



# **GMA | TRUCKING**

## ***2024 Request for Information (RFI) Summary***

# In Q3 2024, GMA Trucking issued a Request for Information (RFI) for zero emission trucking attributes and operations

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## *2024 RFI details*

Date	Q3 2024
Purpose	The RFI was launched to inform and refine the GMA Trucking RFP for zero emission trucking service attributes. The RFP was released in December of 2024 with winning bids expected to be announced in the summer of 2025.
Respondents	Trucking carriers and operators that can provide class 8 freight and parcel transportation services
Content	The RFI included questions regarding: <ul style="list-style-type: none"><li>- Current ZE truck operations and perspectives</li><li>- Hydrogen, renewable energy, and infrastructure familiarity</li><li>- Attribute deal duration and payment</li><li>- Potential volume</li><li>- Sustainability</li></ul>

*The following slides summarize some of the key findings from the RFI – note, not all information is shared to respect confidentiality of respondents*

# The RFI received responses from carriers across the US that span different sizes and maturity levels

## RFI submission types and volume



### Large, existing carriers

Carriers that operate across multiple regions of the US and have hundreds or thousands of vehicles under ownership

**(25%)**



### Small, existing carriers

Carriers that have fewer assets and focused on specific state or metro area

**(50%)\***



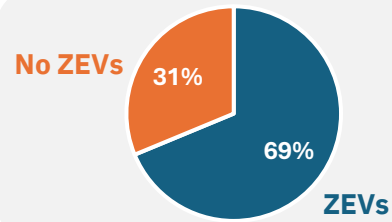
### New entrant carriers

Carriers that have entered the market in last 2-3 years, specifically offering ZEV services

**(25%)**

Several existing carriers were aggregated by broker, who facilitated their RFI submission

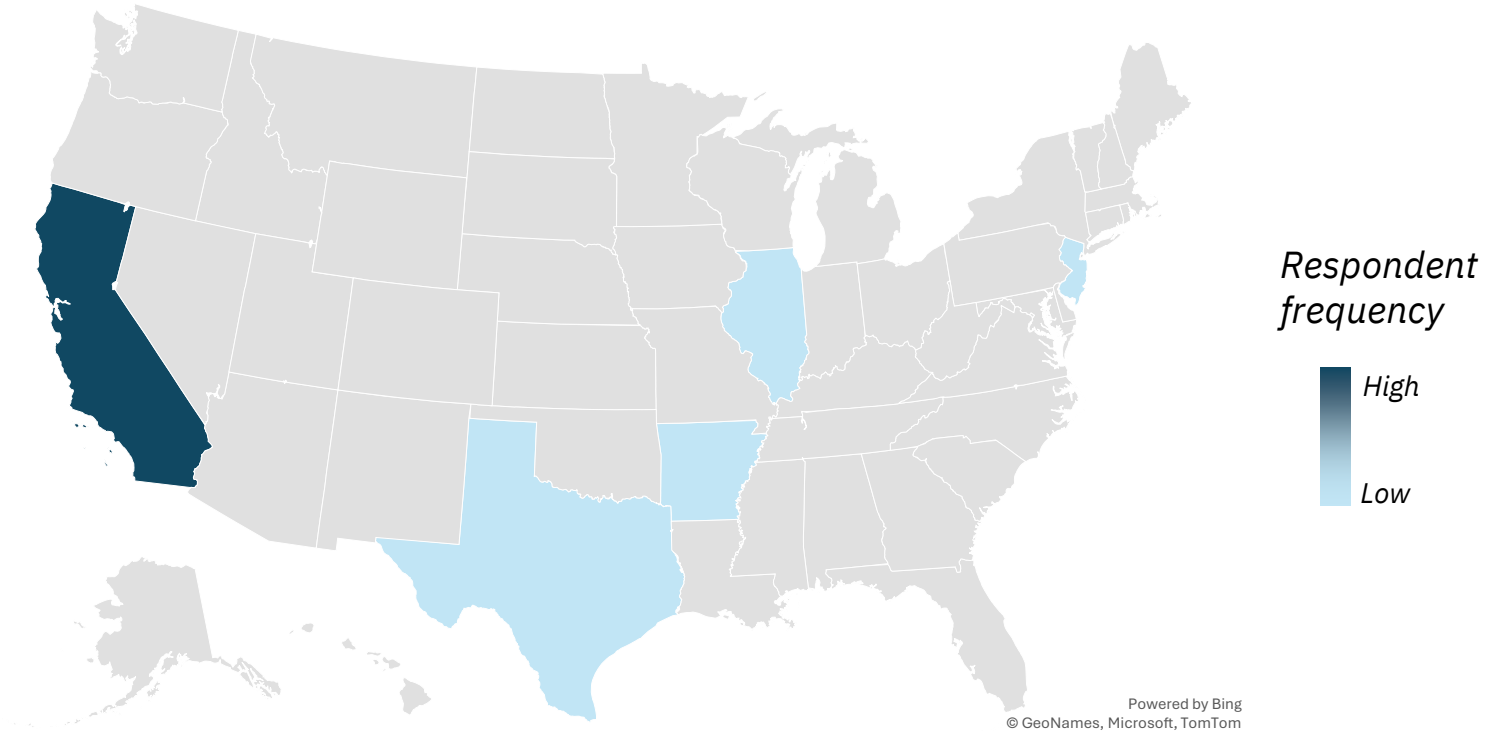
# Two thirds of respondents currently have ZEVs in their fleet, but the vast majority are concentrated in California



