

Uber incentivizes drivers to switch to electric vehicles

September 8 2020, by Cathy Bussewitz



In this Jan. 24, 2020 file photo, an Uber driver's vehicle is seen after the company launched service in Vancouver, British Columbia. Uber is offering incentives to drivers to transition to cleaner vehicles while acknowledging that emissions from its rides have risen in recent years. The San Francisco-based ride-hailing giant said Tuesday, Sept. 8 that a ride in one of its vehicles remains 41% more carbon-intensive than taking a trip in a personal car with others. (Darryl Dyck/The Canadian Press via AP, File)

Uber is offering incentives to drivers to transition to cleaner vehicles while acknowledging that emissions from its rides have risen in recent years.

The San Francisco-based ride-hailing giant said Tuesday that a ride in one of its vehicles remains 41% more [carbon-intensive](#) than taking a trip in a personal car with others. Uber studied 4 billion rides that it provided from 2017-2019 and found that while ridership grew 36.6%, the average carbon intensity for rides declined 6%, meaning rides were becoming more efficient. But the company admitted that its [carbon footprint](#) increased as ridership grew.

"We can do a lot better," said Shin-pei Tsay, director of policy, cities and transportation at Uber. "Driving down carbon intensity and lowering emissions is well within reach."

Many people have shied away from traveling in shared vehicles due to the pandemic. Gross bookings for Uber's mobility business plunged 73% in the [second quarter](#), and Lyft's number of active riders fell 60% compared to the same time last year.

But both companies are banking on an eventual return. Uber said all rides will be in [electric vehicles](#) by 2030 in the U.S., Canada and Europe. It plans to be a fully zero-emissions platform by 2040, which on the corporate side may involve buying carbon offsets. Lyft, which operates in the U.S. and Canada, said in June that its rides would be in 100% electric vehicles by 2030.

A major hurdle to converting to electric vehicles is cost. To help drivers make the switch, Uber drivers will earn an extra 50 cents per ride for [hybrid vehicles](#) and \$1.50 extra for fully-electric vehicles in more than 15 cities in the U.S. and Canada. Some of that extra money will come from riders who will pay \$1 extra to select an "Uber Green" trip in an

electric or hybrid vehicle.

General Motors is partnering with Uber to offer discounts to Uber drivers, providing a \$2,400 to \$2,750 discount for them to buy a Chevrolet Bolt vehicle and 20% off [vehicle](#) charging equipment. The Bolt's starting price is about \$37,000. Uber also has negotiated discounts with other companies ranging from 10% to 50% off for its drivers to charge electric vehicles in different locations.

Altogether, Uber plans to spend \$800 million on programs to help hundreds of thousands of drivers switch to electric vehicles by 2025.

"Transportation demand is growing faster than anything else and we haven't done nearly enough as a community to take it down, to take down our carbon," Tsay said.

While Uber's commitment states it will work with drivers to make the transition more cost-effective and profitable for them, "we know that we can't let up the pressure to see this commitment through in a way that benefits drivers," said Rebekah Whilden, campaign representative with Sierra Club's Clean Transportation for All. "We need all hands on deck from companies to tackle pollution, combat the climate crisis, and commit to equitable labor standards."

© 2020 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed without permission.

Citation: Uber incentivizes drivers to switch to electric vehicles (2020, September 8) retrieved 10 April 2024 from <https://techxplore.com/news/2020-09-uber-incentivizes-drivers-electric-vehicles.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.
