

Why now is the time for businesses to switch their fleet to electric ?



For fleet owners and operators, making the switch from diesel to electric vehicles means understanding a whole new ecosystem, from installing charging points to dealing with range ability and managing power demand. But there are benefits to making the switch, and making it earlier than your competitors. We consider why now is the ideal time to start considering your electric future.

In brief

- Government net zero targets across Europe mean there is increasing pressure on fleet owners to transition – and businesses can reap the total cost of ownership benefits of electric vehicles.
- Charging infrastructure for commercial fleets is not yet well developed, but Fleete will build infrastructure where organisations need it to ensure vehicles can be recharged when necessary.
- Fleete's smart technology platform allows operators to efficiently manage their power demand so it is available where most needed, for the cheapest price, and uses green energy wherever possible.

Transport is going through change at a pace not seen since the internal combustion engine revolutionised our journeys at the end of the 19th century. With Europe looking to introduce a world-leading standard for reducing emissions levels in heavy-duty vehicles^[1] and the UK considering laws to make clean air a fundamental human right^[2], actions we take during the next few years will be crucial in helping us reach net zero by 2050.

"The entire ecosystem – vehicles, fuel, supply chain, driver knowledge – needs to be rebuilt from an electricity point of view. It's huge, but it is not insurmountable"

Daniel Bentham
Chief Executive Officer, Fleete

"At the heart of the drive to meet lower carbon commitments is the adoption of electric vehicles (EVs) – and commercial fleets are no exception" says Daniel Bentham, CEO of Fleete, which has been created to support commercial fleets – from delivery vans to articulated lorries, refuse trucks and buses – transition to EVs.

Although Bentham is excited by the electric potential, he appreciates the challenges fleet operators face in making the shift from his 18 years' experience in the low-carbon energy sector.

'The charging infrastructure for commercial fleet space is not well developed yet,' he says. 'These vehicles are larger, more expensive, and they need bigger batteries. The infrastructure that supports them is also larger, more complex and more expensive. And, the journeys made by fleets – carrying goods and people – tend to be more challenging than those made by passenger vehicles. Added to that is the need to transition fast enough to meet our carbon emissions targets.'

Electric ecosystem expertise

Europe's new heavy-duty CO₂ standards, if approved, would set a 100 per cent zero-emission target for city buses for 2030, and a 90 per cent CO₂ reduction target for trucks for 2040. The UK government has pledged to end the sale of all new, non-zero emission road vehicles by 2040, which includes motorcycles, buses and HGVs.^[3]

However, in the UK, only 5.9 per cent of all new light commercial vehicles were electric in 2022, leading some organisations, such as the Society of Motor Manufacturers and Traders, to call for more action to deliver van-suitable charging infrastructure to encourage more drivers to make the switch in 2023.^[4]

This is where Fleete's turnkey solution of financing, building, operating and maintaining fleet charging infrastructure, along with its technology platform and bespoke consultancy services, ensures fleet operators can make the transition in a managed, efficient and optimised manner.

'At Fleete, we have the expertise to make the transition as smooth and easy as possible,' says Bentham. 'We will work with chief financial officers, fleet owners and drivers to build, operate and maintain the electric charging infrastructure that commercial fleets need – be it at their own depots, at dedicated fleet charging hubs or at additional chargepoints on the highway. We are also a technology business. Our digital technology platform brings these different ecosystems together, allowing us to optimise them from a cost and carbon perspective.'

Counting the carbon cost

As the world begins to swap its carbon-intensive transport management infrastructure to an intelligent, sustainable model that offers insights on energy use and efficiencies, this oversight becomes even more critical.

Being able to charge vehicles on site will be a new capability for most fleet operators, but it comes with other considerations such as from where the electricity is purchased (is it green?) and how much it costs. Smart charging can go a long way to lowering the costs of moving to an EV fleet, for example by reducing the cost of the charging by ensuring the vehicles are charged efficiently at times when electricity is cheapest or when

renewable energy is available. Precise management of energy flows ensures the system can cope: EVs can have their charging demand increased or decreased depending on other calls on the grid; or even feed their stored green energy back into the grid, helping to ensure a smooth and consistent supply for all. All these elements need planning and control through smart digital platforms.

'This will all be done dynamically with our tech platform,' says Bentham. 'We make the statement that we will capture every low-cost, low-carbon electron available and put that into vehicles and then turn everything off as and when the fossil fuels come back on.'

Fleet operators will have different concerns – costs, carbon, electricity capacity. Fleete's holistic approach offers a variety of service levels from engineering and maintenance to technology and advisory. It provides your business with a fully funded option for electrification that is bespoke to your requirements and will accelerate your transition into an electric vehicle ecosystem.

Summary

Bentham believes the key thing is to 'start now, even if it's making small steps, to develop your understanding and trust in your partnerships.' The push factors – why we need to make this shift – are the environmental, social and governance (ESG) reasons. They work alongside the pull factor of a cost benefit because EVs are cheaper to run and maintain in the long term.

'We will support you to transition as quickly as suits you, to get total cost of ownership benefits, meet your ESG ambitions, and be well ahead of the impending targets for ending the sale of non-zero emission vehicles. Through a 10 or 15-year partnership, we will help you gradually scale up and transition your fleet across in manageable stages, at a pace that is right for you.'

Article references

- [1] Parliament.uk. Available at: <https://bills.parliament.uk/bills/3161> (Accessed: July 31, 2023).
- [2] Irles, S. (2023) Europe's new heavy-duty CO2 standards, explained, International Council on Clean Transportation. Available at: <https://theicct.org/eu-co2-hdv-standards-explained-feb23/> (Accessed: July 31, 2023).
- [3] New van registrations fall in 2022 as market looks towards net zero rebuild (2023) SMMT. Available at: <https://www.smmt.co.uk/2023/01/new-van-registrations-fall-in-2022-as-market-looks-towards-net-zero-rebuild/> (Accessed: July 31, 2023).
- [4] Transport for London and Mott MacDonald, E. J. ULEZ expansion 2023, Transport for London. Available at: <https://tfl.gov.uk/modes/driving/ultra-low-emission-zone/ulez-expansion-2023> (Accessed: July 31, 2023).

How Fleete can help

At Fleete, we have the expertise to make the transition to electric vehicles as easy, efficient and economical as possible. Our bespoke Charging-as-a-Service solution is tailored to your requirements. We take care of the whole process of design, installation, intelligent management, operations and financing of your EV charging infrastructure, ensuring it is incorporated into your organisation's operations smoothly and effectively, and with no upfront costs. Charging technology is rapidly evolving and investment in these assets could leave your business tied to an outdated investment decision. Our flexible model allows hardware to be updated over time as new advances in charging technology emerge, protecting your company's future needs. Whether you're an early adopter or just at the beginning of your journey, we have all of your electric fleet needs covered. To learn more about our solutions, get in touch with our experts to discuss your fleet-charging infrastructure needs.



Architectural render of an EV charging hub in the UK

Our mission is to empower businesses to achieve a fully electric fleet. Get in touch to learn more about our EV fleet charging solutions.



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