
EV

Accelerating fleet procurement and
collaborative leadership

THE CLIMATE GROUP

This is part of
THE CLEAN REVOLUTION

THE CLIMATE GROUP'S EV PROGRAM: 2011 ACCOMPLISHMENTS

DIRECTOR'S MESSAGE

2011 is set to be a critical year in the development of electric vehicles (EVs). While we are a long way from going truly mass-market, this year will see important steps taken towards developing infrastructure and increasing the number of EVs on the road - allowing more people to see and experience the Clean Revolution that EVs will bring to our society.

In a little over three months this year there have already been some very significant announcements. None more so than in China, where EVs were identified as one of seven strategic emerging industries in the 12th Five Year Plan and allocated a massive US\$15.2 billion in government funding until 2015.

In Europe, ambition levels are rising rapidly. Little more than a week ago, the EU Commission announced as part of its Transport 2050 White Paper, its intention to have no more oil-fueled cars running in cities by 2050. The plan involves putting in place strict interim targets to halve their use in cities by 2030. This is a bold vision which I welcome; it will transform the market, as nobody will want a combustion engine car that has such restrictions applied to it.

On the infrastructure front, the UK has begun installing some of the 9,000 charge points which are to be fitted under a government scheme by 2013, joining other programs that are up and running in Germany, the US, France, China, Portugal and Japan, among others. We need to share our learnings on this to speed up policies that work at the lowest cost to public and private purses, and I hope The Climate Group can help here in the coming months.

We are also seeing increasing progress on vehicle design and production. India is one of the largest future EV markets, and manufacturer Reva is planning to build a plant in Bangalore this year that will produce 30,000 EVs a year. At January's Detroit Auto Show, 11 car manufacturers featured EVs on their stands. In the UK, just two weeks ago, dealerships got their hands on the first Nissan Leafs available on British high streets. Real consumers giving real feedback on real vehicles represents an exciting moment in time.

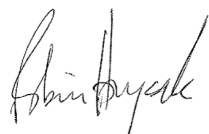
In 2011, The Climate Group has already made progress on a number of fronts. In the US, we have made important steps with regards to fleets, holding a fleet electrification roundtable in partnership with the Electrification Coalition. This event has laid the foundation for a purchasing coalition. In the UK, our analysis of the UK fleet market is now underway. We are also working with Australian state governments to see what is achievable on fleets and to determine what the most productive focus will be.

We have been extending our outreach to potential EV program partners and are currently holding promising discussions with members and non members of The Climate Group. For example on the fleet work within the UK, our partners will be TNT, The Energy Savings Trust (UK), CENEX and The City of London.

The year is an important one for our EV20 program and I am delighted that we are laying the foundations for turning the words of 2010 into the actions of 2011.

Robin Haycock

Head of Transport, The Climate Group



US FLEET ELECTRIFICATION ROUNDTABLE

On February 24, The Climate Group, in partnership with the Electrification Coalition, hosted a closed door roundtable on fleet electrification in New York City.

Thirty-four organizations from across the EV value chain attended, including public and private fleet managers, vehicle manufacturers, utilities and financiers. Discussions focused on both the opportunities and the challenges associated with incorporating EVs into corporate and government fleets.

The participants explored ways to facilitate a swifter adoption of EVs in fleets through innovative financing solutions, infrastructure solutions and bulk purchasing arrangements.

Among others, the meeting heard from GE, who have recently committed to purchasing 25,000 EVs by 2015, as well as from TNT, who are one of the leading organizations behind the DC-TEC purchasing coalition operating in the Netherlands.

Both The Climate Group and the Electrification Coalition will now work with attendees to identify a set of common issues that a consortium can address. This will involve developing a more detailed framework for advancing the financing and structural discussions, as well as looking at next steps in setting up a consortium to facilitate a bulk purchase of vehicles in the US.

UK FLEET ANALYSIS UNDERWAY

The Climate Group is undertaking an analysis of the UK fleet market and the substantial opportunities for EV deployment within that, supported by the Esmée Fairbairn Foundation.

With fleet and corporate sales making up a large proportion of all new car registrations in the British Isles, this segment has huge potential to lead in developing a wider EV market.

The funding will underpin continued outreach to the main players in the fleet market, allow assessments of the biggest fleets in terms of their suitability for EVs, develop a total cost of ownership analysis as well as substantiating the additional benefits EVs are likely to bring.

The funding will also support our review of existing models for the collaborative fleet acquisition of EVs underway in France and the Netherlands. This work will provide an important evidence base, informing our ultimate aim of convening a UK fleet purchasing initiative.

DEVELOPING WORK AND OPPORTUNITIES

The Climate Group is looking into a feasibility study on the potential benefits of electrical storage technologies and battery reuse modeling that will provide rapid charging hubs for fleet EVs. We aim to develop a model of the value streams and identify the storage technologies, control systems and charging options to accompany them. We also propose to design a technology trial, as well as develop a case study and establish a group of project partners.

We are working with consultants Future Transport Systems and a number of The Climate Group's members in putting together this study. This is an important business opportunity linking to fleets, renewables, grid intermittency and rapid charging.

Looking beyond the simple total cost of ownership into more complex business solutions is one of the ways we will see businesses take up these great new technologies and become part of the Clean Revolution.

BEST PRACTICE AND POLICY

The Climate Group is in discussions with other international organizations working on EVs to establish links that allow us to jointly pool experiences, knowledge and best practice from different initiatives for the benefit for all stakeholders involved – including our EV program members. It's early days and the talks are progressing, but it's an important area and part of our EV plans.



EV20 MEMBERS

Corporations:

Better Place
Deutsche Bank
Johnson Controls, Inc.
PSA Peugeot Citroën
Smith Electric Vehicles
TNT

Governments:

Basque Country
Bavaria
Principality of Monaco
New York State
North Rhine-Westphalia
Québec
South Australia
Victoria

SUPPORTERS

We are grateful for the early support for the EV20 initiative from the HSBC Climate Partnership and the Dutch Postcode Lottery.



The EV20 benefits from the support of the Prince Albert II of Monaco Foundation. www.fpa2.com



ABOUT THE CLIMATE GROUP

The Climate Group is an independent, not-for-profit organization working internationally with government and business leaders to advance the smart policies, technologies and finance needed to cut global emissions and unlock a clean industrial revolution. Our global coalition of companies, states, regions and cities around the world recognizes the economic and environmental imperatives of taking decisive action now. The Climate Group was founded in 2004 and has operations in Australia, China, Europe, India and North America.

www.theclimategroup.org

CONTACT DETAILS

Robin Haycock

Head of Transport, The Climate Group

rhaycock@theclimategroup.org

