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Company proposing massive natural gas power plant for region

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Hopkins

A developer of infrastructure projects has announced plans for a massive power plant in the Williston area.

Bakken Midstream Natural Gas LLC announced plans Tuesday, Jan. 12 for the Williston Basin Energy Center, which will use ethane as its primary fuel. The plant will be located in the Mountrail-Williams Electric Cooperative territory near Williston.

The plant will be “the largest power plant to utilize advances in combustion turbine technology that enables ethane as its primary fuel source,” according to a news release announcing the project.

Funding came from multiple sources, including founder and Executive Chairman Steven Lebow.



"For more than three years, we have been working to address the challenges ethane poses to North Dakota's oil and gas sectors and find innovative ways to address those challenges and meet the state's new power generation needs," Lebow said in a news release announcing the plant. "We set an extremely high bar for ourselves with the mandate to reimagine what is possible and reengineer what exists to mitigate natural gas flaring, enable additional oil production and productively utilize ethane through ethane-fueled power generation projects. With this Energy Center we have realized the first step of our broader value-added vision."

Lebow was joined by Gene Nicholas, Ron D. Offutt and Stephen L. Stenehjem in the funding rounds.

The announcement was praised by Gov. Doug Burgum.

"Utilizing our state's abundant natural gas resources for ethane-fueled power generation right here in North Dakota is truly a game-changing development that will support long-term construction projects, create high paying jobs and diversify our economy," Burgum said. "We appreciate the innovative solutions and considerable talent that Bakken Midstream has brought to bear on the ethane opportunities and flaring challenges we face in the Bakken — yet another example of what we can achieve when we focus on innovation over regulation."

Development plans for Bakken Midstream are led by CEO Mike Hopkins, along with Lebow, and co-founders Curt Launer and Shane Goettle.

"Despite lower oil production over the past year, associated gas will continue to be an issue for producers unless a value-added industry is developed right here in the state," Hopkins said. "Ethane has a higher heat content than pipeline quality natural gas and leaving high volumes of ethane in the natural gas stream limits export capabilities and adversely impacts the downstream consumers of North Dakota's natural gas."

Tuesday's announcement is part of a long-running effort by the state and the oil and gas industry to diversify the ways gas is used.

"It's not about coming in and doing a particular project," Hopkins told the Williston Herald in June 2019 of Bakken Midstream's approach. "If you want to build a value-added industry, you have to look at the whole state. You have to look at all the resources, how they are utilized and how they can be utilized. Yes, at some point it comes down to one project at a time, but in the



past they tried one thing, and that, the infrastructure wasn't there and the other services. So we are looking at it from what infrastructure is needed to attract the companies that do value-added. I don't think anyone has come in to do what we are doing."

Hopkins has experience in Alberta, Canada solving that problem.

"Another thing is, we do have a roadmap," Hopkins said. "I came from Alberta, Canada. They set out to say we are going to change things. We need the infrastructure to utilize gas. They had extra flaring as you do. They were exporting a raw commodity as you do. They built out an infrastructure, and now they have a complete, value-added industry, and it really helps them. It protects them from the ups and downs of oil prices. A value-added industry is more steady. A lot of jobs are involved. It was a great addition to Alberta, making it not just a pure oil play."

