Project Report on:

Understanding the Cost of Computing in the Cloud

The report is about cost of cloud computing while designing the private data centres, here the comparison have been made between public cloud Amazon EC2 and the one designed by private companies when they have a huge demand of cloud services.

Whenever a company wants to switch to cloud or a new company wants to design their own Data Centre for the purpose of their customer base, Trade-offs will always be there whether to opt for a public cloud such as Amazon Ec2, Google App Engine, and Microsoft Azure or design your own Data Centre which is nothing but private cloud.

While making a choice, many factors are needed to be considered to come to the final conclusion between both.

Following are the factors needs to be considered while deciding between private or public cloud.

- 1) Cost of computing
- 2) Demand/Usage
- 3) Security
- 4) Maintenance
- 5) Compliance
- 6) Future usage
- 7) Scalability
- 8) Reliability

Here in report Cost in considered as one of the driving factor to decide between public and private cloud, as we know that for start-ups cost is major criteria to discuss on. Here the comparisons of cost have been made of Amazon Ec2 instances namely m4.10xlarge, m3.large, m3.2xlarge, c3.8xlarge, g2.2xlarge, r3.4xlarge, i2.8xlarge, and d2.8xlarge and the corresponding private cloud instances namely m4.10xlarge.private, m3.large.private, m3.2xlarge.private, c3.8xlarge.private, g2.2xlarge.private, r3.4xlarge.private, i2.8xlarge.private, and d2.8xlarge.private to decide on choice. The cost has been calculated of each of the hardware required to own a data centre like Processor cost, Memory Cost, Motherboard cost, Disk Cost, Power and Cooling cost, admin cost etc. Based on various criteria 5 years cost have been calculated with the usage of cloud scaling from 1GFLOP to 1PFLOP, to analyse the cost of computing in cloud.

The cost is been calculated on \$/FLOP/Hour basis to better compare with the public cloud cost which will remain constant even if the usage of service scales up from 1GFLOP to 1 PFLOP.

GFLOPS for Public Cloud Instance:

Assumption:

I have used the Double Point Floating Point operation to calculate the GFLOPS for CPU.

Instance Type	Processor	Number of Cores	Clock speed (GHZ)	Instructions per cycle (IPC) (DP: Double Point)	GFLOPS
m4.10xlarge	Intel Xeon E5- 2676 v3 (Haswell)	40	2.4	16 DP	768
m3.large	Intel Xeon E5- 2670 v2 (Ivy Bridge)	2	2.5	8 DP	20
m3.2xlarge	Intel Xeon E5- 2670 v2 v2 (Ivy Bridge)	8	2.5	8 DP	80
c3.8xlarge	Intel Xeon E5- 2680 v2 v2 (Sandy Bridge)	32	2.8	8 DP	359
g2.2xlarge	Intel Xeon E5- 2670 v2 (Sandy Bridge)	8	2.6	8 DP	84
r3.4xlarge	Intel Xeon E5- 2670 v2 v2 (Ivy Bridge)	16	2.5	8 DP	160
i2.8xlarge	Intel Xeon E5- 2670 v2 v2 (Ivy Bridge)	32	2.5	8 DP	320
d2.8xlarge	Intel Xeon E5- 2676 v3(Haswell)	36	2.4	16 DP	692

Private cloud cost equivalents to the 8 different Amazon EC2 Instance Types:

m4.10xlarge.private:

Parameters	Components Name Quantity		Cost (\$)	
	INTEL XEON E5-2676		1500	
	V3 2.40GHz SR1Y5			
CPU	30Mb 12 Cores	2		
	Crucial 128GB (4 x		2340	
	32GB) 288-Pin DDR4			
	SDRAM ECC DDR4			
	2133 (PC4 17000) Server			
	Memory Model			
Memory	CT4K32G4LFQ4213	2		
	Seagate Surveillance HDD		90	
	ST2000VX003 2TB			
	64MB Cache SATA			
	6.0Gb/s Internal Hard			
Disk (SSD)	Drive	1		
	ASUS Z10PA-U8 ATX		321	
	Server Motherboard LGA			
	2011-3 DDR4 2133 / 1866			
MotherBoard	/ 1600 / 1333	1		
	StarTech.com 42U		230	
	Adjustable Depth Open			
	Frame 4 Post Server Rack			
	Cabinet - Flat Pack w/			
	Casters, Levelers and			
Rack	Cable Management Hooks	1		
	SUPERMICRO CSE-		584	
	825TQ-R720LPB Black			
	2U Rackmount Server			
Chasis	Case 720W Redundant	1		
	Intel Ethernet Converged		529	
	Network Adapter X540-			
Network Adapter Card	T2	1		
	Cisco Small Business 500		1000	
	Series SF500-48P-K9-NA		1000	
	Managed PoE Stackable			
Network Switch	Managed Ethernet Switch	1		
Administration Cost	Pay/Year		70000	
	Chicago's Avg. Rate		7338.033	
System Power(5 Years)	0.153(kWh)			
~ J ~ · · · · · · · · · · · · · · · · ·	Chicago's Avg. Rate		1608.336	
Cooling Power(5 Years)	0.153(kWh)		1000.230	
Network Service	RCN (50MBPS)		82125	
Provider			02125	
Total Cost for 5years			447665.369	
Total Cost for 1 hour			10.22067053	
	Cost Per FLOP per		0.013308165	
Final Price	Hour			
		<u>l</u>		

