PARTNERS FOR A ZERO EMISSION VEHICLE FUTURE

EV SALES INCENTIVES

Commercial goods movement is the fastest growing sector of transportation, and zero-emission vehicles (ZEVs) are its future. Creating a sustainable marketplace for ZEV adoption relies on the work of several diverse stakeholders to build a conducive, long-term environment for freight electrification.

Why are sales incentives needed?

ZEV deployment comes at a cost: higher purchase prices; unknown residual values; operational inefficiencies (more ZEV trucks are required to perform the work of conventional trucks); and significant required investments in new-maintenance facilities, training, and parts inventories.

Unlike light-duty vehicles, heavy-duty trucks and buses are bought to perform a specific job. Unless the total cost of ZEV ownership is equal to or less than a conventional diesel model, fleets will not risk the loss of income or challenges they would face if new technology proved unreliable when tested in their operations.

ZEV purchasing costs are typically borne by fleet operators and purchasers. To encourage and support ZEV deployment, states should establish robust sales incentives designed to offset ZEV life-cycle expenses that exceed current commercial vehicle costs.

How should states provide these incentives?

STATES SHOULD PROVIDE POINT-OF-SALE INCENTIVES

To encourage swifter ZEV adoption, states should provide point-of-sale incentives rather than tax credits. State action should be designed to support federal action and account for the cost differential to equivalent diesel vehicles.

STATES SHOULD PROVIDE STABLE, MULTI-YEAR CERTAINTY

States should make multi-year funding commitments, providing fleets certainty for long-term purchasing plans which support the overall ZEV transition.

Where are states getting it right?

California’s Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) program is accelerating commercialization by providing point-of-sale vouchers to make ZEVs more affordable.

- Incentives cover a diverse array of commercial vehicles, from $20k for an e-PTO vehicle to $410k for a qualifying Class 8 vehicle under the state’s Carl Moyer program.

New York’s Truck Voucher Incentive Program (NYTVIP) operates a similar system to HVIP, offering vouchers, or discounts, to fleets across New York State that purchase or lease Class 3-8 ZEVs.

- The program includes up to $185,000 per Class 8 truck, and up to $385,000 per transit bus.

New Jersey’s Zero Emission Incentive Program (NJZIP) was initiated with $44.2 million in funding to offer voucher discounts for Class 2b-6 ZEVs.

- New Jersey should build on the success of this program with expansion to Class 7-8 vehicles. Base values range from $25,000 to $100,000, with bonuses available for small businesses, in-state manufacturing, public training sessions and more.
What else is needed?

Purchasing incentives are only one piece of the puzzle. Buying and installing charging infrastructure must also be taken into consideration when fleets consider investing in ZEVs. One solution would be to consider funding for both ZEVs and charging infrastructure as a package.

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 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, 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](http://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](mailto:info@pzevf.org).