FAA by law. Meetings of the committee will be open to the public except as authorized by Section 10(d) of the Federal Advisory Committee Act.

FOR FURTHER INFORMATION CONTACT: Office of System Architecture and Investment Analysis (ASD–1), 800 Independence Avenue, SW., Washington, DC, 20591, Telephone: 202/358–5243.

Issued in Washington, DC, on May 28, 1997.

Janice L. Peters,

Federal Official, System Architecture and Investment Analysis.

[FR Doc. 97–14498 Filed 6–3–97; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–97–30]

Petitions for Exemption; Summary of Petitions Received; Dispositions of Petitions Issued

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petitions for exemption received and of dispositions of prior petitions.

SUMMARY: Pursuant to FAA's rulemaking provisions governing the application, processing, and disposition of petitions for exemption (14 CFR part 11), this notice contains a summary of certain petitions seeking relief from specified requirements of the Federal Aviation Regulations (14 CFR Chapter I), dispositions of certain petitions previously received, and corrections. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of any petition or its final disposition.

DATES: Comments on petitions received must identify the petition docket number involved and must be received on or before June 24, 1997.

ADDRESSES: Send comments on any petition in triplicate to: Federal Aviation Administration, Office of the Chief Counsel, Attn: Rule Docket (AGC–200), Petition Docket No. _____, 800 Independence Avenue, SW., Washington, DC 20591.

Comments may also be sent electronically to the following internet address: 9–NPRM–CMNTS@faa.dot.gov.

The petition, any comments received, and a copy of any final disposition are filed in the assigned regulatory docket and are available for examination in the Rules Docket (AGC–200), Room 915G, FAA Headquarters Building (FOB 10A), 800 Independence Avenue, SW., Washington, DC 20591; telephone (202) 267–3132.

FOR FURTHER INFORMATION CONTACT: Heather Thorson (202) 267–7470 or Angela Anderson (202) 267–9681 Office of Rulemaking (ARM–1), Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591.

This notice is published pursuant to paragraphs (c), (e), and (g) of § 11.27 of Part 11 of the Federal Aviation Regulations (14 CFR part 11).

Issued in Washington, DC, on May 29, 1997.

Donald P. Byrne,

Assistant Chief Counsel for Regulations.

Petitions for Exemption

Docket No.: 28400.
Petitioner: Skydive, Inc.
Sections of the FAR Affected: 14 CFR 105.43(a)(1).
Description of Relief Sought: To permit Skydive to permit individuals who have completed a course of instruction in main parachute packing administered by a Federal Aviation Administration-certificated parachute rigger to pack main parachutes for others to make parachute jumps.

Dispositions of Petitions

Docket No.: 25052.
Petitioner: Taquan Air Service, Inc.
Sections of the FAR Affected: 14 CFR 135.203(a)(1).
Description of Relief Sought/ Disposition: To permit Ketchikan Air Service, Inc., Taquan Air Service, Inc., Misty Fjords Air and Outfitting, and Promech, Inc., conducting operations under part 135 to operate seaplanes inside the Ketchikan, Alaska, Class E airspace under Special Visual Flight Rules below 500 feet above the surface. *Grant, May 14, 1997, Exemption No. 4760G.*

Docket No.: 27953.
Petitioner: Aero Sports Connection.
Sections of the FAR Affected: 14 CFR 103.1(a) and (e)(1) through (e)(4).
Description of Relief Sought/ Disposition: To permit individuals authorized by ASC to give instruction in powered ultralights that have a maximum empty weight of not more than 496 pounds, have a maximum fuel capacity of not more than 10 U.S. gallons, are not capable of more than 75 knots calibrated airspeed at full power in level flight, and have a power-off stall speed that does not exceed 35 knots calibrated airspeed. *Grant, May 20, 1997, Exemption No. 6080A.*

Docket No.: 28837.
Petitioner: Temsco Helicopters, Inc.
Sections of the FAR Affected: 14 CFR 145.45(f).
Description of Relief Sought/ Disposition: To allow Temsco to make available one copy of its Repair Station Inspection Procedures Manual to all of its supervisory and inspection personnel, rather than providing a copy of the manual to each of those individuals. *Grant, May 19, 1997, Exemption No. 6623.*

Docket No.: 27430.
Petitioner: Midwest Flying Service, Inc.
Sections of the FAR Affected: 14 CFR 135.143(c)(2).
Description of Relief Sought/ Disposition: To allow Midwest Flying Service, Inc., to conduct operations under part 135 without a TSO–C112 (Mode S) transponder installed on its aircraft. *Grant, May 20, 1997, Exemption No. 5757B.*

Docket No.: 24237.
Petitioner: Department of the Air Force.
Sections of the FAR Affected: 14 CFR 91.177(a)(2) and 91.179(b)(1).
Description of Relief Sought/ Disposition: To permit the Air Force to conduct low-level operations without complying with en route minimum altitudes for flight under instrument flight rules (IFR) or direction of flight requirements for IFR en route segments in uncontrolled airspace. *Grant, May 20, 1997, Exemption No. 4371D.*

Docket No.: 28867.
Petitioner: William K. Herndon.
Sections of the FAR Affected: 14 CFR 121.383(c).
Description of Relief Sought/ Disposition: To allow the petitioner to act as a pilot in operations conducted under part 121 until May 22, 2000. *Denied, May 20, 1997, Exemption No. 6624.*

[FR Doc. 97–14499 Filed 6–3–97; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Automotive Fuel Economy Program Report to Congress

The attached document, *Automotive Fuel Economy Program, Twenty-first Annual Report to the Congress,* was prepared pursuant to 49 U.S.C. 32916 *et seq.* which requires that ''the Secretary

shall transmit to each House of Congress, and publish in the **Federal Register**, a review of the average fuel economy standards under this part.''

Issued: May 29, 1997.

L. Robert Shelton,

Associate Administrator for Safety Performance Standards.

Automotive Fuel Economy Program

Twenty-First Annual Report to Congress

Calendar Year 1996

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Section I: Introduction

The Twenty-first Annual Report to Congress on the Automotive Fuel Economy Program summarizes the activities of the National Highway Traffic Safety Administration (NHTSA) during 1996, in accordance with 49 U.S.C. 32916 *et seq.*, which requires the submission of a report each year. Included in this report is a section summarizing rulemaking activities during 1996. The Federal Reports Elimination Act of 1995 (Pub. L. 104–66) repealed Section 305, Title III, of the Department of Energy Act of 1978 (P.L. 95–238), ''a discussion of the use of advanced automotive technology by the industry.'' Accordingly, the advanced automotive technology section is permanently eliminated from these annual reports beginning with this edition.

