

Supporting Statements: Part A
Corporate Average Fuel Economy Reporting
OMB Control Number: 2127-0019

Introduction:

This information collection request (ICR) requests approval for an extension with modification of NHTSA's currently approved ICR for NHTSA's corporate average fuel economy (CAFE) program. NHTSA estimates that approximately 26 unique motor vehicle manufacturers (23 manufacturers required to comply with 49 CFR Part 537 CAFE reporting and 3 small volume motor vehicle manufacturers petitioning NHTSA for alternative standards) will respond to the information collection in each of the next three years. This ICR includes 12 mandatory information collections: 2 annual reporting requirements, 8 additional as-needed reporting, and 2 information collections for a petition process. The reporting requirements in 49 CFR Part 537 obligate a manufacturer to submit reports to the Secretary of Transportation regarding whether the manufacturer will comply with an applicable CAFE standard for the model year for which the report is made; the actions a manufacturer has taken or intends to take to comply with the standard; and other information the Secretary requires by regulation. A manufacturer must submit a report containing the above information during the 30-day period before the beginning of each model year, and during the 30-day period beginning the 180th day of the model year. When a manufacturer decides that actions reported are not sufficient to ensure compliance with that standard, the manufacturer must report additional actions it intends to take to comply with the standard and include a statement about whether those actions are sufficient to ensure compliance. NHTSA is requesting approval for this information collection to be modified to reflect proposed changes to required CAFE reporting. The modifications include additional information that must be submitted in pre-model and mid-model year reports and new information to be submitted using a form titled "CAFE Credit Value Reporting Template." The additional burden for the CAFE Credit Value Reporting Template is estimated to be 550 hours. NHTSA now estimates the total burden of this ICR to be 4,861 hours. This is a change of 843 hours (from 4,018 hours) and is a result of the collecting additional data elements as a result of the CAFE rulemaking and correcting some calculations errors from the prior ICR.

1. Explain the circumstances that make the collection of information necessary. Identify any legal and administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The Energy Policy and Conservation Act of 1975 (EPCA), which was later amended by the Energy Independence and Security Act of 2007 (EISA), requires automobile manufacturers complying with corporate average fuel economy (CAFE) standards prescribed in 49 U.S.C. § 32902 to submit information to the Secretary of Transportation. NHTSA, on behalf of the Secretary of Transportation, interpreted those provisions and established several regulations providing further specifications of the specific information that must be submitted. This information collection request addresses reporting requirements specified by Congress under 49 U.S.C § 32907(a) and established by NHTSA in 49 CFR Part 537 "Automotive Fuel Economy Reports." The reporting requirements in 49 CFR Part 537 obligate a manufacturer to submit reports to the Secretary of Transportation regarding whether the manufacturer will comply with an applicable CAFE standard for the model year for which the report is made; the actions a manufacturer has taken or intends to take to comply with the standard; and other information the Secretary requires by regulation. A manufacturer must submit a report containing the above information during the 30-day period before the beginning of each model year, and during the 30-day period beginning the 180th day of the model year. When a manufacturer decides that actions reported are not sufficient to ensure compliance with that standard, the manufacturer must report additional actions it intends to take to comply with the standard and include a statement about whether those actions are sufficient to ensure compliance.

NHTSA originally established this collection of information on December 9, 1977, for its CAFE reporting provisions in 49 CFR Part 537. Several renewals of this collection have occurred since the initial approval, and NHTSA is now publishing an NPRM that proposes changes to the existing CAFE reporting requirements.

Part 537 Reports

NHTSA issued 49 CFR Part 537, "Automotive Fuel Economy Reports," which specifies three types of CAFE reports for complying with 49 U.S.C. § 32907(a). The first report, the pre-model year (PMY) report, is required to be submitted to NHTSA before December 31st of the calendar year prior to the corresponding model year and contains a manufacturer's projected information for that upcoming model year. The second report, the mid-model year (MMY) report, is required to be submitted by July 31st of the given model year, and contains updated

information from manufacturers based upon actual and projected information known midway through the model year. Finally, a supplementary report is required to be submitted anytime a manufacturer needs to correct information previously submitted to NHTSA.

Manufacturer reports include information on light-duty automobiles and medium-duty passenger vehicles for each model year, and describe projected and actual fuel economy standards, fuel economy performance values, production volumes, and information on vehicle design features (e.g., engine displacement and transmission class) and other vehicle attribute characteristics (e.g., track width, wheel base and other off-road features for light trucks). Manufacturers submit both non-confidential and confidential versions of CAFE reports to NHTSA. Confidential reports differ by including estimated production sales information that is withheld from public disclosure to protect each manufacturer's competitive sales strategies.

The rulemaking is proposing to add additional data fields that have been recommended by manufacturers to improve the functionality to the PMY and MMY templates. Some calculations have also been updated for this version of the template, for accuracy and efficiency.

Small Volume Manufacturer Petitions under 49 CFR Part 525

NHTSA established, at 49 CFR Part 525, a process through which small volume manufacturers may submit petitions to NHTSA for exemption from an applicable average fuel economy standard and to request to comply with a less stringent alternative average fuel economy standard.

Information about Corporate Relationships under 49 CFR Part 534

In accordance with 49 CFR Part 534, manufacturers are required to submit information to NHTSA when making a corporate controlled relationship change (i.e., joining, splitting, or acting to address liabilities or assets such as CAFE credits) with another manufacturer. A controlled relationship is a business relationship between manufacturers that control, are controlled by, or are under common control with one or more other manufacturers. Accordingly, manufacturers who have entered into written contracts transferring rights and responsibilities to other manufacturers in controlled relationships for CAFE purposes are required to provide reports to NHTSA.

