

Cloud costs: The risking risk no one can ignore



Cloud Budgets Are Skyrocketing

Global spend from **\$595.7B to \$723.4B in 2025**



#1 Challenge: Controlling cloud spend

"Controlling cloud costs" outranks security and compliance as the #1 cloud concern



17% over budget

Source 1: Flexera: State of the cloud report 2025

Forecasts often fail, causing financial risk



Cloud resources: idle, \$43 Billion Lost

More CPUs, more cloud.. still more waste



CPU Utilization in Kubernetes clusters



\$43.3B wasted



CPU Utilization even in 1000+ CPU clusters

Cloud resources: 90% idle, \$43 Billion Lost

More CPUs, more cloud.. still more waste



10% CPU Utilization in Kubernetes clusters



\$43.3B wasted by enterprises



17% CPU Utilization even in 1000+ CPU clusters

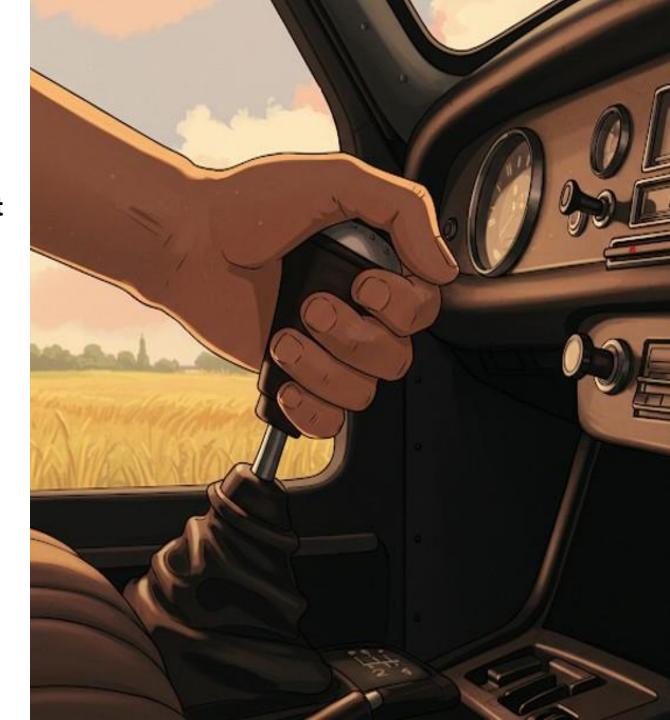
Imagine the possibilities!

Big challenge, bigger Opportunity.

What if we could reclaim **even a fraction of that** \$43B?

What if 90% idle became 50% or even 30%?

Let's look ahead and take control.



Our mission today



Goal 1: CPU-optimization design strategies

Equip you to think about **balanced design to promote utilization** based on carefully analyzed performance and availability requirements



Goal 2: Development best practices

Equip you to measure, diagnose and right size CPU requests and limits, and spot-node tactics to maximize utilization and slash idle spend in Kubernetes clusters.

Development best practices for Java/Spring-on-K8s.



Who are we?

Laurentiu Marinescu

- Full stack sw engineer, problem solver
- Passionate about software craftsmanship, new tech
- Advocate of pair/team programming.
- Bouldering/Climbing lover



Ajith Ganesan

- Systems engineer, Data platform strategy
- Passionate about tech, Micro SaaS, Al exploration
- Cricket/Cooking/Movies



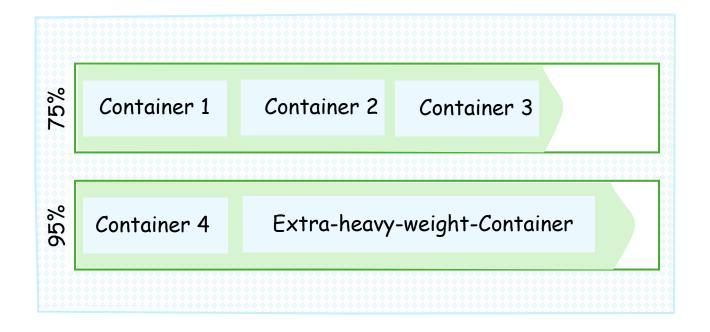


Revisit the storyline so far...

- Companies spend a lot on cloud budget
- #1 priority to control cloud budget
- 17% over-budget
- But still utilization is only ~10% on average, why?

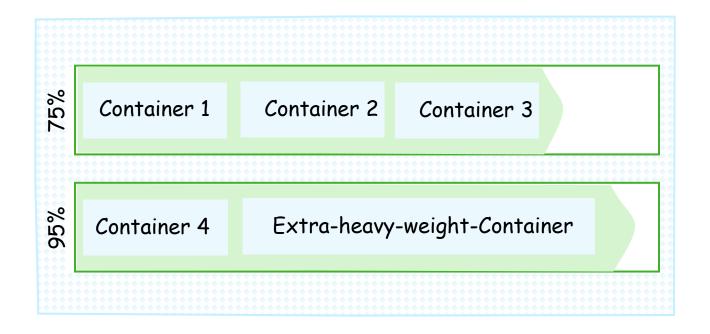
Simulated example of a cluster

2 nodes with 5 containers with very high utilization

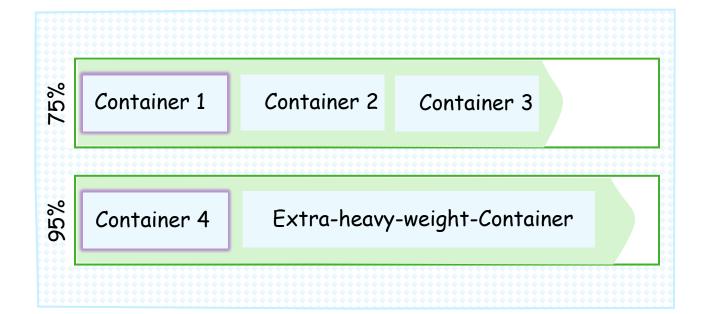


Simulated example of a cluster

2 nodes with 5 containers with very high utilization but at what cost?



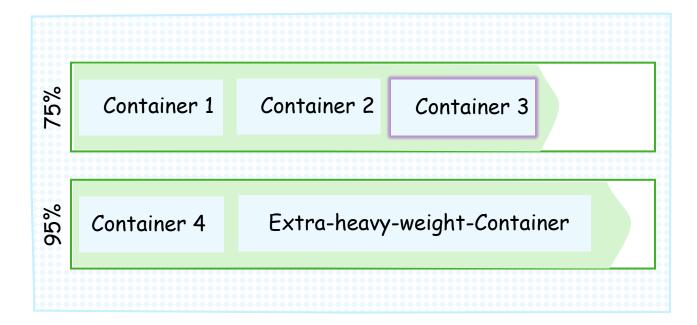
Scenario 1: Upgrades



Scenario 1: Upgrades

- Containers 1 and 4 require sequential upgrades
- Zero-downtime upgrade is not possible for the Extra-heavy-weight-container

