Fleet Advisor Services

For Medium- and Heavy-Duty Zero-Emission Vehicles

Fleet advisor services offered by states help fleet managers and owner-operators transition medium- and heavy-duty (MHD) vehicles in their fleets to zero-emission models. While these programs offer a range of services, they generally provide personalized technical expertise to help fleet managers understand their options, assess cost-effectiveness, and plan for the deployment of zero-emission vehicles (ZEVs) and charging infrastructure.

There are currently three comprehensive fleet advisor programs offered to truck and bus fleets by states: Mass Fleet Advisor, Cal Fleet Advisor, and New Jersey Fleet Advisor. This fact sheet explores the reasons for offering these programs, program funding, key design choices, such as eligibility and scope of services, and ways to increase participation.

Why Offer Fleet Advisor Services?

Integrating ZEVs into a fleet requires careful consideration of available vehicle models, appropriate duty-cycles, total cost of ownership, charging infrastructure needs, financial incentive programs, and several other factors. These considerations may seem overwhelming for fleet managers that are unfamiliar with zero-emission technologies, particularly for small fleets that lack the time, resources, and in-house expertise needed to integrate ZEVs into their operations. Therefore, in addition to financial incentives, fleet managers sometimes need technical assistance to bridge this knowledge gap to deploy ZEVs in their fleets.

When discussing the reason for developing fleet advisor programs, state agency staff cite the high rate of MHD ZEV incentive applicants that withdraw applications or never use reserved incentives because they lack access to technical expertise and assistance. Offering fleet advisor services complements MHD ZEV incentive programs by increasing fleet participation and smoothing the transition for fleets interested in electrification.

Program Funding and Administration

Mass Fleet Advisor, launched in 2022 by the Massachusetts Clean Energy Center (MassCEC), is being conducted in two phases. During the first phase, currently underway, the program is conducting assessments and developing reports on vehicle electrification options for up to 200 fleets. During the second phase, the program will provide procurement assistance for up to 75 fleets that participated in the first phase. Mass Fleet Advisor was initially funded with MassCEC general funds, which come from an electric ratepayer surcharge. In 2023, the Massachusetts legislature awarded funding to MassCEC from the American Rescue Plan Act recovery funds, which was used to expand the program.

The California Air Resources Board (CARB) launched Cal Fleet Advisor in 2023. Unlike the other state programs, there is no set cap on the number of fleets that can be assisted through the program and no official sunset date. The program is funded through the California Climate Investment funds, which consists of revenue from California's carbon cap-and-trade and low carbon fuel standard programs.

The newest program, New Jersey Fleet Advisor, offered by the New Jersey Department

of Environmental Protection (DEP) and launched in 2024, will run for three years and assist up to 15 fleets in the first year. The program is funded with revenue from the Regional Greenhouse Gas Initiative auctions.

All three programs are offered at no financial cost to participating fleets and are run by a third-party administrator, CALSTART. State agencies opted for third-party administration due to a lack of available internal resources and expertise. New Jersey DEP notes that the added benefit of a third-party administrator is the perceived credibility it gives the program.

Eligible Fleets

One of the key design choices for a fleet advisor program is to determine which fleets will be eligible for the program. Eligibility criteria can be based on fleet size, vehicle type, geographic location, or fleet owner characteristics, among others.

Cal Fleet Advisor excludes school bus fleets because they are covered under a separate program. Otherwise, the program does not set restrictions on eligibility by truck type or weight class. State agency staff noted that all fleets need assistance with the transition to ZEVs, so it is important to ensure broad access to the support provided under the Cal Fleet Advisor program.

In Massachusetts, National Grid and Eversource, two electric utilities, offer fleet advisor services to public fleets within their territory. Fleets that are eligible for these utility programs are ineligible for Mass Fleet Advisor. MassCEC further requires that fleets have at least three vehicles to be eligible to participate, although only one of them needs to be a MHD vehicle.

New Jersey Fleet Advisor takes a more targeted approach aimed at supporting small fleets. In the program's first year, only fleets with 20 or fewer vehicles are eligible. In the second year, the program includes fleets with up to 50 vehicles due to challenges with recruiting participants among small fleets. New Jersey DEP is targeting small fleets, which often do not have the personnel to conduct their own transition plans or the financial resources to hire a consultant for these types of services. New Jersey DEP noted that imposing too many restrictions on fleet eligibility can contribute to challenges with fleet recruitment and participation in fleet adviser programs.

Scope of Services

Generally, a fleet advisor program should serve as a technical resource for MHD fleets interested in ZEVs, but the extent of those services is a key design choice for the implementing agency. The three existing state programs share some commonalities in how they provide technical assistance to participating fleets. Fleets are assigned a technical advisor, who works with the fleet manager to gather information on existing vehicles in the fleet, including vehicle type, routes, duty cycles, and operations. The technical advisor then prepares a customized report covering elements such as ZEV models that match the fleet's needs, their estimated total cost of ownership, vehicle charging options, available funding assistance, resources utilities offer to assist in MHD ZEV deployment, and general information about ZEVs. If the fleet is interested, the reports can also provide a realistic timeline for full fleet electrification, with considerations for permitting, procurement, and other factors impacting deployment.

