

Memorandum

To: All California Technology Agency Customers
All Data Processing Managers

Date: April 4, 2012

From: California Technology Agency

Subject: FY 2011/2012 Mid-Year and FY 2012/13 Rate Changes

The California Technology Agency, Office of Technology Services (OTech) is implementing new rate changes to be effective January 1, 2012 and July 1, 2012. These rates were approved by the Technology Services Board (TSB) on April 4, 2012. The purpose of the rate changes remains to:

- Bring each service to, or as close to, break-even as possible.
- Provide new technologies to our customers while reducing overall costs.

This package includes rate adjustments and new service rates for the following:

- Mainframe CPU
- Mainframe Disk Storage
- Mainframe Tape Storage
- AIX Application Hosting
- Electronic Commerce Application Support
- Tenant Managed Services
- Web Hosting
- Disaster Recovery, Secure File Transfer

The following is a summary of the key rate changes:

- **Mainframe CPU**
The mainframe system service is hosted on IBM z/Series central processors running z/OS, the IBM operating system for large-scale processing applications, and provides access to a range of mainframe software products and databases. This service also offers customers high performance, availability, and reliability; as well as a robust, scalable and secure operating environment.

New Rates:

Service	Current Rate	January 2012		July 2012	
		New Rate	Change	New Rate	Change
z/OS CPU, per normalized CPU hour	\$850	\$635	-25.3%	\$782	-8.0%
zAAP CPU, per normalized CPU hour	\$208	\$155	-25.5%	\$191	-8.2%
zIIP CPU, per normalized CPU hour	\$208	\$155	-25.5%	\$191	-8.2%

- **Mainframe Disk Storage**

The z/OS (mainframe) platform offers reliable, high-speed disk storage using Redundant Array of Independent Disks (RAID) technology. OTech provides full-volume and incremental backups on all newly created and updated datasets. The datasets are auto archived and/or expired based on client criteria.

New Rates:

Service	Current Rate	January 2012		July 2012	
		New Rate	Change	New Rate	Change
Disk Storage Shared, per GB/month	\$17.00	\$7.00	-58.8%	\$13.60	-20%
Disk Storage Dedicated, per GB/month	\$17.00	\$7.00	-58.8%	\$13.60	-20%
Disk Storage ADABAS, per GB/month	\$17.00	\$7.00	-58.8%	\$13.60	-20%
Disk Storage SMS, per GB/month	\$17.00	\$7.00	-58.8%	\$13.60	-20%
Disk Storage HSM Level 1, per GB/month	\$17.00	\$7.00	-58.8%	\$13.60	-20%
Disk Storage HSM Level 2, per GB/month	\$9.75	\$4.00	-59.0%	\$7.80	-20%

- **Mainframe Tape Storage**

OTech offers data storage on virtual tape with high-speed access at a lower cost. The data stored on virtual tape is automatically backed up at another data center location. Currently, data processed and stored at the Vacaville campus is backed up at the Gold Camp site and vice versa.

New Rates:

Service	Current Rate	January 2012		July 2012	
		New Rate	Change	New Rate	Change
Virtual Tape Storage, per GB/month	\$2.00	\$1.60	-20.0%	\$1.90	-5%
Tape Mounts, per mount	\$1.50	\$1.25	-16.7%	\$1.50	0

- **AIX Application Hosting**

OTech offers secure and reliable application hosting services on an IBM AIX platform. OTech works with customers to select the appropriate configuration based on the business needs of the customer.

New Rates:

Service	Current Rate	January 2012		July 2012	
		New Rate	Change	New Rate	Change
AIX LPAR, per month	\$2,360	\$1,900	-19.5%	\$2,350	-0.4%
AIX CPU Core, per month	\$960	\$760	-20.8%	\$950	-1.0%
AIX Memory, per GB/month	\$55	\$38	-30.9%	\$50	-9.1%

- **Electronic Commerce Application Support**

The OTech is responsible for installing, upgrading, maintaining, customizing, debugging, patching, and securing the IBM's E-commerce software suite. The OTech also oversees the most complex design, installation, configuration, and troubleshooting of various IBM Tivoli Access Manager for e-Business (TAME) and Tivoli Identity Manager (TIM).

