in excess of the number they are re-
quired or obtain alternative fueled ve-
hicles before the model year when they
are first required to do so under this
part.

§ 490.501 Applicability.
This subpart applies to all fleets and
covered persons who are required to ac-
quire alternative fueled vehicles by
this part.

§ 490.502 Creditable actions.
A fleet or covered person becomes en-
titled to alternative fueled vehicle
credits by—
(a) Acquiring alternative fueled vehi-
cles, including those in excluded cat-
egories under section 490.3 of this part
and those exceeding 8,500 gross vehicle
weight rating, in excess of the number
of alternative fueled vehicles that fleet
or covered person is required to acquire
in a model year when acquisition re-
quirements apply; or
(b) Acquiring alternative fueled vehi-
cles, including those in excluded cat-
egories under section 490.3 of this part
and those exceeding 8,500 gross vehicle
weight rating, in model years before
the model year when that fleet or cov-
ered person is first required to acquire
alternative fueled vehicles.
(c) For purposes of this subpart, a
fleet or covered person that acquired a
motor vehicle on or after October 24,
1992, and converted it to an alternative
fueled vehicle before April 15, 1996,
shall be entitled to a credit for that ve-
hicle notwithstanding the time limit
on conversions established by sections
490.202(a)(3) and 490.305(a)(3) of this
part.

§ 490.503 Credit allocation.
(a) Based on annual credit activity
report information, as described in sec-
490.507 of this part, DOE shall allo-
cate one credit for each alternative
fueled vehicle a fleet or covered person
acquires that exceeds the number of al-
ternative fueled vehicles that fleet or
person is required to acquire in a model
year when acquisition requirements
apply.
(b) If an alternative fueled vehicle is
acquired by a fleet or covered person in
a model year before the first model
year that fleet or person is required to
acquire alternative fueled vehicles by
this part, as reported in the annual
credit activity report, DOE shall allo-
cate one credit per alternative fueled
vehicle for each year the alternative
fueled vehicle is acquired before the
model year when acquisition require-
ments apply.
(c) DOE shall allocate credits to
fleets and covered persons under para-
graph (b) of this section only for alter-
native fueled vehicles acquired on or
after October 24, 1992.

§ 490.504 Use of alternative fueled ve-
hicle credits.
At the request of a fleet or covered
person in an annual report under this
part, DOE shall treat each credit as the
acquisition of an alternative fueled ve-
hicle that the fleet or covered person is
required to acquire under this part.
Each credit shall count as the acquisi-
tion of one alternative fueled vehicle in
the model year for which the fleet or
covered person requests the credit to
be applied.

§ 490.505 Credit accounts.
(a) DOE shall establish a credit ac-
count for each fleet or covered person
who obtains an alternative fueled vehi-
cle credit.
(b) DOE shall send to each fleet and
covered person an annual credit ac-
count balance statement after the re-
ceipt of its credit activity report under
section 490.507.

§ 490.506 Alternative fueled vehicle
credit transfers.
(a) Any fleet or covered person that
is required to acquire alternative
fueled vehicles may transfer an alter-
native fueled vehicle credit to—
(1) A fleet that is required to acquire
alternative fueled vehicles; or
(2) A covered person subject to the
requirements of this part, if the trans-
feror provides certification to the cov-
ered person that the credit represents a
vehicle that operates solely on alter-
native fuel.
(b) Proof of credit transfer may be on
a form provided by DOE, or otherwise
in writing, and must include dated sig-
natures of the transferor and trans-
feree. The proof should be received by
DOE within 30 days of the transfer date.