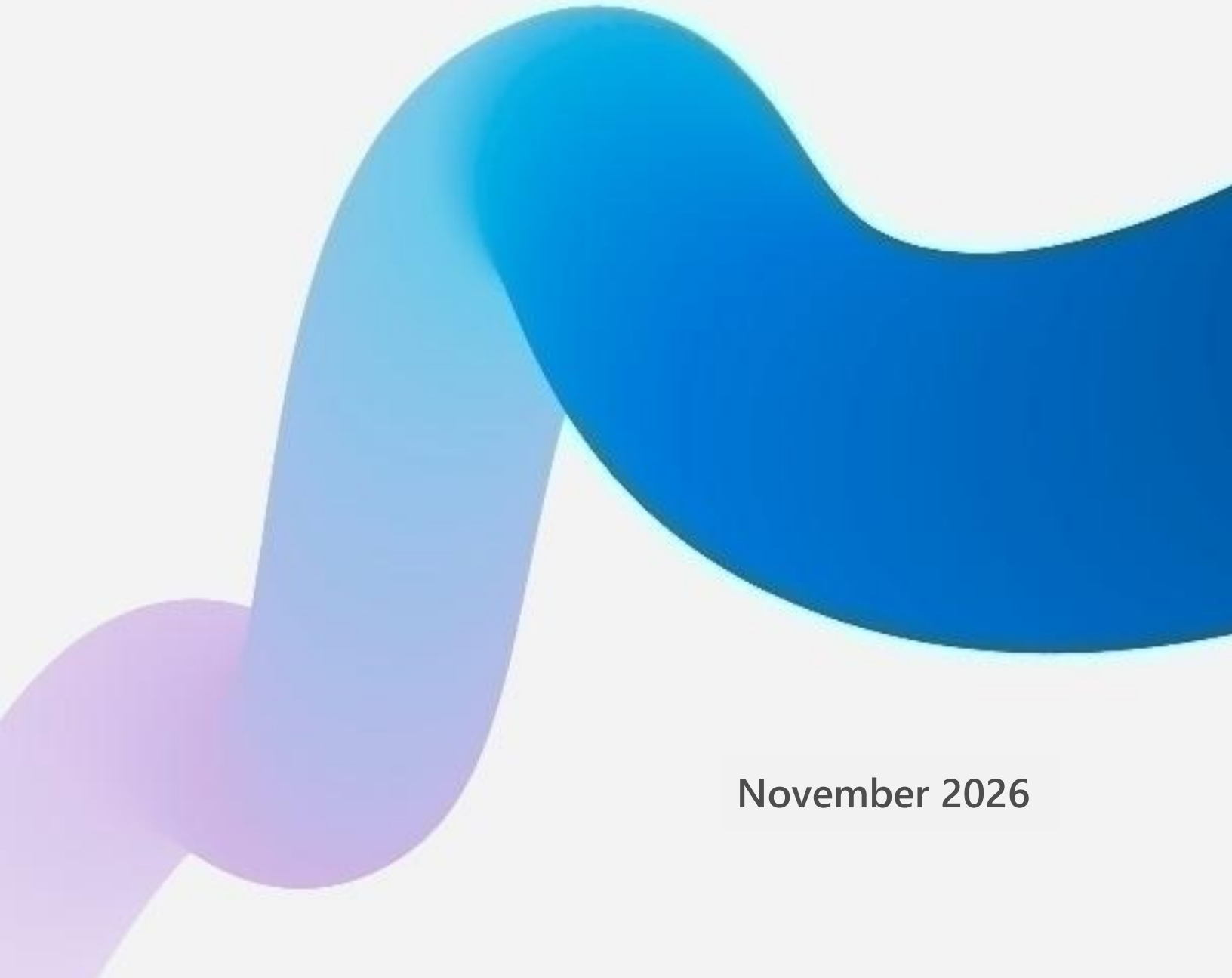
Microsoft

Microsoft Copilot Studio Licensing Guide



November 2026

Table of Contents

Microsoft Copilot Studio 4
Overview 4
Build apps in Microsoft Copilot Studio 8
Dataverse for Copilot Studio 9
Business Application Tools including Model Context Protocol 10
Managed Environments 11
Copilot Studio Usage and Governance 12
Additional Resources 13
How to Pay for Microsoft Copilot Studio 14
Copilot Credits Overview 14
Copilot Credits Purchasing Options 14
Appendix A: Multiplexing and Licensing Requirements for External Users 18
Appendix B: Offers in Paid Public Preview 19
Appendix C: Terminology 20
Appendix D: Change Log 22

Using This Guide

Use this guide to understand licensing for Microsoft Copilot Studio (MCS), Copilot Studio agents, and related agent solutions across Power Platform, Microsoft 365 and Dynamics 365.

For help determining the right technology solution for any given organization, including the license requirements for a specific product or scenario, consult with your Microsoft account team or a Microsoft Certified Partner. For more information on Copilot Studio product and program licensing visit the Microsoft Central Licensing Hub.

All pricing is U.S. dollars (USD) and subject to change. Please see Pricing | Microsoft Copilot Studio for actual pricing.

What's new in this licensing guide

See the Change log in Appendix D, for minor changes effective November 2026.

Users should always reference the latest version of the licensing guide for the most up-to-date information. The most current version of this guide can be found here. Microsoft reserves the right to review or update this document at any time without notice.

Additional Information

This guide does not supersede or replace any of the Microsoft Product Terms legal documentation covering use rights.

Microsoft reserves the right to review or update this document at any time without notice.

