

BITCOIN ENERGY

WHY DOES BITCOIN MINING CONSUME ENERGY?

Bitcoin, like any industry, requires energy investment to keep it running safely and effectively. Bitcoin is not owned or controlled by any single entity and its cumulative use of energy prevents it from being hacked or falsified. This is revolutionary because, unlike all centrally controlled services, Bitcoin does not require any intermediary to transmit value between two parties. Bitcoin miners are incentivized to seek out renewable energy sources to remain profitable, and can do so in remote areas where solar, wind, and hydro production are often located. At present, 46 million Americans use the Bitcoin network and worldwide adoption is on track to reach 1 billion users by 2025.

WHAT DOES THIS MEAN FOR ENERGY COMPANIES?

There is endless opportunity for energy companies to take advantage of bitcoin mining. Apart from selling excess energy to local miners, the real opportunity comes from leveraging the plant to become a mining facility. This allows companies to generate additional revenue by monetizing the baseload, and allows for better response to energy demand, all while being flexible to meet the market needs:

MONETIZE BASELOAD For close to a century, baseload power production has constantly operated. With the introduction of intermittent resources, baseload producers now have times where their typical load is being fed by cheaper alternatives. Mining provides an opportunity to monetize the baseload production, that they can't push to the grid during those times.

- By mining for bitcoin directly from the facility, there is opportunity to turn produced energy into an additional revenue source
- Baseload Generation assets can react to market situations and miners can be used as a baseload demand use on a powerplant that can be scaled quickly, or shed quickly, to address market concerns.
- Due to changing demand curves, baseload producers can use mining to keep plants on and running during times where intermittent resources are eating into their production
- Allows for the ability to monetize wasted/stranded energy such as oil, natural gas and areas under transmission constraint

RESPONSIVE DEMAND For the first time ever, we have a massive demand for energy in the form of Bitcoin mining that is completely flexible and can be turned on and off in a minute's notice.

- The grid operators can use Bitcoin mining as a tool to manage the demand curve
- Mining can be used as a dispatchable asset. During peak times, miners can be curtailed to add capacity back to the grid.
- Instead of responding to the daily demand curve, producers can operate a flat or consistent block of power to be utilized where demand does or doesn't require, and can monetize it on the Bitcoin network

Mining should be used as a tool to further develop and add a revenue value stack to existing capacity or in-development projects

HOW CAN FOUNDRY HELP?

Foundry works with institutions to empower a decentralized infrastructure. We offer a number of products and resources to help companies get involved and better understand the digital currency space.



ADVISORY SERVICES teaching institutions through a white glove approach on how to enter and best optimize the mining space



FOUNDRYX a trusted marketplace for buying and selling cryptocurrency mining machines



FOUNDRY USA POOL A US based institutional grade mining pool. Built from the ground up, we are geared towards providing best in class service with a focus on large miners.



FINANCING Foundry is a leading equipment financier with various specialty options to fit most cases



DCG SUBSIDIARY As a wholly owned subsidiary of Digital Currency Group, we offer clients the opportunity to tap into our ecosystem.

