SDGE

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Power Your Drive *for* Fleets

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

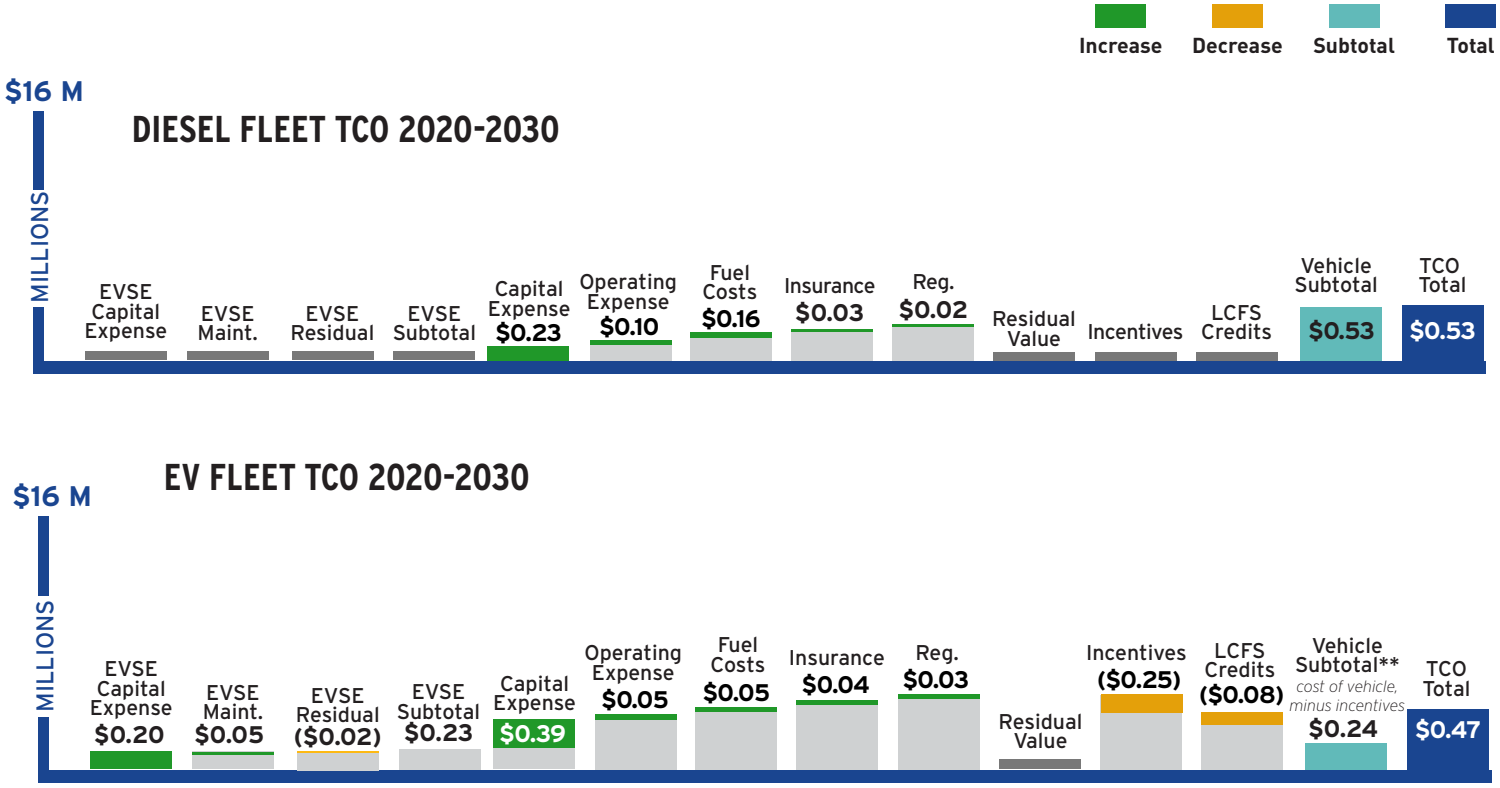
Fleets established in disadvantaged communities (DACs) need to not only keep tight restraints on overall total cost of ownership (TCO), but they also have a responsibility to the residents to improve the quality of the air they share. By transitioning to one of a number of new electric vehicles (EVs) 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 diesel Class 3 delivery van 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: 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
5 Vehicles	40 Miles/Day	250 Days/Year Operation	10 Years Average Vehicle Life

Fuel Type	**Diesel**	**EV**
Per vehicle purchase cost (2020)	$45,000	$80,000
Fuel cost	$3.47	$0.12/kWh
Fuel efficiency	12 mpg	60 mpg
Maintenance costs	$0.15/ml	$0.07/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.

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

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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**