## Percent (%) carriers respondents with ZEVs currently

67% of carriers that responded already have heavy duty ZEVs in their fleet, including all large, existing fleets and new entrants

## Relative distribution of existing ZEV deployments

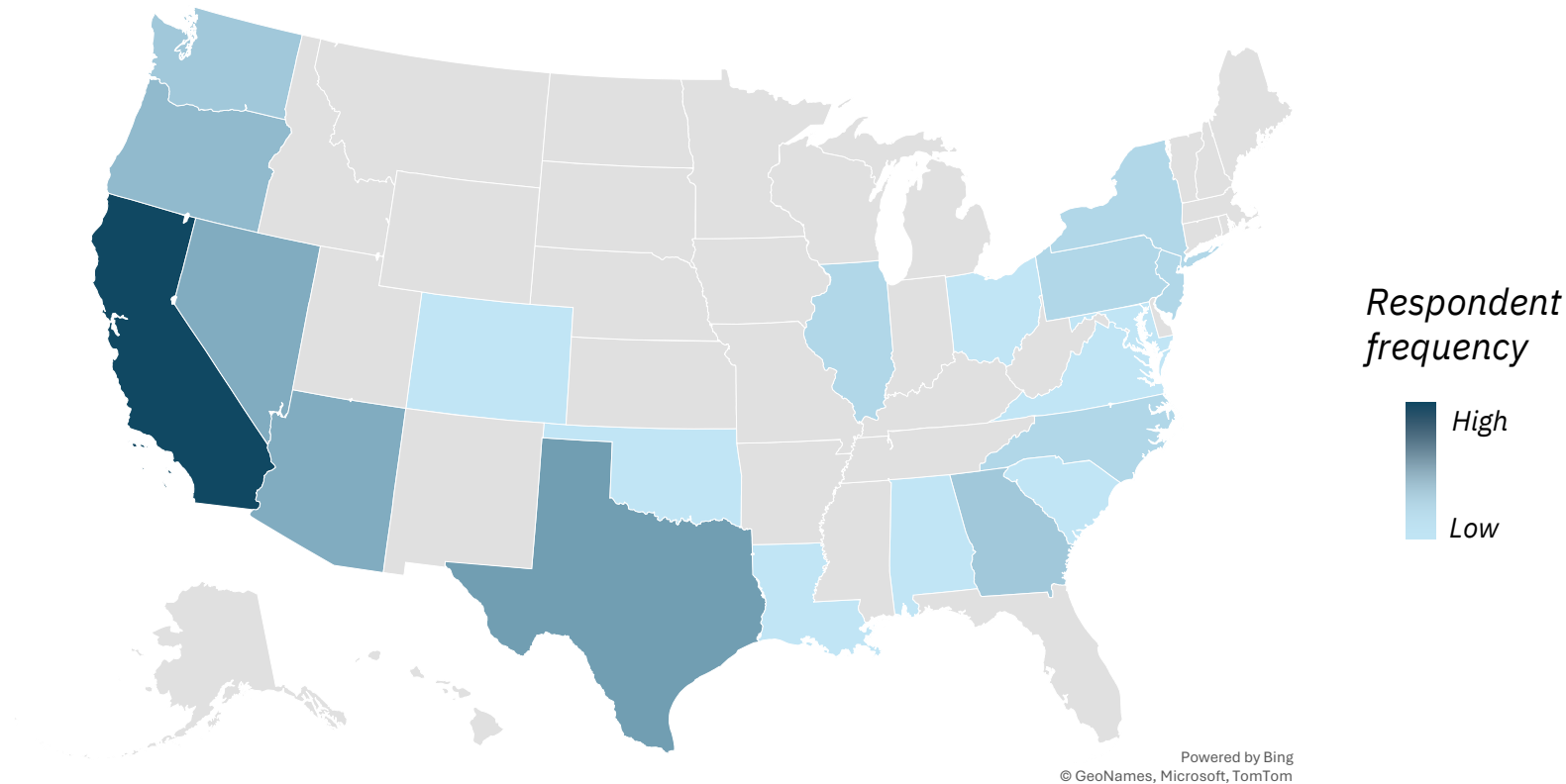


## Takeaways

- The majority of companies that have ZEVs in operations today are deploying them in California
- Additional funding, regulations, and customer demands are needed to expand deployment beyond CA

# But carriers are targeting more states for future ZEV deployment, demonstrating the impact GMA's demand signal could have through book and claim

