

## Procurement Process

### Introduction

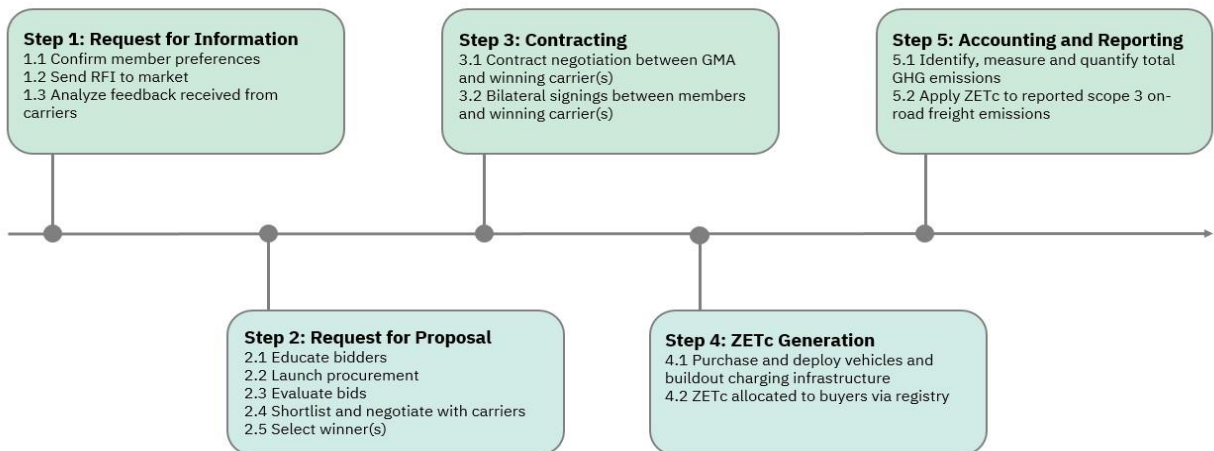
In GMA Trucking, the procurement process involves the activities taken in the lead up to, during, and in support of the generation and transfer of zero-emission trucking certificates (ZETc). ZETc are generated by the winning carrier(s), which is the company physically operating the zero-emission vehicles (ZEVs), and are sold to participating GMA Trucking members to address their trucking activity emissions.

Much of the work involved in the procurement process is conducted by GMA Trucking on behalf of members of the buyers alliance, with member input and preferences guiding the process throughout. This provides member companies with an easy, credible pathway to identify and act on opportunities to address their on-road freight emissions. Additionally, the buyers alliance offers the ability to secure preferential terms and contract structures with the winning carrier(s) by leveraging the economies of scale unlocked through aggregating demand.

GMA Trucking may refine its eligibility criteria, contracting, procurement structure and other factors, but the overarching process will follow a consistent structure comprised of five phases, each with distinct components: 1) request for information, 2) request for proposal, 3) contracting, 4) ZETc generation and transfer, and 5) accounting and reporting. Details on each phase and its stages are outlined below.

#### Procurement Process

The five phases of the procurement process are: 1) request for information, 2) request for proposal, 3) contracting, and 4) ZETc generation, and 5) accounting and reporting.



## The Five Procurement Steps

### 1. Request for Information (RFI)

Successful procurements require both an assessment of the heavy-duty trucking market and a clear picture of members' buying priorities. This ensures that bids received from carriers meet member preferences in addition to a set of minimum requirements.

#### *1.1 Pre-request Planning*

Prior to going to market, the GMA Trucking team will speak with members to understand what they hope to achieve from the procurement. This may include preferences or restrictions on specific routes or geographies, vehicle types, or stricter renewable electricity criteria. Members will also be asked to provide an informed estimate of their demand volume and preferential commercial structure.

#### *1.2 RFI Launch*

After collecting and synthesizing members' preferences, the GMA Trucking team will formulate and send a request for information to the market. The RFI will assess if carriers will be able to meet members' preferences and demand and gather information to inform procurement structure.

#### *1.3 RFI Analysis*

The final step of the RFI phase is to analyze the feedback received from carriers. If the market response indicates that members' preferences cannot be satisfied at the volume desired, further discussions and analysis will take place to determine what may be achievable.

### 2. Request for Proposal (RFP)

The second step in the procurement process is soliciting bids from potential carriers. The formal tender will be shaped by the information gathered during the RFI phase, with the goal of attracting responses that satisfy member preferences and demand. Following evaluation and a shortlisting process, the winning carrier(s) will be selected.

#### *2.1 Carrier and Market Education*

GMA Trucking team invests time and resources to educate the market to ensure that carriers, charging point operators, and other stakeholders are aware of and understand the procurement process. This may include individual calls, webinars, and guidance documents to inform potential respondents about the process and ask, as well as to answer, any questions.

