

Cryptocurrency Case Study

Hut 8 Mining

Wesley Osborne

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Overview and Origin:

Hut 8 mining is one of North America's largest and most innovative digital asset miners. Hut 8 mining began in 2018 and quickly grew from a single partnership to one of the largest bitcoin mining companies in the world.

Business Activities:

Since the growth of cryptocurrencies world wide the benefits from mining have increased substantially. Hut 8 mining jumped on this opportunity in 2018 and have never looked back. With 109 MW of power capacity today, Hut 8 is one of the most powerful mining companies world wide. They have become pioneers in the mining and managing market volatility.

They have a deep understanding of the volatility of the crypto market and how to operate within it. They currently have 2 mining centers in Canada, both located in Alberta. Hut 8 attempts to use as much wind and solar energy as possible to be more environmentally friendly, which is a growing concern with mining today.

DevOps:

Hut 8 currently mines bitcoin and ethereum but looks to expand their diversity.

Utilities/Technology:

Hut 8 uses 94 open air BlockBoxes with 1.2-2MW of power each, 209 MW total contracted power capacity, and 1,600 GH/s total concentrated hashrate for ethereum mining.

Landscape:

The computer power and cryptocurrency mining has allowed Hut 8 to become a dominant company in the crypto mining industry. They have developed a strong operating system in Alberta while attempting to be as environmentally friendly as possible.

Recommendations:

Hut 8 will have to continue to adapt and diversify. With Ethereum switching to proof of stake, finding other proof of work cryptocurrencies with aid in the continued success of Hut 8. Because cryptocurrency is still in infancy it is hard to recommend a number of changes. However, continued growth of processing power while increasing the use of environmentally friendly energy are two very important things to maintain Hut 8's dominance.

References:

<https://hut8mining.com/operations/>