## Relative distribution of target ZEV deployments

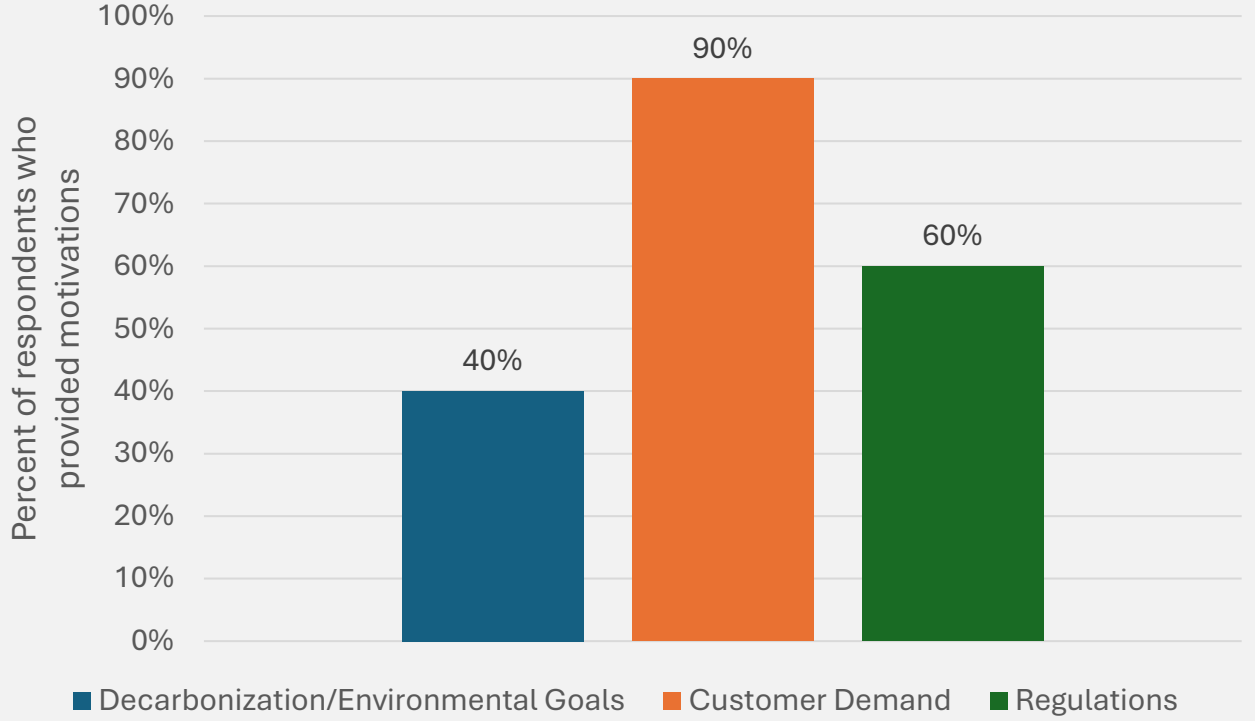


## Takeaways

- There are more states and regions of the US that carriers are looking to deploy ZEVs to, but where regulatory and demand environment has not been as conducive to-date
- GMA Trucking has opportunity to help incentivize this expansion beyond CA, into states such as AZ, NV, TX, SC, NJ and others

# More carriers cited customer demand and regulations as the motivation for ZEV deployment rather than their own emissions reduction targets

Carrier Motivation for ZEV Deployment



### Takeaways

- The carrier's own decarbonization goals and environmental impact played a **lower role** across respondents than other factors
- High motivation from customer demand may make the communication and implementation of measures to avoid double counting difficult, as the physical customers will not be able to realize benefits from the use of ZEVs selling attributes through indirect book and claim system

