



PARTNERS FOR A ZERO EMISSION VEHICLE FUTURE POSITION

ELECTRIC UTILITY POLICIES AND PROGRAMS

Commercial goods movement is the fastest growing sector of transportation, and **zero-emission vehicles (ZEVs) are its future**. As ZEVs gain popularity, grid readiness is increasingly important to support charging infrastructure. Heavy-duty ZEV trucks have far higher energy needs than passenger cars and therefore need different standards, and require a much greater magnitude of charging.



Utilities Must Understand and Plan for the ZEV Load

Utilities are now in the transportation fuel business and need to plan for this additional load on the grid.



Utilities must therefore make significant investments to ensure power is available to meet the increased demand in the regions where ZEV trucks will operate.



Unlike diesel, there is no one-size-fits-all refueling solution for ZEVs. A fleet of 200 delivery vans will need roughly 4MW; Class 8 electric 18-wheelers may need 2MW each.



For larger fleet deployments, distribution system upgrades will be needed – potentially including new transmission and distribution lines, substations, and transformers.

Incentives are Needed to Meet the ZEV Demand

Preparing grids for commercial ZEV fleets means utilities must offer long term, predictable incentive programs to offset infrastructure installation costs: trenching, construction, and charging equipment.

- ✓ Make-ready programs allow fleets to electrify by having the utility pay some infrastructure costs – which are then recovered by adding the infrastructure to the base rate. Central Hudson is offering eligible customers up to 90% of the infrastructure costs.
- ✓ Fleet rates, such as those offered by PG&E's EV Fleet Program, allow for savings at scale with discounts on EVSE and per-vehicle incentives for infrastructure installation.
- ✓ Rate structure reform is also required, so fleets are not penalized with demand charges when charging. Solutions must take individual charging stations' utilization rates into account.

Policies Must Meet State Benchmarks – and States Can Also Provide Funding

Especially in states that have adopted the Advanced Clean Truck (ACT) Rule, which has increasing ZEV requirements from 2025 to 2035, utilities must take state policies and benchmarks into account.

- As cities and states unveil plans for electrification by 2030, 2035, or other timelines, utilities must plan investments accordingly. Coordinated planning to assess needed grid investments based on fleet location and travel patterns must be undertaken years before regulatory deadlines begin to maximize the value of resiliency investments.
- States must factor in heavy-duty trucks when considering how to spend funds from the National Electric Vehicle Infrastructure Formula Program, which will provide \$5 billion to help states build out charging networks.
- State agencies should supplement utility funding for purchase incentives and charging infrastructure expansion and not rely solely on utility programs, which may take longer to establish and not be sufficient for state policies and mandates.
- States can also encourage utilities to develop and use energy demand tools. Long term, utilities must consider the overall impact of ZEV fleets on their systems through net metering policies, energy forecasting and storage, and distribution system planning.

The **Partners for a Zero Emission Vehicle Future** believe ZEVs are the future of commercial transport. **We support efforts to build a cleaner, more sustainable future through policy that will ensure confidence among fleets and unite economic and environmental benefits around the country.**

We believe:

- **ZEVs are the future of commercial transport**, and all stakeholders must help create a sustainable marketplace for ZEV adoption.
- **The best approach going forward is through coordinated and collaborative federal and state policy**, built on a foundation of enhanced national vehicle standards.
- This national approach **must address critical hurdles to nationwide commercial ZEV deployment** such as the **build-out of necessary and reliable charging infrastructure**; it also needs to encourage the deployment of ZEVs across the transportation and logistics supply chain through vehicle purchase incentives.
- **California's state regulations are not well-suited as a one-size-fits-all solution**. Each state is unique – with differences in fleet makeup, grid conditions, resources, staffing availability, and local utility support.
- Regional or state initiatives should help deploy ZEVs where they can best address local air quality concerns and encourage market success to maintain jobs and economic resilience.
- **Working together, we can achieve the end goal of zero-emission, commercial truck fleets.**

Learn more and get involved

Visit us online at www.pzevf.org to learn more about our coalition and efforts.

To stay updated about additional information and opportunities to make a difference, sign up on our website or email us directly at info@pzevf.org.

