

August 18, 2014

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VIA FIRST CLASS MAIL AND EMAIL

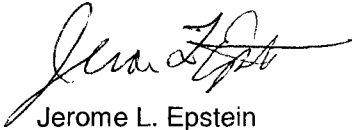
Ms. Brittany Havens
Legislative Clerk
U.S. House Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

Re: June 18, 2014 Hearing

Dear Ms. Havens,

In response to your letter dated July 14, 2014, and your agreement to extend the deadline to August 18, 2014, please see the attached response by Anton Valukas to the Member questions.

Sincerely,



Jerome L. Epstein

Attachment

*Committee On Energy and Commerce
U.S. House of Representatives
“The GM Ignition Switch Recall: Investigation Update”*

Response of Anton Valukas to Questions for the Record

August 18, 2014

The Honorable Tim Murphy

1. In Appendix C of your report (page 296) you note that in 2006, GM employed Validation Engineers with component level responsibilities who were required to sign-off on form 3660 approvals.

a. In 2006, what was the responsibility of a Validation Engineer?

RESPONSE:

We did not investigate all responsibilities of validation engineers in all contexts in the 2006 time period. Generally speaking, our understanding is that in that time frame, GM employed validation engineers with varying scopes of responsibility, such as responsibility for individual vehicle components, systems in a vehicle, or a vehicle as a whole. As a general matter, validation engineers were responsible for overseeing the validation process and approving the validation test results.

2. Under Tabs 37 and 38 of the Committee's document binder, you will note two copies of the April 26, 2006 Form 3660 - one is a draft version supplied by Delphi which includes a name on the line for Validation Engineer. The other is a copy of the version signed by Mr. Degiorgio but there is no longer a name listed under the Validation Engineer - did you investigate this discrepancy?

a. Based on your investigation, did a GM Validation Engineer ever sign this form?

i. If not, did you investigate why a Validation Engineer never signed this form?

b. At the time, could a part be changed without the approval of a Validation Engineer and if so, under what circumstances?

c. Who was responsible for providing the form to the validation engineer or ensuring it was reviewed by the validation engineer?

RESPONSE:

We investigated the issue concerning the two copies of the Form 3660 referred to above. We did not uncover any evidence that a GM validation engineer ever signed this form. The only executed copy of the relevant Form 3660 our investigation uncovered is the one the Committee has seen, which, as the Committee notes, does not list a validation engineer.

By 2006, GM employed validation engineers with component-level responsibilities who were required to sign off on Form 3660 approvals. We understand, however, that in 2006 it was possible for a part to be changed without the approval of a validation engineer.

With respect to Question 2(c), it is not clear who had that responsibility in that time frame.

3. In 2006, what was the responsibility of a Supply Quality Engineer?

RESPONSE:

We did not investigate all responsibilities of supply quality engineers in all contexts in the 2006 time period. Generally speaking, our understanding is that in that time frame, supply quality engineers were responsible for reviewing part approval documentation and loading the information from the approval documentation into GM's Global Quality Tracking System.

4. According to the PPAP Report pulled from the GM Global Quality Tracking System - Tab 44 of the Committee document binder - the changes approved in April 2006 were loaded into the GM system at the beginning of June 2006.

a. Who is responsible for loading this information into the Global Quality Tracking System?

RESPONSE:

Our investigation revealed that the April 26, 2006 Form 3660 was loaded into GM's GQTS database on June 1, 2006 by a contractor/supplier with ACS named Samuel Jetti.

b. What review takes place before a change is loaded in the system? Who is responsible for that review?

RESPONSE:

We did not investigate all review processes associated with loading such forms in all contexts, but generally speaking it is our understanding that in that time frame supply quality engineers would typically approve part approval documentation for completeness before uploading the information into the GQTS database.

c. In the PPAP report, under the section Comment Detail, the line for "name, date from 3660" is filled in "NR"

i. What does "NR" stand for?

RESPONSE:

We do not know.

d. The Comment Detail section also includes a note that "Part approved per supplier submitted warrant and GM 3660"

i. What is the difference between the supplier warrant and a Form 3660?

RESPONSE:

We understand that a Part Submission Warrant represents a supplier's confirmation that the parts being shipped comply with GM's requirements, while the Commodity Validation Sign Off, GM Form 3660, signifies GM's engineering approval for a part to ship.

