BitF: The Zero Emission Bitcoin

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Abstract

BitF (BITF) is a blockchain based Carbon Offset Aggregator powered by a zero emission transactional digital asset. BitF will earn revenue through matching buyers and sellers of Carbon Offset credits and processing their transactions transparently on our blockchain . BitF is a Bitcoin based blockchain that focuses on speed, security, energy conservation and the creation of a Carbon Offset Aggregation system that will facilitate transactions exclusively using digital assets.

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1. Introduction

Satoshi Nakamoto's contribution to the world was nothing short of brilliant. "His" code allowed for the peer-to-peer transfer of wealth in a secure, direct fashion. Wherever there is an internet connection there is the possibility to securely transfer value using Bitcoin.

Bitcoin does not have any economic controls other than the baked-in inflation mechanism that will continue until 21m coins are minted.

BitF in similar fashion inflated and distributes rewards - however we use POS rather than mining as an energy friendly way to distribute the coin.

POS rewards are paid out to every masternode and every individual who owns BitF.

BitF will pay to offset its carbon footprint through buying credits from approved projects.

2. What is Bitcoin and Mining?

Bitcoin is essentially a giant ledger that is distributed through a large global network of computers or "nodes". The ledger is a record of every coin and every transaction ever made with Bitcoin. When someone initiates a transfer of Bitcoin - each "node" on the network has the task of verifying transactions. When a number of nodes have verified the transaction it gets written to the permanent ledger and the transaction is complete. Having a global network of nodes with copies of the Bitcoin ledger is what makes the blockchain technology so secure and counterfeit impossible.

With Bitcoin, the verified transactions are added to a block that is produced every few minutes through a process called mining. Nodes on the Bitcoin global network compete to add blocks to the ledger by solving a complex math problem. The computer who solves the problem first gets the block and receives a block reward for doing so. Once Bitcoin reaches it max supply of 21m coins there will be no more block reward and miners will survive on transaction fees alone to keep the network going.

Solving the complex math codes associated with mining has led to record power consumption by miniers worldwide. Mining is expensive, generates massive amounts of wasted heat. and it has a measurable detrimental effect on the environment. The power required to mine has increased over the years to the point where Bitcoin now uses more power than some countries.

3. Eliminating Mining For Proof-Of-Stake

Technology has advanced since Bitcoin was released in 2009. It is no secret that Bitcoin is a major consumer of electricity. Until the 21m coins are minted, data centres around the world continue to destroy the environment in the short-term race to mine every last coin. Bitcoin needed mining - subsequent project have shown that mining served its purpose and helped create an industry. Newer developments such as Proof Of Stake Masternodes or Witness servers have almost eliminated the power consumption associated with Bitcoin. All blockchain projects have carbon footprints regardless of how clean the code. Carbon Offset credits help plant trees, invest in green energy and help take care of the natural world around us. Many of our nodes and many of our users are transacting with power derived from coal, diesel and other products. Paying for carbon offset is the only way to counter balance these negative consequences.

Proof-of-stake is more economical way to mint coins as opposed mining. Rather than using complex computing power to mine, new coins are minted are distributed to the masternodes that run the network and to everyone who holds BitF proportionately. POS ensures everyone has a chance to participate and increase their holdings without the negative environmental impact of mining.

A masternode is a server run by someone who believes in the BitF project enough that they are willing to put up "collateral". Masternodes process transactions, and host copies of the blockchain. They are paid a portion of POS rewards to offset server costs as well as provide incentive to participate in keeping the BitF network stable. Masternodes are required to put up collateral which is currently set at 5000 BITF in order to run a node. Anyone can operate a node using our Linux or Windows software which is available at BitF.cc or can be built from source on Github.

The POS reward system pays out 75% of the block reward to masternodes and 25% to anyone holding the coin. This ensures a secure network with lots of nodes and a fair reward to everyone who stakes BitF before the 25m coins are distributed.

4. Zero Emissions

BitF will earn rewards through Masternode operation and POS rewards on its stake. It will also earn transactional fees through acting as a Carbon Offset Aggregator. Company funds will always be prioritized to ensure that we remain zero emission above every other obligation. Information regarding our Carbon Offset credits and information on these purchases will be updated on our website.

5. Carbon Offset Aggregation

Carbon offset is simply a way to balance some bad with some good. Companies and individuals have a responsibility to limit their impact on the environment but also to help replenish it. Our goal is to have every blockchain and every technology company examining their electricity usage and its contribution to global issues like climate change. As the only Carbon Offset Aggregator that accepts digital assets BitF will not only earn money through transactions, but change the mindset of technology companies who give little thought to their direct impact on the planet.

BitF will release a roadmap in Jan/2019 outlining the particulars of the exchange and timelines to completion. The main goals of the project are to provide a currency neutral exchange that pairs verified Carbon Offset providers around the world with ethical consumers and businesses. BitF will charge a transaction fee to facilitate this trade which will give BitF an ongoing source of revenue to purchase more BitF and to invest in development.

6. Masternode System

The masternode system is a system that requires a user to stake at least 5000 BITF in order to run a node on our network. As an owner of the node they are entitled to rewards for the cost of their time and energy. This system is different than the original Bitcoin codebase as it requires participation by committed stakeholders. This is dissimilar to mining where a coin can be intermittently mined with only a download. The masternode system ensures a more stable network run by individuals invested enough to have the "collateral".

Running a masternode on the BitF network can be done with an inexpensive VPS server. Through running your own node you have the possibility of earning substantially more BITF than simply by holding it.

7. The Carbon Footprint Of A Masternode

Not all Masternodes have the same server specs so the actual power consumption varies from server to server. The routing equipment and everything between your server and client is outside of the scope of any meaningful calculation.

A masternode on a small VPS takes about 0.07kwh x 24 hours x 365 days = 613.2Kwh
CO2 amount: 0.172 t

This is a very small amount of C02 and can be easily offset. At an average cost of $50 USD per Tonne of C02 - it would cost $8.60 a year per Masternode to offset its carbon footprint.

With an expected 1000 masternodes - the cost to BitF to offset its network of master nodes will only be $8600 a year.

8. How is BitF Distributed?

BitF is built on a Bitcoin base which means that there is a limited supply of only 25m BitF.

There are 17.5m coins that are yet to be discovered - these coins will be distributed via POS rewards to masternode operators and anyone who holds the coin until all 25m have been minted.

7.5m BitF were obtained through a premine to help secure a stake for the company, its founders, future incentives for BitF development, and the first coins to sell at market which will be used to pay back initial investors.

2.5m belongs to the BitF who will use its stake to derive POS rewards to fund its Masternodes and Carbon Offset exchange platform. Funds will also be used to further develop the blockchain codebase and to buy Carbon Offset on behalf of the network.

Distribution is as follows:
BitF 2.5m
Bounties 1.5m
Founder 1.5m
Co-Founder 1m
Market Sale 1m

9. Conclusion

BitF is a zero emission transactional currency and Carbon Offset Aggregator. BitF will use its stake to pay for Carbon Offset credits to ensure that the network remains zero emission.
The Carbon Exchange will allow businesses and individuals to buy Carbon Offset credits from verified projects. These transactactions can take place in any digital currency and are recorded on our blockchain as an indelible record.

BitF is a zero emission digital asset that will power the BitF Carbon Offset exchange. The exchange will allow buyers to select individual projects or a spread of projects to buy Offset credits from. Buyers and sellers will be able to transact in any agreed upon digital currency. Transaction fees will be converted into BitF providing a revenue source and liquidity to the market.