Riot Responds to Recent Inquiries Regarding Its Power Strategy

Castle Rock, CO, Sept. 08, 2023 (GLOBE NEWSWIRE) -- Riot Platforms, Inc. (NASDAQ: RIOT) (“Riot” or “the Company”), an industry leader in Bitcoin mining and data center hosting, issued a statement today in response to recent inquiries regarding its power strategy following its August monthly operations update.

In particular, on September 6, 2023, CNBC published a story titled Texas paid bitcoin miner Riot $31.7 million to shut down during heat wave in August. Unfortunately, this sensational and inaccurate headline has caused confusion, which we would like to dispel.

In August, Riot provided over 84,000 megawatt hours of energy to the market in Texas to reduce overall demand, lower consumer prices, and stabilize the grid during a heat wave. This ensured that consumers did not experience disruptions during extreme temperatures.

Riot earned approximately $7 million from the Electric Reliability Council of Texas, Inc. (“ERCOT”) ancillary services program. ERCOT is a membership-based independent system operator, which operates about ninety percent of the electric grid in Texas, helping to deliver power to 25 million customers across a geographic area larger than most countries. ERCOT’s primary responsibilities are to maintain system reliability, facilitate competitive wholesale and retail energy markets, and to ensure open access to power transmission.

The ancillary services program is a competitive bidding process in which certain large customers in ERCOT’s market bid for the grid operator to pay them a fee that is similar to an insurance premium, which then affords ERCOT the right to control the customer’s electrical load to ensure grid stability. Riot’s premium amounts to less than one percent of the program, which administered nearly $1 billion during this time period.

Riot also sold approximately $24 million of pre-purchased energy to its energy provider, TXU, pursuant to its long-term power purchase agreements. TXU is a retail electricity provider and subsidiary of Vistra Corp., which is a publicly traded enterprise valued at over $12 billion. When economically efficient to do so, Riot does not use the energy it has purchased for business operations and instead sells it back to TXU in exchange for credits to apply to future energy bills.

Riot actively participates in several demand response programs for the benefit of all Texans. Many industries in addition to bitcoin miners participate in such programs, including steel mills, electrical battery companies, oil and gas companies, and power generators. These programs utilize market forces to drive grid stability. For example, in one such program, participants are incentivized to reduce their electricity consumption during peak demand and increase their consumption during off-peak times to utilize energy that would otherwise be wasted.
Riot Platforms employs hundreds of Texans and is helping to revitalize communities that had experienced economic hardship. We are proud to contribute to the overall health and prosperity of the state that has helped our company to grow into the innovative, thriving team that it is today.

**About Riot Platforms, Inc.**

Riot’s (NASDAQ: RIOT) vision is to be the world’s leading Bitcoin-driven infrastructure platform.

Our mission is to positively impact the sectors, networks, and communities that we touch. We believe that the combination of an innovative spirit and strong community partnership allows the Company to achieve best-in-class execution and create successful outcomes.

Riot is a Bitcoin mining and digital infrastructure company focused on a vertically integrated strategy. The Company has data center hosting operations in central Texas, Bitcoin mining operations in central Texas, and electrical switchgear engineering and fabrication operations in Denver, Colorado.

For more information, visit [www.riotplatforms.com](http://www.riotplatforms.com).

**Safe Harbor**

Statements in this press release that are not historical facts are forward-looking statements that reflect management’s current expectations, assumptions, and estimates of future performance and economic conditions. Such statements rely on the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Words such as “anticipates,” “believes,” “plans,” “expects,” “intends,” “will,” “potential,” “hope,” and similar expressions are intended to identify forward-looking statements. These forward-looking statements may include, but are not limited to, statements about the benefits of acquisitions, including financial and operating results, and the Company’s plans, objectives, expectations, and intentions. Among the risks and uncertainties that could cause actual results to differ from those expressed in forward-looking statements include, but are not limited to: unaudited estimates of Bitcoin production; our future hash rate growth (EH/s); the anticipated benefits, construction schedule, and costs associated with the Navarro site expansion; our expected schedule of new miner deliveries; the impact of weather events on our operations and results; our ability to successfully deploy new miners; the variance in our mining pool rewards may negatively impact our results of Bitcoin production; M.W. capacity under development; we may not be able to realize the anticipated benefits from immersion-cooling; the integration of acquired businesses may not be successful, or such integration may take longer or be more difficult, time-consuming or costly to accomplish than anticipated; failure to otherwise realize anticipated efficiencies and strategic and financial benefits from our acquisitions; and the impact of COVID-19 on us, our customers, or on our suppliers in connection with our estimated timelines. Detailed information regarding the factors identified by the Company’s management which they believe may cause actual results to differ materially from those expressed or implied by such forward-looking statements in this press release may be found in the Company’s filings with the U.S. Securities and Exchange Commission (the “SEC”), including the risks, uncertainties and
other factors discussed under the sections entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as amended, and the other filings the Company makes with the SEC, copies of which may be obtained from the SEC’s website, www.sec.gov. All forward-looking statements included in this press release are made only as of the date of this press release, and the Company disclaims any intention or obligation to update or revise any such forward-looking statements to reflect events or circumstances that subsequently occur, or of which the Company hereafter becomes aware, except as required by law. Persons reading this press release are cautioned not to place undue reliance on such forward-looking statements.

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