Credit Transaction Information under 49 CFR Part 536

49 CFR Part 536 prescribes reporting requirements for manufacturers to submit credit transaction instructions including credit allocation plans, trades, transfers, and carryback plans to NHTSA. A credit transaction instruction is a manufacturer's written instruction (including credit values) to NHTSA to carry forward, carry back, or trade CAFE credits within the manufacturer's CAFE credit account(s). Credit instructions can be sent to NHTSA at any time throughout the model year, but manufacturers primarily submit them along with a credit allocation plan. A credit allocation plan is a plan that must be sent to NHTSA describing a manufacturer's approach to resolving a credit deficit resulting from the manufacturer's fleet performance for a given compliance category falling below its required CAFE standard after the end of the model year. Credit allocation plans may also include traded credits or credit carryback plans as the approach for resolving an end-of-the-year credit deficit. A credit trade includes trade documents from a credit seller obligating the exchange of earned credit from its credit account(s) to the credit account(s) of the buyer. A carryback plan is a plan, pursuant to 49 U.S.C. 32903(b), that validates a manufacturer's capability to produce vehicles in future model years (up to 3 model years in advance of any given model year with a credit deficit) that will earn CAFE credits by over-complying and the manufacturer's designation of those credits to be carrybacks to address the current model year's credit deficit.

Proposed Additional CAFE Reporting Requirements

NHTSA is proposing to require manufacturers, starting September 1, 2022, to submit information to NHTSA using a new CAFE Credit Value Reporting Template which will help assess the value of traded credits. This will help NHTSA to determine the value of the CAFE credit trading program and its impact on manufacturers. Manufacturers will be required to submit the monetary and non-monetary values of all credit trades through the template.

The table below lists the individual CAFE information collections, the citation for where the requirements appear in the regulations, and a brief description of the information to be provided.

Table 1 – Required CAFE Reporting

Report or Submission Title	Regulatory Requirement	Description of Reported Information
Pre-model Year Reports	§ 537.5, § 537.7(b), § 537.7(c)(1) and (2), § 537.7(c)(3) and (4), § 537.7(c)(5), § 537.7(c)(7)	1. General reporting information for identifying the manufacturer
		2. Projected required fuel economy.
		3. Combined fuel economy and projected sales information.
		4. Vehicle configuration design and attribute data (e.g., transmission and engine information).
		5. Non-passenger vehicle (light truck) attribute data (e.g., 4WD and ground clearance measurements).
		6. Any improved air-conditioning (A/C), off-cycle and full-size pickup truck technologies used each model year to calculate the average fuel economy specified in 40 CFR § 600.510-12(c).
		7. Additional reporting fields for AC/OC and other clarifying data fields have been added to the template since last review
Mid-model Year Reports	§ 537.5, § 537.7(b), § 537.7(c)(1) and (2)	1. General reporting information for identifying the manufacturer
		2. Projected required fuel economy.
		3. Combined fuel economy and projected sales information.
		4. Vehicle configuration design and attribute data (e.g., transmission and engine information).
		5. Non-passenger vehicle (light truck) attribute data (e.g., 4WD and ground clearance measurements).
		6. Any improved air-conditioning (A/C), off-cycle and full-size pickup truck technologies used each model year to calculate the average fuel economy specified in 40 CFR § 600.510-12(c).
		7. Additional reporting fields for AC/OC and other clarifying data fields have been added to the template since last review
Supplementary Reports	§ 537.5, § 537.8	1. General reporting information for identifying the manufacturer
		2. Projected required fuel economy.
		3. Combined fuel economy and projected sales information.
		4. Vehicle configuration design and attribute data (e.g., transmission and engine information).
		5. Non-passenger vehicle (light truck) attribute data (e.g., 4WD and ground clearance measurements).
		6. Any improved air-conditioning (A/C), off-cycle and full-size pickup truck technologies used each model year to calculate the average fuel economy specified in 40 CFR § 600.510-12(c).
		7. Additional reporting fields for AC/OC and other clarifying data fields have been added to the template since last review
Additional information requested for AC, Off-cycle and hybrid/electric full size pickups petitions	§531.6, §533.6	As needed, additional information may be requested to support AC/OC requests
Information for setting future CAFE standards	49 USC 32902	Information on platform series fuel economy for Volpe Modeling
Petitions for alternative CAFE standards	§ 525.6 and 7	Petitions for small volume manufacturers seeking relief by complying with less stringent alternative CAFE standards. Manufacturers submit information on production and fuel efficiency of the vehicles they plan to produce
Reports on corporate relationship transactions	§ 534.5(e) and 6 and 536.8(c)	Manufacturers file certified reports when one manufacturer has assumed a controlling stock ownership or control over the design, production or sale of vehicles of another manufacturer, affecting the allocation of credits or liabilities
Credit Trade Contract	§ 536.5(c) and 8	Manufacturers submit instructions to NHTSA to execute credit transactions using earned, transferred, traded, carry-forward, and carryback credit transactions/allocations using the Credit Transaction Template.

