SDGE

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# Power Your Drive *for* Fleets

## Regional Haul Fleets Can Lower TCO with EVs

For the short-haul goods movement sector, fleets need to keep budgets tight and vehicles in prime working order to control overall total cost of ownership (TCO). By transitioning to one of a number of new electric vehicles offered by commercial truck manufacturers, these hard-working fleets can reduce TCO with lowered maintenance costs and incentives to electrify.

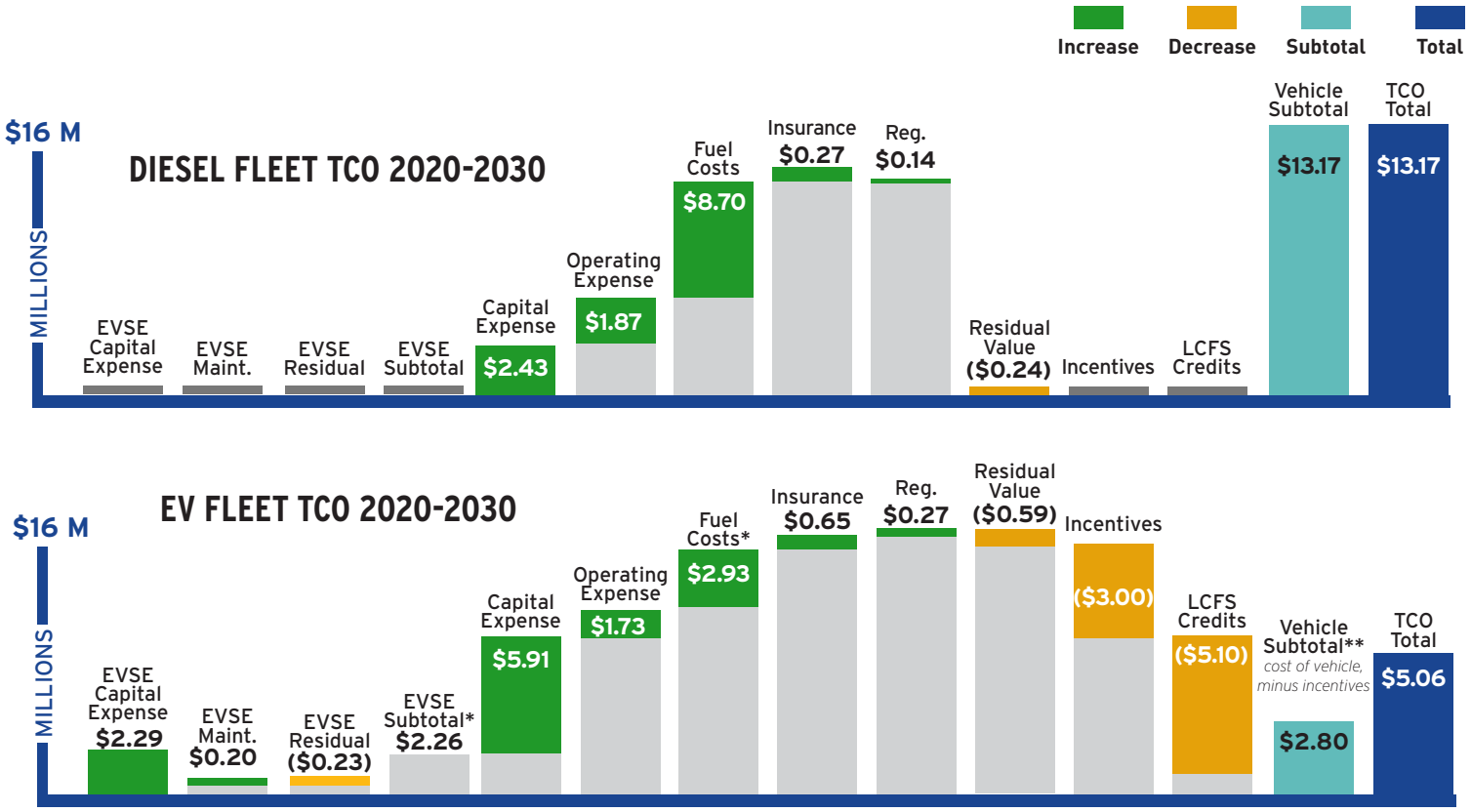
Increased initial costs related to vehicles and necessary electric vehicle supply equipment (EVSE) can also be reduced with incentives, as well as LCFS credits, which can provide fleets even greater cost savings. Relaying a proper TCO analysis can be complex, particularly for fleets that are new to EVs.

This fact sheet provides a sample TCO analysis of a diesel Class 8 day cab versus electric, and the key factors fleets should consider when developing their own analysis.

**Want to learn more? Visit sdge.com/evfleets**

## TOTAL COST OF OWNERSHIP ANALYSIS

Total cost of ownership (TCO) of a 20-vehicle fleet: diesel vs. electric Class 8 tractor van.




| | | | |
|---|---|---|---|
| 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 per credit |
| 20 Vehicles | 160 Miles/Day | 312 Days/Year Operation | 10 Years Average Vehicle Life |

| **Fuel Type** | **Diesel** | **EV** |
|---|---|---|
| Per vehicle purchase cost (2020) | $120,000 | $300,000 |
| Fuel cost | $3.92 | $0.12/kWh |
| Fuel efficiency | 6 mpg | 17.8 mpg |
| Maintenance costs | $0.17/ml | $0.15/ml |
| Infrastructure purchase costs | Negligible | $114,400/charger |
| Infrastructure maintenance costs | Negligible | $1,100/charger/year |
| Purchase incentives | $0 | $150,00/vehicle |

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## 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.

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

| TOTALS | DIESEL | EV |
|---|---|---|
| At the same time | $13,169,354 | $5,058,483 |
| Over 10 years | $11,901,868 | $9,687,578 |

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SDG&E's **Power Your Drive for Fleets** program that 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.

For more information on the program, visit: **sdge.com/evfleets**