

# Summary

Phoenix Labs proposes the following changes to SparkLend grouped by individual polls:

1. [Ethereum] Activate Cap Automator
2. [Ethereum] Collateral Parameter Adjustments

## Rational

### [Ethereum] Activate Cap Automator

Phoenix Labs has prepared code to automate the caps on SparkLend: [GitHub - marsfoundation/sparklend-cap-automator](https://github.com/marsfoundation/sparklend-cap-automator)

The code is designed to mirror the debt ceiling instant access module for Maker Core. It involves a max limit (max), a buffer size (gap) and a cooldown (ttl). Activating this module will help alleviate governance overhead in maintaining the supply and borrow caps for various assets, preferring a rate limit approach vs absolute limits.

Block Analitica will propose the initial parameters for the markets.

### [Ethereum] Collateral Parameter Adjustments

Many of the SparkLend parameters were set at the launch of the protocol or when the assets were onboarded. Phoenix Labs is requesting a parameter refresh across all assets to bring them inline to changing market conditions. This includes improvements to LTVs, Liquidation Thresholds and any Interest Rate Model parameters which may be out of date.

Block Analitica will propose the adjustments to be made based on their analysis.