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Crypto Miners in Russia's Ingushetia Steal \$4.3M Electricity

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– Categories: *Crypto*



Illegal cryptocurrency mining operations in Russia's Ingushetia region stole an estimated \$4.3 million worth of electricity during the first half of 2025, according to a report from the state-run utility provider Rosseti North Caucasus.

The company revealed that over 94% of unmetered electricity consumption in the republic between January and June was due to illegal crypto mining activity. A total of 37.5 million kilowatt-hours (kWh) of electricity went unaccounted for, with 35.4 million kWh directly linked to unauthorized mining farms.

Rosseti said that four large-scale operations were identified and shut down. Authorities seized around 450 mining rigs in coordinated raids on these illegal facilities. The bulk of the stolen power came from these four locations, the provider added.

Crypto mining, particularly of Bitcoin, remains illegal during the winter months in Ingushetia, with the seasonal ban in place until March 15, 2031. Despite this, mining remains widespread in the North Caucasus region, contributing to frequent power failures and energy shortages.

Officials from the regional electricity company Ingushenergo reported 177 separate incidents of illegal electricity usage in the first half of the year alone. To crack down on the growing problem, utility workers have started using drones and thermal cameras to locate unauthorized crypto mining sites.

In February, energy officials in Ingushetia raised alarms over the rising risk of power grid failures, blaming unregulated mining for outages in both residential and commercial zones.

Neighboring regions like Abkhazia have also struggled to contain illegal crypto mining. Reports suggest that some villages in Abkhazia experience constant electrical noise from crypto hardware, indicating widespread underground operations.

Russia's stance on crypto mining has become increasingly strict, especially in areas where power infrastructure is weak. In several parts of the North Caucasus, authorities have imposed seasonal or outright bans on mining activities to protect the stability of the energy grid.

While Russia has not outlawed cryptocurrency itself, the country continues to regulate its use and associated activities, particularly when it leads to public infrastructure strain or illegal electricity consumption.