The Secretary of Transportation is required to administer a program for regulating the fuel economy of new passenger cars and light trucks in the United States market. The authority to administer the program was delegated by the Secretary to the Administrator of NHTSA, 49 CFR 1.50(f).

NHTSA's responsibilities in the fuel economy area include:

(1) Establishing and amending average fuel economy standards for manufacturers of passenger cars and light trucks, as necessary;

(2) Promulgating regulations concerning procedures, definitions, and reports necessary to support the fuel economy standards;

(3) Considering petitions for exemption from established fuel economy standards by low volume manufacturers (those producing fewer than 10,000 passenger cars annually worldwide) and establishing alternative standards for them;

(4) Preparing reports to Congress annually on the fuel economy program;

(5) Enforcing fuel economy standards and regulations; and

(6) Responding to petitions concerning domestic production by foreign manufacturers, and other matters.

Passenger car fuel economy standards were established by Congress for Model Year (MY) 1985 and thereafter at a level of 27.5 miles per gallon (mpg). NHTSA is authorized to amend the standard above or below that level. Standards for light trucks were established by NHTSA for MYs 1979 through 1998. NHTSA set a combined standard of 20.7 mpg for light truck fleets for MY 1998. All current standards are listed in Table I–1.

TABLE I–1.—FUEL ECONOMY STANDARDS FOR PASSENGER CARS AND LIGHT TRUCKS; MODEL YEARS 1978 THROUGH 1998 (IN MPG)

Model year	Passenger cars	Light trucks [1]		
		Two-wheel drive	Four-wheel drive	Combined [2 3]
1978	[4] 18.0	.....	.....	.....
1979	[4] 19.0	17.2	15.8	
1980	[4] 20.0	16.0	14.0	([5])
1981	22.0	[6] 16.7	15.0	([5])
1982	24.0	18.0	16.0	17.5
1983	26.0	19.5	17.5	19.0
1984	27.0	20.3	18.5	20.0
1985	[4] 27.5	[7] 19.7	[7] 18.9	[7] 19.5
1986	[8] 26.0	20.5	19.5	20.0
1987	[9] 26.0	21.0	19.5	20.5
1988	[9] 26.0	21.0	19.5	20.5
1989	[10] 26.5	21.5	19.0	20.5
1990	[4] 27.5	20.5	19.0	20.0
1991	[4] 27.5	20.7	19.1	20.2
1992	[4] 27.5	.....	.....	20.2
1993	[4] 27.5	.....	.....	20.4
1994	[4] 27.5	.....	.....	20.5
1995	[4] 27.5	.....	.....	20.6
1996	[4] 27.5	.....	.....	20.7
1997	[4] 27.5	.....	.....	20.7
1998	[4] 27.5	.....	.....	20.7

[1] Standards for MY 1979 light trucks were established for vehicles with a gross vehicle weight rating (GVWR) of 6,000 pounds or less. Standards for MY 1980 and beyond are for light trucks with a GVWR of 8,500 pounds or less.

[2] For MY 1979, light truck manufacturers could comply separately with standards for four-wheel drive, general utility vehicles and all other light trucks, or combine their trucks into a single fleet and comply with the standard of 17.2 mpg.

[3] For MYs 1982–1991, manufacturers could comply with the two-wheel and four-wheel drive standards or could combine all light trucks and comply with the combined standard.

[4] Established by Congress in Title V of the Act.

[5] A manufacturer whose light truck fleet was powered exclusively by basic engines which were not also used in passenger cars could meet standards of 14 mpg and 14.5 mpg in MYs 1980 and 1981, respectively.

[6] Revised in June 1979 from 18.0 mpg.
[7] Revised in October 1984 from 21.6 mpg for two-wheel drive, 19.0 mpg for four-wheel drive, and 21.0 mpg for combined.
[8] Revised in October 1985 from 27.5 mpg.
[9] Revised in October 1986 from 27.5 mpg.
[10] Revised in September 1988 from 27.5 mpg.

Section II: Fuel Economy Improvement by Manufacturers

A. Fuel Economy Performance by Manufacturer

The fuel economy achievements for domestic and foreign-based manufacturers in MY 1995 were updated to include final Environmental Protection Agency (EPA) calculations, where available, since the publication of the Twentieth Annual Report to the Congress. These fuel economy achievements and current projected data for MY 1996 are listed in Tables II–1 and II–2.

Overall fleet fuel economy for passenger cars was 28.7 mpg in MY 1996, an increase of 0.1 mpg from the MY 1995 level. For MY 1996, Corporate Average Fuel Economy (CAFE) values increased above MY 1995 levels for seven of 23 passenger car manufacturers' fleets. (See Table II–1.) These seven companies accounted for more than 42 percent of the total MY 1996 production. Manufacturers continued to introduce new technologies and more fuel-efficient models, and some larger, less fuel-efficient models. For MY 1996, the overall domestic manufacturers' fleet average fuel economy was 28.3 mpg. For MY 1996, General Motors domestic passenger car CAFE value rose 0.9 mpg from its 1995 level, while Chrysler, Ford, Mazda, and Toyota fell 0.8 mpg, 0.9 mpg, 0.5 mpg, and 0.2 mpg, respectively, from their MY 1995 levels. Overall, the domestic manufacturers' combined CAFE increased 0.6 mpg above MY 1995 level.

TABLE II–1.—PASSENGER CAR FUEL ECONOMY PERFORMANCE BY MANUFACTURER [1] MODEL YEARS 1995 AND 1996

Manufacturer	Model year CAFE (MPG)	
	1995	1996
Domestic:		
Chrysler	28.4	27.6
Ford	27.7	26.8
General Motors	27.4	28.3
Honda	([2])	33.2
Mazda	30.3	29.8
Toyota	28.5	28.3
Sales Weighted Average (Domestic)	27.7	28.3
Import:		
BMW	25.3	27.3
Chrysler Imports	28.6	28.2

TABLE II–1.—PASSENGER CAR FUEL ECONOMY PERFORMANCE BY MANUFACTURER [1] MODEL YEARS 1995 AND 1996—Continued

Manufacturer	Model year CAFE (MPG)	
	1995	1996
Fiat	15.7	13.8
Ford Imports	34.0	31.5
GM Imports	36.7	35.8
Honda	32.7	27.8
Hyundai	31.2	32.9
Kia	31.2	29.0
Mazda	31.4	32.7
Mercedes-Benz	24.7	25.1
Mitsubishi	29.9	29.9
Nissan	29.5	30.4
Porsche	22.7	21.5
Subaru	28.9	27.7
Suzuki	40.8	34.0
Toyota	30.4	29.8
Volvo	26.0	26.1
Volkswagen	29.0	28.2
Sales Weighted Average (Import)	30.3	29.7
Total Fleet Average	28.6	28.7
Fuel Economy Standards	27.5	27.5

[1] Manufacturers or importers of fewer than 1,000 passenger cars annually are not listed.
[2] In MY 1996 Honda achieved 75 percent domestic content for its United States built passenger cars to become the third foreign-based manufacturer with a domestic fleet.

