

September 24, 2013

**MEMORANDUM TO THE TRUSTEES**

**FROM THE PRESIDENT and CHIEF EXECUTIVE OFFICER**

**SUBJECT: Charge NY Program – Expenditure Authorization  
and Contract Award**

**SUMMARY**

The Trustees are requested to authorize up to \$15 million over a five-year term to implement the Charge NY Program (“Charge NY” or the “Program”). Charge NY would fund electric vehicle charging station deployment and research, outreach and education projects. The program would be developed in support of the Governor’s Charge NY Program announced in his 2013 State of the State Address. Program funding will be used for the installation of electric vehicle charging stations at state and local government sites, a pilot deployment of state of the art rapid chargers, and for public education and research programs related to electric vehicles and their interactions with the grid. The Trustees are also requested to authorize the first contract award under this new program to EV Connect, Inc. of Los Angeles, CA in the amount of \$1,568,108 for the installation of charging stations in 100 parking spaces throughout New York State.

**BACKGROUND**

Section 2879 of the Public Authorities Law and the Authority’s Guidelines for Procurement Contracts require the Trustees’ approval for procurement contracts involving services to be rendered for a period in excess of one year.

The Authority’s Expenditure Authorization Procedures (“EAPs”) require the Trustees’ approval for the award of non-personal services, construction, equipment purchase or non-procurement contracts in excess of \$3 million, as well as personal services contracts in excess of \$1 million if low bidder, or \$500,000 if sole-source or non-low bidder.

The Authority’s mission includes the supply of clean, economical, reliable and safe energy while promoting energy efficiency and innovation for the benefit of its customers and all New Yorkers. The Authority has worked to help the State reach the goals of Executive Order No. 111 (which requires agencies to reduce energy consumption while transitioning to renewable energy sources) and “45x15” (which aims for 45% of the State’s electricity needs to be met through improved energy efficiency and renewable sources by 2015). In that regard, the Authority has provided energy services projects throughout New York State resulting in nearly \$139 million in annual customer savings at about 3,800 public facilities, including schools, hospitals and municipal buildings, for a reduction of annual greenhouse gas emissions of more than 830,000 tons.

The Authority has also played a role in developing and expanding electric vehicle technology in New York State. These efforts started in 1995, resulting in the placement of over 1,200 electric vehicles in government fleets. These vehicles have driven over eleven million miles in total and have benefited the people of New York by improving air quality, reducing greenhouse gases and minimizing the use of imported fossil fuels. In partnership with the Electric Power Research Institute, the Authority has engaged the major automakers in the development of new vehicle technologies such as the plug-in hybrid drivetrain and the standardization of vehicle charging hardware.

The 2013 State of the State Address included the Charge NY program, which goal is to expand the market for electric vehicles from government fleets to the general public. The Program is designed to play an integral role by targeting the issues where the vehicles and the utility grid interact. By clarifying and optimizing these issues early in the development of the technology, the Program will establish New York as a technology leader in this important emerging market.

## DISCUSSION

The Charge NY Program calls for \$50 million in funding to meet these goals. The plan outlines roles for the New York Public Service Commission (“PSC”), the Investor-Owned Utilities (“IOUs”), New York State Energy and Research Development Authority (“NYSERDA”) and the Authority. The PSC has been requested to review regulatory issues and electric rates that can incentivize the use of electric vehicles by consumers and the IOUs has been requested to provide \$30 million in funding for electric vehicle incentive programs. NYSERDA allocated funding of \$5 million for the existing research efforts including local permitting issues and the early rollouts of public charging station installations. The Authority has been requested to fund \$15 million of the Program, consisting primarily of charging station installations throughout the State. These installations will be at state and local government sites and will address the electric charging needs of the general public and government employees.

If authorized by the Trustees, the Charge NY Program would consist of a non-recoverable fund of up to \$15 million to be available for expenditures over a five-year period commencing September 24, 2013. The funding would enable research and project activity in four main areas: public and workplace charging station deployment; rapid charging equipment deployment; charging equipment research and development; and public outreach efforts.

The first area, public and workplace charging station deployment, would engage state and local government sites to host \$10 million in electric vehicle charging equipment funded by the Authority. Some sites, such as train stations, municipal parking lots and airports, would have charging stations available for use by the general public. Other sites, such as State University campuses, may have charging stations installed in their employee parking lots for use by faculty and staff. These sites will be selected through a competitive solicitation seeking state and local government entities, non-profit colleges and the Authority’s energy customers interested in hosting electric vehicle charging stations on their property.

