



Regulatory Announcement

Proposed Compliance Assurance Program (CAP 2000)

The U.S. Environmental Protection Agency (EPA) is proposing regulations that will reinvent the federal programs used to evaluate emissions control compliance of new light-duty vehicles (LDVs) and light-duty trucks (LDTs). This proposal redirects both the Agency's and the manufacturers' efforts from pre-production demonstrations to verification of actual in-use vehicle performance. The program should result in a net cost savings of about 55 million dollars per year for vehicle manufacturers, valuable compliance information for EPA, and improved air quality.

Background

The existing vehicle certification program requires manufacturers to demonstrate that new LDVs and LDTs meet the required emission standards prior to every model year. EPA then issues a certificate permitting the sale of those vehicles. Given the generally stable state of emission control technology on today's cars and trucks, coupled with in-use compliance programs, it was believed that certification requirements could now be streamlined substantially, with greater emphasis placed on in-use performance.

EPA developed this proposal during a three-year discussion process with manufacturers, the California Air Resources Board, and other interested parties. In 1996, these parties signed a Statement of Principles committing to work together to improve future in-use emissions control perfor-

mance of LDVs and LDTs while reducing overall compliance demonstration burdens. This proposal reflects their efforts.

Overview of the Proposal

The new compliance assurance program, known as CAP 2000 (since manufacturers may opt-in for model year 2000), streamlines the existing vehicle certification program, enabling manufacturers to save significant time and money. In addition, it requires manufacturers to test customer-owned in-use vehicles for model year 2001 and beyond. This enhances the ability to catch and fix problem vehicles early on, and encourages manufacturers to design future vehicles which are cleaner and more durable. The CAP 2000 program also assures that the emissions of in-use vehicles remain at levels below the current emissions standards.

The proposal contains a broad-based restructuring and streamlining of the pre-production light-duty emission certification program, including many administrative burden reductions. Savings would result from reduced reporting and pre-production durability and emission testing requirements, and timing flexibilities. The proposal contains a new requirement for manufacturers to test some in-use customer vehicles after about one year and four years of service. The program also contains a requirement that if non-complying vehicles are identified, the manufacturer must test more vehicles for the purpose of determining if an emissions recall is necessary. EPA would likewise use the in-use data to make independent evaluations about the need to pursue emissions recalls.

This proposal also supports EPA's Reinvigorating Environmental Information Action Plan by significantly cutting the vehicle certification reporting burden: at least 50 percent reduction in burden, resulting in thousands of pages of paper saved. Electronic submissions are highly encouraged which could result in even more savings. In addition, EPA's new certification regulations would be shorter, easier to read, and better organized.

Environmental Benefits

Improved air quality is expected due to cars and light trucks operating cleaner. Requiring manufacturers to test customer-owned in-use vehicles will help identify potential emission problems early, and will encourage them to design future vehicles which are cleaner and more durable.

Flexibility for Industry

If adopted as proposed, the CAP 2000 program would significantly change the way EPA and automotive manufacturers do business together. This program would allow vehicle manufacturers more flexibility in the timing for obtaining a certificate of conformity, and in the way vehicles are tested for certification compliance. For example:

- Technical decisions previously made by EPA would be delegated to manufacturers. Manufacturers would be given more control over their certification schedules (which are closely linked to production schedules) with less EPA oversight.

- Manufacturers' testing burden would be significantly reduced: the number of durability test vehicles is projected to be reduced by 75 percent and the number of emission data test vehicles by about 50 percent.
- Manufacturers would demonstrate in-use emission performance by testing more than two thousand in-use vehicles per year. EPA would use the data to identify possible in-use compliance problems. The in-use test data, which has never before been collected by EPA in this large scale, would confirm that the streamlined certification process is effective at predicting the emissions performance of in-use vehicles. EPA would also be able to more effectively target non-complying vehicles for potential recall actions. The savings derived by manufacturers from streamlining the certification program will more than offset the cost of testing vehicles in use, resulting in significant savings for manufacturers.

Public Participation Opportunities

EPA desires full public participation in arriving at final rulemaking decisions. The Agency solicits comments from all interested parties. Wherever applicable, full supporting data and detailed analysis should also be submitted to allow EPA to make maximum use of the comments. Commenters are especially encouraged to provide specific suggestions for changes to

any aspects of the proposal that they believe need to be modified or improved.

For instructions on submitting written comments, please see the *Federal Register* notice. It is available from the EPA Air and Radiation Docket by calling 202-260-7548; please refer to Docket No. A-96-50. In addition, the proposed rule and related documents are available electronically via the EPA Internet server at:

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

For More Information

For further information on this proposed rule, please contact Linda Hormes at:

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Additional documents on light-duty vehicle certification are available electronically at the Internet site given above.