

SOFTWARE

# BITCOIN IS A BAD IDEA

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[Nature today](#) thinks “It’s good to have lots of bad ideas”. Bitcoins are a bad idea as they are traded in for [energy consumption](#).

There are lots of different bitcoin mining computers out there, but in recent months, companies have focused on ASIC miners, which use less energy to conduct their calculations. Mining companies that run lots of ASIC miners as businesses have told me that they use one watt of power for every Gigahash per second of computing that they do when mining for bitcoins. At this rate, the bitcoin network runs at 342934450 watts, which equates to around 343 megawatts. Calculations based on EIA data reveal that the average US household consumes about 1.2 kilowatts of power, meaning that 343 megawatts would be enough to power 285,833 US homes at the time of writing (May 2015).

That’s quite a lot of energy – about a third of the homes in San Jose. And our 1 watt per Gigahash/second figure is pretty efficient. There will be a large number of residential users who will be taking more power to run their miners. So it’s likely that this is a conservative estimate.

Another estimate by [digiconomist.net](#) is 16 TWh per year (Aug 2017). Kilo  $10^3$ , Mega  $10^6$ , Tera  $10^9$ ...



