

REDUX your way out of high gas costs

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1

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This is no news: Gas fees suck and gas prices are getting comfortable in new heights. Just blame it on the market... But hold it! There's a spark of hope for your future transactions: tokenize your gas with REDUX Gas Token. If you get it right you might feel a 2019 vibe when checking that gas fee. Yep, that's right your gas fee might sink if you understand how to utilize REDUX.

What is REDUX?

REDUX is a new cutting-edge gas token, part of the new[ParaSwap version: P4

](<https://twitter.com/paraswap/status/1380190436954898432>). It allows users to reduce gas spending by up to 50%

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This ERC20-standard gas token can be used on paraswap.io but also on any dApp on the Ethereum blockchain. REDUX is a fork of [GST2](#) (the first gas token) and introduces two key optimizations: it's cheaper to mint and burn

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The better performance of REDUX, compared to other gas tokens, is due to multiple micro-optimizations that add up in overall cost efficiency for both mint and burn operations. The result: REDUX is an improved version of GST2 and other gas tokens.

At its core, REDUX takes the main principles of gas refund by matching its costs with the Ethereum network's gas cost. If the gas cost is low, then REDUX will be cheap, and if the gas cost will be higher, REDUX will be more expensive.

Regardless of all the optimizations brought by REDUX, please note that all mint & burn operations have a cost as do any code executions done on the blockchain.

DISCLAIMER: REDUX is not an investment and may be

[discontinued

](<https://eips.ethereum.org/EIPS/eip-3298>)in July 2021. Please use it at your own discretion. Check the end of this article for some misconceptions regarding gas tokens.

How does it work?

The EVM (Ethereum Virtual Machine) encourages its users to free up storage in order to reduce the blockchain size. Let's keep in mind that Ethereum data is meant to be stored forever. However, piling up data can become problematic: more data needs more storage that comes with higher costs and bigger nodes. All in all, since it will be too costly to run bigger nodes, this situation can cause the network's centralization.

One possible mitigation is creating Ethereum Gas Tokens, which can use the "storage refund" feature on the Ethereum blockchain. It's a win-win situation. On one side, users can optimize their gas costs. On the other side, Ethereum optimizes its data storage. With the help of gas tokens, its permanently saved data will get freed up and this will prevent the network's storage from getting too heavy.

REDUX takes advantage of this feature by tokenizing refunds. Users can mint REDUX when the gas price is cheap and burn it when the price is high.

How to use it?

Just mint it by simply clicking on "Mint REDUX", then activate it when you'd like to burn it!

Step 1:

Go to [ParaSwap.io](https://paraswap.io), then click on connect wallet and choose your preferred one:

Step 2:

Click on Global Settings (top right) then “Activate REDUX”

Step 3:

Once we’ve activated REDUX, an “UNLOCK REDUX” will appear. Simply click “UNLOCK REDUX” so you can unlock it, as any other ERC20 token.

Step 4:

Once unlocked, you should be able to mint the amount that you need. So simply click on “Confirm” to validate the operation.

Final result:

Your REDUX is now displayed in your REDUX Balance. You can now use it (burn it) on any of your future transactions.

Why launching REDUX Gas Token?

Short answer: ParaSwap users asked for it, and we listened!

Long answer: We’ve noticed that some GST2 forks were quite successful (CHI, LGT..) in helping users get around those high gas fees in Ethereum, but not very optimized and too expensive. The way we’ve designed REDUX outperformed all existing gas tokens, so we’ve decided to launch it in spite of the risk of having it discontinued in July, 2021.

In fact, we’ve spent a few days figuring out how gas tokens could be optimized. The first idea was to build a non-tokenized version, inspired by arbitrage traders’ methods. This approach turned out to be too complex for most non-technical users. The second approach we’ve taken, which turned out to be the best solution out there, was to build a new token that will maximize the quality of execution of gas refunds. This is how REDUX was born! :)

Common misconceptions about gas tokens

Here are the most important things to keep in mind when thinking about using or buying any Ethereum gas token:

-> Gas Tokens are not an investment

Their purpose is a simple utilitarian one, they aren’t meant to be hodled

or sold for profits. Also please remember that all gas tokens might be discontinued

in July 2021 if the [EIP-3298](https://eips.ethereum.org/EIP-3298) passes.

-> By default, nobody should control their cost

. ParaSwap’s gas token — REDUX isn’t controlled by ParaSwap.

-> Cheaper gas can not be guaranteed just by minting

gas tokens. It’s up to you to understand how it works and to do the math when you plan on using it.