

§ 85.2404

40 CFR Ch. I (7–1–08 Edition)

- (10) 40 CFR part 1051; and
- (11) 40 CFR part 60, subparts IIII and JJJJ.

[69 FR 26248, May 11, 2004, as amended at 71 FR 39184, July 11, 2006; 73 FR 3612, Jan. 18, 2008]

§ 85.2404 What abbreviations apply to this subpart?

The abbreviations in this section apply to this subpart and have the following meanings:

- Annex IV—a Statement of Voluntary Compliance or Engine International Air Pollution Prevention Certificate issued by EPA under MARPOL Annex VI.
- Cal—California;
- CI—Compression-ignition (Diesel) cycle engine;
- CPI—Consumer Price Index;
- ESI—Engine System Information;
- EPA—U.S. Environmental Protection Agency;
- Evap—Evaporative Emissions;
- Fed—Federal;
- HD—Heavy-duty
- HDE—Heavy-duty motor vehicle engine;

- HDV—Heavy-duty motor vehicle;
- HW—On-Highway versions of a vehicle or engine;
- ICI—Independent Commercial Importer;
- LD—Light-Duty motor vehicle including both LDT and LDV;
- LDT—Light-duty truck;
- LDV—Light-duty vehicle;
- MARPOL—An International Maritime Organization treaty for the control of marine pollution;
- MC—Motorcycle;
- MDPV—Medium-Duty Passenger Vehicle;
- MVECP—Motor Vehicle and Engine Compliance Program;
- MY—Model Year;
- NR—Nonroad version of a vehicle or engine;
- OEM—Original equipment manufacturer;
- SI—Spark-ignition (Otto) cycle engine.

§ 85.2405 How much are the fees?

(a) *Fees for the 2004 and 2005 calendar years.* For certification applications received for these calendar years that qualify for today’s fees under the provisions of § 85.2401 (b), the fee for each certification request is in the following table:

Category	Certificate type	Fee
(1) LD, excluding ICIs	Fed Certificate	\$33,883
(2) LD, excluding ICIs	Cal-only Certificate	16,944
(3) MDPV, excluding ICIs	Fed Certificate	33,883
(4) MDPV, excluding ICIs	Cal-only Certificate	16,944
(5) Complete SI HDVs, excluding ICIs	Fed Certificate	33,883
(6) Complete SI HDVs, excluding ICIs	Cal-only Certificate	16,944
(7) ICIs for the following industries: LD, MDPV, or Complete SI HDVs	All Types	8,387
(8) MC (HW), including ICIs	All Types	2,414
(9) HDE (HW), including ICIs	Fed Certificate	21,578
(10) HDE (HW), including ICIs	Cal-only Certificate	826
(11) HDV (evap), including ICIs	Evap	826
(12) NR CI engines, including ICIs, but excluding Locomotives, Marine and Recreational engines.	All Types	1,822
(13) NR SI engines, including ICIs	All Types	826
(14) Marine engines, excluding inboard & sterndrive engines, including ICIs.	All Types and Annex VI	826
(15) All NR Recreational, including ICIs, but excluding marine engines ...	All Types	826
(16) Locomotives, including ICIs	All Types	826

(1) A manufacturer that requests a federal certificate for a marine engine family and an Annex VI for the same engine family will be charged the fee indicated in paragraph (a) of this section, Table item 14, for only the federal certificate.

(2) [Reserved]

(b) *Fees for 2006 calendar year and beyond.* (1) This subpart applies to manufacturers that submit certification requests received by the agency on or after January 1 of each calendar year beginning in 2006. The fees due for each

certification request will be calculated using an equation which adjusts the fees in paragraph (a) of this section for the change in the consumer price index and the change in the total number of certificates issued for each fee category.

(2) Certification requests which are complete, contain all required data, and are received prior to January 1 of each calendar year are subject to the fees provisions of the year that they are received by the Agency.

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(3) Fees for the 2006 and later calendar year certification requests will be calculated using the following equation:

$$\text{Certificate Fee}_{cy} = [F + L * (\text{CPI}_{CY-2} / \text{CPI}_{2002})] * 1.169 / [(cert\#_{MY-2} + cert\#_{MY-3}) * .5]$$

Certificate Fee_{cy} = Fee per certificate for the calendar year of the fees to be collected

F = the fixed costs, not to be adjusted by the CPI

L = the labor costs, to be adjusted by the CPI
 CPI_{CY-2} = the consumer price index for all U.S. cities using the "U.S. city average" area, "all items" and "not seasonally adjusted" numbers calculated by the Department of Labor listed for the month of November of the year two years before the calendar year. (e.g., for the 2006 CY use the CPI based on the date of November, 2004).

CPI₂₀₀₂ = the consumer price index for all U.S. cities using the "U.S. city average" area, "all items" and "not seasonally adjusted" numbers calculated by the Department of Labor for December, 2002. The actual value for CPI₂₀₀₂ is 180.9.

1.169 = Adds overall EPA overhead which is applied to all costs

cert#_{MY-2} = the total number of certificates issued for a fee category or subcategory in the model year two years prior to the calendar year for applicable fees (Certificate Fee_{cy})

cert#_{MY-3} = the total number of certificates issued for a fee category or subcategory in the model year three years prior to the calendar year for the applicable fees (Certificate Fee_{cy})

(i) The values for F and L are listed in the following table:

	F	L
(1) LD Cert/FE	\$3,322,039	\$2,548,110
(2) LD In-use	2,858,223	2,184,331
(3) LD ICI	344,824	264,980
(4) MC HW	225,726	172,829
(5) HD HW	1,106,224	1,625,680
(6) NR CI	486,401	545,160
(7) Other	177,425	548,081

(ii) EPA will notify manufacturers within 11 months of the calendar year in which fees are adjusted by this section, with the new fees for each category, the number of certificates for the appropriate model years and the applicable CPI values after the November CPI values for each year are made available by the U.S. Department of Labor.

