

STATE OF NEW YORK OFFICE OF THE STATE COMPTROLLER

October 3, 2025

John Koelmel Chairman New York Power Authority 123 Main Street White Plains, NY 10601-3170

Re: Selected Management and Operations

Practices

Report 2024-F-15

Dear Mr. Koelmel:

Pursuant to the State Comptroller's authority as set forth in Article X, Section 5 of the State Constitution; Section 2803 of the Public Authorities Law; and Chapter 469 of the Laws of 1989, we have followed up on the actions taken by officials of the New York Power Authority to implement the recommendations contained in our initial audit report, *Selected Management and Operations Practices* (Report 2020-S-38).

Background, Scope, and Objective

The New York Power Authority (NYPA) is a public authority created in 1931 by Title 1 of Article 5 of the Public Authorities Law. NYPA's mission statement is to "Lead the transition to a carbon-free, economically vibrant New York through customer partnerships, innovative energy solutions, and the responsible supply of affordable, clean, and reliable electricity." NYPA, whose operations are overseen by the Board of Trustees, is a fiscally independent public corporation that principally operates on revenue received from the sale of electricity. Chapter 469 of the Laws of 1989 requires the State Comptroller to audit NYPA's management and operations at least once every 5 years.

NYPA is authorized by the Power Authority Act to help provide a continuous and adequate supply of dependable electricity to the people of the State. It generates, transmits, and sells electricity principally at wholesale. NYPA's primary customers are municipal and investor-owned utilities, rural electric cooperatives, high load factor industries and other businesses located throughout New York State, various public corporations located in southeastern New York within the metropolitan area of New York City, and certain out-of-state customers. NYPA generates and delivers over 20% of the State's electricity needs and is the only energy services company with the ability to provide both comprehensive and customized energy solutions.

NYPA officials stated that they started projects related to electric vehicle (EV) charging as early as 2011. During the 2013 State of the State Address, the Charge NY program was unveiled, with the goal to increase sales of EVs by 40,000 over the following 5 years and encourage the State to create a statewide network of up to 3,000 public and workplace

charging stations. At the time, the State had about 800 parking spaces for EVs. Charge NY is a collaboration among the New York State Energy Research and Development Authority, NYPA, and the Department of Environmental Conservation.

On September 24, 2013, NYPA trustees authorized up to \$2 million of a requested \$15 million for the Charge NY program to be spent for the installation of EV charging stations at State and local government sites, a pilot deployment of state-of-the-art rapid chargers, and public education and research programs related to EVs and their interactions with the electric grid. Charge NY 2.0, a successor to Charge NY and announced in 2018, built on the original initiative with a target of 10,000 public EV charging stations by 2021.

In 2018, NYPA's executive management announced a new \$250 million EV expansion initiative—EVolve NY—a program that focused on the installation of high-speed chargers. This program, administered by NYPA, also sought to create private sector partnerships through 2025 to aggressively accelerate the adoption of EVs throughout the State. As part of the first phase of investment, NYPA's plan was to continue building the direct current (DC) fast charger (DCFC) "backbone" in the State. Specifically, NYPA worked with public and private partners to place DCFCs in strategic locations to drive market adoption of EVs and test business models.

EV chargers come in three different capacities:

- Level 1 chargers come with the vehicle and can be plugged into a regular electric outlet (120-volt) and will charge a battery at a rate of 5.8 miles per hour.
- Level 2 chargers, constituting the majority of Charge NY chargers installed, use 240-volt alternating current (AC) power (the equivalent of a clothes dryer) and can charge a battery at a rate of 60 miles per hour.
- Level 3 chargers (DCFC) use a 480-volt power support (are usually limited to commercial use either in commercial fast charging stations or fleet operations). Some of the chargers installed under Charge NY are DCFC chargers.

EVolve NY locations include multiple DCFC chargers and associated equipment. The EVolve NY charger installations are comprehensive Level 3 installations, including both electric distribution equipment and chargers.

Since our initial audit, NYPA officials stated that a decision was made to develop EVolve NY and fast charging stations where funds are available. The net effect is there is limited focus on residential and individual owners.

The objectives of the initial audit, issued on February 4, 2022, were to determine whether NYPA's EV initiatives and programs placed the Charge NY and Charge NY 2.0 charging stations in locations where the intent of these programs could be achieved and whether NYPA's EVolve NY program met its initial project goals by the end of 2019. The audit found that NYPA did not place the Charge NY and Charge NY 2.0 charging stations in locations that supported the programs' intentions and did not review and analyze usage data for charger placement or use outreach efforts to encourage EV charger installation by its customers. Further, none of the planned projects for phase 1 of the EVolve NY program were completed by NYPA's deadline of the end of 2019. For instance, NYPA did not install any of the planned 200 high-speed chargers by the deadline, and as of March 5, 2021, had installed only 29 EVolve NY chargers at seven locations. We determined that the installation of EV high-speed chargers was

as much as 2 years behind schedule. The objective of our follow-up was to assess the extent of implementation, as of November 6, 2024, of the nine recommendations in the initial report.

