



Power Your Drive for Fleets

Fleets in Disadvantaged Communities Can Improve TCO and Air Quality with EVs



Fleets located in disadvantaged communities (DACs) need to not only keep tight restraints on overall total cost of ownership (TCO), but they also have a responsibility to the residents to improve the quality of the air they share. By transitioning to one of a number of new electric vehicles (EVs) available on the market today, these fleets can reduce TCO with lowered maintenance costs and incentives to electrify, as well as improve air quality through the reduction of tailpipe emissions. Increased initial costs related to vehicles and necessary electric vehicle supply equipment (EVSE) can also be reduced with incentives, as well as LCFS credits, which can provide fleets even greater cost savings. Relaying a proper TCO analysis can be complex, particularly for fleets that are new to EVs.

This fact sheet provides a sample TCO analysis of a gasoline Class 2 work truck versus electric, and the key factors fleets should consider when developing their own analysis.

Understanding Key TCO Components

***Vehicle Subtotal =**

- CapEx
- + Operating Expense
- + Fuel Costs
- + Insurance
- Residual Value
- SDG&E® Infrastructure Incentives
- LCFS Credits

****EVSE Subtotal =**

- EVSE CapEx
- + EVSE Maintenance
- EVSE Residual

TCO Total =

- EVSE Subtotal
- + Vehicle Subtotal



To learn more, visit sdge.com/evfleets

Want to learn more about the program?
Visit sdge.com/evfleets

Continued

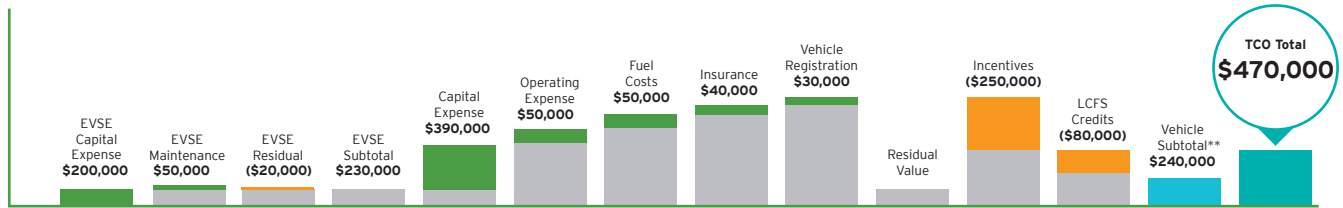
Total Cost of Ownership analysis

Total Cost of Ownership (TCO) of a 10-vehicle fleet: gasoline vs. electric Class 2 work truck.

Electric Vehicle fleet TCO 2023-2033

● Increase ● Decrease ● Subtotal ● Total

\$16 Million

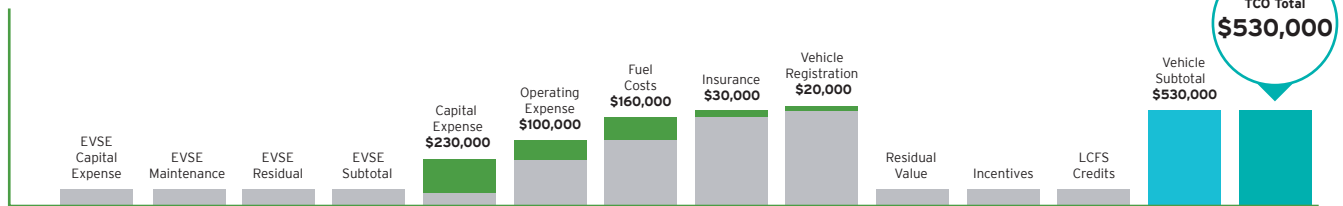


**cost of vehicle, minus incentives

Gasoline Vehicle fleet TCO 2023-2033

● Increase ● Decrease ● Subtotal ● Total

\$16 Million



An electric Class 2 work truck fleet can save up to \$60,000 compared to a gasoline Class 2 work truck fleet over 10 years.

Key Fleet Assumptions:

Residual value of vehicles straight line depreciation over 7 years	9.25% Sales tax	Insurance costs 3% of vehicle residual value	LCFS credit price \$200
10 Vehicles	100 Miles/Day	250 Days/Year Operation	10 Years Average Vehicle Life

Fuel Type	Gasoline	EV
Per vehicle purchase cost (2020)	\$45,000	\$90,000
Fuel cost	\$4.81	\$0.12/kWh
Fuel efficiency	12 mpg	60 mpg
Maintenance costs	\$0.15/mile	\$0.11/mile
Infrastructure purchase costs	Negligible	*\$2,500/charger
Infrastructure maintenance costs	Negligible	\$5,500 /charger/year
Purchase incentives	\$0	\$52,500 until 2026

*Fleets operating in DACs are eligible for additional charger rebates of up to 50% of the costs to purchase charging stations.

Improve TCO with Increased Vehicle Replacement

While few fleets have the ability to instantly transition a majority of its fleet to EVs, a concentrated replacement schedule can significantly improve TCO. More specifically, it is more cost effective to install the proper infrastructure at the beginning of the transition, due to the fact that it is less expensive per unit to install 10 chargers at a site than it is to install just two.

Fleets located in DACs also have an assortment of vehicle funding prospects from state and federal agencies that are currently promoting zero-emission technology. Over time, these incentives may not be as widely available for fleets moving towards electrification.

TOTALS	Gasoline	EV
At the same time	\$531,150	\$466,058
Over 10 years	\$448,740	\$632,124

Power Your Drive for Fleets

SDG&E's **Power Your Drive for Fleets** program helps fleet owners and operators reduce operating costs, eliminate emissions, and simplify vehicle maintenance by transitioning to electric vehicles. The program connects fleets with resources and financial incentives to easily and cost-effectively design and install the charging infrastructure needed to power medium- and heavy-duty electric fleets.



Want to learn more about the program? Visit sdge.com/evfleets

P.O. Box 129831 | San Diego, CA 92112-9831 | 1-800-411-7343 | Connect at sdge.com

© 2023 San Diego Gas & Electric Company. All copyright and trademark rights reserved.

