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June 23, 2017

Mr. Stephen Hench
Trial Attorney
National Highway Traffic Safety Administration
1200 New Jersey Avenue, S.E.
Room W41-227
Washington, DC 20590

Dear Mr. Hench:

Subject: Ford Motor Company Notice of Anticipated Shortage and Request for Extension

Ford submits this request to extend the Supply and Launch deadline for Priority Group 4 (PG4) Ford Ranger vehicles in the Zone A states of California and South Carolina and in the non-Zone A states per your request dated June 15, 2017.

Ford notes that this request is a change from the previous guidance provided by the Agency in several telephone conversations regarding how Ford should address the 2004 - 2006 MY Ford Ranger vehicles affected by these recalls. In a telephone conversation between the Agency and Ford personnel on April 13, 2017, Ford explained the evolution of the Ford Ranger inflator recalls and the complexity involved in administering those recalls since the Agency has expanded the geographic regions, issued a Coordinated Remedy Order with subsequent amendments, and clarified that Paragraph 34 of the Third Amendment to the Coordinated Remedy Order (ACRO3) was intended to mean that the recall campaign be launched to the entire Priority Group by the deadline.

Ford requested direction from the Agency during the April 13, 2017 telephone call as to how the Agency would like Ford to address the Ranger vehicles in light of the extension request that Ford was preparing at that time. In a subsequent series of telephone calls on April 20, 2017, the Agency indicated to Ford that no action related to the extension request was necessary for the Ranger vehicles since a "like for like" service action had been in progress for nearly three years.

Background:

June 2014: The Agency requested that Ford voluntarily conduct an inflator collection program for vehicles located in Florida, Hawaii, Puerto Rico, and the U.S. Virgin Islands. The inflators included in this program included 2004 - 2005 MY Ford Ranger single stage passenger inflators (SPI).

October 2014: NHTSA requested that Ford conduct an inflator collection program for Takata SDI driver airbag inflators installed in 2004 - 2005 MY Ford Ranger vehicles located in the four state HAH region (Florida, Hawaii, Puerto Rico, and U.S. Virgin Islands.) Ford administered this collection program in recall (14B04 / 14V-343). As the scope of the Takata recalls expanded to other vehicle lines and other non-desiccated ammonium nitrate inflators, Ford regularly asked the Agency whether to extend the inflator collection program to other states within the extended HAH area and whether to include the 2006 MY Ranger vehicles as well. Through December 2015, Takata conducted ballistic tests on more than 1,900 SDI inflators collected from 2004 - 2005 MY Rangers without incident. As a consequence, NHTSA-ODI did not request expansion of the scope of the inflator collection program.

October 2015: NHTSA held a meeting with affected vehicle manufacturers at VRTC to discuss a methodology to assign priority groups for all vehicles that were under recall at the time. The Agency also requested manufacturers to evaluate all vehicles that were under recall at the time and to assign priority group rankings. These rankings are summarized in NHTSA's November 3, 2015 Coordinated Remedy Order Annex A. At the time, only the passenger airbag inflator was under recall for the 2004 - 2006 MY Ranger. The Ranger driver airbag SDI inflator was still in a voluntary parts collection program. Annex A of the November 3, 2015 Coordinated Remedy Order did not include South Carolina or California in the HAH region.

December 2015: Ford was informed of a driver airbag inflator rupture on a 2006 MY Ranger in South Carolina, which resulted in a fatality. In response to this field incident, Ford initiated a national safety program (16S03 / 16V-036) to replace the Takata SDI driver airbag inflators. At the time, Ford had not developed a non-ammonium nitrate driver airbag replacement inflator, because no ruptures had been observed during ballistic tests conducted at Takata. As an interim repair, Ford offered like-for-like Takata SDI inflators until a permanent solution could be developed and production capacity was secured. Due to limited availability of interim repair parts, Ford administered the national recall program by prioritizing vehicles that were currently registered or had ever been registered in the HAH region.

