

# Efficient Resource Selection in Cloud Environments with

# Volume Discounts and Group Dependencies

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- Many modern companies and cloud computing providers offer increasingly sophisticated pricing plans for their services
	- bonuses, promotions and discounts
	- multi-tier offers, sustainability bonuses, quantity and volume discounts
	- natural groupings by resource types, network connectivity and geographic distribution
- Resources selection and scheduling algorithms should account for nonlinear pricing models and emerging dependencies between the available resources both in price and utility criteria



## **Saving Plans and Discounts** 3



All the ways you can receive discounts to help with AWS cost management



The resource requirements for a single service, parallel job or workflow are arranged into a **resource request**:

- *n* number of simultaneously reserved computational nodes
- *p* minimal performance requirement for each computational node
- *V* computational volume for a single node task
- *C* maximum total job execution cost (budget)







Allocate a window of computing four nodes for a time T, with requirements on nodes performance and total cost. Minimize window start time:





#### Candidate resources



$$
Z = \sum_{i=1}^{m} z_i x_i \rightarrow \max
$$
  

$$
\sum_{i=1}^{m} c_i x_i \le C_j,
$$
  

$$
x_i \in \{0, 1\}, i = 1...m
$$

Number n of allocated resources is not limited:  $n \in [0; m]$ 

Classic 0-1 knapsack problem



#### Candidate resources



 $Z = \sum_{i=1}^{m} z_i x_i \rightarrow \max$  $\sum_{i=1}^m c_i x_i \leq C_j$ ,  $\sum_{i=1}^{m} x_i = n$ ,  $x_i \in \{0,1\}, i = 1..m$ 

Number n of simultaneously required resources is predetermined





 $Z = \sum_{i=1}^{m} z_i x_i \rightarrow \text{max}$  $\sum_{i=1}^{m} c_i x_i \leq C,$  $\sum_{i=1}^{m} x_i \geq n_{\min}$  $\sum_{i=1}^{m} x_i \leq n_{\text{max}},$  $x_i \in \{0,1\}, i = 1..m$ 

Interval of permissible values  $[n_{\min}; n_{\max}]$  is defined for n

This problem describes a more generic resources allocation scenario



 $\mathsf{C}$ 

$$
f_i(c, k) = \max\{f_{i-1}(c, k), f_{i-1}(c - c_i, k - 1) + z_i\},
$$
  
\n
$$
i = 1, ..., m, c = 1, ..., C_j, k = 1, ..., n_{\text{max}}
$$
  
\n
$$
Z_{\text{max}} = \max_{n} f_m(C, n)
$$





$$
O(m * n_{\max} * C)
$$



## <sup>10</sup> **Real Life Kna[psack Example](https://dev.to/victoria/knapsack-problem-algorithms-for-my-real-life-carry-on-knapsack-33jj)**





https://dev.to/victoria/knapsack-problemalgorithms-for-my-real-life-carry-on-knapsack



- Volume discount: resource provider offers a reduced price for a larger quantity of services or resources
	- Google sustained use discounts
	- Yandex commited volume of services
	- Amazon S3 data transfer

• Oracle Siebel CRM example:

A volume discount is configured as 10% discount for 5-10 items, 20% discount for 11-20 items and 30% discount for 21+ items. When ordering 23 items a customer gets no discount on items 1-4, a 10% discount on items 5-10, a 20% discount on items 11-20, and a 30% discount on items 21-23





- Locally grouped resources within a single datacenter, may have greater connectivity, consistency and greater group performance for data-intensive workloads
- Multi-cloud strategy can help manage risks, increase flexibility, optimize costs and avoid vendor lock-in
- We describe and consider aggregated price and performance benefits in terms of group dependencies
- We study a problem of an efficient multi-cloud resources selection by taking into account local group dependencies between them





- The set  $R$  of cloud resources consists of multiple VM instances possibly available from different datacenters and resource providers
- Each group  $G_i \in G$  is a subset of resources  $r_i \in R$  with a common group dependency expressed as a special rule for aggregate cost and utility values
	- we assume that in a general case the *aggregate* cost and utility of the selected resources may differ from their *total sum* of cost and utility
	- quantity and volume discounts, connectivity benefits, enumerations
- Given the set R of VM resources and set  $G$  of non-intersecting resource groups defined over R, select a subset of  $[n_{\min}; n_{\max}]$  of resources with the aggregate cost  $C_a < C_{\text{max}}$  while optimizing the aggregate utility value  $U_a \rightarrow \text{max}$ .