Microsoft Copilot Studio

Overview

Copilot Studio is a comprehensive conversational AI platform that empowers users to build, customize and deploy agents, apps, workflows, and agent flows using natural language or a graphical interface. With Copilot Studio, users can easily design, test, and publish agents tailored to specific needs for internal or external scenarios across industries, departments, or roles. For technical details please visit: Microsoft Copilot Studio documentation.

Agents, apps, workflows, and agent flows built in Copilot Studio use a harness. A harness is the software scaffolding that enables an agent to plan, reason, maintain context, and interact with tools, systems, or other agents to complete tasks. Harnesses can be optimized for different results, depending on the desired outcome. In certain scenarios, the selected harness can also affect how Copilot Credits are consumed during creation and runtime execution.

Copilot Studio supports three harnesses, each designed for different building scenarios.

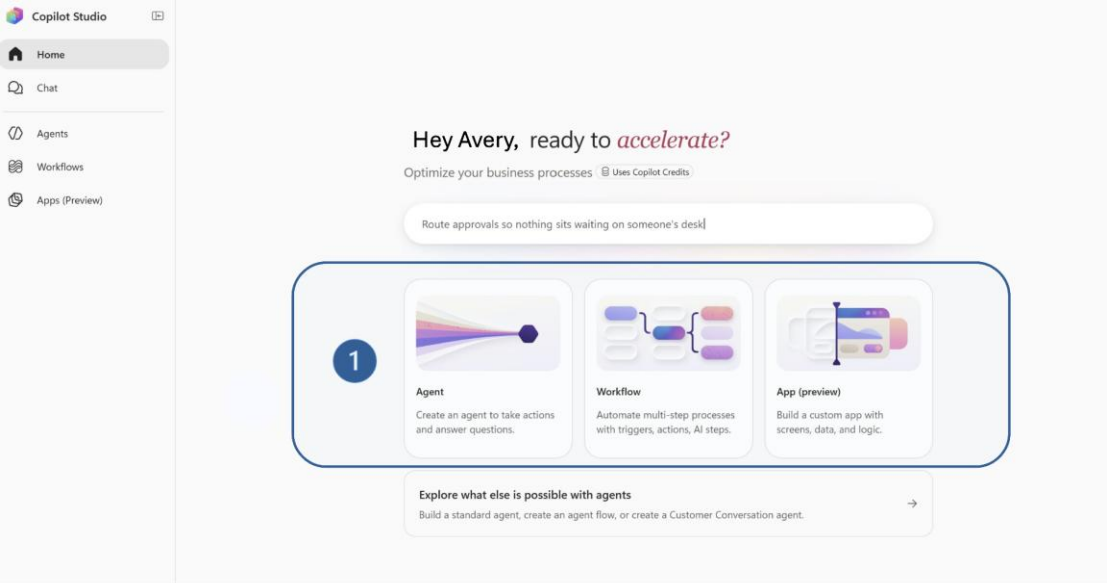
Harness	Description
Microsoft Copilot harness	**Agents and workflows:** Build agents that automate end-to-end business processes.
Customer conversation harness	**Customer-facing agents:** Build agents that can answer questions, complete tasks, and provide support across voice and chat.
Standard harness	**Agents:** Build rule based conversational agents with predefined topics and flows.

Beyond agents, workflows, and agent flows, Copilot Studio enables makers to **build apps and publish them into the Copilot Managed Runtime host.** Separately, Copilot Chat agents can extend Microsoft Copilot with organizational knowledge.

Microsoft Copilot harness utilization of Copilot Credits [1]

Agents, apps and workflows built with the Microsoft Copilot harness consume Copilot Credits during **creation** and **runtime execution**. For information about usage-based billing and how Copilot Credits are measured, see Overview of usage-based billing.

For estimated Copilot Credit consumption rates when using the Microsoft Copilot harness, see the Copilot Credits Guide.

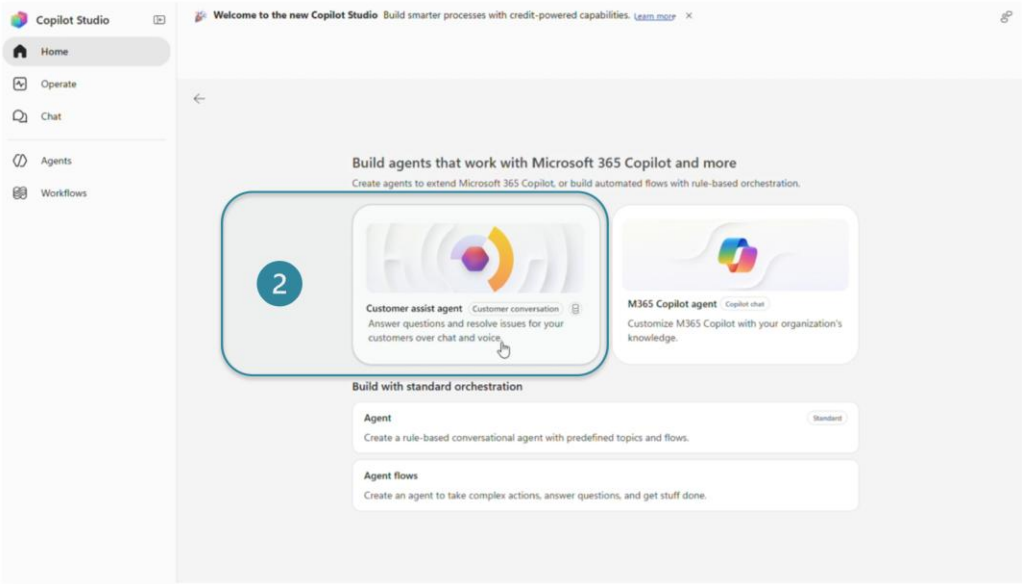


Product UI shown is for illustrative purposes only and may vary based on release, configuration, or user permissions.

