

capable of being central fueled (as defined in this subpart) and are exempt from the program unless they are, in fact, centrally fueled.

Vehicle used for motor vehicle manufacturer product evaluations and tests means a vehicle that is owned and operated by a motor vehicle manufacturer (as defined in section 216(1) of the Act), or motor vehicle component manufacturer, or owned or held by a university research department, independent testing laboratory, or other such evaluation facility, solely for the purpose of evaluating the performance of such vehicle for engineering, research and development, or quality control reasons.

[58 FR 64691, Dec. 9, 1993, as amended at 59 FR 50080, Sept. 30, 1994]

§ 88.303-93 Abbreviations.

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

ILEV—Inherently Low-Emission Vehicle.

§ 88.304-94 Clean-fuel Fleet Vehicle Credit Program.

(a) *General.* (1) The SIP revision shall provide for a CFFV credit program to enable covered fleet owners/operators to meet the fleet vehicle purchase requirements of the CAA both by purchasing clean-fuel vehicles (CFVs) directly and by trading and banking CFFV credits for vehicle purchases.

(2) All credit-generating vehicles must meet the applicable emission standards and other requirements contained in 40 CFR part 88, subpart A.

(b) *Program administration.* (1)(i) Each state in which there is all or part of a covered area, as defined in CAA section 246(a)(2), shall promulgate regulations as necessary for implementing this requirement.

(ii) The state shall submit a SIP revision before May 15, 1994 to the Administrator stipulating the specific mechanism by which the CFFV program is to be administered and enforced. The credit program shall commence upon EPA approval of the SIP in accordance with CAA section 246(f)(5).

(2) A fleet owner who purchases/leases a CFFV only to generate CFFV

credit shall be subject to the same requirements of the state's CFFV program as a covered fleet owner who purchases/leases a CFFV to demonstrate compliance with covered fleet purchase requirements.

(3) While in the covered area, a dual-fuel/flexible-fuel vehicle which a fleet owner purchases to comply with covered fleet purchase requirements must be operated at all times on the fuel(s) on which it was certified as a CFFV. If the fleet owner receives credit for a dual-fuel/flexible-fuel vehicle purchase, the vehicle must be operated at the same emission level for which the vehicle generated CFFV credit.

(c) *Credit generation.* (1) States shall grant CFFV credits to a covered fleet owner for any of the following qualifying CFFV purchases:

(i) Purchase of a CFFV during any period subsequent to the approval of the SIP revision but prior to the effective date for commencement of a state's CFFV purchase requirement if the purchase meets all other CFFV requirements applicable to such purchases, including the statutory requirement to use only the fuel on which the vehicle was certified as a CFFV;

(ii) Purchase of a greater number of CFFVs than is required under the SIP revision;

(iii) Purchase of a CFFV which meets more stringent emission standards than required under the SIP revision; or

(iv) Purchase of a CFFV in an exempt or non-covered vehicle category by the owner/operator of a covered or partially-covered fleet.

(2) A state may retroactively grant CFFV credit(s) to a fleet owner for the purchase of a CFFV prior to the approval of the state's SIP revision if the purchase met all CFFV credit program requirements applicable to such purchases, including:

(i) The vehicle purchased would have to have been certified to CFFV emission standards;

(ii) The vehicle purchased would have to have been a dedicated-fuel vehicle;

(iii) If the vehicle purchased was not a dedicated-fuel vehicle, then the fleet owner would have to show that the vehicle had been operated only on the

clean alternative fuel on which the vehicle had been certified as a CFFV.

(3) For LDVs and LDTs, credit values shall be determined in accordance with Table C94-1. The state shall use Table C94-1 exclusively in determining LDV and LDT CFFV credit values. Table C94-1.1 applies to paragraphs (c)(1) (i), (ii) and (iv) of this section; Table C94-1.2 applies to paragraph (c)(1)(iii) of this section.

(4) In lieu of determining credit values in accordance with Table C94-1, a state may specify in its SIP revision that Table C94-2 will be used to determine LDV and LDT CFFV credit values in one or more affected nonattainment areas. Any state choosing to do so must provide adequate justification, based on air quality benefits, at the time the SIP revision is submitted. If the use of Table C94-2 is approved by EPA, the State shall use Table C94-2 exclusively in determining LDV and LDT CFFV credit values for vehicles in the subject area or areas. Table C94-2.1 applies to paragraphs (b)(1) (i), (ii) and (iv) of this section; Table C94-2.2 applies to paragraph (b)(1)(iii) of this section.

(5) In lieu of determining credit values in accordance with Table C94-1, a state containing a carbon monoxide nonattainment area(s) having a design value above 16.0 parts per million may specify in its SIP revision that Table C94-3 will be used to determine LDV and LDT CFFV credit values in one or more affected nonattainment areas. Any state choosing to do so must provide adequate justification, based on air quality benefits, at the time the SIP revision is submitted. If the use of Table C94-3 is approved by EPA, the state shall use Table C94-3 exclusively in determining LDV and LDT CFFV credit values for vehicles in the subject area or areas. Table C94-3.1 applies to paragraphs (b)(1) (i), (ii) and (iv) of this section; Table C94-3.2 applies to paragraph (b)(1)(iii) of this section.

(6) For HDVs, credit values shall be determined in accordance with Table C94-4. The state shall use Table C94-4 exclusively in determining heavy-duty vehicle CFFV credit values. Table C94-4.1 applies to paragraphs (c)(1) (i), (ii) and (iv) of this section, and Table C94-

4.2 applies to paragraph (c)(1)(iii) of this section.

