Total Cost of Ownership (TCO) Calculator

Estimate the cost savings you can realize by migrating your workloads to Azure
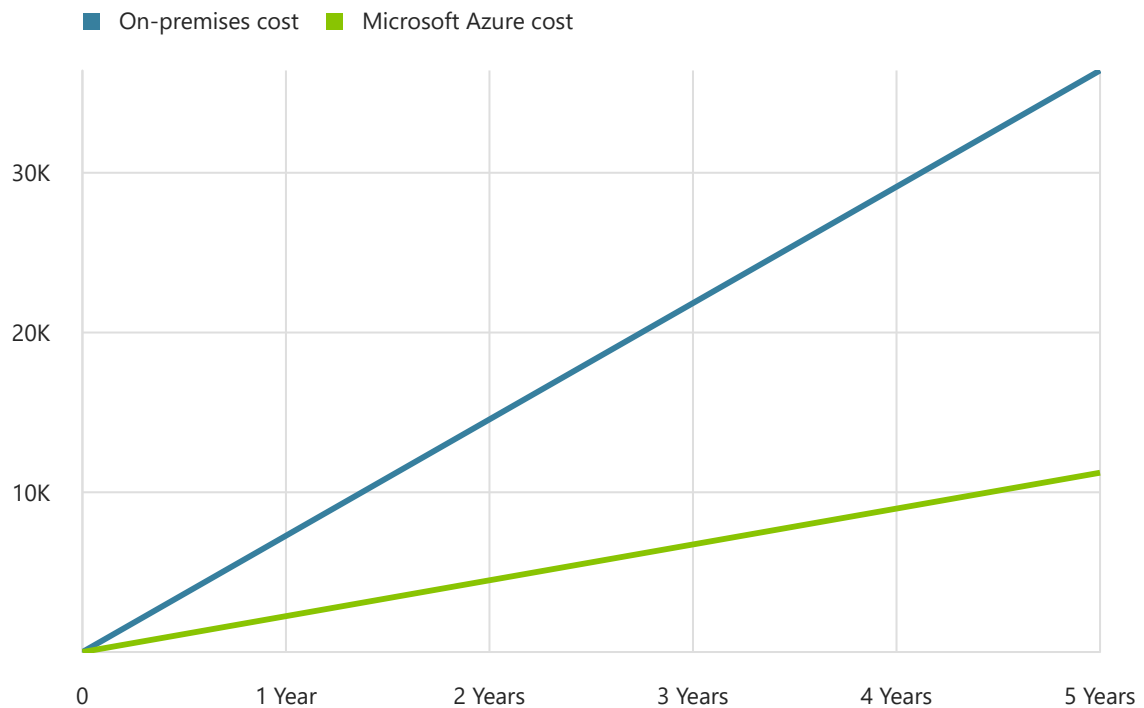
Over 5 year(s) with Microsoft Azure, your estimated cost savings could be as much as $25,180

Total on-premises vs. Azure cost over time

Savings from running workloads in Azure accrue over time. The following shows how those savings add up over years.

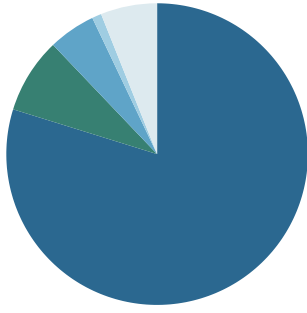## Total on-premises over 5 year(s)

TCO of on-premises environments tends to be driven by compute and data center costs.

Total Azure cost over 5 year(s)

In Azure, certain cost categories decrease or go away completely.

$36,404
Total cost

$11,224
Total cost
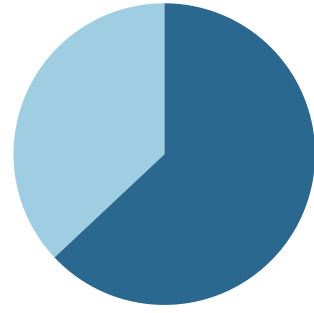
79% Compute | **8%** Data center | **5%** Networking | **1%** Storage | **6%** IT Labor

63% Compute | **0%** Data center | **0%** Networking | **37%** Storage | **0%** IT Labor

Total on-premises cost breakdown

In Azure, several of the cost categories from the on-premises environment are consolidated and decrease with the efficiency that comes with the cloud.