NOTE: Some MY 1995 CAFE values differ from those used in the Twentieth Annual Report to the Congress due to the use of final EPA calculations.

TABLE II–2.—LIGHT TRUCK FUEL ECONOMY PERFORMANCE BY MANUFACTURER

[Model Years 1995 and 1996]

Manufacturer	Model year CAFE (MPG)	
	Combined	
	1995	1996
Domestic:		
Chrysler	20.1	20.3
Ford	20.8	20.6
General Motors	20.1	20.7
Sales Weighted Average (Domestic)	20.3	20.5
Import:		
Isuzu	20.3	19.5
Land Rover	16.3	17.2
Mazda	20.9	20.7
Mitsubishi	20.2	19.1
Nissan	22.4	23.0
Suzuki	28.1	27.5
Toyota	21.2	23.2
Volkswagen	19.6	([1])

TABLE II–2.—LIGHT TRUCK FUEL ECONOMY PERFORMANCE BY MANUFACTURER—Continued

[Model Years 1995 and 1996]

Manufacturer	Model year CAFE (MPG)	
	Combined	
	1995	1996
Sales Weighted Average (Import)	21.5	22.1
Total Fleet Average	20.5	20.7
Fuel Economy Standards	20.6	20.7

[1] Volkswagen did not produce light trucks for MY 1996.

NOTE: Some MY 1995 CAFE values differ from those used in the Twentieth Annual Report to the Congress due to the use of final EPA calculations.

In MY 1996, the fleet average fuel economy for import passenger cars decreased by 0.6 mpg from the MY 1995 CAFE level to 29.7 mpg. Six of the 18 import car manufacturers increased their CAFE values between MYs 1995 and 1996, including three of the nine Asian manufacturers.

Fleet average fuel economy for all MY 1996 passenger cars combined exceeded the level of the MY 1996 standard by 1.2 mpg. Figure II–1 illustrates the changes in total new passenger car fleet CAFE from MY 1978 to MY 1996.

The total light truck fleet CAFE increased 0.2 mpg above the MY 1995 CAFE level of 20.5 mpg (see Table II–2). Figure II–2 illustrates the trends in total light truck fleet CAFE from MY 1979 to MY 1996.

Several passenger cars and a few light truck manufacturers are projected to fail to achieve the levels of the MY 1996 CAFE standards. However, NHTSA is not yet able to determine which of these manufacturers may be liable for civil penalties for non-compliance. Some MY 1996 CAFE values may change when final figures are provided to NHTSA by EPA, in mid-1997. In addition, several manufacturers are not expected to pay civil penalties because the credits they earned by exceeding the fuel economy standards in earlier years offset later shortfalls. Other manufacturers may file carryback plans to demonstrate that they anticipate earning credits in future model years to offset current deficits.

