­­­Read the following resources before answering the questions below:

1. <https://www.theglobeandmail.com/report-on-business/rob-commentary/cryptocurrencys-crash-is-a-matter-of-when-not-if/article37257013/>
2. <https://www.cbc.ca/news/business/hut8-medicine-hat-bitcoin-mining-1.4834027>
3. <http://www.bbc.com/news/business-42237432>

Guidelines for writing a supported opinion paragraph (SOP)

* + <http://schools.peelschools.org/sec/fletchersmeadow/studentlife/OSSLTprep/Documents/Sample_%20Writing%20a%20Supported%20opinion%20paragraph.pdf>

**Level 1: Bitcoin & Cryptocurrencies**

1. **List three ways that “cryptocurrencies” (e.g. Bitcoin) are different from traditional currencies (money).**

-They are online currencies and have no physical form.

-The cryptocurrencies are not backed up from the government or banks whereas traditional currencies are supported by the government and the banks.

-The traditional currency is controlled by a central authority and cryptocurrencies are controlled by the community.

1. **List one advantage of Bitcoin over on-line payment services such as PayPal.**

The advantage Bitcoin has over PayPal is the ability to be private. People do not have to share their email when using Bitcoin.

1. **List three types of organizations (or types of users) that would benefit in a positive way from the use of “cryptocurrencies”.**

-Financial organizations.

-Insurance organizations.

-Security organizations.

1. **Bitcoin claims to be anonymous. Is this true (explain)? How could someone find out your identity?**

Bitcoin is not fully anonymous. When transactions take place, the IP address of the sender can be recorded with special tools. If they have a static IP address, it can state their location which someone can use to track the sender down.

1. **Many people claim that the use of "cryptocurrencies" should be restricted because they make it easier for criminals to hide their actions. Is this a valid point of view? Write a SOP to support your argument.**

Cryptocurrencies should be restricted

**Level 2: Bitcoin & The Environment**

1. **What is a Bitcoin “miner” and how big is the Hut-8 facility in the city of Medicine Hat Alberta?**

-A bitcoin miner is a computer that is specially optimized to do SHA-256 math. After doing this math, the miner is rewarded a small portion of a cryptocurrency. They Hut-8 facility has 73 datacenters, each consuming about 1MW of electricity.

1. **Why has Hut-8 decided to locate its facility in Alberta when its head office is in Toronto? What does the city of Medicine Hat provide that is required for mining Bitcoin?**

-Hut-8 decided to locate its facility in Alberta because the electricity price in Alberta is one-fourth of the price in Toronto. The city of Medicine Hat provides electricity or mining Bitcoin.

1. **What benefits does the city of Medicine Hat expect to see from this Bitcoin facility?**

The City of Medicine Hat expects to see better financial support from Bitcoin Mining.

1. **What concern does the city of Medicine Hat have about from this Bitcoin facility?**

The city of Medicine Hat is worried about the electricity consumption and pollution from this Bitcoin Mining facitlity.

1. **What concern do environmentalists have about the Medicine Hat facility and about Bitcion mining in general? E.g. how does Bitcoin mining harm the environment?**

Bitcoin mining requires a lot of electricity, and coal is burned to generate that electricity. If coal is burned, it releases a lot of air pollution which is contribution to Global Warming as an environmental issue.

1. **If Hut-8 wanted to build a facility in Brampton, would be in favor of this proposal. Write a SOP to justify your position.**

Bitcoin Mining is a financial gain, but a great environmental harm. Bitcoin mining should not be approved in Brampton because it will use a lot of electricity, that will pollute Brampton and there is not enough space in Brampton for mining. Firstly, Mining requires a lot of electricity. Most electricity is produced from burning coal, and it releases a lot of CO2, which is constantly increasing global warming. If global warming is not stopped, the sea level will rise and soon there will be no visible land on Earth. Lastly, Brampton does not have enough space to build a large facility. More and more people are moving into Brampton. It is better to build more houses than a facility because people need a place to live rather than a place that increases global warming. In conclusion, Brampton should not approve a Mining Facility because it causes pollution and global warming and it is better to build more houses for people to live in rather than generate pollution.

**Level 3: Mobile Payments**

1. **Explain how you could use social media to make payments for things you buy in the store.**

Phones and social media can store your credit card information and then you can use your phone to make payments for things that you buy in the store.

1. **List three ways that social media payments are a positive thing.**

-People do not have to carry cash and coins around with them.

-People can pay others online without needing to meet with them.

-People can send money from one country to another just from their phone.

1. **List three ways that social media payments are a negative thing.**

-Social media accounts can be hacked and payment information can be lost.

-Scammers will have a new way to get money by using social media.

-Companies can see and use your financial information.

1. **Is Canada ahead of or behind other countries in the use of mobile payments? Explain your answer.**

Canada is behind than other countries such as the US in use of mobile payments. Many retailers do not support mobile payments or people are too lazy to switch their cards to mobile payment.

1. **In your opinion, should mobile payments be allowed in Canada? Write a SOP to justify your position.**