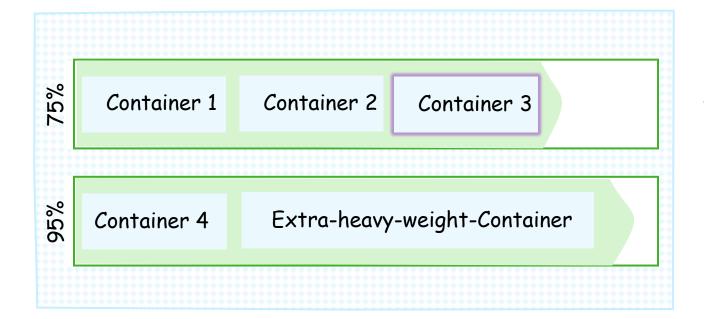
Scenario 2: Scaling



Scenario 2: Scaling

On-demand scaling of container 3 will fail due to resource exhaustion

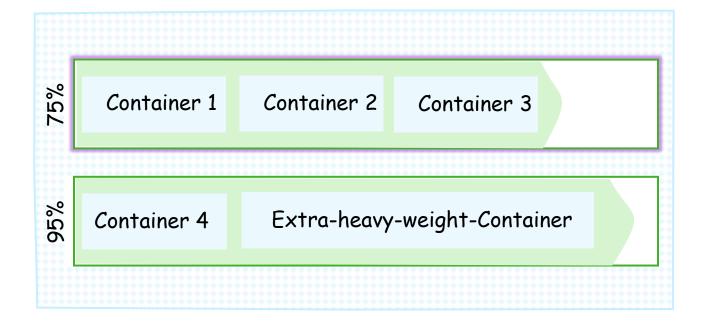
Scenario 3: Accommodating app crash



Scenario 3: Accommodating app crash

When scaled-out containers crash, insufficient capacity can prevent/slow recovery, making remediation efforts slow or infeasible

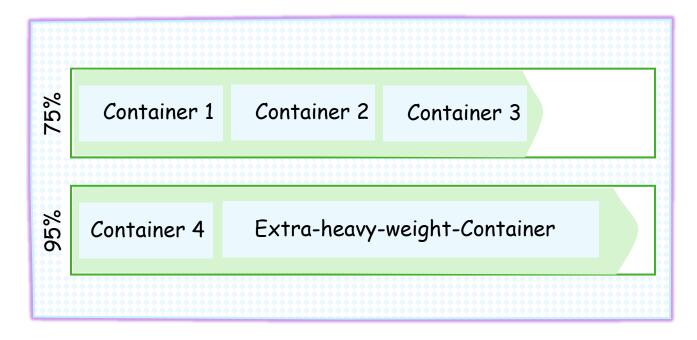
Scenario 4: Node failures



Scenario 4: Node failures

Failure of Node 1 will result in nondeployment of Container 1, 2 and 3 assuming equal priorities without eviction policies

Scenario 5: Zone failure

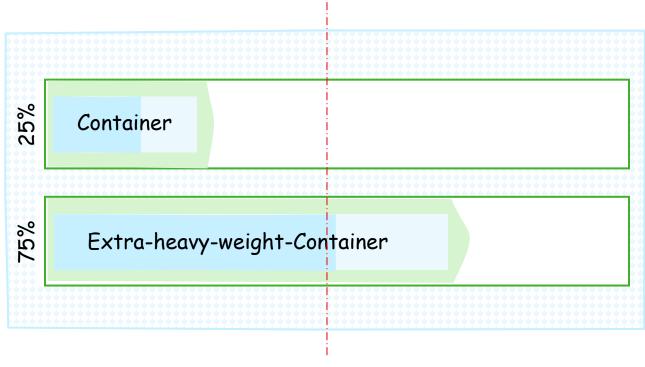


Scenario 5: Zone failure

Zone failure will result in total availability loss if node 1 and 2 are connected to same zones

Maximizing utilization efficiency is a balancing act

Even targeting 50% of utilization will not guarantee upgrade activities during a node down

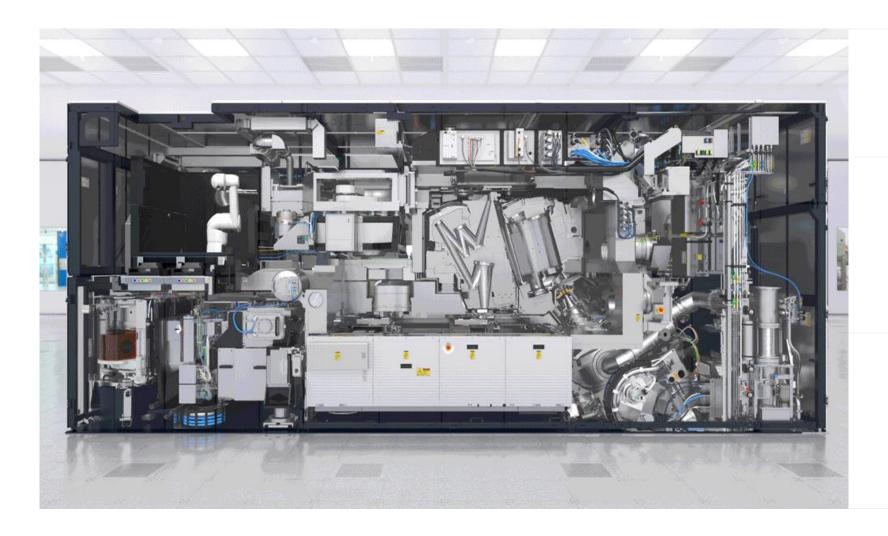


Target Utilization - 50%

Efficiency: capacity of the system to perform its designated functions in an optimized way with the given resources (under stated conditions).



Our Data Platform: Enabling Misson Critical Lithography Applications





Complex process with nanometer precision



Process variations corrected by applications integrated into control loops



Data platform to host the mission-critical applications

Managing a diverse technology stack to power mission-critical applications









































































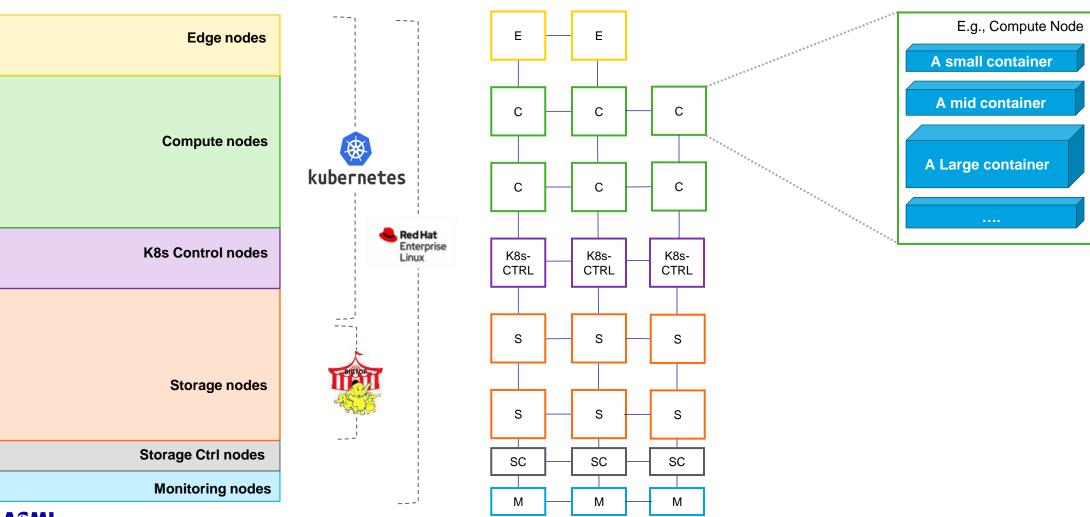




Our data platform cluster topology

How we organize our platform

Example distribution of applications to node groups



Example distribution

of node groups

ASML

Example distribution

of containers in a compute node

Key challenges and observations in our data platform



1. Diverse workloads & SLOs

Applications with varying service level objectives increase complexity



2. Critical & Non-critical applications co-exist

Critical & Non-critical applications share the same infrastructure



3. Misson-Critical demands

Downtime of even 10 minutes can lead to substantial losses



4. On-prem Hardware Constraints

Customer premise Hardware leads to long lead times for scaling (> 6 months)



