



Memorandum

TO: Joint Budget Committee, Senate Transportation Committee, and House Transportation & Energy Committee

FROM: Tony Gherardini, Executive Director, Department of Personnel & Administration

DATE: November 1, 2025

RE: State Fleet Vehicle Acquisition Report - Fiscal Year 2024-25

This *State Fleet Vehicle Acquisitions* Report is submitted pursuant to 24-30-1104 (2)(c)(II), C.R.S. and 24-30-1104 (2)(c)(V), C.R.S. This report highlights the Department of Personnel & Administration (Department) efforts to increase Alternative Fuel Vehicles (AFV) in the State Fleet. This effort is supported by state agencies, policies, and statute.

Colorado statute directs the Department to “adopt a policy to significantly increase the utilization of alternative fuels and that establishes increasing utilization objectives for each following year.” 24-30-1104 (2)(c)(II), C.R.S. requires the Department to purchase plug-in hybrid electric vehicles (PHEV), battery electric vehicles (BEV), compressed natural gas vehicles (CNG), or other alternative fuel vehicles “...if either the increased base cost or the increased life-cycle cost of the vehicle is not more than 10% over the cost of a comparable dedicated petroleum fuel vehicle.” If the cost of the AFV exceeds the 10% threshold, the Department will recommend to the assigned agency the most applicable AFV based on model availability and fueling infrastructure.

The State Fleet Management program (SFM) collaborates with each agency to maximize the use of AFVs in the state fleet and to ensure each new vehicle performs adequately in the field. In the event that an agency cannot adopt any available AFV option, the agency





executive director must submit documentation articulating the need for a non-AFV, dedicated petroleum fuel vehicle. This documentation is reviewed by the Department, the Colorado Energy Office (CEO), and a State Fleet Sub Council.

Summary of Fiscal Year 2024-25 Vehicle Acquisitions

SFM works with state agencies, local governments, and the private sector to identify and purchase vehicles that are responsive to agency needs while still focusing on new, innovative vehicle solutions that support statewide AFV goals. The following summary highlights these efforts.

Data Driven Solutions

To support the efficient and effective use of state fleet vehicles including AFVs, SFM implemented a multi year phase-in of telematics technology for state fleet vehicles. Telematics allows state fleet managers to monitor vehicle usage and make vehicle assignments that reduce costs and maximize use. As of FY 2024-25, over 80% of all state fleet vehicles have telematics installed with the remaining 20% of state fleet vehicles being subject to a security waiver. The significant deployment of telematics has enabled the State to complete large scale analytical efforts, including a state fleet study in FY 2024-25.

Telematics also supports 811 EVs, 733 state-operated charging ports, and one of the first and most robust state fleet home charging networks in the nation. None of this would have been possible without the strong leadership and support for the underpinning technology deployed by the State of Colorado. However, telematics also highlights the continued need to expand EV charging infrastructure as well as ongoing change management for state fleet managers and state employees operating EVs. This is discussed in more detail below.





Battery Electric & Plug-In Hybrid Electric Vehicles

The State of Colorado is a leader in the acquisition of electrified vehicles. In FY 2024-25, SFM acquired 48 Plug-In Electric Vehicles (PHEVs), representing 8.47% of fleet acquisitions. PHEVs, powered by both an internal combustion engine and an electric motor with battery storage, are a good bridge between current petroleum-consuming vehicles and the future expansion of vehicle electrification. To maximize the positive impact of the PHEV technology efficiencies, the operators must consistently charge overnight to ensure that PHEV batteries are charged and ready for their limited range use the following day. PHEV's can also be charged throughout the day when routes can be planned to coexist with EV fueling stations (chargers).

SFM also purchased 151 Battery Electric Vehicles (BEVs), representing 26.63% of fleet acquisitions in FY 2024-25. The number of BEV purchases is second only to gasoline powered vehicles and the second consecutive example where BEVs held this distinction. In the past, BEVs had many technological and production limitations. However, recent advances in technology, cost reductions, and an increase in the availability and types of EV models, make BEVs a viable alternative to many gasoline and diesel powered vehicles in the state fleet.

Nonetheless, large scale EV (BEV and PHEV) deployment is constrained by the availability of EV charging. Agency owned infrastructure is limited (e.g. there is an insufficient number and level of EV chargers), employees have limited charging options in or near their homes (e.g. many employees rent their homes and/or are unable to install charging), and publicly available fast charging options can be costly or inconvenient if used as the primary fueling option.

To address the EV charging limitations, SFM and the Office of Sustainability have partnered with the Colorado Energy Office (CEO), state agencies and other entities to identify EV charging gaps and seek funding for new EV charging infrastructure. This work is discussed in more detail in the Infrastructure Strategy section below.





