

Frequently Asked Questions (FAQs) for distribution and delivery fleets

The EV Fleet program offers dedicated electrical infrastructure design and construction services, significant cost offsets for electrical infrastructure work, and additional EV charger rebates for eligible equipment.

BENEFITS AND FUNDING FOR FLEETS

WHY SHOULD DISTRIBUTION AND DELIVERY FLEETS TRANSITION TO EVS?

Companies in California whose primary function is to sell or transport goods to and from warehouses, distribution centers, import/export facilities, manufacturing complexes, retail centers, and to end-use customers, are well positioned to benefit from significant total cost of ownership savings by electrifying their fleet. Distribution and delivery fleets have large and diverse fleet operations that can take advantage of the growing number of electric vehicle and equipment product offerings from leading OEMs, while meeting corporate sustainability goals, and getting ahead of looming regulations, such as California's proposed zero emission transport refrigeration unit (TRU) regulation.

WHAT IS CALIFORNIA'S PROPOSED ZERO-EMISSION TRANSPORT REFRIGERATION UNIT (TRU) REGULATION? AND WHAT DOES IT MEAN FOR FLEETS?

California's clean air regulatory agency, the Air Resources Board (CARB), adopted measures in 2004 to reduce public health risk from Transport Refrigeration Units (TRUs) near distribution centers and other facilities where TRUs and TRU generator sets congregate. The measures also aim to achieve emission reductions while the TRUs are in transit. In 2019, CARB began developing a new regulation to reduce emissions from facilities with TRU activity by transitioning to zero-emission operation where practical.

The regulatory concepts that CARB is considering include:

- Starting in 2025, all truck TRU fleets should phase in full zero-emission units at 15 percent each year (over 7 years).
- Starting in 2025, all trailer TRUs, domestic shipping container TRUs, and TRU gensets must use zero-emission operation when parked or stationary for more than 15 minutes at an applicable facility.
- Starting in 2025, all diesel engines in trailer TRUs, domestic shipping container TRUs, railcar TRUs, and TRU gensets must meet the U.S. EPA Tier 4 final emission standards for 25-50 hp engines.

For more information, visit CARB's TRU program page, here.



HOW CAN FLEETS SAVE MONEY WITH THE EV FLEET PROGRAM?

Infrastructure incentives: A distribution or delivery fleet with a mix of Class 3-8 vehicles and equipment can save between \$3,000 and \$9,000 per electric vehicle in incentives, up to 25 vehicles. A few examples include:

- An electric forklift is eligible for an incentive up to \$3,000.
- An electric medium-duty delivery truck is eligible for an incentive up to \$4,000.
- An electric transportation refrigeration unit (TRU) is eligible for an incentive up to \$3,000.
- An electric Class 8 truck is eligible for an incentive up to \$9,000.

Charger rebates: Rebates on charging equipment are available for distribution and delivery fleets that operate in disadvantaged communities, which are areas throughout California that suffer most from a combination of economic, health, and environmental burdens. PG&E's EV Fleet team can help determine if a fleet is eligible for these rebates. The rebate amount is determined by the EVSE (Electric Vehicle Supply Equipment) power output:

- Up to 50kW is eligible for a rebate up to \$15,000 per charger.
- 50.1kW to 150kW is eligible for a rebate up to \$25,000 per charger.
- 150.1kW and above is eligible for a rebate up to \$42,000 per charger.

Fleets can select from a variety of EV charger configurations to fit their charging needs, including from an approved vendor list.

ARE THERE ADDITIONAL STATE PROGRAMS OR OTHER SAVINGS AVAILABLE?

Yes, several state incentive and rebate programs can be stacked with EV Fleet. PG&E is closely coordinating with state and regional funding programs including the California Air Resources Board, California Energy Commission, and Bay Area Air Quality Management District, and others to help best co-fund the project.

For more information: use our external **funding filtering tool** to find more ways to save.

PROGRAM DETAILS

WHAT ARE THE NEXT STEPS TO TAKE IF I WANT TO APPLY FOR THE PROGRAM?

- 1. Complete an interest form to indicate interest in participating in the program.
- 2. A PG&E EV specialist will reach out to discuss program eligibility, process and timeline, and make connections with vehicle manufacturers as appropriate.
- 3. Complete a program application to be considered for program participation.

HOW LONG DOES THE EV FLEET PROGRAM PROCESS TAKE?

Following the completion of the EV Fleet program application, the EV Fleet electrification process, from design to execution, takes approximately 9 to 13 months. Learn about the step-by-step process to <u>fleet electrification.</u>



IS THERE A MINIMUM NUMBER OF ELECTRIC VEHICLES TO BE ELEIGIBLE FOR EV FLEET?

