

Claiming the \$100 Billion Prize with Electric Vehicles

By Michael Shepard

June 2, 2016

Electric vehicles (EVs) are the greatest strategic opportunity for utilities since the lightbulb. As I explain in [The \\$100B Prize: Why EVs Are the Opportunity of the Century for Utilities](#)—the first installment of my recent five-part series in Utility Dive—EVs could increase annual US electric utility revenues by 25 percent, or roughly \$100 billion, while putting downward pressure on rates. This shift could save drivers \$300 billion a year and substantially reduce carbon emissions. That’s a Grand Prix prize for an industry suffering from flat revenues and rising costs.

And fortunately, a whole slew of current policy and market conditions are creating an ideal environment for EVs to thrive. But the opportunity could be fleeting. In part two of the series ([Why the Time for Utilities to Promote EVs Is Now—and Why the Moment Could Quickly Fade](#)), I caution that the window for propelling EVs into mass-market acceptance could close if utilities don’t act soon. Utilities can consider a variety of tactics as they seize this opportunity.



Driving my Chevrolet Volt is more fun than skiing through deep powder on a bluebird day in Colorado's high country. Well, maybe not that fun. But it's definitely the best ride I've ever had. All the EV drivers I know feel the same way. The problem is, most consumers barely know these cars exist. As the third installment ([Got EVs? Why Utilities Should Promote Electric Vehicles to Consumers](#)) details, utilities are starting to do more to boost public awareness of electric cars and their many benefits through creative advertising and other means.

Utilities might believe that if they can raise consumer interest in EVs, they can leave the rest to the auto industry. Not so. Automakers are conflicted about EVs, whose growth cannibalizes the market for petroleum-fueled vehicles. For this and other reasons, car dealers do a lousy job of selling electric vehicles.

As I document in [How Utilities Can Help Auto Companies Sell EVs](#)—the fourth part of the series—there are several approaches to educate and motivate auto dealers to sell more EVs. And the group purchase model discussed in the final installment ([How Group Purchasing Programs Can Supercharge EV Sales](#)) is proving wildly successful, boosting EV sales four- to tenfold in some communities.

If you have or want to create programs to boost EV adoption, we'd love to hear from you. Drop us an email or leave a comment below. With EVs, utilities have a green light to supercharge their business. Plus, the consumer, public policy, and environmental benefits are plentiful—and the cars are fun! Drive on!