Credit Allocation Plan	§ 536.5(d)	If a manufacturer's vehicles in a particular compliance category have below standard fuel economy, upon notification from NHTSA, the manufacturer will be required to submit a plan indicating how it will allocate existing credits, earn, transfer and/or acquire credits, or pay the appropriate civil penalty.
Credit transaction requests	§ 536.5(e)	Manufacturers submit instructions to NHTSA to execute credit transactions using earned, transferred, traded, carry-forward, and carryback credit transactions/allocations.
Credit Carry-back Plan	§ 536.7	Manufacturers submit plans to carryback credits earned in a compliance category in any model year, pursuant to 49 U.S.C. 32903(b), for up to three model years prior to the year in which the credit was earned.
Credit Value Reporting Template	536.5 (c) and (8)	Manufacturers will submit the monetary and non-monetary costs of any trades they request

Added Burden for the 2021 NPRM

With the intent of simplifying reporting for manufacturers, NHTSA issued the 2021 NPRM proposing to adopt and update standardized templates for CAFE reports specified in 49 CFR Parts 536 and 49 CFR Part 537. The standardized templates reduce the amount of time manufacturers spend preparing reports (i.e., reduces the amount of information for many manufacturers and reduces errors in credit calculations), and the amount of time NHTSA spends auditing and analyzing the data, and executing credit transactions. The proposed reporting changes sought in the NPRM are summarized below:

- A revised standardized reporting template (NHTSA Form 1474) for CAFE PMY, MMY, and Supplementary reports required under 49 Parts 537.5 and 535.7. All CAFE reports are now proposed to include the same information via the template. The template also includes a standardized format for collecting information on air conditioning (A/C) systems with improved efficiency, off-cycle technologies, and advanced full-sized pickup truck features for calculating manufacturers' improved fuel economy performance values in 49 CFR Part 537.7(c)(7).
 - A revised standardized credit transaction template (NHTSA Form 1475) for manufacturers to report credit transactions in accordance with 49 CFR Parts 536.5(d) and 536.5(e). This template includes the adjustment factor calculator for preserving fuel savings and clarifies the level of precision for calculating credits. The template can also be used for reporting credit trade documents in accordance with 49 CFR Part 536.5(c) and 536.8.
 - A standardized credit value reporting template (NHTSA Form 1621), which records the monetary and non-monetary value of traded credits. Manufacturers will now be required to submit any information on the value of a credit trade, including monetary or non-monetary information.
 - All the proposed standardized templates are available for manufacturers from the NHTSA public information center (PIC) site at https://one.nhtsa.gov/cafe_pic/CAFE_PIC_Home.htm.
2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

Table 2-Description of Data Collection Uses

Report or Submission Title	Description of how, by whom and what purpose the information is used
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Pre-model Year Reports	NHTSA uses these reports for reference to help the agency anticipate potential compliance issues as early as possible, and help manufacturers plan compliance strategies. NHTSA also uses the reports for auditing and testing purposes, which helps manufacturers correct errors prior to the end of the model year, and facilitates acceptance of their final CAFE report by the Environmental Protection Agency (EPA).
Mid-model Year Reports	NHTSA uses these reports for reference to help the agency anticipate potential compliance issues as early as possible, and help manufacturers plan compliance strategies. NHTSA also uses the reports for auditing and testing purposes, which helps manufacturers correct errors prior to the end of the model year, and facilitates acceptance of their final CAFE report by the Environmental Protection Agency (EPA).
Supplementary Reports	NHTSA uses these reports to help the agency understand any changes to the production predicted in the PMY or MMY reports as soon as possible in the reporting cycle. NHTSA also uses the reports for auditing and testing purposes, which helps manufacturers correct errors prior to the end of the model year, and facilitates acceptance of their final CAFE report by the Environmental Protection Agency (EPA).
Additional information requested for AC, Off-cycle and hybrid/electric full size pickups petitions	AC/OC requests are reviewed by EPA and NHTSA to determine if credits should be granted for the technology. If EPA and NHTSA approve the technology, EPA will publish a federal register notice and credits will be available for that technology
Information for setting future CAFE standards	Used by Volpe to prepare the market data file which feeds the Volpe model.
Petitions for alternative CAFE standards	NHTSA uses these petitions to determine if a manufacturer is eligible for small volume exemptions. If it is determined that they qualify, NHTSA publishes a federal register notice.
Reports on corporate relationship transactions	NHTSA uses these reports to determine corporate relationships between manufacturers, and subsequent handling of combined or separated credit banks.
Credit Trade Contract	NHTSA uses these to evaluate if a credit trade can be executed, for example, if there are enough credits available to complete the trade. Once NHTSA has determined the requested trade can be executed, NHTSA uses these reports as instructions to execute the trade.
Credit Allocation Plan	NHTSA uses the credit allocation plans to determine how manufacturers will solve their credit shortfalls each year.
Credit transaction requests	NHTSA uses these to evaluate if a credit transaction can be executed, for example, if there are enough credits available to complete the transaction. Once NHTSA has determined the requested transaction can be executed, NHTSA uses these reports as instructions to execute the transaction.
Credit Carry-back Plan	NHTSA uses these to evaluate if a credit transaction can be executed, for example, if there are enough credits available to complete the transaction. Once NHTSA has determined the requested transaction can be executed, NHTSA uses these reports as instructions to execute the transaction.
Credit Value Reporting Template	NHTSA uses the credit value reporting template to determine the value of a credit in the market. This will help NHTSA when setting standards and fines in the future.
Report or Submission Title	Description of how, by whom and what purpose the information is used
Pre-model Year Reports	NHTSA uses these reports for reference to help the agency anticipate potential compliance issues as early as possible, and help manufacturers plan compliance strategies. NHTSA also uses the reports for auditing and testing purposes, which helps manufacturers correct errors prior to the end of the model year, and facilitates acceptance of their final CAFE report by the Environmental Protection Agency (EPA).
Mid-model Year Reports	NHTSA uses these reports for reference to help the agency anticipate potential compliance issues as early as possible, and help manufacturers plan compliance strategies. NHTSA also uses the reports for auditing and testing purposes, which helps manufacturers correct errors prior to the end of the model year, and facilitates acceptance of their final CAFE report by the Environmental Protection Agency (EPA).
Supplementary Reports	NHTSA uses these reports to help the agency understand any changes to the production predicted in the PMY or MMY reports as soon as possible in the reporting cycle. NHTSA also uses the reports for auditing and testing purposes, which helps manufacturers correct errors prior to the end of the model year, and facilitates acceptance of their final CAFE report by the Environmental Protection Agency (EPA).
Additional information requested for AC, Off-cycle and hybrid/electric full size pickups petitions	AC/OC requests are reviewed by EPA and NHTSA to determine if credits should be granted for the technology. If EPA and NHTSA approve the technology, EPA will publish a federal register notice and credits will be available for that technology
Information for setting future CAFE standards	Used by Volpe to prepare the market data file which feeds the Volpe model.
Petitions for alternative CAFE standards	NHTSA uses these petitions to determine if a manufacturer is eligible for small volume exemptions. If it is determined that they qualify, NHTSA publishes a federal register notice.
Reports on corporate relationship transactions	NHTSA uses these reports to determine corporate relationships between manufacturers, and subsequent handling of combined or separated credit banks.
Credit Trade Contract	NHTSA uses these to evaluate if a credit trade can be executed, for example, if there are enough credits available to complete the trade. Once NHTSA has determined the requested trade can be executed, NHTSA uses these reports as instructions to execute the trade.
Credit Allocation Plan	NHTSA uses the credit allocation plans to determine how manufacturers will solve their credit shortfalls each year.
Credit transaction requests	NHTSA uses these to evaluate if a credit transaction can be executed, for example, if there are enough credits available to complete the transaction. Once NHTSA has determined the requested transaction can be executed, NHTSA uses these reports as instructions to execute the transaction.

Credit Carry-back Plan	NHTSA uses these to evaluate if a credit transaction can be executed, for example, if there are enough credits available to complete the transaction. Once NHTSA has determined the requested transaction can be executed, NHTSA uses these reports as instructions to execute the transaction.
Credit Value Reporting Template	NHTSA uses the credit value reporting template to determine the value of a credit in the market. This will help NHTSA when setting standards and fines in the future.

- NHTSA collects, reviews, maintains, and stores CAFE reports for accuracy and completeness and then conducts analysis on CAFE report data to analyze trends, respond to public inquires and selects vehicles for footprint testing per TP-537-02.
- NHTSA produces public reports on its Public Information Center (PIC) https://one.nhtsa.gov/cafe_pic/CAFE_PIC_Credit_LIVE.html using CAFE reports received from automobile manufacturers.
- NHTSA reviews, approves, and audits information for improved A/C, off-cycle, and hybrid/electric full-size pickups.
- NHTSA conducts analysis for determining future CAFE standards using CAFE PMY and MMY reports received from automobile manufacturers.
- NHTSA reviews petitions for alternative standards and issues a Federal Register notice either approving or denying a small volume manufacturer's requested alternative CAFE standard.
- NHTSA reviews and provides a final determination on the status of corporate relationships and responds to corporate changes.
- NHTSA reviews trade documents for completeness and transfers traded credits from one manufacturer's credit account to another.
- NHTSA reviews trade cost documents to attempt to understand the burden placed on manufacturers to comply with fuel economy standards through credit trades.
- NHTSA issues credit shortfall letters and, after receiving a credit allocation plan, executes the manufacturers' credit transaction requests in its credit account to resolve its credit shortfall.
- NHTSA reviews credit transaction instructions and executes the manufacturers' credit transaction requests in its credit accounts.
- NHTSA sends credit account balance letters to manufacturers.
- NHTSA approves or denies carryback plans and issues a Federal Register notice to inform the manufacturer and the public of its decision to approve/deny and provides the public the opportunity to comment.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.

49 CFR § 537.5(c)(4) specifies that confidential versions of CAFE reports are required to be submitted electronically on CD-ROM to the NHTSA Administrator and non-confidential reports sent by email to the NHTSA CAFE secure email account (cafe@dot.gov). Due to COVID-19 NHTSA has altered its requirements for submitting CAFE Documents. Please follow guidance on report submissions found on NHTSA's website: <https://www.nhtsa.gov/coronavirus-resources-nhtsa/submission-confidential-business-information-during-covid-19-social#:~:text=Submission%20of%20Confidential%20Business%20Information%20During%20COVID%2D19%20Social%20Distancing,-Share%3A&text=To%20facilitate%20social%20distancing%20due,Part%20512>.

This ICR involves the use of several electronic reporting templates that manufacturers will use to modify their existing CAFE database systems or create new ones for preparing reports to send to NHTSA. NHTSA also plans to modify its existing CAFE database system to collect the information submitted by manufacturers and to improve the functionality of its analysis routines and other database functions that facilitate CAFE rulemaking and enforcement activities. The 2021 NPRM proposes requiring manufacturers to use an additional new reporting template.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

To the extent practicable, NHTSA and EPA share data for the CAFE and GHG programs to avoid duplication. Some data required in CAFE reports are also collected by EPA, but the timeframe for the information required by NHTSA differ from EPA due to statutory or regulatory requirements. For example, NHTSA CAFE reports are required to include fuel economy data based on information available prior to the

model year, whereas EPA requires the same data, but at the end of a model year.

5. If the collection of information involves small business or other small entities, describe the methods used to minimize burden.