# Half of respondents with ZEVs noted that they are under / not fully utilized; this demonstrates an opportunity for faster sale of attributes if members are interested

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## Fully utilized

- **50% of carriers** with ZEVs said they are **fully utilized** currently
- However, in discussions with them, several noted that they may be operating at a loss and not charging customers the full premium



## Under utilized

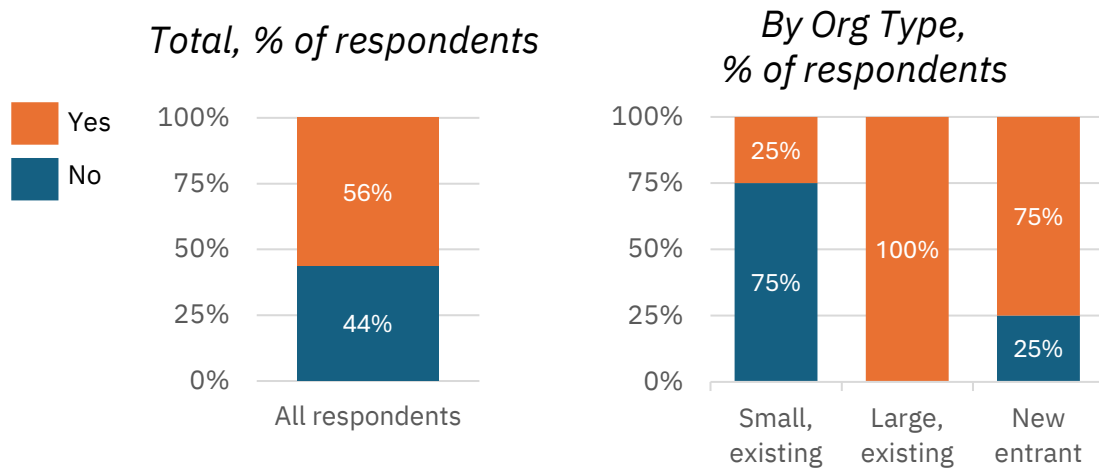
- **50% of carriers** with ZEVs said they are **under utilized** currently
- This is typically due to inability to find routes technically feasible for those customers interested in paying the premium
- There are EVs sitting in parking lots not operating

## Takeaways

- There are ZEV vehicles purchased and deployed today that could sell attributes to GMA members, leading to increased utilization in many cases
- GMA Trucking should determine if these vehicles are eligible in the first procurement

# Experience procuring charging infrastructure and renewable energy (RE) is most common among large, existing carriers and new entrants, but limited among smaller carriers