Total Azure cost breakdown
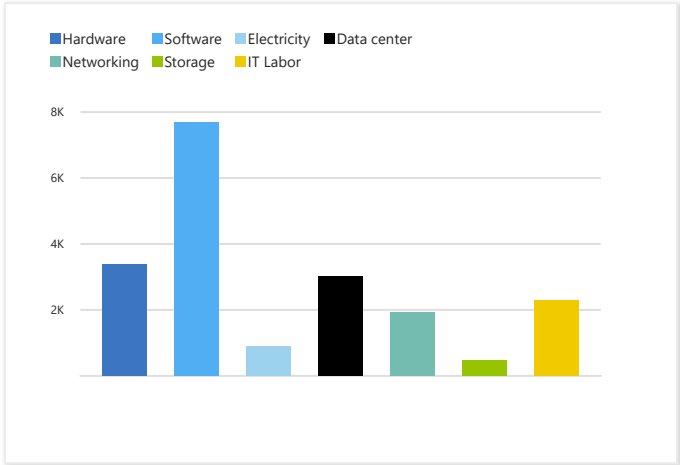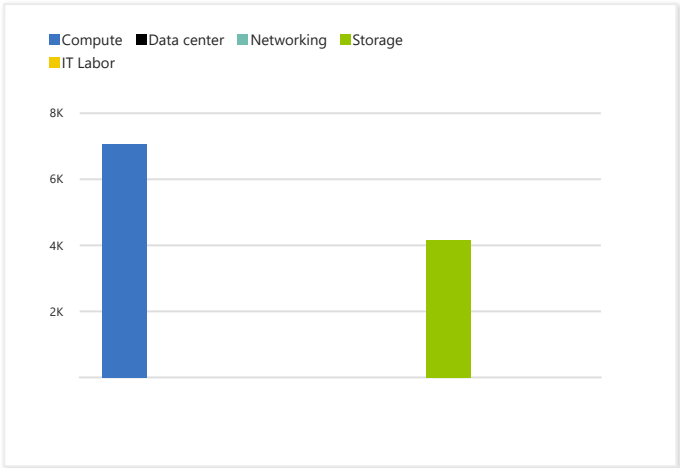
In Azure, several of the cost categories from the on-premises environment are consolidated and decrease with the efficiency that comes with the cloud.

$36,404
Cost over 5 year(s)

$11,224
Cost over 5 year(s)

On-premises cost breakdown summary

Azure cost breakdown summary

Category	Cost
Compute	$28,697.25

Category	Cost

Hardware	$3,368.00		Compute	$7,068.00
Software	$7,693.75			
Electricity	$909.00		Data Center	$0.00
Database	$16,726.50			
			Networking	$0.00
Data Center	$3,022.70			
			Storage	$4,155.61
Networking	$1,917.15			
			IT Labor	$0.00
Storage	$467.20			
IT Labor	$2,300.00			

Total	**$36,404.00**		**Total**	**$11,224.00**

Estimated on-premises cost (5 year(s))

Estimated Azure cost (5 year(s))

Compute cost

Azure compute cost

Hardware cost

Cost per 1 proc 2 core, 3.5 GB RAM physical server for Windows	$1,684.00
Number of servers required	1
Total cost for physical server(s)	$1,684.00
Cost of maintaining physical server(s) - 20% of cost of physical server(s)	$336.80
Total cost of maintaining server(s) over five year(s)	$1,684.00
Total hardware cost over five year(s)	**$3,368.00**

SQL Database cost

General Purpose Single Gen5 2 vCores (Azure Hybrid Benefit)	$0.13698 /hr
	SKU#
Instance Count	1
Cost Per Month	$117.80
Total SQL Database cost over five year(s)	**$7,068.00**

Software cost

Cost of Windows datacenter license per 1 proc, 2 core, 3.5 GB RAM physical machine	$6,155.00
Number of licenses needed	1
Total software license cost	$6,155.00
Total Software Assurance cost	$1,538.75
Total software cost over five year(s)	**$7,693.75**

Electricity cost

Price of electricity per kWh	$0.133
Power rating of 2 core, 3.5 GB RAM server	156 Watts
Total electricity cost consumed by 1 server(s) - 2 core, 3.5 GB RAM server per month	$15.15

