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Infrastructure and Platform Services (IaaS/PaaS) Billing Guide

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Abstract

This document lists various billing models offered on Oracle Infrastructure and Platform Services (IaaS/PaaS).

Oracle Infrastructure and Platform Services (IaaS/PaaS) Billing Guide

Billing Models Offered

Oracle offers the following types of billing or subscription models:

- Universal Credits, Monthly Flex
- Universal Credits, Pay As You Go
- Bring Your Own License (BYOL)
- Oracle Cloud at Customer
- Government Subscriptions

Universal Credits, Monthly Flex

- You commit to a monthly credit pool of funds.
- You are billed in advance for the committed amount based on the payment terms of your contract.
- The subscription term is minimum 1 year. The 12-month period begins on the day that you receive your welcome or activation email, unless otherwise specified in the agreement.
- Your monthly commitment must be at least 1000 USD or equivalent in local currency and you can use all the eligible Oracle Infrastructure and Platform Cloud (Oracle IaaS/PaaS) services.
- Based on your monthly commitment and subscription duration, the service pricing is discounted.
- Credits from your monthly commitment are metered based on your usage and billed per the service rate card. Any usage above the monthly commitment is incurred as overage and billed monthly in arrears, per the applicable overage rate card.
- The monthly committed amount or credits must be used within the monthly commit period. Any unused amount or credits within that period are forfeited.
- Any services used after the entire amount is consumed are charged based on your contractual service price. See Oracle Universal Credit Pricing.

Universal Credits, Pay As You Go

- Pay for *only* what you use. You can use all the eligible Oracle IaaS/PaaS offerings.

- There are no up-front fees.

- All charges are at Oracle's list price based on metered usage.

- Usage billed monthly in arrears is based on the payment terms in the agreement.

PAYG vs Monthly Flex Payment Plans

You opt for Pay As You Go (PAYG) when..	You opt for Monthly Flex when..
You're still in the process of determining all the Oracle Cloud services that you would use.	You know the services that you want to use and have an estimate of the usage.
You want the flexibility to pay per actual usage instead of paying upfront.	You want the benefit of lower pricing due to the upfront monthly commitment.
You pay for your usage per the terms of your negotiated contract.	Based on your requirements and expected workload or usage, you decide on the monthly commitment amount and the subscription term.

Bring Your Own License (BYOL)

Oracle offers BYOL as a billing option for some Oracle PaaS services, which enables you to leverage your existing Oracle software licenses on Oracle Cloud.

You continue your existing Oracle license support and contract for the cloud services as well. With BYOL, you can move to Oracle Cloud at a lower cost. You are responsible for paying the license support contract and Cloud service subscription. Licenses applied toward a BYOL version of a Cloud service are considered in use.

See About Bring Your Own License Subscriptions.

Oracle Cloud at Customer

A subscription to Oracle Cloud at Customer consists of both a hardware subscription and a software subscription. Both are required to run Oracle Cloud in your data center.

The Cloud at Customer hardware subscription consists of:

- The hardware required to run the Oracle Cloud control plane, which is the base software stack required to run Oracle Cloud

- The optional hardware required for additional compute nodes, object storage, or block storage

- Optional hardware required if you are subscribing to Exadata Cloud at Customer or Big Data Cloud at Customer

To learn more about the rates and conditions for Oracle Cloud at Customer hardware subscriptions, contact Oracle Sales.

The Oracle Cloud at Customer software subscription is similar to Oracle Cloud. Starting with Oracle Cloud at Customer 18.1.4, all new Oracle Cloud at Customer subscriptions use Universal Credits.

With Universal Credits, you can apply your credits toward the metered use of any Oracle PaaS service available on Oracle Cloud at Customer. However, unlike Oracle Cloud, not all PaaS services are provisioned immediately after you sign up for Oracle Cloud at Customer. If services are not available when you first sign in to Oracle Cloud at Customer, then you can work with your Oracle representative to have those PaaS services provisioned.

