

Oracle®

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



E71270-03  
July 2020



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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

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- [Understanding Your Invoice](#)
- [Key Billing Terminology](#)
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## Billing Models Offered

Oracle offers the following types of billing or subscription models:

- Annual Universal Credits
- Monthly Universal Credit (subject to Oracle approval)
- Universal Credits, Pay As You Go
- Bring Your Own License (BYOL)
- Oracle Cloud at Customer
- Government Subscriptions

### Annual Universal Credits

- You commit to an annual pool of funds.
- You are billed in advance with a 12-month minimum and debited monthly based on your actual usage.
- You must use the credits within the applicable 12-month credit period. Any unused amount or credits within that period are forfeited.
- Customers can commit to an amount of Oracle Annual Universal Credits that can be applied towards the future usage of eligible Oracle IaaS and PaaS cloud services.
- Enables you to have the flexibility to use any Oracle Cloud Infrastructure and platform services at any time, in any region, to deliver faster time to market.
- Offers a significant savings across cloud services, combining cost reduction and a predictable monthly spend with a ramp up period as you onboard your workloads.
- Offers flexibility of starting and stopping services based on your requirements, similar to an on-demand/pay-as-you-go model.
- Any services used after the entire amount is consumed are charged based on your contractual service price. See [Oracle Universal Credit Pricing](#).
- You'll receive an activation email from Oracle. This email contains the account login information. The billing starts on the day you receive the activation email, unless your account has been contracted with delayed provisioning. See [service description](#).

### Monthly Universal Credit (subject to Oracle approval)

- 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 for 12 months. The 12-month period begins on the day that you receive your welcome or activation email, unless otherwise specified in your order.
- You can use all eligible Oracle Infrastructure and Platform Cloud (Oracle IaaS/PaaS) services.
- Based on your monthly commitment and subscription duration, the service pricing may be 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 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 either the list price or the rate card price, whichever is lower. 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 based on metered usage and calculated as per Oracle's list price or rate card, whichever is lower.
- Usage billed monthly in arrears is based on the payment terms in the agreement.

### PAYG vs Annual Universal Credits Payment Plans

| You opt for Pay As You Go (PAYG) when...   | You opt for Annual Universal Credits 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 and are willing to make an upfront annual 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 annual commitment amount. |

### 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](#) in *Oracle Cloud Infrastructure documentation*.

### 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.

## Understanding Your Invoice

Your invoice provides a summary of your service usage charges depending on the type of payment model you've opted for: Pay As You Go or Annual Universal Credits. 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
  - [Annual Universal Credits](#)
  - [Monthly Universal Credits](#)
  - [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

#### Annual Universal Credits Invoice

If you have opted for Annual Universal Credits payment model, then the billing frequency is determined by your contract. Typically, you'll be billed annually in advance for the amount you committed to. 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 don't expire at the end of the month.

Your Annual Universal Credits invoice contains details of your subscription and the charges for the month along with taxes.



### Monthly Universal Credits Invoice

If you have opted for Monthly Universal Credits 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 Universal Credits 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 Universal Credits 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 Annual Universal Credits plan are charged per your negotiated terms of contract. If you exceed the committed amount, then overages are calculated and billed monthly in arrears separately as per the negotiated 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 Oracle Cloud Infrastructure Console. See [Cost Analysis Overview](#).

## 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?

The available purchase models are:

- **Pay As You Go:** Pay As You Go (PAYG) pricing lets customers quickly provision services with no commitment, and they're only charged for what they use. There's no upfront commitment and no minimum service period. Any cloud infrastructure (IaaS) and platform (PaaS) services consumed are metered and billed based on that consumption. If, during the services period of your order, Oracle makes new IaaS and PaaS services available within your cloud services account, Oracle will notify you of any fees that would apply to their activation and use. For more details, see our complete [price list](#).
- **Annual Universal Credits:** Oracle Annual Universal Credits enables customers to have the flexibility to use any Oracle Cloud Infrastructure and platform services at any time, in any region, to deliver faster time to market. Customers can commit to an amount of Oracle Annual Universal Credits that can be applied towards the future usage of eligible Oracle IaaS and PaaS cloud services. This payment option offers a significant savings across cloud services, combining cost reduction and a predictable monthly spend with a ramp up period as you on-board your workloads.

### 2. What are the pricing or discounting models?

PAYG and Annual Universal Credits 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 Universal Credits be used in Oracle Cloud Infrastructure (OCI) and OCI Classic?

Yes.

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

The minimum term is 12 months. Longer terms are available.

### 7. 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. Oracle Universal Credits must be used during the service period and will expire at the end

of that yearly credit period; any prepaid unused amounts are nonrefundable and are forfeited at that time.

**8.** Is a delayed start possible?

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

**9.** 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.

**10.** 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.

**11.** How is overage calculated?

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

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

See [Managing Budgets](#).

**13.** Is there any way to prevent overage?

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

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# Previous Billing Models

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

- Universal Credits, Monthly Flex: Uses a payment model wherein you are billed in advance for the committed amount based on the payment terms of your contract.
- 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

## **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 may be 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 rate card.
- The monthly committed amount or credits must be used within the monthly commitment period. Any unused amount or credits within that period are forfeited.
- Any services used after the entire amount is consumed are charged based on either the list price or the rate card price, whichever is lower. See [Oracle Universal Credit Pricing](#).

## **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.

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- 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.