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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) Regulations 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 Public Hearing to Consider Proposed Amendments to the Advanced Clean Trucks (ACT) Regulation and the Zero-Emission Powertrain Certification Test Procedure. We appreciate the opportunity to comment as well as CARB's time and consideration.

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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 Advanced Clean Trucks (ACT) regulation, as we sell more electric vehicles (EV) with gross vehicle weight over 8,500lbs than any other manufacturer.

As a company, we have committed ourselves to helping the United States lead on climate change and to making the business case for electrification. Ford believes that climate change is a shared global challenge that affects all of us and has supported a wide range of regulatory initiatives that will help address this challenge. More than 120-years ago, Ford revolutionized transportation and the American economy with the Model T, and now we are doing the same with electric vehicles. Ford has a long history with EVs. We introduced our first EV in 1920 and came to market in mass scale with the Mustang Mach-e in 2020. With the introduction of the F-150 Lightning and E-Transit van, we have risen

to the number two EV brand in the country. We are working to introduce our second generation EVs and continue to grow our market share. We will do this building on our heritage and strengths, moving to the future with EVs together, and committing to making EVs mainstream.

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Ford believes the ACT standards will facilitate the transition to electrified and zero-emission vehicles across the industry. With this rulemaking, we understand that CARB is aligning the ACT language as much as possible in 24CY with the 100% ZEV sales requirements for 2036 and subsequent model years (outlined in the Advanced Clean Fleets (ACF) rule). Additionally, we understand that CARB intends to address the sharp step transition between the 2035MY class ZEV percentages (currently 55% for Class 2b-3, 75% for Class 4-5/6-7/8 Non-Tractor, and 40% for Class 7-8 Tractor for 2035MY) to 100% in 2036MY prescribed in the ACF. It is our expectation that this revision would come in a later ACT rulemaking, and would potentially outline increased percentages for the 2030-2035MYs to create a smoother transition to 100% in 2036MY. This rulemaking may include several other key considerations, and we look forward to this update.

Ford anticipates that the expected timing for these amendments would make the requirements effective for the 24MY report. We have several comments related to reporting and the proposed updated language under Section 1963.4 “Advanced Clean Trucks Reporting and Recordkeeping” part (a) “Sales Reporting,” which are detailed as follows:

CARB has outlined additional information to be reported “(9) *Latest status of delivery into California (to a dealer, secondary vehicle manufacturer, ultimate purchaser, or other); 10) Name of person or entity that is the vehicle’s recipient; 11) Physical address of the vehicle’s last known delivery destination.*” Ford understands that CARB is expecting manufacturers to provide status (either delivered or in transit), name, and address for all vehicles (including all Internal Combustion Engine (ICE) vehicle data). This requirement is a significant increase in volume of data as compared to what is currently required for Light-Duty (LD) ZEV reporting and data validation. Ford requests that CARB consider the option of providing this data only on an as-requested basis for vehicles not found in CARB’s investigation as this would align with CARB LD ZEV processes. Additionally aligned with LD ZEV, Ford is aware that it is possible to report new ZEV vehicles up to three model years previous and recommend that this be formalized in the regulations as well.

Within CARB’s current ACT reporting system for ZEV credits, Ford sees that an Advanced Clean Cars (ACC) election feature exists. However, the proposed amendment language does not include this data and rather specifies a declaration that is to be provided. Ford recommends that Section 1963.4(a) include the current election for ACC credit (yes or no) and the declaration in section (d) be removed, separately. Ford understands that the ability to input data by individual VIN will be maintained with this amendment and seeks alignment on this within the regulation.

Regarding Section 1963.3 part (b), which covers the flexibility to make up a deficit. The proposed language specifies, “*The net deficit must be reduced to below 30 percent by the end of the first year.*” Ford requests that an alternate recovery over the three-year period be considered to be consistent with existing credit averaging, banking, and trading practices. Perhaps, a provision that would allow

manufacturers to approach CARB with their plan (with detailed recovery schedule) to resolve a deficit be considered, subject to CARB's approval.

Regarding the updates to the Zero-Emission Powertrain (ZEP) Certification Procedure to allow manufacturers the flexibility to include medium duty complete vehicles, we noticed the reference to "incompletes" was not removed in Section 1963.2 "Advanced Clean Trucks Credit Generation, Banking, and Trading" part (h). Ford requests a clarification regarding if keeping "incompletes" in this section was intentional. As ZEP Certification is modified to incorporate both incomplete and complete vehicles in this category, the regulation should ensure that manufacturers are able to properly earn ZEV credits for complete vehicles that meet ZEP Certification (as with incomplete vehicles).

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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