

Cloud cost comparison

1. Build a comparable cost baseline

Compare the same workload, service requirements, currency and time horizon. Leave unknown amounts blank and assign an owner to verify them.

Workload / scope

Currency / tax basis / comparison months

MONTHLY COST INPUTS

Cost category	Current	Proposed	Evidence / owner
Compute and storage			
Licensing and subscriptions			
Connectivity and transfer			
Backup and recovery			
Monitoring and security			
Support and operations			
Facilities / power, if applicable			

One-time implementation, migration, overlap and exit costs

Keep raw invoices and sensitive account information outside the worksheet. Record evidence references instead.

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2. Test the assumptions before deciding

Complete the decisions with the people responsible for delivery and operation.

For a simple comparison: total cost = one-time costs + (monthly recurring costs x comparison months). Keep variable usage and time-dependent costs separate when that model does not fit.

Current total for agreed horizon

Proposed total for agreed horizon

Growth, utilization, discounts, renewal dates and staffing assumptions

What changes if usage, staffing effort or delivery dates differ?

Requirements that cannot be traded away for a lower cost

Decision owner / unresolved inputs / next review date

Further reading: [Microsoft Well-Architected Framework - cost optimization principles](#)