Customer conversation harness utilization of Copilot Credits [2]

Customer facing agents built with the Customer conversation harness consume Copilot Credits during runtime execution. For estimated Copilot Credit consumption rates when using the Customer conversation harness, see the Copilot Credits Guide.

For information about the Customer conversation harness, see Customer conversation harness overview.

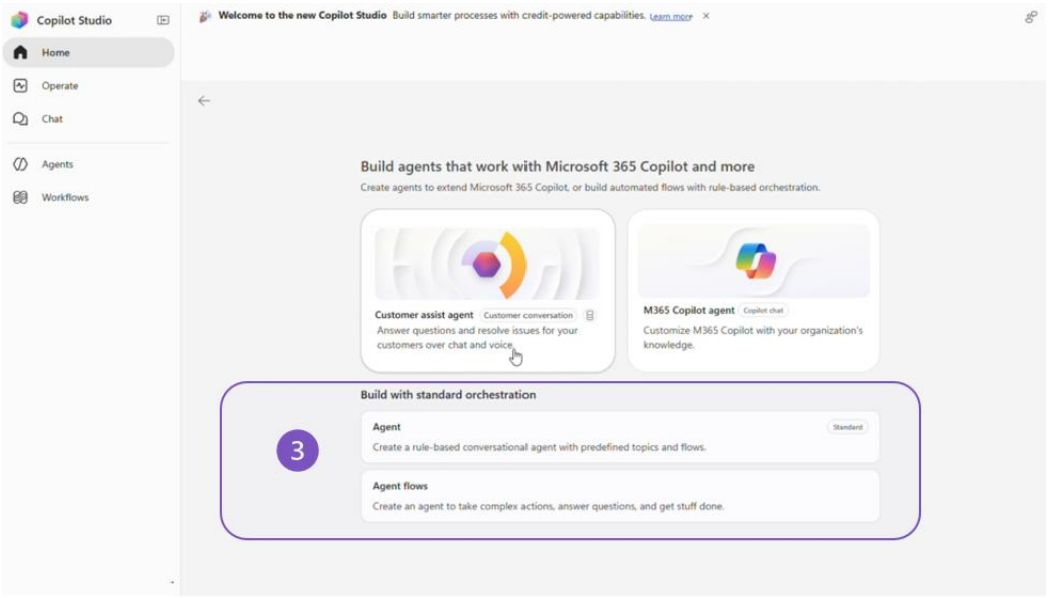


Product UI shown is for illustrative purposes only and may vary based on release, configuration, or user permissions.

Standard harness utilization of Copilot Credits [3]

Agents and agent flows built with the Standard harness consume Copilot Credits based on the features and capabilities used. For Copilot Credit rates, see Microsoft Copilot Studio Billing Rates and Management.

For information about the Standard harness, see Harnesses in Copilot Studio.



Product UI shown is for illustrative purposes only and may vary based on release, configuration, or user permissions.

Microsoft Copilot Studio Entitlements

	Microsoft Copilot Studio	Copilot Studio use rights with Microsoft Copilot
Create agents, apps, workflows and agent flows using one of the following harnesses:		
Microsoft Copilot harness	Requires Copilot Credits for LLM-powered maker experiences[1,2]	Requires Copilot Credits for LLM-powered maker experiences[2]
Customer conversation harness	●	●
Standard harness	●	●
Runtime usage of agents, agent flows, and workflows using one of the following harnesses: [3,4,5]		
Microsoft Copilot harness	Requires Copilot Credits	Requires Copilot Credits
Customer conversation harness	Requires Copilot Credits	Requires Copilot Credits
Standard harness	Requires Copilot Credits	Fair usage limits in Microsoft channels[6,7]
Included entitlements		
Standard, Premium and custom connectors	●	●
On premises and cloud services data transfer for Power Platform Connectors	●	●
Dataverse for Copilot Studio	●[8]	●
Managed Environments	●[9]	●[9]

[1] Building apps consumes Copilot Credits based on application complexity and the amount of generation, and iteration involved during authoring. Apps can only be built in Copilot Studio using the Microsoft Copilot harness.
[2] Requires Copilot Credits for LLM-power maker experiences, including natural language authoring, evaluation, and preview. Manual, non-LLM configuration does not require Copilot Credits.
[3] Voice agents consume Copilot Credits based on total call length, calculated to the nearest second, and the configured voice orchestration. For Copilot Credit consumption rates, see Billing rates and management.
[4] Work IQ APIs are not included as entitlements in the Microsoft Copilot license.
[5] Publishing to Microsoft channels enables employee-facing (Business to Employee) scenarios. Employee facing runtime usage of Microsoft Copilot Studio agents and the Microsoft Copilot Studio tools/features invoked by the said agents are included in the Microsoft Copilot USL when the agent is operating under the authenticated identity of a licensed Microsoft Copilot User.
[6] Hosting, runtime, and management of apps deployed to the Copilot Managed Runtime host are billed through Copilot Credits. Usage is measured through API calls. Additional AI-powered usage through agents and Work IQ APIs consumes Copilot Credits through separate usage-based billing. For users with Power Apps Premium USLs, running apps built in Copilot Studio is included, subject to existing Power Apps Premium request limits. Usage exceeding these request limits is billed through Copilot Credits. Refer to the Copilot Credits Guide for estimated billing rates and Request limits and allocations for additional information.
[7] Fair usage limits apply. Microsoft reserves the right to update the limits as the product evolves, and new usage patterns emerge.
[8] Dataverse for Copilot Studio default capacities: Dataverse Database 15 GB, Dataverse File 20 GB, Dataverse Log 2 GB. Additional Database, File and Log subscription capacity can be purchased in increments of 1 GB.
[9] Please see Managed Environments for licensing details. Managed Environments is enabled only for features related to Copilot Studio.