- The main idea of our approach is to solve resources selection problems for each group independently and combine their results in a higher-level recurrent solution
- For each group we calculate a Pareto-optimal set of possible allocation variants
- Each allocation variant describes one possible subset of group resources which provides aggregate utility u for an aggregate cost  $\mathcal{C}$ :

$$
Var_i = \{n_i, C_i, u_i\}
$$

• Pareto-optimal set of variants can be obtained by knapsack algorithms, greedy algorithms, heuristics or brute force enumeration



- GKA considers groups of resources  $G_i$  as enumeration items instead of individual VMs
- Instead of a single pair of characteristics  $u_i$  and  $c_i$ , each group item  $G_i$  provides a list of  $N V_i$  possible resource allocation *variants*  $Var_j = (n_j, u_j, c_j)$
- GKA iterates over groups  $G_i \in G$  and their variants  $\{Var_i\}$  to calculate the following recurrent scheme:

$$
f_i(c, n) = \max\{f_{i-1}(c, n), f_{i-1}(c - c_j, n - n_j) + u_j\},\
$$
  

$$
i = 1, ..., |G|, j = 1, ..., NV_i, c = 1, ..., C_{\max}, n = 1, ..., n_{\max}
$$

- $f_i(c, n)$  then maintains the maximum possible *aggregate* utility U achievable for a subset of *n* VMs combined from different variants from groups  $\{G_1, \ldots, G_i\}$  for a budget c
- Estimated computational complexity is bounded by  $O(N * n_{\text{max}} * C_{\text{max}}^2)$



## **Group Knapsack Algorithm GKA**





### **Simulation Environment**

The simulation study is implemented in CloudSim v6 environment to comply with modern cloud resource provisioning model Physical resources

- Virtual resources
- Datacenters
- Users and cloud brokers
- Different VM allocation policies
- Pricing models
- Event-based simulation
- Extensions
	- CloudAuction, pricing models



Enterprise IT Consumer



- Up to 1000 VMs and their characteristics (performance, price, RAM, etc.) are generated randomly in each simulation cycle in accordance with pre-defined tier levels
- We consider the following types of the grouping rules:
	- 1) groups without any quantity advantages or discounts
	- 2) groups with significant quantity discounts for up to 30%
	- 3) groups with significant quantity performance bonuses for up to 20%
	- 4) groups with both quantity discounts up to 20% and performance bonuses up to 10%
	- For example, for a group of 10 VMs we model quantity discount as 10% for 2-4 items, 20% for 5-7 items and 30% for 8-10 items purchased
- Types of grouping rules are uniformly assigned and are equally represented in the simulated cloud environment



- *Group Knapsack algorithm* (*GKA*) implements proposed approach to optimize VMs selection considering the resource groupings
- *Brute Force* explores all feasible combinations of available VMs and selects the best combination considering the resource groupings
- *0-1 Knapsack (IKnapsack*) implements VMs selection without information about the resource groups; group bonuses and discounts are applied to the resulting selection
- *Greedy* algorithm implements approximation of 0-1 Knapsack problem above; does not consider resource groupings; group bonuses and discounts are applied to the resulting selection
- *CloudAuction* is CloudSim extension which implements double auction algorithm; group bonuses and discounts are applied to the resulting selection



#### Aggregate Performance, MIPS



- *Brute Force* and *GKA* showed the identical best results in all simulation runs
- *IKnapsack* provided up to 12% less aggregate performance; *Greedy* – up to 50% less
- Brute Force required 1000 times more working time





## **GKA Performance Study (** $n = 20$ **,**  $N = 1000$  **VMs)**



- *GKA* provides nearly 6% higher aggregate performance compared to *IKnapsack* and 25% higher compared to *Greedy*
- *CloudAuction* selects the minimally suitable VMs in terms of price/quality ratio





- *GKA* used up to 116% of  $C_{\text{max}}$  budget, which resulted in 100% after the group discounts
- *GKA* used 100% of allocated budget resulting in 99% after the group discounts
- Greedy heuristic failed to use even the entire budget  $C_{\text{max}}$



## **GKA Time Study (** $N = 1000$  **VMs)**  $\frac{2}{3}$

2

#### Working Time, ms



- The working time of the *GKA* grows faster than that of *IKnapsack*
- The dependence on  $C_{\text{max}}$  is less than quadratic



- We studied the problem of efficient selection of cloud resources considering their localized group relations and dependencies
- CloudSim package was used to simulate cloud environments with up to 30% quantity discounts and and 20% performance bonuses when selecting VMs from a single datacenter group
- The proposed Group Knapsack algorithm (GKA) provides accurate solution identical to the brute force, while the advantage over other algorithms reaches 5-25% by the target optimization criterion

In further research will address and analyze more complex relationships between the available cloud resources, including non-localized dependencies



# Russian Supercomputing Days 2024

## International Scientific Conference September 23 – 24

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