

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

November 7, 2022

OFFICE OF CONGRESSIONAL AND INTERGOVERNMENTAL RELATIONS

The Honorable Elizabeth Warren United States Senate Washington, D.C. 20510

Dear Senator Warren:

We write to thank you for your recent correspondence that contains valuable information on several crypto mining companies' energy use and greenhouse gas emissions. The Environmental Protection Agency (EPA) greatly appreciates your oversight efforts and shares your focus on the need to understand the impacts of the crypto mining industry on energy use and greenhouse gas emissions. We held a briefing for your staff on October 17, 2022, following up on the request in your letter.

The Biden Administration is committed to addressing the effects of climate change. We know that as temperatures rise and the intensity and duration of severe storms, drought and wildfires increase, our communities are harmed, and energy infrastructure stressed. All too frequently, the most vulnerable communities are the least able to prepare for and recover from the devastating impacts of the climate crisis.

We are determined to use all of our tools to help tackle this crisis. President Biden issued Executive Order 14067 on Ensuring Responsible Development of Digital Assets ("EO 14067"). This order establishes the policy of the federal government to "take strong steps to reduce the risks that digital assets could pose to consumers, investors, and business protections…and [to] climate change and pollution." The EO 14067 also recognizes that the "United States has an interest in ensuring that digital asset technologies and digital payments ecosystems are developed, designed, and implemented in a responsible manner that…reduces negative climate impacts and environmental pollution…"

EPA's Greenhouse Gas Reporting Program (GHGRP), using Clean Air Act Section 114 authority, collects emissions data for facilities emitting more than 25,000 tons of carbon dioxide equivalent. However, GHGRP currently does not collect data on facility-level energy consumption. Many crypto mining facilities pose unique challenges due to their small size that can make them exempt from permitting requirements and difficult to locate.

The EO requires several comprehensive analyses of digital assets' impacts, including a report that examines cryptocurrency's energy and environmental impacts. The Office of Science and Technology Policy, the Administration's lead with support from EPA and other agencies, released the *Climate and Energy Implications of Crypto-Assets in the United States*, September 2022, that provides six recommendations addressing concerns identified in your letter. EPA and our federal partners are initiating work to advance the report's recommendations. We look forward to sharing the report with you and to discussing any additional actions.

Please don't hesitate to contact Ashley Morgan (202-564-1870, morgan.ashley@epa.gov) with any follow up questions or concerns. Thank you for your continued leadership and hard work on these important issues.

Sincerely,

William Niebling

Associate Administrator

William Niebling

Cc: The Honorable Jared Huffman

The Honorable Sheldon Whitehouse

The Honorable Rashida Tlaib The Honorable Edward Markey The Honorable Jeffrey Merkley