§ 1036.150 Interim provisions.

The provisions in this section apply instead of other provisions in this part.

(a) Early banking of greenhouse gas emissions. You may generate CO₂ emission credits for engines you certify in model year 2013 (2015 for spark-ignition engines) to the standards of §1036.108.

(1) Except as specified in paragraph (a)(2) of this section, to generate early credits, you must certify your entire U.S.-directed production volume within that averaging set to these standards. This means that you may not generate early credits while you produce engines in the averaging set that are certified to the criteria pollutant standards but not to the greenhouse gas standards. Calculate emission credits as described in subpart H of this part relative to the standard that would apply for model year 2014 (2016 for spark-ignition engines).

(2) You may generate early credits for an individual compression-ignition engine family where you demonstrate that you have improved a model year 2013 engine model’s CO₂ emissions relative to its 2012 baseline level and certify it to an FCL below the applicable standard. Calculate emission credits as described in subpart H of this part relative to the lesser of the standard that would apply for model year 2014 engines or the baseline engine’s CO₂ emission rate. Use the smaller U.S.-directed production volume of the 2013 engine family or the 2012 baseline engine family. We will not allow you to generate emission credits under this paragraph (a)(2) unless we determine that your 2013 engine is the same engine as the 2012 baseline or that it replaces it.

(3) You may bank credits equal to the surplus credits you generate under this paragraph (a) multiplied by 1.50. For example, if you have 10 Mg of surplus credits for model year 2013, you may bank 15 Mg of credits. Credit deficits for an averaging set prior to model year 2014 (2016 for spark-ignition engines) do not carry over to model year 2014 (2016 for spark-ignition engines). We recommend that you notify us of your intent to use this provision before submitting your applications.

(b) Model year 2014 N₂O standards. In model year 2014, manufacturers may show compliance with the N₂O standards using an engineering analysis. This allowance also applies for later years if the manufacturer determines using carry-over CO₂ data from model 2014 consistent with §1036.235(d).

(c) Engine cycle classification. Engines meeting the definition of spark-ignition, but regulated as diesel engines under 40 CFR part 86, must be certified to the requirements applicable to compression-ignition engines under this part. Such engines are deemed to be compression-ignition engines for purposes of this part. Similarly, engines meeting the definition of compression-ignition, but regulated as Otto-cycle under 40 CFR part 86 must be certified to the requirements applicable to spark-ignition engines under this part. Such engines are deemed to be spark-ignition engines for purposes of this part.

(d) Small manufacturers. Manufacturers meeting the small business criteria specified for “Gasoline Engine and Engine Parts Manufacturing” or “Other Engine Equipment Manufacturers” in 13 CFR 121.201 are not subject to the greenhouse gas emission standards in §1036.108. Qualifying manufacturers must notify the Designated Compliance Officer before importing or introducing into U.S. commerce excluded engines. This notification must include a description of the manufacturer’s qualification as a small business under 13 CFR 121.201. You must label your excluded vehicles with the statement: “THIS ENGINE IS EXCLUDED UNDER 40 CFR 1037.150(c).”

(e) Alternate phase-in standards. Where a manufacturer certifies all of its model year 2013 compression-ignition engines within a given primary intended service class to the applicable alternate standards of this paragraph (e), its compression-ignition engines within that primary intended service class are subject to the standards of this paragraph (e) for model years 2013 through 2016. This means that once a manufacturer chooses to certify a primary intended service class to the standards of this paragraph (e), it is not allowed to opt out of these standards. Engines certified to these standards are not eligible for early credits under paragraph (a) of this section.
§ 1036.205 What must I include in my application?

Submit an application for certification as described in 40 CFR 86.007–21, with the following additional information:

(a) Describe the engine family’s specifications and other basic parameters of the engine’s design and emission controls with respect to compliance with the requirements of this part. Describe in detail all system components for controlling greenhouse gas emissions, including all auxiliary emission control devices (AECDs) and all fuel-system components you will install on any production or test engine. Identify the part number of each component you describe. For this paragraph (a), treat as separate AECDs any devices that modulate or activate differently from each other.

(b) Describe any test equipment and procedures that you used if you performed any tests that did not also involve measurement of criteria pollutants. Describe any special or alternate test procedures you used (see 40 CFR 1065.10(c)).

(c) Include the emission-related installation instructions you will provide if someone else installs your engines in their vehicles (see §1036.130).

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