(7) In lieu of determining credit values in accordance with Table C94-4, a state containing a carbon monoxide nonattainment area(s) having a design value above 16 parts per million may specify in its SIP revision that Table C94-5 will be used to determine heavy-duty vehicle CFFV credit values in one or more affected nonattainment areas. Any state choosing to do so must provide adequate justification, based on air quality benefits, at the time the SIP revision is submitted. If the use of Table C94-5 is approved by EPA, the State shall use Table C94-5 exclusively in determining heavy-duty vehicle CFFV credit values for vehicles in the subject area or areas. Table C94-5.1 applies to paragraphs (b)(1) (i), (ii) and (iv) of this section; Table C94-5.2 applies to paragraph (b)(1)(iii) of this section.

(8) Credit values shall be rounded to two decimal places.

(9) *Heavy heavy-duty vehicles.* (i) States must allow purchase of any clean-fuel single-unit or combination HDV with a GVWR greater than 26,000 pounds (11,800 kilograms) to generate CFFV credit for the fleet vehicle purchaser.

(ii) States must exclude from generating CFFV credit the purchase of any combination HDV with a GVWR greater than 26,000 pounds (11,800 kilograms) which pays all or a portion of its fuel taxes, as evidenced by fuel tax stickers on the combination HDV, to a state(s) which is not part of that covered nonattainment area.

(10) *Light-duty CFFV credits.* Credits generated by the purchase of a qualifying clean-fuel fleet LDV or a LDT shall be designated at the time of issuance as light-duty CFFV credits.

(11) *Heavy-duty CFFV credits.* Credits generated by the purchase of a qualifying clean-fuel fleet HDV shall be designated at the time of issuance as heavy-duty CFFV credits. Further, credits generated by the purchase of a light heavy-duty or a medium heavy-duty qualifying CFFV shall be designated at the time of issuance as light heavy-duty and medium heavy-duty CFFV credits, respectively.

(d) *Credit use.* (1) All credits generated in accordance with these provisions may be freely traded or banked for later use, subject to the provisions contained in this subpart, without discount or depreciation of such credits.

(2) A covered fleet owner or operator desiring to demonstrate full or partial compliance with covered fleet purchase requirements by the redemption of credits shall surrender sufficient credits as established in this paragraph. In lieu of purchasing a CFFV, a fleet owner or operator shall surrender credits equal to the credit value for the corresponding vehicle class and credit calculation method used in that area from either Table C94-1.3, C94-2.3, C94-3.3, C94-4.3, or C94-5.3 of this subpart.

(3) Credits earned within the boundaries of a covered nonattainment area may be traded within those boundaries whether or not that area encompasses parts of more than one state.

(4) Credits issued as a result of CFFV purchase requirements in one nonattainment area may not be used to demonstrate compliance in another nonattainment area, even if a state contains more than one covered nonattainment area.

(5) Credit allocation. (i) Credits generated by the purchase of LDVs and LDTs of 8,500 pounds (3,900 kilograms) GVWR or less may be used to demonstrate compliance with covered fleet purchase requirements applicable to LDVs or LDTs of 8,500 pounds (3,900 kilograms) GVWR or less.

(ii) Credits generated by the purchase of vehicles of more than 8,500 pounds (3,900 kilograms) GVWR may not be used to demonstrate compliance with the covered fleet purchase requirements for vehicles weighing 8,500 pounds (3,900 kilograms) GVWR or less.

(iii) Credits generated by the purchase of vehicles of 8,500 pounds (3,900 kilograms) GVWR or less may not be used to demonstrate compliance with requirements for vehicles of more than 8,500 pounds (3,900 kilograms) GVWR.

(iv) Credits generated by the purchase of a HDV of a particular weight subclass may be used to demonstrate compliance with required heavy-duty vehicle purchases for the same or lighter weight subclasses. These credits may not be used to demonstrate com-

pliance with required HDV purchases for vehicles of heavier weight subclasses than the weight subclass of the vehicle which generated the credits.

§ 88.305-94 Clean-fuel fleet vehicle labeling requirements for heavy-duty vehicles.

(a) All clean-fuel heavy-duty engines and vehicles used as LEVs, ULEVs, and ZEVs that are also regulated under 40 CFR part 86 shall comply with the labeling requirements of 40 CFR 86.095-35 (or later applicable sections), and shall also include an unconditional statement on the label indicating that the engine or vehicle is a LEV, ULEV, or ZEV, and meets all of the applicable requirements of this part 88.

(b) All heavy-duty clean-fuel fleet vehicles not regulated under 40 CFR part 86 shall have a permanent legible label affixed to the engine or vehicle in a readily visible location, which contains the following information:

(1) The label heading: vehicle emissions classification information (e.g., "This is a Low Emission Vehicle");

(2) Full corporate name and trademark of the manufacturer;

(3) A statement that this engine or vehicle meets all applicable requirements of the U.S. Environmental Protection Agency clean-fuel fleet vehicle program, as described in this part 88, but not necessarily those requirements found in 40 CFR part 86.

[59 FR 50080, Sept. 30, 1994]

§ 88.306-94 Requirements for a converted vehicle to qualify as a clean-fuel fleet vehicle.

(a) For purposes of meeting the requirements of section 246 of the Clean Air Act or the SIP revisions, conversions of engines or vehicles which satisfy the requirements of this section shall be treated as a purchase of a clean-fuel vehicle under subpart C of this part.

(b) The engine or vehicle must be converted using a conversion configuration which has been certified according to the provisions of 40 CFR part 86 using applicable emission standards and other provisions from part 88 for clean-fuel engines and vehicles. The following requirements will also apply: