Offices of the Inspector General

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Inspector General

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December 30, 2024

John R. Koelmel
Chair
New York Power Authority
123 Main Street
White Plains, New York 10601-3170

Re: NYSIG 3013-020-2023

Dear Chair Koelmel:

In September 2023, the Office of the New York State Inspector General received an anonymous complaint regarding [redacted], a security officer at the New York Power Authority (NYPA). Specifically, the complaint alleged that [redacted] had been working as a home health aide on the same days she worked at NYPA. The Inspector General investigated this allegation and referred its findings to NYPA via letter dated May 8, 2024. In a July 5, 2024, email, NYPA advised of its conditioned approval of a request by [redacted] for outside employment. During the pendency of NYPA's response, the Inspector General received additional, anonymous allegations regarding [redacted] Pertinently, the allegations included claims that [redacted] inappropriately applied for business loans for "unregistered businesses" and applied for unemployment insurance benefits while employed at NYPA.

The Inspector General investigated these additional allegations and reviewed [redacted] filings with the U.S. Small Business Administration (SBA) and the New York State Department of Labor (DOL). Relevantly, the Inspector General identified filings [redacted] made with the SBA suggesting that she may have additional outside employment that may not have been disclosed to NYPA. Specifically, the Inspector General found that [redacted] applied for Economic Injury Disaster Loans (EIDLs) with the SBA on June 16, 2020, and July 2, 2020, on behalf of a sole proprietorship named "[redacted]" [sic]. Both applications list [redacted] as the owner of this entity. On January 8, 2021, [redacted] applied for an EIDL on behalf of a company named "[redacted], LLC." This application also lists [redacted] as the company's owner. Finally, on June 20, 2021, [redacted] applied for an EIDL under her name as a sole proprietorship. As mentioned in the prior letter to NYPA, the Inspector General found that [redacted] had not filed documentation with NYPA indicating that she had any outside employment. The NYPA Code of Conduct requires employees to report any such employment.

The Inspector General also determined that [redacted] applied for unemployment insurance benefits on April 13, 2020. In her application, she stated that the last day she had worked was March 26, 2020. NYPA filed a notice of protest in response to the application on May 21, 2020,

indicating that "Ms. [redacted] is a current NYPA employee." Please advise the Inspector General what, if any, steps NYPA took after advising DOL that [redacted] had applied for unemployment insurance benefits while apparently remaining employed at NYPA.

Accordingly, I am referring this matter to NYPA for any additional action it deems appropriate regarding [redacted] Please advise this office of any action taken by NYPA in response to this referral within 45 days of the date of this letter. If you require further information, please contact Deputy Inspector General Ken Michaels at [redacted].

Sincerely,

Lucy Lang
Inspector General

cc: Justin E. Driscoll, Esq.
President and Chief Executive Officer

Lori Alesio, Esq.
Executive Vice President and General Counsel