

Repatriation Elasticity Gap

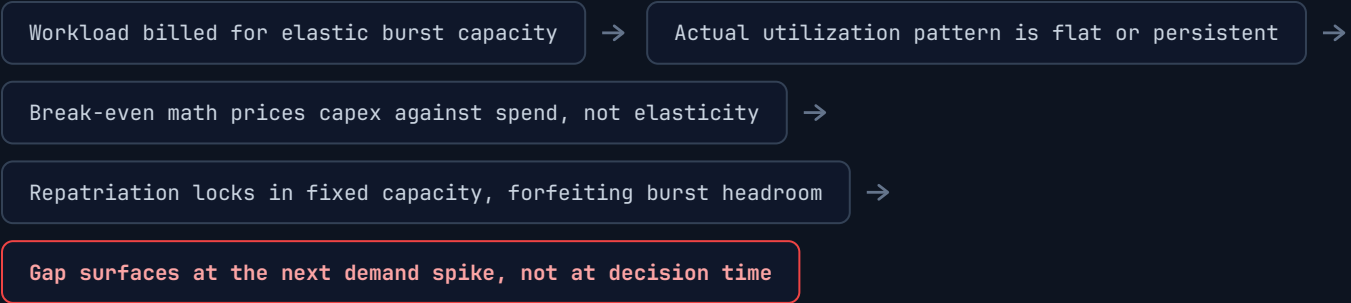
DEFINITION

The elasticity lost when workloads move from cloud burst capacity to fixed owned capacity — a delta repatriation economics must explicitly price.

FRAMEWORK FLOW

01 The Condition A workload is billed and provisioned as if its demand pattern is elastic — burst-ready headroom priced in, whether or not the workload ever draws on it.	02 The Boundary The Elasticity Utilization Signal separates workloads actually consuming that premium from workloads paying for burst capacity they never use.	03 Failure State Repatriated onto fixed owned capacity, the workload permanently forfeits whatever burst headroom it wasn't using — a real delta the standard break-even model never prices.	04 Consequence The gap surfaces after the move, as unplanned exposure the first time demand spikes past what fixed capacity can absorb — not as a line item anyone budgeted.
--	---	---	---

Failure State: Pricing the Move, Not the Delta



THE DIAGNOSTIC SIGNAL

ELASTICITY ASSUMPTION

Ask whether the workload's cloud billing model assumes burst capacity. The answer is almost always yes — cloud pricing defaults to elastic assumptions regardless of the workload's actual pattern.

UTILIZATION REALITY

Ask what the workload's Elasticity Utilization Signal actually reads. Persistent, stateful, and data-gravity workloads consistently score Low — they're paying for headroom they never draw down.

TRIGGER CONDITION

The gap only becomes a real cost at the moment of repatriation. A workload that never leaves cloud carries the premium indefinitely but never has to price the delta of giving it up.

REMEDIATION SHAPE

Compute the Economic Inversion Point separately from the Break-Even Month before committing capital — a distinct calculation, not a rerun of the same TCO spreadsheet.

ARCHITECTURAL RELATIONSHIPS

#77
Cloud Dependency Residue

RELATED MODERATE

Two sides of what repatriation doesn't eliminate: the Elasticity Gap prices burst capacity forfeited by leaving cloud; Dependency Residue prices what stays cloud-billed regardless of where compute runs.

#78
Stranded Capacity Risk

RELATED MODERATE

The inverse exposure on the same variance problem: the Elasticity Gap is burst headroom given up by leaving cloud; Stranded Capacity Risk is owned capacity that then sits idle on-prem.

#79
Economic Persistence Bias

RELATED MODERATE

Persistence Bias explains why the Elasticity Gap gets underpriced in the first place — sunk cost and operational familiarity discount the value of the burst headroom being surrendered.

#80
Operational Amortization Window

RELATED MODERATE

The Elasticity Gap is a cost the Amortization Window has to absorb — the fixed-capacity delta compounds every month until the on-prem investment normalizes.

ANCHOR cre.rack2cloud.com

FRAMEWORK HOME

The Cloud Repatriation Economics Engine's Elasticity Efficiency pillar scores this gap directly as the Elasticity Utilization Signal — High, Moderate, or Low — the tool's primary lens for separating genuine repatriation candidates from workloads still paying for headroom they don't use.

"Cloud elasticity is a premium you pay for a capability. The Repatriation Elasticity Gap is what you're still paying for after you've decided you don't need it."