5. Underutilization of resources

Many environments remain underutilized

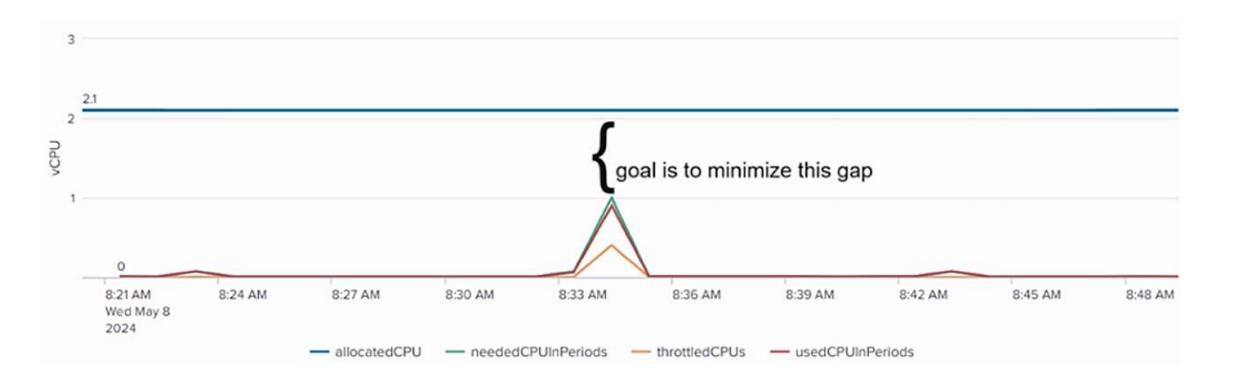
Different types of workloads

Applications are not constantly executed, and containers have different execution patterns.

Applications are assigned to nodes, and not all containers peak at the same time.

Applications exhibit non-deterministic behavior, with some being CPU-intensive, others memory-intensive, and some I/O-intensive, making resource management complex.

Observation 1: Underutilization





Observation 2: Low performance due to throttling





Observation 3: App saturation





Main bottlenecks on our Java Spring Boot apps



Blocking I/O Operations



Slow database queries



Frequent or long GC pauses



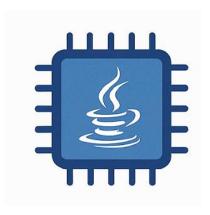
Thread contention (locks)

Java applications are CPU-hungry

Multithreaded

CPU starvation: When a container doesn't get enough CPU, leading to slow performance and timeouts.

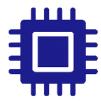
CPU overcommit: When a container uses more CPU than allocated, causing throttling and potential node crashes.





CPU structure in Linux Systems

How Linux counts CPUs



```
CPU(s) = Thread(s) per core * Core(s) per socket * Socket(s)
```

```
cpu $ lscpu
Architecture: x86_64
CPU op-mode(s): 32-bit, 64-bit
Byte Order: Little Endian
CPU(s): 16
On-line CPU(s) list: 0-15
Thread(s) per core: 1
Core(s) per socket: 1
Socket(s): 16
```

Figure A CPU configuration overview sample.

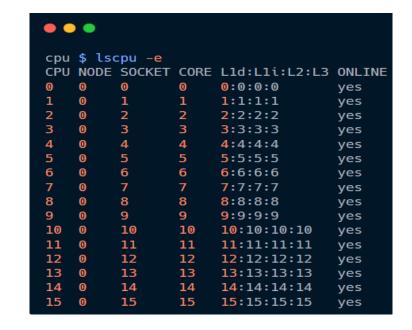


Figure B. CPU layout mapping sample

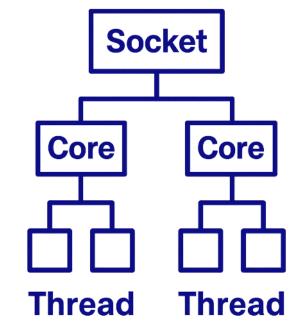


Figure C. CPU structure and relation



Think in time: CPU usage as time slices

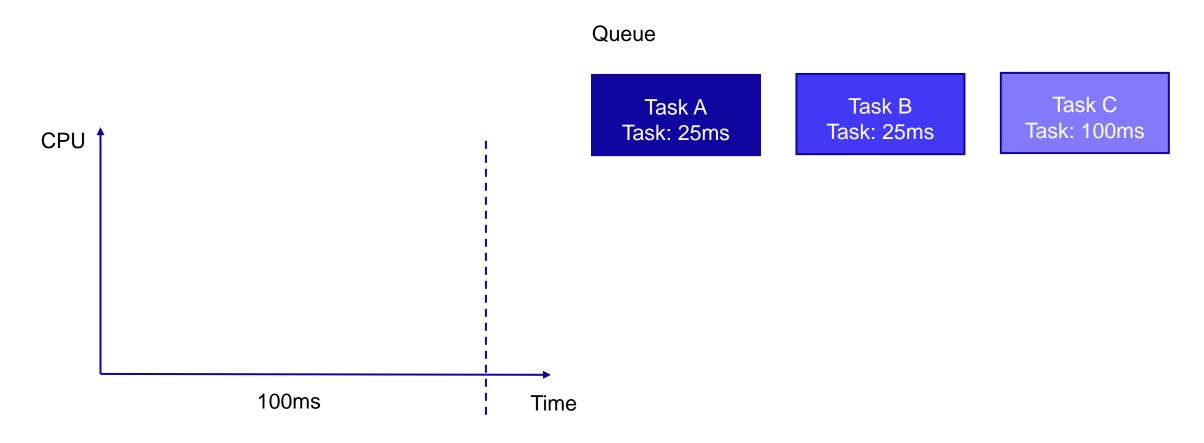
Your Java App does not get CPU, it gets a time slot





