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Clerk of the Board, California Air Resources Board 1001 I Street Sacramento, CA 95814 *via* https://www.arb.ca.gov/lispub/comm/bclist.php

> Subject: Ford Comments on the Proposed Amendments to the Advanced Clean Trucks (ACT) Regulation and the Zero-Emission Powertrain Certification Test Procedure

Dear Chair Randolph and Members of the Board,

Ford Motor Company (Ford) hereby submits these comments on the California Air Resources Board's Notice of Proposed Amendments to the Advanced Clean Trucks (ACT) Regulation and the Zero-Emission Powertrain (ZEP) Certification Test Procedure. We appreciate the opportunity to comment as well as CARB's time and consideration.

Ford supports California's efforts to accelerate the widespread adoption of zero-emission (ZEV) vehicles. Particularly, we are very interested in the progress of the ACT regulation, as we sell more electric vehicles (EV) with gross vehicle weight over 8,500lb than any other manufacturer. As a company, we are committed to offering our customers a range of vehicle options to meet their needs – from fuel-efficient gas to hybrid and electric vehicles - that make a real difference in reducing carbon emissions over time. Our plan includes introducing new electrification options designed to speed customer adoption, including lower prices and longer ranges, and programs like Ford's Power Promise, which offers retail customers a complimentary home charger and expert installation at no charge for a standard install, on-the-road charging, an 8-year/100,00 mile battery warranty and ongoing support and guidance. Ford also has a strong commercial electric vehicle presence, led by E-Transit, which is America's best-selling electric van, and the F-150 Lightning Pro, America's best-selling electric pick-up truck. Our commercial customers are transitioning more quickly to electric trucks and vans as they experience the total cost of ownership and the productivity benefits that electric vehicles can provide. We are committed to doing our part to reduce emissions from transportation because our purpose has always been bigger than just building vehicles. Our aim is to help build a better world where every person is free to move and pursue their dreams.

Medium-Duty ZEV Certification Pathways – Class 2b Vehicles

Ford appreciates CARB's proposed changes to 13 CCR 1963.2(i) and supports the proposed pathways for 8,501-14,000lb GVWR complete medium-duty vehicles to receive ZEV credit under 13 CCR 1963.2. However, we believe that there are still two areas in which the proposed regulation is unclear in how medium-duty ZEVs from 8,501 through 10,000lb GVWR (class 2b) might generate ZEV credit under 13 CCR 1963.2. Ford agrees with the discussion regarding these sections (1963.2(h) and (i)) and recommendations outlined in the comments submitted by the Alliance for Automotive Innovation (Auto Innovators) and requests that CARB address this in the final rulemaking.

NZEV All-Electric Range Testing and Crediting

Ford has engaged with CARB over the past year regarding appropriate test procedures for demonstrating all-electric range (AER) per 13 CCR 1963.2(b)(2) to generate NZEV credits. Because these requirements for generating NZEV credits are not directly described or referenced in 13 CCR 1963.2 and require simultaneous interpretation of multiple technical requirement documents, there has been a lack of clarity among manufacturers as to the required test procedures to generate NZEV credits. Ford supports the comments submitted by the Auto Innovators, in requesting that CARB revise 13 CCR 1963.2(b) to directly reference a single test procedure document covering NZEV all-electric range testing requirements for ACT credit, aligned with the requirements discussed and agreed earlier this year regarding test cycles and weights.

Additionally, regarding NZEV AER crediting provisions, Ford would like to reiterate from previous discussions with CARB that we believe heavy-duty PHEVs have meaningful customer and environmental impact, even without achieving the 75-mile AER requirement. We request that CARB consider potential lower NZEV AER requirements for higher weight classes. Perhaps this may be accomplished utilizing a graduated AER with incremental test weight break points or graduated credit earning potential based on ratio of AER to the 75-mile requirement (i.e., ability to attain a partial NZEV credit).

GHG Implications of ZEP Certification and Fleets

In a September 24, 2024 letter to CARB regarding medium-duty ZEV certification pathways, the Auto Innovators also requested a clear statement from CARB that ZEV credit certification pathway would not affect the greenhouse gas (GHG) averaging set for medium-duty ZEVs. Given the past uncertainty in this area and even with the new proposed language, Ford supports the comments submitted by the Auto Innovators requesting that CARB more explicitly state in 13 CCR 1963 that ZEV credit certification pathway, including ZEP certification, does not impact the GHG averaging set for medium-duty vehicles.

Vehicle Labeling Requirements

Ford would also like to express our concerns with the with the additional new section 1963.2(g) Vehicle Labeling requirements. We agree with the comments submitted by the Auto Innovators which outline concerns with the administrative burden to operationalize, lead time concern for a 25MY implementation, likely potential confusion for dealers/customers/regulators in states adopting some but not all California regulations, etc. As noted in the Auto Innovators' comments, we also believe that manufacturer-supplied information at the time of final reporting supports data sufficient for CARB and manufacturers to compare with registration, as needed.

Medium-Duty Vehicle Flexibility – ZEV and NZEV Applicability

Additionally, Ford has noticed an inconsistency within the applicability of the medium-duty vehicle flexibility provision. Section 1963.2(j) states, "Beginning with the 2026 model year, Class 2b-3 **ZEVs or NZEVs** produced and delivered for sale in California may earn credits under 13 CCR section 1962.4 or 1963.2 but may not earn credits under more than one of these sections for the same vehicle." It continues to state, "Beginning with the 2026 model year, medium-duty **ZEVs** produced and delivered for sale in California for which a manufacturer elects to count the vehicle towards the requirements of 13 CCR 1962.4 will not be counted as a credit nor a deficit in the determination of the manufacturer's ZEV deficit under section 1963.1." Ford recommends the section be clarified to allow both ZEVs and NZEVs. The discussion of this flexibility within 1962.4 should also be revised to align for clarity, in particular sections 1962.4(i)(2) and (i)(7). Discussion of PHEV requirements in 1964.2(i)(2) should clearly state optional applicability to medium-duty ZEV requirements with medium-duty vehicles. Additionally, it would add clarity to include PHEVs as well in 1962.4(a)(2)(A) where a manufacturer optionally chooses to certify to the provisions of 1962.4.

Advanced Clean Trucks Reporting and Recordkeeping

Section 1963.4(b) allows a manufacturer to update reports for up to three previous model years for vehicles determined to be or not be delivered for sale into California. This additional time is similar to light-duty ZEV reporting and is expected to help offset the time lag inherent to some incomplete vehicles being delivered for sale. However, it seems overly restrictive to allow updates to "all other reported information" only within the initial 270-day reporting timeframe. Other reported information includes elections about ACT credit and debit exclusions and a vehicle's recipient. Given the challenges and uncertainties that manufacturers and regulators are working to overcome, a manufacturer's compliance should not be limited by credit/debit exclusion decisions made prior to final data being available. Also, a manufacturer should not be limited in updating recipient information that would help establish vehicle location.

If you have any questions, please contact Steve Henderson, Vehicle Regulatory Strategy & Planning (shenders@ford.com), or Evan Belser, Policy Strategist and Managing Counsel (ebelser1@ford.com). Thank you for your attention to these comments.

Sincerely,

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Cynthia Williams