BILLING CODE 4910–59–P

Figure II-1

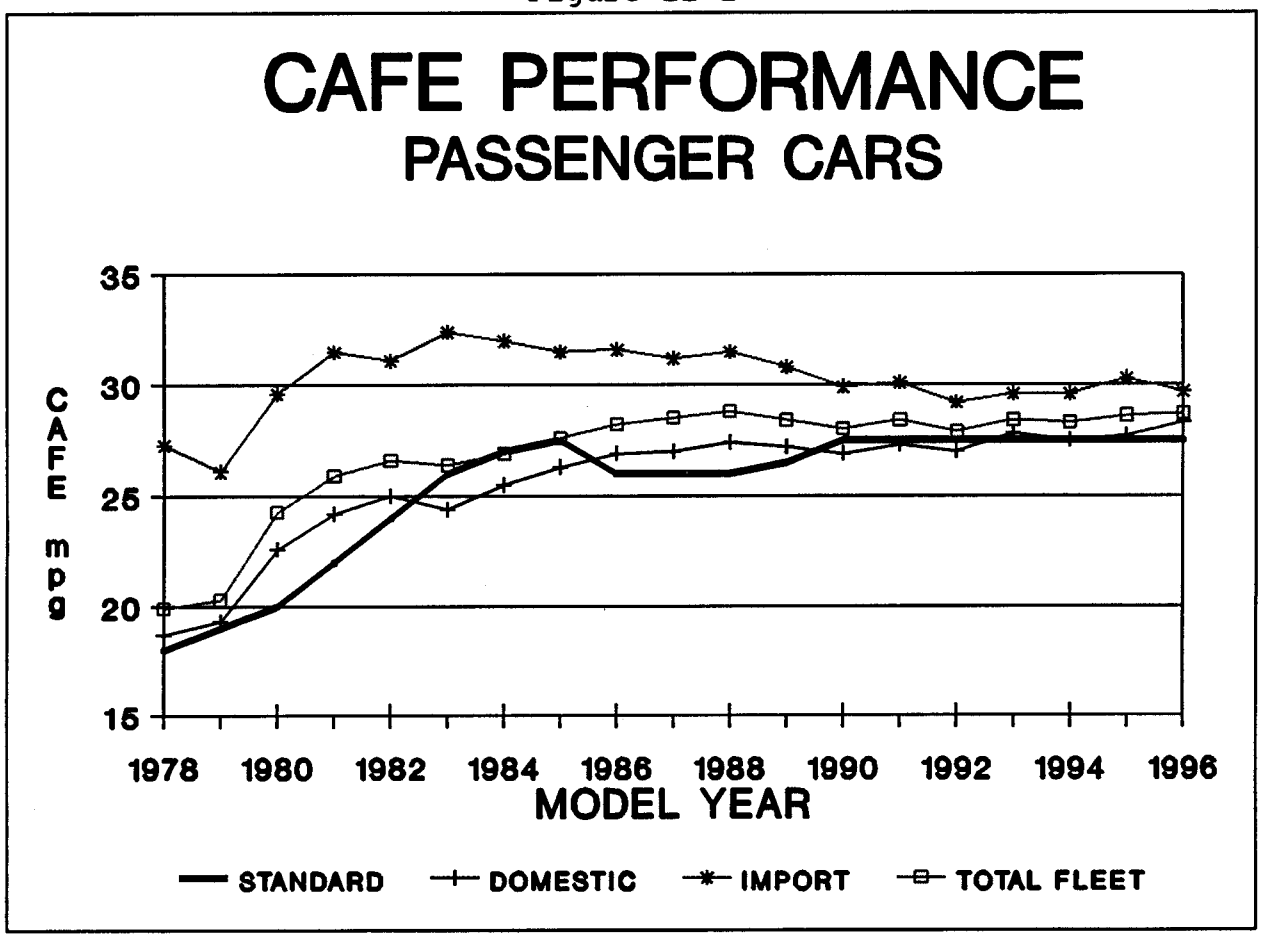
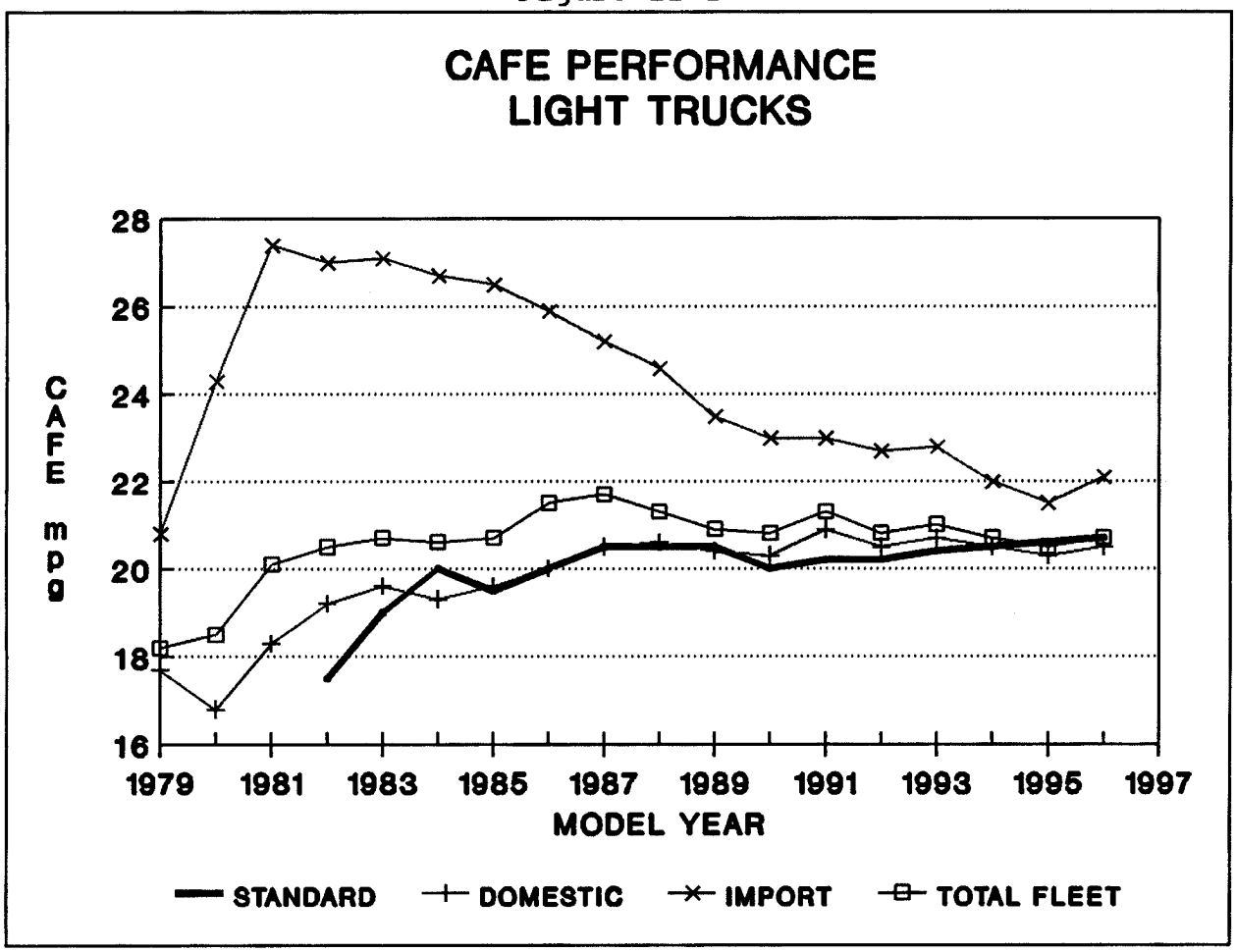

CAFE PERFORMANCE
PASSENGER CARS
CAFE mpg
35
30
25
20
15
1978
1980
1982
1984
1986
1988
1990
1992
1994
1996
MODEL YEAR
STANDARD
DOMESTIC
IMPORT
TOTAL FLEET

Figure II-2



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B. Characteristics of the MY 1996 Passenger Car Fleet

The characteristics of the MY 1996 passenger car fleet reflect a continuing trend toward satisfying consumer demand for higher performance cars. (See Table II–3.) From MY 1995 to MY 1996, horsepower/100 pounds, a measure of vehicle performance, increased from 4.93 to 5.00 for domestic passenger cars. However, it decreased slightly from 4.77 to 4.76 for import passenger cars. The total fleet average for passenger cars increased from 4.87 horsepower/100 pounds in MY 1995 to 4.92 in MY 1996. Compared with MY 1995, the average curb weight for MY 1996 decreased by 35 pounds for the domestic fleet and increased 25 pounds for the import fleet. The total new passenger car fleet weight remained constant at 3,047 pounds, as in MY 1995. Average engine displacement decreased from 188 to 178 cubic inches for domestic passenger cars, and increased from 131 to 134 cubic inches for import passenger cars, from MY 1995 to MY 1996.

The 0.6 mpg fuel economy improvement for the MY 1996 domestic passenger car fleet may be attributed in part to weight reduction, mix shifts, and an increase in the use of more automatic transmissions with four speeds and front-wheel drive.

The size/class breakdown shows an increased trend primarily toward compact passenger cars with the reduction of subcompact passenger cars for the overall fleet. The size/class mix in the domestic fleet shifted from mid-size and large passenger cars to minicompact, subcompact and compact passenger cars. The size/class mix in the import fleet shifted from minicompact, subcompact, and compact passenger cars to two-seater, mid-size and large passenger cars. The import share of the passenger car market declined in MY 1996, as more foreign-based manufacturers achieved 75 percent domestic content for their U.S. and Canadian-assembled passenger cars.

