and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW., Washington, DC 20503, Attention: FTA Desk Officer.

Comments Are Invited On: Whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; the accuracy of the Department's estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Dated: January 30, 2004.

## Ann M. Linnertz,

Special Projects Officer.

[FR Doc. 04-2451 Filed 2-4-04; 8:45 am]

BILLING CODE 4910-57-M

#### **DEPARTMENT OF TRANSPORTATION**

# Federal Transit Administration

[FTA Docket No. FTA-2004-17004]

# Agency Information Collection Activity Under OMB Review

**AGENCY:** Federal Transit Administration, DOT

**ACTION:** Notice of request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) this notice announces the intention the Information Collection Request (ICR) for extension of the currently approved information collection. The Federal Register Notice with a 60-day comment period soliciting comments was published on September 9, 2003.

**DATES:** Comments must be submitted before March 8, 2004. A comment to OMB is most effective if OMB receives it within 30 days of publication.

#### FOR FURTHER INFORMATION CONTACT:

Sylvia L. Marion, Office of Administration, Office of Management Planning, (202) 366–6680.

# SUPPLEMENTARY INFORMATION:

*Title:* Metropolitan and Statewide Transportation Planning (*OMB Number:* 2132–0529).

Abstract: The Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) jointly carry out the federal mandate to improve urban and rural transportation. 49 U.S.C. 5303 and 23 U.S.C. 134 and 135 authorize the use of federal funds to assist Metropolitan Planning

Organizations (MPOs), states, and local public bodies in developing transportation plans and programs to serve the transportation needs of urbanized areas over 50,000 in population. The information collection activities involved in developing the Unified Planning Work Program (UPWP), the Metropolitan Transportation Plan, the Statewide Transportation Plan, the Transportation Improvement Program (TIP), and the Statewide Transportation Improvement Program (STIP) are necessary to identify and evaluate the transportation issues and needs in each urbanized area and throughout every state. These products of the transportation planning process are essential elements in the reasonable planning and programming of federally funded transportation investments.

In addition to serving as a management tool for MPOs and state DOTs, the UPWP is used by both FTA and FHWA to monitor the transportation planning activities of those agencies. It is also needed to establish national outyear budgets and regional program plans, develop policy on using funds, monitor state and local compliance with national technical emphasis areas, respond to Congressional inquiries, prepare congressional testimony, and ensure efficiency in the use and expenditure of federal funds by determining that planning proposals are both reasonable and cost-effective. 49 U.S.C. 5303 and 23 U.S.C. 134(h) require the development of TIPs for urbanized, STIPs are mandated by 23 U.S.C. 235(f). After approval by the Governor and MPO, metropolitan TIPs in attainment areas are to be incorporated directly into the STIP. For nonattainment areas, FTA/ FHWA must make a conformity finding on the TIPs before including them into the STIP. The complete STIP is then jointly reviewed and approved or disapproved by FTA and FHWA. These conformity findings and approval actions constitute the determination that states are complying with the requirement of 23 U.S.C. 235 and 49 U.S.C. section 5303 as a condition of eligibility for federal-aid funding. Without these documents, approvals and findings, capital and/or operating assistance cannot be provided.

Estimated Total Annual Burden: 314,900 hours.

ADDRESSES: All written comments must refer to the docket number that appears at the top of this document and be submitted to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW., Washington, DC 20503, Attention: FTA Desk Officer.

Comments Are Invited On: Whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; the accuracy of the Department's estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Issued: January 30, 2004.

#### Ann M. Linnertz,

Special Projects Officer.

[FR Doc. 04-2452 Filed 2-4-04; 8:45 am]

BILLING CODE 4910-57-M

#### **DEPARTMENT OF TRANSPORTATION**

National Highway Traffic Safety Administration

[Docket No. NHTSA 2003-17015]

Nissan North America, Inc.; Petition for Exemption From Two-Fleet Rule Affecting Compliance With the Passenger Car Fuel Economy Standard

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), Department of Transportation.

**ACTION:** Notice of receipt of petition and request for comments.

**SUMMARY:** This notice announces the receipt of a petition from Nissan North America, Inc. (Nissan) for exemption from the statutory requirement that a manufacturer's fleet of domesticallymanufactured passenger automobiles must comply with the passenger automobile corporate average fuel economy (CAFE) standards separately from the manufacturer's fleet of nondomestically manufactured passenger automobiles. The statute requires the agency to grant this petition unless it determines that doing so would result in reduced employment in the U.S. related to motor vehicle manufacturing during the period of exemption.

