

# Overbilling for backups on Managed Instance (May 2020)

Last updated by | Vitor Tomaz | Aug 5, 2020 at 12:45 PM PDT

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## Issue

We have an ongoing incident with backup storage billing meter resulting in billing overcharges for backups on Managed Instance all regions, all subscriptions.

### Update (May 22nd):

Please be aware that this issue has been resolved. The next step is to issue the refund requests, we'll get back to you with updates on this.

## Investigation/Analysis

This seems to be affecting all customers, all subscriptions (**don't share this detail or anything outside the customer ready message**).

In case you have any questions about affected customers please email Vitor Tomaz for further help on this matter.

## Mitigation

Use the customer ready message (and only the customer ready message) you can find on the RCA section below.

## Internal Reference

Parent incident: <https://icm.ad.msft.net/imp/v3/incidents/details/187952220/home> 


## RCA

### Customer ready message:


We have an ongoing incident with backup storage billing meter resulting in billing overcharges to you. This is a financial issue only, no service is impacted. Our engineering team is working to resolve the issue, and **all wrong**

**charges will be refunded automatically**, but they will still appear on your invoice due to accounting regulations. We wanted to make you aware of the issue, and answer any questions you may have. The overbilled error started on Apr 28, and we expect to resolve it by May 23rd, or earlier. The erroneous charges will show on your May invoice, and will be refunded on your June invoice due to accounting regulations.

**Action:** Please ensure that emails entered for subscription owners are accurate, as credit information will be automatically emailed to those addresses.

**Action (optional):** You can proactively reduce consumption by reducing backup retention rate for non-critical databases (e.g. 1 day for active, and 0 days for deleted), by following the [backup storage consumption tuning guidelines for MI](#) . This is not required; purely optional on your part, however we recommend reviewing your configuration.

## Root Cause

- We have recently discovered a bug that has caused a small number of customers to be overcharged in error for Azure SQL Database Managed Instance PITR backup storage starting from April 28, 2020 up to date.
- The incident is still active and ETA of the expected resolution is by May 23, or earlier.
- The root cause of the issue was introduction of new improvements that would provide customers with a finer granularity into consumption of their backup storage. Unfortunately, with this improvement an oversight was made in the billing aggregation logic that is causing an unwanted aggregated increase in the total charged price for the backup billing storage consumed. Please note that this issue is related to billing only, and that no impact exists to performance or operation of the services used by customers.
- The overcharged amount in error is visible to you via [online tools](#)  and the final amount will be visible on your invoice.

## Steps we are taking to resolve this issue

- Our team is actively working on reverting this change from production.
- Expected issue resolution is by May 23rd, or *earlier* if possible.
- As soon as the issue has been resolved in production, we will request refunds from the billing department for all charges made in error.
  - There is no action that you need to do to get the refund.
  - Automated emails that credit was issued will be sent to subscription owners.
- We will conduct a post-mortem once the issue has been resolved.
- We are committed to improve our engineering process, especially related to the quality of billing code rollouts, to avoid occurrence of similar incidents in the future.

Any questions, please feel free to contact us.

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