New Rates:

Service	Current Rate	January 2012		July 2012	
		New Rate	Change	New Rate	Change
WAS Support Premium, per server/month	\$1,484	\$843	-43.2%	\$1,484	0
*WAS Support Basic, per server/month	\$1,484	\$497	-66.5%	\$875	-41.0%
IHS Server Support, per server/month	\$848	\$327	-61.4%	\$575	-32.2%
MQ Series Support, per server/month	\$60	\$120	100%	\$212	253.3%
WebSeal Server Support, per server/month	\$848	\$482	-43.2%	\$848	0
Policy Server Support, per server/month	\$848	\$482	-43.2%	\$848	0
Authentication Server Support, per sever/month	\$848	\$482	-43.2%	\$848	0
DB2 Directory Server Support, per server/month	\$975	\$554	-43.2%	\$975	0
Application Security Server Support	\$424	\$0	eliminate	\$0	eliminate

*New service rate for this level of service

- **Tenant Managed Services**

The Tenant Managed Services, formerly known as the Federated Data Center (FDC), offer customers a viable solution to reduce statewide data center floor space and reduce greenhouse emissions.

New Rates:

Service	Current Rate	January 2012		July 2012	
		New Rate	Change	New Rate	Change
COEMS OTech Owned Rack, per rack/month	\$1,525	\$900	-41%	\$1,350	-11.5%
COEMS Customer Owned Rack, per rack/month	\$1,400	\$900	-35.7%	\$1,350	-3.6%
FDC Rack, per rack/month	\$7,500	\$900	-88%	\$1,350	-82%
Managed LAN, per server rack/ month	new	\$1,900	n/a	\$1900	n/a
SAN Fabric, per rack/ month	new	\$698	n/a	\$698	n/a
Data Domain Back-ups, per GB/month	new	\$3	n/a	\$3	n/a
Power with Cooling, per kW/month	new	\$115	n/a	\$115	n/a
Power without Cooling, per kW/month	new	\$70	n/a	\$70	n/a
Cooling Door, per rack/ month	new	\$151	n/a	\$151	n/a
Cooling Door, per rack/ one-time	new	\$2,500	n/a	\$2,500	n/a

- **Web Hosting**

The OTech offers support for web hosting design and development services as an add-on to the Application Hosting service. The OTech designs, configures, installs, implements, monitors, troubleshoots, tunes, and analyzes web requests and web systems.

New Rates:

Service	Current Rate	January 2012		July 2012	
		New Rate	Change	New Rate	Change
Dedicated Web Support, per server/ month	\$848	\$214	-74.8%	\$695	-18.0%

- **Disaster Recovery, Secure File Transfer**

The OTech will offer Disaster Recovery (DR) Secure File Transfer (SFT) service effective July 1, 2012. The SFT provides a complete, secure, fully regulatory compliant, enterprise integration and consolidation solution for moving files and managing transfers from any Internet-connected client, private IP network or OTech-hosted server to any other server or end user. The DR SFT service will utilize the Vacaville campus to provide 24-hour recovery. The service includes a provision for an annual DR exercise.

New Rates:

Service	Current Rate	July 2012	
		New Rate	Change
DR Secure File Transfer One-Time Set-up Fee	\$0	\$8,932	new
DR Secure File Transfer, per User ID	\$0	\$1.40	new

Overall, this rate package will save OTech customers an estimated \$21.5 million at the current workload level for FY 2011/12 and \$13 million for FY 2012/13. January through March 2012 rate adjustments will appear on the April 2012 OTech invoice. If necessary, some customers may receive the January through March rate adjustments on their April and May invoice, in order to avoid issuing negative invoices.

If you have any questions regarding these rate changes and the projected impact on your department's OTech invoice, please contact either Natividad Nevarez at (916) 431-4286 or natividad.nevarez@state.ca.gov or myself at (916) 431-5486.

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