# Smart Burn Engine Cooldown

Alias: N/AParameter Name: hop Containing contract: MCD_FLAP Scope: SystemTechnical Docs: N/A

Description

The Smart Burn Engine Cooldown orhop parameter controls the amount of time that must elapse between activations of the Smart Burn Engine. It is defined in seconds.

The Smart Burn Engine can be triggered when:

Time elapsed since last activation >= Smart Burn Engine Cooldown

Example

Time Since Last Activation = 90 secondsSmart Burn Engine Cooldown = 100 seconds

1. Keeper A attempts to trigger the Smart Burn Engine, but the transaction fails.
2. 10 seconds pass.
3. Keeper A may now succesfully trigger the Smart Burn Engine 4.

Purpose

The Smart Burn Engine Cooldown parameter allows Maker Governance to tune the frequency of Smart Burn Engine actions in order to achieve better efficiency.

Trade-offs

Increasing the Smart Burn Engine Cooldown will decrease the frequency of Smart Burn Engine purchases. This can allow for lower gas expenditure but will usually need higher lot sizes.

Reducing the Smart Burn Engine Cooldown will increase the frequency of Smart Burn Engine purchases. This can be useful in low liquidity situations when paired with a smaller lot size. If this is being done by the Keeper Network, this will lead to increased gas costs for Maker as the gas costs of the Keeper Network are funded by the Protocol.

Changes

Adjusting the Smart Burn Engine Cooldown parameter is a manual process that requires an executive vote. Changes to the Smart Burn Engine Slippage Tolerance are subject to theGSM Pause Delay .

In general the goal when tweaking this parameter is to partner changes to the Smart Burn Engine Lot Size to balance the frequency and size of Smart Burn Engine purchases to hit the target purchase rate defined in theStability Scope .

Why increase this parameter?

The main reason for Maker Governance to increase the Smart Burn Engine Cooldown is to balance increases in the Smart Burn Engine Lot Size, leading to bigger purchases happening less frequently.

Why decrease this parameter?

The main reason for Maker Governance to decrease the Smart Burn Engine Cooldown is to balance reductions in the Smart Burn Engine Lot Size, leading to smaller purchases happening more frequently.

Considerations

As triggering the Smart Burn Engine is permissionless, incorrectly setting the Smart Burn Engine Cooldown may lead to more or less Dai being spent to purchase MKR, depending on whether the Smart Burn Engine Cooldown was set too high or too low.

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