
DLL Offers Pay-per-use Solution to Enable Conversion of Vehicles to Electric



Setting the Stage

As sustainability trends emerge and industries work to align with current and future legislation, reduced emission vehicles are becoming increasingly important for many businesses. However, challenges to adoption include understanding fleet management for reduced emission vehicles, long-term commitments, and upfront costs.

This case study explores how DLL's Pay-per-use solution enabled a large refuse vehicle supplier to:

- Overcome fleet management challenges through data collection
- Introduce a pilot payment model to their customers to demo equipment

Understanding the Challenges

The Supplier



To demonstrate their commitment to the energy transition, the supplier launched a new offering that takes the body of a second-life vehicle and equips it with a new reduced emission engine and power source. In order to expand their electric conversion offering to new and existing customers, the supplier partnered with DLL to offer a solution that:



Enables the supplier to allow their customers to operate reduced emission vehicles in a real working environment



Allows customers to experience how a new payment model utilizing equipment usage works for them

The Equipment User



In the current environment, many businesses are facing pressure to shift to reduced emission or green vehicles. However, upfront investment can be difficult to justify, especially when equipment/technology is new to the marketplace and requires additional infrastructure investments and a long-term commitment.

The Pay-per-use Solution

DLL's **Pay-per-use** offering is an equipment funding and management solution at the intersection of engineering and finance. It allows users to pay for productivity rather than carry fixed costs and high administrative burdens.



Here's how it works:

1

DLL buys the vehicle from the supplier.

2

DLL enables the supplier to contract the vehicle to their customers on a demo basis. Through this agreement, the supplier has full control over the customer experience – granting access to the equipment and billing for only when it's used.

3

DLL bills the supplier based on the amount of vehicle usage, in this case per bin-lift, which is validated by onboard telemetry.

4

The supplier bills the equipment user based on the vehicle usage, ensuring the equipment user only pays for the vehicle when it is used, aligning costs with revenue. Additionally, the equipment user gets a clear, predictable price-per-use, which sets expectations between them and the supplier.

5

DLL and the supplier review monthly usage by equipment user account through proactive asset management. The **Pay-per-use** structure allows adjustment of the price-per-use of the vehicle based upon actual customer use and account dynamics. Higher or lower usage can lead to future price adjustments.

Outcome

Since adopting DLL's Pay-per-use structure, the supplier has:



Provided the opportunity to experience quality assets in a real working environment, resulting in additional business through demo customers choosing to convert their fleet



Gained cost certainty through a cost-per-use model



Demonstrated cost and revenue alignment to customers allowing users to only pay when the reduced emission vehicle was in use

Whether driven by legislation or a desire to operate to certain environmental standards, DLL provides financial solutions to support sustainable solutions and business models with a focus on marrying profitability for our partners with environmental and social benefits.

Interested in learning more?



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