



# Air Resources Board



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August 10, 2017

MAIL-OUT ECARS #17-05

TO:           - All Passenger Car (PC), Light-Duty Truck (LDT), and Medium-Duty Vehicle (MDV) Manufacturers  
              - All Heavy-Duty Engine and Vehicle (HDE/V) Manufacturers  
              - All Highway Motorcycle (HMC) Manufacturers  
              - All Licensed Used Direct Import (UDI) Vehicle Emission Test Laboratories

SUBJECT: Reporting California Vehicle and Engine Production Numbers for Assessing Annual Certification Fees for Fiscal-Year (FY) 2017-2018 (17/18)

Health and Safety Code section 43019 authorizes the California Air Resources Board (CARB) to collect annual fees to cover the costs of State programs related to motor vehicles and engines in California. Under Title 13, California Code of Regulations, (13 CCR) sections 1990-1994, "California Clean Air Act Annual Certification Fees," manufacturers producing new on-road vehicles and engines for sale into California (hereinafter, California vehicles and engines) and laboratories licensed for the California certification of used direct import (UDI) vehicles (hereinafter, California UDI vehicles) are required to pay their annual certification fees as determined by the Executive Officer. In this Mail-out, manufacturers and laboratories are requested to report the numbers of their California vehicles and engines or, as applicable, California UDI vehicles, so that the Executive Officer can determine the total number of vehicles and engines subject to the fiscal year (FY) 2017-2018 (17/18) certification fees, the per-unit fee, and the assessed fees of each manufacturer and laboratory. The CARB requests production reports and contact information no later than August 25, 2017.

Manufacturers that obtained CARB certification for their vehicles with a gross vehicle weight rating (GVWR) above 8,500 pounds solely for purposes of complying with 17 CCR section 95663, "Greenhouse Gas Exhaust Emission Standards and Test Procedures for New 2014 and Subsequent Model Heavy-Duty Vehicles," (hereinafter, Section 95663 manufacturers) are not subject to assessment for the annual certification fees in 13 CCR sections 1990-1994. As a result, such Section 95663 manufacturers are not included in Tables 2A and 2B, and their production numbers are not required in this Mail-out.

The FY 17/18 certification fees are based on the numbers of California vehicles and engines produced in calendar year (CY) 2016 (January 1 through December 31, 2016) that include the Quarters 5 through 8 (QTR 5-8) production of model year (MY) 2016

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vehicles and engines and the QTR 1-4 production of MY 2017 vehicles and engines. Manufacturers are required to keep track of the production numbers for each quarter for two model years, MY 2016 and MY 2017. Due to marketing variations (e.g., dealer trades, changes in dealer distribution in response to local markets), such quarterly production numbers are usually adjusted before they are reported to CARB for purposes of calculating certification fees, and determining compliance with various fleet average compliance programs. For example, such programs include non-methane organic gases plus oxides of nitrogen (NMOG+NO<sub>x</sub>) reports for passenger cars and light-duty trucks, vehicle equivalent credits (VEC) reports for medium-duty vehicles, and hydrocarbons plus oxides of nitrogen (HC+NO<sub>x</sub>) corporate averaging reports for motorcycles.

At the request of manufacturers to reduce the reporting burdens involving two model years and to use the more accurate model-year production numbers that are reported for the various fleet average compliance programs, CARB will allow manufacturers the option to have their FY 17/18 certification fees assessed based on their complete MY 2016 production number when a manufacturer's MY 2016 production number is higher than the manufacturer's CY 2016 production number. In subsequent years, these "opt-in" manufacturers will only have to report their model-year production numbers for assessing their certification fees. (The option described above was first allowed with the FY 07/08 certification fees.)

In this Mail-out:

- (a) For manufacturers reporting their CY 2016 production numbers for the MY 2016 and MY 2017 vehicles and engines that were produced from January 1 through December 31, 2016, fill in Tables 1A, 2A, and 3A with the appropriate production numbers.
- (b) For manufacturers with a higher MY 2016 total production number than their CY 2016 total production number and who wish to have their FY 17/18 certification fees assessed based on their MY 2016 production number, fill in Tables 1B, 2B, and 3B in addition to Tables 1A, 2A, and 3A. Henceforth for future annual certification fees assessments, these "opt-in" manufacturers will need to report their appropriate model-year production number only.
- (c) For manufacturers who had switched to paying their annual certification fees in prior years (i.e., for FY 16/17 and earlier) based on their model-year production number rather than on their calendar-year production, disregard Tables 1A, 2A, and 3A and fill in only Tables 1B, 2B, and 3B with the MY 2016 total production numbers.
- (d) For laboratories, fill in Table 4 to report the number of California UDI vehicles tested and certified by the laboratories during the January 1 through December 31, 2016 time period.