m3.large.private:

Parameters	Components Name	Quantity	Cost (\$)
	Intel Xeon E5-2670 v2		750
	Ivy Bridge-EP 2.5 GHz		
	25MB L3 Cache LGA		
	2011 115W		
	BX80635E52670V2		
CPU	Server Processor	1	
	Kingston 8GB 240-Pin		48.82
	DDR3 SDRAM ECC		
	Unbuffered DDR3 1600		
	Server Memory w/TS		
	Intel Model		
Memory	KVR16E11/8I	1	
	SanDisk SSD PLUS 2.5"		43
	120GB SATA III Internal		
	Solid State Drive (SSD)		
Disk (SSD)	SDSSDA-120G-G25	1	
	Intel DBS2600CP2 SSI		490
	EEB Server Motherboard		
	Dual LGA 2011 DDR3		
MotherBoard	1600	1	
	StarTech.com 42U		230
	Adjustable Depth Open		
	Frame 4 Post Server Rack		
	Cabinet - Flat Pack w/		
	Casters, Levelers and		
Rack	Cable Management Hooks	1	
	SUPERMICRO CSE-		584
	825TQ-R720LPB Black		
	2U Rackmount Server		
Chasis	Case 720W Redundant	1	
	Intel EXPI9301CTBLK		28
	Network Adapter 10/ 100/		
	1000Mbps PCI-Express 1		
Network Adapter Card	x RJ45	1	1000
	Cisco Small Business 500		1000
	Series SF500-48P-K9-NA		
	Managed PoE Stackable		
Network Switch	Managed Ethernet Switch	1	= 0000
Administration Cost	Pay/Year		70000
	Chicago's Avg. Rate		7338.033
System Power	0.153(kWh)		
	Chicago's Avg. Rate		770.661
Cooling Power	0.153(kWh)		00107
Network Service	RCN (50MBPS)		82125
Provider			111077
Total Cost for 5years			444257.514
Total Cost for 1 hour			10.14286562
	Cost Per FLOP per		0.507143281
Final Price	Hour		

m3.2xlarge.prinvate:

Parameters	Components Name	Quantity	Cost (\$)
	Intel Xeon E5-2670 v2 Ivy		1600
	Bridge-EP 2.5 GHz 25MB		
	L3 Cache LGA 2011 115W		
	BX80635E52670V2 Server		
CPU	Processor	1	
	Black Diamond Memory		180
	32GB (2 x 16GB) 240-Pin		
	DDR3 SDRAM ECC		
	Registered DDR3 1600		
	(PC3 12800) Server		
	Memory Model		
Memory	BD16GX21600MTR26	1	
	Intel DC S3610 2.5"		190
	200GB SATA III MLC		
	Internal Solid State Drive		
	(SSD)		
	SSDSC2BX200G401 -		
Disk (SSD)	OEM	1	
	Intel DBS2600CP2 SSI		490
	EEB Server Motherboard		
36.1.5.1	Dual LGA 2011 DDR3		
MotherBoard	1600	1	220
	StarTech.com 42U		230
	Adjustable Depth Open		
	Frame 4 Post Server Rack		
	Cabinet - Flat Pack w/		
Dools	Casters, Levelers and	1	
Rack	Cable Management Hooks SUPERMICRO CSE-	1	584
	825TQ-R720LPB Black		364
	2U Rackmount Server Case		
Chasis	720W Redundant	1	
Citasis	Intel EXPI9301CTBLK	1	28
	Network Adapter 10/ 100/		20
	1000Mbps PCI-Express 1 x		
Network Adapter Card	RJ45	1	
110tWork Flaupter Cara	Cisco Small Business 500	1	1000
	Series SF500-48P-K9-NA		1000
	Managed PoE Stackable		
Network Switch	Managed For Stackable Managed Ethernet Switch	1	
Administration Cost	Pay/Year		70000
	Chicago's Avg. Rate		7338.033
System Power	0.153(kWh)		
•	Chicago's Avg. Rate		770.661
Cooling Power	0.153(kWh)		
Network Service	RCN (50MBPS)		82125
Provider	, ,		
Total Cost for 5years			444535.694
Total Cost for 1 hour			10.14921676
Final Price	Cost Per FLOP per Hour		0.126865209

c3.8xlarge.private:

Parameters	Components Name	Quantity	Cost (\$)
	Intel Xeon E5-2680 v2 Ivy		3560
	Bridge-EP 2.8 GHz 25MB		
	L3 Cache LGA 2011 115W		
	BX80635E52680V2 Server		
CPU	Processor	2	
	Kingston ValueRAM		400
	64GB (4 x 16GB) 240-Pin		
	DDR3 SDRAM ECC		
	Registered DDR3 1600		
	Server Memory (Intel		
	Validated) Model		
Memory	KVR16R11D4K4/64I	1	
	SAMSUNG 850 EVO 2.5"		190
	1TB SATA III 3-D		
	Vertical Internal Solid		
	State Drive (SSD) MZ-		
Disk (SSD)	75E1T0B/AM	1	
	Intel DBS2600CP2 SSI		490
	EEB Server Motherboard		
	Dual LGA 2011 DDR3		
MotherBoard	1600	1	
	StarTech.com 42U		230
	Adjustable Depth Open		
	Frame 4 Post Server Rack		
	Cabinet - Flat Pack w/		
	Casters, Levelers and		
Rack	Cable Management Hooks	1	70.4
	SUPERMICRO CSE-		584
	825TQ-R720LPB Black		
CI.	2U Rackmount Server Case		
Chasis	720W Redundant	1	520
	Intel Ethernet Converged		529
Noteriouls Adoutes Cond	Network Adapter X540-T2	1	
Network Adapter Card	Cisco Small Business 500	1	1000
	Series SF500-48P-K9-NA		1000
	Managed PoE Stackable		
Noticeals Carital		1	
Network Switch Administration Cost	Managed Ethernet Switch Pay/Year	1	70000
Auministration Cost	Chicago's Avg. Rate		7338.033
System Power	0.153(kWh)		1330.033
System rower	Chicago's Avg. Rate		770.661
Cooling Power	0.153(kWh)		//0.001
Network Service	RCN (50MBPS)		82125
Provider Service	KCN (JUMBES)		02123
Total Cost for 5years			444535.694
Total Cost for 1 hour			10.21275557
Final Price	Cost Por FI OD non House		0.261865527
rmai rrice	Cost Per FLOP per Hour		0.201005527

g2.2xlarge.private:

Parameters	Components Name	Quantity	Cost (\$)
	Intel Xeon E5-2670 Sandy		585
	Bridge-EP 2.6GHz		
	(3.3GHz Turbo Boost)		
	20MB L3 Cache LGA		
	2011 115W		
	BX80621E52670 Server		
CPU	Processor	1	
	Kingston 24GB (3 x 8GB)		150.86
	240-Pin DDR3 SDRAM		
	ECC DDR3 1600 (PC3		
	12800) Server Memory		
Memory	Model KVR16LE11K3/24	1	
	Intel DC S3500 Series 1.8"		105
	80GB SATA III MLC		
	Internal Solid State Drive		
	(SSD)		
	SSDSC1NB080G401 -		
Disk (SSD)	OEM	1	
	Intel DBS2600CP2 SSI		490
	EEB Server Motherboard		
	Dual LGA 2011 DDR3		
MotherBoard	1600	1	
	StarTech.com 42U		230
	Adjustable Depth Open		
	Frame 4 Post Server Rack		
	Cabinet - Flat Pack w/		
	Casters, Levelers and		
Rack	Cable Management Hooks	1	
	SUPERMICRO CSE-		584
	825TQ-R720LPB Black		
	2U Rackmount Server Case		
Chasis	720W Redundant	1	
	Intel EXPI9301CTBLK		28
	Network Adapter 10/ 100/		
	1000Mbps PCI-Express 1 x		
Network Adapter Card	RJ45	1	
	Cisco Small Business 500		1000
	Series SF500-48P-K9-NA		
	Managed PoE Stackable		
Network Switch	Managed Ethernet Switch	1	
Administration Cost	Pay/Year		70000
	Chicago's Avg. Rate		10132.5168
System Power (5years)	0.153(kWh)		
	Chicago's Avg. Rate		770.661
Cooling Power(5years)	0.153(kWh)		
Network Service	RCN (50MBPS)		82125
Provider			
Total Cost for 5years			446201.0378
Total Cost for 1 hour			10.18723831
Final Price	Cost Per FLOP per Hour		0.121276646

r3.4xlarge.private:

Parameters	Components Name	Quantity	Cost (\$)
	Intel Xeon E5-2670 v2 Ivy		1600
	Bridge-EP 2.5 GHz 25MB		
	L3 Cache LGA 2011 115W		
	BX80635E52670V2 Server		
CPU	Processor	1	
	Kingston 64GB (4 x 16GB)		740
	240-Pin DDR3 SDRAM		
	ECC Registered DDR3		
	1600 Server Memory DR		
	x4 Model		
Memory	KVR16R11D4K4/64	2	
	SAMSUNG 850 PRO 2.5"		212.19
	512GB SATA III 3-D		
	Vertical Internal Solid		
	State Drive (SSD) MZ-		
Disk (SSD)	7KE512BW	1	
, ,	Intel DBS2600CP2 SSI		490
	EEB Server Motherboard		
	Dual LGA 2011 DDR3		
MotherBoard	1600	1	
	StarTech.com 42U		230
	Adjustable Depth Open		
	Frame 4 Post Server Rack		
	Cabinet - Flat Pack w/		
	Casters, Levelers and		
Rack	Cable Management Hooks	1	
	SUPERMICRO CSE-		584
	825TQ-R720LPB Black		
	2U Rackmount Server Case		
Chasis	720W Redundant	1	
	Intel EXPI9301CTBLK		28
	Network Adapter 10/ 100/		
	1000Mbps PCI-Express 1 x		
Network Adapter Card	RJ45	1	
•	Cisco Small Business 500		1000
	Series SF500-48P-K9-NA		
	Managed PoE Stackable		
Network Switch	Managed Ethernet Switch	1	
Administration Cost	Pay/Year		70000
	Chicago's Avg. Rate		7338.033
System Power (5years)	0.153(kWh)		
· · · · · · · · · · · · · · · · · · ·	Chicago's Avg. Rate		770.661
Cooling Power(5years)	0.153(kWh)		
Network Service	RCN (50MBPS)		82125
Provider	, , , ,		
Total Cost for 5years			445117.884
Total Cost for 1 hour			10.16250877
Final Price	Cost Per FLOP per Hour		0.06351568

i2.8xlarge.private:

Parameters	Components Name	Quantity	Cost (\$)
	Intel Xeon E5-2670 v2 Ivy		
	Bridge-EP 2.5 GHz 25MB		
	L3 Cache LGA 2011 115W		
	BX80635E52670V2 Server		
CPU	Processor	2	3200
	Kingston 64GB (4 x 16GB)		
	240-Pin DDR3 SDRAM		
	ECC Registered DDR3		
	1600 Server Memory DR		
	x4 Model	4	1460
Memory	KVR16R11D4K4/64	4	1468
	SAMSUNG 850 PRO 2.5" 2 TB SATA III 3-D		
	2 TB SATA III 3-D Vertical Internal Solid		
	State Drive (SSD) MZ-		
Disk (SSD)	7KE2T0BW	4	3600
DISK (SSD)	Intel DBS2600CP2 SSI	4	3000
	EEB Server Motherboard		
	Dual LGA 2011 DDR3		
MotherBoard	1600	1	490
	StarTech.com 42U		
	Adjustable Depth Open		
	Frame 4 Post Server Rack		
	Cabinet - Flat Pack w/		
	Casters, Levelers and		
Rack	Cable Management Hooks	1	230
	SUPERMICRO CSE-		
	825TQ-R720LPB Black		
	2U Rackmount Server Case		
Chasis	720W Redundant	1	584
	Intel Ethernet Converged		7.0
Network Adapter Card	Network Adapter X540-T2	1	529
	Cisco Small Business 500		
	Series SF500-48P-K9-NA		
Natwork Switch	Managed PoE Stackable	1	1000
Network Switch Administration Cost	Managed Ethernet Switch Pay/Year	1	70000
Auministration Cost	Chicago's Avg. Rate		7338.033
System Power (5years)	0.153(kWh)		7556.055
System I Ower (Sycars)	Chicago's Avg. Rate		3082.644
Cooling Power(5years)	0.153(kWh)		3002.011
Network Service	RCN (50MBPS)		82125
Provider			
Total Cost for 5years			453646.677
Total Cost for 1 hour			10.35723007
Final Price	Cost Per FLOP per Hour		0.032366344