For more information about Oracle Cloud at Customer, see the Oracle Cloud at Customer documentation on the Oracle Help Center.

Government Subscriptions

Oracle offers the Government purchase model, designed specifically for government customers. This purchase model allows government customers to buy resources for each service separately and access only those services they've purchased. A monthly amount (in USD or equivalent in local currency) is committed for each purchased service and the service usage is drawn down from that committed amount. The committed amount can't be transferred between services. Refer to the service-specific details at Oracle Government Tech Cloud Service Descriptions.

For more information, contact your Oracle Sales representative.

Billing Example

The easiest way to get familiar with the Oracle Cloud billing models is to look at some examples. Here, we compare the commercial payment plans, namely, Pay As You Go (PAYG), and Monthly Flex, which you can opt for when you buy Oracle Cloud services.

Note that this doesn't apply to government or Oracle Cloud at Customer users.

Example   PAYG vs Monthly Flex Payment Plans for a Sample Workload

Here's a comparison of the two payment models for a sample monthly workload. This is a sample workload running 3 OCPU instances of Compute with LBaaS distributing traffic. Each instance of Compute has a 1000 GB disk with a standard deployment of Java.

Sample Workload:

- Oracle Cloud Infrastructure - Compute:
    - 3 OCPUs for a month = 2232 OCPU hours (744*3 OCPU)
    - 1 Load Balancer = 744 hours (per OCPU)
    - Oracle Cloud Infrastructure - Storage, Block Volume = 1000 GB per month
    - Object Storage Requests = 100 per month
    - Object Storage, Storage = 1000 GB per month
- Oracle Java Cloud Service:
    - 2 OCPUs for a month = 1488 OCPU hours
    - Database Standard Edition = 4 OCPUs per hour (744*4 OCPU=2976 OCPU hours)
    - Database Backup:
        * GET and other requests = 1 (10000 requests per month)
        * Outbound Data Transfer = 10 (transfer per month)
        * PUT, COPY, POST OR or LIST requests = 50 (1000 requests per month)
        * Storage Capacity = 1000 GB
- Subscription term = 1 year

Service Description	Unit of Measure	Sample Workload	PAYG Unit Price (in $)	PAYG Computed Service Usage per month (in $)	Monthly Flex Unit Price (in $)	Monthly Flex Computed Service Usage per month (in $)
Oracle Cloud Infrastructure - Compute						
Compute VM-Standard	OCPU per hour	2232 (3 OCPUs)	0.0638	142.40	0.0638	142.40
Load Balancer (100 Mbps)	Load Balancer Hour	744	0.0213	15.85	0.0213	15.85
Storage - Block Volume	Gigabyte Storage Capacity Per Month	1000	0.0425	42.50	0.0425	42.50
Object Storage - Requests	10,000 Requests per Month	100	0.0034	0.34	0.0034	0.34
Object Storage - Storage	Gigabyte Storage Capacity Per Month	1000	0.0255	25.50	0.0255	25.50
Total				227		227
Oracle Java Cloud Service						
Database - Standard Edition - General Purpose	OCPU Per Hour	2976	0.4032	1,199.92	0.2688	799.95
Database Backup - GET and all other Requests	10000 Requests Per Month	1	0.006	0.01	0.004	0.00
Database Backup - Outbound Data Transfer	Gigabyte Outbound Data Transfer per Month	10	0.18	1.62	0.12	1.08
Database Backup - PUT, COPY, POST or LIST Requests	1000 Requests Per Month	50	0.0075	0.38	0.005	0.25
Database Backup - Storage Capacity	Gigabyte Storage Capacity per Month	1000	0.0396	39.60	0.0264	26.40
Java - Standard	OCPU Per Hour	1488	0.5807	864.08	0.3871	576.05

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Service Description	Unit of Measure	Sample Workload	PAYG Unit Price (in $)	PAYG Computed Service Usage per month (in $)	Monthly Flex Unit Price (in $)	Monthly Flex Computed Service Usage per month (in $)
Total				2106		1404
Grand Total				**2,332**		**1,630**

> **✎ Note:**
>
> Higher discounts are available when a customer opts for a higher monthly commitment amount and/or a longer subscription term. Use the Cost Estimator to estimate your costs and check applicable discounts.