TABLE II–3.—PASSENGER CAR FLEET CHARACTERISTICS FOR MYS 1995 AND 1996

Characteristics	Total fleet		Domestic fleet		Import fleet	
	1995	1996	1995	1996	1995	1996
Fleet Average Fuel Economy, mpg	28.6	28.7	27.7	28.3	30.2	29.7
Fleet Average Curb Weight, lbs.	3047	3047	3146	3111	2881	2906
Fleet Average Engine Displacement, cu. in.	166	164	188	178	131	134
Fleet Average Horsepower/Weight ratio, HP/100 lbs.	4.87	4.92	4.93	5.00	4.77	4.76

TABLE II–3.—PASSENGER CAR FLEET CHARACTERISTICS FOR MYS 1995 AND 1996—Continued

Characteristics	Total fleet		Domestic fleet		Import fleet	
	1995	1996	1995	1996	1995	1996
Percent of Fleet	100	100	62.7	68.6	37.3	31.4
Segmentation by EPA Size Class, Percent						
Two-Seater	0.8	1.1	0.4	0.5	1.5	2.3
Minicompact	0.7	0.5	0.0	0.0	1.9	1.5
Subcompact [1]	17.1	15.5	8.9	10.9	30.9	25.6
Compact [1]	39.3	41.3	36.1	40.5	44.7	43.0
Mid-Size [1]	28.5	28.3	33.5	29.2	20.2	26.1
Large [1]	13.6	13.4	21.1	18.9	0.9	1.5
Diesel Engines	0.06	0.09	0.0	0.0	0.2	0.3
Turbo or Supercharged Engines	0.7	0.8	0.0	0.0	1.8	2.5
Fuel Injection	100	100	100	100	100	100
Front-Wheel Drive	84.8	85.6	84.6	86.8	85.1	83.0
Automatic Transmissions	83.2	84.1	89.8	87.9	72.1	75.7
Automatic Transmissions with Lockup Clutches	98.0	97.9	100	100	93.7	92.4
Automatic Transmissions with Four or more Forward Speeds	87.9	88.8	85.5	89.0	92.7	88.2

[1] Includes associated station wagons.

The import fleet rose above its MY 1996 level in the share of turbocharged and supercharged engines. Diesel engine share increased slightly in MY 1996, and diesels were offered by two import manufacturers.

Passenger car fleet average characteristics have changed significantly since MY 1978 (the first year of fuel economy standards). (See Table II–4.) After substantial initial weight loss (from MY 1978 to MY 1982, the average passenger car fleet curb weight decreased from 3,349 to 2,808 pounds), the curb weight stabilized between 2,800 and 3,050 pounds. Table II–4 shows that the MY 1996 passenger car fleet has nearly equal interior volume and higher performance, but with more than 40 percent better fuel economy, than the MY 1978 fleet. (See Figure II–3.)

C. Characteristics of the MY 1996 Light Truck Fleet

The characteristics of the MY 1996 light truck fleet are shown in Table II–5. Light truck manufacturers are not required to divide their fleets into domestic and import fleets based on the 75-percent domestic content threshold used for passenger car fleets. Therefore, beginning with this report, the light truck fleet is subdivided in this table according to drive wheels: two-wheel drive or four-wheel drive.

TABLE II–4.—NEW PASSENGER CAR FLEET AVERAGE CHARACTERISTICS

[Model Years 1978–1996]

Model year	Fuel economy (mpg)	Curb weight (lb.)	Interior space (cu. ft.)	Engine size (cu. in.)	Horse-power/ weight (hp/100 lb.)
1978	19.9	3349	112	260	3.68
1979	20.3	3180	110	238	3.72
1980	24.3	2867	105	187	3.51
1981	25.9	2883	108	182	3.43
1982	26.6	2808	107	173	3.47
1983	26.4	2908	109	182	3.57
1984	26.9	2878	108	178	3.66
1985	27.6	2867	108	177	3.84
1986	28.2	2821	106	169	3.89
1987	28.5	2805	109	162	3.98
1988	28.8	2831	107	161	4.11
1989	28.4	2879	109	163	4.24
1990	28.0	2908	108	163	4.53
1991	28.4	2934	108	164	4.42
1992	27.9	3007	108	169	4.56
1993	28.4	2971	109	164	4.62
1994	28.3	3011	109	169	4.79
1995	28.6	3047	109	166	4.87
1996	28.7	3047	109	164	4.92

