



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

FEB 8 2007

OFFICE OF
AIR AND RADIATION

CISD-07-01-revised (All Manufacturers and Converters)

Dear Manufacturer:

SUBJECT: Adjustment of the Motor Vehicle and Engine Compliance Program Fees for Calendar Year 2008

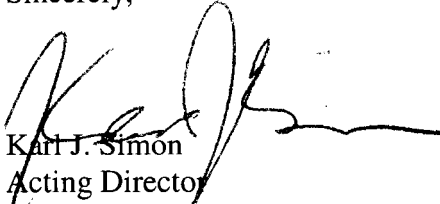
The Motor Vehicle and Engine Compliance Program (MVECP) Fees rule (69 Fed. Reg. 26222, May 11, 2004) provides for annual certification fees adjustment and advance notification of the same beginning with the 2006 calendar year and occurring for each calendar year thereafter. In accordance with 40 C.F.R. 85.2405(b)(3)(ii), this letter serves as EPA's advance notification of the new fees for certification requests submitted on or after January 1, 2008 through December 31, 2008. The new certification fees schedule is provided in Enclosure 1 to this letter.

The new fees are calculated by inserting the appropriate values for each category into the formula set forth at 40 C.F.R. 85.2405(b)(3). The formula requires that EPA take into account changes in labor costs (multiplying the labor costs by a factor derived from changes in the Consumer Price Index (CPI)), and apply an adjustment factor that is based on the average number of certificates issued in the 2005 and 2006 model years for each fee/industry category. The CPI values for 2002 and 2006, which were obtained from the United States Department of Labor, are 180.9 and 201.5, respectively. The number of certificates for each fee/industry category for the 2005 and 2006 model years is provided in Enclosure 2 to this letter. The formula also includes fixed (F) and labor (L) costs and these values are set forth at 40 C.F.R. 85.2405(b)(3)(i).

Manufacturers have had the option of using EPA's on-line (internet) forms and payment system at www.pay.gov for making certification fees payments since November, 2005. We have found that payments made using Pay.gov have very few issues, and EPA receives notification of a fee payment more quickly.

Any questions regarding the adjusted fees or fee payments should be directed to your EPA certification team representative, and any questions about the process EPA has employed in arriving at the new fees should be directed to Lynn Sohacki at 734-214-4851.

Sincerely,



Karl J. Simon
Acting Director
Compliance and Innovative Strategies Division

Enclosures

Attachment 1 to CISD-07-01

Table of Fees for Calendar Year 2008

Category	Certificate Type	Fee for Calendar Year 2008
LD, excluding ICIs	Fed Certificate	\$34,631
LD, excluding ICIs	Cal-only Certificate	\$17,981
MDPV, excluding ICIs	Fed Certificate	\$34,631
MDPV, excluding ICIs	Cal-only Certificate	\$17,981
Complete HDVs, excluding ICIs	Fed Certificate	\$34,631
Complete HDVs, excluding ICIs	Cal-only Certificate	\$17,981
ICIs for the following industries: LD, MDPV, or complete HDVs	All Types	\$28,232
MC (HW), including ICIs	All Types	\$1,603
HDE (HW), including ICIs	Fed Certificate	\$31,429
HDE (HW), including ICIs	Cal-only Certificate	\$694
HDV (evap), including ICIs	Evap Certificate	\$694
NR CI engines including ICIs but excluding locomotives, marine and recreational engines	All Types	\$2,059
NR SI engines, including ICIs	All Types	\$694
Marine Engines, including ICIs	All Types regulated by 40 CFR parts 91 and 94 or Annex VI¹	\$694
All NR Recreational², including ICIs but excluding marine engines	All Types	\$694
Locomotives, including ICIs	All Types	\$694

¹ Fed and Cal-only Certificates and Annex VI are defined in 40 C.F.R. §85.2403

² Recreational means the engines subject to 40 C.F.R. Part 1051 which includes off road motorcycles, all-terrain vehicles and snowmobiles.

Attachment 2 to CISD-07-01

“F” and “L” Values and Number of Certificates for 2005 and 2006

Fee Category	“F”	“L”	2005 Certificates	2006 Certificates
LD Cert/FE	\$3,322,039	\$2,548,110	393	408
LD In-Use	\$2,858,223	\$2,184,331	362	381
LD ICI	\$344,824	\$264,980	31	22
MC HW	\$225,726	\$172,829	282	328
HD HW	\$1,106,224	\$1,625,680	92	125
NR CI	\$486,401	\$545,160	623	619
Other	\$177,425	\$548,081	1178	1477

For each category:

Certification fee (Calendar Year 2008) = [F + L * (CPI 2006/CPI 2002)] * 1.169/[CERT # 2006 + Cert # 2005) * .5]

The LD Fed. Certificate fee is the LD in-use and LD Cert/FE category fees added together. The LD Cal-only fee is only the LD Cert/FE category fee.

The CPI is posted on the United States Department of Labor website:
<ftp://ftp.bls.gov/pub/special.requests/cpi/cpi.ai.txt>