

Environmental Protection Agency

§ 88.204-94

per the language of § 86.708-94(b)(1) of this chapter.

Trading means the exchange of credits between manufacturers.

§ 88.203-94 Abbreviations.

The abbreviations in subpart A of this part and in 40 CFR part 86 apply to this subpart.

§ 88.204-94 Sales requirements for the California Pilot Test Program.

(a) The total annual required minimum sales volume of new clean fuel vehicles in California for this program shall correspond to Table B204.

(b) (1) When manufacturers of vehicles subject to the regulations of this section file a report pursuant to 40 CFR 86.085-37(b), such report shall include the following information: the number of light-duty vehicles and light-duty trucks sold only in California, and the number of clean-fuel vehicles sold for the Pilot program beginning with model year 1996.

(2) For model years 1996 and 1997, manufacturers may exclude heavy light-duty trucks from the reporting required by this section.

(c) (1) Except as provided in paragraph (d) of this section, each vehicle manufacturer must sell clean-fuel vehicles in California in an amount equal to the required annual sales volume calculated in paragraph (c)(2) of this section.

(2) The required annual clean fuel vehicle sales volume for a given manufacturer is expressed in the following equation rounded to the nearest whole number:

$$\text{RMS} = \frac{\text{MS}}{\text{TS}} \times \text{TCPPS}$$

Where:

RMS = a manufacturer's required sales in a given model year.

MS = the average of a manufacturer's total LDV and light LDT sales in California three and four model years earlier than year in question (for MY 1996 and 1997 RMS calculations).

= the average of a manufacturer's total LDV and LDT sales in California three and four model years earlier than year in question (for MY 1998 and later RMS calculations).

TS = the average of total LDV and light LDT sales in California of all manufacturers

three and four model years earlier than the year in question (for MY 1996 and 1997 RMS calculations). Sales of manufacturers which meet the criteria of (d) of this paragraph will not be included.

= the average of total LDV and LDT sales in California of all manufacturers three and four model years earlier than the year in question (for MY 1998 and later RMS calculations). Sales of manufacturers which meet the criteria of (d) of this paragraph will not be included.

TCPPS = Pilot program annual CFV sales requirement (either 150,000 or 300,000) for the model year in question.

(i) A manufacturer's share of required annual sales for model years 1996 and 1997 will be based on LDV and light LDT sales only. Once the heavy LDT standards are effective beginning with model year 1998, a manufacturer's required sales share will be based on all LDV and LDT sales.

(ii) A manufacturer certifying for the first time in California shall calculate annual required sales share based on projected California sales for the model year in question. In the second year, the manufacturer shall use actual sales from the previous year. In the third year, the manufacturer will use sales from two model years prior to the year in question. In the fourth year, the manufacturer will use sales from three years prior to the year in question. In the fifth year and subsequent years, the manufacturer will use average sales from three and four years prior to the year in question.

(d) (1) Small volume manufacturer is defined in the Pilot program as one whose average annual LDV and LDT sales in California are less than or equal to 3,000 units during a consecutive three-year period beginning no earlier than model year 1993.

(i) A manufacturer with less than three consecutive years of sales in California shall use a single year of sales or, if available, the average of two years of sales in California to determine whether they fall at or below the threshold of 3,000 units.

(ii) A manufacturer certifying for the first time in California shall be considered a small volume manufacturer if their projected California sales level is at or below 3,000 units for a given year. Once the manufacturer has actual sales data for one year, this actual sales