What is VMware Chargeback?

VMware Chargeback (formerly vRealize Operations Tenant App (TA)) is used for metering the infrastructure services provided by a service provider to their tenants. Further, it provides options to configure different pricing models for the metered infrastructure. Chargeback also provides tenant-specific views that help tenants obtain an operations view of the infrastructure they are consuming, including metrics, charges, reports, and alerts.

In what all modality is VMware Chargeback available?

VMware Chargeback is available in 2 forms:

1. **VMware Chargeback Service -** This is a SaaS offering available for the first time to Managed Service Providers and their customers in the form of Initial Availability. The service will be made available for providers who already have a commit contract for VMware vRealize Operations Cloud or for VMware Cloud Director service. VMware Chargeback SaaS supports both VMware Cloud Director (VCD on-prem) and VMware Cloud Director service (CDS). To use VMware Chargeback SaaS, the partner or the customer must deploy and configure Cloud Proxy in their data center environment for data collection.
2. **VMware Chargeback On-prem –** This is an on-prem offering that is an upgraded version of the previous release which was called vRealize Operations Tenant App v8.6 and the new release is called VMware Chargeback v8.10.

What opportunity does it address?

As more workloads move to the cloud, more visibility and optimization are required to ensure that customers get value for money and run optimally. With Public Cloud services, it is well known that many customers are paying for underutilized resources and optimization is required to tie IT spendings to actual usage. For Cloud Providers this is an opportunity to address customer needs and provide a self-service, transparent view of usage and charges for the services in the same single portal.

Billing Opportunity for Cloud Providers

As Cloud Providers are maturing and adding additional service offerings to their portfolio, there is a need to consume usage metrics, apply rates cards and bill/ invoice their tenants/customers for the services used. Providers using VMware Chargeback can easily meter their tenant's usage while defining rate cards aligned to their business without having to build custom code to ingest data into their invoicing system. Using VMware Chargeback for billing can reduce provider's custom development and increase time to delivery so that they can scale and bill for services faster and maximize on their ROI.

Monitoring-as-a-Service Opportunity

Providers can monetize Monitoring-as-a-Service by offering custom alerts and reports as a managed service to tenants. By combining the capabilities of VMware Chargeback with vRealize Operations Enterprise, providers can unlock advanced monitoring use cases such as Application, Database, Containers and Multi-Cloud monitoring to generate consistent recurring revenue.

What is New in VMware Chargeback 8.10?

The VMware Chargeback 8.10 provides new and enhanced UI experience along with additional coverage of services like Cloudian Storage and NSX Advanced Load balancer for metering and chargeback and billing capability at the organization level.

What functionality is provided in VMware Chargeback 8.10?

New metering and pricing capabilities support additional services monetized by providers

With each release of VMware Chargeback, new metrics and new services are supported providing enhanced functionality to the providers and tenants. In this release, VMware Chargeback 8.10 adds metering capability for services like Cloudian Storage and NSX Advanced Load balancer.

Metering and Pricing NSX Advanced Load Balancer

Providers can charge for consumption of NSX Advanced Load balancer, based on throughput. They can create slabs with different rates for throughput values.

Metering and Pricing Cloudian Storage

Providers can charge for consumption of Cloudian storage, based on storage. They can create slabs with different rates for storage values.

New Bill summary for organizations and visibility into infrastructure cost

Bill summary for organization

In addition to charging the various business units or generating bills at the organization VDC level, providers would be able to provide a bill summary at an organization level, clearly segregating the cost incurred by the various business units. In addition to organization level bills acting as a summary, it would also help providers charge for resources which get consumed at an organization level rather than at an individual business unit level.

Visibility into infrastructure cost

Providers can see the various cost metrics such as unallocated cost in the various overview sections. The total price and cost visibility is meant to give a sense of Profit and Loss to providers for their infrastructure investments.

Enhanced User Interface drives ease of metering and chargeback experience for providers and tenants

Operations Overview Dashboard Revamp

To ensure providers and their tenants get quick access to relevant information, Operations Overview Dashboard has been revamped. The dashboards Overviews and Pricing Policy section have been revamped to provide a more intuitive sequential flow in pricing policy and metric selector section, and to include important metrics on the home page.

Filter Option on list view Dashboards:

You can now filter any item which is in the form of a list view.

Find out more

VMware Chargeback has been constantly evolving to cater to metering, pricing and chargeback requirements of our Cloud Provider partners. All these new capabilities require vRealize Operations 8.10 to be installed for the on-prem version. The SaaS version will have the vRealize Operations Cloud Tile if they have a vRealize Operations Cloud commit contract and if they don't, they will have the vRealize Operations Cloud tile available with the trial license along with the VMware Chargeback tile.

For more details and understanding see the following documentation:

- **Release notes for vRealize Operations Management Pack**
- **VMware Chargeback for VCD for a Service Provider**
- **VMware Chargeback for VCD for a Tenant**
- **VMware Chargeback as a Service for a Service Provider**

See the release blogs:

1. VMware Chargeback as a Service is now Initially Available (Formerly vRealize Operations Tenant App)
2. What's New in VMware Chargeback v8.10 On-Prem and SaaS for VMware Cloud Director