Build apps in Microsoft Copilot Studio

Makers can build apps in Copilot Studio and publish them into the Copilot Managed Runtime host. Apps built in Copilot Studio are billed through Copilot Credits usage-based billing. Copilot Credit consumption varies based on the complexity of the app and the amount of generation and iteration involved during authoring.

Prerequisites

- Access to Microsoft Copilot Studio
  (Turn on the New experience toggle on the home page to see the *App Preview* tile).
- Copilot Credits usage-based billing enabled

Host, run, and manage apps

Apps built in Copilot Studio are deployed to the Copilot Managed Runtime host. The Copilot Managed Runtime host uses Microsoft Entra authentication and provides the infrastructure required to deploy, run, monitor, and manage apps while applying enterprise governance, security, and administrative controls.

Hosting, runtime, and management of apps deployed to the Copilot Managed Runtime host are billed through Copilot Credits. Usage is measured through API calls. Additional AI-powered usage through agents and Work IQ APIs consumes Copilot Credits through separate usage-based billing.

For users with Power Apps Premium USLs, running apps in the Copilot Managed Runtime host is included, subject to existing Power Apps Premium request limits. Usage exceeding these request limits is billed through Copilot Credits.

Refer to the Copilot Credits Guide for estimated billing rates and Request limits and allocations for more information.

Microsoft reserves the right to change the pricing, business models, or services (including but not limited to branding, features, functionality, and availability) at any time in its discretion prior to GA without prior notice.

Dataverse for Copilot Studio

Microsoft Dataverse is a secure, scalable, and cloud-based data platform that enables users to store, manage, and model business data used in applications across the Microsoft ecosystem. It is the foundational data layer for Copilot Studio and Power Platform, including Power Apps, Power Automate and Power Pages. It also underlies select Dynamics 365 applications.

Dataverse capacity types and purposes

Dataverse	Purposes
Database	Stores and manages table definitions and data
File	Stores attachments to notes or emails in Power Apps, Dynamics 365 Sales, Customer Service, and Field Service applications. These include documents, image files, videos, PDF files, and other crucial files needed in an organization.
Log	Records table and column data changes over time for use in analysis and reporting purposes. Log capacity is designed to help organizations meet their auditing, compliance, and governance policies.

Dataverse allows integration with Outlook and SharePoint. Learn more.

Dataverse default subscription capacity entitlements

Copilot Studio capacity per tenant	Default per tenant
Dataverse Database capacity	15 GB
Dataverse File capacity	20 GB
Dataverse Log capacity	2 GB

Every tenant with at least one Copilot Credit purchasing option configured receives default capacity. The first Copilot Studio, Power Apps, Power Automate, Power Pages, or select Dynamics 365 subscription provides the one-time default capacity entitlement for the tenant. Additional subscriptions do not add to the tenant's default capacity.

Please see the Power Platform Licensing Guide for Dataverse and Power Platform entitlements, the Dynamics 365 Licensing Guide for Dataverse and select Dynamics 365 license entitlements and this page for details related to Dataverse and Project for the web.

Dataverse capacity add-ons

Apps, flows, bots or websites utilizing Dataverse will consume varying quantities of Dataverse Database capacity, Dataverse File capacity, and Dataverse Log capacity. Additional capacity is available through the Dataverse capacity add-ons.

Subscription Capacity/tenant	Additional Increment	Minimum Quantity	Pricing*
Dataverse Database capacity add-on	1 GB	1	$40/month
Dataverse Database capacity Tier 2 add-on	1 GB	1,000	$30/month
Dataverse File capacity add-on	1 GB	1	$2/month
Dataverse Log capacity add-on	1 GB	1	$10/month

*Billed annually

Please note that Dataverse capacity add-ons do not apply to Dataverse for Teams scenarios (i.e., when a Dataverse for Teams environment reaches its limit, customers need to step up to full Power Apps, Power Automate, Power Pages or Copilot Studio licenses for additional capacity).

Dataverse capacity meters

With a pay-as-you-go enabled environment, Dataverse capacity meters can be used to pay-as-you-go for Dataverse usage as alternatives to the existing subscription capacity add-ons for overages. Dataverse pay-as-you-go capacity is billed based on the amount of capacity used in the environment, beyond the 1 GB Dataverse Database capacity and 1 GB Dataverse File capacity entitlements per environment. No capacity is allocated for Dataverse Logs. (Fractional usage is calculated to 2 decimal places in local currencies.)

Meter definition: Amount of capacity used in the environment beyond any entitled amounts (1 GB database capacity and 1 GB of file capacity per environment).

Dataverse Capacity/environment	Additional Increment	Pricing
Dataverse Database capacity	1 GB	$48/month
Dataverse File capacity	1 GB	$2.40/month
Dataverse Log capacity	1 GB	$12/month

Business Application Tools including Model Context Protocol

Business Application tools across Dynamics 365, Power Platform, and Dataverse provide Microsoft Copilot and agents with shared context for understanding business data, relationships between records, and the business rules that guide next steps. This shared context enables Copilot and agents to efficiently execute business workflows. These tools may be exposed through Work IQ APIs, MCP servers, or other supported integration surfaces.

Usage of Business Application tools consumes Copilot Credits through usage-based billing. Appropriate Dynamics 365 or Power Platform licenses are required to access the underlying business data and services. Learn more about Copilot Credits in the Copilot Credits Guide.

Learn more about Business Application tools.