(1) Certificate fees for light-duty California-only certificates will be determined by applying the LD Cert/FE F

and L values to the Certificate Fee equation in paragraph (b)(3) of this section. The certificate numbers in the equation will be the total of the number of California-only and federal light-duty certificates issued during the appropriate model years.

(2) Certificate fees for light-duty federal certificates are determined in a 3 part process:

(i) Apply the LD Cert/FE F and L values to the Certificate Fee equation in paragraph (b)(3) of this section. The certificate numbers in the equation will be the total of the number of California-only and federal light-duty certificates issued during the appropriate model years. This results in the Cert/FE portion of the LD certificate fee.

(ii) Apply the LD In-use F and L values to the Certificate Fee equation in paragraph (b)(3) of this section. The certificate numbers in the equation will be the number of federal light-duty certificates issued during the appropriate model years. This results in the In-use portion of the LD certificate fee.

(iii) Add the LD Cert/FE portion of the fee and LD In-use portion of the fee together to determine the total LD federal fee per certificate.

(3) Certificate fees for all remaining categories of certificates are determined by applying the F and L values from the appropriate category to the Certificate Fee equation above. The certificate numbers in the equation will be the total number of certificates issued in that category during the appropriate model years.

(c) A single fee will be charged when a manufacturer seeks to certify multiple evaporative families within a single engine family or test group. Manufacturers that seek to certify HDE evaporative families will be charged a fee for each evaporative family.

(d) A body builder, who exceeds the maximum fuel tank size for a HDV that has been certified by an OEM and consequently makes a request for HDV certification, must pay a separate fee for each certification request. The fee will be that listed in paragraphs (a) and (b) of this section, paragraph (c) does not apply.

(e) Fees for stationary CI internal combustion engine certificate requests

shall be calculated in the same manner as for NR CI certificate requests for engines with a displacement less than 10 liters per cylinder, and in the same manner as for marine engine certificate requests for engines with a displacement greater than or equal to 10 liters per cylinder. Fees for certificate requests where the certificate would apply to stationary and mobile engines shall be calculated in the same manner as fees for the certificate requests for the applicable mobile source engines.

(f) Fees for stationary SI internal combustion engine certificate requests shall be calculated in the same manner as for NR SI certificate. Fees for certificate requests where the certificate would apply to stationary and mobile engines shall be calculated in the same manner as fees for the certificate requests for the applicable mobile source engines.

[69 FR 26248, May 11, 2004, as amended at 71 FR 39184, July 11, 2006; 73 FR 3612, Jan. 18, 2008]

§ 85.2406 Can I qualify for reduced fees?

(a) *Eligibility requirements.* To be eligible for a reduced fee, the following conditions must be satisfied:

(1) The certificate is to be used for sale of vehicles or engines within the United States; and

(2) The full fee for a certification request for a MY exceeds 1.0% of the aggregate projected retail sales price of all vehicles or engines covered by that certificate.

(b) *Determination of certificate type.* (1) If the number of vehicles or engines to be covered by the certificate is less than six and the retail sales price of all of the vehicles or engines is less than \$75,000 each, a reduced fee request shall be made for a certificate covering 5 vehicles or engines. The final reduced fee calculation and adjustment provisions of paragraph (e) of this section are applicable to certificates issued under this provision.

(2) If the number of vehicles or engines to be covered by the certificate is greater than five and/or the retail sales price of at least one of the vehicles or engines is greater than \$75,000 each, a reduced fee request shall be made for a

certificate covering the estimated number of vehicles or engines.

(c) *Initial reduced fee calculation.* (1) If the requirements of paragraph (a) of this section are satisfied, the initial fee payment to be paid by the applicant (the "initial fee payment") will be the greater of:

(i) 1.0% of the aggregate projected retail sales price of all the vehicles or engines to be covered by the certification request; or

(ii) A minimum initial fee payment of \$750.

(2) For vehicles or engines that are converted to operate on an alternative fuel using as the basis for the conversion a vehicle or engine which is covered by an existing OEM certificate of conformity, the cost basis used in this section must be the aggregate projected retail value-added to the vehicle or engine by the conversion rather than the full cost of the vehicle or engine. To qualify for this provision, the applicable OEM certificate must cover the same sales area and model year as the requested certificate for the converted vehicle or engine.

(3) For ICI certification requests, the cost basis of this section must be the aggregate projected retail cost of the entire vehicle(s) or engine(s), not just the value added by the conversion. If the vehicles/engines covered by an ICI certificate are not being offered for sale, the manufacturer shall use the fair retail market value of the vehicles/engines as the retail sale price required in this section. For an ICI certification request, the retail sales price (or fair retail market value) must be based on the applicable National Automobile Dealer's Association (NADA) appraisal guide and/or other evidence of the actual market value.

(4) The aggregate cost used in this section must be based on the total projected sales of all vehicles and engines under a certificate, including vehicles and engines modified under the modification and test option in 40 CFR 85.1509 and 89.609. The projection of the number of vehicles or engines to be covered by the certificate and their projected retail selling price must be based on the latest information available at the time of the fee payment.