**DATES:** Comments on this petition must be received by the agency by March 8, 2004.

ADDRESSES: The petition is available for public inspection in the docket whose number appears in the heading at the beginning of this notice. You may call the Docket Management System at (202) 366–0271 or you may visit the Docket Management System in Room PL–401, 400 Seventh Street, SW., Washington,

DC 20590 (10 a.m. to 5 p.m., Monday through Friday). You may also view the petition and any other information that becomes available on the Internet. To do this, do the following:

(1) Go to the Docket Management System (DMS) Web page of the Department of Transportation (http:// dms.dot.gov).

(2) On that page, click on "Simple Search."

(3) On the next page (http:// dms.dot.gov/searchform.simple.cfm, type in the docket number "xxxxxxx." After typing the docket number, click on "Search."

(4) On the next page, which contains docket summary information for the docket you selected, click on the desired comments. You may download the comments and other materials.

Comments: You may submit comments, making reference to the docket number in the heading at the beginning of this notice, by any of the following methods:

 Web site: http://dms.dot.gov. Follow the instructions for submitting comments on the DOT electronic docket site.

• Fax: 1-202-493-2251.

- Mail: Docket Management Facility; U.S. Department of Transportation, 400 Seventh Street, SW., Nassif Building, Room PL-401, Washington, DC 20590-001.
- Hand Delivery: Room PL-401 on the plaza level of the Nassif Building, 400 Seventh Street, SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.
- Federal Rulemaking Portal: Go to http://www.regulations.gov. Follow the online instructions for submitting comments.

Please note that all comments received will be posted, without change, to http://dms.dot.gov, including any personal information provided.

FOR FURTHER INFORMATION CONTACT: For issues other than legal ones, please contact Peter Feather, Office of International Policy, Fuel Economy and Consumer Programs (NVS-132), National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590; (202) 366-0842)

For legal issues, contact: Otto Matheke, Office of Chief Counsel, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590; (202) 366-

### SUPPLEMENTARY INFORMATION:

# Statutory Background

In 1975, Congress enacted the Energy Policy and Conservation Act (EPCA),

mandating CAFE standards for passenger automobiles and for nonpassenger automobiles. Public Law 94– 163. See 49 U.S.C. 32901 et seq. In general, fuel economy ratings for domestically manufactured passenger automobiles may not be averaged together with those for non-domestically manufactured automobiles for purposes of determining compliance with CAFE standards. See 49 U.S.C. 32904(b)(1). This requirement is variously known as the "two-fleet rule" or "fleet-split" provision.

As originally enacted, the two-fleet rule provided that a passenger automobile is considered to be ''domestically manufactured'' if at least 75 percent of the cost to the manufacturer of such automobile is attributable to value added in the U.S. or Canada. See 49 U.S.C. 32904(b)(2). All other vehicles are treated as nondomestically manufactured, including any whose final assembly takes place in the U.S., but which use imported components whose value is more than 25 percent of the automobile's total value.

The two-fleet rule was enacted to keep the CAFE program from causing a loss of U.S. jobs by inducing U.S. based manufacturers to import fuel efficient passenger automobiles from abroad. However, the two-fleet rule can have the effect of discouraging foreign manufacturers from producing automobiles in the U.S. or from increasing the domestic content of their automobiles. For example, a foreign manufacturer might want to produce its most fuel-efficient vehicles in the U.S., rather than producing them abroad and exporting them to the U.S. As long as the domestic content of its U.S. produced vehicles remained below 75 percent, that manufacturer could continue to average together the fuel economy values of all its vehicles to be sold in the U.S. to comply with CAFE standards. However, if it exceeded the 75 percent domestic content level in its U.S. produced fleet (thereby increasing employment in the U.S.), it would become subject to the requirement that its two fleets must comply separately with CAFE standards. While its combined fleet of foreign and U.S.produced vehicles might readily meet those standards, its fleet of foreignproduced vehicles imported into the U.S. (with the fuel efficient U.S.produced vehicles excluded) might not comply. In such a situation, the manufacturer might well decide to continue to rely on more imported components. In the case of a foreign manufacturer that had not yet begun U.S. production, the manufacturer

might choose not to begin U.S. production in the first instance.

