



ORGANIZING *for* HEALTH *and* JUSTICE

For Immediate Release
September 16, 2022

Contact: Bridge Rauch, Clean Air Coalition of Western New York

bridge@cacwny.org

716-852-3813

**The Public Service Commission Sides With
The Cryptocurrency Industry Over Community and Climate**

Residents of Western New York respond to decision by the PSC allowing for the transfer of the Fortistar Gas Plant to Digihost Technology, and Clean Air calls on Governor Hochul to sign the moratorium bill on proof of work-based cryptocurrency mining in New York State and on NYSDEC to deny permit renewals at Fortistar

Buffalo, NY: The Clean Air Coalition of WNY is appalled by yesterday's decision by the Public Service Commission supporting the transfer of the 60 Megawatt Fortistar gas-fired peaker power generation station to the proof of work based blockchain firm, Digihost Technology, for the sole purpose of off-grid Bitcoin generation, aka "cryptocurrency mining."

Proof of work is a method of blockchain validation which consumes a significant amount of energy, especially compared to other methods such as proof of stake. The University at Cambridge tracks energy use by Bitcoin miners, and estimates that the industry uses 96.16 TWh annually due to its current reliance on POW validation - for comparison, the entire nation of Finland uses 83.69 TWh annually. (<https://ccaf.io/cbeci/>). Proof of stake is a much less energy intensive method for mining, and the recent Ethereum "Merge" is a move from POW to POS, primarily driven by the energy differences.



ORGANIZING *for* HEALTH *and* JUSTICE

A “peaker” power plant is used during periods when the normal power grid is under strain and cannot meet current demand, such as during a summer heatwave or due to an emergency that shuts off power generation at another source. These plants tend to be less efficient and more polluting than the power plants normally used for generating electricity. The New York State Department of Environmental Conservation (NYSDEC) denied a permit to a similar facility in Astoria NY in October 2021.

By allowing this transfer of Fortistar to Digihost’s control, rather than the present occasional emergency use, this power plant will instead be run 24/7/365 to power the computers generating Bitcoin when the grid does not require the power generation, and will cause an increase in both greenhouse gas emissions and harmful pollutants.

“The PSC just ruled against my community, our local environment, and the climate. Now Digihost is one step closer to burning fossil fuels — accelerating climate change and wreaking havoc on residents who have to live with the negative impacts. This sale will benefit only a few at the expense of the general public,” said Deborah Gondek, North Tonawanda, NY resident and member of North Tonawanda's Climate Smart Task Force.

“I had reservations about the Digihost proposal early on, and at that time, prior to the start of its operations, I expressed these concerns to the North Tonawanda Common Council leadership. After it began running, I was hearing regularly from constituents who reported that the plant produced a disruptive racket, which media reports substantiated with audio footage. I then voted in support of my colleague Assemblymember Anna Kelles' bill to impose a moratorium on proof-of-work bitcoin mining, as the process is known to have a terrible impact on the environment - not the least of which is its enormous use of dirty energy. This is even more disturbing now, as we consumers all face an energy crisis and skyrocketing costs.” said Assemblymember Bill Conrad.



ORGANIZING *for* HEALTH *and* JUSTICE

The Clean Air Coalition of WNY calls upon the New York State Department of Environmental Conservation to follow the recent precedent set by the denial of a Title V permit renewal for the Greenidge Generation plant in Dresden NY, owned by another Bitcoin firm, and asks that NYSDEC similarly deny any permit renewals at Fortistar, including for Fortistar's presently-expired Title V permit.

Clean Air also calls upon Governor Hochul to sign A7389C/S6486D, which passed the Assembly and State Senate in June 2022. This limited bill would institute a two-year moratorium on the use of proof of work as a validation method for generating cryptocurrencies like Bitcoin.

"The legislation we passed takes important steps to prevent cryptocurrency operations from using fossil fuels to run their operations," said New York State Senator Sean Ryan. *"We want to ensure this industry is using and supporting clean energy, and we know this bill will make a difference."*

"Governor Hochul can stop this from happening in other communities. Governor Hochul: If you are truly committed to upholding the NYS Climate Leadership and Community Protection Act as you say you are, you will sign the cryptomining moratorium bill now!" Remarked Deborah Gondek.

"Clean Air and our Members are outraged at the decision by the PSC which will ultimately allow dirty fossil fuel based power generation for crypto with minimal community benefit coupled with increased pollution by particulate matter and carbon emissions. This decision is a step backwards and not the bold leadership on Climate Change in NY we need at this moment" added Clean Air's Executive Director, Chris Murawski.

For more information, please also refer to this related press release - <http://readme.readmedia.com/NYS-PSC-Sides-with-Crypto-Against-Communities/18910283>



ORGANIZING *for* HEALTH *and* JUSTICE

Clean Air encourages concerned community members to take action with their toolkit at bit.ly/takeactioncrypto or by visiting their website at www.cacwny.org

###

The Clean Air Coalition builds power by developing grassroots leaders who organize their communities to run and win environmental justice and public health campaigns in Western New York.