Summary Conclusions and Status of Audit Recommendations

NYPA made progress in addressing the problems we identified in the initial audit report. Of the initial report's nine audit recommendations, two were implemented, six were partially implemented, and one was not implemented.

Recommendation 1

Develop a formal process for evaluating new initiatives or programs that include the expected results and performance measures that will be used to determine the accomplishments with a specified time frame.

Status - Implemented

Agency Action – NYPA developed a formal process for evaluating new initiatives or programs that included the expected results and performance measures that will be used to determine the accomplishments and deadlines. To demonstrate their process, NYPA officials provided a copy of their e-Mobility projects (for NYPA customers), including the Action Owner and Work Product & Application. The document was dated August 7, 2023.

Recommendation 2

Develop a formal marketing strategy to increase awareness of the features of EVs and educate motorists on the benefits of owning EVs.

Status - Partially Implemented

Agency Action – NYPA provided a list of events where it demonstrated how to map an EV trip based on charging locations, but did not provide a formal marketing strategy to increase awareness of the features of EVs and educate motorists on their benefits. However, NYPA officials stated that they have hired a new marketing manager who will develop a formal marketing strategy.

Recommendation 3

Prioritize NYPA's efforts so that EV charging stations receive constant management oversight to ensure charging stations are being placed throughout the State.

Status - Partially implemented

Agency Action – NYPA's focus is now on fast chargers (EVolve NY) rather than Level 2 chargers, which are more related to day-to-day and local travel. NYPA does not see the day-to-day and local use of Level 2 chargers as its responsibility. Instead, it is focused on meeting the National Electric Vehicle Infrastructure federal standard of a fast charger every 50 miles along major roadways in New York State.

Recommendation 4

Work with its customer base to roll out EV charging stations. Encourage/direct State agencies, public authorities, and local governments to install additional charging ports to demonstrate to motorists that facilities to charge EVs in a shorter period are available.

Status – Partially Implemented

Agency Action – NYPA provided support that it is working with State agencies (Office of General Services), local agencies (New York City Department of Transportation), and public authorities with fleets (Metropolitan Transportation Authority). However, NYPA officials stated they have not sought out local governments and municipal utilities to work with because the administrative costs are too high. However, if a local government contacts NYPA, they will send the entity a questionnaire and, based on the results and the number of charging stations requested, will determine whether to work with the entity or give them a list of service providers and links to funding opportunities.

Recommendation 5

Incorporate into its current EV program an analysis of usage data and a discussion of the data with NYPA customers in an effort to promote the installation of additional EV units.

Status - Partially implemented

Agency Action – NYPA tracks usage of EVolve NY (DCFC) charging stations. However, it no longer tracks usage of Level 2 chargers.

Recommendation 6

Regularly download the usage data and maintain a complete set for all sites to provide NYPA management the information it needs to make the best decisions regarding its EV program.

Status – Implemented

Agency Action – NYPA downloads the usage data for its fast charger EVolve NY locations when it must make decisions regarding its EV program.

Recommendation 7

Work with NYPA's customer base to further encourage the siting of EV service equipment and to further encourage and implement EV opportunities with its customer base, including working with State and local government facilities for the siting of charging stations.

Status - Partially Implemented

Agency Action – NYPA works with State and local agencies, school districts, and public authorities to encourage the siting of EV equipment and EV use. However, it has moved away from economic development clients and day-to-day use by the public in municipal parking areas and by individuals in residential areas.

Recommendation 8

Expand marketing efforts to improve the car driver's acceptance of EVs through increased EV awareness.

Status – Partially Implemented

Agency Action – NYPA has not expanded its marketing efforts to improve the car driver's acceptance of EVs through EV awareness. Instead, marketing efforts are oriented toward how drivers can find fast chargers and plan their longer trips.

Recommendation 9

Structure fees so that if an EV remains after reaching a full charge, there is a cost for using the space.

Status – Not implemented

Agency Action – NYPA e-Mobility officials told us they could not implement the recommendation because some customers pay with a phone app (60%) and others with credit cards (40%). If NYPA chose to charge a fee, it could only be communicated in real time to the phone app users. At the closing conference, NYPA stated that, instead, they have put into operation a process whereby charging is stopped when the vehicle is at 85% of full charge.

The major contributor to this report was Robert C. Mehrhoff.

NYPA officials are requested, but not required, to provide information about any actions planned to address the unresolved issues discussed in this follow-up within 30 days of the report's issuance. We thank the management and staff of the NYPA for the courtesies and cooperation extended to our auditors during this follow-up.

Very truly yours,

Carmen Maldonado Audit Director

cc: Justin Driscoll, New York Power Authority Sundeep Thakur, New York Power Authority