To reduce this disincentive, Congress enacted the Automotive Fuel Efficiency Act of 1980, which provided for exemptions from the two-fleet rule for companies that began U.S. production in the 1975-85 period. Public Law 96-425. The exemption provision requires the agency to grant a manufacturer's petition unless the agency determines that granting the petition would result in reduced employment in the United States related to motor vehicle manufacturing. See 49 U.S.C. 32904(b)(6)(B).1

Under 49 U.S.C. 32904(b)(6)(C), the agency must grant or deny a petition by the 90th day after its receipt, but may extend the period to as much as the 150th day after receipt. If the agency extends the period, it must publish notice of, and reasons for, the extension in the Federal Register. The statute provides that if the agency does not make a decision within the time provided, the petition is deemed to have been granted.

Exemptions from the two-fleet rule may be granted for five years or longer should the manufacturer request and the

agency so provide.

In November 1981, Volkswagen became the first and, to this date, only manufacturer exempted under this provision. See 46 FR 54453; November 2, 1981. The agency stated that, without an exemption, VW could continue to produce Rabbits in the U.S. with domestic content just below the 75 percent threshold and thus could continue to combine those passenger automobiles with its passenger automobiles produced elsewhere. It said that, with an exemption, VW might well increase the domestic content of its U.S. produced Rabbits, and thus increase U.S. employment. On the other hand, the agency noted that the exemption would eliminate the possibility of a future penalty for VW's nondomestically manufactured fleet of passenger and of an accompanying very small sales loss. On balance, the agency said that the U.S. employments benefits associated with increasing the domestic content of the U.S. produced Rabbits would greatly outweigh any U.S. employment loss resulting from a slightly lower retail price (due to the avoidance of civil penalties) for VW's non-domestically manufactured fleet.

In 1994, in adopting legislation implementing the North American Free

<sup>&</sup>lt;sup>1</sup> "The Secretary of Transportation shall grant the exemption unless the Secretary finds that the exemption would result in reduced employment in the United States related to motor vehicle manufacturing during the period of the exemption."

Trade Agreement, Congress amended the two-fleet rule to treat value added in Mexico as domestic content. As amended, the two-fleet rule provided that a passenger automobile is considered to be "domestically manufactured" if at least 75 percent of the cost to the manufacturer of such automobile is attributable to value added in the U.S., Canada or Mexico. See 49 U.S.C. 32904(b)(3)(A). It did not mandate this change in the two-fleet rule be immediately effective, but provided that it would become effective not later than the 2005 model year.

#### Nissan's Petition

Nissan submitted a petition for exemption from the two-fleet rule on January 23, 2004. It requested exemption for the 2006–2010 model year period or until circumstances remove the need for an exemption.

Nissan noted that, beginning in the 2005 model year, its Sentra, which is primarily manufactured in Mexico, would become considered to be domestically manufactured as a result of the amendments made by the NAFTA implementation legislation. The value added in Mexico would become domestic content in that year, causing the Sentra to switch from its nondomestic fleet to its domestic fleet. This would cause the non-domestic fleet to fail to meet the CAFE standard for passenger automobiles, and raise the CAFE of Nissan's domestic fleet well above the standard.

Nissan said:

\* \* \* [I]t may be forced to decrease domestic content and outsource the production of one or all of its domestically manufactured vehicles—i.e., the Sentra, Altima or Maxima—in order to offset this imbalance. Decreasing the domestic content level of the Sentra could result in a decrease

in the use of U.S.-made components, such as radiators, air conditioners, suspensions, engine parts and some engines, currently used in the Sentra. Likewise, decreasing the domestic content level of the Altima or Maxima, which currently make up Nissan's domestic fleet, would mean decreasing production at NNA's [Nissan's] Smyrna, Tennessee plan and reducing domestic engine production at the Decherd, Tennessee plant. Such reductions in domestic production of the Altima or Maxima could likely lead to reduction in employment at Nissan's Tennessee plants. Accordingly, an exemption from the [two-fleet] provision is necessary for Nissan to maintain existing levels of Sentra production in Mexico, and Altima and Maxima production at Smyrna, Tennessee, as well as the corresponding levels of engine and component production in Decherd, Tennessee. (at 4)