5. To this day, do you know why the switch was approved in 2002 if it did not meet the torque specification?

RESPONSE:

Our investigation revealed that Raymond DeGiorgio approved the ignition switch for production in 2002. We found no evidence that any other GM employee knew in 2002 that the ignition switch approved for the Ion and Cobalt was below specification. DeGiorgio stated that he approved the ignition switch because no issues with the performance of the switch, once placed in the Ion, were brought to his attention during the Ion's development. He stated that he had no awareness that the below-specification torque would have an impact on the safe operation of the car. Additionally, DeGiorgio stated that given the switch's history of electrical failures, he was hesitant to make any changes that might jeopardize the functionality of the switch's electrical architecture. DeGiorgio stated that because he thought the ignition switch had performed properly and without incident during the numerous vehicle-level tests conducted on the prototype Ion, he approved production of the switch even though the switch's torque was below the specification.

6. Did you investigate whether other factors, such as cost or timing, influenced the approval of the switch?

RESPONSE:

Yes. Our investigation assessed the influence of other factors, including cost and timing, on the approval of the switch, but we concluded that other factors ultimately did not directly affect the

original approval of the switch. DeGiorgio did not cite timing, cost or other concerns for the approval of the below-specification ignition switch. His stated reasons for approving the switch are discussed above.

However, at least one communication shows that Delphi had raised timing and cost concerns with DeGiorgio in early 2002. In a February 18, 2002 email from Erik Mattson (Delphi) to DeGiorgio and several others at Delphi, Mattson stated that testing of the sample Delta switches revealed a torque level of 7.6 N-cm and 9.6 N-cm to rotate from run to accessory, well below GM's specifications of 15 N-cm (+/- 2 N-cm). Mattson noted: "Timing to make a change to the detent is around 7 weeks for PPAP switches...Cost is nominal, around \$2000 to do the engineering and get parts. If we can find a supplier that is a cost savings more locally, I believe we can improve the timing. Also, we have planned on starting the 3x life portion of the new PV plan...by 3-15-02. This will be delayed significantly if we [change the detent]." DeGiorgio responded to Mattson, stating: "If increasing the detent ACCRY force by 5 N will destroy this switch than [sic.] do nothing...maintain present course. [U]nder no circumstances do we want to compromise the electrical performance of this switch nor PPAP status." Mattson replied that he was "not saying that it is impossible to change the detent forces, but it does have an impact on timing and our suppliers will not do it for free," later adding that Delphi could revise the ignition switch again, "but we all need to be aware of the impacts in timing, cost, and possible other issues that might be created when we are this close to PPAP." We did not find a response from DeGiorgio to Mattson's final email.

7. In your testimony before the Committee, you stated "the issue of the non - deployment of the airbag was a matter of discussion in 2007 between NHTSA and General Motors. It was--we note--it was NHTSA saying we note that there are these non-deployments. GM's response to that was to begin an investigation with--under Mr. Sprague to see, you know, to keep a chart of what was taking place. There were no major further discussions about that issue until 2013."

- a. Are you aware of any discussions between GM and NHTSA in 2013 regarding the ignition switch defect or air bag non-deployments in the vehicles subject to the recall?**
- b. Following the interaction between NHTSA and GM in 2007, are you aware of any discussions related to non-deployment or the ignition switch in vehicles subject to the recall prior to the announcement of the recall in 2014?**

RESPONSE:

I am not aware of discussions between GM and NHTSA in 2013 regarding the ignition switch defect or airbag nondeployment in the vehicles subject to the recall. As I previously stated, I intended to say "2014" in this response, not "2013."

Attachment 2-Member Requests for the Record

During the hearing, Members asked you to provide additional information for the record, and you indicated that you would provide that information. For your convenience, descriptions of the requested information are provided below.

The Honorable Renee Ellmers

- 1. Please provide the name of the individual who gave the assignment to Mr. Sprague to keep track and document cases of non-deployment incidents.**

RESPONSE:

According to Brian Everest, following GM's March 2007 meeting with NHTSA, Keith Schultz, then Manager of Internal Investigations in GM's Product Investigations group, directed Mr. Everest and Mr. Sprague, both engineers in FPA, to compile information on Cobalt and Ion NISMs and lawsuits. At some point thereafter, Mr. Sprague began compiling a spreadsheet listing various Cobalt airbag non-deployment incidents he had reviewed. Mr. Sprague stated that no one specifically asked him to track Cobalt non-deployments.