Dividing CPU time with Completely Fair Scheduler

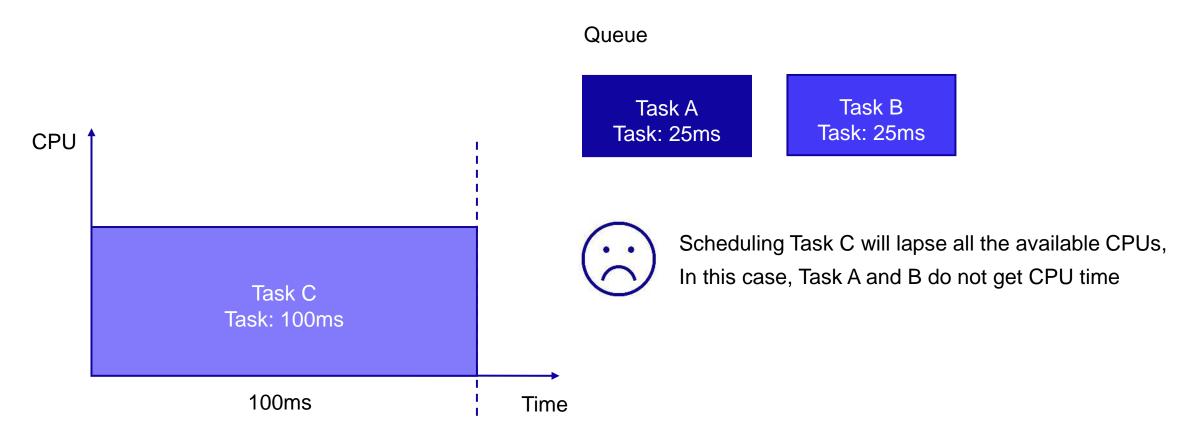
Simulated example (1/3)





Dividing CPU time with Completely Fair Scheduler

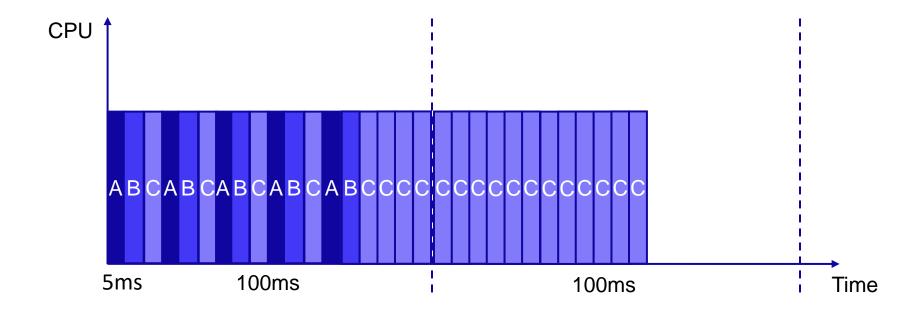
Simulated example (2/3)





Dividing CPU time with Completely Fair Scheduler

Simulated example (3/3)





Smallest task scheduled first

Each task gets fair share of the time

Controlling CPU time with Kubernetes

CPU requests

A container is guaranteed to be allocated the CPU requested.

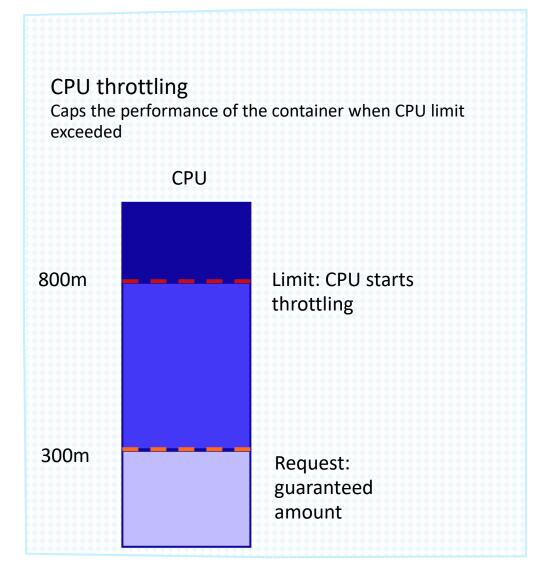
- K8s uses this value to place the container in a node that fulfills this resource claim and be guaranteed.
- Host CPU relative weight.

CPU limits

A container cannot use more than configured limit.

- After this value, CPU throttling.
- If no limit set, the application can consume all CPU in a node.

Pod level



How Kubernetes controls CPU time using Linux cgroups





cpu.shares
cpu.cfs_quota_us
cpu.cfs_period_us

CPU is allocated in shares (1 core = 1024 shares), default is 1024 shares.

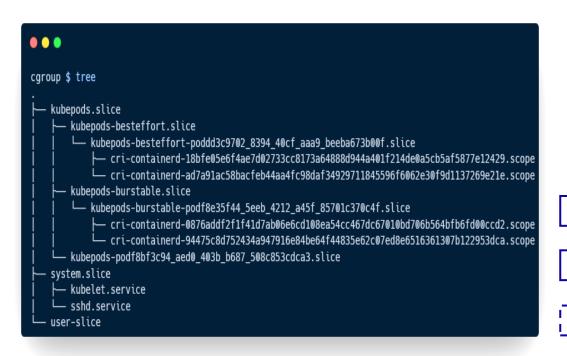
amount of CPU time that a process can consume over a specific time period.

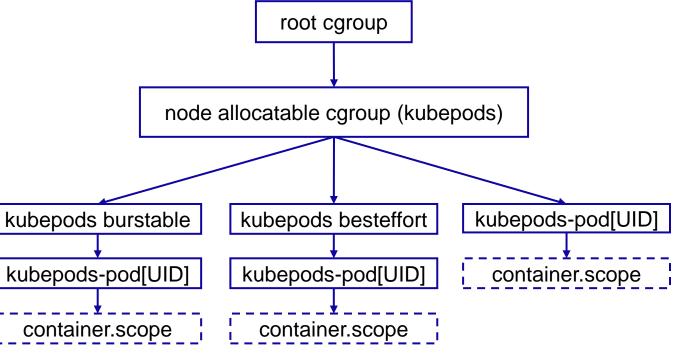
time window where CPU quota is enforced, measured in microseconds. (default 100,000us)



How Kubernetes maps Pods into Linux cgroup trees

- Dedicated cgroups for burstable QoS pods and best effort pods
- Guaranteed QoS pods compete, a burstable parent and besteffort parent