#### Nissan said further:

[A]n exemption from separate calculations under the CAFE program will allow Nissan to continue its current pace of expansion in U.S. production in model years 2006–2010 and to increase the level of local content beyond 75% in additional vehicles, without becoming subject to CAFE penalties. Failure to grant the petition will force Nissan to reconsider the current ramp up in U.S. investment as resources are diverted from expansion in the United States to addressing the CAFE issue. (at 8)

#### **Request for Public Comments**

The agency invites any individuals or organizations that have information bearing on the effect that granting the petition might have on employment in the U.S. related to motor vehicle manufacturing to submit that information during the public comment period specified at the beginning of this notice.

One approach to analyzing such a petition would be to analyze the likely effect of granting the petition on total employment in the U.S. related to motor

vehicle manufacturing during the period for which the exemption is requested. We could measure this effect by determining the difference between projected total motor vehicle-related employment in the U.S. (i.e., all manufacturers in the U.S.) if the petition is granted, and the projected total level of U.S. motor vehicle-related employment if the petition is denied. Further, NHTSA might look across the entire spectrum of employment in the U.S. related to motor vehicle manufacturing, regardless of whether the employment is associated with "foreign" or "domestic" manufacturers, and assess the net effect of granting or denying a petition on employment in the U.S. related to motor vehicle manufacturing during the period of exemption.

To aid in the analysis of Nissan's petition, the agency seeks specific information from manufacturers of models that would compete with Nissan's vehicles. Nissan's petition states that if the agency declines to grant Nissan the requested exemption, Nissan is likely to re-source the content of some of its vehicles away from the U.S. (at 14) Nissan's petition does not provide any estimates of costs (or savings) that might be associated with any such re-sourcing. Nissan's petition also does not provide details regarding the potential nature and costs (or savings) of re-sourcing content away from non-NAFTA countries (in particular, Japan) and toward NAFTA countries (in particular, the United States).

We request that manufacturer comments on Nissan's petition provide information regarding costs or savings likely to result from different degrees of re-sourcing between different countries, as indicated in Table 1:

	TABLE 1.—AVERAGE RPE INCREASE	(DECREASE) FOR R	RE-SOURCING, IN 2003 U.S. DOLLARS
--	-------------------------------	------------------	-----------------------------------

Re-So	urcing			Amount (s	share of valu	e added)		
From	То	1%	2%	5%	10%	20%	50%	100%
Canada	Japan Mexico U.S. Canada Japan U.S. Canada Mexico Japan							

Nissan's petition also indicates (at 18) that, even if the agency does not grant the requested exemption and the sale of Nissan's imported vehicles therefore declines, "it is unlikely that domestic

manufacturers would capture these lost sales" because "Nissan purchasers typically prefer import vehicles." The agency's 1981 regulatory evaluation for VW's petition similarly concluded, *inter* 

*alia*, that "there appears to be such a phenomenon as the 'import buyer'." (at 10)

We request that commenters address the extent to which such statements

might be relevant to the post-2005 marketplace. In particular, we ask that commenters provide the information indicated in Table 2 regarding any vehicle models they expect to compete,

even partially, with any Nissan passenger automobile:

#### TABLE 2.—VEHICLES COMPETING WITH A GIVEN NISSAN MODEL

	Vehicle competing with [Nissan model]
Name Plate	
MSRP (2003\$)	
Curb Weight	
Displacement (liter)	
Power (hp)	
Value Added (%)	
Canada	
Mexico	
U.S	
Other	
Assembly Location	
Engine	
Transmission	
Vehicle (Final Assembly)	
Production Jobs/Vehicle	
Canada	
Mexico	
U.S	
Other	
Projected U.S. Sales	
MY 2005	
MY 2006	
MY 2007	
MY 2008	
MY 2009	
MY 2010	
Change in Sales if Price of Competing Nissan Increases by	
\$50	
\$100	
\$200	
\$500	
\$1,000	
• •	1

For each model that a commenter believes to be a competitor with a Nissan model, the commenter should explain the basis for that belief.

