## HD Ratio for IPv4

- You get a new allocation when your entire hoard of IPv4 addresses is sufficiently utilized
- You must pass both HD ratio tests - last allocated block must be >= . 930 - total hoard must be >= . 966
- HD ratio is log(utilized addresses) divided by log(entire hoard)


## What does it mean?



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- The smaller ISPs will only need between $70 \%$ and $75 \%$ utilization rates


## What does it mean?

\% Thresholds in /20 increments up to $\mathbf{1 / 2}$ million

■. 930 Threshold


## Why, why, why?

- Why do you have to count utilization of all previous blocks?
- Because the HD ratio calculation is meant to recognize that overhead increases as a network grows larger. We need to count the ISP's entire hoard of IPv4 addresses in order to properly make allowance for this overhead.


## Why, why, why?

- Why did you choose . 966 for the HD ratio magic number?
- Mainly because I felt that Paul Wilson's argument made sense in his discussion paper for APNIC
http://www.apnic.net/mailing-lists/sig-policy/archive/2003/08/msg00000.html


## Why, why, why?

- Why set a separate . 930 ratio for the previous allocation?
- This is to simplify ISP planning. When they receive a new block, an ISP can calculate the .930 ratio for it and use this as a target for planning. Only ISPs with significant churn of older addresses will need to closely track the overall . 966 ratio.


## Why, why, why?

- But why be more lenient with .930 ratio?
- We believe that it is prudent for network operators to have change control processes and we recognize that such processes take time. The . 930 ratio demands that ISPs show they are indeed deploying the last allocation but it avoids unnecessary brinkmanship with their change control timing.


## Why, why, why?

- Why are you using a complicated natural logarithm?
- A logarithmic ratio is used because that creates a sliding scale that recognizes the sliding scale of overhead inherent in hierarchical allocation of addresses. The natural logarithm was chosen because it is supported by both PERL and Excel.


## Why, why, why?

- Why do you care so much about PERL?
- While I wish the world would throw away all PERL code and replace it with Python or Ruby, I recognize that it is a major tool for ISPs and many IP address management packages are written in PERL. Similarly, many small ISPs manage IP addresses using spreadsheets like Excel.


## Understanding the formula

- Given a range of IPv4 addresses
- Let utiladdr = the number of IPv4 addresses utilized out of the range
- Let totaddr = the total number of IPv4 addresses in the range
- In Excel: HD = In(utiladdr)/In(totaddr)
- In PERL: HD = log(utiladdr)/log(totaddr)


## Understanding the Formula

- Basic ratio calculation.

\% - Percentage
P - Part
W - Whole
*Percentage = Part / Whole *Part = Percentage * Whole *Whole $=$ Part / Percentage


Key formulas are marked with $\star$

## Understanding the Formula

- HD Ratio is a ratio just like percentage.


$$
\begin{gathered}
\star \text { HDRatio }=\ln (\text { Part }) / \ln (\text { Whole }) \\
\ln (\text { Part })=\text { HDRatio } * \ln (\text { Whole }) \\
\ln (\text { Whole })=\ln (\text { Part }) / \text { HDRatio }
\end{gathered}
$$

$\exp ()$ inverts $\ln () \rightarrow$ Part $=\exp (\ln ($ Part $))$ Whole $=\exp (\ln ($ Whole $))$
therefore:
$\star$ Part $=\exp ($ HDRatio * $\ln ($ Whole $))$
${ }^{\star}$ Whole $=\exp (\ln ($ Part $) /$ HDRatio $)$
Key formulas are marked with $\star$

