



April 25, 2025

Electronically filed

Honorable Michelle Phillips
Secretary to the Commission
New York State Public Service Commission
3 Empire State Plaza
Albany, NY 12223

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

Dear Secretary Phillips,

Attached for filing in Case 18-E-0138 are Tesla's comments in response to the questions included in the Commission's Notice of Commencement of Make-Ready Program Review filed on March 12, 2025.

Respectfully submitted,

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Introduction

Thank you for the opportunity to submit written responses to the questions posed by Department of Public Service (DPS) Staff regarding the make ready program review. Tesla¹ views New York's make-ready program as a success to date and strongly encourages program continuity to accelerate the market for EV charging in New York. We applaud the Joint Utilities' ("JU") implementation of the programs and urge the Commission to approve their continuation past 2025 and beyond the existing plug targets, especially those which have already been met.² Program continuity is key to build on the program's successes.

Should the Commission approve new programs to continue past 2025, modifications to the next phase of the make-ready program should focus on: equalizing incentive tiers between shared private and public L2 chargers; refreshing per-port and per-kW cost assumptions; and confirming that new technical requirements effective June 1, 2025, do not limit EVSE equipment options for site hosts and unintentionally apply upward cost pressure on site hosts in a manner that undercuts the value of the make-ready incentives. These changes will ensure that the next phase of programs to support the market for EV charging in New York are as cost-efficient as possible to deploy the largest number of chargers at least cost.

Staff's Questions

Program Effectiveness

1. To what extent does the availability of public direct current fast charger (DCFC) infrastructure promote the adoption of light-duty electric vehicles (EVs) in New York State?

The availability of public DCFC infrastructure is a key driver of EV adoption. The Tesla Supercharger network, the largest network of DCFC in New York, exists primarily to encourage new EV sales and support Tesla's vehicle sales business, as car buyers must feel confident in the availability of a network to support long-distance travel before committing to purchasing an EV. Tesla's Supercharger network is now open to a number of other automakers and by the end of this year should be available to 100% of major US auto manufacturers.³

2. Is there evidence of increased adoption of light-duty EVs in areas within New York State with greater access to L2 infrastructure?

¹ Tesla's mission is to accelerate the world's transition to sustainable energy. To accomplish its mission, Tesla designs, develops, manufactures, and sells high-performance fully electric vehicles and energy generation and storage systems, installs, and maintains such systems, and sells solar electricity. Tesla has also invested in its growing network of retail stores, vehicle service centers, electric vehicle charging stations, and advanced manufacturing facilities.

² Orange & Rockland has already met its plug targets. Both National Grid and ConEdison are expected to exceed plug targets in April and November of this year, respectively. See JU Petition to Extend Make-Ready Plug Deployment, Appendix 1, filed on February 24, 2025 in Case No. 18-E-0138.

³ <https://www.tesla.com/NACS>

Evidence is generally available that access to L2 infrastructure is an important driver of EV adoption, particularly at home and work. Tesla is not aware of any evidence specific to areas within New York.

3. *Are certain L2 use cases (e.g., public, multi-unit dwellings (MUD), workplace) more effective at driving EV adoption?*

Yes, access to L2 infrastructure is most likely to drive EV adoption when it is available where a driver parks their vehicle consistently—that is, MUDs and workplaces.

4. *Currently, DCFC and L2 installations in or near disadvantaged communities may receive Make-Ready Program incentives up to 100% of their eligible costs. Has this structure been effective at supporting the buildout of light-duty charging infrastructure in disadvantaged communities? Are there modifications that could improve program effectiveness in disadvantaged communities?*

Tesla supports the Commission’s intent to increase charger deployment in disadvantaged communities. Higher incentive levels send a clear message to the market and are an effective way to accomplish this goal.

