## Workload Example



Instances needed per Day

| Day | Workload | Number of Instances |
| ---: | ---: | ---: |
| 1.0000 | 0.85 | 1 |
| 2.0000 | 1.78 | 2 |
| 3.0000 | 3 | 3 |
| 4.0000 | 2.78 | 3 |
| 6.0000 | 2.89 | 3 |
| 7.0000 | 3 | 3 |
| 8.0000 | 2.56 | 3 |
| 9.0000 | 2.35 | 3 |
| 10.0000 | 2.2 | 3 |
| 11.0000 | 2 | 2 |
| 12.0000 | 0.9 | 2 |
| 13.0000 | 1.5 | 2 |
| 14.0000 | 2.67 | 2 |
| 15.0000 | 3 | 3 |
| 16.0000 | 3.3 | 3 |
| 17.0000 | 3.5 | 4 |
| 18.0000 | 3.7 | 4 |
| 19.0000 | 4 | 4 |
| 20.0000 | 3.8 | 3 |
| 21.0000 | 2.65 | 4 |
| 22.0000 | 2 | 3 |
| 23.0000 | 2.4 | 3 |
| 24.0000 | 3 | 3 |
| 25.0000 | 2.7 | 3 |
| 26.0000 | 2 | 3 |
|  |  | 3 |


| 27.0000 | 2.8 | 3 |
| ---: | ---: | ---: |
| 28.0000 | 2 | 2 |
| 29.0000 | 1.85 | 2 |
| 30.0000 | 1.5 | 2 |

## Sum

## What is the Optimal Division between Reserved and On-Demand Instances?

We first have a look at the possibility of having only on-demand instances The total price would be 83*0.085*24=169.32 dollar Which is a lot smaller than the price to reserve an instance for a year (227.50)
So here the optimal solution is taking only on-demand instances.
Let's have a look at the result when we repeat the workload during a year

| No (0) Reserved Instances | Number | Cost |
| :--- | ---: | :--- |
| On-Demand: | 83 | 2060.06 |
| Reserved: | 0 | 0 |
| Total: | 83 | 2060.06 |


| 1 Reserved Instance | Number | Cost |
| :--- | ---: | :--- |
| On-Demand: | 53 | 1315.46 |
| Reserved: | 30 | 490.3 |
| Total: | 83 | 1805.76 |


| 2 Reserved Instances | Number | Cost |
| :--- | ---: | :--- |
| On-Demand: | 25 | 620.5 |
| Reserved: | 58 | 963.08 |
| Total: | 83 | 1583.58 |


| 3 Reserved Instances | Number | Cost |
| :--- | ---: | :--- |
| On-Demand: | 5 | 124.1 |
| Reserved: | 78 | 1365.78 |
| Total: | 83 | 1489.88 |


| All (4) Reserved Instances | Number | Cost |
| :--- | ---: | :--- |
| On-Demand: | 0 | 0 |
| Reserved: | 83 | 1637.08 |
| Total: | 83 | 1637.08 |


| Setup | Total Price |
| :--- | ---: |
| All On-Demand Instances | 2060.06 |
| 1 Reserved Instance | 1805.76 |
| 2 Reserved Instances | 1583.58 |
| 3 Reserved Instances | 1489.88 |
| All (4) Reserved Instances | 1637.08 |

So, for this example the optimal (smallest total cost)
solution is to take 3 reserved instances

## How do we get the Optimal Division betw Reserved and On-Demand Instances?

According to the table on the previous sheet you're better of when choosing for a reserved instance when it will be used more than 47.22 \% of the time.
So, the following table answers whether we'll use x instances according to the given workload for more than 47.22 \% of the time.

| $\boldsymbol{x}$ | \% of time bigger than $\mathbf{x}$ | Answer |
| ---: | ---: | :--- |
| 0 | 100 | yes |
| 1 | 100 | yes |
| 2 | 93.33333333 | yes |
| 3 | 66.66666667 | yes |
| 4 | 16.66666667 | no |
| 5 | 0 | no |

Thus 3 reserved instances will give the optimal (lowest total cost) solution, since it is the largest number of instances for which the answer is still 'yes'.

