

California Environmental Protection Agency



Air Resources Board

TO:

RE:

H A A G E N - S M I T LABORATORY P.O. Box 8001 9528 Telstar Avenue El Monte, CA 91734-8001 Mail Out # MSC 97-18



Pete Wilson Governor

September 10, 1997

Secretary for Environmental Protection

Large-Volume Manufacturers

Availability of Non-Methane Organic Gas ("NMOG") Credits for Purchase in Model-Year 2000

As you are aware, the Low-Emission Vehicle program requires vehicle manufacturers to meet an increasingly stringent fleet average non-methane organic gas (NMOG) requirement through model-year 2003. To assist manufacturers in meeting this requirement, the regulation provides a mechanism whereby manufacturers can accrue NMOG credits that may be banked for use in future model years. Banked NMOG credits, however, are discounted by 50 percent for each of the following three model years. Alternatively, these credits may be sold or traded to another manufacturer. The regulation, therefore, provides a mechanism whereby manufacturers can overcome any temporary shortfalls in complying with the fleet average standard NMOG requirements.

It has come to ARB's attention that some small volume manufacturers project they will need to purchase NMOG credits to meet their fleet average standard requirement of 0.075 grams/mile for model year 2000. ARB believes that, given the small number of vehicles sold by these manufacturers in California each year, there should be ample NMOG credits available to offset exceedances of the NMOG fleet average by these manufacturers. Accordingly, the purpose of this letter is to inquire whether your company is considering providing NMOG credits for sale to other manufacturers for the model year 2000. In addition, should your company be considering the sale of NMOG credits, to what department and individual should requests for purchase be directed.

Please direct your response to Mr. Paul Hughes, Manager of the Low-Emission Vehicle Implementation section. If you have any questions regarding this matter, please contact Mr. Hughes, at (626) 575-6977.

Sincerely,

Robert H. Cross, Chief Mobile Source Control Division