Progress Towards Plug Goals

5. *DCFC infrastructure installations lag behind Level 2 (L2) infrastructure installations in meeting their respective Make-Ready Program goals. Provide suggestions on how to address the barriers specific to the DCFC sector in New York State.*

Compared to DCFC deployment generally, the L2 segment can be a much harder use case to reach with incentives. Incentives to encourage L2 deployment at multifamily properties, workplaces, and hotels must reach a large and distributed set of decision-makers. In these use cases, L2 charging is an amenity to attract and retain tenants, employees, and visitors, not a core function of their business. The relative success of L2 deployment in New York should be applauded and seen as an encouraging success of the program to date

Tesla views the “lagging” of the DCFC market to be primarily a function of long project timelines. It is worth noting that New York’s port targets for DCFC were substantially increased during the midpoint review, which was not that long ago relative to typical DCFC project deployment timelines -- a new Supercharger site can typically take 6 months to 2 years to go from lease signing to open-to-public. The midpoint review order was issued on November 16, 2023, less than a year and a half ago.

The benchmark for success was recently raised with higher port deployment targets, and the length of DCFC project timelines means more time is needed for the market to respond to

incentives and reach the plug targets. Tesla recommends DPS stay the course and allow the JU to continue programs until the DCFC port deployment targets are met.

6. *Provide suggestions on how to address barriers specific to the deployment of charging infrastructure at MUDs.*

Tesla sells hardware to third parties, such as MUDs, to make charging available to residents of MUDs. Our goal is to replicate the convenience of home charging for drivers who live in MUDs to unlock the next phase of EV adopters who live in apartments and condos. In our experience, decisionmakers at MUDs are the hardest to reach due to cost sensitivity and the discretionary nature of the investment to install charging. MUDs that seek to retrofit facilities to install charging often face the same trenching and make ready costs as public L2, but at this time, are only available for 50% tier within the make-ready program. Tesla recommends chargers at MUDs be eligible for the same incentive tier as publicly available chargers.

7. *Provide suggestions on how to address barriers specific to the deployment of charging infrastructure at workplaces.*

The Commission should allow workplace chargers, including those that are private and limited to use by employees, to be eligible for the same incentive tier as publicly available chargers.

Ramp Down of the Incentive Allocations

8. *Many of the utility L2 programs are at or nearing program targets. Is the L2 market self-sustaining enough to support current state EV adoption goals or are continued incentives necessary?*

As discussed in our response to Question 5, it is commendable that New York's L2 programs have been as successful as they are. In nearly every other jurisdiction, L2 segments are harder to reach than DCFC, which indicates the unique success that the NY make-ready program has had in reaching L2 developers and decisionmakers. We applaud the JU for developing and managing programs that have driven the market forward consistent with the Commission's port deployment targets.

The high level of customer interest in the L2 programs in New York should not be taken as a sign that the market is mature enough to continue without incentives. We caution against eliminating successful L2 programs and instead encourage DPS to approve new L2 programs to continue the momentum of New York's current L2 deployment rate.

9. *At what level of EV saturation will L2 infrastructure deployment be self-sufficient?*

EVs make up 26% market share for new car sales in California as of the third quarter of 2024.⁴ By contrast, only 10% of new cars sold in New York in the same time were EVs.⁵ New York continues to have ambitious ZEV targets and in order to meet those it needs to keep pace with EV charging infrastructure deployment. Tesla recommends changing incentive levels over time as the market matures and less support is needed. Intelligent and timely changes in incentive levels can be used as a barometer for market self-sufficiency rather than a specific level of EV saturation.

10. Is the DCFC market self-sustaining enough to support current state EV adoption goals or are continued incentives necessary?

New York has not yet reached its port deployment targets for DCFC, and there are ports that are not yet committed, Tesla recommends continuing the program to meet current DCFC port targets as those port targets were developed through a robust process and are worth continuing towards.

11. At what level of EV saturation will DCFC infrastructure deployment be self-sufficient?

To use California as a bellwether, new EV sales reached 25% market share in California in recent years. At a very high level, if one were to use EV sales percentages as a proxy for DCFC station load factor, an EV saturation level between 20 and 30% of vehicles on the road can lead towards DCFC self-sufficiency.