This information collection impacts some small entities. However, NHTSA believes that most, if not all, respondents that would be considered small entities would not need to comply with all of the reporting requirements discussed in this ICR. Manufacturers that independently manufacture (whether in the United States or not) 10,000 or fewer passenger automobiles annually are eligible for an exemption for that affected model year from the average fuel economy standards in 49 CFR Parts 531 and 533. These entities may petition NHTSA through the Part 525 process discussed in this ICR and, if granted the exemption, would not be required to provide CAFE PMY, MMY, and Supplementary reports covered by 49 CFR Part 537. If granted the exemption, the manufacturer is not part of the CAFE credit program, and therefore will not have to submit any reports relating to credits. The only report they would still need to submit, if applicable, is the corporate relationship report. NHTSA grants exemptions based upon a manufacturer's legitimate inability to incorporate fuel saving technology capable of complying with conventional CAFE standards. To date, no requests from small business manufacturers producing fewer than 10,000 passenger automobiles have been denied.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If the reports were required less frequently, NHTSA would not have current information to evaluate whether automotive manufacturers comply with the applicable fuel economy standards as required by statute. NHTSA would not have the necessary information to prepare its annual CAFE reports on the NHTSA website (available at https://one.nhtsa.gov/cafe_pic/CAFE_PIC_Home.htm). NHTSA could not effectively respond to inquiries received from Congress, other Federal agencies, and the public. NHTSA would not have sufficient information to evaluate possible future average fuel economy standards for passenger automobiles and light trucks, or to initiate other rulemaking activities. Manufacturers would also not be able to send instructions to adjust their credit account(s) within the allocated timing to final compliance for each model year. Finally, manufacturers submitting petitions for less stringent CAFE standards would have to comply with conventional CAFE standards imposing hardships upon these manufacturers.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

- a. requiring respondents to report information to the agency more often than quarterly;
- b. requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- c. requiring respondents to submit more than an original and two copies of any document;
- d. requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;
- e. in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- f. requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- g. that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- h. requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

There are no special circumstances that would cause this collection to be collected in a manner inconsistent with 5 CFR 1320.5(d)(2).

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to the comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside the agency to obtain their views. Provide a copy of the FEDERAL REGISTER document soliciting comments on extending the collection of information, a summary of all public comments responding to the notice, a description of a description of the agency's action in response to the comments. Describe efforts to consult with persons outside the agency to obtain their views.

The following documents are included:

- The MONTH DATE, 2021 NPRM (see DOT Docket NHTSA-2021-0053, XX FR XXXX) soliciting comments on extending the collection of information.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

No payment or gift will be provided to any respondent in connection with this information collection.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy. If the collection requires a systems of records notice (SORN) or privacy impact assessment (PIA), those should be cited and described here.

NHTSA's regulations in 49 CFR § 537.12 establish the procedures by which the agency will consider claims that CAFE information submitted to the agency should be treated as confidential information. The regulation provides that if a respondent claims its reports contain confidential information, the agency will consider that claim under this section.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information on the respondents and estimates of the annualized labor cost to respondents associated with that hour burden.

The total number of burden hours associated with this collection is 4,861 hours. The total hours pertain to automobile manufacturers providing all of the required CAFE information to NHTSA. A breakdown of the calculation for the total hours is shown in Table 3 and explained in further detail in the following paragraphs.

An average of 23 automobile manufacturers submitted CAFE PMY and MMY reports over model years 2010 to 2020 for 49 CFR Part 537. Manufacturers use engineers, managers, legal, and clerical staff to prepare and submit CAFE reports to NHTSA. All manufacturers use electronic database systems to produce CAFE reports, and manufacturers can use those databases to export the compliance data required by Part 537. The template has been updated since the last rulemaking based on feedback from manufacturers on functionality. The burden hours associated with producing CAFE reports primarily involves engineers and managers reviewing the output of these database systems. NHTSA estimates that manufacturers spend a total of 2,392 hours each year producing the required PMY and MMY CAFE reports.

Starting with the 2017 compliance model year, manufacturers began incurring additional burden hours for incorporating information regarding off-cycle technologies, air conditioning technologies, and advanced technology that is applied to full-sized pickup trucks into PMY and MMY reports. It is estimated that an additional 92 annual hours will be needed for manufacturers to provide the information and to respond to any requests from NHTSA for additional information or data to justify the benefit of these technologies.

Manufacturers may also be required to submit supplementary reports if the information in their PMY or MMY reports needs to be corrected. NHTSA receives on average three supplementary reports from manufacturers each year requesting to make corrections to previously submitted reports. These revisions account for 93 additional burden hours.

Manufacturers may also be required occasionally to submit existing production information (e.g., what engines are shared across vehicle models) to NHTSA for its analysis in modeling potential future economy improvements and standards. The production information is similar to the information submitted as part of EPA's final model year report (e.g., final model year vehicle volumes). NHTSA anticipates that each

manufacturer may periodically spend 13 hours for each submission of information for NHTSA's analysis, which will result in a total burden of 299 hours annually for the automotive industry.

On average, three small volume manufacturers submit petitions for alternative standards to NHTSA each year. These petitions are seeking relief from complying with conventional CAFE standards. These small volume manufacturers primarily include exotic sports car manufacturers (i.e., Aston Martin and McLaren). The associated burden hours involve attorneys, engineers, and managers collecting fuel economy performance and production information on their production vehicles and preparing petitions for submission to NHTSA. These professionals will spend approximately 89 hours to prepare each petition. As a result, the estimated total industry burden will be 267 annual hours for preparing and submitting CAFE petitions for alternative standards to NHTSA.

