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**UPS SWITCHES ON SMART GRID IN LONDON TO SUPER-CHARGE ELECTRIC DELIVERY FLEET**

*Cutting Edge Deployment of Advanced Technology Vehicle & Charging Signals Shift Away from Reliance on Combustion Engine*

**LONDON, March 19th, 2018** – A [UPS](https://www.ups.com/) (NYSE:UPS) led consortium has deployed a radical new charging technology in London that overcomes the challenge of simultaneously recharging an entire fleet of electric vehicles (EVs) without the need for the expensive upgrade to the power supply grid. The breakthrough signals the beginning of the end of a reliance upon traditional combustion engine powered vehicles by allowing UPS to increase the number of EVs operating from its central London site from the current limit of 65 to all 170 trucks based there. This major advance – believed to be the first time these systems have been deployed at this scale anywhere in the world – is the result of the ‘Smart Electric Urban Logistics (SEUL)’ project with UK Power Networks and Cross River Partnership, with funding secured from the UK’s Office for Low Emission Vehicles.

“UPS thinks this is a world first, right in the heart of a mega-city. We are using new technology to work around some big obstacles to electric vehicle deployment, heralding a new generation of sustainable urban delivery services both here in London and in other major cities around the world,” said Peter Harris, director of sustainability, UPS Europe. “Electric vehicles are an integral component within UPS’s alternative fuel and advanced technology fleet. Our collaboration with UK Power Networks and Cross River Partnership marks a major turning point in the cost effective deployment of electric vehicles which in turn will play a key role in ensuring the global trend toward urbanization is sustainable. We are applying new technology to make the charging process smarter and our delivery service cleaner.”

As a result of this initiative, combined with the advances the company announced just [last month in reducing the cost of electric vehicles](https://pressroom.ups.com/pressroom/ContentDetailsViewer.page?ConceptType=PressReleases&id=1519225541368-230), UPS believes the day is rapidly drawing closer when the acquisition costs to put an electric vehicle on the road, including those associated with getting power to the vehicle, will be lower than the equivalent costs of its diesel counterpart. This development will be instrumental in enabling electric vehicles to be deployed at scale in the world’s cities which is an essential component of tackling the air quality challenges in these urban environments.

“This trailblazing solution has enabled UPS to increase their electric vehicle fleet without upgrading their network connection, paving the way for future electrification of delivery vehicles in our cities,” said Ian Smyth of UK Power Networks Services. “We are delighted to work with UPS and our other partners to design, deliver and operate this sustainable smart-grid solution. This project will deliver a huge impact on improving the air quality for Londoners and contribute to UPS’s legacy of sustainability.”

A key part of this initiative is the use of onsite energy storage batteries. Although new batteries have been deployed at this stage, it is envisaged that in the future these could be second-life batteries that have already been used in a UPS EV. Together with the smart-grid, this will pave the way toward a UPS EV infrastructure strategy that can dynamically make use of a conventional power upgrade, a smart grid, onsite storage, and in many cases, local power generation including solar and other alternative sources.

“Our previous work on electric freight vehicles has shown that local grid infrastructure constraints are one of the main barriers to their large-scale uptake,” said Tanja Dalle-Muenchmeyer, programme manager electric freight at Cross River Partnership. “We need to find smarter solutions to electric vehicle charging if we want to benefit from the significant air quality and environmental benefits these vehicles offer, and we believe this is such a solution.”

UPS has a long history with EVs, having first introduced them into its fleet in the 1930s, and, reintroduced modern EVs in 2001. Currently, UPS has more than 300 electric vehicles and nearly 700 hybrid electric vehicles deployed in Europe and the U.S. The company recently ordered 125 new fully-electric Semi tractors to be built by Tesla in 2019, one of the largest pre-orders to date. Additionally, last September, UPS announced it will become the first commercial customer in the U.S. to start using three medium-duty electric trucks from Daimler Trucks Fuso brand, called the eCanter.

