

The Secretary of Energy

Washington, DC 20585

November 8, 2022

The Honorable Elizabeth Warren United States Senate Washington, DC 20510

Dear Senator Warren:

Thank you for your July 15 letter on the findings of your investigation into the environmental impacts of cryptocurrency mining. We share your concern that cryptocurrency mining represents a rapidly growing source of electricity consumption and associated greenhouse gas emissions, and that the lack of comprehensive reporting by this sector limits the ability to understand the scale of the impact and develop appropriate solutions.

We have reviewed the authorities that the U.S. Energy Information Administration (EIA) has under 15 U.S.C. § 772(a) and (b) and believe that they would allow EIA to require energy consumption reporting from cryptocurrency operators, since they would be considered "operating facilities... engaged in... major energy consumption." This would require development of a new survey to collect this information.

Alternatively, there may also be opportunities to collect information directly from power plant operators and distribution utilities on any electricity they sell to cryptocurrency operators. Form EIA-861 *Annual Electric Power Industry Report* requires distribution utilities to report their annual electricity sales by customer type, typically residential, commercial, or industrial. An additional category could be added to distinguish electricity sales to data centers and cryptocurrency operations.

As directed by Executive Order 14067 Ensuring Responsible Development of Digital Assets, the Department of Energy is coordinating with the White House Office of Science and Technology Policy, the U.S. Environmental Protection Agency, and other relevant agencies in implementing the recommendations developed in the recently published Climate and Energy Implications of Crypto-Assets in the United States. This includes a recommendation for EIA to consider actions to obtain data and increase transparency on cryptocurrency operations and their associated energy use and environmental impacts.

I welcome your input on how we can best partner to understand and mitigate any harmful energy and environmental impacts of the cryptocurrency industry. I encourage your staff to contact Rebecca Ward, Deputy Assistant Secretary for Senate Affairs, Office of Congressional and Intergovernmental Affairs, at (202) 586-5450 for any further follow up.

Sincerely,

Jennifer M. Granholm