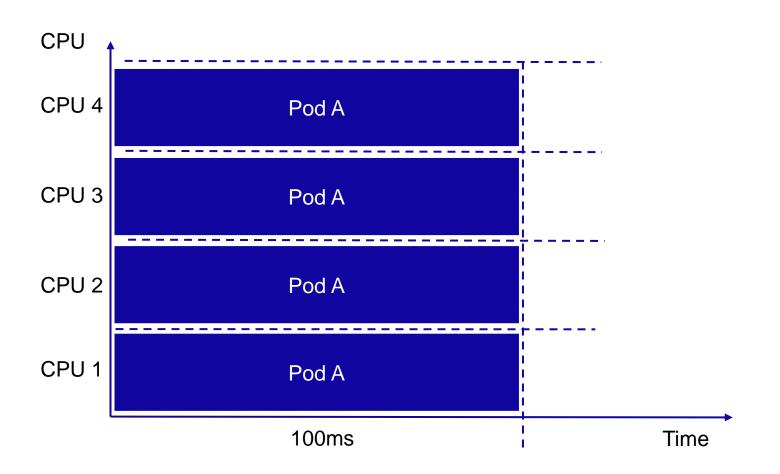






Scenario 1: One pod requires 400ms of CPU time

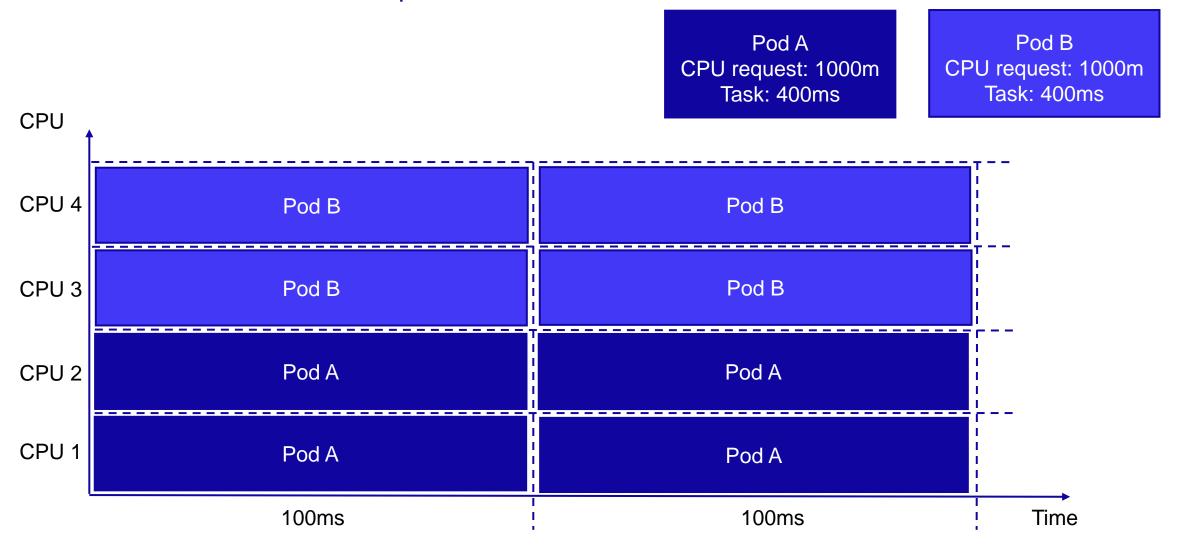
4 x 100 ms usage time => 100 ms response time



Pod A CPU request: 1000m Task: 400ms

Scenario 2: Two pods require 400ms of CPU time

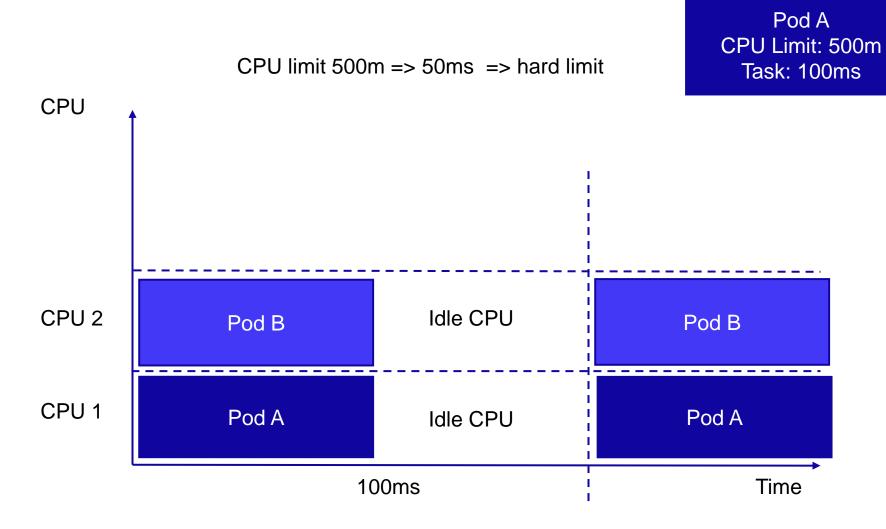
Pod A and Pod B => 200 ms response time each





Scenario 3: Two pods with CPU limits

Pods have task execution higher than the limit

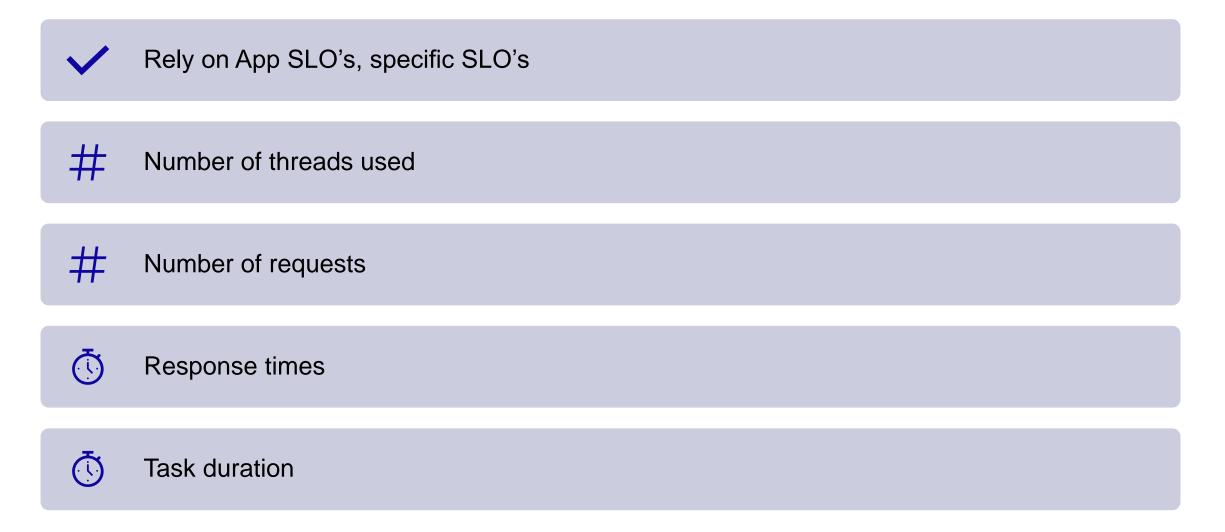


Pod B CPU Limit: 500m Task: 100ms

HOW to solve it?



1. Understand the app specification and behavior



2. Set a baseline

 Ensure X% load on the nodes where container under change runs

Agree on realistic worst-case use-cases

 At the beginning, ensure single instance of container is deployed (it eases the test execution and analysis)

Warm-up java container

```
Allocated resources:

(Total limits may be over 100 percent, i.e., overcommitted.)

Resource

Requests

Limits

-----

cpu

9760m (61%) 27800m (173%)

memory

24686Mi (38%) 35338Mi (54%)

Name:

k8s-compute-node-4
```



3. Trigger a series of execution for one use-case (1/3)

Prometheus

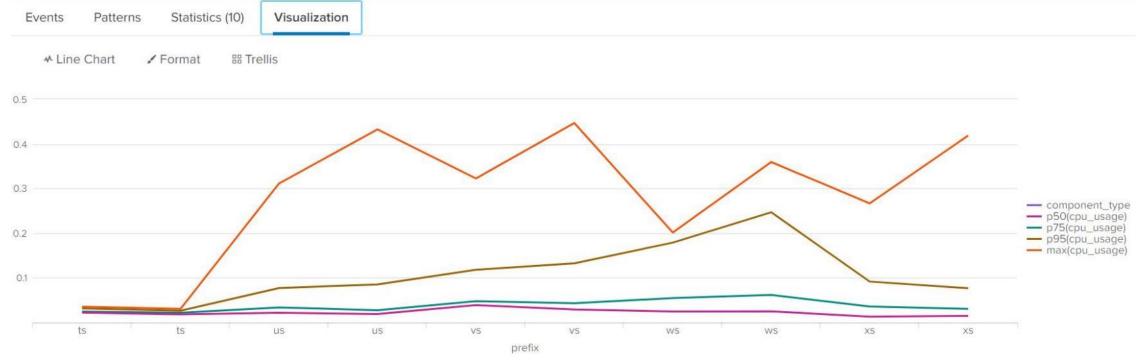
```
max(rate(container_cpu_usage_seconds_total{namespace="app-namespace",container=~"app-.+"}
[1m]))
```

