Turning roadblocks into on-ramps: The path to fleet electrification

By Bryan Jungers
August 30, 2022

Turning roadblocks into on-ramps: The path to fleet electrification

“When will business customers electrify their fleet vehicles?”

We hear this question from utilities often. And the answer is: Some have already started. And many will take years to begin the process, but we expect nearly everyone to eventually electrify their fleets.

How E Source can help with fleet electrification

Fill out this short form to start a conversation about your needs and how we can help.

The best thing utilities can do right now to support fleet electrification is to build out program offerings. Consider how your utility can build, grow, and scale its fleet-electrification portfolio to improve business customer satisfaction. No matter what rate of growth you’re seeing in your territory now, the transition will take place faster with your help.

Fleet electrification is a hot topic right now—check out our blog post Electric heavy-duty vehicles: The real 800-pound gorilla in the room. But when it comes to utility involvement in fleet electrification, things are just starting to heat up. Out of the hundreds of EV customer offerings we’re currently tracking at E Source, fewer than a dozen utility programs specifically target business fleets.

Most utility EV programs have been focused on light-duty passenger vehicles and consumer markets—where the bulk of market activity has taken place so far. But that’s all changing quickly, and some large fleet operators have been carrying out their fleet-electrification plans for years.

Common electrification challenges and five ways to navigate

them

We know it can be difficult to start a new utility program. For many fleet managers, electrification isn't even on their radar yet. And even for those who are aware of EVs, electrification usually doesn't make it to the top of their priority list.

The barriers to electrification can be daunting for businesses, just as the barriers to launching and implementing a new fleet-electrification program can be for utilities. Here are some of the challenges we've seen businesses face as they consider electrifying their fleet vehicles:

- Motivation, awareness, information, and knowledge gaps
- Lack of vehicle model, class, and application availability
- Insufficient distribution and service channels
- No understanding of EV charging requirements
- No understanding of make-ready needs (such as panel or service upgrades, line extensions)
- No workforce training for drivers, mechanics, or electricians
- Limited industry normalizing and socializing of EVs and electrification
- Limited information about EV-specific rates, incentives, and impacts to energy spend

We need to change the narrative from viewing the utility as roadblock to fleet electrification (an unflattering look, but one that large fleets and automotive manufacturers are now painting broadly) to viewing the utility as enabler of electrification.

To do this, utilities need to really consider and quickly act on the following five areas. Pick one or two areas to start working on now, and then let us know what you're doing and how we can support you.

Consider overall business customer relationships and satisfaction

Many utility business customers are already reporting dips in overall satisfaction with utilities following COVID-19. To help your business customers view your utility as a trusted energy partner, you need to support and enable their fleet-electrification efforts.

Include fleet electrification in your marketing, outreach, and education efforts

Business customers lack awareness of electrification technologies, vehicle models, charging needs, and financial incentive availability. Through outreach efforts, you can help increase awareness and provide customers with unbiased information so they feel confident in knowing:

- Which EVs are best for their needs
- How fleet electrification will affect their energy bill
- Which state and federal funds are available to them

Southern California Edison's Charge Ready Transport Program is a great example of customer outreach and technical services.

Find your friendly fleets

No matter what your service territory looks like—from urban to rural and everything in between—you can find first movers on electrification. And they aren't always the usual suspects.

Small local businesses can be just as interested in EVs as large multinational companies. But small businesses are less likely to have the financial and technical resources to make fleet electrification happen.

Get creative with your outreach and education and marketing campaigns to find these interested customers and get them into your program's marketing funnel. Attend fleet-focused events, host ride-and-drive events in your community, and show up to local chamber of commerce events to present on fleet-electrification opportunities and benefits.

As just one example, utilities in Florida are reportedly hosting a statewide fleet ride-and-drive event to help identify early adopters.

Case study: Forecasting the EV market to accelerate fleet electrification

E Source helped a Texas-based utility assess the range of fleets in its service territory using the E Source EV Forecast Database. The utility reviewed each fleet based on the types of vehicles and ranked the fleets' likelihood of electrification.

Using E Source data, the utility can now confidently direct its resources, proactively engage with the fleets, determine future infrastructure needs, and potentially offer beneficial incentives. The utility has jump-started its strategy and saved invaluable time and budget.

Read the case study

Create a fleet-electrification advisory service

In the past, utilities have played a responsive role when it comes to electrification. This approach can discourage customers from moving forward with fleet electrification because they don't know how to work with your utility to make it happen (such as waiting months or years for a line extension or service upgrade).

E Source can help you get started with creating a proactive fleet-electrification advisory service—like reviewing RFPs or qualified product lists for programs. Contact us today to learn how we can help.

