

## **Cancel proposal to supply electricity to cryptocurrency mining operators, CAP tells TNB**

GEORGE TOWN: The Consumers' Association of Penang (CAP) wants Tenaga Nasional Bhd (TNB) to cancel its proposal to supply electricity to cryptocurrency mining operators as it could have negative impact on the environment, energy use and conservation.

CAP president Mohideen Abdul Kader said the proposal did not make sense because cryptocurrency mining consumes a huge amount of electricity.

Mohideen said mining for cryptocurrency involved a network of specialist machines, known as mining rigs, that work round the clock.

A rig with three graphic cards (graphic processing units), he said, could consume 1,000 watts of power or more when it is in operation.

He said the operation was akin to keeping a washing machine running day and night for every rig that is in use.

To mine cryptocurrency, he said hundreds or thousands of rigs were involved at any one time.

"We are of the opinion that cyptocurrency mining should not be permitted at all.

"In 2018, the **Malaysian Statistics Department** stated that the country's electricity generation was largely dependent on coal (46 per cent) and natural gas (39.7 per cent. This means that generating electricity is not at all environmentally friendly, producing large quantities of carbon dioxide, a greenhouse gas, that contributes to global warming.

"According to TNB, its carbon dioxide output is expected to increase between 2018 and 2023 because of the 'addition of new coal and gas electricity generation plants'. With this, TNB's absolute emission is also expected to increase between 2018 and 2033, thereby exceeding its carbon budget.

If this is the forecast, then the carbon dioxide output is going to spike further if TNB allows cryptocurrency miners to legally apply for electricity supply. What makes TNB so sure that electricity theft will be a thing of the past?" he said today.

Earlier this month, it was reported that TNB was looking at ways to legalise mining operations by imposing special tariffs in light of the rampant illegal bitcoin mining operations and financial losses from illegal electricity tapping nationwide.

TNB chairman and chief executive officer Datuk Baharin Din said a proposal had been drawn up with special tariff rates for Bitcoin mining, which had been forwarded to the Energy Commission (EC) for approval.

TNB first discovered the electricity tapping for Bitcoin mining in 2018 with 610 cases at the times.

Last year, the cases jumped to 3,090 (premises being used) and the tapping done haphazardly by the illegal operations posed huge risks to the premises as well as others in the vicinity.

Elaborating, Mohideen said the mining rigs produced much heat and this contributed to global warming, as a study had warned, by more than 2 degrees with disastrous consequences.

He said the study also stated that it was a already challenge for the 176 countries that ratified the Paris Agreement to mitigate GHG emissions and keep global warming contributed directly or indirectly by humans within 2 degrees.

"Malaysia is a party to the Paris Agreement since 2016 and it has to follow through with its commitment.

"TNB has not factored in the electronic waste problem posed by the disposal of the mining rigs, which has an average lifespan of 1.29 years. Besides the damaged hardware, the rapid improvement of hardware also means the disposal of the older generation ones.

"Rather than allowing cryptocurrency mining operators to apply for legal electricity supply and give special tariffs, Malaysia should speed up its introduction of tamper-proof smart meters nationwide, so that any electricity theft can be detected at an early stage.

"We would like to reiterate our stand that TNB should avoid myopic strategies that will lead to increasing Malaysia's carbon footprint, increasing greenhouse gas and electronic waste," he added.

<https://www.nst.com.my/news/nation/2022/03/781191/cancel-proposal-supply-electricity-cryptocurrency-mining-operators-cap>