Budget Modifications

12. If additional incentives are necessary, should the current L2 incentive structure continue as is? Explain why or why not.

Incentives for L2 are currently set at three tiers – up to 50%, up to 90%, or up to 100% of make ready costs—depending on the use case. Base per-port costs are different between the upstate and downstate utilities, and the 50% incentive tier currently serves private shared chargers and chargers with a proprietary port type. Three incentive tiers may not be necessary if the Commission recognizes J3400/NACS (previously, the Tesla connector) as non-proprietary⁶ and if the Commission opts to equalize incentives between public L2 and shared private L2. Tesla recommends a simplification of incentive tiers regardless of whether or not incentive levels stay where they are.

13. Should charging infrastructure at MUDs be incentivized at the same or a different level than public L2 chargers? Explain why or why not.

Tesla strongly recommends charging infrastructure at MUDs be incentivized at the same level as public L2 chargers for the reasons discussed in our responses to questions 6, 8, and 12.

⁴ Alliance for Automotive Innovation, Get Connected Report, Third Quarter 2024, at 10, available at: <https://www.autosinnovate.org/posts/papers-reports/Get%20Connected%20EV%20Quarterly%20Report%202024%20Q3.pdf>

⁵ Id.

⁶ On April 17, 2025, the Commission issued a notice soliciting comments in Case No. 18-E-0138 regarding proprietary plug status designations.

14. Should charging infrastructure at workplaces be incentivized at the same or a different level than public L2 chargers? Explain why or why not.

Tesla strongly recommends charging infrastructure at workplaces be incentivized at the same level as public L2 chargers for the same reason as MUDs and to simplify program administration.

15. If additional incentives are necessary, how could the current DCFC incentive structure be modified to improve program performance?

Tesla recommends J3400/NACS chargers be deemed non-proprietary and receive the same incentives as other DCFC chargers.

16. Currently no more than eight percent of each of the utility's overall Make-Ready Program budget can be spent on future-proofing costs. Additionally, there is a site-specific future proofing cap whereby incentives for future-proofing are capped at ten percent of the site-specific make-ready cost. Has the future-proofing component of the program sufficiently enabled developers to engage in future-proofing at sites where appropriate? Explain why or why not. Are there modifications to the future-proofing component that would improve program performance?

As an operator of the largest public DCFC network in New York, Tesla does not typically elect to expand existing sites in a manner that benefits from future-proofing. New Supercharger sites are typically opened to meet driver demand or to expand network connectivity, neither of which benefit from future-proofing a site. Tesla recommends the JU reallocate this future-proofing budget towards continued make-ready incentives.

Proprietary Technologies

17. On November 22, 2024, the Secretary to the Commission issued a Notice Announcing Technical Conference, the purpose of which was to discuss proprietary technologies in the Make-Ready Program. The November 2024 Secretary's Notice included questions from Staff focusing on the recent vote by the Society of Automotive Engineer (SAE) to adopt the Recommended Practice for SAE J3400.6 Numerous comments were received, and parties stated their positions on the status of J3400 during the January 15, 2025 technical conference. What further considerations regarding proprietary technologies should be addressed at this time?

Tesla has submitted information regarding J3400 via the Petition for J3400 Non-Proprietary Status filed on February 24, 2025, and comments regarding EVSE Plug Standards filed on January 23, 2025 in this proceeding. Tesla continues to recommend J3400 be deemed non-proprietary for the purposes of current and all future make-ready programs.

Cost Containment

18. Are the current per-plug or per-kW cost baselines for utility- and customer-side make-ready costs reflective of the costs that developers encounter today? Are

they reflective of the costs developers reasonably expect to encounter over the next five years?

In the next iteration of the make ready program, we encourage the Commission to refresh the per-port and per-kW baseline costs based on the JU's latest reported program data. A refresh of per-port and per-kW costs will encourage the JU to squeeze out as much savings as possible as incentivized by the EAM.