May 16, 2016: Takata submitted three Defect Information Reports (16E-042, 16E-043, 16E-044) to NHTSA declaring that remaining non-desiccated ammonium nitrate airbag inflators were defective. None of these DIRs address the SDI driver airbag inflator used in the Ranger. In June 2016, NHTSA held a meeting with affected vehicle manufacturers at Department of Transportation headquarters in Washington, D.C., to discuss a methodology to assign priority groups for all vehicles equipped with inflators listed in Takata's DIRs. The Agency requested manufacturers to evaluate all vehicles that were under recall at the time and provide the results of the assessments.

December 9, 2016: NHTSA published the Third Amendment to the Coordinated Remedy Order, which among other things, assigned new priority groups for vehicles affected by the Takata recalls, instituted sufficient part supply deadlines, and stipulated recall completion percentage milestones. This amendment also added South Carolina and California to the HAH region, as well as described three geographic zones that the United States would be divided into for future recall administration. Further, in a February 3, 2017 email, the Agency provided clarification that the definition of a "launched" program under Paragraph 34 of the ACRO3 meant that all owners in particular priority group had been notified that parts are available. Previously the understanding by Ford (and apparently other OEMs) was that a program was launched when owners were notified, even if it was a phased or "rolling" notification.

February 14 2017: Ford filed a Notice of Anticipated Shortage and Request for Extension for Priority Group 4 Ford GT and Ford Mustang vehicles equipped with Takata PSPI dual stage passenger airbag inflators.

March 22, 2017: NHTSA issued Order Tolling Supply and Launch Deadline for Certain Priority Group 4 Ford and Mercedes Benz Vehicles, which required Ford to submit a supplement to its February extension request.

April 5, 2017: Ford submitted its response to the Agency's "Tolling Supply and Launch Deadline" order. As requested by the Agency, Ford requested extensions for vehicles in Priority Groups 4 – 8 equipped with Takata PSPI passenger airbag inflators.

June 15, 2017: NHTSA requested that Ford file a separate extension request to include the 2004 - 2006 MY Ranger vehicles originally delivered or registered in South Carolina and California that now, along with the previous HAH states make up "Zone A" as well as non-Zone A states.

In response to the Agency's June 15, 2017 email and pursuant to Paragraph 39 of the Agency's Third Amendment to the Coordinated Remedy Order (ACRO3) dated December 9, 2016, Ford Motor Company (Ford) respectfully requests an extension to the Supply & Launch Deadline for the following Priority Group 4 vehicles as specified in Amended Annex A:

Model Years	Make	Model	Inflator	Zone
2004-6	Ford	Ranger	DAB	A ⁽¹⁾
2004-6	Ford	Ranger	DAB	Non-A

(1) – This extension request for Zone A applies to vehicles in California and South Carolina, which were not included in the original definition of the HAH area (Florida, Mississippi, Alabama, Louisiana, Texas, Hawaii, Puerto Rico, U.S. Virgin Islands) when Ford recalls (14B04 / 14V-343) and (16S03 / 16V-036) were launched.

(i) Explanation

Final repair parts for the 2004 - 2006 MY Ford Ranger have yet to become available due to difficulty securing a production source for service kit components, specifically, the intermediate wiring harness. Ford has secured a production source for the final repair driver airbag inflator and parts are currently being produced. Unfortunately, the original service wiring harness as released by Takata included a connector manufactured from a non-Ford approved supplier. Once this issue was identified by Ford, Takata needed to release a new connector for the wiring harness and secure a new Ford approved supplier. Wiring harness production tooling is currently being developed; and, Ford will finalize production validation testing when parts become available.

Ford's approach to the recall remedies is to develop replacement inflators that are non-PSAN based, while providing "like for like" inflators to the highest risk vehicles as an interim repair only. We are aware that other OEMs may have taken different approaches and utilized "revised" non-desiccated PSAN based inflators or desiccated PSAN based inflators for their remedies and those remedy parts may be available in a shorter timeframe than non-PSAN based inflators.

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We believe the Agency agrees with Ford that inflators utilized for recall remedies must provide acceptable performance in the multitude of crash scenarios evaluated for the original equipment. Ford has been focused on the most expeditious solutions (existing inflator designs that require minimal design changes, inflators where suppliers have readily available capacity or the shortest time to make capacity available) for inflators that could be validated to perform as expected. Ford has worked and continues to work diligently to introduce recall remedy parts as expeditiously as possible.

(ii) Remedy Part Selection, Validation, and Development Process

Ford utilizes a thorough engineering process to identify, develop, and validate replacement driver and passenger airbag inflators or replacement modules for in-use vehicles affected by the Takata recalls. Below is a high level description of the service part development and validation process:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

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c [■ [REDACTED]] c

(iii) Sufficient Remedy Part Supply Sourcing

Ford has secured sufficient production capacity to produce the [REDACTED] single stage driver airbag inflator from [REDACTED].

(iv) Replacement Part Quantities

Ford is providing the number of affected 2004 - 2006 MY Ford Ranger vehicles as reported in the June 9, 2017 Monitor Dashboard. The number does not include the units not in service (e.g., scrapped, stolen, exported, or not registered for two or more years consecutively.) The number of available parts includes only the number of like-for-like Takata SDI driver airbag inflators available for dealers to order as of the June 9, 2017, Monitor Dashboard submission.

Model Years	Make	Model	Inflator	Zone	Vehicles Affected	Parts Available as of 6/9/17 ⁽¹⁾
2004-6	Ford	Ranger	DAB	A	129,654 ⁽²⁾	5,722
2004-6	Ford	Ranger	DAB	Non-A	231,481 ⁽²⁾	

(1) – Quantity of Takata SDI like-for-like inflator parts available for dealer order fulfillment within 24 hours.
 (2) – Number of affected vehicles and does not account for vehicles out of service or vehicles that have been repaired with a Takata SDI like-for-like inflator as an interim repair.

Ford mailed customers in the extended HAH area (Florida, Hawaii, Puerto Rico, U.S. Virgin Islands, Alabama, Mississippi, Louisiana, and Texas) that interim Takata SDI replacement inflators were available. Ford also allowed dealers to repair vehicles that were not in the extended HAH area of the country. A summary of completed repairs for both recall completed as of Ford's June 9, 2017 Dashboard submission are provided below:

Model Years	Make	Model	Inflator	Zone	Vehicles Affected	Vehicles Repaired with Like-For-Like Inflators
2004-6	Ford	Ranger	DAB	A	129,654	22,775
2004-6	Ford	Ranger	DAB	Non-A	231,481	47,257

(v) Extension Request Date

Based on validation timing, rate and plow projections, and estimated units in operation, Ford believes it will have a sufficient supply of inflator kits to launch a national program in its entirety by December 2017. Ford will continue to look for opportunities to improve the owner communication timing including:

- Identify vehicles no longer in-service and remove them from the affected vehicle propulsion, to reduce the inventory of parts required to launch the program phases
- Monitor the on-hand driver airbag inflator kit part supply, affected by customer response rate, and adjust the notification timing and volume accordingly

Model Years	Make	Model	Inflator	Zone	Extension Request Date
2004-6	Ford	Ranger	DAB	A	November 2017
2004-6	Ford	Ranger	DAB	Non-A	December 2017

Ford is investigating several methods to improve the recall launch timing including phased owner mailing and revising the percent of service parts that are required to launch a program to improve the flow of service kits.

(vi) Phased Remedy Launch Plan & Schedule Proposal

Ford proposes to launch owner notification mailing when specific replacement inflator kit supply thresholds are reached; allowing Ford to phase mail customers by geographic zone. Ford is submitting a chart used to determine its prioritized phase mailing plan with a request for confidential treatment pursuant to 49CFR Part 512 in Confidential Attachment #1.

Geographic Zone	Parts On Hand %	Phased Launch Start
A	30%	November 2017
B	40%	1 st Half - December 2017
C	50%	2 nd Half - December 2017

If you have any questions concerning this response, please feel free to contact me.

Sincerely,



Wayne E. Bahr
Attachement