

$$\text{Credit} = [(\text{Average standard} - \text{Emission level})] \times \left[ \sum_i (\text{Production})_i \times (\text{UL})_i \right]$$

(c) If your average emission level is above the average standard, calculate your preliminary credit deficit accord-

ing to the following equation, rounding to the nearest tenth of a gram:

$$\text{Deficit} = [(\text{Emission level} - \text{Average standard})] \times \left[ \sum_i (\text{Production})_i \times (\text{UL})_i \right]$$

[67 FR 68347, Nov. 8, 2002, as amended at 70 FR 40505, July 13, 2005; 73 FR 59256, Oct. 8, 2008]

**§ 1051.725 What must I include in my applications for certification?**

(a) You must declare in your applications for certification your intent to use the provisions of this subpart. You must also declare the FELs you select for each engine family. Your FELs must comply with the specifications of subpart B of this part, including the FEL caps. FELs must be expressed to the same number of decimal places as the applicable standards.

(b) Include the following in your application for certification:

(1) A statement that, to the best of your belief, you will not have a negative balance of emission credits for any averaging set when all emission credits are calculated at the end of the year. This means that if you believe that your average emission level will be above the standard (*i.e.*, that you will have a deficit for the model year), you must have banked credits (or project to have received traded credits) to offset the deficit.

(2) Detailed calculations of projected emission credits (positive or negative) based on projected production volumes. We may require you to include similar calculations from your other engine families to demonstrate that you will be able to avoid a negative credit balance for the model year. If you project negative emission credits for an engine family, state the source of positive

emission credits you expect to use to offset the negative emission credits.

[70 FR 40506, July 13, 2005, as amended at 73 FR 59256, Oct. 8, 2008]

**§ 1051.730 What ABT reports must I send to EPA?**

(a) If any of your engine families are certified using the ABT provisions of this subpart, you must send an end-of-year report within 90 days after the end of the model year and a final report within 270 days after the end of the model year. We may waive the requirement to send the end-of year report, as long as you send the final report on time.

(b) Your end-of-year and final reports must include the following information for each engine family:

- (1) Engine-family designation.
- (2) The emission standards that would otherwise apply to the engine family.

(3) The FEL for each pollutant. If you change the FEL after the start of production, identify the date that you started using the new FEL and/or give the vehicle identification number for the first vehicle covered by the new FEL. In this case, identify each applicable FEL and calculate the positive or negative emission credits under each FEL.

(4) The projected and actual production volumes for the model year with a point of retail sale in the United States, as described in §1051.701(d). For

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fuel tanks, state the production volume in terms of surface area and production volume for each tank configuration and state the total surface area for the emission family. If you changed an FEL during the model year, identify the actual production volume associated with each FEL.

(5) For vehicles that have standards expressed as g/kW-hr, maximum engine power for each vehicle configuration, and the average engine power weighted by U.S.-directed production volumes for the engine family.

(6) Useful life.

(7) Calculated positive or negative emission credits. Identify any emission credits that you traded, as described in paragraph (d)(1) of this section.

(c) Your end-of-year and final reports must include the following additional information:

(1) Show that your net balance of emission credits in each averaging set in the applicable model year is not negative.

(2) State whether you will retain any emission credits for banking.

(3) State that the report's contents are accurate.

(d) If you trade emission credits, you must send us a report within 90 days after the transaction, as follows:

(1) As the seller, you must include the following information in your report:

(i) The corporate names of the buyer and any brokers.

(ii) A copy of any contracts related to the trade.

(iii) The engine families that generated emission credits for the trade, including the number of emission credits from each family.

(2) As the buyer, you must include the following information in your report:

(i) The corporate names of the seller and any brokers.

(ii) A copy of any contracts related to the trade.

(iii) How you intend to use the emission credits, including the number of emission credits you intend to apply to each engine family (if known).

(e) Send your reports electronically to the Designated Compliance Officer using an approved information format. If you want to use a different format,

send us a written request with justification for a waiver.

(f) Correct errors in your end-of-year report or final report as follows:

(1) You may correct any errors in your end-of-year report when you prepare the final report as long as you send us the final report by the time it is due.

(2) If you or we determine within 270 days after the end of the model year that errors mistakenly decreased your balance of emission credits, you may correct the errors and recalculate the balance of emission credits. You may not make these corrections for errors that are determined more than 270 days after the end of the model year. If you report a negative balance of emission credits, we may disallow corrections under this paragraph (f)(2).

(3) If you or we determine anytime that errors mistakenly increased your balance of emission credits, you must correct the errors and recalculate the balance of emission credits.

[70 FR 40506, July 13, 2005, as amended at 73 FR 59256, Oct. 8, 2008]

### § 1051.735 What records must I keep?

(a) You must organize and maintain your records as described in this section. We may review your records at any time.

(b) Keep the records required by this section for at least eight years after the due date for the end-of-year report. You may not use emission credits on any engines if you do not keep all the records required under this section. You must therefore keep these records to continue to bank valid credits. Store these records in any format and on any media as long as you can promptly send us organized, written records in English if we ask for them. You must keep these records readily available. We may review them at any time.

(c) Keep a copy of the reports we require in § 1051.725 and § 1051.730.

(d) Keep records of the identification number for each vehicle or engine or piece of equipment you produce that generates or uses emission credits under the ABT program. You may identify these numbers as a range.