BILLING CODE 4910–59–P

Figure II-3

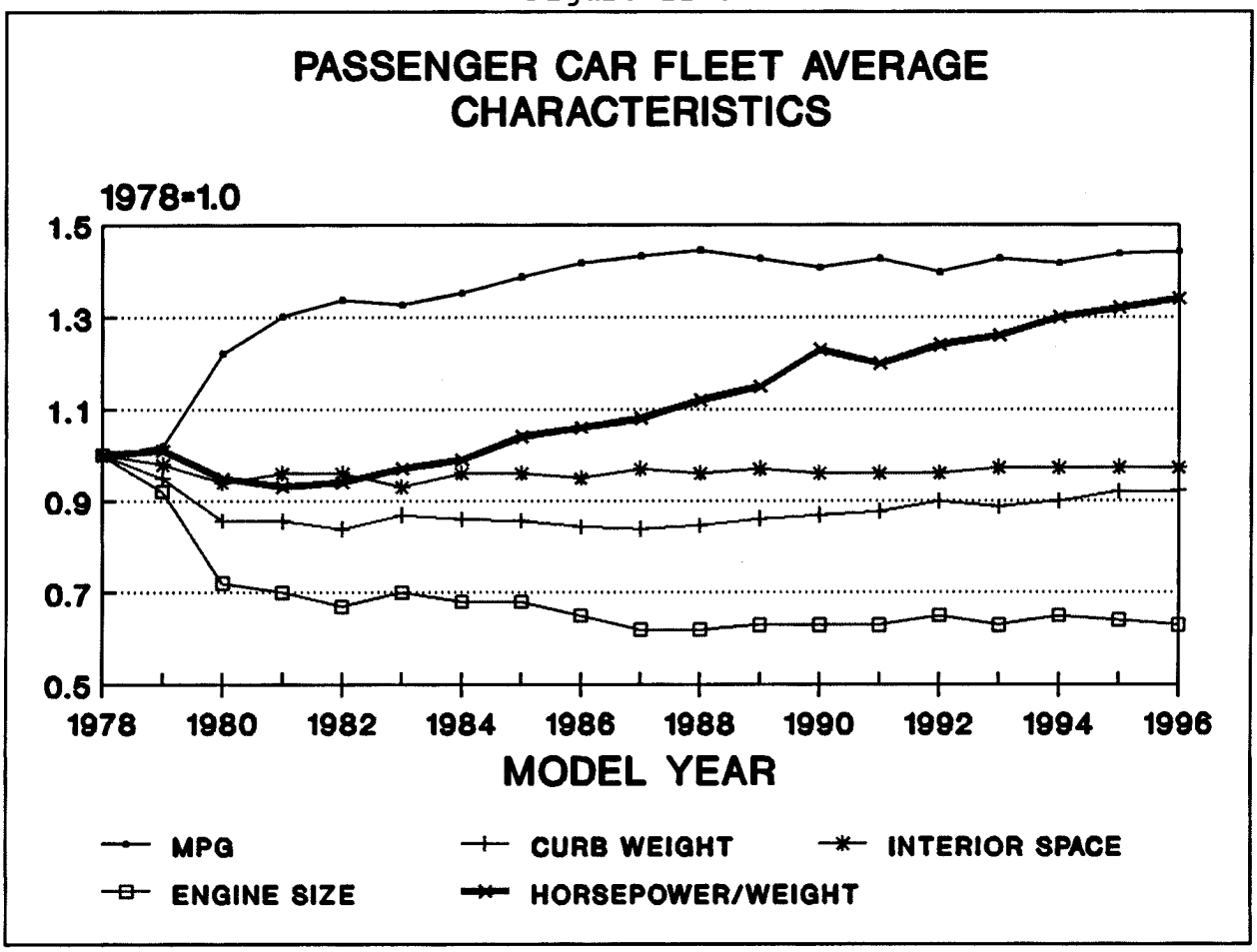

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TABLE II–5.—LIGHT TRUCK FLEET CHARACTERISTICS FOR MYS 1995 AND 1996

Characteristics	Total fleet		Two-wheel drive		Four-wheel drive	
	1995	1996	1995	1996	1995	1996
Fleet Average Fuel Economy, mpg	20.5	20.7	21.6	21.9	18.9	19.3
Fleet Average Equivalent Test Weight, lbs	4339	4355	4192	4201	4575	4602
Fleet Average Engine Displacement, cu. in	245	244	235	231	261	265
Fleet Average Horsepower/Weight ratio, HP/100 lbs	3.88	4.07	3.83	4.00	3.96	4.19
Percent of Fleet	100	100	61.7	61.6	38.3	38.4
Percent of Fleet from Foreign-Based Manufacturers	14.7	12.2	10.9	8.9	20.8	17.6
Segmentation by Type, Percent						
Passenger Van	22.3	22.7	34.7	36.1	2.3	1.3
Cargo Van	6.4	3.7	10.1	5.9	0.5	0.2
Small Pickup.						
Two-Wheel Drive	7.7	7.0	12.5	11.3	.....	.....
Four-Wheel Drive	.....	.....	.....	.....	.....	.....
Large Pickup.						
Two-Wheel Drive	19.0	19.4	30.8	31.5	.....	.....
Four-Wheel Drive	12.9	10.8	.....	.....	33.8	28.2
Special Purpose.						
Two-Wheel Drive	7.3	9.3	11.9	15.1	.....	.....
Four-Wheel Drive	24.3	27.0	.....	.....	63.4	70.3
Diesel Engines	0.20	0.07	0.11	0.04	0.34	0.12
Turbo/Supercharged Engines	0.20	0.07	0.09	0.04	0.34	0.12
Fuel Injection	100	100	100	100	100	100
Automatic Transmissions	79.5	84.3	78.7	82.2	80.8	87.6
Automatic Transmissions with Lockup Clutches	98.9	98.9	98.3	98.1	100	100

TABLE II–5.—LIGHT TRUCK FLEET CHARACTERISTICS FOR MYS 1995 AND 1996—Continued

Characteristics	Total fleet		Two-wheel drive		Four-wheel drive	
	1995	1996	1995	1996	1995	1996
Automatic Transmissions with Four or More Forward Speeds	93.4	93.8	90.5	90.0	97.9	99.4

The MY 1996 average test weight of the total light truck fleet increased by 16 pounds over that for MY 1995. The average fuel economy of the fleet increased by 0.2 mpg to 20.7 mpg. Diesel engine usage decreased in light trucks to 0.07 percent in MY 1996 from 0.20 percent in MY 1995. The share of the MY 1996 two-wheel drive fleet remained near the MY 1995 level of 61.7 percent.

CAFE levels for light trucks in the 0–8,500 pounds gross vehicle weight (GVW) class increased from 18.5 mpg in MY 1980 to 21.7 mpg in MY 1987, before declining to 20.7 mpg in MY 1996, influenced by an increase in average weight, engine size, and performance. Light truck production increased from 1.9 million in MY 1980 to 5.2 million in MY 1996. Light trucks comprised 40 percent of the total light duty vehicle fleet production in MY 1996, more than triple the share in MY 1980.

D. Passenger Car and Light Truck Fleet Economy Averages

Figure II–4 illustrates an increase in the light duty fleet (combined passenger cars and light trucks) average fuel economy through MY 1987, followed by a gradual decline. (See also Table II–6.) Passenger car average fuel economy remained relatively constant for MYs 1987–1996. The overall decline in fuel economy illustrates the growing influence of light trucks and their significant impact on the light duty fleet.

While passenger car and light truck fleet fuel economies increased from MY 1995 to MY 1996 by 1.2 mpg and 0.2 mpg, respectively, the total fleet fuel economy for MY 1996 remains at the MY 1995 level of 24.9 mpg. The shift to light trucks for general transportation is an important trend in consumers' preference and has a significant fleet fuel consumption effect.

E. Domestic and Import Fleet Fuel Economy Averages

Domestic and import passenger car fleet average fuel economies have improved since MY 1978, although the increase is far more dramatic for the domestic fleet. In MY 1996, the domestic passenger car fleet average fuel economy increased from the prior year to 28.3 mpg, the highest level since fuel economy standards were established. Import passenger car fleet average fuel economy decreased to 29.7 mpg. Compared to MY 1978, this reflects an increase of 9.6 mpg for domestic cars and 2.4 mpg for import cars.

