

---

[https://buffalonews.com/opinion/another-voice-bitcoin-mining-imperils-n-y-s-renewable-energy-goals/article\\_0b663858-b407-11eb-9c2b-339f6d00ada8.html](https://buffalonews.com/opinion/another-voice-bitcoin-mining-imperils-n-y-s-renewable-energy-goals/article_0b663858-b407-11eb-9c2b-339f6d00ada8.html)

## Another Voice: Bitcoin mining imperils N.Y.'s renewable energy goals

Dr. Larry Beahan

May 15, 2021

---

**C**ryptocurrency has crept into Western New York almost unnoticed. Digihost's bid to buy North Tonawanda's nearly defunct Fortistar, a methane- and oil-fueled power plant, presents an imminent threat to our carbon footprint.

In Buffalo on Delevan Avenue, in 70,000 square feet of the old Chevy axel plant, Vancouver-based Digihost mines tons of Bitcoins.

To quote one of Digihost's internet blurbs, "Today, the company owns 11,800 miners with more being added all the time. We possess a total power capacity of 42 megawatts. This makes us among the largest miners in the business. We actually mine Bitcoin and other cryptocurrencies in one extremely low cost and low power consumption data center in Buffalo, NY."

Bitcoin mining is an accounting system for Bitcoin transactions. Banks perform this function for conventional currency using time-honored accounting practices. Bitcoin-mining computers devise formulas that compile transactions into blocks of hashed information. Each new block is based on the previous one and the whole forms a chain. Miners compete to produce these formulas. Every 10 minutes a winner is awarded 6.25 Bitcoins. As of Friday, each Bitcoin was worth just over \$50,000.

The complexity of the computation required, and the growing number of miners, requires amazing quantities of electricity. The world Bitcoin industry is estimated to be using as much energy as Argentina, twice that of Switzerland.

Fortunes have been made in Bitcoin. Its proponents love its anonymity and low transaction costs, while others liken it to a Ponzi scheme. Digihost's reviving the Fortistar fossil-fuel plant, rather than letting it die a natural death, promises to make it harder for Western New York to become carbon free.

Greenidge at Dresden on Seneca Lake, a similarly revitalized fossil fuel plant, is currently powering one of the largest Bitcoin mining operations in the United States. There are 30 more such underused or abandoned plants across New York. They all stand in danger of this transformation and of scuttling New York State's effort to cut CO2 emissions 85% by 2050.

The DEC gave Greenidge an exemption from an environmental impact study because the plant would be no worse a polluter than during its previous operation. But since the plant was in fact closed shouldn't Greenidge be required to demonstrate and mitigate for the environmental impacts it has created on reopening? Digihost is trying for the same finesse in North Tonawanda.

In the State Legislature, a bill from Sen. Kevin S. Parker, D-Brooklyn, would put a three-year moratorium on Bitcoin mining in New York State, lifted only if it "will not adversely affect" New York's carbon-cutting benchmarks.

Dr. Larry Beahan is conservation chair of the Sierra Club Niagara Group.

---

---