Managed Environments

Managed Environments are a suite of premium capabilities that provide additional governance and management features for Power Platform environments. Once an environment is managed, it unlocks additional features across Power Platform.

Managed Environments are included with the following licenses and pay-as-you-go meters:

- Power Apps Premium
- Power Automate: Premium, Process, Hosted Process, Per User and Per Flow licenses
- Power Pages licenses
- Microsoft Copilot Studio tenant license
- Dynamics 365: Premium, Enterprise, Team Members, Customer Insights, and Contact Center licenses
- Power Apps per app and Power Pages pay-as-you-go meters and the Microsoft Copilot Studio pay-as-you-go Copilot Credits meter
- Microsoft Copilot for features related to Copilot Studio

When Managed Environments is activated in an environment, all active usage requires one of these standalone licenses or pay-as-you-go meters. Use rights included with other licenses, such as Power Platform use rights included with Dynamics 365 or Microsoft 365 licenses, do not satisfy this requirement.

Note: The Power Apps per app and Power Pages pay-as-you-go meters satisfy this requirement for their respective workloads only. Power Automate flow usage requires standalone Power Automate licenses.

See Licensing requirements for Managed Environments for more information.

Security and Governance

Copilot Studio follows a number of security and governance controls and processes, including geographic data residency, data loss prevention (DLP), multiple standards certifications, regulatory compliance, environment routing, and regional customization. See the Geographic data residency in Copilot Studio document for information and details on how data is handled in Copilot Studio.

Data Loss Prevention (DLP)

Copilot Studio supports Data Loss Prevention (DLP) capabilities through Power Platform policies that help manage how data is accessed and shared by agents. DLP policies are used to restrict connector usage and control data movement to help protect organizational data.

In addition to DLP, Copilot Studio is governed by broader Power Platform and tenant-level governance controls that help secure and manage the use of generative AI capabilities across an

organization. These controls include managing agent publishing, enforcing data residency and geographic boundaries, governing how agents and AI actions appear in Microsoft Copilot, and supporting secure access to customer data through Customer Lockbox.

Copilot Studio Usage and Governance

Copilot Credit Estimator*

Use the Copilot Credit Estimator to forecast an agent's Copilot Credit consumption volume.

**The Copilot Credit Estimator is not a binding offer nor a guarantee of the final cost or availability of the product. This estimate should be regarded only as guidance and not incorporated into a contractual agreement. The actual amount of Copilot Credit consumption and associated cost may vary depending on the region, availability, workload usage, number of users, and other factors. Microsoft reserves the right to modify or discontinue the Copilot Credit estimator at any time without notice.*

Copilot Studio Agent Activity Map

When Copilot Studio agents are tested, all agent activity is visible in the activity map including agent actions such as triggers, topics, Power Platform connectors, and workflows. The activity map shows a visual representation of the plan that was generated. An activity map is generated for every session, which begins when an agent starts a conversation or is triggered by an external event.

Viewing Usage Details

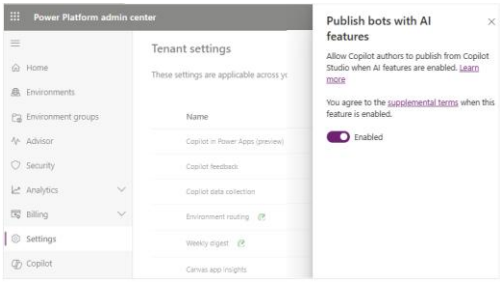
Customer admins can view their organization/tenant level usage details in the Power Platform Admin Center (PPAC) in the Billing > License> Copilot Studio> Summary tab.

Controlling How Agents are Shared

Organizations can control and limit how agents are shared in their tenant by applying the Editor and Viewer permission assignments to individuals who need access to Copilot Studio and then configuring the permission for who can share with whom. The sharing limits for agents are configured as a Managed Environments control in the PPAC.

Disabling Agents

To disable agent publishing, admins can use the PPAC to turn off the ability to publish agents that use generative AI features for a tenant.



Capacity enforcement

All Copilot Studio purchased capacity is enforced monthly and unused Copilot Credits do not carry over month to month. Customers exceeding purchased capacity should adjust their purchase quantity per standard Microsoft terms to remain in compliance. Comprehensive monitoring, reporting, and alerting mechanisms will be instituted to assist customers with managing Copilot Studio capacity. Technical enforcement (including service denial) will result for usage that is over the purchased capacity.

Billing Management within Power Platform Admin Center

Copilot Credit usage for Copilot Studio, Dynamics 365, and Power Apps are managed in PPAC This experience allows administrators to manage Copilot Studio credit capacity, while monitoring overall capacity usage. Learn more here.

Additional Resources

Copilot Studio Trial

Sign-up for a free trial of Microsoft Copilot Studio here.

Copilot Studio Pricing Page

Copilot Studio pricing information is located here.

Copilot Studio Service Support

The benefits included in the Subscription Support Plan are applicable for customers who license Copilot Studio solutions via MOSP, EA, MPSA, EAS, and EES. Learn more about Copilot Studio support options:

- Professional Direct Support for Dynamics 365 and Power Platform
- Unified Support (for enterprise solutions)

SKU Name	Description	Price/month*	Licensed
Professional Direct Support for Dynamics 365 and Power Platform	ProDirect Support Subs Per User for D365 and Power Platform	$9	User

*Billed annually

Customers must acquire enough Professional Direct Support licenses to cover each Power Platform and Dynamics 365 license on its agreement, up to a maximum of 250 licenses.