Notes to Editor

These initiatives will help UPS attain its goal of one in four new vehicles purchased by 2020 being an alternative fuel or advanced technology vehicle. The company also has pledged to obtain 25 percent of the electricity it consumes from renewable energy sources by 2025 and replace 40 percent of all ground fuel with sources other than conventional gasoline and diesel, an increase from 19.6 percent in 2016.

UPS operates one of the largest private alternative fuel and advanced technology fleets in the U.S. Now at more than 9,000 vehicles worldwide, the fleet includes all-electric, hybrid electric, hydraulic hybrid, ethanol, compressed natural gas (CNG), liquefied natural gas (LNG) and propane.

*Addressing the Charging Challenge*

Recharging a fleet of electric vehicles can be extremely expensive as it often requires upgrades to the external power grid, an option not attractive to most businesses or operators. This system will allow UPS to increase the number of EVs operating from the central London site from the current limit of 65 to all 170 trucks stationed there -- without the need for such upgrades. This is achieved with a smart-grid which uses a central server which is connected to each EV charge post as well as the grid power supply and the on-site energy storage.

The system adopts an “intelligent” approach to charging by spreading this throughout the night so that the building can use the power it needs to run the business of logistics (lights, sortation machinery and IT) and ensure that all EVs are fully charged by the time they are needed in the morning, but at the same time never exceed the maximum power available from the grid.

As a result of this project and the learning that comes with the related investments, UPS can now tailor the lowest cost approach building by building and determine how best to adopt and charge a fully electric fleet. This will be accomplished by combining a variety of solutions including conventional power grid upgrade, smart grid, on-site energy storage with batteries and local power generation (using, for example, solar energy generated on facility roof tops).

For more information on UPS's sustainability initiatives, please visit [www.ups.com/sustainability](http://www.ups.com/sustainability).

**About UPS**

UPS (NYSE: UPS) is a global leader in logistics, offering a broad range of solutions including transporting packages and freight; facilitating international trade, and deploying advanced technology to more efficiently manage the world of business. UPS is committed to operating more sustainably – for customers, the environment and the communities we serve around the world. Learn more about our efforts at [ups.com/sustainability](http://www.ups.com/sustainability). Headquartered in Atlanta, UPS serves more than 220 countries and territories worldwide. The company can be found on the web at [ups.com](http://www.ups.com) and its corporate blog can be found at [longitudes.ups.com](http://longitudes.ups.com). To get UPS news direct, follow [@UPS\_News](https://twitter.com/UPS_News) on Twitter.

**About UK Power Networks Services**

UK Power Networks Services finances, designs, develops, delivers and manages safe and sustainable power systems and multi-utility networks for owners of major infrastructure and is the commercial division of UK Power Networks.

We serve important clients in both the public and private sector, including EdF (Hinkley Point C), the four major London airports, the High Speed 1 rail network, Network Rail, London Underground, Ministry of Defence, Docklands Light Railway and Canary Wharf. UK Power Networks Services are at the forefront of the integration of renewable innovative energy systems, changing electricity demand and the digitisation of distribution networks. Our clients require smarter, better managed and versatile systems to meet the demands imposed by their financial and operational drivers. Our team utilises Distribution Energy Resources to assist business’ in dealing with their energy challenges.

**About Cross River Partnership**

Cross River Partnership (CRP) is central London’s largest public-private partnership and has been delivering regeneration projects in the capital since 1994. Over the last 23 years CRP has worked to support sustainable growth across London, developing and delivering innovative pilot projects with, and for our partners, including 19 Business Improvement Districts, local authorities and public service providers such as Transport for London and the Greater London Authority. Improving air quality is one of CRP’s four overall objectives. CRP has co-ordinated the 4.5-year [FREVUE](http://www.frevue.eu/) project during which 80 fully electric vans and trucks were deployed across eight European cities. For more information please see [www.crossriverpartnership.org](http://www.crossriverpartnership.org).