Protocol Power/Weight

In this portion of the document, we will define the calculation for protocol weight with respect to emissions. Protocol Power specifically refers to the influence users have over ZeroLend's governance and operational decisions. The calculation of total protocol power is as follows:

Protocol Power

(dLP Power +

ZERO Power) × f (T p) \textrm{Protocol Power} = (\textrm{dLP Power} +\textrm{ZERO Power}) \times f(T_p)
Protocol Power

= (dLP Power

+ ZERO Power)

× f (T p) where,

f (T p) = f (4 × d L P p + 1 × Z p) = { 0 if 0.00 ≤ T p < 0.10 0.5 if 0.10 ≤ T p < 0.15 0.75 if 0.15 ≤ T p < 0.20 1.0 if 0.20 ≤ T p < 0.25 1.1 if 0.25 ≤ T p < 0.30 1.25 if 0.30 ≤ T p < 0.40 1.5 if 0.40 ≤ T p < 0.50 2.0 if 0.50 ≤ T p f(T_p) = f(4 \times dLP_p+1\times Z_p) = \begin{cases} 0 & \text{if } 0.00 \leq T_p< 0.10 \ 0.5 & \text{if } 0.10 \leq T_p <0.15\ 0.75 & \text{if } 0.15 \leq T_p < 0.20 \ 1.0 & \text{if } 0.20 \leq T_p <0.25\ 1.1 & \text{if } 0.25 \leq T_p < 0.30 \ 1.25 & \text{if } 0.30 \leq T_p <0.40\ 1.5 & \text{if } 0.40 \leq T_p < 0.50 \ 2.0 & \text{if } 0.50 \leq T_p \

\end{cases} f (T p)

= f (4

× d L P p

+ 1

× Z p)

= ⌊

⎨

⌈ 0 0.5 0.75 1.0 1.1 1.25 1.5 2.0

if 0.00

≤

T p

<

0.10 if 0.10

≤

T p

<

0.15 if 0.15

≤

T p

<

0.20 if 0.20

≤

T p

<

0.25 if 0.25

≤

T p

<

0.30 if 0.30

≤

T p

<

0.40 if 0.40

≤

T p

<

0.50 if 0.50

≤

T p We prioritize liquidity provision by offering enhanced incentives for dLP locking over single asset staking. The formula assesses dLP and ZERO percentages (dLP_p and Z_p) locked against the USD value of users' lending deposits, favoring dLP locking fourfold for two key reasons:

1. LP tokens contribute more significantly to ZeroLend's liquidity and overall ecosystem health.
2. LP tokens carry more risk due to impermanent loss
3.

Traditionally, a maximum APR for dLP at 5% of deposited assets is now extendable up to 12.5%, with the option to boost this further by locking ZERO tokens, whose USD value is considered four times for this purpose, enhancing rewards for users taking on the additional risk of LP staking

Previous ZeroLend Emission Strategy Next Deconstructing the Weighted Percentage (T_p) Calculation Last updated1 month ago On this page Was this helpful? Edit on GitHub