How to Pay for Microsoft Copilot Studio

Copilot Credits Overview

Copilot Credits are the unit of consumption for Microsoft Copilot Studio, Microsoft Copilot, and other AI experiences across Microsoft offerings. These capabilities span Microsoft Copilot experiences such as Copilot Cowork, agent solutions built with Microsoft Copilot Studio, AI-powered capabilities in Dynamics 365 and Power Platform, and Work IQ APIs for agent and AI solutions.

Copilot Credits Purchasing Options

1. Microsoft Copilot Studio Pay-As-You-Go Copilot Credit

The Microsoft Copilot Studio pay-as-you-go Copilot Credit meter enables organizations to post-pay based on the actual number of Copilot Credits consumed by agents in a billing month. No up-front commitment is required, allowing organizations to scale usage and ensure business continuity for critical business processes with flexibility, scalability, seasonality, and no interruptions due to overages.

- **Pricing**: $0.01/Copilot Credit
- **Meter Definition**: The Microsoft Copilot Studio pay-as-you-go Copilot Credit meter counts the total number of Copilot Credits consumed by agents and flows. This usage is billed in arrears at the end of the billing month.

Microsoft Copilot Studio Pay-As-You-Go Copilot Credit Offer Summary

SKU Description	Microsoft Copilot Studio Pay-As-You-Go Copilot Credit
Billing Configuration	Manage spend policy and billing plan (additional detail here)
Meter name	Microsoft Copilot Studio – Pay As You Go Copilot Credit

The Microsoft Copilot Studio pay-as-you-go Copilot Credit meter can be provisioned here.

- **Creating and Managing agents:** A Copilot Studio Author role is required for users to create and manage agents when Copilot Studio usage is paid via pay-as-you-go. To grant access, navigate to Settings and update the Copilot Author setting in the PPAC. There, you can assign a security group, and only members of that group will have access to Copilot Studio.
  - **Role required**: Copilot Studio Author role
  - **Pricing**: $0

The Copilot Credit Pay-As-You-Go purchasing construct will decrement the Microsoft Azure Consumption Commitment (MACC). The Copilot Credit Pay-As-You-Go purchasing construct is not Azure Prepayment eligible. Please refer to the Microsoft Copilot Credits Guide for more

information on other use cases for Copilot Credits.

2. AI Flex Plan

The AI Flex Plan gives customers a flexible way to purchase Copilot Credits and fund other eligible consumption through a single monetary commitment. Available as a one-year or three-year term, the plan can be applied toward Copilot Credit usage and usage of Microsoft Foundry, GitHub AI, and Security Copilot. Customers can pay upfront or monthly. The AI Flex Plan is available through the Microsoft Customer Agreement for Enterprise(MCA-E). Contact your Microsoft representative or Microsoft partner for more information.

3. Copilot Credit Pre-Purchase Plan (P3)

Copilot Credit P3 is a one-year pay-upfront purchase option for Copilot Credits. Customers purchase a pool of Copilot Credits, which automatically deduct the Copilot Credit P3 balance. If usage exceeds the available number of credits, customers can purchase additional Copilot Credits or be billed on a pay-as-you-go basis. Unused credits expire at the end of the annual term.

Copilot Credit Pre-Purchase Plan (P3) Pricing Tiers

Tier	Copilot Credits	Discount
1	300,000	5%
2	1,500,000	6%
3	3,000,000	7%
4	15,000,000	8%
5	30,000,000	10%
6	75,000,000	12%
7	150,000,000	14%
8	225,000,000	17%
9	300,000,000	20%

Copilot Credit Pre-Purchase Plan Offer Summary

SKU Description	Microsoft Copilot Studio
Billing Configuration	Manage spend policy and billing plan (additional detail here)
SKU name	Copilot Credit Pre-Purchase Plan (P3)

The Copilot Credit Pre-Purchase Plan (P3) can be provisioned here.

- **Creating and Managing agents:** A Copilot Studio Author role is required for users to create and manage agents when Copilot Studio usage is paid via Copilot Credit Pre-Purchase Plan. To grant access, navigate to Settings and update the Copilot Author setting in the PPAC. There, you can assign a security group, and only members of that group will have access to Copilot Studio.
  - **Role required**: Copilot Studio Author role
  - **Pricing**: $0

The Copilot Credit Pre-Purchase Plan (P3) purchasing construct will decrement the Microsoft Azure Consumption Commitment (MACC). The Copilot Credit Pre-Purchase Plan (P3) purchasing construct is not Azure Prepayment eligible. Please refer to the Microsoft Copilot Credits Guide for more information on other use cases for Copilot Credits.

4. Microsoft Agent Pre-Purchase Plan (P3)

The Microsoft Agent Pre-Purchase Plan (P3) provides a unified one-year pay-upfront option for consuming agentic services across Copilot Studio and Microsoft Foundry at tiered discounts. Customers purchase a pool of Agent Commit Units (ACUs), which automatically covers eligible usage (as defined below) in both platforms. Each ACU is worth $1 of Copilot Credit or Microsoft Foundry usage which is equivalent to 100 Copilot Credits.

Microsoft Agent Pre-Purchase Plan Pricing Tiers

Tier	Agent Commit Units (ACUs)	Discount
1	20,000	5%
2	100,000	10%
3	500,000	15%

Microsoft Agent P3 is a one-year pay-upfront option. Customers commit upfront to a pool of Agent Commit Units (ACUs) that can be used at any time during the one-year term. When eligible services are consumed from within Microsoft Foundry and Copilot Credits enabled agentic services, the ACUs are automatically drawn from the Microsoft Agent P3 balance. For usage beyond the initial pool of ACUs purchased, additional Microsoft Agent P3 plans can be purchased, or billing will automatically switch to pay-as-you-go. Unused ACUs do not roll over to the next year.

