosion when I asked PUD workers. It was just too old. In the mid 2000's Rock Island Dam retrofit turbines in service since the 1930's-1950. Over 50 years in service for the newest turbine. And a lot of the lines in this town are just as old.

Like · Reply · 1 hr · Edited



Kelly McNair Aging infrastructure is a national problem, not just a Chelan County PUD problem. Updating the system is a long term and on going process, it can't be done over night. When Wenatchee ave. was redone last year the PUD upgraded at the same time if I remember right. How much more do you want to pay for power in exchange for faster updating of the system?

Like · 1 hr



Sean Wilson For those who may be confused, bitcoin mining is basically the process of printing electronic currency and requires specialized computers that do nothing but run the SHA-256 algorithm. Not data mining, not hacking. It's currency production.

Like · Reply · 5 · 22 hrs



Sean Wilson And these computers draw an insane amount of power

Like · 1 · 22 hrs



Write a reply...



Kathy Fuller Why wasnt this studied before having a new business in the area of residential and small business places. Do they have to be specially licensed? I don't know much about it but apparently it overloaded the electrical lines and needs to be looked at more closely. Maybe the city needs to update the ancient power lines before new businesses open

Like · Reply · 18 hrs · Edited



Mike Powers To put it simple, Bitcoin is a currency. Bitcoins can be traded for cash. Mining for Money. Are these BTC miners locals who have been in Wenatchee for years or did they move to Wenatchee for the cheap power?

Like · Reply · 15 hrs



Mike Powers And... back in the day I used to build Desktop computers. I sold a few AMD Radeon cards to miners who were desperate to get their hands on them.

Like · 15 hrs



Write a reply...



Corey Magin Wow so many of you need to learn what bitcoin mining is before spouting off.

Like · Reply · 3 · 19 hrs



Adam Barger What an ignorant short-sighted view of the future of commerce.

Like · Reply · 1 · 19 hrs



Phil Bentz Why the heck does the PUD think it's their place to say which businesses are and aren't legitimate? They have no right to give different rates to specific businesses. I hope the PUD gets sued.

Like · Reply · 9 · 23 hrs



Kelly McNair It's a common practice for utility providers to adjust rates based on usage. The PUD can't stop bitcoin mining, it can charge a high usage penalty based on KWH and by doing so make it cost prohibitive to operate



Phil Bentz So you're saying these fruit warehouses have higher rates?

Like · 1 · 22 hrs



Anna Baird They should pay more. My rates shouldn't go up because they choose to pop up all over town. Maybe if they were honest about where they are and what they're doing but they're sneaky.

Like · 2 · 22 hrs



Phil Bentz Why would your rates go up?

They're not being sneaky. They're doing bitcoin operations. Bitcoin is a currency.

Like · 22 hrs



Kelly McNair If I had to guess Phil and it would be a guess, they more then likely have a contract with the PUD on power usage.

Like · 21 hrs



Kelly McNair Our rates would go up because the PUD would have less power to sell on the wholesale market. The \$\$\$ they make on the wholesale market is what the PUD uses to subsidize our local power rates. This is the reason why we have the 3rd lowest power rates in the nation, we're subsidized by the selling of our surplus.

Like · 6 · 21 hrs



Larry Peterson ^{AMA} EXACTLY CORRECT! Move the bits and miners to douglas county.

Like · 21 hrs



Anna Baird Exactly. All these lovely folks should go to the PUBLIC meetings about this to voice their concerns rather than argue on here defending their job.

Like · 21 hrs



Write a reply...



Joey Taylor "Data mining" is a pretty generous term for Bitcoin mining. Data miners are usually academic researchers, looking for things like correlations between patterns seen in DNA and cancer rates, or patterns in the spread of epidemics. Bitcoin mining is like... [See More](#)

Like · Reply · 7 · 21 hrs



Matt McColm Bitcoin mining unlike most industries is a constant energy draw. It is pretty easy to evaluate the load make sure the local equipment is up to the job. If they work with these businesses they can also be a resource for the PUD.