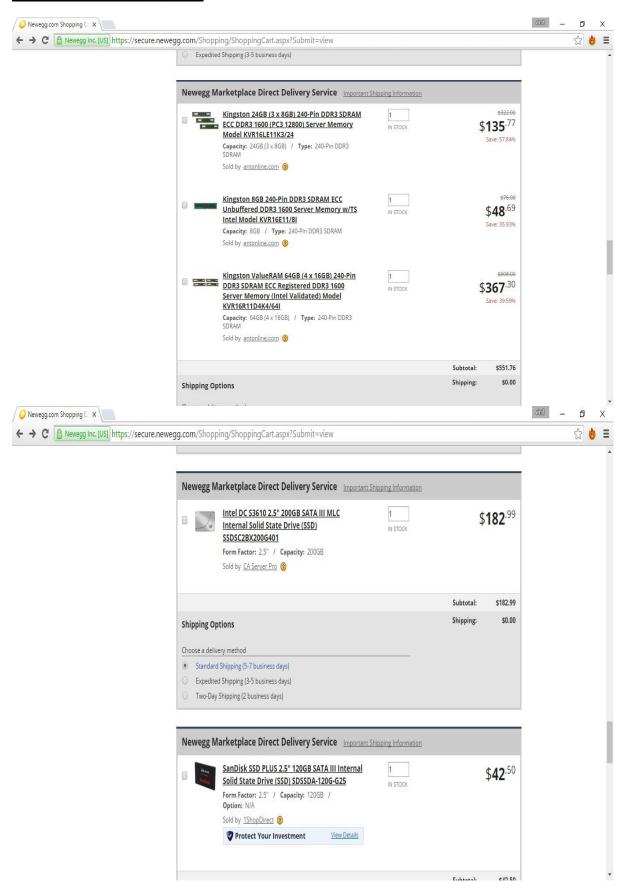
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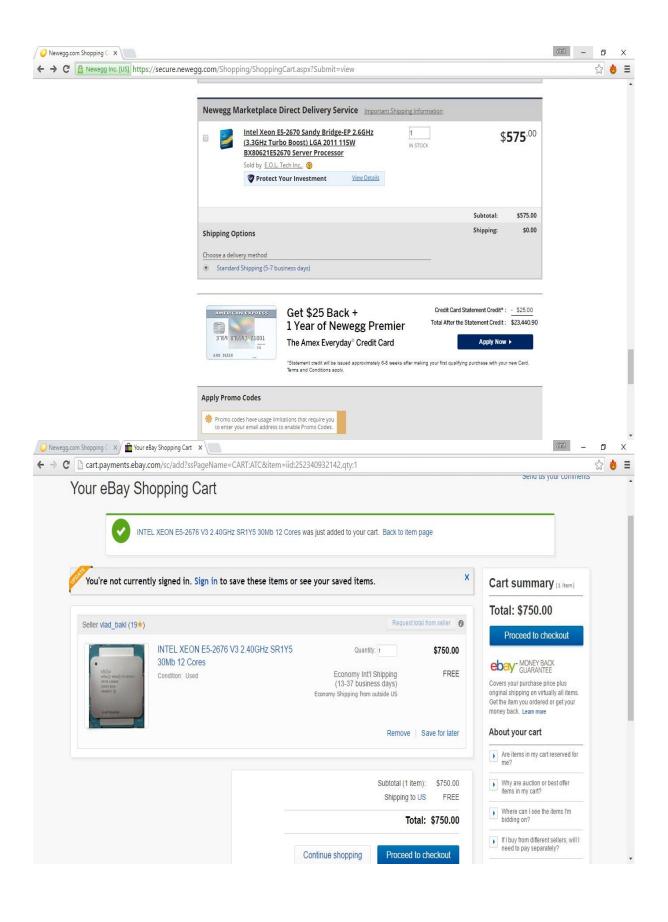
Parameters	Components Name	Quantity	Cost (\$)	
	INTEL XEON E5-2676 V3			
	2.40GHz SR1Y5 30Mb 12		1500	
CPU	Cores	2		
	Kingston 64GB (4 x 16GB)			
	288-Pin DDR4 SDRAM			
	ECC Registered DDR4			
	2133 (PC4 17000) Server			
	Memory Model		1830	
Memory	KVR21R15D4K4/64	5		
	Seagate Surveillance HDD			
	ST2000VX003 2TB 64MB			
	Cache SATA 6.0Gb/s		2160	
Disk (SSD)	Internal Hard Drive	24		
(3.13)	ASUS Z10PA-U8 ATX			
	Server Motherboard LGA			
	2011-3 DDR4 2133 / 1866		345	
MotherBoard	/ 1600 / 1333	1		
	StarTech.com 42U			
	Adjustable Depth Open			
	Frame 4 Post Server Rack			
	Cabinet - Flat Pack w/			
	Casters, Levelers and		230	
Rack	Cable Management Hooks	1	230	
Tuen	SUPERMICRO CSE-			
	825TQ-R720LPB Black			
	2U Rackmount Server Case		584	
Chasis	720W Redundant	1		
Citabib	Intel Ethernet Converged		529	
Network Adapter Card	Network Adapter X540-T2	1		
1 tetwork / teapter earc	Cisco Small Business 500	1		
	Series SF500-48P-K9-NA			
	Managed PoE Stackable		1000	
Network Switch	Managed For Stackable Managed Ethernet Switch	1	1000	
Administration Cost	Pay/Year	1	70000	
7 tallimistration Cost	Chicago's Avg. Rate		7338.033	
System Power (5years)	0.153(kWh)		7330.033	
= j = (e j e a 1 b)	Chicago's Avg. Rate		1608.336	
Cooling Power(5years)	0.153(kWh)		1000.000	
Network Service	RCN (50MBPS)		82125	
Provider	, ,			
Total Cost for 5years			449249.369	
Total Cost for 1 hour			10.25683491	
Final Price	Cost Per FLOP per Hour		0.014822016	

