



PUBLIC COMMENTS IN RESPONSE TO THE CONSULTATION ON THE DESIGN OF A FUEL EFFICIENCY STANDARD

May 31, 2023

COMMENTS OF TURO INC.

Turo Inc. appreciates the opportunity to provide public comments on the consultation on the design of a Fuel Efficiency Standard in Australia. We applaud the Government for their efforts to reduce greenhouse gas emissions through the transition of transportation to Low and Zero Emission Vehicles (LZEV). As a key player in the transition to LZEVs, with 12% of all completed Turo reservations in Australia completed with an LZEV from our launch in December 2022 to May 4, 2023, Turo provides comments on the adoption of a Fuel Efficiency Standard (FES) in Australia to accelerate LZEV adoption and usage while also creating economic opportunities for Aussie residents through our peer-to-peer car sharing platform.

About Turo

Turo is the world's largest peer-to-peer car sharing marketplace where guests can book any car they want, for any occasion from our vibrant community of trusted hosts. Turo is home to a supportive and collaborative community that shares over 320,000 active vehicles on Turo as of December 31, 2022. Personally owned vehicles sit idle most of the time — 95% of the time, according to an MIT Senseable City Lab publication in August 2018 — and so today's consumers are more open to alternative modes of transportation. In Australia, Turo has a rapidly growing community of hosts sharing their personal vehicles across the country.

We are pioneering a new category of transportation, advancing the next era of personal mobility by connecting consumers with an unrivalled network of privately owned vehicles. As traditional mobility options do not provide adequate and efficient access for consumers to vehicles, peer-to-peer car sharing delivers to consumers a more convenient and economically efficient way to access an extraordinary selection of vehicles compared to traditional car ownership, car rental and traditional car sharing programs.

Since 2021, Turo has been leading our sector by being the first to offset 100% of estimated global office footprint and carbon emissions on platform and in 2023 we are also the first global carbon neutral certified car sharing marketplace.

How peer-to-peer car sharing works

Peer-to-peer car sharing is a mobility solution that allows individual car owners ("hosts") to share their personal vehicle on an online platform. This new mobility solution is part of a larger trend towards a sharing economy approach to increase access to vehicles and mobility.

Through peer-to-peer car sharing platforms, like Turo, hosts can make their vehicle accessible to other users ("guests"), through our online and mobile interface. Guests in need of a vehicle can select the exact model vehicle they wish to use for their specific purpose, with over 1,400 makes and models available on our platform globally, as of December 31, 2022, to choose from. For guests, some of the biggest advantages can be cost and convenience. With Turo, vehicles are also not required to be picked up at certain locations to exchange keys, such as car parks or dedicated car sharing parking



spaces. Instead, the car owner and guest identify a location to meet to exchange vehicle keys. Furthermore, because the key exchange can occur practically anywhere, there are no restrictions or business hours that reduce or limit access to vehicles.

For hosts, peer-to-peer car sharing offers the ability for car owners to gain extra revenue that can help offset the high cost of car ownership or the costs associated with an electric vehicle. Hosts are empowered to transform their assets into earning engines, dramatically improving the economics of car ownership, without needing to spend hours behind the wheel in order to monetize their asset.

Accelerating LZEV adoption with Turo in FES countries

In countries that have adopted an FES, particularly the United States and United Kingdom, Turo has seen an overwhelming increase in personal passenger vehicles transitioning to LZEVs. Specifically in the United States, a country with an established FES, the number of electric vehicles on Turo's platform surpasses the national average. As of December 31, 2022, electric vehicles represented 7% of Turo vehicle listings globally, compared to 0.07% of all vehicles across the world. In Australia, 0.5% of all passenger and light commercial vehicles are EVs, while on the Turo platform, more than 12% of all active vehicles in Australia (between launch in December 2022 and May 4, 2023) are LZEVs.

Turo has developed multiple tools to help create awareness about LZEVs and to help guests overcome known barriers to LZEVs adoption. Enabled on the Turo platform is a "Green Vehicle" filter allowing guests to filter for only electric vehicles as they search for a vehicle for their trip. The electric vehicle filter proves to be a key tool to reduce barriers for guests to access an LZEV. Additionally, about 12% of all completed Turo reservations in Australia, are with an LZEV (between launch in December 2022 and May 4, 2023). Peer-to-peer car sharing platforms allow people to make journeys by zero emission vehicles where they otherwise not be able to afford this option.

