

Channel Management

Payment Routing on Public Channels

Uptime

- Aggressively re-connect, minimize maintenance downtime
- Avoid not-connectable nodes
- Look for others who are also curating connected nodes

Balance

- Why are balanced channels important?
- Don't over-open
- Don't under open

Re-balance

- Watch for where you need to be re-balancing
- Do self-routes
- Use swaps, exchanges
- Spend

Activity

- Charge fees so that activity is meaningful
- Carefully track and adapt capacity assignments
- Trickle pay for channels you want to keep open

Simple Balance Guidelines

- Too large is bad
- Too small is bad
- Increase with usage
- Decrease with no usage

Node Centrality

- Some centrality is good
- Don't use 1ml
- We can collectively attempt to limit centrality

Reputation

- Channel age can be used as a signal for stability
- Age means more PoW, social consensus
- We can use any signal, so do a visible good job

Predictions

- Look for opportunities
- Information is valuable
- Predict if peers will go offline, cooperatively close first

Termination

- You can avoid terminations using fees, disable flag
- Flags, closes represent a history about your node
- More public nodes isn't necessarily better for the network

Who should route?

- Existing need for a node
- Market expertise
- Existing liquidity

Tradeoffs

- Privacy
- Routing manipulation attacks, inflation type attacks
- Sitting on large amounts of locked funds

Other Costs

- UTXO consolidation
- Standard hot wallet risks
- Too much fun