Electrify your utility fleet and coordinate with your programs team

It's easier to convince business customers to electrify their fleets when you've already done so. It's also easier to understand fleet needs and the latest challenges and opportunities when you're working closely with fleet operators and managers.

Of all the fleets we talk with—including some from the leading utilities in the US and Canada when it comes to investing in transportation electrification—none are coordinating between programs and operations.

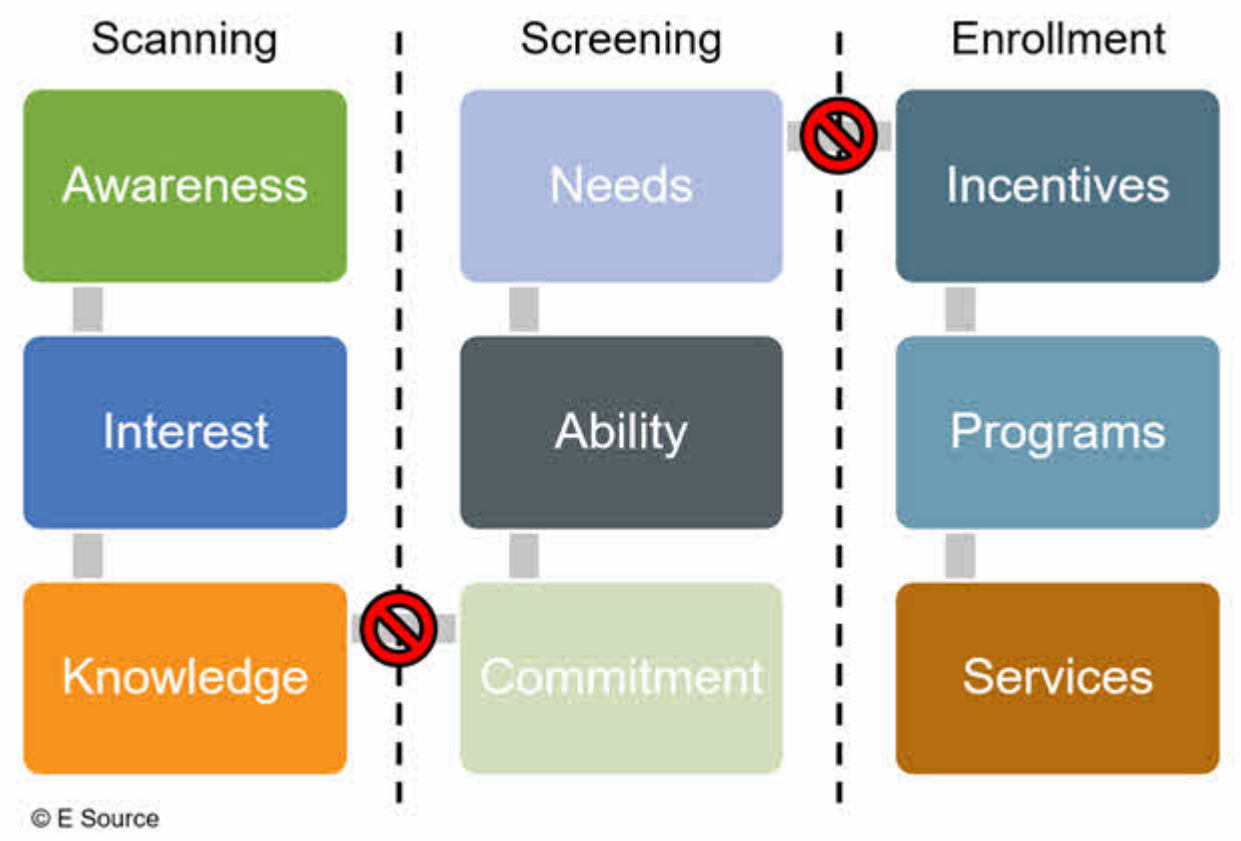
The next steps in electrification

Fleet electrification is a huge topic, but we have plenty of materials ready for you to explore. Read our

blog post Sustainable utility matters: Taking charge of transportation electrification to explore the challenges and opportunities that come with rolling out transportation electrification plans and EV supply equipment.

Members of the E Source Distributed Energy Resource Strategy Service can read our report How to use EV charging data to make a great transportation electrification plan. In the report we discuss how to use EV load data, equipment characteristics, and market research to accurately quantify the impact of EVs on the grid.

And stay tuned for an upcoming series of reports focusing on how to find fleets to electrify, assess their needs, and effectively design your programs. We'll be introducing a roadmap for how utilities can get started with fleet-electrification programs, from identifying the right fleets to electrify and assessing their specific needs to guiding program design that meets those needs.



© 2008 - 2026 E Source Companies LLC. All rights reserved.
Distribution outside subscribing organizations limited by license.