

Environmental Protection Agency

§ 1042.745

(d) If you trade emission credits, you must send us a report within 90 days after the transaction, as follows:

(1) Sellers must include the following information in their report:

(i) The corporate names of the buyer and any brokers.

(ii) A copy of any contracts related to the trade.

(iii) The engine families that generated emission credits for the trade, including the number of emission credits from each family.

(2) Buyers must include the following information in their report:

(i) The corporate names of the seller and any brokers.

(ii) A copy of any contracts related to the trade.

(iii) How you intend to use the emission credits, including the number of emission credits you intend to apply to each engine family (if known).

(e) Send your reports electronically to the Designated Compliance Officer using an approved information format. If you want to use a different format, send us a written request with justification for a waiver.

(f) Correct errors in your end-of-year report or final report as follows:

(1) You may correct any errors in your end-of-year report when you prepare the final report, as long as you send us the final report by the time it is due.

(2) If you or we determine within 270 days after the end of the model year that errors mistakenly decreased your balance of emission credits, you may correct the errors and recalculate the balance of emission credits. You may not make these corrections for errors that are determined more than 270 days after the end of the model year. If you report a negative balance of emission credits, we may disallow corrections under this paragraph (f)(2).

(3) If you or we determine anytime that errors mistakenly increased your balance of emission credits, you must correct the errors and recalculate the balance of emission credits.

§ 1042.735 Recordkeeping.

(a) You must organize and maintain your records as described in this section. We may review your records at any time.

(b) Keep the records required by this section for eight years after the due date for the end-of-year report. You may not use emission credits on any engines if you do not keep all the records required under this section. You must therefore keep these records to continue to bank valid credits. Store these records in any format and on any media, as long as you can promptly send us organized, written records in English if we ask for them. You must keep these records readily available. We may review them at any time.

(c) Keep a copy of the reports we require in § 1042.730.

(d) Keep the following additional records for each engine you produce that generates or uses emission credits under the ABT program:

(1) Engine family designation.

(2) Engine identification number. You may identify these numbers as a range.

(3) FEL and useful life. If you change the FEL after the start of production, identify the date that you started using the new FEL and give the engine identification number for the first engine covered by the new FEL.

(4) Maximum engine power.

(5) Purchaser and destination.

(e) We may require you to keep additional records or to send us information not required by this section, as allowed under the Clean Air Act.

§ 1042.745 Noncompliance.

(a) For each engine family participating in the ABT program, the certificate of conformity is conditional upon full compliance with the provisions of this subpart during and after the model year. You are responsible to establish to our satisfaction that you fully comply with applicable requirements. We may void the certificate of conformity for an engine family if you fail to comply with any provisions of this subpart.

(b) You may certify your engine family to an FEL above an emission standard based on a projection that you will have enough emission credits to offset the deficit for the engine family. However, we may void the certificate of conformity if you cannot show in your final report that you have enough actual emission credits to offset a deficit for any pollutant in an engine family.

(c) We may void the certificate of conformity for an engine family if you fail to keep records, send reports, or give us information we request.

(d) You may ask for a hearing if we void your certificate under this section (see § 1042.920).

Subpart I—Special Provisions for Remanufactured Marine Engines

§ 1042.801 General provisions.

This section describes how the provisions of this part 1042 apply for certain remanufactured marine engines.

(a) The requirements of this subpart apply for remanufactured Tier 2 and earlier commercial marine engines at or above 600 kW, excluding those engines originally manufactured before 1973. Note that the requirements of this subpart do not apply for engines below 600 kW, engines installed on recreational vessels, or Tier 3 and later engines.

(b) Any person meeting the definition of “remanufacturer” in § 1042.901 may apply for a certificate of conformity for a remanufactured engine family.

(c) The rebuilding requirements of 40 CFR 1068.120 do not apply to remanufacturing of engines using a certified remanufacturing system under this subpart. However, the requirements of 40 CFR 1068.120 do apply to all other remanufacturing of engines.

(d) Unless specified otherwise, engines certified under this subpart are also subject to the other requirements of this part.

(e) For remanufactured engines required to have a valid certificate of conformity, placing a new marine engine back into service following remanufacturing is a violation of 40 CFR 1068.101(a)(1), unless it has a valid certificate of conformity for its model year and the required label.

(f) Remanufacturing systems that require a fuel change or use of a fuel additive may be certified under this part. However, they are not considered to be “available” with respect to triggering the requirement for an engine to be covered by a certificate of conformity under § 1042.815. The following provisions apply:

(i) Only fuels and additives registered under 40 CFR part 79 may be used under this paragraph.

(ii) You must demonstrate in your application that the fuel or additive will actually be used by operators, including a description of how the vessels and dispensing tanks will be labeled. We may require you to provide the labels to the operators.

(iii) You must also describe analytical methods that can be used by EPA or others to verify that fuel meets your specifications.

(iv) You must provide clear instructions to the operators specifying that they may only use the specified fuel/additive, label their vessels and fuel dispensing tanks, and keep records of their use of the fuel/additive in order for their engine to be covered by your certificate. Use of the incorrect fuel (or fuel without the specified additive) or any other failure to comply with the requirements of this paragraph is a violation of 40 CFR 1068.101(b)(1).

(g) Vessels equipped with emission controls as part of a state or local retrofit program prior to January 1, 2017 are exempt from the requirements of this subpart, as specified in this paragraph (g).

(1) This exemption only applies for retrofit programs sponsored by a state government (or one of its political subdivisions) for the purpose of reducing emissions. The exemption does not apply where the sponsoring government specifies that inclusion in the retrofit program is not intended to provide an exemption from the requirements of this subpart.

(2) The prohibitions against tampering and defeat devices in 40 CFR 1068.101(b) and the rebuilding requirements in 40 CFR 1068.120 apply for the exempt engines in the same manner as if they were covered by a certificate.

(3) Vessel owners must request an exemption prior to remanufacturing the engine. Your request must include documentation that your vessel has been retrofitted consistent with the specifications of paragraph (g)(1) of this section, and a signed statement declaring that to be true. Except for the initial request for a specific vessel and a specific retrofit, you may consider your request to be approved unless we notify