

FAST COMPANY



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Electric Cars Aren't The Future Of Car Sharing—Yet

Even though the services seem tailor-made for the cars, barriers abound—barriers that also offer lessons into why most people don't have EVs in their driveways, either.



On the surface, carsharing services seem like an ideal place for electric cars: They let people test out the vehicles without committing to buying them, carsharing users often take short trips that work well with electric vehicles' limited range, and the cars are always parked after each trip at a spot outfitted with a dedicated charging station.

The reality is a little more complicated, despite the proliferation of EVs in carsharing fleets--and in carsharing services that only feature EVs, like [BMW's DriveNow program](#) in San Francisco.

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City CarShare, a popular nonprofit carsharing service in the Bay Area, has taken the plunge with both battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEV). But CEO Rick Hutchinson told us at the recent Meeting of the Minds conference that the organization isn't offering EVs for use because they're cost-effective; they're offering them to increase awareness--something City CarShare can do because it's a nonprofit. So why don't EVs make sense for all carsharing services?

City CarShare has a long history of offering EVs--the service's first electric cars became available in 2003 (City CarShare was founded in 2001), when it conducted a pilot study of six vehicles. It didn't pan out, obviously; modern EV technology was in its infancy then.

Now City CarShare has 20 EVs in its fleet of over 400 vehicles (two of the EVs are older conversions), with even more set to be added this year. So far, says Hutchinson, people are more comfortable with the PHEVs than the BEVs. "There's no range anxiety. If people forget to plug in, they can still run [the car] on a hybrid engine."

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Unfortunately, the numbers just don't work at this point--in other words, City CarShare won't become electric-only any time soon. "Our model isn't built on ever making money on these vehicles," says Hutchinson. EVs are still expensive, insurance is pricey (the service buys separate insurance for the vehicles and the batteries), and it costs money to install infrastructure for charging. The \$7,500 federal EV tax credit also doesn't apply to City CarShare because it's a nonprofit. That last point might make EVs slightly more attractive to for-profit carsharing services like Zipcar.

Another disadvantage to EVs: They take time to charge. That means City CarShare has to block off extra time between vehicle reservations to allow the vehicles to juice up, just in case someone decides to take a long trip without realizing that EVs have limited range. But, says Hutchinson, "Except for one or two people that have taken off, we haven't had anyone stranded on the road. As we learn more, we'll probably shorten those blocks or remove them."

Despite these drawbacks, carsharing organizations--nonprofit and for-profit alike--seem to be enthusiastic about EVs. It was no accident that Zipcar's CEO drove up to a conference in San Diego this week in an EV. And even if EVs don't reap big returns, having easy access to them could be invaluable to drivers who are skeptical of their utility.