



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
NATIONAL VEHICLE AND FUEL EMISSIONS LABORATORY
2565 PLYMOUTH ROAD
ANN ARBOR, MICHIGAN 48105-2498

March 9, 2005

CCD-05-07

OFFICE OF
AIR AND RADIATION

LDV/LDT/ICI/AFV/ATV/MC/OFMC/LIMO/HDV/HDE/NR

Dear Manufacturer,

Subject: Correction to Guidance Letter CCD-05-05: Adjustment of the Motor Vehicle and Engine Compliance Program Fees for Calendar Year 2006

This letter explains and corrects an accounting error in the fees schedule for light-duty vehicles (federal and California-only) provided in EPA Guidance Letter CCD-05-05 sent on February 23, 2005. The error was discovered while performing a recent internal review of our certification activities, and resulted in understated fees applicable to light duty certification beginning in calendar year 2006. A corrected fees table is attached.

The error occurred when determining the number of certificate requests for light-duty vehicles in model years 2003 and 2004. EPA issues a separate certificate for each light-duty test group/evaporative family combination. Since some test groups can include multiple evaporative families, there can be multiple certificates issued for a single test group. However, in the original fees regulation, the decision was made to combine these multiple certificates into a single "certificate request", and to assess fees on that basis. In determining the new 2006 fee schedule, the multiple test group/evaporative family certificates were inadvertently counted, rather than certificate requests. Specifically, the total number of test group/evaporative combinations was 517 in MY 2003 and 486 in MY 2004, but the number of "certification requests" was 393 in MY 2003 and 382 in MY 2004. Using the overstated total number of certificates in the denominator of the equation used to calculate fees (see attachment 2 to this letter for the actual equation used), resulted in reporting understated fees per certificate for light-duty vehicles. We have recalculated the fees for light-duty certification using the correct number of certificate requests, and updated the fees table in attachment 1 to this letter. This change affects only the light-duty vehicle category; however for your convenience we are providing the revised fee schedules to all sectors.

We believe that we have caught and corrected this error in time to allow you to continue to plan your fee payment activities for calendar year 2006, and we apologize for any inconvenience this may have caused. I also want to assure you that we are taking steps to ensure that this error will not recur when we issue future annual fee schedule updates. Please direct any general questions regarding fee payments to your EPA certification team representative, and any questions specific to this letter, or how fee payments are calculated to Lynn Sohacki at (734) 214-4851.

Sincerely yours,

Dan Harrison, Manager
Vehicle Program Group
Certification and Compliance Division
Office of Transportation and Air Quality

Attachments

cc: Merrylin Zaw-Mon, Director
Certification and Compliance Division

Table of Fees for CY 2006

Category	Certificate Type	Fee for Calendar Year 2006
LD, excluding ICIs	Fed Certificate	\$34,724
LD, excluding ICIs	Cal-only Certificate	\$18,138
MDPV, excluding ICIs	Fed Certificate	\$34,724
MDPV, excluding ICIs	Cal-only Certificate	\$18,138
Complete SI HDVs, excluding ICIs	Fed Certificate	\$34,724
Complete SI HDVs, excluding ICIs	Cal-only Certificate	\$18,138
ICIs for the following industries, LD, MDPV, or complete SI HDVs	All Types	\$16,594
MC (HW), including ICIs	All Types	\$2,164
HDE (HW), including ICIs	Fed Certificate	\$29,201
HDE (HW), including ICIs	Cal-only Certificate	\$839
HDV (evap), including ICIs	Evap Certificate	\$839
NR CI engines including ICIs but excluding Locomotives, Marine and Recreational Engines	All Types	\$1,831
NR SI engines, including ICIs	All Types	\$839
Marine engines, excluding inboard & sterndrive engines, including ICIs	All Types and Annex VI	\$839
All NR Recreational ^b , including ICIs but excluding marine engines	All Types	\$839
Locomotives, including ICIs	All Types	\$839

(a) Fed and Cal-only Certificates and Annex VI are defined in 40 CFR 85.2403

(b) Recreational means the engines subject to 40 CFR 1051 which includes off road motorcycles, all-terrain vehicles and snowmobiles

Attachment 2 to CCD-05-07

"F" and "L" Values and Number of Certificates for 2003 and 2004

Fee Category	"F"	"L"	2003 Certificates	2004 Certificates
LD Cert/FE	\$3,322,039	2,548,110	393	382
LD In-Use	2,858,223	2,184,331	366	362
LD ICI	344,824	264,980	43	45
MC HW	225,726	172,829	207	234
HD HW	1,106,224	1,625,680	131	95
NR CI	486,401	545,160	696	660
Other	177,425	548,081	1023	1085

For each category:

$$\text{Certification fee (Calendar Year 2006)} = [F + L * (\text{CPI 2004} / \text{CPI 2002})] * 1.169 / [\text{CERT \# 2004} + \text{CERT \# 2003}] * .5]$$

The CPI is posted on the Department of Labor website: <http://data.bls.gov/cgi-bin/surveymost>