



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,

A handwritten signature in black ink that reads "William Niebling". The signature is written in a cursive, flowing style.

William Niebling
Associate Administrator

Cc: The Honorable Jared Huffman
The Honorable Sheldon Whitehouse
The Honorable Rashida Tlaib
The Honorable Edward Markey
The Honorable Jeffrey Merkley



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,

A handwritten signature in black ink, appearing to read "J. Granholm".

Jennifer M. Granholm