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Figure II-4

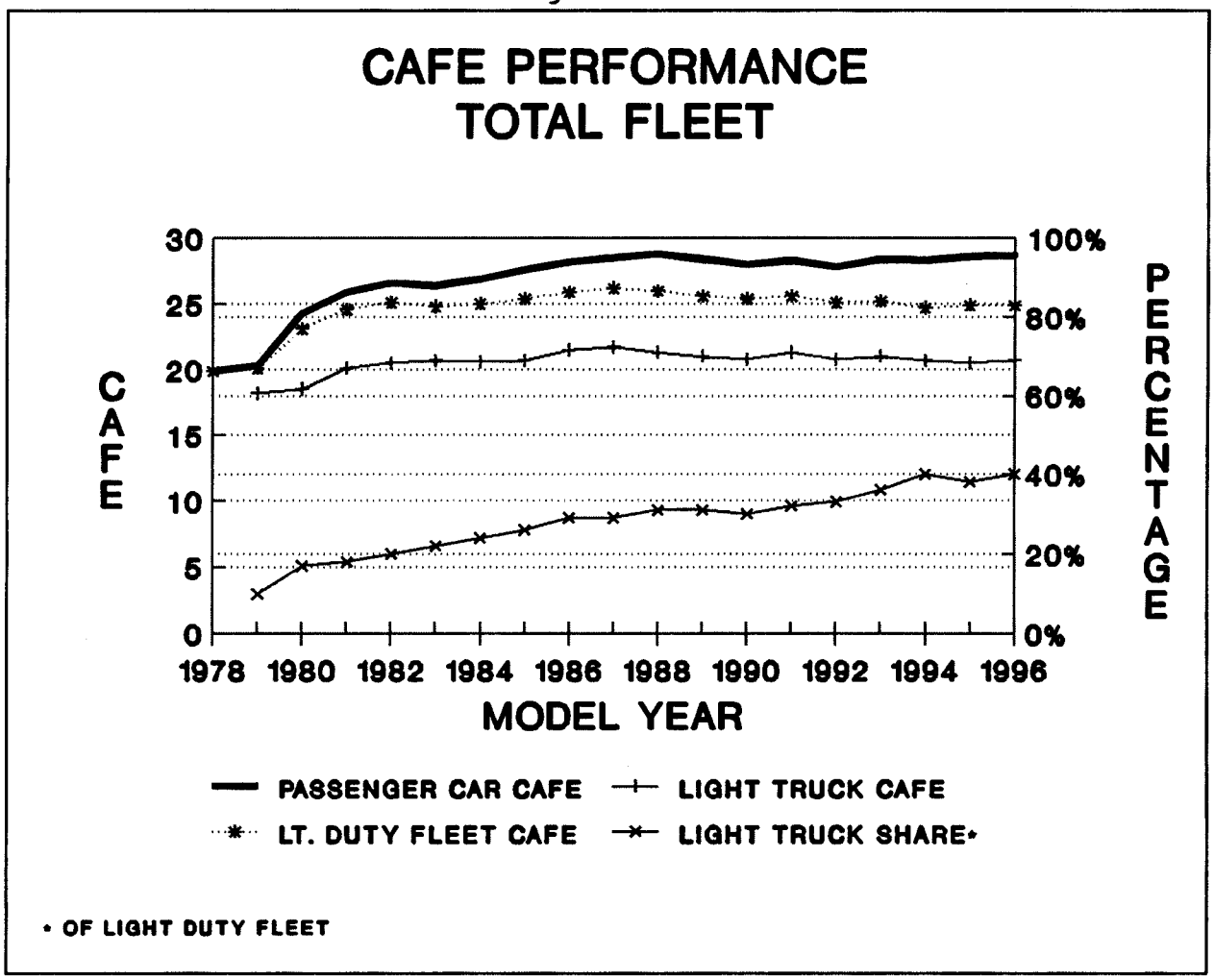

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TABLE II–6.—DOMESTIC AND IMPORT PASSENGER CAR AND LIGHT TRUCK FUEL ECONOMY AVERAGES FOR MODEL YEARS 1978–1996

[in MPG]

Model Year	Domestic			Import			All cars	All light trucks	Total fleet
	Car	Light Truck	Combined	Car	Light truck [1]	Combined			
1978	18.7	.....	.....	27.3	.....	.....	19.9	.....	.....
1979	19.3	17.7	19.1	26.1	20.8	25.5	20.3	18.2	20.1
1980	22.6	16.8	21.4	29.6	24.3	28.6	24.3	18.5	23.1
1981	24.2	18.3	22.9	31.5	27.4	30.7	25.9	20.1	24.6
1982	25.0	19.2	23.5	31.1	27.0	30.4	26.6	20.5	25.1
1983	24.4	19.6	23.0	32.4	27.1	31.5	26.4	20.7	24.8
1984	25.5	19.3	23.6	32.0	26.7	30.6	26.9	20.6	25.0
1985	26.3	19.6	24.0	31.5	26.5	30.3	27.6	20.7	25.4
1986	26.9	20.0	24.4	31.6	25.9	29.8	28.2	21.5	25.9
1987	27.0	20.5	24.6	31.2	25.2	29.6	28.5	21.7	26.2
1988	27.4	20.6	24.5	31.5	24.6	30.0	28.8	21.3	26.0
1989	27.2	20.4	24.2	30.8	23.5	29.2	28.4	20.9	25.6
1990	26.9	20.3	23.9	29.9	23.0	28.5	28.0	20.8	25.4
1991	27.3	20.9	24.4	30.1	23.0	28.4	28.4	21.3	25.6
1992	27.0	20.5	23.8	29.2	22.7	27.9	27.9	20.8	25.1
1993	27.8	20.7	24.2	29.6	22.8	28.1	28.4	21.0	25.2
1994	27.5	20.5	23.5	29.6	22.0	27.8	28.3	20.7	24.7
1995	27.7	20.3	23.8	30.3	21.5	27.9	28.6	20.5	24.9
1996	28.3	20.5	24.1	29.7	22.1	27.7	28.7	20.7	24.9

[1] Light trucks from foreign-based manufacturers.

Since MY 1980, the total light truck fleet average fuel economy and the average for domestic light truck manufacturers have improved overall, but both have remained below the fuel economy level for the imported light truck fleet. The imported light truck average fuel economy has decreased significantly since its highest level of 27.4 mpg for MY 1981 to 22.1 mpg for MY 1996. For MY 1996, the domestic light truck fleet has an average fuel economy level of 20.5 mpg, which is 1.6 mpg lower than the import light truck fleet. For MY 1996, the imported light truck fleet fuel economy increased 0.6 mpg above the MY 1995 level to 22.1 mpg. The domestic manufacturers continued to dominate the light truck market, comprising 87 percent of the total light truck fleet.

The disparity between the average CAFEs of the import and domestic manufacturers has declined in recent years as domestic manufacturers have maintained relatively stable CAFE values while the import manufacturers moved to larger vehicles, and more four-wheel drive light trucks, thus lowering their CAFE values.

Section III: 1996 Activities

A. Light Truck CAFE Standards

On April 3, 1996, NHTSA published a final rule establishing a combined standard of 20.7 mpg for light trucks for MY 1998. The Department of Transportation and Related Agencies Appropriations Act for Fiscal Year 1996, Pub. L. 104–50, precludes the agency from setting the MY 1998 standard at a level other than the level for MY 1997.

