

Are You Headed for a Microsoft 365 Storage Overage?

A guide to avoiding expensive overage fees by understanding
your risk and your options



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Microsoft 365 data growth isn't new. Most IT teams have seen data grow by 15% to 30% year over year. What's new for many teams is the unexpected storage bill, and the resulting difficult choices:

- Increase the budget to absorb rising storage costs
- Shorten retention windows
- Delete inactive data

Each of these approaches forces a compromise between cost control, compliance posture, and recovery confidence. None of them is ideal. The key is understanding your exposure and making a plan before budget pressure forces your hand.

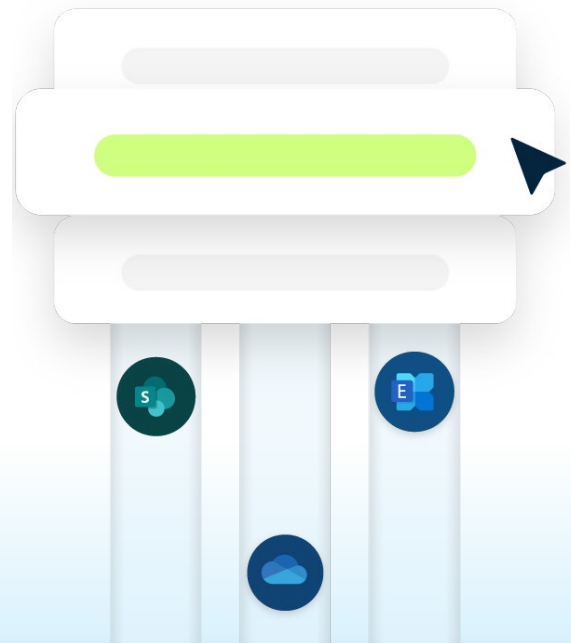
How Microsoft 365 Pooled Storage Scaling Actually Works

For most enterprise tenants, SharePoint storage includes:

- ✓ 1 TB per tenant, plus
- ✓ 10 GB per licensed user (E1, E3, E5, and similar plans)

Storage allowance increases only when new licenses are added. But tenant data typically grows much faster than the number of licenses. At the same time:

- Microsoft has begun enforcing overage charges more consistently and recently raised its list price from \$2,500 per TB per year to \$3,000 per TB per year
- Many customers are seeing price increases at renewal



The Result:

Organizations that were previously under their allowance are suddenly facing significant new costs. While additional Microsoft pooled storage can address short-term capacity constraints, overage risk compounds over time because tenant data growth usually outpaces license growth.

This leads to uncomfortable conversations with Finance, and tough decisions that can't be deferred indefinitely.

How to Determine Your Level of Risk

01

How close are you to your pooled storage limit?

If you haven't purchased additional pooled storage yet, your allowance is likely 1 TB per tenant plus 10 GB per licensed user — but confirm your exact numbers.

To check, go to **Microsoft 365 Admin Center**, **navigate to Reports > Usage**. Select SharePoint and click the Storage tab.

This report shows:

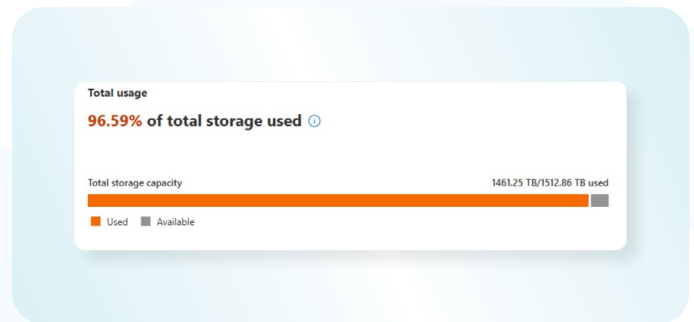
✓ Your total SharePoint storage capacity

✓ Current usage

✓ Percentage consumed

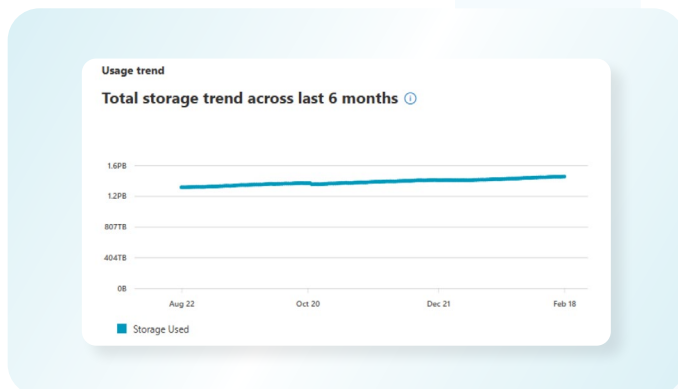
In this example from a CrashPlan customer, they had already exceeded their allowance and spent over \$600,000 to expand SharePoint storage capacity. As they approached their new storage limit, they realized they needed to reevaluate their approach before increasing their budget yet again.

