



Cynthia Williams
Global Director
Sustainability, Homologation and Compliance

Ford Motor Company
One American Road
Dearborn, MI 48126-2701

October 16, 2024

Clerk of the Board, California Air Resources Board
1001 I Street
Sacramento, CA 95814
via <https://ww2.arb.ca.gov/lispub/comm/bclist.php>

Subject: Ford Comments on the Proposed Low Carbon Fuel Standard Amendments

Dear Chair Randolph and Members of the Board,

Ford Motor Company (“Ford”) hereby submits our comments on the California Air Resources Board’s (“CARB”) Proposed 15-Day Changes to the Proposed Amendments to the Low Carbon Fuel Standard (“LCFS”). We appreciate the opportunity to comment as well as CARB’s time and consideration.

Ford supports the proposed changes to direct up to 45 percent of the base credits generated by light-duty electric vehicle residential charging to the automakers producing those vehicles, which is outlined in the comments submitted by the Alliance for Automotive Innovation as well. Automakers are uniquely positioned and motivated to effectively invest revenue from the LCFS program to advance the electrification of transportation. In California, automakers face the strictest emissions requirements in the world, and a primary limiting factor on the adoption of electric vehicles is consumer concerns about costs and availability of charging infrastructure. With additional revenue from LCFS, automakers can help relieve these concerns, and doing so improves the financial performance of automakers’ electric vehicles.

With additional revenue, Ford could provide strategic support for residential charging—where most people charge most of the time—and for efforts to integrate electric vehicles into the grid and help ensure these vehicles reduce the grid’s carbon intensity while also reducing the cost of electricity for Californians. On this point, Ford supports the comments submitted by the Vehicle-Grid Integration Council (“VGIC”) and encourages CARB to include vehicle-grid integration (“VGI”) programs as an approved usage for both Base Credit revenue and Electric Distribution Utilities (“EDU”) holdback funds. Ford is currently participating in a small-scale pilot program with Sacramento Municipal Utility District to test VGI. With additional revenue, Ford would like to bring these types of VGI programs to additional customers in California in partnership with the California utilities, thus, helping further electric vehicle adoption by creating new value streams for electric vehicle customers and, at the same time, helping to

support the electric grid by administering VGI programs in coordination with utilities in order to meet the utility goals of increased resilience, infrastructure upgrade deferral, and increased renewable energy utilization.

To date, Ford has only reported residential charging for a small number of Ford drivers in California which has limited the ability to fully utilize the LCFS program's potential to invest and support the customer's EV transition. CARB's proposed amendments would improve Ford's ability to invest in electrification to support EV affordability for customers. Further, Ford requests that CARB consider the fact that Ford does not include a customer's vehicle in the LCFS Incremental Credit program unless and until that customer opts into the program. Ford participates in the Zero-Carbon Intensity pathway in order to offer our customers' the value of carbon free charging at home through the pathway with Renewable Energy Credit purchases, but this adds additional cost into the business case for Ford's participation in the LCFS. We take this approach to help ensure compliance with California privacy laws, and beat customer expectations, given that Ford may need to share with CARB the customer's vehicle identification number and location. As a result, Ford's participation has been limited to generating about 1,200 credits since it began participating in December 2021. This contributed to 3,457 MWh of renewable electricity from solar and wind energy projects via renewable energy credits. However, if all Ford vehicles were eligible to participate as part of the proposed Base Credit generation, we anticipate that Ford would generate almost six times that number of credits for calendar year 2025, equating to approximately 15-16 times the amount of carbon reduction for residential charging. Ford is eager to find ways to participate in the LCFS in a more substantial way while maintaining our high standards for customer privacy.

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,

A handwritten signature in blue ink that reads "Cynthia Williams". The signature is written in a cursive, flowing style.

Cynthia Williams