The service invoice may vary from the estimates shown above. See Understanding Your Invoice.

Understanding Your Invoice

Your invoice provides a summary of your service usage charges depending on the type of payment model you've opted for (Monthly Flex, Pay As You Go). Additional taxes, or adjustments if any, will apply.

An invoice is generated after your services are provisioned. You may receive multiple invoices for a single order based on the provisioning times of the services in your order. Typically, your invoice is sent to you by mail to your bill-to address. You can also view your Cloud invoices in Oracle Store after they have been sent to you. You can download your invoices from My Services. Your invoice is generated based on your contractual agreement with us regarding the billing frequency and the payment terms.

- Billing Concepts and Payment Terms
- What Does Your Invoice Contain?
- Types of Invoices
    - Monthly Flex
    - Pay As You Go
    - Prepaid
- Overages

Basic Billing Concepts

- **Billing Frequency**: Specifies when a bill for a purchase can be sent to you.
    - Annual in Advance: Total amount billed at the start of the billing term
    - Quarterly in Advance: Total amount billed in 4 installments at the start of each quarter

    – Quarterly in Arrears: Total amount billed in 4 installments at the end of each quarter. Typically, used for public sector customers

- **Payment Terms:** Specify the amount of time you are allowed to pay the balance due on the invoice. Typically, within 30 days of the invoice date. Payment terms apply when Oracle extends credit you. For example, a credit is extended if you commit to pay via a purchase order. When you pay by credit card, the payment term is immediate. Pay As You Go (PAYG) subscriptions must be paid by credit card per Oracle policy.

What Does Your Invoice Contain?

- Customer information such as name and address

- Product information, that is, services purchased

- Invoice number and date

- Payment terms and instructions, due date

- Purchase order and order numbers

- Additional information such as billing start/end dates, or contract information

For more information on invoices and invoicing standards, see O2C Invoicing Standards

Types of Invoices

Monthly Flex Invoice

If you have opted for Monthly Flex payment model, then the billing frequency is determined by your contract. Typically, you'll be billed annual in advance for the amount you committed to. The invoice period for Monthly Flex is from the start of your contract upto 30 days. For example, if you've committed $1000 per month, then you'll be billed $1000 at the start of every month for that month's usage. If you exceed the committed amount, then overages are calculated and billed monthly in arrears separately as per the negotiated terms of your contract. Unused amount or credits are forfeited.

Your monthly flex invoice contains details of your subscription and the charges for the month along with taxes.

Pay As You Go (PAYG) Invoice

If you opt for PAYG payment model, you don't need to make an upfront commitment but can pay for services as you consume them. Invoice is generated in arrears based on your actual usage for each month.

You'll be billed monthly for the usage you incurred the previous month. Your PAYG invoice includes details of the product and is consolidated for the entire billing period.

Prepaid Invoice

These invoices are generated during the time of purchase of any metered services of Oracle Platform or Infrastructure Cloud services (Oracle IaaS/PaaS). Prepaid invoices are generated annually for the purchased amount. If you exceed your committed amount, then you'll be charged overages and billed separately.

For example, if you buy an annual Oracle Storage Classic subscription for $10,000 upfront, you are billed annually for that amount, but, the usage is tracked hourly. Any unused amount will be forfeited. However, you can still continue to use your services

even after your subscription period ends, and your usage is billed monthly in arrears per the Pay-As-You-Go model.

Overages

Usage of metered services exceeding your purchased amount or credits results in overages. Here, the usage is tracked per hour and billed monthly in arrears.

