



Regulatory Announcement

Final Rule for the National Low Emission Vehicle Program

The Environmental Protection Agency (EPA) is issuing a final rule representing the next step in establishing a voluntary nationwide program to make new cars significantly cleaner burning than today's current cars. The National Low Emission Vehicle (LEV) program represents an alternative, more effective method of regulatory development through extensive interaction between EPA and stakeholders. When implemented, this program will achieve substantial air pollution reductions nationwide while providing the automotive industry flexibility to meet the new requirements in the most efficient manner.

Overview of Rulemaking

The National LEV program was developed through an unprecedented, cooperative effort by the Ozone Transport Commission (OTC) states, auto manufacturers, environmentalists, fuel providers, EPA and other interested parties. The OTC states and environmentalists provided the opportunity for this cooperative effort by pushing for adoption of the California Low Emission Vehicle (CAL LEV) program throughout the northeast Ozone Transport Region. Under EPA's leadership, the states, auto manufacturers, environmentalists, and other interested parties then embarked on a process to develop a voluntary National LEV program, a process marked by extensive public participation and a focus on joint problem solving.

This rule finalizes the regulations for the National LEV program. It is now up to the OTC states and the auto manufacturers to determine whether the program will come into effect. Under the National LEV program, auto manufacturers will have the option of agreeing to comply with tailpipe standards that are more stringent than EPA can mandate prior to model year (MY) 2004. Once manufacturers commit to the program, the standards will be enforceable in the same manner that other federal motor vehicle emissions control requirements are enforceable. Manufacturers have indicated their willingness to volunteer to meet these tighter emissions standards if EPA and the OTC states agree to certain conditions, including providing manufacturers with regulatory stability and reducing regulatory burdens by harmonizing federal and California motor vehicle emissions standards. The program will go into effect nationwide two model years after it begins in the Northeast.

Health and Environmental Benefits

National LEV vehicles will be 70 percent cleaner than today's models. The National LEV program will result in substantial reductions in non-methane organic gases (NMOG) and oxides of nitrogen (NOx), which contribute to unhealthy levels of smog in many areas across the country. Emission reduction estimates are based on a start date of MY1999 in the Northeast and MY 2001 nationwide:

- NOx will be reduced by 496 tons per day in 2007.
- NMOG will be reduced by 311 tons per day in 2007.

The National LEV program will also result in reductions in toxic air pollutants such as benzene, formaldehyde, acetaldehyde, and 1,3 butadiene. Benzene is classified as a human carcinogen, while the others are considered probable carcinogens.

Affect on Industry

This voluntary program provides auto manufacturers flexibility in meeting the associated standards as well as the opportunity to harmonize their production lines and build vehicles more efficiently.

EPA currently estimates that National LEV vehicles will cost an additional \$95 above the price of vehicles available today, but it is expected that, due to factors such as economies of scale and historical trends

related to emission control costs, the actual per vehicle cost will be even lower. This incremental cost is less than 0.5 percent of the price of an average new car.

This rule does not affect existing individual state mandates for electric vehicles, which continues to remain a state/auto issue. The parties have decided to resolve this issue outside of the National LEV process. Furthermore, the National LEV program will not require any change in the types of fuel currently available in the marketplace.

Assisting the States

When the Northeastern States and auto manufacturers opt into the program, the resulting program will provide substantial emission reductions to the Northeast states that otherwise would only be available through individual state-by-state adoption of California's motor vehicle regulations. When implemented, the National LEV program will help states improve the air quality in ozone nonattainment areas, which affect 102 million citizens. In addition, the program will reduce pressure to make further, more costly emission reductions from stationary industrial sources.

For More Information

For further information on the National LEV Program, please contact Karl Simon at:

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The final rule and other documents on the National LEV Program are available electronically from the EPA Internet server at:

<http://www.epa.gov/OMSWWW/lev-nlev.htm>