



Regulatory Announcement

Clean Fuel Fleet Program: Delay of Implementation Date

The U.S. Environmental Protection Agency (EPA) is issuing a Direct Final Rule/Notice of Proposed Rulemaking which will delay for one-year the September 1, 1997, implementation of the Clean Fuel Fleet Program (CFFP) in covered areas. This rulemaking also proposes that covered states with adopted CFFPs revise their State Implementation Plans (SIPs) to provide for the model year (MY) 1999 start date for the CFFP purchase requirements.

Background

The 1990 Clean Air Act Amendments require certain states to adopt a CFFP for nonattainment areas with 1980 populations greater than 250,000 that are classified as Serious or worse for ozone, or with a design value of at least 16.0 ppm for carbon monoxide (CO). The nonattainment areas which have not opted out and remain covered by the requirement to adopt a CFFP are Atlanta, Washington, DC metropolitan area, Chicago-Gary-Lake Counties, Milwaukee-Racine, Baton Rouge, and Denver-Boulder. Covered states are required to revise and submit to EPA their SIPs to include the CFFP.

Section 246 of the Clean Air Act provides that states' SIP submissions must require fleet operators with ten or more centrally-fueled vehicles to include a specified percentage of clean-fuel vehicles (CFVs) in their new vehicle purchases each year (see table below).

Percentage of CFVs in New Vehicle Purchases Each Year

Model Year	Percentage
1998	30
1999	50
2000+	70

This requirement is contingent upon certain categories of new vehicles (light duty trucks below 6000 lbs gross vehicle weight rating and light duty vehicles) certified to the Phase II CFV exhaust emissions standards being offered for sale in California. In addition, states CFFP SIP submissions must comply with other specifications in Section 246, including the requirement that covered fleet operators must operate their CFVs in covered nonattainment areas on a clean alternative fuel, which is defined as a fuel on which the vehicle meets EPA's CFV standards.

In order to meet the MY98 purchase requirements, fleet operators must have placed vehicle orders by the spring of 1997; the supply of federally certified CFVs was limited, however. Based on the limited numbers of light duty vehicles and trucks offered for sale in California in MY97, EPA believes that a short delay of the required implementation date of the CFFP for one model year is reasonable. This delay of the effective date will help avoid the potential for serious disruption of the initial implementation of this program due to an inadequate supply of vehicles. This rulemaking will ensure that an adequate supply of appropriate vehicles is available for fleet operators to purchase and use once the program is underway, so that compliance with the mandatory purchase requirements will be possible and economically feasible for covered fleet operators.

Overview of Rulemaking

EPA is delaying the start date for implementation of the CFFP purchase requirements from September 1, 1997 (MY98) to September 1, 1998 (MY99), and intends to approve state SIP submissions with CFFPs that start in MY99. EPA has received information from various stakeholders, including states, covered fleet operators, and vehicle manufacturers on this issue and has concluded that MY99 implementation will result in a successful, effective fleet program that advances the penetration of CFVs and clean alternative fuels into the national market. Without ample vehicle availability, fleet operators cannot realistically be expected to comply with the CFFP new purchase requirements. EPA cannot mandate that vehicle manufacturers produce CFVs for fleets to purchase to meet the CFFP requirements; Congress intended that the creation of a market for CFVs provide incentive for vehicle manufacturers to produce and sell such vehicles outside California, ultimately resulting in broader market penetration.

The one year delay relieves the states of the legal requirement to implement the program for MY98. This rulemaking requires that states with adopted CFFPs revise their SIPs to provide for the MY99 start date for the CFFP purchase requirements. This delay does not affect any potential obligation for CFFPs which may subsequently arise due to the pending reclassifications or bump-ups which occur after September 1, 1998.

For More Information

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Additional documents on this rulemaking are available electronically from the EPA Internet server at:

<http://www.epa.gov/OMSWWW/cff.htm>