## **2.2 Procurement Launch**

A formal request for bids will be launched. Carriers will have several months to work with infrastructure providers, OEMs, and other partners to prepare bids for consideration.

## **2.3 Bid Evaluation**

At the end of the solicitation period, the GMA Trucking team will conduct a thorough evaluation of bids received, following up with carriers as needed to clarify any questions that arise during review. GMA is committed to adhering to all antitrust regulations, best practices, and confidentiality agreements, and is sensitive with how data is shared and discussed within the program.

## **2.4 Shortlisting**

Bids will be shortlisted to the top contenders. The GMA Trucking team will use this time to engage in further conversations with finalists and conduct due diligence.

## **2.5 Winner Selection**

The winning carrier(s) will be selected and announced.

## **3. Contracting**

During the contracting phase, GMA Trucking develops a template contract for use by all participating members, with commercial terms held consistent across buyers.

### **3.1 Template Contract**

Throughout the drafting process, the GMA Trucking team will solicit feedback from both the winning carrier(s) and buyers to maintain as much consistency as possible. The end result will be a template contract with commercial options that benefit members while also incentivizing the carrier(s).

### **3.2 Contract Execution**

Once negotiations have concluded, GMA Trucking will provide participating members with a template contract for use in bilateral signings with the winning carrier(s). At this stage, members may choose to negotiate additional components based on their company's specific preferences. Further negotiation by members should be limited to non-commercial terms, such as, but not limited to, confidentiality, communications, liability, and others.

## **4. ZETc Generation**

With contracts signed and executed, the winning carrier(s) will deploy the vehicles, build the necessary charging infrastructure, and complete any pre-deployment logistics necessary. ZEVs

will then conduct shipping services and issue ZETc on the digital registry, which will then be allocated and transferred to participating members.

#### **4.1 Deployment**

With vehicles acquired and charging infrastructure in place, the winning carrier(s) will deploy ZEVs on the pre-determined routes.

#### **4.2 ZETc Allocation**

On a recurring basis, ZETc generated from deployed ZEVs will be distributed to members based on their contracted volumes. This process will occur via a registry. ZETc will continue to be allocated until the end of the contract term. GMA may play a role in facilitating the accurate allocation of ZETc across participating buyers.

### **5. Accounting and Reporting**

ZETc purchased by members can be accounted for and reported within their greenhouse gas (GHG) inventories and may be applied toward emissions reduction targets, subject to the requirements of the relevant reporting framework.

#### **5.1 GHG Accounting**

As part of ongoing emissions management, members should identify, measure, and quantify their total GHG emissions, including those associated with their on-road freight operations. While accounting and reporting are the final steps, companies may want to identify their eligible trucking emissions early to determine how many ZETc they may want to procure. Members may choose to refer to standards such as the [Advanced and Indirect Mitigation \(AIM\) Platform's Standard and Guidance](#), and/or [Smart Freight Centre's Market Based Measures \(MBM\) Framework](#) for guidance on the use of market-based instruments and scope 3 accounting. While the [Greenhouse Gas Protocol's Corporate Value Chain \(Scope 3\) Standard](#) does not currently recognize market-based measures, members are encouraged to monitor GHG Protocol development, including those from its Actions and Market Instruments technical working group, as the Standard evolves to address such instruments. GMA Trucking will also provide or identify additional guidance on accounting for ZETc in accordance with these broader standards.

#### **5.2 Reporting**

ZETc function as a market-based instrument. As members receive ZETc from the registry, they can apply them to their scope 3 on-road freight emissions, reducing their reported footprint. Buyers with targets set under the Science Based Targets initiative (SBTi) can refer

to the [Corporate Net-Zero Standard V2.0](#) for clarification on how to apply indirect mitigation approaches towards their scope 3 targets.

## **The Pilot and Future Procurements**

GMA Trucking's pilot procurement ran from late-2024 to mid-2025 and resulted in the largest known deployment of Class 8 battery-electric trucks in the state of Texas. Guided by members' preferences, the pilot was exclusively focused on the procurement of ZETc. Looking ahead, GMA Trucking is looking to expand on this model by combining book and claim with physical demand for zero-emission trucking services to increase volume and impact. The newness of this concept and model may change some components of the procurement process.

## **Conclusion**

The GMA Trucking procurement process is designed to make accessing zero-emission trucking certificates as straightforward as possible for members. By managing the complexity of market engagement, carrier evaluation, and contract negotiation on members' behalf, GMA Trucking removes significant barriers that individual companies may otherwise face in procuring ZETc on their own.

Ultimately, the procurement process serves as the foundation upon which members can credibly and efficiently address their on-road freight emissions, contributing to their climate goals while supporting the transition to a cleaner, zero-emission freight sector.