Via Electronic Delivery

September 21, 2018

Hon. Kathleen H. Burgess
Secretary to the Commission
New York State Public Service Commission
Empire State Plaza
Agency Building 3
Albany, New York 12223

RE: Case 18-E-0138 – Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure

Dear Secretary Burgess:

Pursuant to the New York State Public Service Commission’s (“Commission”) August 16, 2018 Notice of Working Group Meeting and Request for Post-Conference Comments issued in the above-captioned case (the “Notice”) and the Commission’s suggestion in its September 12, 2018 Order Expanding Electric Vehicle Charging Program Eligibility in Case 16-E-0060, the Metropolitan Transportation Authority (“MTA”) hereby submits the following comments on cost-based incentives for electrifying vehicles.

Background

The MTA operates over 5,700 buses in New York City.\(^1\) It has the highest bus ridership in the country, with approximately 764 million riders annually—more than double the next most active bus network.\(^2\)

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\(^2\) *Id.*
In January 2018, Governor Cuomo and the MTA announced that the MTA would begin a three-year pilot program to test all-electric buses. The pilot is beginning with 10 buses and is expected to be significantly expanded over the next few years.

**Discussion**

In response to Question 12 of the notice, the MTA supports addressing the electrification of light-, medium-, and heavy-duty vehicles within this case. Specifically, the MTA recommends that the Commission explore cost-based incentives that encourage further penetration of electric vehicles (“EVs”) by reflecting the environmental and societal benefits of EVs.

In addition to the environmental and societal benefits that EVs provide by reducing emissions, charging EVs during off-peak times can provide system peak demand benefits to utilities. Utility programs like Consolidated Edison Company of New York, Inc.’s (“Con Edison”) SmartCharge program reward EV customers for these system peak demand benefits by paying them to charge off-peak. But, such programs are constrained by approved budgets and are divorced from the actual value of EVs’ environmental and societal benefits.

The MTA recommends that rates for charging EVs during off-peak times should be reduced to reflect the value for system peak demand benefits and the monetary value of their environmental benefits. Con Edison, jointly with other parties, developed a formula that calculates the net avoided greenhouse gas emissions resulting from replacing an internal combustion engine vehicle with a light-duty EV. These parties also plan to develop a similar formula for heavy-duty and transit EVs. Using the avoided emissions results from these formulas, a monetary value for this benefit could be calculated and then used to determine appropriate rate reductions. Implementing these cost-based incentives would help utilities reduce system peak demand while also reflecting the actual benefits that EVs provide.

The MTA made a similar proposal in its comments on Con Edison’s proposal to expand its SmartCharge program to medium- and heavy-duty vehicles. The Commission expressed appreciation for the MTA’s proposal, but explained that it is “better suited for consideration as part of the EV Supply Proceeding.” Thus, the MTA respectfully requests that the initiative to develop an off-peak EV charging tariff be commenced in the near future as part of this proceeding. The off-peak EV charging tariff could be the subject of a collaborative effort, or the Commission could direct the utilities to develop straw proposal tariffs and put them and supporting work papers out for comment.

The MTA thanks the Commission in advance for its consideration of the foregoing proposal.

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5 Id.

6 Case 16-E-0060, supra, Order Expanding Electric Vehicle Charging Program Eligibility (Sept. 12, 2018), at 9.
Respectfully submitted,

/s/

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