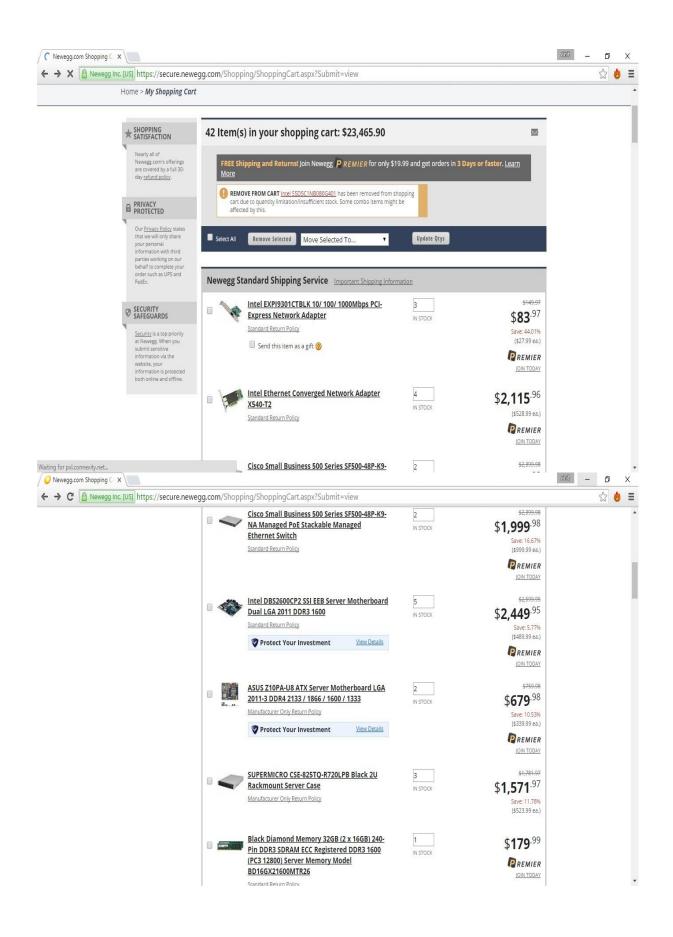
<u>Cost per Flop per Hour for Private and Public Cloud Instances for 5 years amortized:</u>