- 1. container_cpu_usage_seconds_total: the total CPU time used across all cores of your container. It comes from the usage_usec field in cpu.stat.
- 2. container_cpu_user_seconds_total and container_cpu_system_seconds_total track time spent in user mode and kernel mode, pulled from user_usec and system_usec.
- **3. container_cpu_cfs_periods_total** tells you how many 100ms CPU periods have passed. This comes from nr_periods.
- **4. container_cpu_cfs_throttled_periods_total** counts how many of those periods had the container throttled. If your container got throttled during 30 out of 50 windows, this would be 30. It maps to nr_throttled.
- **5. container_cpu_cfs_throttled_seconds_total** shows how much total time the container was throttled. If it got paused for 30ms in each of 10 periods, this would show 300000 microseconds (300ms). That's coming from throttled_usec.

3. Trigger a series of execution for one use-case (2/3)

```
| mstats rate_sum(container_cpu_usage_seconds_total) as cpu_usage where index=k8s_metrics container="app-*"
span=1min by pod,container
| rex field=container "app-(?<component_type>[\w]+)-(?<prefix>[a-z]+).*"
| stats p50(cpu_usage), p75(cpu_usage), p95(cpu_usage), max(cpu_usage) by prefix, component_type
```

Profile	CPU-Request	CPU-Limit
TS, WS	0.2	0.2
XS	0.2	1
US, VS (very high limit)	0.2	2



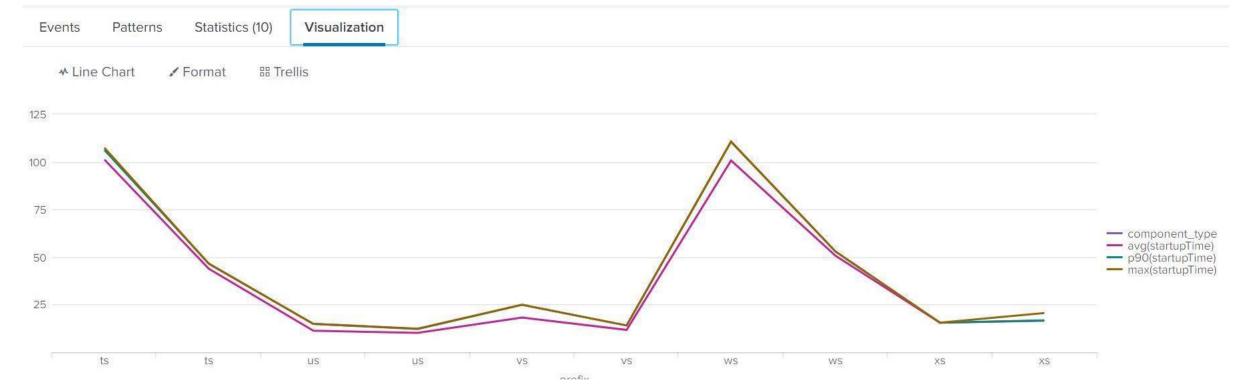


3. Trigger a series of execution for one use-case (3/3)

High impact on startup time for java apps!

From 100+s => 15s

Profile	CPU-Request	CPU-Limit
TS, WS	0.2	0.2
XS	0.2	1
US, VS (very high limit)	0.2	2



4. Allocate the needed CPU

- Restart the container with adjusted values
- 2. Verify if impact on KPI's and SLA's
- 3. If there is impact rerun by using binary search
- 4. If there is no impact then previous execution is the considered value to be claimed by CPU, therefore the container is considered balanced

•Allocated CPU	Process Duration	Comments
2.0	~ 6 – 7 seconds	The KPI used is Task Duration and the starting reference point is ~ 6 - 7 seconds. The <u>neededCPUInPeriods</u> results to less than 2.
1.0	~ 8 – 9 seconds	Container is restarted.
		Test execution series is triggered.
		Impact is noticed in Task Duration.
		CPU must be increased to 1.5. .
1.5	~ 6 - 7 seconds	Container is restarted.
		Test execution series is triggered.
		Same KPI for Task Duration is reached.
		CPU must be decreased.
1.25	~ 6 – 7 seconds	Doesn't change or improve the KPI.
		Concluding that 1.25 is identified as optimal CPU and resources are balanced within process time boundaries while executing the identified use cases.

5. Monitor and adjust (Continuous results analysis in monitoring dashboards)

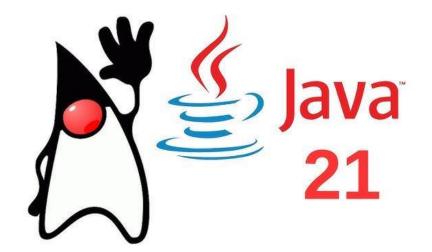
What helped us

10 steps





1. Optimize application framework, and application





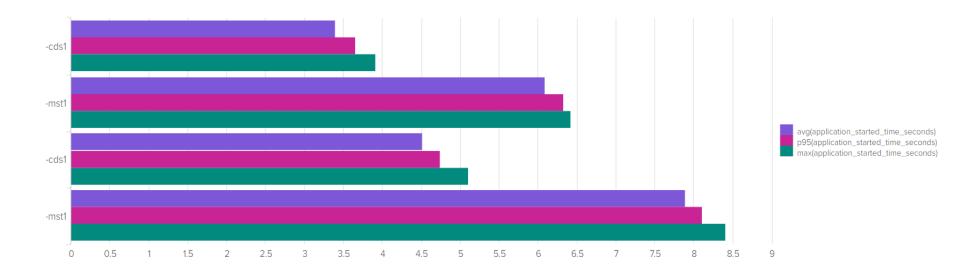
Virtual threads to rescue (JEP 444) – For I/O heavy services.

2. Use AOT processing (and/or native) and App CDS

Reduces start-up time and footprint – Project Leyden

- AOT processing
- 2. App CDS

Further Java >24, AOT Class loading and linking



- ~ 40% gain on application Start-up time.
- ~ 33% gain on components CPU resource utilization during Start-up.

Can be integrated with minimum application code changes.



3. Spring boot apps with Undertow as servlet container

```
server.undertow.threads.io=2
server.undertow.threads.worker=8
server.shutdown=graceful
spring.lifecycle.timeout-per-shutdown-phase=${LIFECYCLE_TIMEOUT_PER_SHUTDOWN_PHASE:30s}
server.undertow.await-graceful-shutdown.timeout=${UNDERTOW_GRACEFUL_SHUTDOWN_AWAIT_DELAY:20000}
```

CPU usage: Undertow < Jetty < Tomcat

Memory: Jetty < Undertow < Tomcat

Performance: Tomcat < Jetty < Undertow



4. Fine tune JVM parameters and set right GC

-XX:ActiveProcessorCount

Specifies the number of CPUs reported by the operating system

Runtime.availableProcessors()

-XX:UseSerialGC

-XX:UseParallelGC

-XX:UseG1GC

-XX:UseZGC

-XX:UseShenandoahGC

Avoid relying on JVM defaults, especially in containerized environment.