If you're approaching 80% utilization or higher, you may face difficult decisions in your next few budget cycles.



02

What is your data growth rate?



In the same SharePoint storage tab, you will see a storage trend report. This example from the same customer amounts to an estimated 18%-20% YoY growth. This falls within typical storage growth trends we've been seeing that tend to range between 15% and 30% YoY.

If your data growth rate exceeds the pace of license growth, your pooled storage cushion will shrink every year, even if nothing unusual happens.

When Overage Risk Appears, Most Options Create New Problems

Deleting data, shortening retention windows, or simply allowing overage charges to pile up leads to a host of consequences:

- Regulatory and internal policy risk
- Operational disruption
- End-user frustration
- Reduced recovery confidence
- Manual data cleanup that consumes IT bandwidth
- Long-term budget inflation

Rather than responding reactively, a more strategic approach considers the broader data lifecycle model: balancing performance, compliance, recovery, and cost control.

Apply a Data Lifecycle Approach with Strategic Archiving

Not all data needs to live in expensive Microsoft 365 pooled storage. Large or infrequently accessed files are often strong candidates for archiving, particularly when retention requirements prevent deletion.

To evaluate your opportunity to archive inactive files, review your SharePoint site usage report. In the Microsoft 365 admin center, go to **Reports > Usage** and click **SharePoint** on the menu on the left. Click the **Site Usage** tab. This report shows the total number of files vs. the number of active files.

A file is considered active if it has been saved, synced, modified, or shared within the specified time period. We suggest you view this report over the longest available time period (180 days).

Many organizations find that a significant percentage of SharePoint data hasn't been accessed in months. Those files may still need to be retained, but they don't need to inflate your primary storage costs.

With CrashPlan, policy-driven archiving automatically moves inactive or large files out of pooled Microsoft 365 storage, while preserving retention and recoverability. CrashPlan leaves file stubs that preserve the original file location and permissions, allowing users to access archived content on demand within Microsoft 365, without disrupting collaboration workflows.

CrashPlan's archiving is built into our Microsoft 365 backup and recovery solution, which means you:

- ✓ Reduce Microsoft 365 pooled storage usage
- ✓ Maintain full, policy-driven backup coverage
- ✓ Preserve compliant retention
- ✓ Enable granular, point-in-time recovery



Estimate Your Potential Savings with CrashPlan

We have developed a simple cost-savings calculator to help you get started with modeling your overage risk and potential savings. The calculator assumes:

- ✓ Backup of SharePoint, Exchange Online, and OneDrive for all your licensed users
- ✓ Archiving of approximately 75% of SharePoint data (a conservative estimate; many organizations archive more)

Information You'll Need

Before using the calculator, you'll need to collect a few easy-to-find data points:

Number of licenses that contribute to your SharePoint pooled storage allowance

Go to **Admin Center, Billing > Your products**. Count up all of the assigned licenses that include SharePoint access (e.g., Microsoft 365 E1/E3/E5; Business plans, SharePoint Online plans; Office 365 E plans).

Current total storage usage

Under **Reports > Usage**, note your storage totals for SharePoint, Exchange Online, and OneDrive.

Run the Model

Visit crashplan.com/roi-calculator. The calculator estimates:

- ✓ Potential overage charges based on current data usage
- ✓ Five-year cost trajectory based on growth
- ✓ Potential savings from implementing CrashPlan backup with archiving

For some organizations, eliminating Microsoft 365 overage charges can cover most — or even all — of their CrashPlan investment. That's backup and recovery that pays for itself.

Know Your Risk. Plan Your Response.

The calculator is designed to give you a directional estimate of your exposure based on a few key inputs and assumptions, including projected data growth and archiving a portion of inactive SharePoint data.

It's a starting point. If the numbers suggest that overage charges could become material, the next step is a more detailed assessment based on:

- ✓ Your actual tenant configuration
- ✓ Your license mix and growth trends
- ✓ Your retention requirements
- ✓ Your tolerance for archiving thresholds
- ✓ Your recovery objectives

From there, we can help you build a business case and design a backup and archiving strategy that fits your environment — balancing data resilience, compliance requirements, and storage cost control.

Visit crashplan.com/roi-calculator to try out the calculator, or to request a personalized analysis with one of our archiving experts.

CrashPlan is the enterprise platform for resilient, secure, and cost-effective backup and recovery. Purpose-built to safeguard critical data across endpoints, servers, and SaaS applications, CrashPlan empowers organizations to maintain business continuity, meet compliance standards, and protect the ideas that drive growth—without disrupting end users. CrashPlan helps enterprises and institutions reduce storage costs with innovative storage strategies, like zero-cost backup to OneDrive, while maintaining control and visibility across their backup environment.



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