Very few manufacturers incur burden each year in submitting documents to NHTSA for corporate relationship changes. On average, only one manufacturer each model year submits documents to NHTSA for corporate relationship changes. The burden hours associated with this activity primarily involves attorneys preparing documents. Minimal amounts of burden hours are necessary for engineers and managers to review documents and clerical staff to submit them to NHTSA. The estimated total industry burden will be 19 annual hours for preparing and submitting information on corporate relationship changes to NHTSA.

Nearly all vehicle manufacturers will incur burden hours in managing their CAFE credit accounts each year. Credit management is a significant activity for vehicle manufacturers who are addressing a current credit shortfall or are preparing to avoid one in the future. Manufacturers manage their credit accounts using engineers, managers, and attorneys to prepare documents and then clerical staff to submit credit allocation plans, credit transaction instructions and trade documents to NHTSA. Manufacturers submit credit transaction instructions to NHTSA at various times throughout the model year when transferring credit trades from one manufacturer to another or when submitting a credit allocation plan to NHTSA because of a credit shortfall. On average, based upon compliance data for MYs 2014 to 2021, NHTSA receives 23 credit transaction instructions from vehicle manufacturers each model year. There are an additional, 11 credit shortfalls/credit allocation plans. There are an additional 25 credit trades with accompanying credit trades documents. NHTSA estimates each year that for all manufacturers credit transaction requests will require approximately 253 hours, credit allocation plan 319 hours, and credit trade document 550 hours. NHTSA rarely receives carryback plans. Over the last ten years, NHTSA has only received plans from two manufacturers. NHTSA estimates (to be conservative) that on average 27 hours will be incurred by any manufacturer preparing a credit carryback plan each year. In the NPRM, NHTSA proposes for manufacturers to start using the new credit template starting in 2022. NHTSA anticipates that the new templates will drastically reduce the errors that manufacturers continue to make in credit calculations. Therefore, the net combined hours for the industry to manage their credit accounts will be 1149 hours annually.

NHTSA developed a Credit Value Reporting Template to determine the monetary and non-monetary values of credit trades. Manufacturers will be required to complete this template every time they fill out a credit trade contract. NHTSA currently receives an average of 25 credit trade contracts annually. The total burden hours for filling out the CAFE Credit Value Reporting Template is estimated to be 550 hours.

The estimated total annual labor hour cost associated with CAFE reporting is \$260,408. The cost is based upon the hours and current average labor rates for engineers, managers, attorneys, and clerical staff to prepare and send CAFE information to NHTSA. Table 4 provides the breakdown of the associated costs based upon average labor estimates from the Bureau of Labor Statistics for 2020 National Industry-Specific Occupational Employment and Wage Estimates (https://www.bls.gov/oes/current/oes_nat.htm, last modified May, 2021).

Table 3 – Manufacturer Annual Burden Hours

Activity	Regulatory Requirement	Manufacturer Labor Hours					Fleet Labor Hours		
		Engineer Labor Hours	Manager Labor Hours	Legal Labor Hours	Clerical Labor Hours	Total Manufacturer Hours	Annual Respondents	Total Fleet Reports	Total Fleet Hours
Pre-model Year Reports	537.5, 6 and 7, 537.7 (form 1474)	41.7	7	1.1	2.2	52	23	23	1196
Mid-model Year Reports	537.5 and 6, 537.7 (form 1474)	41.7	7	1.1	2.2	52	23	23	1196
Supplementary Reports	537.8 (form 1474)	21.8	6.5	0.5	2.2	31	3	3	93
Additional information requested for AC, Off-cycle and hybrid/electric full size pickups petitions	§531.6, §533.6	4	0	0	0	4	23	23	92
Information for setting future CAFE standards	49 USC 32902	8	4	0	1	13	23	23	299
Petitions for alternative CAFE standards	525.6 and 7	40	8	40	1	89	3	3	267
Reports on corporate relationship transactions	534.5(e), 534.6 and 536.8(c)	1	1	16	1	19	1	1	19
Credit Trade Contract	536.5(c) and 8 (form 1475)	2	2	16	2	22	11	25	550
Credit Allocation Plan	536.5(d) (form 1475)	16	4	8	1	29	11	11	319
Credit transaction requests	536.5(e) (form 1475)	8	1	1	1	11	13	23	253
Credit Carry-back Plan	536.7 (form 1475)	16	2	8	1	27	1	1	27
Credit Value Reporting Template	536.5(c) and 8 (form 1621)	2	2	16	2	22	11	25	550
	Totals	202.2	44.5	107.7	16.6	371	146	184	4861

