

## UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C. 20460

OFFICE OF AIR AND RADIATION

## FACT SHEET ADDENDUM EPA Policy on Cross-Border Sales of 2003 MY "California" Vehicles

This addendum announces EPA's Cross-Border Sales (CBS) Policy for the 2003 model year. The CBS policy for the 1993, 1994, and 1995 model years is described in the Fact Sheet: EPA Policy on Cross-Border Sales of "California" Vehicles, revised: 10/17/94. The CBS Policies for the 1996 MY, 1997 MY, 1998 MY, 1999 MY, 2000 MY, 2001 MY, and 2002 MY which are generally identical to the 1995 MY policy, were announced in previous addenda.

EPA has recently concluded a substantial review of both federal and California motor vehicle emission requirements for the 2003 model year. This review revealed that there are California requirements which are less stringent than comparable federal ones (e.g., California allows vehicle manufacturers to use phase II reformulated gasoline to certify that light-duty vehicles and trucks meet applicable tailpipe standards, while EPA continues to allow the use of test fuel with different requirements for National LEV program vehicles. Vehicle tailpipe emission levels can be significantly lower when a vehicle is fueled with phase II reformulated gasoline, making the California requirement less stringent.)

The National LEV program, which took effect in the 1999 model year in the Northeast, expanded in the 2001 model year to encompass all jurisdictions that have not adopted the California motor vehicle emission control program under section 177 of the Clean Air Act.<sup>1</sup> The National LEV program does include provisions that apply to the CBS policy. The National LEV program does not limit manufacturers' historical ability to certify and sell a vehicle or vehicles that meet both the Federal and California requirements and thus avoid issues addressed by this policy. However, the National LEV program does not remove all of the differences between the Federal and California programs.

<sup>&</sup>lt;sup>1</sup> New York, Massachusetts, Vermont, and Maine have adopted the California motor vehicle emission control program under section 177 of the Clean Air Act and required compliance with these requirements for the 2000 model year. All other U.S. jurisdictions are included in the National LEV program. Massachusetts and Maine have additionally adopted the California medium-duty vehicle requirements for the 2003 model year.

Because 2003 model year California vehicles do not necessarily meet each and every federal emission requirement (which would be necessary to allow the sale of California vehicles everywhere), the CBS Policy for the 2003 model year is as follows:

Manufacturers may introduce into commerce all 2003 model year California light-duty vehicles and light-duty trucks in California, New York, Vermont, Massachusetts, and Maine; and California medium-duty vehicles in California, Massachusetts, and Maine. EPA will not prevent manufacturers from introducing these light-duty vehicles and light-duty trucks into commerce in states that are contiguous to California, New York, Vermont, Massachusetts, or Maine. EPA will also not prevent manufacturers from introducing into commerce California medium-duty vehicles in states contiguous to California, Massachusetts, or Maine.

As a result, manufacturers may allow their dealers in California, New York, Vermont, Massachusetts, Maine, and their contiguous states to sell any 2003 model year California light-duty vehicles and light-duty trucks, at any time, (on or after the effective date of the certificate of conformity) to purchasers from any state. Manufacturers may also allow their dealers in California, Massachusetts, Maine and their contiguous states to sell any 2003 model year California medium-duty vehicles to purchasers from any state.

The language that appears on 2003 model year certificates of conformity for California vehicles is similar to the 1995 model year language specified in question #4 of the Fact Sheet. Additionally, the 2003 model year suggested Vehicle Emission Control Information label language is similar to the 1995 model year language specified in question #5 of the Fact Sheet. Appropriate language has been added to the certificates and labels addressing the National LEV program. Because both federal and California emission requirements could possibly change in upcoming model years, EPA will make a decision about the CBS Policy for 2004 and subsequent model years at a later date.

For further information about the 2003 CBS Policy, see the information posted on the Office of Transportation and Air Quality's web page (<u>www.epa.gov/OTAQ</u>) or contact Len Lazarus of the Certification and Compliance Division at (202) 564-9281.