Compressed Natural Gas

In FY 2024-25, the Department acquired no CNG vehicles. Infrastructure expansion was flat during the fiscal year, and industry indicators point to CNG displacing less than 1% of the vehicles within the light duty marketplace in the coming years. The trend is bolstered by limited CNG vehicle repair facilities and fueling sites in Colorado.

Hybrid Vehicles

Hybrid vehicles continue to be a viable option for many state fleet vehicles. In FY 2024-25, SFM acquired 67 hybrid vehicles. This represents 11.82% of all vehicles acquired. The comparable life-cycle cost on hybrid models is 10% less than gasoline equivalents. As hybrid vehicle platforms have become more common, associated costs have decreased and on-board technology has become more efficient. Given the long-term track record and lower operating cost compared to gasoline vehicles, hybrids have become the state's default fuel type.

Flexible Fuel Vehicles

SFM acquired 72 E85 Flexible Fuel Vehicles (FFV). This represents 12.70% of all vehicles received. The cost of fuel and equipment to outfit vehicles for E85 is less than 10% of comparable standard petroleum vehicles. However, despite the fact that E85 is a relatively inexpensive fuel type, industry trends have marked a movement away from E85 models. E85 models are generally being displaced by hybrid models, particularly the light duty hybrid truck segment.

Petroleum Vehicles

The Department received 229 dedicated petroleum vehicles this year, representing 40.39% of all vehicles. 174 were gasoline, and 55 were diesel vehicles. Respectively, this represented 30.69% and 9.70% of all vehicles purchased. The diesel powertrain has become a specialized ordering item due to the high added cost of initial purchase and an overall higher operating





cost. Two-thirds of petroleum vehicles (150) acquired in FY 2024-25 were for the Colorado Department of Public Safety (CDPS).

Procedures & Policies on Ordering New Vehicles

The vehicle ordering process is governed by 24-30-1104, C.R.S. and [Executive Orders](#). Between 2017 and 2022, successive Governors executed initiatives (E.O. D 2017-015, B 2018-006, D 2018-026, B 2019-002, D 2019-016, D 2022-016) to focus efforts on reducing greenhouse gas (GHG) emissions through alternative fuel vehicles. These directives have put additional focus on Zero Emission Vehicle (ZEV) technologies to achieve these goals.

During the vehicle selection process, AFV models must be reviewed and considered as the first choices for EV eligible vehicle types. SFM proposes a specific AFV model (e.g. truck) and AFV fuel type (e.g. BEV) for each state fleet vehicle order. If the agency determines that the proposed AFV model will not meet its functional requirements, the agency can consider other AFV models (e.g. sedan, van, etc) and/or AFV fuel types (e.g. PHEV, E85, etc). The last option is to select a gasoline or diesel petroleum vehicle. If an AFV will not meet the functional requirements for the agency, an additional “Non-AFV Purchase Justification Form” must be completed and signed by the Executive Director or a delegate from the requesting agency for each requested vehicle.

Infrastructure Strategy

Given the increase of electric vehicles within the state fleet, it is imperative to ensure sufficient charging infrastructure where electric vehicles operate. In some cases, this can be at or near a state-owned facility or state owned property. However, in many cases charging is required along transportation corridors, in remote or rural areas, or even at or near a state employee’s home.





While Colorado experienced many new charging options over the past couple years, agency owned EV charging infrastructure is limited (e.g. there are insufficient number and level of EV chargers), employees have limited charging options in or near their homes (e.g. many employees rent and/or are unable to install charging), and non-state owned charging options can be inconvenient when used as a primary fueling solution. Currently, the state owns about 733 EV charging ports as compared to 811 EVs within the State.

Currently, there is no financing mechanism outside of the annual budget process whereby the state can procure charging infrastructure that aligns directly with the acquisition of new BEV and PHEV. As the proportion of BEVs and PHEVs in the state fleet continues to grow, establishing a sustainable funding model for charging infrastructure will be increasingly important. With the conclusion of the state's previous support through SB21-230, State agencies must now plan and fund EV charging installation independently, relying on operating budgets, grants, or capital requests.

The statewide effort to address State Fleet EV charging needs is led by the Office of Sustainability (Please see the following website for more information <https://sustainability.colorado.gov/>).

Exemptions

DPA is required by statute to adopt a policy to allow some vehicles to be exempted from the requirement to purchase an AFV if the ten-year cost is no more than 110% of the cost of a comparable dedicated petroleum fuel vehicle Current AFV exemptions include:

- CDPS law enforcement patrol, undercover, and specialized vehicles, as well as crime scene labs and hazardous materials vehicles are exempted from this requirement until such time AFV vehicles are available and law enforcement pursuit-certified. However, CDPS is required to purchase AFV vehicles wherever practicable except for the exemptions listed above.





