



Air Resources Board



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April 27, 2009

MAIL-OUT MSO # 2009-02

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 On-Road Motorcycle (ONMC) 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 2008-2009 (FY08/09)

Health and Safety Code section 43019 authorizes the Air Resources Board (ARB) to collect annual fees to cover the costs of the certification of on-road motor vehicles and engines for sale into California. Under Title 13, California Code of Regulations, (13 CCR) sections 1990-1994, manufacturers producing new vehicles and engines for sale into California (hereinafter, California vehicles and engines) and laboratories licensed for the California certification of used direct import 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 FY08/09 certification fees, the per-unit fee, and the assessed fees of each manufacturer and laboratory.

The annual certification fees are normally based on the numbers of California vehicles and engines produced during the previous calendar year (CY) that involve production in Quarters 5 through 8 of the previous model year and Quarters 1 through 4 of the current model year (MY). For the FY08/09 certification fees, the numbers of MY2007 and MY2008 vehicles and engines produced during January 1-December 31, 2007 are normally used and manufacturers need to keep track of the production numbers for each quarter for two model years, MY2007 and MY2008. 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 reported to ARB for purposes of the certification fees, passenger car and light-duty truck NMOG fleet average standard compliance, medium-duty vehicle VEC fleet average standard compliance, heavy-duty ABT compliance, and motorcycle HC or HC+NOx corporate average standard compliance.

At the request of manufacturers to reduce the reporting burdens involving two model years, and in acknowledgement of the high level of accuracy of the model-year-based production numbers for the various fleet average compliance programs, the ARB will

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.

California Environmental Protection Agency

allow manufacturers the option to have their FY08/09 certification fees assessed based on their complete MY2007 production number when a manufacturer's MY2007 production number is higher than the manufacturer's CY2007 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 FY07/08 certification fees.)

In this Mail-out:

- (a) For manufacturers reporting their CY2007 production numbers for the MY2007 and MY2008 vehicles and engines that were produced from January 1 through December 31, 2007, fill in Tables 1A, 2A, and 3A with the appropriate production numbers.
- (b) For manufacturers with a higher MY2007 total production number than their CY2007 total production number and who wish to have their FY08/09 certification fees assessed based on their MY2007 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 newly "opt-in" manufacturers will need to report their appropriate model-year production number only.
- (c) For manufacturers who had opted to pay their FY07/08 certification fees based on their higher MY2006 production number rather than on their CY2006 production, fill in only Tables 1B, 2B, and 3B with the MY2007 total production numbers.
- (d) For laboratories, fill in Table 4 to report the number of UDI vehicles tested and certified by the laboratories during the January 1 through December 31, 2007 time period.
- (e) The total production number subject to the FY08/09 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 8501-14000 pounds gross vehicle weight rating (GVWR) that were certified under separate Executive Orders are to be reported separately for their respective 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 MY2007 or MY2008 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", i.e., 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 the ARB web site at http://www.arb.ca.gov/msprog/mailouts/mouts_09.htm#msod.
- (j) Staff requests that manufacturers save and submit the completed tables to the ARB'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 ONRCA section staff so that a DMS account can be created. For reference, Table 5 (attached) is the current list of ONRCA section staff and their assigned manufacturers and laboratories.
- (k) All manufacturers and laboratories shall also provide their mailing addresses and contact information, which the ARB will use to prepare the FY08/09 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 e-mail sent to the laboratory's assigned ONRCA section staff.
- (m) For manufacturers that submitted applications for certification for their MY2007 or MY2008 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 be provided to the ARB.
- (n) **Manufacturers are requested to provide their production numbers by May 15, 2009.**
- (o) Because the per-unit fee and manufacturers' certification fees for FY08/09 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 FY08/09 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 ARB'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 MY2007 and MY2008 engine families or laboratory's CY2007 UDI vehicles subject to the FY08/09 certification fee should be directed to the assigned ONRCA section staff. For all other questions concerning this Mail-out, please contact Mr. Steven Hada, Air Resources Engineer, On-Road Certification/Audit Section, at (626) 575-6641 or at shada@arb.ca.gov.

Sincerely,

/s/

Annette Hebert, Chief
Mobile Source Operations Division

Attachments: (see page 5)

Attachments to Mail-out MSO 2009-02

- Attachment A: Document Management System (DMS) Submission Guidance
- Table 1A: January 1-December 31, 2007 Production Numbers for MY2007 and MY2008 PC, LDT, and MDV Test Groups, and Invoice Contact Information
- Table 1B: Complete MY2007 Production Numbers for MY2007 PC, LDT, and MDV Test Groups, and Invoice Contact Information
- Table 2A: January 1-December 31, 2007 Production Numbers for MY2007 and MY2008 HD Engine and Vehicle Families, Including 8501 - 14000 #GVWR Diesel and Incomplete MDV, and Invoice Contact Information
- Table 2B: Complete MY2007 Production Numbers for MY2007 for HD Engine and Vehicle Families, Including 8501 - 14000 #GVWR Diesel and Incomplete MDV, and Invoice Contact Information
- Table 3A: January 1-December 31, 2007 Production Numbers for MY2007 and MY2008 ONMC Families, and Invoice Contact Information
- Table 3B: Complete MY2007 Production Numbers for MY2007 ONMC Families, and Invoice Contact Information
- Table 4: Licensed Used Direct Import Vehicle Emissions Laboratories, and Invoice Contact Information
- Table 5: On-Road Certification/Audit Section Manufacturers Assignments