

## Huffman, Warren press cryptomining companies on high energy use

February 7, 2022



Congressman Jared Huffman (D-Calif.) joined United States Senators Elizabeth Warren (D-Mass.), member of the Senate Banking, Housing, and Urban Affairs Committee, Sheldon Whitehouse (D-R.I.), Jeff Merkley (D-Ore.), Maggie Hassan (D-N.H.), and Edward J. Markey (D-Mass.), and Representatives Katie Porter (D-Calif.) and Rashida Tlaib (D-Mich.) in sending letters to six cryptomining companies raising concerns over their extraordinarily high energy usage.

In the letters to Riot Blockchain, Marathon Digital Holdings, Stronghold Digital Mining, Bitdeer, Bitfury Group, and Bit Digital, the lawmakers pressed the companies for information relating to their cryptomining operations, skyrocketing energy consumption, possible impacts on the climate and local environments, and their role in driving up electricity costs for American consumers. Bitcoin mining's power consumption has more than tripled from 2019 to 2021, rivaling the energy consumption of Washington state, and of entire countries like Denmark, Chile, and Argentina.

“Given the extraordinarily high energy usage and carbon emissions associated with Bitcoin mining, mining operations raise concerns about their impacts on the global environment, local ecosystems, and consumer electricity costs,” the members wrote in their letter.

Bitcoin is the largest cryptocurrency by market cap, and the United States’ share of Bitcoin mining increased from 4% in August 2019 to 35% in July 2021. This share of mining is growing even more rapidly after China's crackdown on cryptomining, which left 500,000 mining operations looking for new locations. This could push North America to represent over 40% of the total global computing power dedicated to mining Bitcoin. As more cryptomining operations proliferate in the United States, the extraordinary energy use raises alarms about massive carbon emissions and the impacts of this energy consumption on consumer energy prices. A recent study estimated that cryptomining in upstate New York raised annual electric bills by about \$165 million for small businesses and \$79 million for consumers.

Huffman and his colleagues asked each company to detail their electricity consumption, scaling plans, agreements with electricity companies, and impact on energy costs for consumers and small businesses by February 10.