Microsoft Agent Pre-Purchase Plan (P3) Offer Summary

SKU Name	Microsoft Agent Pre-Purchase Plan
Billing Configuration	Per environment via billing plan

The Microsoft Agent Pre-Purchase Plan (P3) can be provisioned here.

- **Creating and Managing agents:** A Copilot Studio Author role is required for users to create and manage agents when Copilot Studio usage is paid via the Microsoft Agent Pre-Purchase Plan. To grant access, navigate to Settings and update the Copilot Author setting in the PPAC. There, you can assign a security group, and only members of that group will have access to Copilot Studio.
  - **Role required**: Copilot Studio Author role
  - **Pricing**: $0

The Microsoft Agent Pre-Purchase Plan (P3) purchasing construct will decrement the Microsoft Azure Consumption Commitment (MACC). The Microsoft Agent Pre-Purchase Plan (P3) purchasing construct is not Azure Prepayment eligible. Please refer to the Microsoft Copilot

Credits Guide for more information on other use cases for Copilot Credits.

5. Microsoft Copilot Studio License (Capacity pack)

Capacity packs are offered through the Copilot Studio subscription license. Copilot Credit packs should be purchased for the anticipated number of Copilot Credits the tenant is expected to consume each month. Unused credits do not roll over to the next month.

- **Pricing:** $200 per credit pack/month (billed annually)
- **Copilot Credit Capacity**: 1 capacity pack = 25,000 Copilot Credits

For additional capacity, it is recommended to sign up for the pay-as-you-go meter to ensure business continuity. Copilot Credit consumption won't be counted against the pay-as-you-go meter until credit packs have been exhausted.

Copilot Studio License Offer Summary

SKU Name	Microsoft Copilot Studio
Billing Configuration	Per Tenant
1 Capacity Pack	25,000 Copilot Credits per month

The Microsoft Copilot Studio license subscription can be provisioned here.

- **Creating and Managing agents**: A Copilot Studio User License ($0) is required for each user that builds and manages agents with Copilot Studio. We recommend acquiring the tenant license and user license(s) as part of a single transaction to simplify onboarding to Copilot Studio.
  - **License required**: Copilot Studio User License
  - **Pricing**: $0
  - **Recommendation**: Acquire the tenant license and user licenses as a single transaction to simplify onboarding to Copilot Studio.

Appendix A: Multiplexing and Licensing Requirements for External Users

Multiplexing

Multiplexing refers to hardware or software that a customer uses to:

- pool connections or reduce the number of Operating System Environments (OSEs), devices, or users a Product directly manages,
- reduce the number of devices or users that directly or indirectly access or use a Product,
- or access data a Product itself processes or generates.

Multiplexing does not reduce the number of Licenses of any type that a Customer needs.

For additional information about multiplexing refer to the Microsoft Multiplexing Overview.

Licensing Requirements for External Users

External users must be appropriately licensed to access Power Platform services and data. External Users means users that are not (a) employees of Customer or its Affiliates, (b) contractors or agents that typically work for Customer or its Affiliates for more than 30 hours on average per week, or (c) contractors or agents that typically work onsite for Customer or its Affiliates on each working day.

Applicable licensing includes:

- An appropriate Power Platform USL.
- Power Pages Authenticated or Anonymous users/website capacity licenses.
- Accessing via Power Automate per flow or Power Automate Process licenses.
- Limited capabilities included with Dynamics 365, Microsoft/Office 365, or Windows licenses. (See summary of Power Apps, Power Automate and Power Pages tables in the Power Platform Licensing Guide for details.)

Information on external guest user access is available here.

Appendix B: Offers in Paid Public Preview

These previews are subject to the terms applicable to Previews as detailed in the relevant sections of the Microsoft Product Terms, the Supplemental Terms of Use for Microsoft Power Platform and Dynamics 365 Preview for Online Services, and the Microsoft Products and Services Data Protection Addendum.

Microsoft reserves the right to change the pricing, business models, or services (including but not limited to branding, features, functionality, and availability) at any time in its discretion prior to GA without prior notice.

Appendix C: Terminology

Agent: An agent is a powerful AI companion that can manage a range of interactions and tasks. It can resolve issues that require complex conversations and autonomously determine the best action to take based on its instructions and context. It coordinates language models, along with instructions, context, knowledge sources, topics, tools, inputs, and triggers to accomplish your goals.

Application Programming Interface (API): Applications Programming Interface (API): An API is a set of rules and definitions that enables different software systems to communicate and exchange data through structured requests and responses. In Copilot Studio, APIs are used to connect agents to external systems and data sources, allowing agents to retrieve information and perform actions as part of a conversation.

Cloud PC: A Windows 365-hosted virtual machines that provides a Windows desktop experience. It can serve as an execution environment for agent-driven tasks.

Connectors: Connectors are prebuilt integrations that enable Copilot Studio, Power Automate, Power Apps, flows and Azure Logic Apps to connect to external services and data sources. Connectors use APIs to expose actions and triggers that apps, flows, and agents can use.

- Standard Connectors: Standard connectors provide access to commonly used Microsoft 365 and select external services and are typically included with base licenses. Learn more.

- Premium Connectors: Premium Connectors provide access to enterprise and third-party services and require premium licenses to use. A list of Premium Connectors is located here.

- Custom Connectors: Custom connectors enable organizations to create their own integrations by defining APIs that are not available as prebuilt connectors. Learn more.

On-premises data gateway: An on-premises data gateway is a secure bridge that enables Power Platform services to connect to on-premises data sources without moving the data to the cloud. Learn more.

