



Legislative Council Economy and Infrastructure Committee

Inquiry: Inquiry into Electricity Supply for Electric Vehicles

Hearing Date: 27 February 2026

Question[s] taken on notice

Directed to: Volvo Group Australia

Received Date: 13 April 2026

1. **Gaelle BROAD, pages 29-30**

Question Asked:

I am just interested if you can comment a bit on this. My understanding is Volvo does sell buses to CDC Victoria, which operates bus services in Melbourne. Can you talk to the cost of electric vehicles or electric buses? I have heard that the Victorian government has been buying bus depots. Also, there has been quite a significant overhaul of the contracts at the state level, and it has seen quite a number of family-owned businesses have to leave. Is the cost of the electric buses contributing to that? I would just appreciate your insights.

Lauren PULITANO: I must say, Tim and I are not experts on the bus business, so some of that question we will have to take on notice and we can definitely come back on. But I think if we talk generally about the BEVs, and it is relevant for both buses and trucks, we normally look at the total cost of ownership. We have the lifetime of the bus in this case, what you are spending on the capital equipment, what you are spending on the service and maintenance and the different elements, and they work out to be roughly about the same. Depending on the operation, it can be plus or minus. There is a lot in that bus question, and I know that Victoria have undergone a major reform in terms of contracts and areas and things like that. There is an element of that question we will take on notice.

Response:

While the upfront cost of electric buses is more, the total cost of ownership is actually about the same or in some cases less. This is dependent on a number of variable factors such as annual mileage, cost of energy (diesel / electricity), charging infrastructure, complete vehicle specification & contract length etc.

So contracts should be established with this change of business model in mind when going from diesel to electric vehicles.