Overages for the Monthly Flex plan are charged per your negotiated terms of contract. For example, in January, you commit $28000 with $1000 per month for your Universal Credits subscription. However, you use $2000 in May, which is in excess of your committed amount of $1000. The excess $1000 is considered as an overage and is billed in arrears per the terms of your contract. Overages are billed separately.

Overages for the Prepaid plan are charged at your negotiated price with us.

Nonmetered or Government Invoices

If you're using nonmetered services, then you can exceed your subscription capacity by 2 times the purchased number of resources. This is referred to as *Bursting* and you're billed per your usage. Usage invoices are generated separately and are sent monthly in arrears. Government users are billed according to the service categories they purchase. They don't incur overages, however, if they use commercial service categories such as Universal Credits, then they may be charged for bursting or overage.

Viewing and Downloading Your Invoice

Typically, invoices are mailed to you to your *Bill To* address. However, you can view your account usage and download your invoice from My Services.

- If you're using Oracle Free Cloud Promotion, you can get your usage details from the Account Usage page and on the My Services dashboard, but you won't get an invoice. However, your usage may be billed and you may get an invoice if your free credits expire but you continue using your services.

- If you're using Universal Credits with Monthly Flex plan, you can get your usage details in the Account Usage page and the invoice from the Documents page. You can see monthly invoices.

- If you're using Universal Credits with Pay-As-You-Go plan, you can get your usage details in the Account Usage page and the invoice from the Documents page. You can see monthly invoices, which are billed in arrears per the actual usage.

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For details on viewing and downloading your invoice, see Viewing Your Subscription Invoice.

For details on viewing your account usage, see Viewing Your Account Balance Details.

For details on viewing your daily service usage, see Viewing Billing Metrics.

Key Billing Terminology

100 Entities per Hour: 100 entities where each entity refers to a technical asset being managed or monitored, such as a server, database, application that resides either in

the cloud and/or on-premise, during a one hour period. Examples of entities include Host, Docker Container, SQL Server instance, MySQL instance, Oracle Database instance, WebLogic Server, Tomcat, Oracle Traffic Director Instance, or custom created entity. You can extend existing predefined entities and create your own custom entities.

1,000 or 10,000 Requests per Month: Either a maximum of 1,000 or 10,000 requests per month, of the type of REST API requests used, including PUT, HEAD, POST, COPY, LIST, DELETE, and GET.

Active User per Hour: A unique active user who interacts with an Oracle Cloud service through a specific channel (website, mobile app, API, SMS) during a one-hour period. Active users are tracked through the use of audit logs, cookies, user ids, tokens, device ids, IPs or session ids. If the user accesses multiple channels, then it's counted as multiple active users on an hourly basis. An active user is tracked for each instance of the Oracle Cloud service.

Gateway per Hour: Single state representation of one or more instances (called gateway nodes) of the gateway application component installation. A gateway is represented as a "Gateway" in the Management Service database and is shown as such in the user interface. A gateway is counted by counting the number of gateways in the "Gateways" tab in the Management Service user interface during a single hour. When a gateway node is registered to the Management Service, you have the option to register it to an existing gateway or to create a new gateway. When the last node is deregistered, you have the option to delete the gateway and reduce the count of gateways.

Gigabyte Storage Capacity per Month: The quantity of computer storage space in gigabytes (1073741824 bytes) used during a month.

Gigabyte Outbound Data Transfer per Month: The quantity of data downloaded from any Oracle cloud service and any transfer of data from any Oracle cloud service over the Internet, including responses to your client requests during a month.

Gigabyte Memory per Hour: The number of gigabyte memory hours allocated as part of Oracle Application Container Cloud Service instance.

