

exists in 25 or more Category 1 marine engines, or 10 or more Category 2 marine engines, or 2 or more Category 3 engines or cylinders. No report must be filed under this paragraph for any emission-related defect corrected prior to the sale of the affected engines to an ultimate purchaser. (Note: These limits apply to the occurrence of the same defect, and are not constrained by engine family or model year.)

\* \* \* \* \*

#### Subpart F—[Amended]

25. Section 94.503 is amended by revising paragraphs (a) and (b) to read as follows:

##### § 94.503 General requirements.

(a) For Tier 2 and later Category 1 and Category 2 engines, manufacturers shall test production line engines in accordance with sampling procedures specified in § 94.505 and the test procedures specified in § 94.506. The production-line testing requirements of this part do not apply for other engines.

(b) Upon request, the Administrator may also allow manufacturers to conduct alternate production line testing programs for Category 1 and Category 2 engines, provided the Administrator determines that the alternate production line testing program provides equivalent assurance that the engines that are being produced conform to the provisions of this part. As part of this allowance or for other reasons, the Administrator may waive some or all of the requirements of this subpart.

\* \* \* \* \*

26. Section 94.505 is amended by revising paragraph (a) introductory text to read as follows:

##### § 94.505 Sample selection for testing.

(a) At the start of each model year, the manufacturer will begin to select engines from each Category 1 and Category 2 engine family for production line testing. Each engine will be selected from the end of the production line. Testing shall be performed throughout the entire model year to the extent possible. Engines selected shall cover the broadest range of production possible.

\* \* \* \* \*

27. Section 94.507 is amended by revising paragraph (a) to read as follows:

##### § 94.507 Sequence of testing.

(a) If one or more Category 1 or Category 2 engines fail a production line test, then the manufacturer must test

two additional engines for each engine that fails.

\* \* \* \* \*

28. Section 94.508 is amended by revising paragraphs (a), (b), (c), (d), and (e) introductory text to read as follows:

##### § 94.508 Calculation and reporting of test results.

\* \* \* \* \*

(a) Manufacturers shall calculate initial test results using the applicable test procedure specified in § 94.506(a). These results must also include the Green Engine Factor, if applicable. Round these results to the number of decimal places contained in the applicable emission standard expressed to one additional significant figure.

(b) To calculate test results, sum the initial test results derived in paragraph (a) of this section for each test engine, divide by the number of tests conducted on the engine, and round to the same number of decimal places contained in the applicable standard expressed to one additional decimal place. (For example, if the applicable standard is 7.8, then round the test results to two places to the right of the decimal.)

(c) To calculate the final test results for each test engine, apply the appropriate deterioration factors, derived in the certification process for the engine family, to the test results described in paragraph (b) of this section; round to the same number of decimal places contained in the applicable standard expressed to one additional decimal place. (For example, if the applicable standard is 7.8, then round the test results to two places to the right of the decimal.)

(d) (1) If, subsequent to an initial failure of a Category 1 or Category 2 production line test, the average of the test results for the failed engine and the two additional engines tested, is greater than any applicable emission standard or FEL, the engine family is deemed to be in non-compliance with applicable emission standards, and the manufacturer must notify the Administrator within 2 working days of such non-compliance.

(2) [Reserved]

(e) Within 30 calendar days of the end of each quarter in which production line testing occurs, each manufacturer must submit to the Administrator a report which includes the following information:

\* \* \* \* \*

29. Section 94.510 is amended by revising paragraph (b) to read as follows:

##### § 94.510 Compliance with criteria for production line testing.

\* \* \* \* \*

(b) A Category 1 or Category 2 engine family is deemed to be in noncompliance, for purposes of this subpart, if at any time throughout the model year, the average of an initial failed engine and the two additional engines tested, is greater than any applicable emission standard or FEL.

#### Subpart I—[Amended]

30. Section 94.801 is amended by revising paragraph (b) to read as follows:

##### § 94.801 Applicability.

\* \* \* \* \*

(b) Regulations prescribing further procedures for the importation of engines into the Customs territory of the United States are set forth in U.S. Customs Service regulations (19 CFR chapter I).

#### Subpart J—[Amended]

##### § 94.904 [Amended]

31. Section 94.904 is amended by removing paragraph (b)(7).

32. Section 94.906 is amended by revising the section heading and removing paragraph (d) to read as follows:

##### § 94.906 Manufacturer-owned exemption, display exemption, and competition exemption.

\* \* \* \* \*

33. Section 94.907 is amended by revising paragraph (d), introductory text, to read as follows:

##### § 94.907 Engine dressing exemption.

\* \* \* \* \*

(d) New Category 1 and Category 2 marine engines that meet all the following criteria are exempt under this section:

\* \* \* \* \*

34. Subpart K, consisting of §§ 94.1001, 94.1002, 94.1003, and 94.1004, is added to read as follows:

#### Subpart K—Requirements Applicable to Vessel Manufacturers, Owners, and Operators

Sec.

94.1001 Applicability.

94.1002 Definitions.

94.1003 Production testing, in-use testing, and inspections.

94.1004 Maintenance, repair adjustment, and recordkeeping.

#### Subpart K—Requirements Applicable to Vessel Manufacturers, Owners, and Operators

##### § 94.1001 Applicability.

The requirements of this subpart are applicable to manufacturers, owners, and operators of marine vessels that