Mass Fleet Advisor and New Jersey Fleet Advisor additionally offer in-person site visits to assess the electrical capacity at the fleet's facility, allowing for in-depth recommendations related to facility upgrades

and charging infrastructure. Overall, these two programs provide more in-depth consulting services than Cal Fleet Advisor and can therefore provide more individualized recommendations. The tradeoff is that these programs are more costly on a per-fleet basis.

Conversely, Cal Fleet Advisor is a fleet-directed concierge-type service. Fleets can select different levels of service, from having simple questions answered by an advisor, to receiving a more in-depth report as described above; assistance is tailored based on what a fleet says it needs. The result is that Cal Fleet Advisor can assist more fleets for a given amount of funding than the other two programs but provides less in-depth assistance to some participants.

Both approaches have merit, and states will need to consider their overall goals to determine which approach makes the most sense for their technical assistance program.

Marketing To Increase Participation

A common challenge for fleet advisor programs is recruiting fleets to participate. There are several reasons why programs may see low participation rates, including fleets being unaware of the program, wariness of free services, distrust of government programs, and lack of interest in ZEVs. Agencies implementing these programs have sought to overcome participation challenges in a variety of ways.

MassCEC and CARB have both set aside budgets to hire marketing firms to help with messaging and outreach. MassCEC also hired a former fleet manager to advise staff on effective ways to message the benefits of the program to fleets. Clear messaging that participation in the program does not obligate fleets to purchase ZEVs has been effective in recruiting fleets to participate. One of the benefits of setting aside funding to conduct

marketing is that it allows program administrators to target specific types of fleets (e.g., drayage) or locations (e.g., disadvantaged communities).

The program administrator of Cal Fleet Advisor notes that ride-and-drives are one of the best ways to engage fleets because fleet managers are generally pleased with vehicle performance when they get behind the wheel of a ZEV. Ports are especially effective locations for ride-and-drive events because it is convenient and easy for the multiple fleets that operate at port facilities to participate.

Implementing agencies, along with their program administrators, have also taken opportunities to present information about their fleet advisor programs at conferences and other locations that enabled contact with large numbers of fleets, such as ports, distribution facilities, and trade group events. One program reports that fleet managers are more willing to talk to a third-party program administrator who is perceived as a neutral messenger, with no involvement in the implementation of state regulations that require the sale of MHD ZEVs.

Directing fleets to the programs through clean cities coordinators and when they apply for state MHD ZEV purchase incentives are two additional strategies state fleet advisor programs employ to increase participation.

Program Outcomes So Far

As of October 2024, Cal Fleet Advisor had assisted over 750 fleets. Of those fleets, 39% participate in drayage, 50% contain ten vehicles or fewer, and 10% contain 11-20 vehicles.

As of December 2024, Mass Fleet Advisor had enrolled 62 fleets. Participating fleets include colleges and universities, non-profits, skilled trades, and fleets with sustainability goals,

and assistance has mostly been for medium-duty vehicles (Class 2b-6), rather than heavy-duty (Class 7 and 8).

As of December 2024, New Jersey Fleet Advisor had served 10 fleets. Participating fleets included municipalities, electrical contractors, delivery van operators, emergency medical services, paratransit, and shuttle service providers.

Informal feedback from fleets participating in the programs has been largely positive. Fleets in Massachusetts and New Jersey are generally welcoming and even excited about the site assessments.

Conclusion

Fleet advisor programs are proving to be a key complementary resource to improve the effectiveness of MHD ZEV incentive programs. The individualized reports offered through fleet advisor programs provide fleets with the information they need to make informed decisions about whether ZEVs could work for them and how ZEVs could be integrated into their operations.

Participation remains a challenge for fleet advisor programs, but strategies are emerging to better engage fleets. As states think about how best to rapidly ramp up the deployment of MHD ZEVs, they should consider fleet advisor programs as a valuable complement to vehicle and infrastructure incentive programs.

State Programs

The links below provide more information about the fleet advisor programs discussed in this fact sheet.

Cal Fleet Advisor provides a concierge-type service to fleets that are looking to deploy MHD ZEVs, ranging from answering simple questions to developing a comprehensive report.

Mass Fleet Advisor provides a comprehensive technical advisory service to fleets that are interested in deploying MHD ZEVs, including an electrification plan tailored to a fleet's needs.

New Jersey Fleet Advisor provides a comprehensive service to fleets that are interested in deploying MHD ZEVs, including a customized vehicle electrification roadmap.