Construction of dLP & ZERO Power

ZeroLend's dLP power, closely mirroring Radiant Capital's model, is a pivotal metric in determining a user's influence within the protocol and their corresponding emissions rewards. Here's a streamlined explanation of how it works:

dLP Power Calculation (P_dLP)

- dLP Power (P_dLP)
- : This metric reflects a user's share of the total dLP pool, adjusted by a locking multiplier to reward longer commitments.
-

P d L P = d L P t p × L d L P = d L P Total dLP × L d L P P_{dLP} = dLP_{tp} \times L_{dLP} = \frac{dLP}{\textrm{Total dLP}} \times L_{dLP} P d L P

= d L P tp

× L d L P

= Total dLP

d L P

× L d L P

- P
- d
- L
- P
- P_{dLP}
- P
- d
- L
- P
-
- is the user's total percentage of dLP relative to the entire pool.
- L
- d
- L
- P
- L_{dLP}
- L
- d
- L
- P
-
- is the locking multiplier, enhancing power with longer lock periods.
-

The longer the user locks dLP, the greater the power they have and ultimately the greater the emissions the user receives.
Single-Staked ZERO Power (P_Z)

- ZERO Power (P_Z)
- : Similar to dLP power, this calculates a user's stake in the total ZERO pool, also influenced by the duration of the stake.
-

P Z =

ZERO t p × L Z = ZERO Total ZERO × L Z P_{Z} = \textrm{ZERO}_{tp} \times L_{Z} = \frac{\textrm{ZERO}}{\textrm{Total ZERO}} \times L_{Z} P Z

= ZERO tp

× L Z

= Total ZERO

ZERO

× L Z The following are the weighting coefficients:

Time Lock L_d-Value L_z - Value 1-Months 2 0.5 3-Months 6 1.5 6-Months 12 3 12-Months 24 6 24-months n/a 12 48-months n/a 24

Combining Powers for Total Protocol Power

By integrating both dLP and ZERO powers, the total Protocol Power is derived, factoring in both contributions and their respective locking multipliers.

P

P d L P + P Z = d L P t p × L d L P +

ZERO t p × L Z

= d L P Total dLP × L d L P + ZERO Total ZERO × L Z P = P_{dLP} + P_{Z} = dLP_{tp} \times L_{dLP} + \textrm{ZERO}_{tp} \times L_{Z} \ \hspace{2em}\= \frac{dLP}{\textrm{Total dLP}} \times L_{dLP} + \frac{\textrm{ZERO}}{\textrm{Total ZERO}} \times L_{Z}\hspace{0.8em} P

= P d L P

+ P Z

= d L P tp

× L d L P

+ ZERO tp

× L Z

= Total dLP

d L P

× L d L P

+ Total ZERO

ZERO

× L Z

Final Equation for Protocol Power

Protocol Power

(P) × f (T p)

= (d L P Total dLP × L d L P + ZERO Total ZERO × L Z) × f (4 × ZERO 2 × 2 D e p o s i t s + 1 × ZERO 1 D e p o s i t s) \textrm{Protocol Power} = (P) \times f(T_p) \ = (\frac{dLP}{\textrm{Total dLP}} \times L_{dLP} + \frac{\textrm{ZERO}}{\textrm{Total ZERO}} \times L_{Z}) \times f(4 \times \frac{\textrm{ZERO}_2 \times 2}{Deposits} + 1 \times \frac{\textrm{ZERO}_1}{Deposits}) Protocol Power

= (P)

× f (T p)

= (Total dLP

d L P

× L d L P

+ Total ZERO

ZERO

× L Z)

× f (4

× De p os i t s

ZERO 2

×

2

+ 1

× De p os i t s

ZERO 1) This formula underscores the significance of both liquidity provision and single asset staking in enhancing a user's impact on the protocol's governance and reward distribution, thereby incentivizing long-term participation and investment.

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