Gigabyte of Data Processed per Hour: The quantity of data transfer from/to the Load Balancer over the internet including responses to your client requests during a calendar month

Gigabyte Data Capacity per Hour: The volume of data generated, ingested, managed, and analyzed from the monitored accounts and applications. Capacity may include development, test, quality assurance (QA), training, preproduction, production, high availability (HA), disaster recovery (DR) or any other environments that are necessary to be monitored by Oracle's Cloud Service offerings.

Hosted Named User per Month: An individual authorized to access the hosted service in a calendar month, regardless of whether the individual is actively accessing the hosted service at any given time.

Hosted Environment per Hour: Database instance provided as part of the Oracle Cloud Database Service (the Hosted Environment), the use of which is measured on a per hour basis. The Oracle Cloud Database Service instance has a base CPU capacity, locally attached storage, and includes a number of database OCPU licenses, based on the shape selected by you (that is, one of the four editions of Oracle Database – Standard, Enterprise, Enterprise High Performance or Enterprise Extreme

Performance). Each partial Hosted Environment Hour consumed will be billed as a full hour. Please note that:

- Each Hosted Environment has 2 OCPUs enabled. You may scale up to 36 OCPUs in increments of 2.

- For 2-node RAC: Each Hosted Environment has 4 OCPUs enabled. You may scale up to 72 OCPUs in increments of 4.

Interactions per Month: A request initiated from the client browser delivering up to 100K of data in a calendar month. If a request exceeds 100K, then it counts as multiple interactions.

Monitored Account per Hour: Your Oracle Infrastructure and Platform Cloud Services (Oracle IaaS/PaaS) account that includes (1) Your email address and password, (2) Control of resources available or created within the account, and (3) Payment for the Oracle IaaS/PaaS activity related to those resources. Active indicates that the account is configured and activated in Oracle Cloud Access Security Broker (CASB) Service.

Monitored Service User per Hour: An individual user of Oracle Software as a Service (Oracle SaaS) applications, who's monitored each hour for each service along with the Oracle Cloud Access Security Broker (Oracle CASB) service. Users may include employees, customers, partners, consultants, contractors, and agents.

OCPU per Month (Calendar Month) or per Hour: The number of Oracle Compute Unit (OCPU) hours used as part of Oracle Compute Cloud Service. An OCPU provides the CPU capacity equivalent to one physical core of an Intel Xeon processor with hyperthreading enabled. Each OCPU corresponds to two hardware execution threads, known as vCPUs. Each OCPU has a predefined amount of memory. Oracle Compute Cloud Service supports two kinds of shapes for virtual machines: General Purpose and High Memory. High Memory shapes have more memory associated with an OCPU than the General Purpose shapes.

Partition Hour: The number of partition hours used as part of an Oracle Cloud service. A partition provides the capacity equivalent of 1 MB/s of data ingress, 2 MB/s of data egress and 1000 PUT operations per second.

Storage Pack per Month: One hundred (100) gigabytes of file storage across all users per customer in a calendar month.

Terabyte Storage Capacity per Month: Terabytes (1024 bytes) of computer storage space used by a storage filer of an Oracle Cloud Service during a month.

Overage : Excess usage of purchased services are considered as *overage*. It's tracked per hour and billed monthly in arrears. For example, you commit to $28,000 as your subscription amount but you use $30,000 worth of services. So, $2000 is considered as overage and billed monthly in arrears.

Customer Rate Card: The rate you negotiate with us for the services you use.

Frequently Asked Questions

1. What are the available purchase models?

   - Pay As You Go (PAYG): Billed in arrears based on consumption. The payment method is credit card.

- Monthly Flex: Billed annually in advance for the committed amount. Any unused amount will expire at the end of the month. The minimum subscription term is 1 year.

2. What are the pricing or discounting models?

   PAYG and Monthly flex prices are available on Oracle Universal Credit Pricing. Automatic discounts apply based on a published discount schedule.

3. What Cloud Services can I use with my Universal Credits?

   Any Oracle Infrastructure or Platform Cloud Services (IaaS and PaaS) that are available on the rate card. The exception to this is Enterprise Analytics Services in North America, which has a separate Universal Credits SKU.

4. What happens when Oracle releases new services to existing Universal Credits agreements?

   New services are added to the list of existing services in Universal Credits agreements (to the existing rate card) without additional charges. However, their usage is charged per the applicable price card.

5. Can I estimate service usage before selecting a payment model?

   Yes, by using the Cost Estimator.

6. Can Universal Credits be used in Oracle Cloud Infrastructure (OCI) and OCI Classic?

   Yes.

7. What is the minimum term for a Universal Credits agreement?

   The minimum term is 12 months. Longer terms are available

8. How are Universal Credits consumed?

   You consume your Universal Credits by creating service instances. The rate of consumption (burn down) is specified in the rate card on an hourly basis. Under Monthly Flex, credits not consumed in a month are forfeited and are not carried over to the next month.

9. How many hours are in a month for Oracle?

   Oracle uses 744 hours in a month. So, to get the effective cost per month for a service billed by the hour, multiply the hourly price by 744. This only impacts offerings that have a minimum activation period such as Exadata CS.

10. Is a delayed start possible?

    Yes, you can specify a future date to start your subscription.

11. What's the start date for Universal Credits usage or burn down?

    The start date for metering of Universal Credits is the date when you receive the account information. This is known as the activation email.

12. Can I use my existing bursting capability for Universal Credits?

    With Universal Credits, you don't require bursting as Universal Credits offer you a greater flexibility. If you exceed your resource capacity, then you'll be charged overages for your usage as per Oracle's price list.

13. How is overage calculated?

    If you exceed your monthly commitment amount, then overage is billed per the negotiated terms of your contract.

14. How can I control my spending or monitor my usage in Universal Credits?

You can monitor your account balance from the Account Management in My Services. The balance is displayed on the dashboard. You can also set alerts or thresholds in My Services to monitor your usage:

- Set soft limits that allow you to add resources, not create new instances.

- Set hard limits that won't allow you to add resources or create new instances. If you exceed your usage, overages will be charged.

15. Is there any way to prevent overages?

To some extent, you can prevent overages by setting alerts with hard or soft limits. You will be notified as to the overage and you can then delete your service instances.

Previous Billing Models

Previously, Oracle Cloud offered the following types of subscriptions for Oracle Infrastructure and Platform Cloud Services (Oracle IaaS/PaaS):

- Nonmetered Subscriptions: Uses a subscription payment model, wherein a set number of resources is bought.

- Metered Services: Uses prepaid payment model, wherein a specified amount is committed for purchase.

The above subscriptions and their payment methods are still used in some circumstances:

- For accounts created before the availability of Universal Credits

- For some specific Oracle Cloud offerings

- For Oracle Infrastructure Cloud Services (IaaS) on Cloud at Customer

Nonmetered Subscriptions

- The subscription term is 1 to 3 years, based on your selection during service ordering through Oracle Store or an Oracle Sales representative.

- You agree to purchase a specific unit of a service, for example, 500 hosted named users.

- You're charged for service regardless of whether any services are consumed, for example, even if only 1 hosted named user is set up, you're charged for 500 hosted named users if that's the original agreement.

- You can manage your user quota and have overages in service usage. Quota management allows you to set a specific overage ceiling amount. When this amount is reached, your services are stopped. During service ordering, by default, overages are allowed. Services will be continued after the prepaid amount has been consumed, but you're charged at the list price.

- You can exceed your subscription capacity by 2 times the purchased number of resources if your service allows it. This is referred to as *Bursting*. You'll be billed per your usage.

Metered Services, Prepaid

- You make an upfront commitment for the amount you'll spend for the services. For example, you commit to 10,000$ for Storage service for 12 months.

- The subscription period is minimum 1 year.

- Your usage is tracked and any unused services or resources are forfeited.

- Usage after your subscription period ends is charged in arrears per the Pay As You Go model.