



Advanced Workload License Charges offers price/performance for the IBM zEnterprise 196

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Overview

Coinciding with the announcement of the IBM® zEnterprise® 196 (z196) server, IBM introduces a new software pricing structure called Advanced Workload License Charges (AWLC). The AWLC pricing metric leverages the reporting mechanisms and existing Millions of Service Units (MSU) per hour tiers of the Variable Workload License Charges (VWLC) pricing model while extending the software price/performance provided by the VWLC tiers. AWLC applies only to eligible z/OS® and z/TPF software programs and their associated middleware programs when running on a z196 server. For details, refer to the [Programs eligible for AWLC](#) section.

Benefits of AWLC include:

- Reduced price points, versus VWLC, for all MSU levels with more than three MSUs
- Additional unit cost improvements, versus VWLC, for eligible monthly license charge (MLC) IBM middleware programs with more than 875 MSUs
- Sub-capacity or full-capacity implementation
- Aggregation in an actively coupled Parallel Sysplex®

For actively coupled Parallel Sysplexes with a mix of System z® hardware technologies (one or more z196 servers with one or more System z10® EC, System z9® EC, System z10 BC, or System z9 BC servers), a Transition Charges for Sysplexes program provides aggregated VWLC pricing along with a reduction in VWLC as customers upgrade machines to z196 servers. Aggregated AWLC pricing is not available for actively coupled Parallel Sysplexes until all of the servers in the sysplex are upgraded to z196 servers. VWLC is not available for a single, stand-alone z196 server, nor for an aggregated sysplex consisting only of z196 servers.

The new AWLC pricing structure and the Transition Charges for Sysplexes program require an Attachment for IBM System z Advanced Workload License Charges (Z125-8538) to be added to the IBM Customer Agreement. Also new is the IBM System z Advanced Workload License Charges Exhibit (Z125-8539).

Key prerequisites

- AWLC is available only for single, stand-alone z196 servers or for actively coupled Parallel Sysplexes that consist only of z196 servers.
- AWLC applies only to specified eligible software programs that are included on the Programs Eligible for AWLC list.

Planned availability date

July 22, 2010

Description

Advanced Workload License Charges (AWLC) is a monthly license charge price metric available for eligible software programs running on a z196 server. AWLC applies to z/OS operating system software and many of its associated middleware software programs, such as IBM CICS®, IBM DB2®, and IBM IMS™. AWLC also applies to the z/TPF operating system and its associated z/TPFDF programs. Other IBM operating systems and their associated middleware programs continue to be licensed and priced based on previously announced charge structures.

For details, refer to the [Programs eligible for AWLC](#) section.

Similar to Workload License Charges (WLC), AWLC may be implemented in full-capacity or sub-capacity mode.

- Full-capacity: monthly charges for AWLC-priced programs are based on the total MSU capacity of the z196 server. To view the IBM MSU ratings for the z196 servers, refer to <http://ibm.com/systems/z/swprice/reference/exhibits/hardware.html>
- Sub-capacity: Monthly charges for AWLC-priced software programs are based on the highest number of MSUs utilized by the combined Logical Partitions (LPARs) in which the AWLC program executes during a reporting period. LPAR MSU utilization is measured by the Sub-Capacity Reporting Tool (SCRT) using the highest observed rolling 4-hour average MSUs utilization. Customers choosing sub-capacity pricing must use SCRT to generate sub-capacity reports and submit these reports to IBM each month. Additional customer responsibilities under sub-capacity pricing are specified in the ICA Attachment for IBM System z Advanced Workload License Charges (Z125-8538).

For more information about SCRT, refer to

<http://ibm.com/systems/z/swprice/subcap/scrt>

In conjunction with software programs implemented with AWLC:

- Programs having Flat Workload License Charges (FWLC) will continue to be charged using FWLC. These programs have one flat monthly charge per IBM System z server, independent of the size of the machine to which the program is licensed.
- System z New Application License Charges (zNALC) and Select Application License Charges (SALC) remain available for their respective eligible programs under their respective terms and conditions on machines with AWLC pricing.

Parallel Sysplex License Charges (PSLC) are available as an alternative charge metric for eligible software programs running on a z196 server. If available for their specific configuration, customers have a choice of selecting either AWLC or PSLC, but not both, for their IBM software programs within the z/OS or z/TPF operating system families on a z196 server. In conjunction with software programs implemented with PSLC, System z Usage Pricing Charges remain available for their respective eligible programs under System z Usage Pricing Charges terms and conditions.