By giving users the experience of taking a trip with an electric vehicle, peer-to-peer car sharing platforms also help combat range anxiety and other barriers to uptake. Turo is a key player in the transition to LZEVs with guests turning to Turo to book an LZEV as part of an "extended test drive" to help inform their vehicle purchase. Respondents from a survey of Turo guests from 2022 said that they were likely to purchase an electric vehicle in the next five years and ranked Turo as their primary means of test driving an electric vehicle before making their purchase decision.

As a platform, Turo provides a wealth of information to our community on EVs including guides on [every electric vehicle listed on Turo](#) and a ranking of [the best new electric vehicles for 2022](#). Additionally, Turo provides a [free tool](#) for hosts to help them identify potential earnings from sharing a vehicle on our peer-to-peer car sharing platform. These information resources provide consumers with information to overcome the known knowledge gaps that exist with LZEV adoption.

Environmental benefits of shared LZEVs

Peer-to-peer car sharing can act as a catalyst for the adoption of LZEV where active travel or public transport options are not realistic. In contrast to traditional car rental providers, who continuously purchase new vehicles, including ICE vehicles, peer-to-peer car sharing utilises existing vehicles, including LZEVs, in the mobility ecosystem. A [2021 Committee for Sydney Car Sharing Study](#) determined that for every one vehicle shared, 10 vehicles are removed from the



road. An additional [2022 Car Sharing Study](#) from Belgium reported that one shared vehicle - including private vehicle sharing (peer-to-peer car sharing) - replaces 10 privately owned vehicles. The reduction of personal vehicle ownership leads to less vehicle congestion and more available parking allowing for more green and open spaces. Furthermore, when shared vehicles are LZEVs the reduction of GHG emissions and GHG emitted while idle are substantially reduced.

Empowering Australian Households to own LZEVs

Turo serves as a solution to economically help Aussies. Through our peer-to-peer car sharing platform, individuals take an expensive and costly asset, their personal vehicle, and generate revenue from it as a means to help overcome the cost of living. In a study with DePaul University, it was found that a low income family could increase their household income by 8% through sharing their vehicle for less than 8 days a month. Our own survey data suggests that a majority of Turo host-respondents cover primary expenses or add to savings with the income generated through sharing their vehicle on Turo. Turo hosts whose annual household income was less than \$75,000 USD indicated in their community survey responses that their earnings from peer-to-peer car sharing are used to 1) pay car ownership costs (such as maintenance, fuel, parking), 2) pay immediate expenses (rent/mortgage, utilities, food costs) and 3) pay down personal debts (credit card, student loan(s)).

According to a 2022 Turo-conducted survey, 65% of host-respondents who own an electric vehicle list it on Turo to help offset the cost of owning the vehicle. Even after government funded LZEV incentives, the cost of purchasing a LZEV remains a financial burden. This burden is exacerbated when access to public charging stations is limited. Through Turo, the cost of an LZEV, either new or used, can be offset through sharing the vehicle when it is unused by the car owner. LZEVs can be more affordable for Australian households by listing on Turo and capturing earnings. We see an increasing demand in electric vehicles in our marketplace and are creating tools to amplify interest in LZEVs.

The benefits of peer-to-peer car sharing are also more widely distributed across geographical areas and parts of the state than other forms of shared mobility. Traditional car sharing and ride-hailing programs largely service well-off urban or metropolitan areas, often leaving rural and overburdened communities without access to their mobility service. This contrasts with Turo, where vehicles can be made available virtually anywhere, including in overburdened, rural or more isolated communities.

Consultation General Questions

Are these the right guiding principles? Are there other principles that you think we should keep in mind?

Turo's response: Turo recommends the addition of "accelerate" to the principles for setting a fuel efficiency standard and the adoption of the FES as soon as practical. A core part of the implementation of the FES is to include and identify ways to get compliance with the standard but to also accelerate the volume and diversity of LZEVs accessible to Aussies. The quicker the adoption of the FES, the greater LZEV usage and the replacement of older vehicles will occur, resulting in lower GHG emissions.

Are there any design assumptions that you think will put at risk the implementation of a good FES for Australia?



Turo's response: The implementation of a good FES for Australia can be impacted by other policy measures that can accelerate or hinder LZEV vehicle adoption. The FES should be complemented by additional policy measures that accelerate LZEV adoption, especially for personal vehicles which have a known longer lifecycle. The FES should be complemented by policies such as accelerating fleet turnover by encouraging current ICE personally shared vehicles to be replaced with LZEVs, policies that accelerate at-home vehicle charging infrastructure, encouraging cities to expand car sharing parking programs to include and prioritise personally shared vehicles, and support for services that advance LZEV usage and adoption in rural communities.

For more information please contact:

