

Ford sees plug-in hybrids by 2017

Story Highlights

- Car maker, California utility to test 20 rechargeable electric vehicles
- Ford was first U.S. car maker to introduce gas-electric hybrid
- GM has begun development work this year on its own plug-in hybrid car

ROSEMEAD, California (Reuters) -- Ford Motor Company Chief Executive Alan Mulally says he expects the company to sell plug-in hybrids in five to 10 years.

"Within five to 10 years we will start to see this technology in our hands," Mulally said on the sidelines of a press event to announce an alliance between Ford and utility Southern California Edison to test 20 rechargeable electric vehicles.

When asked if that meant plug-in hybrids would be available on showroom floors, Mulally said, "Yes. Sure."

Mulally said the rollout of Ford plug-in hybrids is dependent on advancements to lithium ion batteries that will be charged by the car's owners using regular household electrical outlets.

He declined to give a more precise production target, saying: "I can't go further than that. We will know a lot more in the next few years."

The comments were the first time Ford has offered a timeline for producing plug-in hybrids. The alliance between the No. 2 U.S. automaker and the second-biggest U.S. electric utility is a first of its kind.

Many environmental advocates see plug-in hybrid vehicles as the best available technology to reduce gasoline consumption and global-warming greenhouse gas emissions.

The Ford CEO and John Bryson, chief executive of Southern California Edison parent Edison International, unveiled plans on Monday for the first-of-its-kind alliance at Edison International's headquarters in suburban Los Angeles.

Under the partnership, researchers from Southern California Edison and Ford will work together in "real world" testing of up to 20 plug-in hybrid vehicles, Bryson said.

Environmental advocates, who have targeted Ford in the past, welcomed the tie-up and said it showed the automaker was back in the race for electric car technology with Toyota Motor Corp. and General Motors Corp.

Mulally said it would provide So Cal Ed with 20 model year 2008 Ford Escape Hybrid sport utility vehicles



Ford Escape Hybrids are being used as taxis in San Francisco (above) and New York.

reconfigured to work as plug-ins by 2009. The first will be delivered by the end of this year.

Ford will work with an as-yet unnamed battery company to make the plug-ins for the joint-company tests.

Bryson said So Cal Ed will make it a "real world" test by giving the Escapes to 20 consumers who have electric "smart meters" to monitor power used to charge the SUVs.

Mulally cautioned that the commercial rollout of the still experimental vehicles depends on advances in battery technology, an assessment shared by other rival automakers.

Ford, which lost \$12.6 billion last year, became the first U.S. car maker to introduce a gasoline-electric hybrid -- the Escape -- in 2004.

Faced with declining U.S. market share, Ford later backed off ambitious sales targets for hybrids and was criticized by environmental advocates for having lost momentum in the race to develop alternatives to combustion engines.

Environmental advocates, particularly in California, have been pressing automakers to roll out plug-in vehicles capable of running solely on electricity for short distances and recharging at a standard electric outlet.

"Consumers have been waiting a long time for an automaker to offer the next generation of ultra-fuel-efficient, gasoline-optional cars," said environmental groups Rainforest Action Network and Global Exchange Campaign in response to Ford's announcement.

Ford will initially work exclusively with Southern California Electric to develop the testing procedures, but did not rule out working with other partners in the future. And Bryson said SCE will work with other automakers.

The two companies came together because of the relationship of the two chief executives, who are both linked to Boeing Corp.

Mulally was Boeing's executive vice president before joining Ford in September 2006 and Bryson is a director of Boeing.

GM began development work this year on its own plug-in hybrid car. GM showed off a concept version of the Chevrolet Volt in January.

Plug-in hybrids are to use little or no gasoline over short distances and at lower speeds.

Electric utility Southern California Edison serves about 4.8 million electricity customers in the Los Angeles region and parts of California's coast and Central Valley.

Southern California Edison has been a vocal advocate for the development of electric vehicles and proposed tax incentives and rebates to speed their development.