# **Submission of Comments and Requests for Confidentiality**

Interested persons are invited to comment on this petition. It is requested, but not required, that two copies be submitted to the Office of Docket Management, Room PL–401, Nassif Building, 400 Seventh Street, SW., Washington, DC 20590.

We request that all comments be limited to 15 pages in length. Necessary attachments may be appended to those submissions without regard to the 15-page limit. This limitation is intended to encourage commenters to detail their primary arguments in a concise fashion.

If you wish to submit any information under a claim of confidentiality, you should submit three copies of your complete submission, including the information you claim to be confidential business information, to the Chief Counsel, NHTSA, at the address given above under FOR FURTHER INFORMATION CONTACT. In addition, you should

submit two copies, from which you have deleted the claimed confidential business information, to Docket Management at the address given above under ADDRESSES. When you send a comment containing information claimed to be confidential business information, you should include a cover letter setting forth the information specified in our confidential business information regulation (49 CFR part 512).

All comments received before the close of business on the comment closing date will be considered and will be available for examination in the docket at the above address before and after that date. To the extent possible, comments filed after the closing date will also be considered. However, action on the petition may proceed at any time after that date.

# **Timing of Decision**

As noted above, the agency must grant or deny a petition by the 90th day after its receipt, but may extend the period to as much as the 150th day after receipt. For the Nissan petition, the 90th day is

April 22, 2004, and the 150th day is June 21, 2004.

### **Analyses and Impacts**

NHTSA notes that it prepared an environmental assessment of its granting of the VW petition in 1981 and concluded that that action did not constitute a "major Federal action significantly affecting the environment" requiring an environmental impact statement. Since then, several U.S. Circuit Courts of Appeals held that NEPA compliance is unnecessary where the agency action at issue involves little or no discretion on the part of the agency.<sup>2</sup> We believe that this is such a situation. NHTSA has no discretion to consider the environmental consequences of granting the petition and essentially no discretion whether to grant Nissan's petition. Under the CAFE statute, the only relevant issue is the impact on U.S. employment related to automobile manufacturing. Unless the

 <sup>&</sup>lt;sup>2</sup> Citizens Against Rails-to-Trails v. Surface
 Transp. Bd. 267 F.3d 1144, 1153 (D.C. Cir. 2001).
 Sac & Fox Nation of Missouri v. Norton, 240 F.3d
 1250, 1262 (10th Cir. 2001); Sierra Club v. Babbitt,
 65 F.3d 1502, 1513 (9th Cir. 1995).

agency is able to find that granting the petition would reduce U.S. employment related to automobile manufacturing, the agency has no discretion—it must grant the petition. If the agency takes no action within the time prescribed by the statute, the statute provides that the petition will be automatically granted. Accordingly, the granting of the petition would not be a "major Federal action" within the meaning of NEPA.

Since this proceeding will not result in the issuance of a "rule" within the meaning of the Administrative Procedure Act or Executive Order 12866, neither the requirements of the Executive Order nor those of the Department's regulatory procedures apply. Therefore, no regulatory analysis or evaluation was prepared for the proposal. For the same reasons, the requirements of the Regulatory Flexibility Act do not apply.

As appropriate, the agency will conduct further analyses of these impacts, considering information submitted during the comment period, in conjunction with the final decision on this petition.

(Authority: 49 U.S.C. 32904, delegations of authority at 49 CFR 1.50 and 501.8.)

Issued on February 2, 2004.

#### Stephen R. Kratzke,

Associate Administrator for Rulemaking. [FR Doc. 04–2462 Filed 2–2–04; 3:27 pm]

#### **DEPARTMENT OF TRANSPORTATION**

### National Highway Traffic Safety Administration

[Docket No. NHTSA-03-16341, Notice 2]

# Group Lotus Plc.; Grant of Application for a Temporary Exemption From Federal Motor Vehicle Safety Standard No. 108 and Part 581 Bumper Standard

This notice grants the Group Lotus Plc. ("Lotus") application of for a temporary exemption from Paragraph S7 of Federal Motor Vehicle Safety Standard ("FMVSS") No. 108, Lamps, reflective devices, and associated equipment; and Part 581 Bumper Standard. In accordance with 49 CFR Part 555, the basis for the grant is that compliance would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard.