Pricing structure

Each AWLC-eligible software program has a monthly license charge based on a cumulative price structure with multiple levels.

Base AWLC		3 MSUS
Level 0 AWLC	4 -	45 MSUS
Level 1 AWLC	46 -	175 MSUS
Level 2 AWLC	176 -	315 MSUS
Level 3 AWLC	316 -	575 MSUS
Level 4 AWLC	576 -	875 MSUS
Level 5 AWLC	876 -	1315 MSUS

Level 6 AWLC	1316 - 1975 MSUs
Level 7 AWLC	1976 - more MSUs

Transition Charges for Sysplexes program

When two or more machines exist in an actively coupled Parallel Sysplex but not all of the machines are z196 servers, all machines will remain on WLC pricing, but will receive a reduction to VWLC pricing across the aggregated Parallel Sysplex. This reduction provides a portion of the price/performance benefit related to AWLC pricing based on the proportion of z196 server capacity in the Parallel Sysplex.

The number of MSUs used to determine both the total MSUs for the Parallel Sysplex and z196 server proportion of MSUs are based on the announced IBM full-capacity ratings at

<http://ibm.com/systems/z/swprice/reference/exhibits/hardware.html>

Schedule of VWLC discounts for the Transition Charges for Sysplexes

Percentage of AWLC-eligible full-capacity MSUs in an actively coupled Parallel Sysplex	Reduction in monthly VWLC
> 0 - 20%	0.5%
21 - 40%	1.5%
41 - 60%	3.0%
61 - 80%	4.0%
81 - < 100%	4.5%

To find the percentage discount when a sysplex includes AWLC-eligible full capacity MSUs:

1. Add the total MSUs of the machines in the sysplex, including the z196 machines.
2. Divide the z196 MSUs by the total MSUs.
3. The result of the calculation must be rounded to the nearest whole percent. Using regular rounding rules, fractions of a percent of 0.5 or more are rounded up and fractions of a percent less than 0.5 are rounded down. Rounding examples:
 - 0.204999 rounds down to 20%
 - 0.205000 rounds up to 21%
 - 0.404999 rounds down to 40%
 - 0.405000 rounds up to 41%
4. Refer to the schedule of VWLC discounts to determine the applicable discount.

Example 1: A customer has two machines in an actively coupled Parallel Sysplex. Machine 1 is a z196 model 710 server with 1191 MSUs and machine 2 is a System z9 EC model 607 server with 385 MSUs for a total of 1576 MSUs. Divide 1191 by 1576; the result is 0.755710, which is rounded up to 76%. The Parallel Sysplex will remain on VWLC pricing and receive a 4.0% reduction in VWLC billing.

Example 2: A customer has two machines in an actively coupled Parallel Sysplex. Machine 1 is a z196 model 715 server with 1648 MSUs and machine 2 is a System z10 EC model 713 server with 1076 MSUs for a total of 2724 MSUs. Divide 1648 by 2724, the result is 0.604992, which is rounded down to 60%. The Parallel Sysplex will remain on VWLC pricing and receive a 3.0% reduction in VWLC billing.

Example 3: A customer has three machines in an actively coupled Parallel Sysplex. Machine 1 is a z196 model 610 server with 777 MSUs, machine 2 is a System z10 EC model 739 server with 2585 MSUs, and machine 3 is a System z9 EC model 608 server with 428 MSUs, for a total of 3790 MSUs. Divide 777 by 3790, the result is 0.205013, which rounds up to 21%. The Parallel Sysplex will remain on VWLC pricing and receive a 1.5% reduction in VWLC billing.

Aggregation rules

For AWLC pricing purposes, aggregation of AWLC product MSUs across multiple z196 machines is allowed. In order for this aggregation to take place, the customer must meet the actively coupled Parallel Sysplex definition rules in the Attachment for IBM System z Advanced Workload License Charges (Z125-8538) and must have z/OS licensed and running in z/Architecture® (64-bit) mode on each of the z196 machines of a Parallel Sysplex receiving aggregated AWLC pricing.

FWLC products do not aggregate MSUs since their charge is independent of machine size or LPAR utilization.

Terms and conditions

All terms and conditions associated with AWLC, sub-capacity pricing, Transition Charges for Sysplexes, the Attachment for IBM System z Advanced Workload License Charges, and the IBM Customer Agreement apply.