- (e) The total production number subject to the FY 17/18 certification fees is determined from those reported according to paragraphs (a), (b), (c) and (d) above.
- (f) The production numbers for heavy-duty engines and vehicles, and diesel and incomplete medium-duty vehicles with a 8,501-14,000 pounds GVWR that were certified under separate Executive Orders are to be reported separately for their respective engine and vehicle certification in the column "Engine (E) or Vehicle (V) Certification" in Tables 2A and 2B.
- (g) Manufacturers are requested to modify the tables by adding any California-certified MY 2016 or MY 2017 test groups and engine families that are missing from the tables and provide their California production numbers.
- (h) Test groups and engine families with zero vehicle or engine production, or zero UDI vehicle certification, must be reported as "0", (please do not leave the production field blank).
- (i) For ease and accuracy of calculating the total production number, the per-unit fee, and each manufacturer's or laboratory's fees, staff requests that manufacturers and laboratories download and use the Excel Tables 1A, 1B, 2A, 2B, 3A, 3B, and 4 as applicable that are attached to this Mail-out. The Mail-out and its attached tables are posted on CARB's web site at [http://www.arb.ca.gov/msprog/mailouts/mouts\\_17.htm#ecars05](http://www.arb.ca.gov/msprog/mailouts/mouts_17.htm#ecars05).
- (j) Staff requests that manufacturers save and submit the completed tables, in their Excel format, to CARB's Document Management System (DMS). For uploading and work flow naming guidance see Attachment A. Manufacturers and consultants who do not have a DMS user account should contact their assigned certification staff at CARB to obtain a DMS account. For reference, Tables 5A and 5B (attached) are the current lists of On-Road Light-Duty Certification (ONRLDC) Section and Compression-Ignition and Heavy-Duty Certification (CI&HDC) Section staff, respectively, and their assigned manufacturers and laboratories.
- (k) All manufacturers and laboratories shall also provide their mailing addresses and contact information, which CARB will use to prepare the FY 17/18 certification fee invoices. Worksheet "Invoice\_Contact" within Tables 1A, 1B, 2A, 2B, 3A, 3B, and 4 is an Excel table with the format for providing the mailing and contact information for invoice purposes.
- (l) UDI vehicle emission test laboratories are requested to attach their filled-in Excel Table 4 to an email sent to the laboratory's assigned ONRLDC section staff.

- (m) For manufacturers that submitted applications for certification for their MY 2016 or MY 2017 engine families through consultants or contract services, this Mail-out will be sent to both the manufacturer's last indicated contact and the consultant or contract service indicated in the applications for certification. Staff requests that the consultants and contract services also forward this Mail-out to their manufacturer clients and/or ensure that the required information for each of their manufacturers is provided to CARB.
- (n) **Manufacturers and UDI test laboratories are requested to provide their production numbers or certified UDI vehicles as applicable, and invoice contact information by August 25, 2017.**
- (o) Because the per-unit fee and manufacturers' certification fees for FY 17/18 all depend on the reported total number of California vehicles and engines, and California UDI vehicles, revisions to a manufacturer's or laboratory's reported production numbers will not be permitted.

Upon the finalization of the production numbers of the California vehicles and engines and California UDI vehicles, and the calculation of the per-unit fee, the FY 17/18 fee assessment notices will be sent to each manufacturer and laboratory according to the mailing and contact information provided in worksheet "Invoice\_Contact". Payment is required within thirty (30) days after receipt of the notice, unless arrangements are made with CARB's Administrative Services Division for quarterly payments.

Under 13 CCR section 1993(f)(2) and 1994(c), **failure to comply with the annual certification fee requirements to report California production numbers and/or pay the assessed fees may result in a suspension of the processing of a manufacturer's applications for certification.**

Any questions concerning a manufacturer's MY 2016 and MY 2017 engine families or laboratory's CY 2016 California UDI vehicles subject to the FY 17/18 certification fee should be directed to the assigned ONRLDC or CI&HDC section staff. For all other questions concerning this Mail-out, please contact Mr. Steven Hada, Air Resources Engineer, On-Road Light-Duty Certification Section, at (626) 575-6641 or at [Steven.Hada@arb.ca.gov](mailto:Steven.Hada@arb.ca.gov).

Sincerely,



Annette Hebert, Chief  
Emissions Compliance, Automotive Regulations and Science Division

Attachments: (see page 5)

Attachments to Mail-out ECARS #17-05

- Attachment A: Guidance for Submission into the Document Management System (DMS) of FY 17/18 Certification Fees Production Numbers and Invoice Contact Information
- Table 1A: January 1-December 31, 2016 Production Numbers for MY 2016 and MY 2017 PC, LDT, Chassis-Certified MDV, and Chassis-Certified HDV Test Groups, and Invoice Contact Information
- Table 1B: Complete MY 2016 Production Numbers for MY 2016 PC, LDT, Chassis-Certified MDV, and Chassis-Certified HDV Test Groups, and Invoice Contact Information
- Table 2A: January 1-December 31, 2016 Production Numbers for MY 2016 and MY 2017 HD Engine and Vehicle Families, Including 8,501 – 14,000 Pound GVWR Diesel and Incomplete MDV Certified Under the Engine Test Procedures, and Invoice Contact Information
- Table 2B: Complete MY 2016 Production Numbers for MY 2016 HD Engine and Vehicle Families, Including 8,501 – 14,000 Pound GVWR Diesel and Incomplete MDV Certified Under the Engine Test Procedures, and Invoice Contact Information
- Table 3A: January 1-December 31, 2016 Production Numbers for MY 2016 and MY 2017 HMC Families, and Invoice Contact Information
- Table 3B: Complete MY 2016 Production Numbers for MY 2016 HMC Families, and Invoice Contact Information
- Table 4: Licensed Used Direct Import Vehicle Emissions Laboratories, and Invoice Contact Information for CY 2016
- Table 5A: On-Road Light-Duty Certification Section Manufacturer Assignments
- Table 5B: Compression Ignition and Heavy-Duty Certification Section Manufacturer Assignments