



Change Azure Windows Server VM Edition: Datacenter to Standard

This document provides a step-by-step guide on how to convert an Azure virtual machine (VM) running **Windows Server Datacenter Edition** to **Windows Server Standard Edition**.

Azure VMs are typically provisioned with the Datacenter Edition by default, which includes features like Hyper-V, Storage Replica, and Shielded VMs. However, for many workloads that do not require advanced capabilities, switching to the Standard Edition can help reduce licensing costs and align better with operational requirements.

1. Deploy the Virtual Machine in Datacenter Edition

Deploy an Azure VM using a Windows Server Datacenter Edition image (e.g., Windows Server 2022/2025 Datacenter).

If you own Windows licenses with active Software Assurance (SA) or have an active Windows Server subscription, use Azure Hybrid Benefit to save compute cost during the Virtual Machine Datacenter Deployment.

Licensing

Save up to 49% with a license you already own using Azure Hybrid Benefit. [Learn more](#)

Would you like to use an existing
Windows Server license?



☒ I confirm I have an eligible Windows Server license with Software Assurance *
or Windows Server subscription to apply this Azure Hybrid Benefit.

[Review Azure hybrid benefit compliance](#)

2. Download the Windows Server 2025 Standard Edition ISO

Download the official ISO image for Windows Server 2025 Standard Edition from Microsoft's Evaluation Center on the newly deployed Windows Server Datacenter VM.

Reference:

[Windows Server 2022 ISO Download](#)

Ensure you download the Desktop Experience version if you need a GUI.

3. Mount and Install Standard Edition from ISO

After downloading the ISO:

Mount the ISO on the Machine.

Launch the setup.exe inside the mounted ISO.

Follow the installation wizard.



When prompted, select **"Windows Server Standard Edition (Desktop Experience)"**.

This initiates the in-place upgrade to Standard Edition.

4. Create a Repair VM Using Azure Repair Tool

To perform the disk replacement, create a temporary **Repair VM** using Microsoft's repair commands.

Reference:

[Create Repair VM in Azure](#)

Use this VM to safely modify the OS disk without risking the production VM.

Repair process steps

1. Launch Azure Cloud Shell
2. If this is the first time you have used the az vm repair commands, add the vm-repair CLI extension.

az extension add -n vm-repair

If you have previously used the az vm repair commands, apply any updates to the vm-repair extension.

az extension update -n vm-repair

3. Repair VM with Nested Hyper-V example

az vm repair create -g MyResourceGroup -n myVM --repair-username username --repair-password 'password!234' --enable-nested --verbose

5. Access the Repair VM and Launch Hyper-V (if applicable)

Once the repair VM is provisioned:

- Log in to the Repair VM
- The new Problem VM will be deployed under the Hyper-V
- Log in to the Problem VM

Reference:

[Upgrade and conversion options for Windows Server](#)

[Key Management Services \(KMS\) client activation and product keys](#)

Convert Evaluation to Licensed Edition

If the ISO was for Standard Evaluation, convert it to fully licensed **Windows Server Standard**.

Run the following in elevated PowerShell:

DISM /online /Get-CurrentEdition

DISM /online /Get-TargetEditions



```
DISM /online /Set-Edition:<target edition> /GetEula:C:\license.rtf
```

```
DISM /online /Set-Edition:<target edition> /ProductKey:<product key> /AcceptEula
```

Use KMS Reference URL for Product Activation.

6. Windows Azure Guest Agent Installation on Problem VM

Run the setup of the Windows Azure Guest Agent on the Problem Virtual Machine.

Reference:

[WindowsVMAgent](#)

7. Swap the Repaired OS Disk Back to Original VM

Once the edition is converted and verified:

Go to the Azure Cloud Shell

Run the following command to restore the repaired disk back to the original VM:

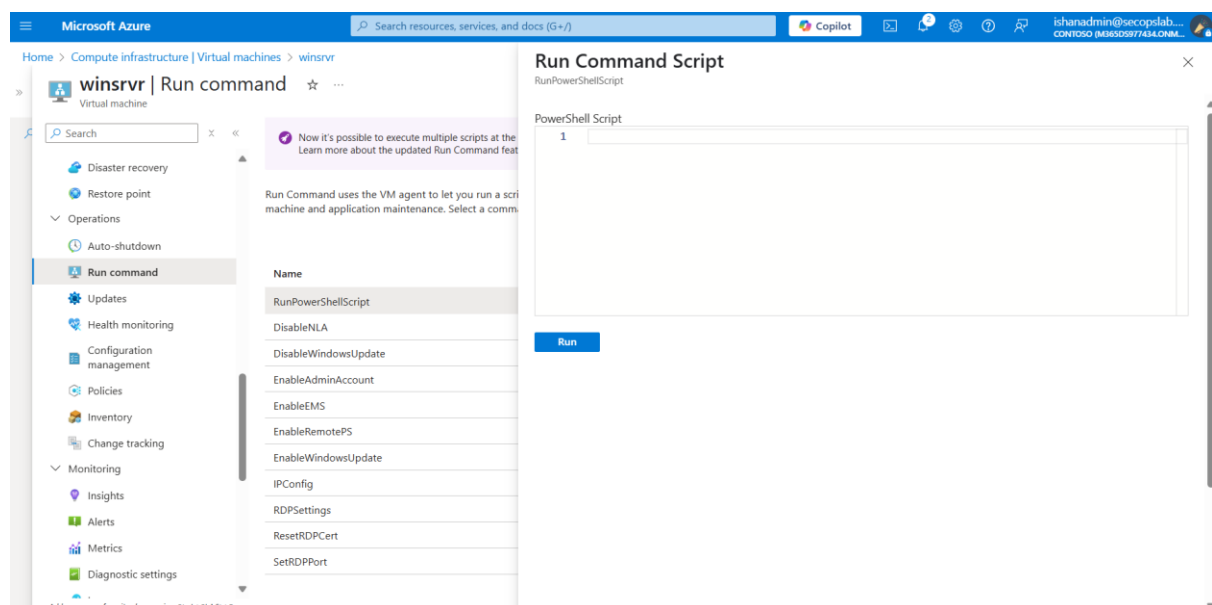
This command will swap the repaired OS disk with the original OS disk of the VM. The Resource Group and VM name used here are for the non-functional VM.

```
az vm repair restore -g <ResourceGroupName> -n <VMName> --verbose
```

When prompted, **choose “No”** for resource cleanup to preserve the repair VM and diagnostics for backup.

8. Configuring the Original VM in Functional State

After restoring the repaired disk to the original machine, verify that the following services are running by executing the command below in PowerShell on the original VM.





Get-Service RdAgent

Get-Service WindowsAzureGuestAgent

If any one of the Service Status Found under the Stopped State run the below command under the Powershell prompt to start the Service.

Start-Service RdAgent

Start-Service WindowsAzureGuestAgent

Confirm RDP is Enabled in OS

Since the OS was rebuilt manually via Hyper-V and generalized, RDP may be disabled.

Run the below command under the Serial Console → Powershell

```
reg add "HKLM\SYSTEM\CurrentControlSet\Control\Terminal Server" /v fDenyTSConnections /t REG_DWORD /d 0 /f
```

```
netsh advfirewall firewall set rule group="remote desktop" new enable=Yes
```

Get-Service -Name TermService

Start-Service -Name TermService

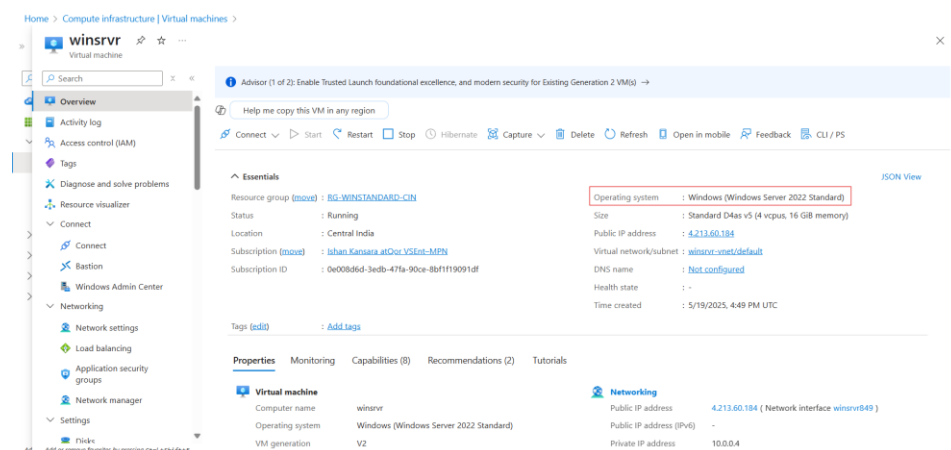
Reinstall RDP Services if corrupted (Optional)

Sometimes during image conversion, RDP components get broken.

From Serial Console: (PowerShell)

```
dism /online /enable-feature /featurename:Remote-Desktop-Services /all
```

9. Conclusion



By following the steps outlined in this document, you have successfully converted your Azure virtual machine from Windows Server Datacenter Edition to Windows Server Standard Edition.