

# In small town North Dakota, it's an Industrial Revolution 2.0

Many North Dakota citizens remember the name Ryan Taylor from his days in politics. Others know him from



**JASON SPIESS**  
For Bakken Breakout  
Weekly

“Cowboy Logic,” a column discussing his life on the ranch. Some even know him from his hometown Towner.

Now, as of August 10, Taylor will be assisting small town North Dakota as the USDA state director of rural development.

One of the ways the USDA is assisting many of the oil and gas producing counties, as well as others across the state, is upgrading their technology and infrastructure.

“On the technology side within rural development, we continue to work with rural electric co-ops, but we also work with rural telephone co-ops,” Taylor said. “Rural development had a huge role in a tremendous build out of fiber optic cable in North Dakota.”

Taylor said not only communication businesses are benefiting, but farmers, ranchers and rural towns are too.

“We have service that is a higher speed in rural North Dakota than a lot of urban areas have,” Taylor said.

Hearing Taylor say small town North Dakota was more tech savvy than cosmopolitan metros further validates the notion that America is in the midst of an Industrial Revolution. Except this time, it is the communication highway and energy lines under construction. Call it Industrial Revolution 2.0. Taylor agrees with the soothsaying hypothesis, and sees the USDA playing a role in this developing history.

“If you look at the rural communities in North Dakota, the people in those communities, the local bankers, the business, they are looking for a partner,” Taylor said. “This all takes capital and technical assistance at some time.”

Taylor then cited an example of how the USDA is working with local communities to increase the quality of living.

“I was in Hazen, where we cut the ribbon on a hospital project. We put \$21 million dollars into both a direct loan and guaranteed loan with their local

bank,” Taylor said. “It’s a community that wants 21st century hospital and medical services.”

Taylor said examples like that are being done all over the state, creating a payment environment suitable to the local investors. Although seeing upgrades in fiber optics and staple community services like hospitals and schools may eventually attract tech companies to small town USA, Taylor hasn’t seen Parshall turn into Silicon Valley quite yet.

“I think there are those tech entities out there — we haven’t done any direct loans to them, but the contribution Rural Development has made is that trunk

## “This agency plants seeds ... and it will harvest into a real big payback for North Dakota.”

— Ryan Taylor, N.D. State Director for U.S. Dept. of Agriculture Rural Development

line,” Taylor said. “It’s that fiber optic that is going to enable those entrepreneurial ventures to rise up and take root.”

According to Taylor, Rural Development has invested \$294 million dollars over the past last five years in telecommunication and broadband projects.

“We think of the USDA as agriculture. And agriculture is about planting seed. This agency plants seeds,” Taylor said. “Plant seeds of opportunity. Plant seeds for the entrepreneurs, and they will water those seeds and it will harvest into a real big payback for North Dakota.”

Specifically talking about the opportunities and developments within the Bakken, Taylor said the majority of the 19 oil and gas producing towns fall within the agency’s criteria.

“We have had a real strong fit. Whether it is community facilities where they might build a fire station or a new nursing home or upgrade their emergency room services,” Taylor said. “Those are investments we have been glad to partner and make because they are needed.”

Taylor continued saying whether oil is at \$100 or \$40, those partnerships are needed in rural America if they want to keep those towns current. Especially in North Dakota, whose population is somewhat dependent on oil prices.

“As we heard at the Empower Energy Conference, growth could take off again as quickly as oil hitting \$50,” Taylor said.

“So communities are making investments for the long haul.”

Taylor said the recent slowdown in the energy industry and the diversification of the economy has allowed communities to reevaluate their needs and industry partners.

“Whether it is agriculture, energy or the next big technology boom, they want a hospital in that community. They want housing in that community that families can move into,” Taylor said.

Stepping back, looking at the numbers and charts of dollars, square feet and partners, Taylor broadly summed up recent Bakken boom in North Dakota.

“When we add it all up over the past five years in those 19 oil and gas producing counties, it’s in excess of \$727 million dollars and a huge share of that has been in utilities,” Taylor said. “That electrical infrastructure, water and broadband. A big part in broadband.”

Taylor said the USDA Under Secretary for Rural Development Lisa Mensah recently traveled a good portion of the Bakken region and was impressed at the cooperation with the local communities, state and industry. One example is how RTC, Reservation Telephone CoOp is working with industry to have technology improve the environment.

“They (RTC) take us over to Whiting Petroleum and as they are connecting fiber through western North Dakota, bringing high speed Internet, they are saying they while we are going to someone’s house, we run that fiber optic line into an oil pumping station,” Taylor said. “They use that fiber optic line to get high speed real time monitoring of their pipeline flow rates. If there is a leak, they catch that at one barrel instead of a thousand barrels.”

Taylor added it becomes a win-win situation for everyone, especially the co-op, because Whiting Petroleum becomes a new customer.

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Jason Spiess is an award-winning journalist, talk show host, publisher, author and executive producer. Spiess is a North Dakota native and NDSU graduate. He currently creates multimedia content for newspapers, magazines, and online news services. He is also the host of *Building the Bakken*, *MonDak OilField Review* and *Coffee & Capitalism Radio*. Spiess also is author of the book *Building the Bakken*. For more information or to contact Spiess, email [jason@buildingthebakken.com](mailto:jason@buildingthebakken.com).

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