

Andrew S. Hobbs Director Environmental Quality Office Parklane Towers West, Suite 950 Three Parklane Boulevard Dearborn, MI 48126 USA

May 25, 2006

Voluntary Reporting of Greenhouse Gases Energy Information Administration, EI-81 U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

Subject: Voluntary Reporting of 2005 Greenhouse Gas Emissions – U.S. Department of Energy Section 1605b Report

Dear Sir/Madam:

The following is a summary report / certification letter for 2005 Ford Motor Company greenhouse gas emissions prepared in accordance with the U.S. Department of Energy Section 1605b voluntary reporting scheme. This summary is supplemental to the data submitted electronically on May 25, 2006. We welcome the opportunity to submit this voluntary report and work with the Department of Energy to improve the reporting process and structure in the future.

This report includes CO2 emissions and reductions from Ford Motor Company manufacturing facilities located in the U.S., fleet average CO2 emissions per mile from new Ford light duty vehicles sold in the U.S., and several projects that have resulted in CO₂ emissions reductions. Additional information on each of these report categories is provided below.

Stationary Source Emissions

We maintained our scope of reporting from last year to maintain data quality and ensure consistency between information reported to the Department of Energy and data managed under other greenhouse gas programs. This year's submittal includes results of a recently completed third-party audit of 2005 calendar year energy and emissions data for Ford's manufacturing facilities. The emissions calculation approach is described below.

Ford manufacturing facilities use various energy sources which generate different amounts of CO2 emissions. Such emissions can be separated into two categories:

- Direct Natural gas and coal
- Indirect Purchased electricity

Using the instructions for completing Form EIA-1605, stationary source CO2 emissions were determined by multiplying energy usage by the appropriate conversion factors provided in "Appendix B – Fuel and Energy Source Codes and Emission Coefficients." Since electricity emissions factors vary by region, state-specific CO2 emissions from electricity usage were calculated using "Appendix C – Adjusted Electricity Emission Factors by State and Region."

Ford entity-level total GHG emissions data are reported in **Figure 1** with emissions per vehicle built shown in **Figure 2**. This report includes 1998-2005 calendar year data for all U.S. manufacturing facilities that Ford owns including the equity-share of emissions from joint venture operations.

Climate VISION Status Report

In 2003, the Alliance of Automobile Manufacturers voluntarily joined the President's Climate VISION program. Under this program, Ford and other Alliance member companies committed to achieve at least a 10% reduction in GHG emissions from their U. S. automotive manufacturing facilities, based on U. S. vehicle production, by 2012 from a base year of 2002.

Due to a continued decline in U.S. vehicle production volumes, Ford's stationary source emissions per vehicle increased by 2% between 2002 and 2005. However, Ford's absolute GHG emissions <u>decreased</u> by 13% (450,000) over the same period.

We continue to implement internal energy efficiency projects and we are confident that we will meet the Climate VISION commitment.

Project-Level Reductions

Ford has implemented several energy efficiency projects (i.e., boiler conversions, lighting efficiency improvements, etc.) that have resulted in CO2 emissions reductions shown in **Figure 3**.

These project-level reductions have been estimated using the following process:

- Energy savings are third party verified and were determined using first full year estimated savings.
- For reporting purposes, each project was assumed to accrue energy savings and CO2 emissions reductions over a 3-year time-period.

Vehicle Emissions per Mile

The average fleet CO2 emissions per mile for new passenger cars and light duty trucks for model years 1998 through 2005 is shown in **Figure 4**. This estimate is based on the Ford Motor Company CAFE reports for the 1998 through 2005 model years for light duty truck and import and domestic passenger car fleets. In this estimation, dual fueled vehicles were treated as gasoline vehicles.