Documents created specifically for AWLC and Transition Charges for Sysplexes:

- Attachment for IBM System z Advanced Workload License Charges (Z125-8538)
- IBM System z Advanced Workload License Charges Exhibit (Z125-8539)

In addition, WLC terms and conditions described in the following documents also apply to Transition Charges for Sysplexes:

- Attachment for IBM System z Workload License Charges (Z125-6516)
- IBM System z Workload License Charges Exhibit (Z125-6324)

Programs eligible for AWLC

Note: Program eligibility is subject to product availability, including new programs that may become eligible for AWLC.

Software Offering (SWO)	Entitlement Entity (EE)	Description
5655S97	S015H9T	CICS Transaction Server for z/OS V4.1
5655M15	S0118T7	CICS Transaction Server for z/OS V3.2
5697E93	S00T7FK	CICS Transaction Server for z/OS V2
5655147	S001CVJ	CICS Transaction Server for OS/390® V1
5655018	S00151M	CICS/ESA® V4 - CICS ONC RPC
5655018	S00151N	CICS/ESA V4 - CICS/ESA V4
5655S71	S014DVZ	Enterprise COBOL for z/OS V4
5655G53	S00VXNM	Enterprise COBOL for z/OS V3 - Full Function
5655G53	S00VXNN	Enterprise COBOL for z/OS V3 - Alternate Function
5648A25	S001FGH	COBOL for OS/390 and VM V2 - Full Function
5648A25	S001FGK	COBOL for OS/390 and VM V2 - Alternate Function
5635DB2	S011XS0	DB2 V9 for z/OS
5635DB2	S012J7P	DB2 V9 for z/OS - QMF™ Enterprise Edition
5635DB2	S012J7R	DB2 V9 for z/OS - QMF Classic Edition
5625DB2	S00X44M	DB2 UDB for z/OS V8
5625DB2	S00X44N	DB2 UDB for z/OS V8 - QMF Enterprise Edition
5625DB2	S00X44P	DB2 UDB for z/OS V8 - QMF Distributed Edition
5625DB2	S00X44R	DB2 UDB for z/OS V8

5625DB2	S010TGB	- QMF Classic Edition DB2 UDB for z/OS V8 - DB2 Net Search Extender
5675DB2	S00SN65	DB2 UDB for OS/390 V7
5675DB2	S00SN6L	DB2 UDB for OS/390 V7 - DB2 Warehouse Manager
5675DB2	S00SN6M	DB2 UDB for OS/390 V7 - QMF for OS/390
5675DB2	S00SN6S	DB2 UDB for OS/390 V7 - QMF for windows® feat of QMF
5675DB2	S00SN6X	DB2 UDB for OS/390 V7 - QMF for windows feature of DB2
5675DB2	S00TZJH	DB2 UDB for OS/390 V7 - DB2 Net Search Extender
5675DB2	S00VWTB	DB2 UDB for OS/390 V7 - QMF HPO Version 7.1.1
5645DB2	S00087N	DB2 UDB for OS/390 V6
5645DB2	S00087G	DB2 UDB for OS/390 V6 - QMF HPO Buy
5645DB2	S00087J	DB2 UDB for OS/390 V6 - QMF for windows-No QMF Lic.
5645DB2	S00087M	DB2 UDB for OS/390 V6 - QMF for windows w/QMF Lic
5645DB2	S00087P	DB2 UDB for OS/390 V6 - QMF for OS/390
5645DB2	S00V5XB	DB2 UDB for OS/390 V6 - Net Search Extender
5645DB2	S00VWVP	DB2 UDB for OS/390 V6 - QMF for OS/390 Version 7
5645DB2	S00VWVT	DB2 UDB for OS/390 V6 - QMF for Win V7 (Feat of DB2)
5645DB2	S00VWVW	DB2 UDB for OS/390 V6 - QMF for Win V7 (Feat of QMF)
5645DB2	S00VWVZ	DB2 UDB for OS/390 V6 - QMF HPO Version 7
5655DB2	S001FJ7	DB2 for OS/390 V5
5655DB2	S001FJ8	DB2 for OS/390 V5 - DB2 Performance Monitor
5655DB2	S00MVJ2	DB2 for OS/390 V5 - QMF Win V6 F/C
5655DB2	S00MVJ4	DB2 for OS/390 V5 - QMF win V6 w Host QMF prereq
5695DB2	S00184N	DB2 for MVS/ESA™ V4
5635A02	S0152Z0	IMS V11 - IMS Transaction Manager
5635A02	S0152Z1	IMS V11 - IMS Database Manager
5635A02	S0152XX	IMS V11 - IMS Extended Term Opt
5635A02	S0152XZ	IMS V11 - IMS Recov Lvl Tracking
5635A02	S0152Z2	IMS V11 - IMS DB-Level Tracking
5635A01	S012K9B	IMS V10 - IMS Transaction Manager
5635A01	S012K9W	IMS V10 - IMS Database Manager
5635A01	S012KB0	IMS V10 - IMS Extended Term Opt
5635A01	S012K9Z	IMS V10 - IMS Recov Lvl Tracking
5635A01	S012K9X	IMS V10 - IMS DB-Level Tracking
5655J38	S0108VV	IMS V9 - IMS Transaction Manager
5655J38	S0108VK	IMS V9 - IMS Database Manager
5655J38	S0108VP	IMS V9 - IMS Extended Term Opt
5655J38	S0108VS	IMS V9 - IMS Recov Lvl Tracking
5655J38	S0108VM	IMS V9 - IMS DB-Level Tracking
5655C56	S00W274	IMS V8 - IMS Transaction Manager
5655C56	S00W276	IMS V8 - IMS Database Manager
5655C56	S00W277	IMS V8 - IMS Extended Term Opt
5655C56	S00W278	IMS V8 - IMS Recov Lvl Tracking
5655C56	S00W275	IMS V8 - IMS DB-Level Tracking
5655B01	S00TBGB	IMS V7 - IMS Transaction Manager
5655B01	S00TBG7	IMS V7 - IMS Database Manager
5655B01	S00TBG6	IMS V7 - IMS Extended Term Opt
5655B01	S00TBG8	IMS V7 - IMS Recov Lvl Tracking
5655B01	S00TBG9	IMS V7 - IMS DB-Level Tracking

