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Submitted electronically via dps.ny.gov

Honorable Michelle Phillips
Secretary State of New York Public Service Commission
Building Three Empire State Plaza
Albany, NY 12223-1350

RE: Case No. 18-E-0138 – Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure

Dear Secretary Phillips:

Tesla appreciates the opportunity to comment on the Petition filed May 23, 2025, by the Indicated Utilities (ConEd, Orange & Rockland, National Grid, and Central Hudson) seeking to expand eligibility under the Medium- and Heavy-Duty (MHD) Make-Ready Pilot Program. As a manufacturer of electric vehicles (EVs), operator of New York's largest fast charging network, and producer of Supercharger equipment at Gigafactory New York in Buffalo, Tesla supports all three proposed changes. These adjustments align with our core policy position that charging programs should be open, operationally practical, and free from rigid prescriptions. Flexibility is not just a design principle but a necessary condition for programs to be useful to the fleets that need them most. These fixes will help build infrastructure faster, improve equity outcomes, and support clean manufacturing jobs in New York State.

Eligibility Changes Requested by the Petition:

Tesla's comments below are structured in response to the core eligibility changes requested by the Petition.

1. ***Should the Commission expand eligibility for customer-side incentives to include shared charging hubs (sites serving more than one fleet), and why?***

Yes. From Tesla's operational perspective, shared charging hubs are a foundational strategy for scaling high-power MHD infrastructure. The Tesla Semi, which is already delivering in regional haul operations, charges at up to 1.2 megawatts (MW). This level of power is well beyond what most light-duty networks were built to support. When fleets pool their infrastructure needs at shared hubs, costs per vehicle decrease, land use is optimized, and utilities can plan for fewer high-load sites rather than many small ones.

Shared charging hubs are important in the MHD space to help smaller operators participate without their own dedicated charging network infrastructure. Akin to Tesla opening its Supercharger network to other original equipment manufacturers (OEMs), more charging access is typically a rising tide that lifts all ships. Extending customer-side incentives to shared charging hub sites is a good investment and would unlock participation by fleets that do not control their own depots or that lack capital for site upgrades.

Shared charging hubs are especially important for heavy-duty vehicles, which require high-capacity charging in order to support slip-seat operations and high daily utilization. Incentivizing shared charging hubs in New York will support high-quality deployments while avoiding the creation of fragmented, single-use infrastructure that is difficult to scale.

2. ***Should the Commission expand customer-side cost coverage to all MHD charging sites statewide, including those outside Disadvantaged Communities (DACs), and what are the implications for equity and program participation?***

Yes. Limiting eligibility to DACs can unintentionally reduce program participation, while electrifying fleets anywhere in the state ultimately delivers benefits to DACs because trucks and buses regularly travel through these communities. Tesla's operational experience confirms this dynamic. Semi deployments at depots outside designated disadvantaged areas will result in emissions reductions along freight corridors that oftentimes cross through disproportionately burdened communities.

Tesla encourages the Commission to avoid strict siting rules that force infrastructure into locations that are not aligned with fleet operations or available electrical capacity. Restricting incentives only to DACs can lead to an over-concentration of projects in certain neighborhoods while excluding other viable sites such as industrial yards, school bus depots, and distribution centers that do not technically fall within DAC boundaries.

A more effective approach is to continue targeting benefits toward DACs, while allowing eligibility for infrastructure wherever it makes operational sense. Maintaining the CLCPA's thirty-five percent equity requirement[1] ensures disadvantaged communities still benefit, while opening eligibility statewide creates a more practical path towards achieving the ultimate goal of reducing emissions in disproportionately burdened communities.

[1] https://climate.ny.gov/Resources/Disadvantaged-Communities-Criteria/Investments-and-Benefits-Reporting-Guidance

3. ***Should the Commission allow fleets without participation in a qualifying voucher program to receive customer-side incentives, and how would this address current barriers?***

Yes. This was one of the original design flaws in the MHD Pilot. Requiring fleets to participate in a vehicle incentive program before they could qualify for infrastructure support added unnecessary complexity and delivered poor results. It was effectively a non-starter. We fully support the utilities' proposal to allow fleets to join the MHD charging program even if they are not in a voucher program.

Tesla has seen firsthand how fleets make investment decisions. For MHD electrification, infrastructure usually needs to come first. Fleets will not commit to vehicles unless they know where and how they will charge. That means if charging incentives are locked behind voucher participation, many fleets simply will not proceed. Smaller operators are particularly disadvantaged by this design because they often buy used vehicles, lease, or pursue repowers. These pathways are rarely voucher-eligible.

Federal programs such as the EPA Clean School Bus Program face uncertainty and delays, leaving New York fleets unsure whether promised funds will materialize. If infrastructure incentives remain tied to these programs, deployment will stall. Delinking the two unlocks the program by allowing infrastructure development to move forward independently. This gives fleets the flexibility to electrify in the way that works best for their operations. We encourage the Commission to adopt this change quickly as a matter of practical program delivery.

Conclusion

The MHD Pilot has experienced limited participation to date, reflecting overly narrow eligibility rules that did not align with how fleets electrify. Tesla supports the proposed changes to include shared hubs, allow infrastructure outside DACs, and remove the voucher prerequisite. These modifications create a program that is more accessible, operationally grounded, and capable of driving near-term investment.

These program improvements align with Tesla's general position on program design: programs should be open geographically, technically, and commercially. That principle has helped us scale Supercharger deployments globally and remains central as we support the buildout of heavy-duty charging in New York. We appreciate the opportunity to provide these comments and look forward to working with the Commission and stakeholders to strengthen and expand the MHD Make-Ready Program.

Respectfully submitted,

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