Azure Pricing, Service Levels, & Lifecycle

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Summary
Exam Essentials
Identify factors that can affect costs (resource types, services, locations, ingress, and egress traffic)
Identify factors that can reduce costs (Reserved instances, Reserved capacity, Hybrid use benefit, Spot pricing)
Describe the functionality and usage of the Pricing Calculator and the Total Cost of Ownership (TCO) Calculator
Identify actions that can impact an SLA (for example, availability zones)
Describe the service lifecycle in Azure (public preview & general availability)

Summary

- **Total Cost of Ownership (TCO) Calculator**

  - Calculator to estimate cost savings by moving on-premises workloads to Azure.

- **Pricing Calculator**

  - To more closely estimate the cost for each resource or solution you intend to deploy.

- **Azure Advisor**

  - Use to discover opportunities to reduce cost.

- **Cost Saving Ideas**

  - Implement spending limits

- Prepaying for services with Azure Reservations.

- Deploying resources in different regions.

- Leveraging existing licenses with Azure Hybrid Benefit.

- **Service Level Agreements (SLAs)**

  - Understand the SLA associated with each service and consider the business need and acceptable downtime then design a solution with an appropriate **composite SLA**.

  - Using different service tiers and availability zones improve composite SLA's.

- **Service Lifecycles**

  - Take into consideration the lifecycle of each service and implement changes if needed.

Exam Essentials

Identify factors that can affect costs (resource types, services, locations, ingress, and egress traffic)

- Each resource has specific costs associated that can vary depending on size, tier, and other factors.

- Location of resources can potentially affect cost.

- Network traffic between regions can incur additional charges.

Identify factors that can reduce costs (Reserved instances, Reserved capacity, Hybrid use benefit, Spot pricing)

- **Reserved Instances**

  - Allow you to prepay for services and receive a discount corresponding to the length of commitment.

  - Payment flexibility allows you to spread the commitment across the agreement to help shift from lump-sum payment to recurring operational cost.

- **Hybrid Use Benefit**

  - Lets you bring your Windows Server & SQL Server licenses covered by Software assurance into Azure to lower licensing costs.

- **Spot Pricing**

  - Use Spot Virtual Machines and take advantage of unused compute capacity at significant cost savings.

  - Don't use for workloads that cannot be interrupted.

- **Promotional Offers**

  - Promotional offers can help lower costs further.

Describe the functionality and usage of the Pricing Calculator and the Total Cost of Ownership (TCO) Calculator

- **Total Cost of Ownership (TCO)**

  - Intended to help you estimate the cost of moving workloads into Azure at a large scale.

  - Takes into account the resources, facilities, and staffing to estimate costs.

- **Pricing Calculator**

  - Use to estimate the costs associated with the specific resources in the Azure solution.

Identify actions that can impact an SLA (for example, availability zones)

- Choosing higher tiers or service levels for a service can improve the SLA. For example, the type of storage you use affects its SLA.

- Deploying VMs in multiple Availability Zones can increase the SLA for the VM or the solution using those VMs.

- Consider all these factors when planning for High Availability.

Describe the service lifecycle in Azure (public preview & general availability)

- Services in Public or Private Preview are not subject to an SLA or other terms in the Azure Online Services Terms.

- Services in general availability are subject to those terms.

- Microsoft provides a 12 months notice before retiring a GA service.