5655158	S001CFT	IMS/ESA® V6 - IMS/ESA Transaction Manager
5655158	S001CFP	IMS/ESA V6 - IMS/ESA Database Manager
5655158	S001CFR	IMS/ESA Version 6 - IMS/ESA V6 Ext Terminal Opt
5655158	S001CFN	IMS/ESA Version 6 - IMS/ESA Recov Lvl Tracking
5655158	S001CFS	IMS/ESA Version 6 - IMS/ESA DB-Level Tracking
5695176	S00150D	IMS/ESA V5 - IMS/ESA Transaction Manager
5695176	S00150G	IMS/ESA V5 - IMS/ESA Database Manager
5695176	S00150H	IMS/ESA V5 - IMS/ESA Extended Term Opt
5695176	S00150F	IMS/ESA V5 - IMS/ESA Recov Lvl Tracking
5695176	S00150J	IMS/ESA V5 - IMS/ESA DB-Level Tracking
5695176	S00150K	IMS/ESA V5 - IMS/ESA Surveyor Feature
5655S17	S01489W	Debug Tool for z/OS V8
5655R44	S012PVX	Debug Tool for z/OS V7
5655P14	S0121TL	Debug Tool for z/OS V6
5655M18	S011CMT	Debug Tool for z/OS V5
5655L24	S0109LN	Debug Tool for z/OS V4
5655H32	S00X8FN	Debug Tool for z/OS and OS/390 V3
5655H31	S00W183	Enterprise PL/I for z/OS and OS/390 V3 - Full Function
5655H31	S00W184	Enterprise PL/I for z/OS and OS/390 V3 - Alternate Function
5655B22	S00S8F5	VisualAge® PL/I for OS/390 V2 - Full Function
5655B22	S00S8F4	VisualAge PL/I for OS/390 V2 - Alternate Function
5697NQZ	S012B7X	WebSphere® MQ Extended Security Edition V6
5697NQZ	S012B80	WebSphere MQ Extended Security Edition V6 - Client Attachment
5697MQZ	S010N7W	WebSphere MQ Extended Security Edition V5
5697MQZ	S010N7T	WebSphere MQ Extended Security Edition V5 - Client Attachment
5655R36	S014V9Z	WebSphere MQ for z/OS V7
5655R36	S014VB0	WebSphere MQ for z/OS V7 - Client Attachment
5655L82	S011P8R	WebSphere MQ for z/OS V6
5655L82	S011P8T	WebSphere MQ for z/OS V6 - Client Attachment
5655F10	S00TDF5	WebSphere MQ for z/OS V5
5655F10	S00TDFD	WebSphere MQ for z/OS V5 - Client Attachment
5655A95	S00NB8L	MQSeries® for OS/390 V2
5655A95	S00NB8K	MQSeries for OS/390 V2 - Client Attachment
5695137	S000PX4	MQSeries for MVS/ESA V1
5695137	S000PX3	MQSeries for MVS/ESA V1 - Client Attachment
5697ENV	S00WM20	Tivoli® NetView® for z/OS V5
5697ENV	S0148PZ	Tivoli NetView for z/OS V5 - TEMA
5697B82	S001FFC	Tivoli NetView for OS/390 - Enterprise
5697B82	S001FFD	Tivoli NetView for OS/390 - Unattended
5697B82	S001FFF	Tivoli NetView for OS/390 - Procedural
5694A01	S00T4FR	z/OS V1 Base
5694A01	S00T4FS	z/OS V1 Alternate Base
5694A01	S00T4FT	z/OS V1 BDT FTF
5694A01	S00T4FV	z/OS V1 BDT SNA NJE
5694A01	S00T4FW	z/OS V1 BookManager® Build
5694A01	S00T4FX	z/OS V1 C/C++ with Debug
5694A01	S00T4FZ	z/OS V1 C/C++ without Debug