Table 4 – Manufacturer Annual Labor Costs***

Requirement	Activity	Hourly Labor Costs				Total Costs per Activity*					Total Annual Costs (All MFRs)**
		Engineer	Manager	Legal	Clerical	Engineer	Manager	Legal	Clerical	Total Cost	Total Annual Cost
537.5, 6 and 7	Pre-model Year Reports	\$49.28	\$56.82	\$71.59	\$21.54	\$2,054.98	\$397.74	\$78.75	\$47.39	\$2,578.85	\$59,313.62
537.5 and 6	Mid-model Year Reports	\$49.28	\$56.82	\$71.59	\$21.54	\$2,054.98	\$397.74	\$78.75	\$47.39	\$2,578.85	\$59,313.62
537.8	Supplementary Reports	\$49.28	\$56.82	\$71.59	\$21.54	\$1,074.30	\$369.33	\$35.80	\$47.39	\$1,526.82	\$4,580.45
§531.6, §533.6	Additional information requested for AC, Off-cycle and hybrid/electric full size pickups petitions	\$49.28	\$56.82	\$71.59	\$21.54	\$197.12	\$0.00	\$0.00	\$0.00	\$197.12	\$4,533.76
49 USC 32902	Information for setting future CAFE standards	\$49.28	\$56.82	\$71.59	\$21.54	\$394.24	\$227.28	\$0.00	\$21.54	\$643.06	\$14,790.38
§ 525.6 and 7	Petitions for alternative CAFE standards	\$49.28	\$56.82	\$71.59	\$21.54	\$1,971.20	\$454.56	\$2,863.60	\$21.54	\$5,310.90	\$15,932.70
§ 534.5(e), 534.6 and 536.8(c)	Reports on corporate relationship transactions	\$49.28	\$56.82	\$71.59	\$21.54	\$49.28	\$56.82	\$1,145.44	\$21.54	\$1,273.08	\$1,273.08
§ 536.5(c) and 8	Credit Trade Contract	\$49.28	\$56.82	\$71.59	\$21.54	\$98.56	\$113.64	\$1,145.44	\$43.08	\$1,400.72	\$35,018.00
§ 536.5(d)	Credit Allocation Plan	\$49.28	\$56.82	\$71.59	\$21.54	\$788.48	\$227.28	\$572.72	\$21.54	\$1,610.02	\$17,710.22
§ 536.5(e)	Credit transaction requests	\$49.28	\$56.82	\$71.59	\$21.54	\$394.24	\$56.82	\$71.59	\$21.54	\$544.19	\$12,516.37
§ 536.7	Credit Carry-back Plan	\$49.28	\$56.82	\$71.59	\$21.54	\$788.48	\$113.64	\$572.72	\$21.54	\$1,496.38	\$1,496.38
536.5(c) and 8	Credit Value Reporting Template	\$49.28	\$56.82	\$71.59	\$21.54	\$98.56	\$113.64	\$1,145.44	\$43.08	\$1,400.72	\$35,018.00
	Totals					\$9,964.42	\$2,528.49	\$7,710.24	\$357.56	\$20,560.71	\$261,496.58

* Based upon the labor hours in Table 3

** Based upon the number of manufacturers involved in each activity as described in Table 3

13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information. Do not include the cost of any hour burden already reflected in the response provided in question 12.

There are no costs to respondents or record keepers other than labor costs associated with the burden hours.

14. Provide estimates of annualized costs to the Federal government. Provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.

The annual cost to the government to administer CAFE reporting is \$154,490.83. The cost breakdown is shown in Table 5. Table 5 includes the labor costs and hours for NHTSA and explains each activity. The Government labor costs in Table 5 are based upon calendar year 2021 pay scales from the Office of Personal Management adjusted to the applicable rates for Washington, D.C. (see https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2021/DCB_h.pdf).

Table 5 – Government Annual Burden Hours and Costs

Activity	Annual Government Labor Hours per Activity					Annual Government Total Costs per Activity*				
	Engineer Labor Hours	Manager Labor Hours	Legal Labor Hours	Clerical Labor Hours	Total Government Hours	Engineer (GS13/01 @ \$49.68/hr)	Manager (GS15/01 @ \$69.06/hr)	Legal (GS14/01 @ \$58.71/hr)	Clerical (GS05/01 @ \$19.01/hr)	Total Cost
NHTSA reviews CAFE reports for accuracy and completeness	101	0	0	80	181	\$5,017.68	\$0.00	\$0.00	\$1,520.80	\$6,538.48
NHTSA conducts analysis on CAFE report data to analyze trends, respond to public inquires and selects vehicles for footprint testing per TP-537-02	101	0	0	0	101	\$5,017.68	\$0.00	\$0.00	\$0.00	\$5,017.68
NHTSA store and maintains data for NHTSA users	0	0	0	101	101	\$0.00	\$0.00	\$0.00	\$1,920.01	\$1,920.01
NHTSA responds to CAFE report confidentiality request	49	0	49	0	98	\$2,434.32	\$0.00	\$2,876.79	\$0.00	\$5,311.11
NHTSA produces public reports on its Public Information Center (PIC) https://one.nhtsa.gov/cape_pic/CAFE_PIC_Credit_LIVE.html	202	98	0	194	494	\$10,035.36	\$6,767.88	\$0.00	\$3,687.94	\$20,491.18
NHTSA reviews and audits information for improved AC, off-cycle and hybrid/electric full size pickups	120	40	0	0	160	\$5,961.60	\$2,762.40	\$0.00	\$0.00	\$8,724.00
NHTSA conducts analysis for determining future CAFE standards	320	160	160	0	640	\$15,897.60	\$11,049.60	\$9,393.60	\$0.00	\$36,340.80
NHTSA reviews petition for alternative standards and issues a Federal register notice either approving or denying the small volume manufacturers proposed less stringent alternative CAFE standard.	200	80	200	5	485	\$9,936.00	\$5,524.80	\$11,742.00	\$95.05	\$27,297.85
NHTSA reviews and provide a final determination on the status of corporate relationships and responds to corporate changes	16	8	40	0	64	\$794.88	\$552.48	\$2,348.40	\$0.00	\$3,695.76
NHTSA reviews trade documents for completeness and transfers traded credits from one manufacturer's credit account to another.	120	0	0	0	120	\$5,961.60	\$0.00	\$0.00	\$0.00	\$5,961.60
NHTSA issues credit shortfall letters and after receiving a credit allocation plans executes the manufacturers credit transaction requests in its credit account to resolve its credit shortfall.	176	88	0	0	264	\$8,743.68	\$6,077.28	\$0.00	\$0.00	\$14,820.96
NHTSA reviews credit transaction instructions and executes the manufacturers credit transaction requests in its credit accounts.	30	0	0	0	30	\$1,490.40	\$0.00	\$0.00	\$0.00	\$1,490.40
NHTSA sends credit account balance letters to manufacturers	80	40	8	8	136	\$3,974.40	\$2,762.40	\$469.68	\$152.08	\$7,358.56
NHTSA makes a determination on the carry-back plan and issues a Federal register notice to inform the manufacturer and the public of its decision to approve/deny and provides the public the opportunity to comment	40	40	80	4	164	\$1,987.20	\$2,762.40	\$4,696.80	\$76.04	\$9,522.44
Totals	1,555	554	537	392	3,038	\$77,252.40	\$38,259.24	\$31,527.27	\$7,451.92	\$154,490.83