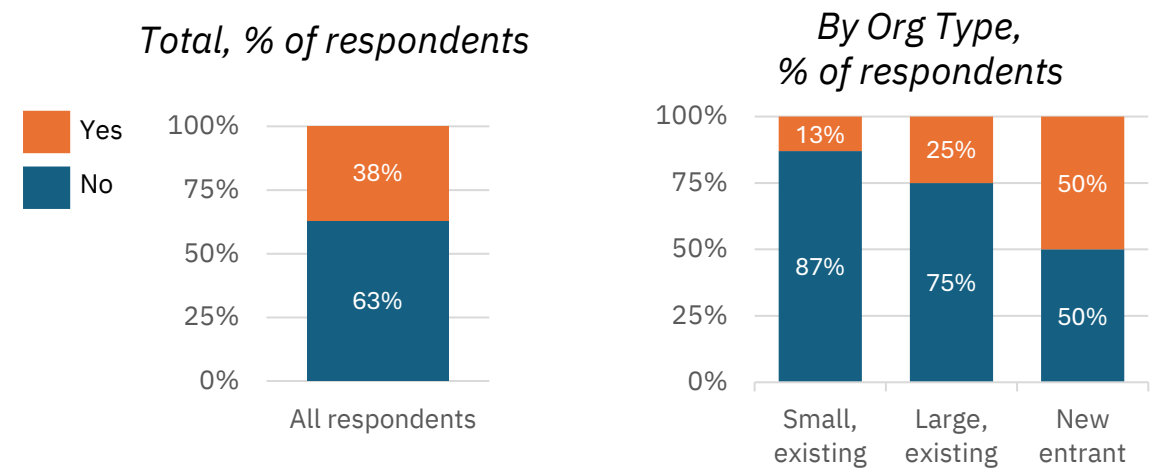
## Experience procuring charging



### Takeaways

- Almost half of carriers do not have experience procuring and installing chargers (mostly small, existing fleets), which could increase lead time or require partnering with infrastructure providers
- Safeguards or additional levels of assurance on charging plan should be provided by RFP respondents, especially those offering to procure new chargers

## Experience procuring RE



### Takeaways

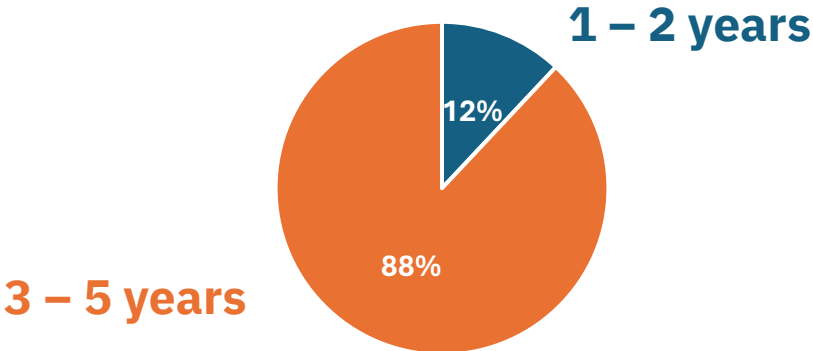
- More than two thirds of carriers do not have RE experience; asking them to buy RE could be a challenge
- GMA Trucking should provide resources to help facilitate RE procurement



# Most carriers conclude that 3 to 5-year contracts are preferable, and are open to considering a fixed price model or attribute sales

## Contract Length

*% of respondents willing to consider*

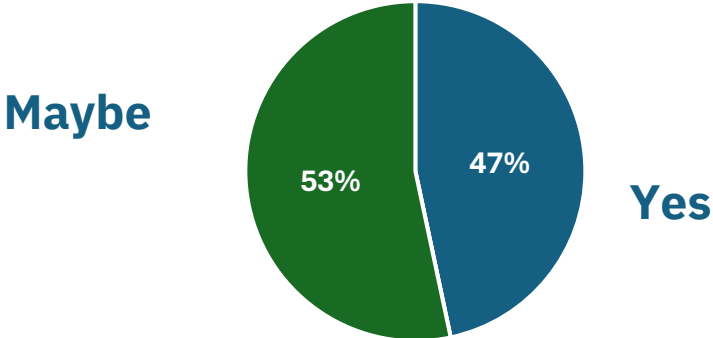


### Takeaways

- Most carriers would be open to contract duration matching member preference for 3-4 years max
- As expected, several noted that pricing would decrease with longer contracts as asset cost is amortized over longer period of use

## Fixed attribute pricing

*% of respondents*



### Takeaways

- No respondents said they would not consider fixed pricing for a multi-year contract
- Fixed contracts could limit complexity and variability of cost, but may lead carriers to take conservative assumptions in providing cost estimates