

ONE HUNDRED FOURTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-2927
Minority (202) 225-3641

November 23, 2015

Mr. Michael Horn
President and CEO
Volkswagen Group of America, Inc.
2200 Ferdinand Porsche Drive
Herndon, VA 20171

Dear Mr. Horn:

Thank you for appearing before the Subcommittee on Oversight and Investigations on Thursday, October 8, 2015, to testify at the hearing entitled "Volkswagen Emissions Cheating Allegations: Initial Questions."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

Also attached are Member requests made during the hearing. The format of your responses to these requests should follow the same format as your responses to the additional questions for the record.

To facilitate the printing of the hearing record, please respond to these questions and requests with a transmittal letter by the close of business on Monday, December 7, 2015. Your responses should be mailed to Greg Watson, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed in Word format to Greg.Watson@mail.house.gov.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Tim Murphy
Chairman

Subcommittee on Oversight and Investigations

cc: Diana DeGette, Ranking Member, Subcommittee on Oversight and Investigations

Attachments

Attachment 1—Additional Questions for the Record

The Honorable Tim Murphy

1. Mr. Horn, please describe your background with Volkswagen:
 - a. When did you start as President of and CEO of Volkswagen Group of America?
 - b. Prior to that, what was your involvement in the U.S. market?
2. Describe your basic function as CEO as it relates to Volkswagen's U.S. operations? What is your role in certifying the information provided to federal regulators, if any?
 - a. What is your role in certifying the information provided to federal regulators, if any?
 - b. If not you, who at VW Group of America certifies the information submitted to federal regulators?
3. As CEO what weekly reporting do you receive relating to issues such as compliance issues or safety issues?
4. Please describe VW's operations in Auburn Hills, Michigan, and at the Oxnard, California facility, how the operations relate and reporting relationships to you and Germany.
5. In your testimony before the Committee, you stated that you learned of the defeat device subject to the September 18, 2015 Notice of Violation shortly before a September 3, 2015 meeting with the EPA and CARB where VW admitted the existence of the defeat device.
 - a. Who informed you of this information?
 - b. Were you provided with an explanation as to why it had not been previously disclosed? If so, please explain.
6. In May 2014, independent researchers published a report that first identified higher than expected on-road emissions in VW vehicles, prompting investigations by CARB and EPA.
 - a. When did VW become aware of this research?
 - b. What steps did VW take to evaluate the conclusions of the research?
 - c. Where was this done or who was responsible for this?
7. EPA and CARB both described a series of presentations or discussions with VW in the wake of this research in May 2014.
 - a. Who from VW was interacting with the EPA and CARB? Were those individuals part of VW of America, VW AG or both?

- b. What did VW of America understand about the cause of the higher on-road emissions between May 2014 and the voluntary recall in December 2014?
8. In December 2014, VW conducted a voluntary recall that at least in part sought to address the higher on-road emissions in MY2009-MY2014 vehicles subject to these allegations.
 - a. Who was responsible for developing the technical solution implemented in December 2014?
 - b. What role did VW of America have in developing and validating that solution?
 - c. At that time, did you or anyone in VW of America have any knowledge of the alleged defeat device? If so, why did you not fix it at that time?
9. In your testimony, you reference the Engine and Drivetrain Division within the Engineering and Development Division and you reference the Product Safety Committee. Please describe the roles of each of these organizations within VW and, in particular, the roles with regard to engine development and validation.
10. Please describe the engine development process at Volkswagen A.G., including but not limited to a description of the quality control and quality assurance process.
11. It is our understanding that VW does not currently have a certificate of conformity for MY2016 vehicles.
 - a. In your written testimony you stated that VW withdrew the application for a certificate of conformity for 2016 vehicles due to the existence of a previously undisclosed auxiliary emissions control device (AECD).
 - i. Did you withdraw the application for all 2016 vehicles or only certain makes and models?
 - ii. Does this AECD exist in all 2016 vehicles?
 - iii. What is the nature and function of this previously undisclosed AECD?
 - i. Explain how it is similar or different to the AECD's subject to the September 18, 2015 Notice of Violation from the EPA.
 - iv. When was it discovered and why was it not previously disclosed?
 - b. Was the AECD's subject to the September 18, 2015 Notice of Violation from the EPA included in 2016 vehicles?
 - i. If so, how did it affect the emissions performance of these vehicles?
 - ii. If not, what changes occurred for MY2016 that prompted VW not to include the same software that was included in previous MY vehicles?

12. Press reports suggest that VW installed this software in 2008 because the company could not balance emissions standards and cost controls.
 - a. Is this true and if so, who was responsible for these decisions?
 - b. This software appears rather sophisticated and complex, yet the company could not figure out how to control emissions during on road testing to meet emissions standards?
 - c. This apparently went on years – if the company knew the vehicles did not meet emissions standards, why was it allowed to persist for so many years? Did the company make any effort to develop solutions to bring the vehicles into compliance?
13. EPA's compliance schedule requires multiple levels of confirmatory testing by the manufacturer and EPA, both pre-production, during manufacturing and post-production.
 - a. Who at VW is responsible for conducting confirmatory emissions testing?
 - b. Do these tests typically include on-road tests?
 - i. If not, what tests are conducted?
 - c. Who provides the results of this testing to EPA?
 - d. To your knowledge, did VW's in-use confirmatory testing ever reveal an abnormality or the existence of this defeat device?
 - i. If so, was that information withheld from EPA?
 - e. Did EPA ever conduct surveillance testing on any of the vehicles containing the alleged defeat device?
 - i. If so, when and what tests were conducted?
14. The alleged "defeat device" was initially installed in vehicles with NOx traps but later migrated to future generations of vehicles. Please explain the three different generations of vehicles.
 - a. If VW took the step of installing more effective and proven NOx reduction technology – selective catalytic reduction (SCR) - in second and third generation vehicles included in this alleged violation, why did it need to include the defeat device in these vehicles?
 - i. Were these vehicles unable to meet emissions standards, even with this more proven technology?
 - ii. Is this true for all generations of vehicles that include the SCR technology?

The Honorable Morgan H. Griffith

1. Would you please notify the committee of any and all offers the company makes to impacted VW diesel customers?

The Honorable Yvette Clarke

1. During the hearing, you stated that there was “a group of rogue software engineers in Germany” who developed and disseminated the defeat device. When did Volkswagen become aware of this “group of rogue software engineers?”
2. How did Volkswagen become aware of this “group of rogue software engineers?”
3. Please provide us with the names, location, and contact information for this “group of rogue software engineers.”
4. If your claim is true that this defeat device is attributable to “a group of rogue software engineers,” then these software engineers would possess an extremely high acumen for subterfuge. How did this “group of rogue software engineers” manage to circumvent their Volkswagen coworkers, management, internal auditors, and whoever else is responsible for verifying performance results? How did “the group of rogue software engineers” manage to develop and disseminate the defeat device without anyone else knowing about it?
5. Do you believe that what your company did was unfair to both the consumer and the rest of the auto industry in the United States?

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 Gene Green

1. The Steering Committee of VW's Supervisory Board met on Wednesday, September 25, 2015 to discuss preliminary findings of an internal probe into the scandal. What were the preliminary findings of VW's Steering Committee?

The Honorable Paul D. Tonko

1. After VW was impacted by an issue involving the use of a defeat device in 1974, what measures were taken by the company to ensure there was more oversight of the potential for a defeat device application? Is there a corporate measure in place to address defeat devices?
2. What explanation was given to consumers about why VW's December 2014 recall was necessary?