*Based on [SALARY TABLE 2021-DCB \(opm.gov\)](#)

15. Explain the reasons for any program changes or adjustments reported on the burden worksheet. If this is a new collection, the program

change will be entire burden cost and number of burden hours reported in response to questions 12 and 13. If this is a renewal or reinstatement, the change is the difference between the new burden estimates and the burden estimates from the last OMB approval.

NHTSA estimates the total burden of this ICR to be 4,861 hours and \$0. This is a change of 843 hours and \$0 (from 4,018 hours and \$0). Most of this additional burden, 550 hours, is a result of NHTSA’s NPRM proposing to require the use of a new CAFE Credit Value Reporting Template. An additional 268 hours are a result of increased trade contracts received by NHTSA since the last PRA. Five of the hours are a result of additional information to be collected in new data fields in the PMY and MMY reports and the remaining 2 hours are a result of correcting calculations errors from the prior ICR.

Table 6 lists each component of this ICR, burden estimates from the currently approved ICR, our new estimates, and the reason for any change in burden.

Table 6 – Annual Burden Hours and Cost Differences

Report or Submission Title	Prior ICR Burden Hour Estimate	Prior ICR Cost Estimate	New Burden Hour Estimate	New Cost Estimate	Change in Burden Hour Estimate	Change in Cost Estimate	Reason for Change
Pre-model Year Reports	1158	\$0	1196	\$0	38	\$0	Fixing mathematical error in previous reporting, incorporation of AC/OC collection previously considered separately, additional data fields added to the reporting template to improve function
Mid-model Year Reports	1158	\$0	1196	\$0	38	\$0	Fixing mathematical error in previous reporting, incorporation of AC/OC collection previously considered separately, additional data fields added to the reporting template to improve function
Supplementary Reports	93	\$0	93	0	0	0	N/A
Reporting for improved AC, Off-cycle and Hybrid/Electric Full Size Pickup fuel consumption technologies	69	\$0	N/A- part of PMY and MMY Reports	N/A	-69	N/A	This data collection has been incorporated into the PMY and MMY Reports to better reflect how the data is gathered
Additional information requested for AC, Off-cycle and hybrid/electric full size pickups petitions	92	\$0	92	0	0	0	N/A
Information for setting future CAFE standards	299	\$0	299	0	0	0	N/A
Petitions for alternative CAFE standards	267	\$0	267	0	0	0	N/A
Reports on corporate relationship transactions	19	\$0	19	0	0	0	N/A
Credit Trade Contract	264	\$0	550	0	286	0	This increase represents an adjustment in the amount of reports received annually
Credit Allocation Plan	319	\$0	319	0	0	0	N/A
Credit transaction requests	253	\$0	253	0	0	0	N/A
Credit Carry-back Plan	27	\$0	27	0	0	0	N/A
Credit Value Reporting Template	N/A (NEW)	N/A (NEW)	550	0	550	0	New reporting element
Total	4018	\$0	4861	\$0	843	\$0	

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions as applicable.

The information collected for Credit Trade Contracts, Credit Allocation Plans, Credit Transaction Reports, and Credit Carryback Plans will be

used to generate the Credit Status Report on the Public Information (PIC) Site. This is an ongoing project and data is published continuously as it is finalized for the MY. The Credit Status Report shows the credit balance for each manufacturer, by fleet, for each MY.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

We plan on displaying the expiration date on all IRC components where a template is available to include the expiration date. For the other ICR components the requirements are only in the regulations, NHTSA is seeking approval not to display the expiration date as doing so would require rulemaking. The ICR components for which we are seeking not to display the expiration date include:

- Credit Allocation Plan
- Petition for an alternative CAFE standard for Small Volume Manufacturers
- AC/OC Petitions
- Information for setting future CAFE standards

18. Explain each exception to the topics of the certification statement identified in "Certification for Paperwork Reduction Act Submissions." The required certifications can be found at 5 CFR 1320.9.¹

No exceptions to the certification statement are made.

19. Collections of information employing statistical methods.

This collection of information does not employ statistical methods.

¹ Specifically explain how the agency display the OMB control number and expiration date and will inform potential respondents of the information required under 5 CFR 1320.8(b)(3): the reasons the information is planned to be and/or has been collected; the way such information is planned to be and/or has been used to further the proper performance of the functions of the agency; an estimate, to the extent practicable, of the average burden of the collection (together with a request that the public direct to the agency any comments concerning the accuracy of this burden estimate and any suggestions for reducing this burden); whether responses to the collection of information are voluntary, required to obtain or retain a benefit (citing authority), or mandatory (citing authority); the nature and extent of confidentiality to be provided, if any (citing authority); and the fact that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.