

Cheap AI, Costly Gaps

OpenAI Price Cut, Late July 2026

In late July, OpenAI cut GPT-5.6 Luna pricing to \$0.20 per million input tokens, an 80% reduction, and committed to scaling free frontier-model access toward 100,000 academic researchers by 2027. Your CFO sees cost advantage. Your board sees adoption acceleration. Your risk team should see a governance crisis forming.



Cost disappears. Control becomes the constraint.

1 Procurement gates used to work because they doubled as budget gates. At \$0.20 per million tokens, every team that wants to experiment can. If you're still counting on pricing to slow adoption, you've already lost visibility.



Shadow AI goes formal.

2 Teams using free or bootleg models had an excuse: "it's not approved." Now the cost case is undeniable, and they'll bring procurement a formal business case. Your gate needs a rapid-fire answer for what confirms a model is safe for your data.



Free frontier access changes your threat model — for a specific population.

3 OpenAI is scaling free access toward 100,000 academic researchers by 2027. If your organization sponsors academic research or shares data with degree-granting institutions, confirm whether those partnerships fall inside this program.



Commodification shifts vendor competition to safety.

4 When every vendor cuts prices to compete, the differentiator shifts from cost to containment. Your procurement team needs to move from "cheapest compliant option" to "safest model for our threat profile."

THE BOTTOM LINE

Cheap AI makes governance the new bottleneck. Your gateway to AI adoption now runs on how fast governance can approve it.

Build governance that scales with adoption — solutionsbyjewel.com