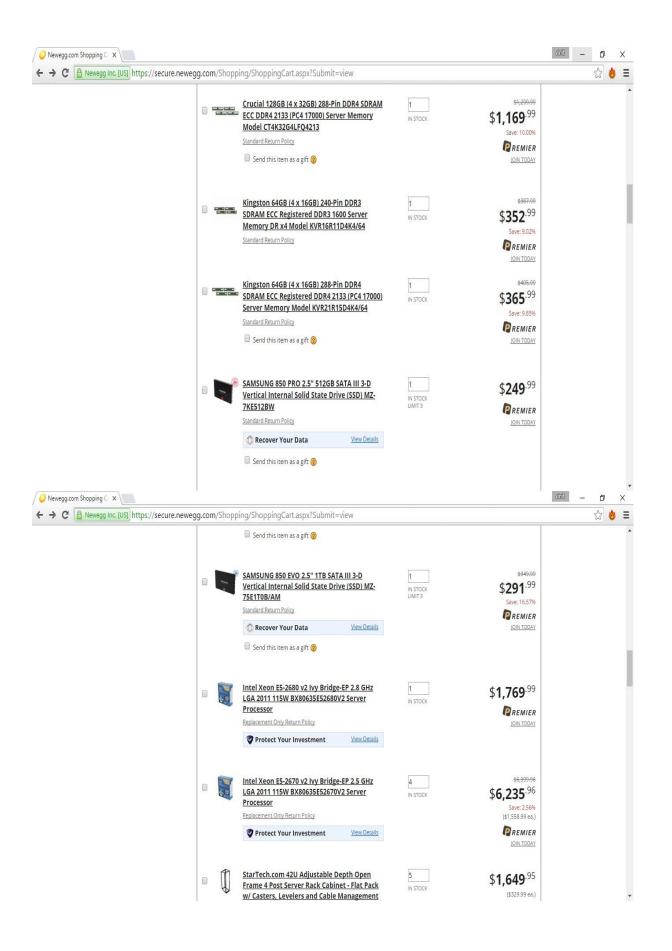
				1000	10000	100000
Instance Types	1GFLOP	10GFLOP	100 GFLOP	GFLOP	GFLOP	GFLOP
m4.10xlarge.private	0.013308165	0.013308165	0.013308165	0.006850248	0.001227861	0.000409129
m3.large.private	0.507143281	0.507143281	0.105003947	0.011473004	0.001605121	0.000519104
m3.2xlarge.private	0.126865209	0.126865209	0.063827676	0.01062969	0.001989894	0.001090959
c3.8xlarge.private	0.028447787	0.028447787	0.028447787	0.008329497	0.001436957	0.000683017
g2.2xlarge.private	0.121276646	0.121276646	0.060861133	0.011784001	0.002955689	0.002075205
r3.4xlarge.private	0.06351568	0.063625649	0.063625649	0.009997943	0.002072175	0.00118159
i2.8xlarge.private	0.032366344	0.032366344	0.032680556	0.008877312	0.00211387	0.001965645
d2.8xlarge.private	0.014822016	0.014822016	0.014822016	0.007542523	0.001355602	0.000493781
m4.10xlarge	0.003117188	0.003117188	0.003117188	0.003117188	0.003117188	0.003117188
m3.large	0.00665	0.00665	0.00665	0.00665	0.00665	0.00665
m3.2xlarge	0.00665	0.00665	0.00665	0.00665	0.00665	0.00665
c3.8xlarge	0.0046875	0.0046875	0.0046875	0.0046875	0.0046875	0.0046875
g2.2xlarge	0.0078125	0.0078125	0.0078125	0.0078125	0.0078125	0.0078125
r3.4xlarge	0.0083125	0.0083125	0.0083125	0.0083125	0.0083125	0.0083125
i2.8xlarge	0.0213125	0.0213125	0.0213125	0.0213125	0.0213125	0.0213125
d2.8xlarge	0.007986111	0.007986111	0.007986111	0.007986111	0.007986111	0.007986111

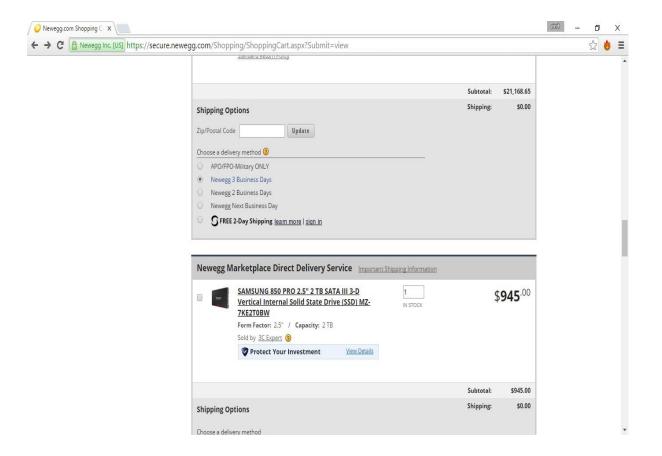
Screenshots of Shopping Cart:



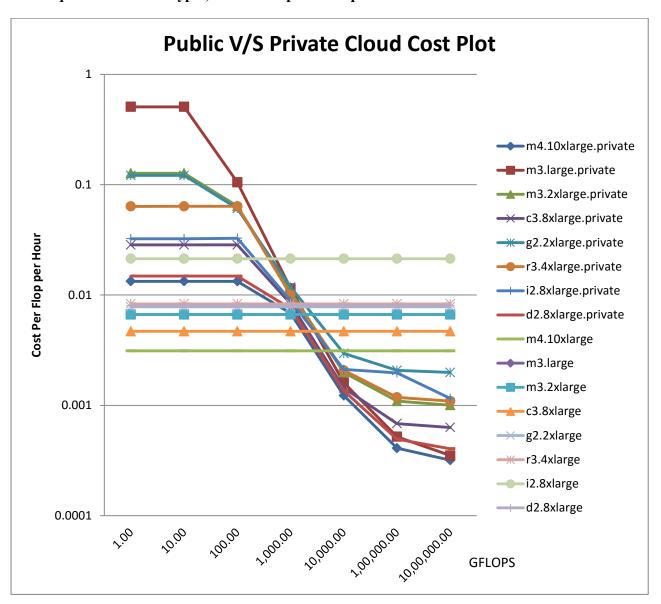






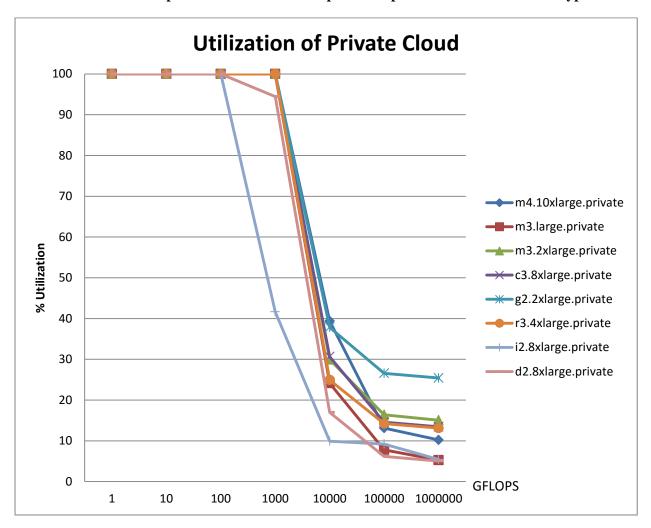


Plot 1: The cost (in \$) per flop per hour, for the 8 Amazon EC2 instance types, vs. the 8 private cloud equivalent instance types, from 1GFlop to 1PFlop.



Through the analysis of cost for public and private cloud, from above graph we can see that initially when the utilization of cloud is low in number of GLOPS, we can see that it's always good to go for Public cloud than the Private one, but as we scale up from 1 GFLOPS to 1 PFLOPS, the cost/flop/hour of private cloud is going way economical than the private cloud as the resources owned by you will get utilized to its maximum so that the cost will get amortized in the period of 5 years if the number of required GFLOPS remains same, than it will be always better to have a private cloud than to opt for a public one, as we can see that the cost of amazon ec2 instances remains the same even after scaling up from 1 GFLOPS to 1 PFLOPS.

Plot 2: utilization of the private cloud from 1GFlop to 1PFlop for the different instance types.



Above graph is the cost based % utilization of Private Cloud compared to public cloud, which has been calculated using (Private Cloud Cost/ Public Cloud Cost)*100. Through analysis we can see that initially the utilization of private cloud is 100% which means that the cost of private cloud is higher than the public cloud for initial GFLOPS till 1000GFLOPS, but when the utilization in GFLOPS is scaled till 1 PFLOP, the cost of private cloud is going way cheaper than the public cloud cost, through this we can conclude that on higher GFLOP utilization the cost will get amortized in the span of 5 years for a private cloud, so that it's always good to own a Cloud than to opt for public cloud.

Conclusion:

Through this experiment, I learnt the various challenges came across while designing the cloud infrastructure, starting from choice of CPU to the various cost of different components. Now through analysis of designing the private cloud compared with amazon ec2 public cloud on a scale of 1 GFLOP to 1 PFLOP, we can make a conclusion that when the utilization of cloud service is low, it's always cheaper to go for a public cloud, but when the cloud service utilization increases, the cost of owning a cloud will get amortized such that it's better to own a cloud than go for a public one.