Like · Reply · 4 · 22 hrs



Ulises Morales Wtf.

Like · Reply · 4 · 23 hrs



Andy Vejar So u gonna pay more for electricity

Like · 22 hrs



Write a reply...



Rachel Love What the heck is Bitcoin data mining?

Like · Reply · 19 hrs



Ty Patrick I'm sure it has nothing to do a currency that the government isn't allowed to print.... Nothing to do with it at all.

Like · Reply · 1 · 22 hrs



Dan Brown So crack the turbine gates another five-thousandth of a degree, and ignore it? If the power infrastructure is *that* old and creaky? I think we have a lot bigger problem than computers.

Like · Reply · 1 · 22 hrs



Steve Garcia My exact thought!!

Like · 18 hrs



Write a reply...



Kathy Miland-Jerry Ledoux just another word for hackers.

Like · Reply · 1 · 23 hrs



Justin Bradley No its not please study before you speak...

Like · 14 · 23 hrs



Julio Ramirez Educated people know when to speak please learn what a data miner is before you assume and confuse others.

Like · 3 · 23 hrs



Donald Kaufman More like theoretical mathematics.

Like · 1 · 23 hrs



Phil Bentz Slap yourself Kathy. You have no idea what you're talking about. Nothing more annoying than people who speak without knowing what they're talking about.

Like · 1 · 23 hrs



Robert Kersey If you ever heard of Seti@Home or Folding@Home, it's not unlike those. Basically they use a ton of computers linked together to solve really challenging math problems (yes, this is oversimplifying it). Instead of using that computing power to seek out alien life, or to try and sequence cancer cells, they're using all that power to make money.

Like · 5 · 22 hrs



Kathy Miland-Jerry Ledoux WOW!!! Did I open a can of worms?!!



Kathy Miland-Jerry Ledoux Instead of insulting me, you could be more informative. There are a lot of people out here that would make the same mistake caused by the name.

Like · 2 · 22 hrs



Kathy Miland-Jerry Ledoux Oh yes, Thank you Robert!

Like · 22 hrs



Write a reply...



Cheryl Mcmanus Does anyone remember when this use to be the old Greyhound station?

Like · Reply · 19 hrs



Brandon Paul Faulconer We dont need a bunch of nerds sitting around messing with people data or any computer related information. they're just to lazy to get a hard working job

Like · Reply · 22 hrs



Phil Bentz Data mining is the same thing as operating computer servers for websites. You comment is oozing with ignorance. Messing with people's data? Really?

Like · 5 · 22 hrs



Robert Kersey You have no idea what you are talking about. You're doing just as much messing with people's data by being on facebook as the bitcoin miners are.

Like · 6 · 22 hrs



Brandon Paul Faulconer haha ok im sure!

Like · 22 hrs



Jim Erickson Oh we are sure. You are ignorant. Learn something before spouting off.

Like · 1 · 22 hrs



Brandon Paul Faulconer I shall do whatever i please!

Like · 22 hrs



Phil Bentz Derp.

Like · 2 · 22 hrs



Chris Ellis Says the bartender. Obvious technology expert.

Like · 3 · 22 hrs



Abel D. Wilkes You're ignorant. Delete your FB and throw away you computer now.

Like · 2 · 21 hrs

Other Facebook posts:



cryptoFellows

Jul 18, 1:50pm

More rules coming for Bitcoin miners: WENATCHEE — The Chelan County PUD is seven months into an analysis of im... <http://t.co/d3QBOTixlo>

Twitter mentions:



cryptoFellows



Jul 18, 1:50pm via twitterfeed

More rules coming for Bitcoin miners: WENATCHEE — The Chelan County PUD is seven months into an analysis of im... bit.ly/1LuCBia



DBonny

Jul 18, 12:22pm via Twitter Web Client

I support the [@chelanpud](#) in seeking more rules for bitcoin mining. They have the potential to drive up power rates and start fires. [#NCW](#)
