Challenges of IaaS introduction

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HTE Infocom2014
Telenor Hungary Zrt.

- Part of Telenor Group
- 3.44 M subscribers in Hungary,
- 31% market share (active SIMs)
- Fastest Mobile Data network in Hungary

For further details, please visit:
www.telenor.hu
www.telenor.com
Telenor Common Operation (TnCO) today

- 7 million mobile subscribers
- 31 million SMS, 50 000 MMS and 160 000 emails daily
- 116 000 simultaneous voice calls
- 11 500 base stations
- **3 000 servers**, 3 000 sqm data center
- 7 000 PCs for employees in 4 countries

In operation: Common Shared Service Centre for Network and IT for 3 CEE BUs

Getting ready for partnering with Globul
Why shall we use IaaS?

**BENEFITS**

**Business**
- Faster Time to Market
- Better provisioning
- Use-based cost allocation

**Technology Department**
- Reduce investments
- Improved capacity management
- More efficient O&M
How to deliver IaaS – things to consider

Motivation for migration

Economy

Procurement

Security

Legal & Regulatory
How to deliver IaaS – which cloud service model to be used

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<td>Ownership</td>
<td>Consumer (TnHU)</td>
<td>Provider (TnCO)</td>
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**Legal & Regulatory**

- Critical Infrastructure law changes in Hungary
- Impact of U.S. data spying scandals on EU Data protection directive
- US law enforcement – handed over user data stored outside US (US court vs Microsoft)
- Local data protection acts (SRB, MNE)
How to deliver IaaS – solution landscape

IaaS

Orchestrator layer

Compute Virtualization layer
- Computing servers
- Monitoring tool

Storage Virtualization layer
- Storage hardware
- Monitoring tool

Network layer

Security
How to deliver IaaS – check market for solution...

Source: David Mitchell Smith, Gartner
How to deliver IaaS – Reduce number of solutions/vendors

- Existing infrastructure of Telenor entities
- Capabilities of potential solutions (scalability, auto-provisioning)
- Existing contractual relationship
- Fits to existing security solutions
- Competency and knowledge of Telenor IT and IT vendors

Best 3 solutions/vendors for tendering
How to deliver IaaS – develop charging model

Prerequisite

Service Contract between Consumer and Provider

- Service Catalogue with unit costs
- Unit cost based service fee

Service fee must include

- Depreciation of IaaS assets (including next capacity level)
- Facility cost (energy, cooling, etc.)
- Labor costs
- Overhead costs
- Tax
Thank you