Why your Datadog bill keeps climbing, and the line to cut first

Datadog rarely gets expensive in one jump. It creeps, because the bill is several separate meters, and logs are billed twice. Here is which line usually runs away, and the cheapest way to pull it back.

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Datadog rarely gets expensive in one jump. It creeps, because the bill is not one price but several separate meters that each grow on their own: hosts for infrastructure, hosts again for APM, and logs billed twice, once to ingest and once to index. Add a noisy service or a chatty log stream and one meter runs away while you were watching another.

The meters that make up the bill

- Infrastructure: about 15 dollars per host a month on the annual Pro plan. Predictable, scales with your fleet.
- APM: about 31 dollars per host a month, usually on a subset of those hosts. Tracing is the pricier per-host line.
- Log ingestion: about 0.10 dollars per GB sent. Cheap per unit, but volume adds up fast.
- Log indexing: about 1.70 dollars per million events to keep them searchable at 15-day retention. This is the line that surprises people. (List prices, checked June 2026, they move.)

Logs are where the bill runs away

Hosts are easy to forecast; logs are not. Because ingestion and indexing are separate charges, a verbose service costs you on the way in and again to keep it queryable. The fix is rarely fewer hosts, it is ingesting broadly but indexing selectively: keep only the log events you actually search at full retention and let the rest stay cheap. On most bills, moving indexing down moves the total more than removing a server would.

The custom-metrics trap

Each Infrastructure Pro host includes about 100 custom metrics, and overage is billed by usage. Datadog does not publish a fixed overage rate, so it is easy to miss until a high-cardinality metric, one tagged by user id or request id, quietly multiplies your metric count. If your bill jumped without adding hosts, custom metrics are the first place to look.

How hosts are counted: the high-water mark

Datadog does not bill on your average host count, or even on the number running right now. It bills on a high-water mark. It meters your host count every hour, drops the top 1 percent of

hours in the month (about 7 hours out of roughly 720), and bills the whole month at the highest count in the remaining 99 percent. That top-1-percent exclusion forgives a handful of isolated peak hours, but it does not forgive a sustained spike: a migration or a load event that doubles your fleet for a couple of days sets the bill for the entire month, long after those extra hosts are gone. This is why a bill can climb even when your steady-state host count did not.

Commitment versus on-demand

The roughly 15 dollars per host is the annual-commitment rate. Month to month, the same Infrastructure Pro host is about 18 dollars, and any usage above your committed host count is billed at that higher on-demand rate, which across Datadog products tends to run 20 to 50 percent over the committed price. The commitment cuts both ways: under-commit and you pay a premium on every host you overflow into on-demand; over-commit and you pay all year for hosts you never ran. Because the bill keys off your high-water mark and not your average, forecast the commitment against your 99th-percentile host count. (List prices, checked June 2026, they move.)

See your own number

The honest way to plan is to add the meters up with your real fleet and log volume. Put your host count, APM hosts and monthly log GB in and the tool estimates the monthly bill, shows which line dominates, and lets you edit every rate, so you can see the effect of indexing less before you renew. List pricing is only a baseline, your on-demand or negotiated rate will differ.

Frequently asked questions

Why does my Datadog bill keep going up?
Because the bill is several separate meters stacked together: infrastructure per host, APM per host again, and logs billed twice (ingestion per GB and indexing per million events). Usage creeps on each meter, so the total climbs without one obvious jump.

Which Datadog line is usually the most expensive?
Logs are the line that most often runs away, because they are billed twice (ingestion and indexing) and a single chatty service can multiply volume fast. It is usually the first place to cut.

How do I lower my Datadog bill?
Start with logs: cut ingestion from noisy services and index only what you actually search. Then check for hosts paying for both infrastructure and APM, and trim unused custom metrics. The estimator shows which meter dominates your bill.

Why is my Datadog host count higher than the servers I run right now?
Because Datadog bills on a high-water mark, not your current or average count. It meters hosts every hour, drops the top 1 percent of hours in the month, and bills the whole month at the peak of the remaining 99 percent. A brief autoscaling spike or a migration that doubles your fleet for a couple of days can set the bill long after those hosts are gone.

Is Datadog cheaper on an annual commitment or on-demand?
The annual commitment is cheaper per host (about 15 dollars versus about 18 dollars month to

month for Infrastructure Pro), but usage above your committed count bills at the higher on-demand rate, which tends to run 20 to 50 percent over the committed price. Forecast the commitment against your 99th-percentile host count: under-commit and you pay a premium on the overflow, over-commit and you pay all year for hosts you never ran.

Estimate your own Datadog bill

Free, no signup: agent.mue.app/tools/datadog-cost-estimator

agent.mue.app/articles/why-your-datadog-bill-keeps-climbing