5. Async tasks and define thread pools



@Async, @CompletableFuture, @ScheduledTask

10

Thread pools

Ideal for long running or non-blocking tasks

Prevents main thread blockage => improving application throughput

For CPU usage, the pool size is best set to the number of CPU cores available.

For I/O-bound tasks, can be 2x time than the number of CPU cores available.

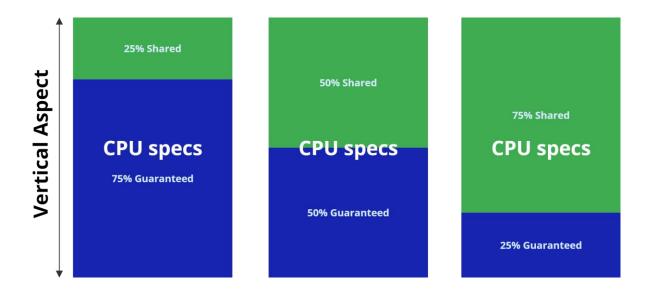
6. Set request for normal usage and high limits (or no limits ©) (1/3)

To set or not set limits?

Don't Set Limits Too Low

Idle CPU cycles can be a significant source of waste in a Kubernetes environment. To minimize them, we can employ strategies like:

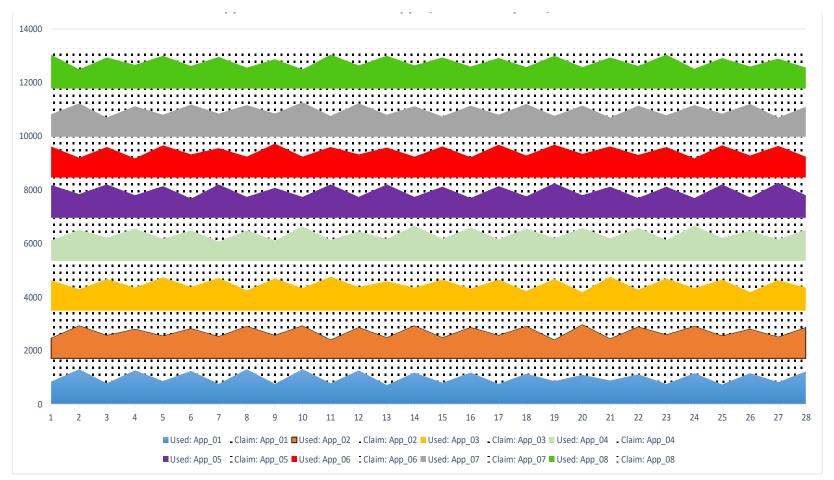
- 1. CPU bursting
- 2. Dynamic resource allocation
- 3. Idle resource reclamation



6. 100% CPU usage does not mean bad usage (2/3)

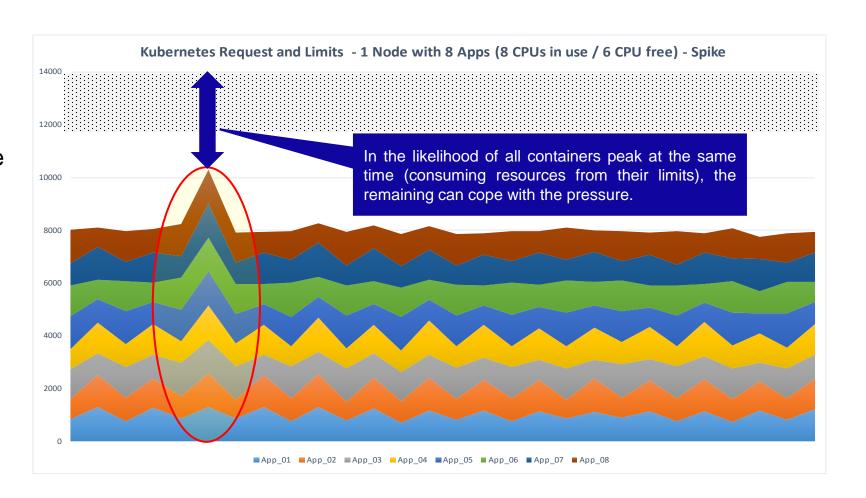
Check if there is starvation

Control the number of threads per instance



6. Aim for 80% resource utilization (3/3)

Resource utilization = used resource / claimed resource X 100



7. Kubernetes cluster autoscaler

K8s cluster autoscaling: Scaling the number of nodes in a cluster based on changing workloads and conditions.

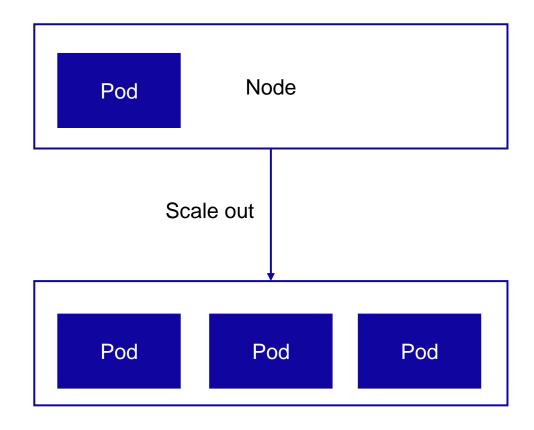
Not an option for us.

On prem cluster.



8. Horizontal pod autoscaler (1/2)

Horizontal pod autoscaling (HPA): Scaling the number of replicas based on CPU utilization or other metrics.



8. Horizontal pod autoscaler – KEDA (2/2)

KEDA defines autoscaling as a process of two phases:

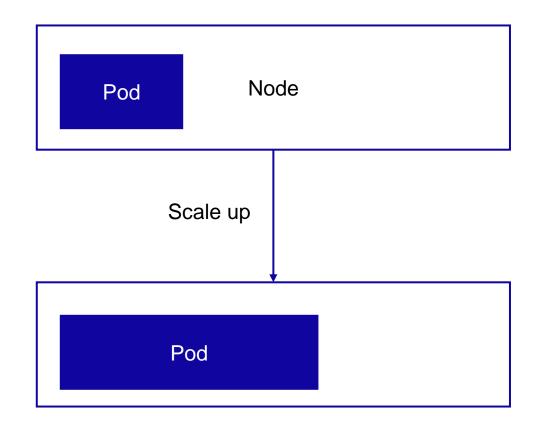
- 1. The activation phase (zero-to-one), done by KEDA itself
- 2. Scaling phase (one-to-many), done by HPA instead

```
desiredReplicas = ceil \left\lceil currentReplicas 	imes rac{currentMetricValue}{desiredMetricValue} 
ight
ceil
```

```
. .
apiVersion: keda.sh/vlalphal
kind: ScaledObject
metadata:
 name: store-scaleobject
 namespace: store
spec:
  scaleTargetRef:
   name: store
 pollingInterval: 30
  cooldownPeriod: 120
  minReplicaCount: 2
  maxReplicaCount: 4
  triggers:
  authenticationRef:
      name: splunk-auth
   metadata:
     activationValue: "1"
     host: http://splunk_url:splunk_port/search_api
      savedSearchName: store-cpu-usage
      targetValue: "1500"
     valueField: usage
   name: store-cpu-usage
   type: splunk
  authenticationRef:
      name: splunk-auth
   metadata:
      activationValue: "1"
     host: http://splunk_url:splunk_port/search_api
     savedSearchName: store-connection-count
      targetValue: "12"
      valueField: connection-count
    name: store-connection-count
    type: splunk
```

9. Vertical pod autoscaler

Vertical pod autoscaling (VPA): Scaling the resources allocated to a pod based on changing workloads and conditions.