Total electricity cost over five year(s)	**$909.00**

SQL Database cost

Total CPU cores	4
SQL Server Standard License cost per 2 cores	$3,717.00
Standard cores	4
Total license cost	$7,434.00
Standard Software Assurance cost per 2 cores	$929.25
Standard cores	4
Total Software Assurance cost	$9,292.50
Total SQL Database cost over five year(s)	**$16,726.50**

NOTE: A minimum of four core licenses are required for each physical processor on the server or VM

Total cost over five year(s)	**$28,697.25**

Total Azure compute cost over five year(s)	**$7,068.00**

Data center cost

Azure data center cost

Compute cost

Number of rack units per rack	42
Rack units required per 2 core, 3.5 GB RAM server	1
Number of 2 core, 3.5 GB RAM server	1
Total number of rack units required	$1.00
Total number of rack units required for all server(s)	$1.00
Data center construction cost per rack unit amortized over 20 years	$302.27

Total Azure data center cost over five year(s)	$0.00

Data center compute cost	$302.27
Total Data center compute cost over five year(s)	**$1,511.35**

Storage cost

Total number of rack units required for all storage	1
Number of rack units for DAS or SAN	1
Rack mounting/installation cost	$302.27
Total Data center storage cost over five year(s)	**$1,511.35**

Total Data center cost over five year(s)	**$3,022.70**		**Total Azure data center cost over five year(s)**	**$0.00**

Networking cost

Azure networking cost

Total hardware + software cost over five year(s)	$11,061.75		
Network hardware and software cost assumed to be 15% of hardware and software cost over five year(s)	$1,659.26	Total outgoing bandwidth needed per month	1 GB
Network maintenance cost assumed to be 15% of network hardware and software cost over five year(s)	$248.89	Total outgoing bandwidth cost per month	$0.00
Service provider cost/GB per month	$0.15		
Amount of bandwidth needed (GB) per month	1		
Total service provider cost per month	$0.15		

year(s) $1,917.15

Total Azure networking cost over five year(s) — $0.00

Storage cost

Azure storage cost

Hardware

Local Disk/SAN-HDD
Cost per GB	$0.20
Storage (RAID 10 configuration) volume in GB	1,024

Total storage procurement cost	**$204.80**

Page Blob storage

Usable storage volume in GB	512
Storage cost per GB/month	$0.045
Annual storage cost per usable volume	$276.48

Total Page Blob LRS storage maintenance cost over five year(s)	**$1,382.40**

Backup

Total backup and archive volume in GB	2,048
	HP LTO-7 BB873A
Backup volume per tape in TB	6
Number of Tape drives required	1
Cost per Tape Drive	$160.00

Backup and Archive cost over five year(s)	**$160.00**

Backup

Total backup and archive volume in GB	2,048
Storage cost per GB	$0.0224
	SKU# AAL-31949

Backup and Archive maintenance cost over five year(s)	**$2,752.51**

Storage Maintenance

Storage maintenance cost (10% of storage procurement cost) over five year(s)	$102.40

Total storage maintenance cost over five year(s)	**$102.40**

SQL Database Server storage

Usable storage volume in GB	3
Price per GB/Month	$0.038
Active DB Storage Cost/Month	$0.115
Annual storage cost per usable volume	$4.14

Total SQL Database Server Storage cost over five year(s)	**$20.70**

SQL Database Backup storage

Billable backup storage volume in GB	0
Price per GB/Month	$0.00
Backup Storage Cost/Month	$0.200
Annual storage cost per usable volume	$0.00

Total SQL Database Backup Storage Cost over five year(s)	**$0.00**

Total storage cost over five year(s)	**$467.20**

Total Azure storage cost over five year(s)	**$4,155.61**

IT labor cost

Azure IT labor cost

Number of IT admin hour(s) needed per year	20
Hourly rate for IT administrator	$23.00

Number of IT admin hour(s) needed per year	0
Hourly rate for IT administrator	$23.00

Total IT labor cost over five year(s)	**$2,300.00**

Total Azure IT labor cost over five year(s)	**$0.00**

Total on-premises cost over five year(s)	**$36,404.00**

Total Azure cost over five year(s)	**$11,224.00**

A total **savings** of $25,180.00 with **Microsoft Azure**