19. The Make-Ready Earning Adjustment Mechanism (EAM) is designed as a share-the-savings EAM. Is the current EAM effective at containing costs? Explain why or why not.

The JU have reported that they expect to meet port deployment goals in certain segments with excess budget.⁷ Because individual members of the JU are reporting lower than expected per-port and per-kW costs, the EAM seems effective both at containing costs and at encouraging efficient program administration.

20. As currently structured the Make-Ready EAM only functions through 2025, though the programs are authorized to continue until the plug targets have been reached. Provide recommendations for cost containment beyond 2025.

The EAM should continue through 2025 until plug targets are reached. In a second iteration of the make-ready program, per-port and per-kW cost baselines should be refreshed so that the JU do not continue to be compensated for cost savings they have already achieved. Assuming cost assumptions are refreshed, it would be reasonable for the EAM to continue.

21. Would another method of cost containment be equally or more effective than a share-the-savings EAM? If so, describe the alternative measure.

A data-based adjustment to per-port and per-kW cost baselines in conjunction with the continuation of a share-the-savings EAM structure is a sensible cost containment strategy.

22. Would per-plug cost caps be an effective cost control measure? Explain why or why not.

With the EAM, the JU is motivated to identify strategies to keep per-port and per-kW costs as low as possible. Use of per-plug cost caps should be up to the discretion of each member of the JU.

23. If per-plug cost caps were implemented, what would be an appropriate cap on incentive dollars for L2 and DCFC respectively?

Tesla recommends a data-based approach to any per-plug cost cap.

24. Should the program be modified to require the utilities to reduce incentives when certain plug count targets are met? Explain why or why not.

Not necessarily. If incentives are changed in either direction (up or down), the decision should be made based on a change in market conditions rather than triggered by meeting a plug

⁷ Case 18-E-0138, JU Petition to Extend Make-Ready Plug Deployments (February 24, 2025).

target. Meeting the plug target inherently means the current incentive is working and may be set at the correct level.

Program Review

25. Are there any other considerations within the relevant program review topics that should be taken into account?

This summer, there will be a substantial change in the L2 programs related to EVSE technical requirements. Starting June 1, 2025, equipment installed using make-ready funds will be required to be ISO 15118-2 or ISO15118-20 hardware ready and OCPP 2.0.1 ready.⁸ Tesla is concerned that these technical requirements may have the unintended impact of applying upward pressure on the cost of L2 installations for site hosts, as there will be fewer equipment options that are eligible to be installed within the make-ready program.

Because the JU's program covers *make-ready* costs, but the technical requirements will affect *equipment* costs, we do not see a clear avenue for the JU and DPS Staff to track the impact of these program changes on total project cost for L2 projects. In other words, any potential cost increases for customers that affect incentive uptake for the cost-sensitive L2 segment are likely to be invisible during the make-ready program review.

With the general goal of using incentive dollars efficiently, it is important to consider how technical requirements may erode the value of the make-ready incentives by adding to total project costs. We strongly encourage the Commission to consider how this upcoming program change will affect *total costs* for make-ready participants. Tesla strongly recommends the Commission delay these technical program requirements for L2 equipment and revisit these requirements in the context of equipment availability later this year.

26. If the Make-Ready Program were to continue, what program duration and cadence of program reviews and reporting would best promote the goals of plug achievement, market stability, and cost containment?

Tesla recommends the Commission keep current program duration and cadence of program review. The Climate Leadership and Community Protection Act (CLCPA) requires a 40% reduction in greenhouse gas emissions by 2030. Assuming the existing programs are allowed to continue at least until December 31, 2025, it would be reasonable for the next iteration of the make-ready program to continue until 2030 to align with the CLCPA milestones. A midpoint review could be performed at the halfway point of the refreshed five-year-long make ready program to conduct EV market share reassessment.

Conclusion

Tesla appreciates consideration of these written comments. We commend both DPS Staff and the JU for successful implementation of make-ready programs to date.

⁸ Case 18-E-0138, Order Approving Modifications to Make-Ready Program at 7 (September 20, 2024)