B. Low Volume Petitions

49 U.S.C. 32902(d) provides that a low volume manufacturer of passenger cars may be exempted from the generally applicable passenger car fuel economy standards if these standards are more stringent than the maximum feasible average fuel economy for that manufacturer and if NHTSA establishes an alternative standard for that manufacturer at its maximum feasible level. A low volume manufacturer is one that manufactured fewer than 10,000 passenger cars worldwide, in the model year for which the exemption is sought (the affected model year) and in the second model year preceding that model year.

NHTSA acted on four low volume petitions in 1996, which were filed by Lotus, Rolls-Royce (2), and Lamborghini. Lotus, once controlled by Bugatti International, submitted to the agency its low volume petition for MYs 1994, 1995, 1997, and 1998 separately from its previous owner, Bugatti, because of that automaker's financial instability. Lotus is now under new ownership. A Malaysian automaker, Perusahaan Otomobil Nasional Berhad (Proton), acquired controlling interest in Lotus. The agency is reviewing Lotus' petition and will respond in early 1997.

Lamborghini filed a joint low volume petition for Lamborghini and Vector high performance vehicles since these two manufacturers are under common ownership by V-Power Corporation. Lamborghini requested alternative standards for its passenger cars for MYs 1995, 1996, and 1997. NHTSA issued a proposed decision to grant alternative standards of 12.8 mpg for MY 1995, 12.6 mpg for MY 1996, and 12.5 mpg for MY 1997 (61 FR 39429; July 29, 1996).

Rolls-Royce requested an alternative standard for its passenger cars for MY 1997. NHTSA established an alternative standard of 15.1 mpg for MY 1997 (61 FR 4369; February 6, 1996). In December 1995, Rolls Royce also filed a low volume petition for MYs 1998 and 1999. NHTSA issued a proposed decision to grant an alternative standard of 16.3 mpg for MYs 1998 and 1999 (61 FR 46756; September 5, 1996).

C. Enforcement

49 U.S.C. 32912(b) imposes a civil penalty of $5 for each tenth of a mpg by which a manufacturer's CAFE level falls short of the standard, multiplied by the total number of passenger automobiles or light trucks produced by the manufacturer in that model year. Credits that were earned for exceeding the standard in any of the three model years immediately prior to or subsequent to the model years in question can be used to offset the penalty.

Table III–1 shows CAFE fines paid by manufacturers in calendar year 1996. In calendar year 1996, manufacturers paid penalties totaling $52,339,165 for failing to comply to the fuel economy standards of 27.5 mpg for passenger

cars, 20.5 mpg and 20.6 mpg for light trucks in MYs 1994 and 1995, respectively.

TABLE III–1.—CAFE FINES COLLECTED DURING CALENDAR YEAR 1996

Model year and manufacturer	Amount fined	Date paid
1994:		
BMW	$10,140,120	12/96
Land Rover	1,734,915	12/96
Porsche	804,600	12/96
Volvo	7,173,630	12/96
1995:		
BMW	13,136,530	12/96
Land Rover	4,499,090	12/96
Mercedes-Benz	6,525,085	12/96
Porsche	1,949,520	12/96
Volvo	6,375,675	12/96

D. Contract Activities

• *Database Maintenance:* Products and Production Capabilities of North American Automobile Manufacturing Plants.

During 1996, NHTSA continued to fund the maintenance of a database that details the products and production capacities of North American automobile manufacturing plants. This program is administered by the Volpe National Transportation Systems Center (the Volpe Center) with annual funding of $60,000.

• *Published Report:* Light Truck Capabilities, Utility Requirements and Uses: Implications for Fuel Economy.

In FY 1995, the House Appropriations Committee funded NHTSA with $300,000 to prepare a report to identify the unique capabilities, utility requirements, and use of light trucks that result in design constraints for fuel economy improvements. The agency contracted with the Volpe Center to conduct this study. In April 1996, the Volpe Center concluded the study and the final results were published in a report titled, Light Truck Capabilities, Utility Requirements and Uses: Implications for Fuel Economy (DOT Report Number: HS 808 378). This report was forwarded to Congress on May 22, 1996.

The report addresses two key questions:

1. What are the unique capabilities, utility requirements, and uses of light trucks?

2. Do these requirements and other regulatory requirements constrain the ability to improve light truck fuel economy?

The capabilities of light trucks that are notably superior to those of passenger cars are referred to as enhanced capabilities of light trucks. Five enhanced capabilities are identified, qualified, and quantified: load carrying (passengers), load carrying (weight), load carrying (volume), towing and off-road operation. Utility requirements are treated as the functions and capabilities that truck buyers need. Public domain survey data are used to identify utility requirements for both personal and commercial uses. Two major surveys, the 1992 Truck Inventory and Use Survey and the 1990 Nationwide Personal Transportation Survey, are used to identify and quantify the actual uses of light trucks for both personal and commercial purposes.

Observations on the relationships between light truck capabilities and fuel economy are based on manufacturer specifications and EPA fuel economy ratings for a sample of MY 1994 light trucks. Existing fuel economy studies are referenced to identify potential fuel economy technologies for MYs 1998–2006. The estimated fuel economy gain for implementation of each fuel economy technology is presented. Potential conflicts between the application of each fuel economy technology and light truck capabilities, future emissions and safety standards, and consumer choice attributes are also presented.

• *Published Report:* Updated Vehicle Survivability and Travel Mileage Schedules.

In November 1995, NHTSA published a report titled, Updated Vehicle Survivability and Travel Mileage Schedules. This report authored by NHTSA staff member, Alan Berkowitz, discusses the development of revised survivability and vehicle miles traveled schedules for passenger cars and light trucks by using current registration data and government-sponsored vehicle mileage survey data. The registration data source used is the National Vehicle Population Profile compiled by R. L. Polk & Company. The recent government-sponsored mileage survey data sources used are the Nationwide Personal Transportation Survey conducted by the Bureau of the Census, U.S. Department of Commerce, for the Federal Highway Administration, U.S. Department of Transportation; the Truck Inventory and Use Survey developed by the Bureau of Census; and the Residential Transportation Energy Consumption Survey designed by the Energy Information Administration, U.S. Department of Energy.

The amended projections confirmed that passenger vehicles, especially light trucks, have extended vehicle life and are driven farther than previous schedules have indicated. These new survivability and travel mileage schedules may be used to compute the total weighted travel mileage over the vehicle lifetime, which is used to estimate the impact of proposed fuel economy standards on future fuel consumption and operating costs. The survivability schedule will also be used to estimate the phase-in of new safety equipment into the vehicle fleet.

• *Study Initiative:* Fuel Economy Effects and Cost and Leadtime Impacts of Variable Valve Timing Engine Technology.

A study was initiated with consultants to evaluate the fuel economy effects and cost and leadtime impacts of variable valve timing engine technology. The report of this effort, along with an in-house study of retail costs, will be published in early 1997.

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