The National Highway Traffic Safety Administration (NHTSA) published a notice of receipt of the application on October 24, 2003, and afforded an opportunity for comment.<sup>1</sup>

#### I. Background

Lotus, which was founded in 1955, produces small quantities of performance cars. In the past five years, Lotus has sold a total of 550 automobiles in the United States. The only current Lotus vehicle sold in the Unites States is Lotus Esprit ("Esprit"). In the same time period, Lotus has manufactured a total of 18,888 vehicles worldwide, including Lotus Elise ("Elise").

The Elise was introduced in 1996, but it was not originally designed or intended for the U.S. market. However, after deciding to terminate production of the Esprit by 1999<sup>2</sup>, petitioner sought to introduce the Elise in the United States. Significant management, ownership and financial hardship issues contributed to the delay in introducing the Elise model. Recently, Peruashan Otomobile Nasional Berhad ("Proton") has taken a 100% ownership of Lotus. Petitioner is now ready to introduce the Elise vehicle into the U.S. Market. A description of the Elise vehicle is set forth in the Exhibit 1 of the petition (Docket No. NHTSA-03-16341-1). For additional information on the vehicle, please go to www.LotusCars.com.

# II. Why Lotus Needs a Temporary Exemption

Lotus has continued to experience substantial economic hardship, previously discussed by the agency in a March 3, 2003 Renewal of a Temporary Exemption from FMVSS No. 201 (68 FR 10066). Lotus' latest financial submissions showed an operating loss of £43,228,000 ( $\approx$  \$69,000,000) for the fiscal year 2000; a loss £18,055,000 ( $\approx$  \$29,000,000) for the fiscal year 2001; and a loss of £2,377,000 ( $\approx$  \$4,000,000)

for its fiscal year 2002. This represented a cumulative loss for a period of 3 years of £63,660,000 ( $\approx$  \$102,000,000).<sup>4</sup>

According to the petitioner, the cost of making the Elise compliant with the headlighting requirements of FMVSS 108 and the bumper standard was beyond the company's current capabilities. Petitioner contended that developing and building FMVSScompliant headlamps and Part 581compliant bumpers cannot be done without redesigning the entire body structure of the Elise. Specifically, developing Part 581-compliant bumpers would cost \$6 million dollars over a period of 2 years. Producing an actual FMVSS-compliant headlamp would cost approximately \$1.1 million. In addition, there are unspecified costs of body modifications in order to accommodate the new headlamp, because there is insufficient space in the current body structure to permit an FMVSScompliant headlamp.

Lotus requested a three-year exemption in order to concurrently develop compliant bumpers and headlamps and make necessary adjustments to the current body structure. Petitioner anticipates the funding necessary for these compliance efforts will come from immediate sales of Elise vehicles in the United States.

# III. Why Compliance Would Cause Substantial Economic Hardship and How Lotus Has Tried in Good Faith To Comply With Standard No. 108 and the Bumper Standard

Petitioner contended that Lotus could not return to profitability unless it receives the temporary exemption. In support of their contention, Lotus prepared alternative forecasts for the next 3 fiscal years. The first forecast assumed that the petitioner receives exemptions from S7 of FMVSS No. 108 and the bumper standard. The second forecast assumed the exemptions are denied.<sup>5</sup> In the event of denial, Lotus anticipated extensive losses through the fiscal year 2006, because it could not bring the Elise into full compliance any earlier.

Fiscal year	Forecast if exemptions granted (in \$)	Forecast if exemptions denied (in \$)	
2003	≈\$975,000	≈-\$1,700,000	

<sup>&</sup>lt;sup>1</sup> See 68 FR 61035. To view the Lotus application, please go to the DOT Docket Management System at http://dms.dot.gov/ (Docket No. NHTSA-03-16341).

<sup>&</sup>lt;sup>2</sup>Exprit production was eventually extended by three years while petitioner sought to bring Elise

into compliance with FMVSS. Esprit ceased production on 12/31/2003.

 $<sup>^{\</sup>rm 3}\, {\rm We}$  note that the Elise vehicle is FMVSS No. 201 compliant.

<sup>&</sup>lt;sup>4</sup> All dollar values are based on an exchange rate of £1 = \$1.60.

 $<sup>^{5}\,\</sup>mathrm{See}$  Petition Exhibit 2 (Docket No. NHTSA-03-16341-1).