The second area, rapid charging equipment deployment, will target a limited number of sites to host state-of-the-art hardware capable of charging a vehicle battery in minutes instead of hours. Possible host sites would be airports and highway rest stops. Funding allocated for this second area would be \$2.5 million.

The third area, charging equipment research and development, will consist of technical studies, analysis and demonstrations of new charging technologies. Smart metering and battery swapping are two possible technologies for study. Funding allocated for this third area would be \$1.5 million.

The last area, public outreach and education, would endeavor to raise awareness of the technology among members of the general public. Studies have shown that the majority of individuals are unaware or ill-informed about electric vehicles, their costs and perceived limitations. An educational campaign targeting the Authority's municipal and rural cooperative utility customers will be developed. Funding allocated for this final area would be \$1 million.

The Trustees are also requested to authorize the first contract award under this new program to deploy electric vehicle chargers at public locations. In March, 2012 the Authority was awarded a grant of \$989,920 from NYSERDA to install electric vehicle chargers at public locations, such as commuter railroad parking lots. Subsequently, Authority staff issued a Request for Proposals ("RFP") for the charging equipment, installation and maintenance service in March, 2013 and received proposals in July, 2013. After completing their review of the proposals, Authority staff recommends an award of \$1,568,108 be made to EV Connect, Inc. The NYSERDA grant will be used to reimburse a portion of the Authority's expenses in implementing this project. Under this contract the vendor will install charging stations in 100 parking spaces throughout New York State.

The Charge NY Program will be conducted through an additional series of competitive solicitations, either independently or in collaboration with NYSERDA. A steering committee will be formed within the Authority to review all competitive solicitations to be issued under the Program, as well as all resulting contract and grant award recommendations. Additional Trustee authorization for contract awards will be sought according to the Authority's expenditure authorization procedures.

Staff will coordinate with NYSERDA and other industry stakeholders to develop program priorities and share expertise and results. Collaboration and additional co-funding will also be sought from the US Department of Energy, the Electric Power Research Institute, National Research Labs, and others, to secure additional research dollars for New York.

### FISCAL INFORMATION

The Charge NY Program will be funded from the Authority's Operating Fund.

### RECOMMENDATION

The Senior Vice President – Strategic Planning recommends that the Trustees formally approve the Charge NY Program as described above.

For the reasons stated, I recommend the approval of the above requested actions by adoption of a resolution in the form of the attached draft resolution.

Gil C. Quiniones  
President and Chief Executive Officer

Att.  
Charge NY Program

## RESOLUTION

WHEREAS, the Governor has announced the Charge NY Program to increase the adoption of electric vehicle technology among both government fleets and the general public of New York State; and

WHEREAS, the Authority has an extensive history of developing and implementing programs in the area of electric vehicle technology;

BE IT RESOLVED, That pursuant to the Authority's Expenditure Authorization Procedures the Trustees hereby authorize up to \$15 million in total available funds to be used for electric vehicle charging station deployment, rapid charger equipment deployment, charging station research and development, and public outreach and education, with such funds being utilized over a five-year period for the Charge NY Program as described in the attached memorandum of the President and Chief Executive Officer; and be it further

RESOLVED, That pursuant to the Guidelines for Procurement Contracts adopted by the Authority, approval is hereby granted to award a contract to EV Connect, Inc., in the amount of \$1,568,108, for the for the installation of charging stations throughout New York State; and be it further

RESOLVED, That Operating Fund monies will be used to fund such studies, training programs and grants in the amount and for the purposes listed below:

<u>Operating Funds</u>	<u>Expenditure Authorization (not to exceed)</u>	<u>Authorization Expires</u>
Deployment Projects, Research Studies, Public Outreach and Education Programs	<u>\$15 million</u>	9/24/2018

AND BE IT FURTHER RESOLVED, That the Chairman, the Vice Chairman, the President and Chief Executive Officer, the Chief Operating Officer and all other officers of the Authority are, and each of them hereby is, authorized on behalf of the Authority to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents to effectuate the foregoing resolution, subject to the approval of the form thereof by the Executive Vice President and General Counsel.