June 26, 2009

Federal Trade Commission/Office of the Secretary
Room H-135 (Annex M)
600 Pennsylvania Avenue
Washington, DC 20580

The following are the comments of Ford Motor Company in response to the Federal Trade Commission (FTC) "Fuel Economy Guide Review, Matter No. R711008."

Ford Motor Company supports the continued publication of the fuel economy guide and values the consistency and fairness that it provides to consumers and industry. Ford also supports the comments of the Alliance of Automobile Manufacturers. To further improve the fuel economy guidelines, we offer the following specific comments and recommendations:

1. The definition of Alternative Fuel should include electrical energy, as in the EPCA statute.
In order to harmonize with the definition of electricity as an alternative fuel found in the Energy Policy and Conservation Act (EPCA), 49 USC § 32901 (a)(1)(J), and FTC labeling requirements for alternative fueled vehicles (16 CFR 309), the FTC guideline should define electrical energy as an alternative fuel for automobiles. Section 259.1 (g) of the FTC guideline should be consistent with Section 259.1 (a) and consistent with 16 CFR 309.1 (c). Electricity has always been treated as an alternative fuel for automobiles by both industry and consumers and we recommend that this continue both as a matter of definition and practice.

2. When advertising electrical energy usage, Miles/kWh or kWh/100 Miles are fair metrics, - while miles per equivalent gallon of gasoline is misleading and confusing. -
We do not support the use of equivalent petroleum-based fuel economy (MPGe) to describe the - energy use of an electrically powered automobile or a plug-in hybrid electric vehicle. In real-world application, MPGe does not translate for consumers at the point of use, and therefore, - would be misleading. Today, the miles per gallon equivalent is used to comply with CAFÉ - requirements for electrically powered automobiles. -

MPGe would be plagued by the same difficulties as the average annual fuel cost information that is currently contained on the fuel economy window label. That annual fuel cost is based on changing fuel price. It is rarely accurate when the customer actually purchases a vehicle, and causes unnecessary work government to monitor fuel price and publish changing rates and manufacturers to react and change the label. Far simpler and unaffected by cost changes, is Miles/KWh.

3. Both PHEVs and EREV will demonstrate a bimodal fuel economy and electrical economy nature, which consumers need to be aware of through advertising of battery electric range or equivalent battery electric range (i.e., "cruising range").

Advanced technology vehicles (i.e., plug-in hybrid electric vehicles (PHEV) and extended range electric vehicles (EREV) will, by design and use, provide different levels of fuel and electrical energy consumption depending on the distance travelled and type of driving (load experience by the vehicle) during its travel. Consumers may need to become educated in these different qualities in order to compare vehicle performance. We recommend that consumers be spared the confusing details and be provided with a simple measure, how far can the vehicle travel in an electrically assisted mode. This bimodal fuel economy is in contrast with an "average" fuel consumption rate associated with traditional non-hybrid vehicles.

The SAE is completing revision of test procedure SAE J1711 which includes the methodology to determine the driving distance where PHEVs fuel economy changes. We support use of this standard for measuring and advertising purposes.

5. The SAE standards referenced will need to be updated to specify revised versions

Section 16 CFR 309.22 specifies that cruising range for electric vehicles is to be determined by using the 1993 version of SAE J1634. Unfortunately, this SAE reference was technically cancelled in October 2002; however, this procedure is currently being updated by SAE to reflect new technology (full electric only EVs [also called BEVs] and EREVs). We recommend that the FTC amend its proposal to reference the new SAE J1634 once it is revised (estimated to be completed by December 2009). This comment also applies to SAE reference J1711, which addresses electrical range and equivalent electrical range for Plug-in Hybrid Vehicles. SAE J1711 is expected to be completed in the Fall of 2009.

6. Please note that discussions are currently ongoing with EPA on Fuel Economy labeling for Advanced Technology Vehicles

Ford Motor Company and other OEMs are currently discussing with EPA how to best label PHEVs EREVs and full battery electric vehicles for fuel economy labeling (FE Labeling pursuant to Energy Policy and Conservation Act of 1975 beginning at 49 USC 32901). We expect to have EPA guidance by the end of 2009 to help industry address fuel economy labeling of the vehicles in question. At a minimum, there will be two types of information displayed on the fuel economy label: statutorily required information and additional information helpful to the consumer at the point and time of purchase to help compare vehicle performance on a level playing field. For PHEV and full battery electric vehicle applications, Ford supports the inclusion "**cruising range**" as described above, as part of the non-statutorily required information. We also support including the **total electrical energy** required to recharge the battery system to help consumers understand the nominal amount of electrical cost associated with use of these vehicles.

Ford thanks the FTC for the opportunity and consideration of our comments. Questions regarding these comments can be addressed to Ed Kulik (ekulik@ford.com).