Sincerely,

A. S. Hobbs, Director

Environmental Quality Office

Attachments

Figure 1: Total Stationary Source Entity-Level CO2 Emissions

Facility CO2 Emissions

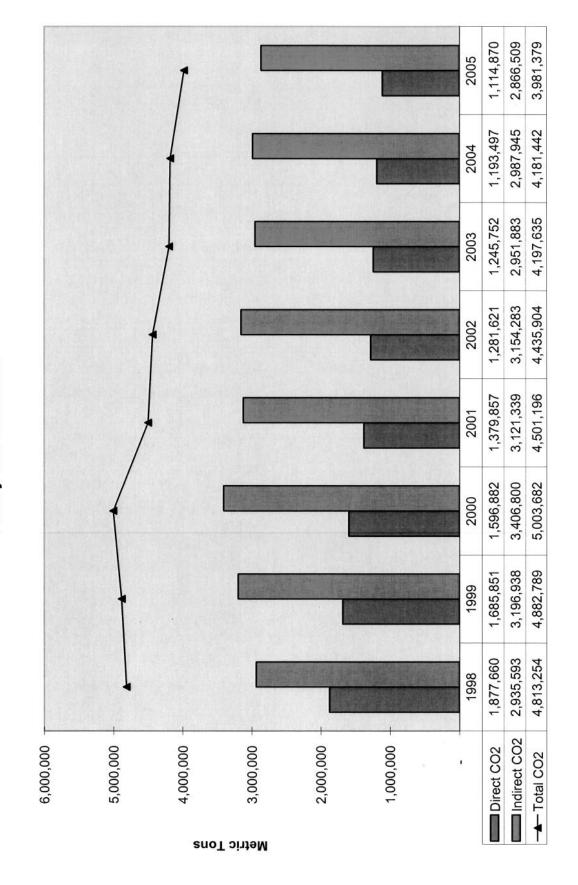


Figure 2: Total Stationary Source Entity-Level CO2 Emissions per Vehicle Built

Facility CO2 Emissions per Vehicle Built

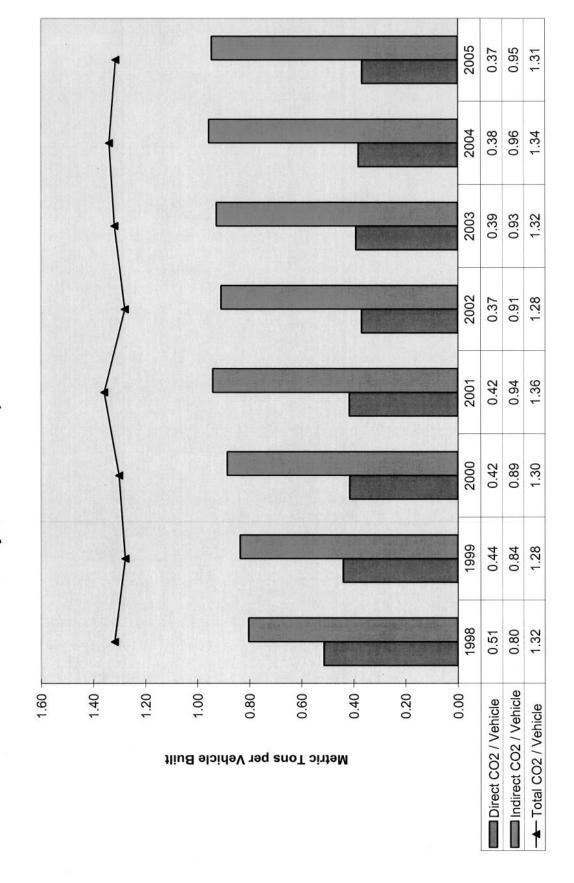


Figure 3: Stationary Source Project-Level Reductions

Facility CO2 Reductions

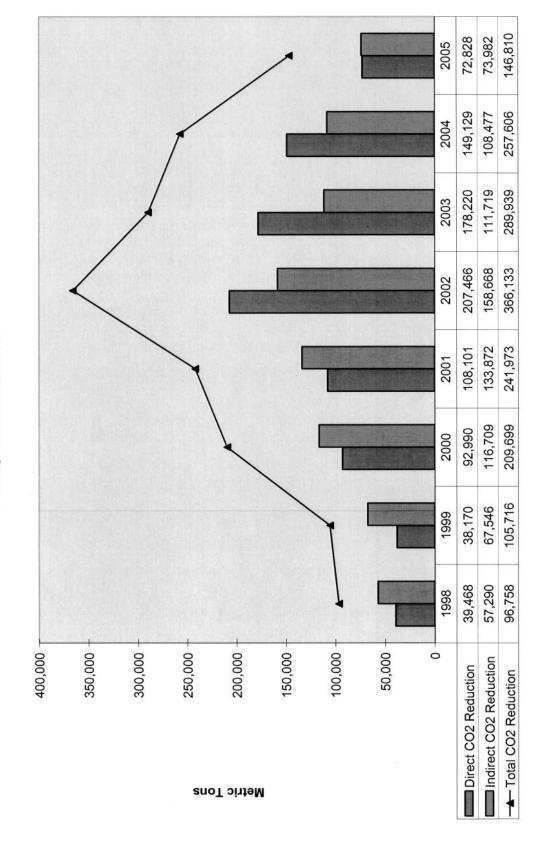
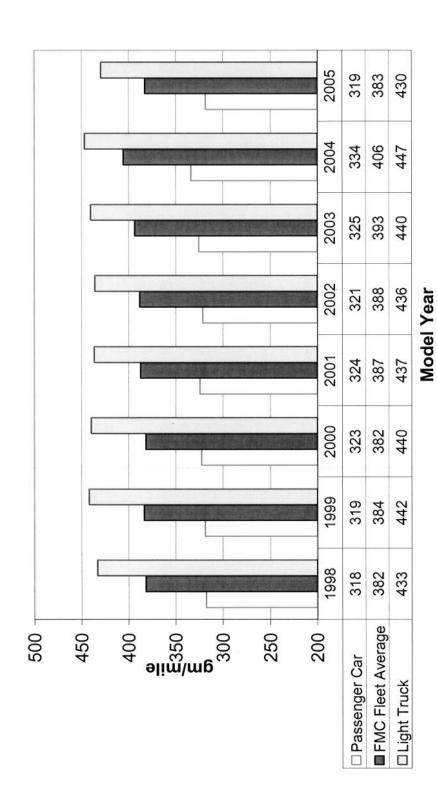


Figure 4: Average New Light Duty Vehicle CO2 Emissions per Mile

CO2 from Ford Motor Company New Cars and Light Duty Trucks by Model Year (U.S. Sales Only)



Energy Information Administration U.S. Department of Energy Form EIA-1605

Certification Letter

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Identification Number: 349

Reporting Year

: 2005

Submitted By

: Ford Motor Company

Director, Environmental Quality Office

Certification:

I certify that the information reported on form EIA 1605 and submitted as an attachment to electronic mail or via diskette sent to EIA is accurate to the best of my knowledge and belief.

Signature

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Andrew S. Hobbs

Name Title

Telephone

3138455802

Date/Time

5/23/2006 10:14:01