10. In-place vertical pod scaling (default enabled, beta) – K8s 1.33

Resizing pods without restart

Patch pod with `resource.requests` and `resource.limits` introduced as part of <u>KEP-1287</u>

Kubelet Check: (Node's allocatable capacity - Sum of all existing container allocations) >= (New request)

If yes, proceed, if no `PodResizePending`

CRI Handshake: Adjust cgroups accordingly without restart (via containerd or CRI-O)

Status update:

`PodResizePending` - Node is busy. Try again later

`PodResizeInProgress` - Kubelet resize accepted (allocated resources), but changes are still applied.

```
. .
apiVersion: v1
kind: Pod
metadata:
  name: component
spec:
  containers:
  name: pause
    image: image-registry/image-name:image-version
    resizePolicy:
    - resourceName: cpu
      restartPolicy: NotRequired # Default, but explicit here
    - resourceName: memory
      restartPolicy: RestartContainer
    resources:
      limits:
        memory: "800Mi"
        cpu: "0.5m"
      requests:
        memory: "800Mi"
        cpu: "2m"
```

Success story: Optimizing CPU sharing

Real gains



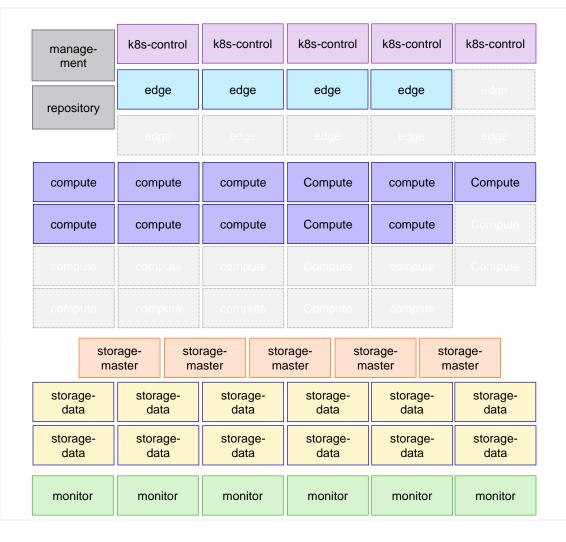
50%+ reduction in infrastructure footprint



10 to 20% faster SLO adherence across key workloads



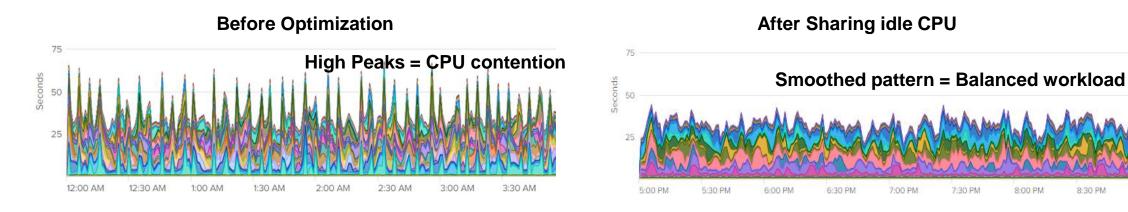
Fewer idle cores and better burst handling





Results: CPU sharing drives latency gains

- **1500+ jobs/hour** completed consistently high throughput in shared environments
- **Reduced average process latency** observed clear performance gain after CPU sharing
- Lower latency variance across processes



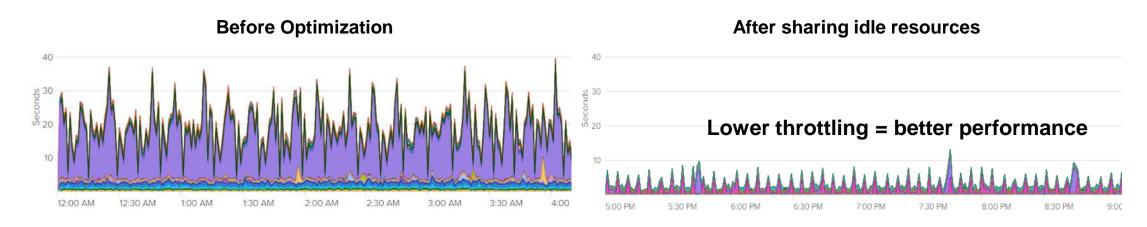
CPU time (Seconds) across various workloads



8:30 PM

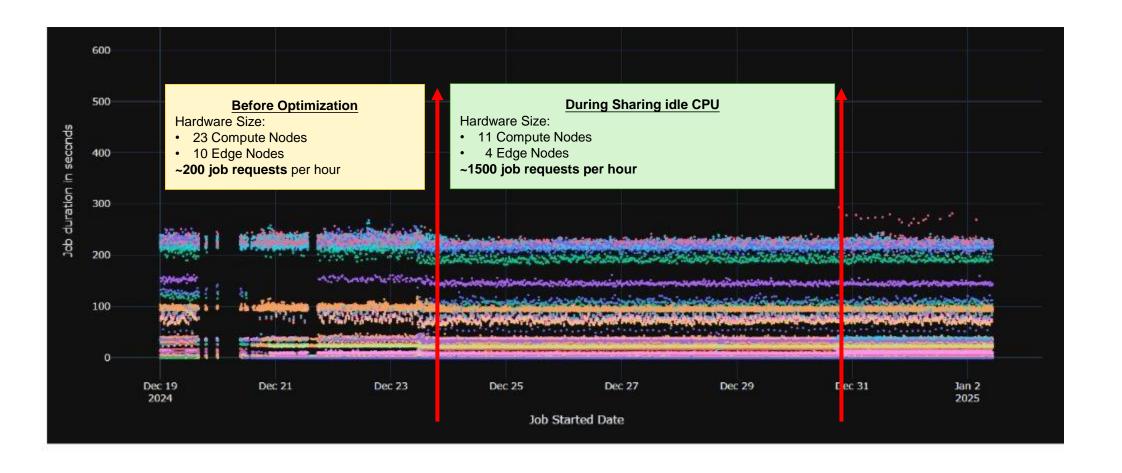
CPU sharing reduces throttling – with 50% less hardware

- 50% hardware footprint reduction
- Significantly lower CPU throttling observed after sharing idle resources



Process throttling time (Seconds) across various workloads

Response times stabilized after sharing idle resources





Key takeaways



Understand your application's behavior and load profile



Don't rely on default JVM settings – fine-tune parameters Limit thread count to avoid contention



Reduce requested CPU to maximize packing, set appropriate limits to avoid throttling We reduced it by as much as 75% for critical workloads and 99% for non-critical workloads



Continuously monitor, adapt and tune



Aim for efficiency, not a fixed target (Utilization can be 50-100% based on app requirements)



Scale using app-specific KPIs (not just CPU/memory)