PG&E requires a Purchase Order for a minimum of two medium-or heavy-duty electric vehicles. However, having a bigger site would be advantageous from a program cost and vehicle target perspective, hence, bigger sites are preferred where possible. There is a maximum threshold for incentives of 25 vehicles per site, but sites with more vehicles may be considered on an individual basis.

WILL PG&E INSTALL INFRASTRUCTURE TO SUPPORT VEHICLES DEPLOYED IN THE FUTURE?

Fleets with plans to purchase EVs in the future can participate as well, as PG&E will install infrastructure to support vehicles to be procured within 5 years of program contract execution. PG&E requires participants seeking infrastructure to support future electric vehicle deployments to provide a schedule of anticipated vehicle purchases and associated load increase.

WHAT KIND OF DATA DOES THE FLEET NEED TO SHARE TO PARTICIPATE IN THE PROGRAM?

PG&E will collect utilization data from the chargers daily in the form of 15-minute intervals in addition to basic site level information.

WHAT IS THE TERM OF THE AGREEMENT AND WHAT HAPPENS AFTER?

The term of the agreement is 10 years as the program requires all customers to operate and maintain the EVSE equipment for a period of 10 years. After 10 years, the program agreement would end and the contractual arrangement with the customer would convert into applicable tariff arrangement at the time.

WHO SHOULD BE INVOLVED IN THE DECISION-MAKING PROCESS?

Sustainability leads, finance leads, transportation or fleet operation leads and senior executives within the organization are all key stakeholders that should weigh in on the purchase of electric vehicles and associated spend on charging infrastructure. Conversations with those decision makers early in the process will be helpful for timely implementation of key decisions pertaining to program participation.

CHARGING INFRASTRUCTURE

HOW SHOULD FLEETS PREPARE FOR EVSE INSTALLATION?

Each fleet needs to consider a handful of factors when deciding on the right EV charging infrastructure. For example, determining how much energy is needed, when the vehicles will be charged and how often, and how quickly the vehicles need to be charged, are all part of the equation when preparing for EVSE installation. Learn more with PG&E's EV
Guidebook, which provides fleets detailed advice on how to best select, install and maintain the right charging solution to help with fleet electrification.



HOW CAN A FLEET ENSURE THE EVSE EQUIPMENT WILL WORK WITH THE VEHICLES?

A good first step is to ask the EVSE provider if they have experience charging the vehicle purchased. If not, ask the OEM and/or dealer for the charging specifications that should then be provided to the EVSE provider to ensure all requirements are met. Call an EV Fleet specialist to get more detailed advice on the right configuration.

CAN FLEETS UPGRADE THE CHARGING INFRASTRUCTURE TO FIT TECHNOLOGY ADVANCES?

Yes, to accommodate technology advancements and improvements over the next 10 years, the EV Fleet program allows for upgrades to the EVSE to fit the needs of newer electric vehicles. However, allowed upgrades are specific to each site.

ENERGY USAGE

WHAT RATE PLAN WILL A FLEET USE?

EV Fleet customers will be on their respective current business rate plans until the new Business EV Rate is available (expected availability May 2020). The Business EV Rate eliminates demand charges, and instead uses two monthly subscription pricing models to enable more affordable charging, simplified pricing structures, and improved certainty for budgeting.

WHICH BUSINESS EV RATE SUBCRIPTION LEVEL SHOULD A FLEET CHOOSE?

Customers choose their subscription level based on energy needs. In general, those that are projected to need 100 kW or more should choose the high use EV rate, and those that use under 100 kW should choose the low use EV rate. Customers can change subscriptions levels to suit their evolving needs. However, it's important to keep in mind that if customers go over their subscription level, without changing it first, overage fees may apply.

CAN FLEETS ADD SOLAR TO OFFSET THEIR ENERGY NEEDS, AND HOW DO THEY PLAN FOR THE INCREASE IN ENERGY NEEDED WHEN DEPLOYING EVS?

Currently, businesses can offset their electricity load through solar energy generation. This equipment will need to operate on a different meter, however, they may share to-the-meter (TTM) infrastructure. The California Public Utilities Commission (CPUC) allows businesses to install solar to support power generation up to 110% of their usage over the previous 12 months. For fleets deploying electric vehicles and therefore expect their power usage to increase, PG&E will work with the fleet to determine the projected power needs, which can then be used to develop a solar plan. To learn more, visit PG&E's solar energy for businesses page.

CAN FLEETS ADD ENERGY STORAGE TO CHARGING INFRASTRUCTURE PLANS?

Adding energy storage for back-up charging is a great way to improve fleet resiliency. This equipment will need to operate on a different meter, however, they may share TTM infrastructure. To offset the cost of energy storage, fleets may be eligible for rebates through PG&E's <u>Self Generation Incentive Program</u>.



https://www.pge.com/includes/docs/pdfs/mybusiness/services/nonpge/generateownpower/netenergymetering/standardnem/Form_79-1151A.pdf

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