

average fuel economy standard applicable to passenger automobiles below 27.5 miles per gallon for any model year during 1993 through 2004, the maximum increase of 1.2 mpg per year specified in paragraph (h) of this section shall be reduced by the amount the standard was lowered, but not reduced below 0.7 mpg per year.

[59 FR 39659, Aug. 3, 1994]

§ 600.511-80 Determination of domestic production.

(a) Except with advance approval of the Administrator, an automobile shall be considered domestically produced in any model year if it is included within a domestically produced car line (car line includes station wagons for purposes of this paragraph), unless the assembly of such automobile is completed in Canada or Mexico and such automobile is not imported into the United States prior to the expiration of 30 days following the end of the model year. For purposes of this paragraph a car line will be considered domestically produced if the following ratio is less than 0.25:

(1) The sum of the declared value, as defined in §600.502, of all of the imported components installed or included on automobiles produced within such a car line within a given model year plus the cost of transportation and insuring such components to the United States port of entry, the Mexican port of entry (when paragraph (b)(3) of this section applies), or the Canadian port of entry but exclusive of any customs duty, divided by

(2) The cost of production, as defined in §600.502, of automobiles within such car line.

(b) For the purposes of calculations under this subpart with respect to automobiles manufactured during any model year,

(1) An average exchange rate for the country of origin of each imported component shall be used that is calculated by taking the mean of the exchange rates in effect at the end of each quarter set by the Federal Reserve Bank of New York for twelve calendar quarters prior to and including the calendar quarter ending one year prior to the date that the manufacturer submits the calculation of the

preliminary average for such model year. Such rate, once calculated, shall be in effect for the duration of the model year. Upon petition of a manufacturer, the Administrator may permit the use of a different exchange rate where appropriate and necessary.

(2) For automobiles for which paragraph (b)(3) of this section does not apply pursuant to the schedule in paragraph (b)(4), components shall be considered imported unless they are either:

(i) Wholly the growth, product, or manufacture of the United States and/or Canada, or

(ii) Substantially transformed in the United States or Canada into a new and different article of commerce.

(3) For automobiles for which this paragraph applies pursuant to the schedule in paragraph (b)(4) of this section, components shall be considered imported unless they are either:

(i) Wholly the growth, product, or manufacture of the United States and/or Canada and/or Mexico, or

(ii) Substantially transformed in the United States and/or Canada and/or Mexico into a new and different article of commerce.

(4) Paragraphs (b)(4) (i) through (v) of this section set forth the schedule according to which paragraph (b)(3) of this section applies for all automobiles manufactured by a manufacturer and sold in the United States, wherever assembled.

(i) With respect to a manufacturer that initiated the assembly of automobiles in Mexico before model year 1992, the manufacturer may elect, at any time between January 1, 1997, and January 1, 2004, to have paragraph (b)(3) of this section apply to all automobiles it manufactures, beginning with the model year commencing after the date of such election.

(ii) With respect to a manufacturer initiating the assembly of automobiles in Mexico after model year 1991, paragraph (b)(3) of this section shall apply to all automobiles it manufactures, beginning with the model year commencing after January 1, 1994, or the model year commencing after the date that the manufacturer initiates the assembly of automobiles in Mexico, whichever is later.

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(iii) With respect to a manufacturer not described by paragraph (b)(4) (i) or (ii) of this section assembling automobiles in the United States or Canada but not in Mexico, the manufacturer may elect, at any time between January 1, 1997, and January 1, 2004, to have paragraph (b)(3) of this section apply to all automobiles it manufactures, beginning with the model year commencing after the date of such election, except that if such manufacturer initiates the assembly of automobiles in Mexico before making such election, this paragraph shall not apply, and the manufacturer shall be subject to paragraph (b)(4)(ii) of this section.

(iv) With respect to a manufacturer not assembling automobiles in the United States, Canada, or Mexico, paragraph (b)(3) of this section shall apply to all automobiles it manufactures, beginning with the model year commencing after January 1, 1994.

(v) With respect to a manufacturer authorized to make an election under paragraph (b)(4) (i) or (iii) of this section which has not made that election within the specified period, paragraph (b)(3) of this section shall apply to all automobiles it manufactures, beginning with the model year commencing after January 1, 2004.

(5) All elections under paragraph (b)(4) of this section shall be made in accordance with the procedures established by the Secretary of Transportation pursuant to 49 U.S.C. 32904(b)(3)(C).

(c) If it is determined by the Administrator at some date later than the date of entry that the declared value of such imported components did not represent fair market value at the date of entry, through U.S. Bureau of Customs appraisals, the Administrator may review the determination made pursuant to paragraph (a) of this section as to whether the pertinent car lines which utilize such components were correctly included within the manufacturer's domestically-produced or foreign-produced fleets. If such a determination was in error due to misrepresentation of the valuation of imported components at the date of entry, the Administrator may recalculate the manufacturer's average for the affected model year, according to § 600.510, to reflect

the correct valuation of such imported components in each affected car line.

(d)-(e) [Reserved]

[42 FR 45662, Sept. 12, 1977, as amended at 43 FR 39376, Sept. 5, 1978; 59 FR 679, Jan. 6, 1994; 59 FR 33914, July 1, 1994; 74 FR 61554, Nov. 25, 2009]

§ 600.512-01 Model year report.

(a) For each model year, the manufacturer shall submit to the Administrator a report, known as the model year report, containing all information necessary for the calculation of the manufacturer's average fuel economy. The results of the manufacturer calculations and summary information of model type fuel economy values which are contained in the average calculation shall be submitted to the Secretary of the Department of Transportation, National Highway and Traffic Safety Administration.

(b)(1) The model year report shall be in writing, signed by the authorized representative of the manufacturer and shall be submitted no later than 90 days after the end of the model year.

(2) The Administrator may waive the requirement that the model year report be submitted no later than 90 days after the end of the model year. Based upon a request by the manufacturer, if the Administrator determines that 90 days is insufficient time for the manufacturer to provide all additional data required as determined in § 600.507, the Administrator shall establish a date by which the model year report must be submitted.

(3) Separate reports shall be submitted for passenger automobiles and light trucks (as identified in § 600.510).

(c) The model year report must include the following information:

(1) All fuel economy data used in the labeling calculations and subsequently required by the Administrator in accordance with § 600.507;

(2) All fuel economy data for certification vehicles and for vehicles tested for running changes approved under 40 CFR 86.1842-01;

(3) Any additional fuel economy data submitted by the manufacturer under § 600.509;