Copilot Credits: The unit that measures agent usage in Copilot Studio. The number of credits consumed depends on the design of the agent, how it is used and features that it uses. Learn more.

Dataverse: Microsoft Dataverse is a secure cloud-based platform for storing and managing data used by Power Platform applications. Data in Dataverse is organized into tables including standard tables provided by Microsoft and custom tables created by organizations to support specific business needs. Some tables are classified as restricted. Learn more.

Desktop flow: A desktop flow is a robotic process automation (RPA) capability in Power Automate that enables automation of repetitive tasks across desktop and web applications by interacting with their user interfaces.

Environment: An environment is a container used to store, manage, and share apps, flows, data and agents. an organization's business data, apps, chatbots and flows. An environment acts as a container to Each environment is associated with a Microsoft Entra tenant and can have its own security, roles and data policies. A tenant can include one or more environments; however, an environment is always associated with a single tenant.

Flow: A flow is an automated workflow that uses triggers and actions to perform tasks across one or more services.

Generative AI: Generative AI refers to a class of AI algorithms that can learn from existing multimedia content and produce new content. Generative AI systems can generate text, images, code and other media in response to user input.

Governance: Governance in Copilot Studio is a set of policies, processes, and strategies designed to manage the use of agents within an organization. Because Copilot Studio operates within Power Platform environments, Copilot Studio governance builds on Power Platform governance which defines how environments, data access, connectors and policies are managed to ensure efficient, secure and compliant use across the tenant.

Knowledge Sources: Data sources that agents use to generate responses. In Copilot Studio, knowledge sources include enterprise data, documents, websites and external systems and are used to ground agent responses in relevant and contextual information.

LLM: A Large Language Model (LLM) is a type of AI model trained on large amounts of data, primarily text, which can process and generate natural language. LLMs learn patterns in language to produce text-based outputs and are a core component of generative AI applications.

Orchestration: The process by which an agent interprets input, determines the appropriate actions and coordinates the use of tools, knowledge sources and other components to generate a response or complete a task.

Robotic Process Automation (RPA): Robotic Process Automation (RPA) is a technology that automates repetitive tasks across applications by interacting with user interfaces and systems.

RPA bot: An RPA bot is a software instance that runs automated processes.

Tools: Capabilities that enable an agent to take actions or retried data from external systems, such as connectors, flows and APIs.

Topic: A defined conversation path that determines how an agent responds to a specific user intent or scenario.

Appendix D: Change Log

Page(s)	Topic	Change	Action	Date
4	Copilot Studio	Update	GitHub Copilot harness rebranded as Microsoft Copilot harness	November 2026
8	Copilot Studio	Update	Microsoft Copilot Managed Runtime generally available (GA)	November 2026
10	Copilot Studio	Update	Build apps in Copilot Studio generally available (GA)	November 2026
4, 5	Copilot Studio	New	Customer conversation harness	October 2026
10	Tools	New	Business Applications Tools including Model Context Protocol (MCP)	October 2026
6, 7	Copilot Managed Runtime	New	Copilot Managed Runtime: Apps built in Copilot Studio hosted, managed and deployed in the Copilot Managed Runtime host	September 2026
6, 7	Apps in Copilot Studio	New	Build apps in Copilot Studio (Paid Public Preview)	September 2026
Various	Microsoft 365 Copilot	Update	Microsoft 365 Copilot rebranded as Microsoft Copilot	August 2026
4-6	Copilot Studio	New	Copilot Studio harnesses: Copilot Chat, Standard, GitHub Copilot	August 2026
5	Work IQ API	Update	Work IQ API usage by Copilot Studio agents not included in Microsoft 365 Copilot USL	July 2026
Various	Copilot Studio	Update	Agent flows updated to workflows	June 2026
5, 10, 16	Copilot Studio	New	Copilot Studio voice agents	May 2026
4, 7-8	Copilot Studio	New	Microsoft Agent Pre-Purchase Plan (P3)	February 2026
N/A	Features in Paid Public Preview	Remove	Multi-agent orchestration (Learn more) and Bring Your Own Model (Learn more) Copilot Studio features moved to MS Learn.	February 2026
N/A	Code Interpreter	Remove	MCS feature, Code Interpreter moved to MS Learn. Learn more	February 2026
8, 10	Dataverse capacity	Update	Default Dataverse Database capacity increased from 5 GB to 15 GB	December 2025
30	Code Interpreter	Update	Code Interpreter now generally available (GA)	November 2025
29	AI Builder	Update	Text and Generative AI Tools > AI Builder capabilities renamed Copilot Studio AI Tools capabilities	November 2025
Various	Copilot Studio	New	Copilot Credit Pre-Purchase Plan	October 2025
7, 18	Microsoft 365 Copilot	Update	Use rights updated	October 2025
22	Computer Use	New	Computer use in Copilot Studio (Paid Public Preview)	October 2025
Various	Messages	Update	Copilot Studio messages renamed to Copilot Studio Copilot Credits	September 2025
Various	GPT model names	Update	Removed references to specific GPT model names	September 2025
Various	Accessibility	Update	Licensing guide accessibility updated	August 2025
N/A	Billing Rates	Update	Billing Rates now referenced in Billing rates and management.	July 2025
10	Cloud flows	New	Cloud flows - Power Platform Requests limits added	June 2025

© 2025 Microsoft Corporation. All rights reserved.
This document is for informational purposes only. MICROSOFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS DOCUMENT. This information is provided to help guide your authorized use of products you license; it is not your agreement. Your use of products licensed under your license agreement is governed by the terms and conditions of that agreement. In the case of any conflict between this information and your agreement, the terms and conditions of your agreement control. Prices for licenses acquired through Microsoft resellers are determined by the reseller.