

Power Your Drive for Fleets

Service Fleets Can Reduce Downtime, Cut TCO Through Electrification



With the wear and tear service vehicles go through, it's no surprise that downtime can have a negative effect on a vehicle's total cost of ownership. Fleets moving towards electrification can reduce maintenance and operational costs, thereby lowering TCO and improving their bottom lines.

Concerns on the increased upfront vehicle and electric vehicle supply equipment (EVSE) costs can be alleviated with available 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 medium-duty truck fleet versus electric, with 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: gasoline vs. electric Class 3 delivery 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	20 Miles/Day	248 Days/Year Operation	10 Years Average Vehicle Life
Fuel Type		Diesel	EV
Per vehicle purchase cost (2020)		\$44,000	\$100,000
Fuel cost		\$3.47	\$0.12/kWh
Fuel efficiency		7 mpg	22 mpg
Maintenance costs		\$0.57/ml	\$0.26/ml
Infrastructure purchase costs		Negligible	\$13,750/charger
Infrastructure maintenance costs		Negligible	\$1,100/charger/year
Purchase incentives		\$0	\$50,00/vehicle to 2022

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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.

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

TOTALS	DIESEL	EV
At the same time	\$2,200,930	\$1,995,595
Over 10 years	\$1,853,781	\$2,455,174



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