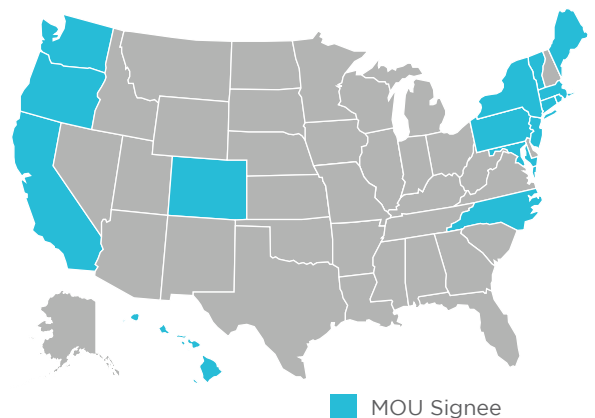


15 States Sign Joint Commitment to Accelerate the Deployment of Medium- and Heavy-Duty Vehicles

Brief: On July 14, 2020, 15 states and the District of Columbia announced a joint memorandum of understanding (MOU), committing to work collaboratively to advance and accelerate the market for electric medium- and heavy-duty (MD/HD) vehicles. The goal is to ensure that 100% of all new MD/HD vehicle sales will be zero-emission vehicles (ZEVs) by 2050.

MEMORANDUM COMMITMENTS

- States will work together to foster a self-sustaining market for MD/HD ZEVs through the existing Multi-State ZEV Task Force, which serves as a forum for state coordination, collaboration and information sharing on market-enabling actions, research, and technology developments.
- Within six months, the Task Force will develop a multi-state action plan to identify barriers and propose solutions to support widespread electrification of MD/HD vehicles (e.g., incentives, infrastructure, outreach, and utility actions).
- The MOU also identifies an interim target of making 30% of all new MD/HD vehicle sales ZEVs by 2030.



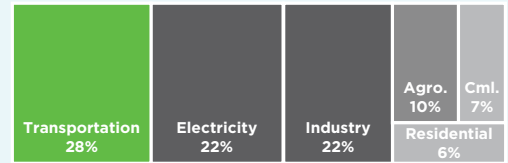
Vehicle types include large pickup trucks and vans, delivery trucks, box trucks and transit buses, and long-haul delivery trucks.



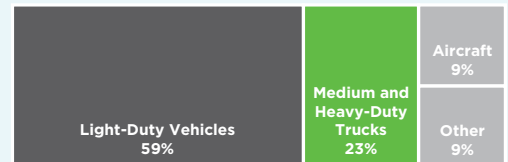
GREENHOUSE GAS (GHG) REDUCTIONS

- The MOU selected a high-value target for GHG reductions in medium- and heavy-duty (MD/HD) vehicles:
 - Transportation is the only major source of carbon dioxide that has increased significantly over the last 50 years.
 - MD/HD vehicles only account for 4% of the vehicles on the road, but they contribute to nearly 25% of transportation's GHG emissions.
 - MD/HD vehicles are often part of fleets operated by governments and corporations. Both entities are facing increasing pressure from constituents and stockholders to reduce their carbon footprint.
 - Fleets also operate on predictable duty cycles, making fleet-sizing easier, and are stored centrally, simplifying charging infrastructure requirements through depots.

2018 U.S. GHG Emissions by Sector



2018 U.S. Transportation GHG Emissions by Source



Source: U.S. EPA



IMPLICATIONS FOR UTILITIES

- Utilities that operate within MOU states should proactively prepare for infrastructure upgrades, which often require long lead times, that will be needed to meet charging demand.
- Utilities will need to work collaboratively with public agencies, fleet operators, equipment manufacturers, and others to effectively electrify the MD/HD sector.
- Utilities that operate outside of an MOU state can still drive decarbonization through their own incentives within their service territory.
- If utilities decarbonize their generation mix, it will amplify the impact of electrification.

Charging Infrastructure Needs Grow Exponentially with Number of MD/HD EVs



Facility Load:
Typical
Warehouse



Facility Load
+
100 MD EVs
(100 kWh)



Facility Load
+
100 MD EVs
(100 kWh)
+
30 HD EVs
(400 kWh)

250 kW → 1.5 MW → 3.0 MW

Source: Duke Energy

Contact ScottMadden today!

Connect with an EV expert today and accelerate your firm's ability to anticipate and adapt to changes in the market.



404.814.0020



scottmadden.com



info@scottmadden.com