5694A01	S00T4G0	z/OS V1 DFSMS™ dsshsm
5694A01	S00T4G1	z/OS V1 DFSMS rmm
5694A01	S00T4G2	z/OS V1 DFSMS dss
5694A01	S00T4G3	z/OS V1 DFSORT
5694A01	S00T4G4	z/OS V1 GDDM-PGF
5694A01	S00T4G5	z/OS V1 GDDM-REXX
5694A01	S00T4G8	z/OS V1 Infoprint Server
5694A01	S00T4G9	z/OS V1 JES3
5694A01	S00T4GB	z/OS V1 RMF
5694A01	S00T4GC	z/OS V1 SDSF
5694A01	S00T4GD	z/OS V1 SOMobjects® ADE
5694A01	S00T4GF	z/OS V1 Security Server
5694A01	S010776	z/OS V1 DFSMstvs
5645005	S000V5N	System Automation for OS/390 V1
5645006	S00SNWR	System Automation for OS/390 V2
5695068	S000BKC	Airline Control System V2
5697WSZ	S00W0CT	Tivoli workload Scheduler for z/OS V8
5697WSZ	S00W0CV	Tivoli workload Scheduler for z/OS V8 - Engine + Lang
5697WSZ	S00W0CW	Tivoli workload Scheduler for z/OS V8 - End2End Enabler
56970PC	S001FDV	Tivoli Operations Planning and Control V2 - Comm + Lang
56970PC	S001FDW	Tivoli Operations Planning and Control V2 - Agent + Enabler
56970PC	S001FDX	Tivoli Operations Planning and Control V2 - Tracker
5706254	S00066F	Query Management Facility™ for MVS™ V3 - HPO Manager
5706254	S00066G	Query Management Facility for MVS V3 - QMF for Windows
5706254	S00066H	Query Management Facility for MVS V3 - HPO Complete
5706254	S00066J	Query Management Facility for MVS V3 - HPO Compiler
5706254	S00066K	Query Management Facility for MVS V3 - QMF MVS V3
5799GKY	S00TN86	MQSeries for OS/390 - PRPQ
5748F15	S011DWP	z/Transaction Processing Facility Database Facility
5748T15	S011DWM	z/Transaction Processing Facility Enterprise Edition - HPO
5748T15	S011DWN	z/Transaction Processing Facility Enterprise Edition
5655P97	S01243R	IBM Encryption Facility for z/OS V1
5655P97	S01256T	IBM Encryption Facility for z/OS V1 - dss
5655043	S00135C	Tivoli NetView Performance Monitor V2
5655043	S00135D	Tivoli NetView Performance Monitor V2 - NRDC
5655S73	S0144DV	Lotus® Domino® for z/OS V8
5655N14	S011DT8	Lotus Domino for z/OS V7
5655K36	S00XJ4K	Lotus Domino for z/OS V6
5655B86	S00RXVG	Lotus Domino for S/390® V5

Business Partner information

If you are a Direct Reseller - System Reseller acquiring products from IBM, you may link directly to Business Partner information for this announcement. A PartnerWorld ID and password are required (use IBM ID).

Reference information

For a list of software programs that are eligible for AWLC, refer to the [Programs eligible for AWLC](#) section.

For information about machine exhibits, refer to

<http://ibm.com/systems/z/swprice/reference/exhibits/hardware.html>

For information about IBM zEnterprise 196, refer to Hardware Announcement [110-170](#), dated July 22, 2010.

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