Vehicle procurements creates market demand for green vehicles and fuels!

Eva Sunnerstedt
Clean Vehicles in Stockholm

What is a clean vehicle?

- Electric
- Plug-in Hybrid-electric
- > 50 % Biogas
- Ethanol - E85/ED95
- Fossil fuelled cars
  < 95 g CO_2 tailpipe/km

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Clean Vehicle Strategy

- Local authorities are key players to start a market development
- Use your procurement power
- Introduce step-by-step
- A long term perspective is necessary
- Incentives are very helpful
- Subsidies and tax relieves may be needed initially

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1) Start with heavy vehicle fleets

- limited number of filling stations
- large environmental impact
- possible to exchange a whole fleet in only a few years

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2) Demand clean vehicles in the city fleet

The Stockholm City council has decided:

- All new vehicles that are bought to the city fleet in Stockholm should be clean
- 100 % clean vehicles in the city fleet
- 85 % clean fuel in city fleet
- 20 % (50 %) new clean cars sold in the Stockholm Region 2015
- 10 % new clean heavy trucks by 2015
- 16 % (50 %) biofuels by 2015

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3) Demand clean transport in ALL procurements where transport services is included

Private companies working for the City for example:

- Public transport
- Waste collection
- Taxis
- Courier service
- Internal mail service
- Disabled transport
- School transports
- Sick transports
- Security services
- Moving
- Goods distribution

Procurement of fuels

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Vehicle procurements

- Electric cars and vans 1996-1998
- Ethanol (E85) cars 1998-2000
- Clean cars in general 2001 **(repeated many times)**
- Ethanol vans 2005-2007
- Electric and Plug-in-hybrid electric cars and vans 2010-2011

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National Swedish EV Procurement

- 400 organisations are partners/buyers
  - 340 public
  - 60 private

Make sure that EVs come to Sweden fast

- Push the development towards a
- cleaner and more quiet vehicle fleet

Make it possible to buy/lease EVs and PHEVs under the best conditions

- Simple and secure way to buy/lease EVs and PHEVs
- For public organisations: save time and money since the process in done coordinated instead on individually

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Phase 1, 14 Producers applied for participation
Last day to sign on: 2011.02.01

1. Chevrolet Sverige AB
2. Citroën Sverige AB
3. Ford Motor Company AB
4. IVECO Sweden AB
5. K.W. Bruun Autoimport AB (Peugeot)
6. Mercedes-Benz Sverige AB
7. Mitsubishi Motor Sales Sweden AB
8. Nissan Nordic Europe Oy
9. Opel Sverige AB
10. Renault Nordic AB
11. SAAB Automobile AB
12. Tesla Motors Denmark
13. Think Global AS
14. Vantage/Avancee HB

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Evaluation - Phase 1

1. Chevrolet Sverige AB
2. Citroën Sverige AB
3. Ford Motor Company AB
4. IVECO Sweden AB
5. K.W. Bruun Autoimport AB (Peugeot)
6. Mercedes-Benz Sverige AB
7. Mitsubishi Motor Sales Sweden AB
8. Nissan Nordic Europe Oy
9. Opel Sverige AB
10. Renault Nordic AB
11. SAAB Automobile AB
12. ~~Tesla Motors Denmark~~
13. ~~Think Global AS~~
14. Vantage/Avancee HB

Tesla – incomplete application
Think – lack of financial stability

Did not apply for participation:
Volvo
Toyota
EV Adapt
Hybricon

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Phase 2: Excepted applicants receive the call for tender incl. the vehicle specification 2011.03.18 Last day to send in the tender: 2011.04.28

10 tenders were received:

Goal: At least 8 tenders

1. Chevrolet Sverige AB
2. Citroën Sverige AB
3. IVECO Sweden AB
4. K.W. Bruun Autoimport AB (Peugeot)
5. Mercedes-Benz Sverige AB
6. Mitsubishi Motor Sales Sweden AB
7. Opel Sverige AB
8. Renault Nordic AB
9. SAAB Automobile AB
10. Vantage/Avancee HB

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Evaluation - Phase 2

1. Chevrolet Sverige AB
2. Citroën Sverige AB
3. ~~IVECO Sweden AB~~
4. ~~K.W. Bruun Autoimport AB (Peugeot)~~
5. ~~Mercedes-Benz Sverige AB~~
6. Mitsubishi Motor Sales Sweden AB
7. ~~Opel Sverige AB~~
8. Renault Nordic AB
9. SAAB Automobile AB
10. Vantage/Avancee HB

Iveco – top speed only 70 km/h

Peugeot – missing information on cost of service

Mercedes – top speed only 80 km/h

Opel – missing information on cost of service

Did not send in a tender:

Ford

Nissan

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RESULT:
6 vehicle suppliers: 6 passenger cars and 3 transport vehicles

Passenger cars

Chevrolet Volt (PHEV)

Citroën C Zero

Mitsubish iMiEV

Renault Fluence

Saab 9-3 ePower

Vantage SUV

Transport vehicles

Renault Kangoo Express ZE

Vantage Minivan

Vantage Pick-up

The suppliers may include new models later on

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RESULT:
4 vehicle suppliers: 6 passenger cars and 3 transport vehicles

Passenger cars

~~**Chevrolet Volt** (PHEV)~~

Citroën C Zero

Mitsubish iMiEV + Outlander

Renault Zoe

~~**Saab 9-3 ePower**~~

~~**Vantage SUV**~~

Transport vehicles

Renault Kangoo Express ZE + Maxi 2 and 5

~~**Vantage Minivan**~~

~~**Vantage Pick-up**~~

Citroen Berlingo Electric

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About the contracts

Start of the contracts : October 1, 2011

Time frame of the contracts: 2 + 1 + 1 year

How to purchase/lease the vehicles:

Public organisations:

•Ask all contracted suppliers for an offer (5 kap. 7§ LOU)

•Instructions available

Private organisations

•May chose to buy/lease directly for any of the contracted suppliers

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Lessons from the procurement

- More simple and easy to buy and lease EVs
  - Many smaller municipalities had not done their own procurement
  - Good to cooperate with others

- The two step approach turned out right
  - For the vehicles suppliers it was good with a first qualification step

- First frame work agreement for vehicle with a renewed qualification at the purchase moment
  - Turned out more simple than expected due to good guidelines

- Difficult for the car industry to follow the tendering process
  - Many disqualified bids due to poor knowledge
  - The information could have been even better
  - Some of the criteria's could have been more flexible

- Safety is important for the buyers

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EVs and PHEVs are now in operation all over Sweden!

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Results from the procurement

In total almost 1 000 vehicles delivered

- 50 EVs in a test fleet
- 850 vehicles delivered in nov 2014

Almost 500 vehicles have participated in the evaluation

Until Oct 2015 these 500 vehicles had driven 7 million electric km in total

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Biogas vehicles

- 340 Buses: Regional procurement
- 260 Heavy trucks (over 150 are waste collectors): City procurement requirement
- 14.300 light duty vehicles
  - Taxi: Regional/City procurement requirement
    Arlanda's clean taxi priority
  - Company vehicles: City procurement requirement
    Internal/customer driven policy
  - Fringe benefit cars: Company Tax incentives
  - Municipal fleet: Local procurement
  - Privat citizens Environmental awareness/incentives

CITIES are Key players

	City	Central gov	Industry
Big local fleet owner	☑		
Fuel producer	☑		☑
Fuel infrastructure	☑		☑
Tax incentives	(☑)	☑	
Local Incentives	☑		
Transport buyer	☑		
Independent info	☑	☑	

Thanks!

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