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April 23, 2018

Mary Nichols, Chair Members of the Board California Air Resources Board 1001 | Street Sacramento, California 95814

Subject: Ford Motor Company input on the Proposed 2018 Amendments to the Low Carbon Fuel Standard (LCFS) program regarding electric vehicle charging credit generation.

Dear Chair Nichols and Members of the Board:

Thank you for this opportunity for Ford Motor Company to provide input on the 2018 Amendments to the Low Carbon Fuel Standard (LCFS) regarding the electric vehicle charging credit generation process.

As a company participating in the California market, Ford is deeply committed to the One National Program and supports California's clean air and climate goals – one set of standards nationally, along with additional flexibility to help us provide more affordable options for our customers. We would like to provide the following comments for consideration to improve the effectiveness of the LCFS program.

Vehicle electrification is core to Ford Motor Company. We introduced the Escape Hybrid nearly 20 years ago; our Hybrid and Plug-in vehicles are among the best sellers in the industry, and we recently announced plans to invest more than \$11 billion in electrification by 2022. Ford believes that the future of transportation is electrified, and this future will benefit both our customers and the environment.

Substantial challenges must be overcome before this future can be realized. Customer attitudes toward EVs must shift. We believe that programs such as the LCFS provide needed incentive to move customers toward adoption.

Allowing multiple pathways and business models to participate in the LCFS charging credit generation process can maximize the incentives for electric vehicle owners, leading to increases in the electric vehicle fleet across California roads as well as electric vehicle miles traveled.



Ford believes that EV manufacturers are well positioned to assist in increasing the effectiveness of the LCFS program given their natural relationships with customers and their vehicles. Ford is supportive of Point-of-Sale (POS) incentives to help spur greater EV adoption and we believe that there is a range of different POS approaches that should be considered, in addition to rebates for the vehicle itself. There are a variety of ways that the credit value can be returned to the customer at POS which can offer the consumer broader choice and prove to be more holistically effective. Ford would be eager for the opportunity to discuss these further with CARB, as we recognize that many details of the mechanism need to be discussed and decided.

In summary, Ford recommends that California consider amendments to the LCFS program allowing for the inclusion of EV manufacturer participation and multiple forms of incentive offered to the consumer at point of sale.

Thank you for your time and consideration in this matter. If you would like to discuss further, please feel free to contact me anytime at <u>ddicicco@ford.com</u> or **313-594-2916**.

Sincerely,

Dominic DiCicco

(Electronic Signature)

Dominic DiCicco Manager, Environmental Policy and Fuel Quality