- In model year 2024, law enforcement EVs entered the market and the State Patrol is piloting their use.
- Non-CDPS law enforcement “certified patrol” vehicles used by State agencies may be exempt from this requirement until such time as AFV vehicles are available and proven reliable and certified for this function. At this time, these models will include the Police Dodge Durango, Chevy Police Tahoe, Ford Police Expedition, and Interceptor Utility.
- Vehicles that have specialized equipment that makes them less suitable for general transportation may also be exempted. These vehicles are essentially a “tool on wheels” or “mobile shop” that would be difficult to accommodate large additional fuel tank and battery storage configurations and be certified by the OEM. Examples include drilling units, water tanks, lab/research equipment, plumbing or telecommunications equipment, and patient and prisoner transport vehicles.

The table below identifies the number of acquisitions by fuel type configuration or hybrid vehicles by agency for FY 2024-25.

FY 2024-25 Acquisitions by Department and Fuel/Hybrid Type

Department	CNG (AFV)	E85 (AFV)	Hybrid (AFV)	PHEV (AFV)	BEV (AFV)	Diesel	Gasoline	Total by Department
CDPS	0	2	6	0	6	22	128	164
CDA	0	5	0	1	1	0	0	7
CDOC	0	15	1	24	12	5	3	60
CDE	0	0	0	0	0	0	0	0
CDPHE	0	0	3	1	2	0	0	6
CDHE	0	7	4	2	2	10	18	43
CDHS	0	6	1	1	7	0	4	19





Department	CNG (AFV)	E85 (AFV)	Hybrid (AFV)	PHEV (AFV)	BEV (AFV)	Diesel	Gasoline	Total by Department
LAW	0	0	0	2	0	0	0	2
DEC	0	0	0	0	0	0	0	0
DOLA	0	0	2	0	0	0	0	2
CDLE	0	0	0	4	1	0	0	5
DMVA	0	1	0	0	0	0	1	2
DNR	0	33	27	1	26	18	12	117
DOR	0	0	1	11	1	0	3	16
DORA	0	0	13	0	3	0	0	16
SOS	0	0	0	0	0	0	0	0
CDOT	0	3	0	0	86	0	5	94
GOV	0	0	0	0	0	0	0	0
DPA	0	0	0	0	4	0	0	4
JUD	0	0	9	1	0	0	0	10
Total Acquisitions	0	72	67	48	151	55	174	567

AFV Vehicle Acquisitions - FY 2007-08 to FY 2024-25

Since January 2008, the State has been committed to purchasing AFVs. Fueling infrastructure, technology, and budgetary constraints often impact the number of vehicles purchased each year and over time. This is represented in the table below.





Summary of Vehicle Acquisitions - FY 2007-08 to FY 2023-24

Fiscal Year	CNG (AFV)	E85 (AFV)	Hybrid (AFV)	PHEV (AFV)	BEV (AFV)	Diesel	Gasoline	Acquisitions
2008	-	284	30	-	-	52	288	654
2009	-	303	213	-	-	44	335	895
2010	-	245	86	-	-	5	215	551
2011	-	98	4	-	-	30	109	241
2012	1	113	12	-	2	9	180	317
2013	81	220	53	-	-	21	191	566
2014	153	233	61	-	-	16	217	680
2015	35	246	69	-	-	40	331	721
2017	-	221	136	6	-	46	145	554
2018	2	215	142	7	13	30	285	694
2019	-	189	161	17	8	28	250	653
2020	-	112	87	37	-	44	245	525
2021	-	74	198	44	7	37	272	632
2022	-	73	84	148	3	16	166	490
2023	-	72	65	8	42	15	199	401
2024	-	51	83	108	153	34	315	744
2025	-	72	67	48	151	55	174	567
Total	320	2949	1709	432	380	566	4194	10550

Between FY 2007-08 and FY 2024-25, SFM purchased a total of 5,790 alternative fuel vehicles reducing significant petroleum use. Over the past ten years, both E85 and CNG vehicles declined due to a reduction in fuel infrastructure as well as a reduction in manufacturer vehicle models. This has been in large part the result of the rise of more efficient Hybrid,





PHEV, and BEV options. Overall, this shift allowed the State to purchase 1,709 hybrid vehicles, 432 PHEVs, and 380 BEVs between FY 2007-08 and FY 2024-25.

For the second year in a row, the State purchased over half of new state fleet vehicles as AFVs in FY 2024-25. The high percentage of AFVs was largely a result of the State's efforts to position itself as an early adopter of Zero Emission Vehicles and provided the State greater access to EV models. The Department expects this trend to continue as technology and demand for AFVs grow.

As noted above, the significant increase of EVs in the state fleet requires sufficient charging at the locations the vehicles dwell overnight to ensure that agencies can efficiently deliver services to Coloradans. The Department and its partners are working hard to address these gaps using data and seeking collaborative funding opportunities.

The Department sincerely appreciates the Legislature's continued support for our State Fleet Management program and the ongoing commitment to the acquisition of AFVs for state operations.

Best regards,

Tony Gherardini

Executive Director

Colorado Department of Personnel and Administration

