agency reviewed the technological feasibility of any changes and their economic practicability.

NHTSA interprets ''technological feasibility'' as meaning that technology which would be available to MedNet for use on its MY 1996 through 1998 automobiles, and which would improve the fuel economy of those automobiles. The areas examined for technologically feasible improvements were weight reduction, aerodynamic improvements, engine improvements, drive line improvements, and reduced rolling resistance.

The agency interprets ''economic practicability'' as meaning the financial capability of the manufacturer to improve its average fuel economy by incorporating technologically feasible changes to its MYs 1996 through 1998 automobiles. In assuming that capability, the agency has always considered market demand as an implicit part of the concept of economic practicability.

In accordance with the concerns of economic practicability, NHTSA has considered only those improvements which would be compatible with the basic design concepts of MedNet automobiles. Since NHTSA assumes that MedNet will continue to sell vehicles exclusively designed to be used for transporting the wheelchair bound or other mobility-impaired individuals, design changes that would impair the ability of the vehicle to perform this function were not considered. Such changes to the basic design would be economically impracticable since they might well significantly reduce the demand for these automobiles, thereby reducing sales and causing significant economic injury to the low volume manufacturer.

Technology for Fuel Economy Improvement

Due to MedNet's limited financial resources, small engineering staff, very low production volume, and assemblage of stock components, few opportunities for technological improvement for fuel economy exist. MedNet uses General Motors 3.8 liter electronically fuel injected V–6 engines and four speed automatic transmissions for its MYs 1996–1998 prototypes. Therefore, MedNet depends entirely on the supplier of the engine and drivetrain for technological improvements in fuel efficiency of the engine and drivetrain.

MedNet uses a four-speed automatic transmission with lockup torque converter clutch, one of the more efficient transmission designs. The constant velocity universal joints are a low friction design.

MedNet incorporates in its Dutcher PTV flush windows and door handles, a bottom cover, and a smooth front cowl, all of which reduce drag on the vehicle. MedNet's low dynamometer horsepower setting for certification testing, as shown in the table below, when compared to other small passenger vans and wagons, illustrates that the Dutcher PTV uses good aerodynamic design equivalent to current industry standards.

DYNAMOMETER SETTING COMPARISON

Model	Actual dynamometer horsepower
Dutcher PTV	12.5
Ford Aerostar*	11.2
GM Astro*	17.9
Toyota Previa*	14.0
Chrysler Caravan/Voyager*	11.8
Mercury Villager*	10.1
Chevrolet Caprice Wagon	8.5

*These vehicles are classified by EPA as light trucks.

To achieve maximum weight reduction, the body is made primarily of fiberglass.

MedNet's only significant opportunity for improvement will be the result of any improvements which GM decides for its own purposes to make in the engine and drivetrain it will supply for MedNet. MedNet's role will be limited to attempting to modify the drivetrain to meet emissions requirements.

Model Mix

Since only one vehicle model will be built for MY's 1996–1998, the MedNet corporate average fuel economy is based on the fuel economy of that one model, the Dutcher PTV, and cannot be averaged in with the fuel economy of any other models.

The Effect of Other Vehicle Standards

The new more stringent California emission standards enacted in MY 1995 and the similarly stringent Federal Clean Air Act Amendments will apply in MY 1996. MedNet may achieve lower fuel economy due to compliance with these standards. In addition, a portion of its limited engineering resources will have to be expended to comply with these more stringent emissions standards including, but not limited to, evaporative emission standards.

Federal safety standards also have an adverse effect on fuel economy of Dutcher PTV vehicles. These standards include 49 CFR Part 581 *Energy absorbing bumpers,* Standard No. 214 *Side impact protection,* and Standard No. 208, *Occupant crash protection.* These standards tend to reduce achievable CAFE levels, since they result in increased vehicle weight. As previously noted, MedNet is a small company, and engineering resources are limited. Priority must be given to meeting mandatory standards to remain in the marketplace.

The Need of the Nation to Conserve Energy

The agency recognizes there is a need to conserve energy, to promote energy security, and to improve balance of payments. However, as stated above, NHTSA has tentatively determined that it is not technologically feasible or economically practicable for MedNet to achieve an average fuel economy in MYs 1996 through 1998 above the levels set forth in this proposed decision. Granting an exemption to MedNet and setting an alternative standard at that level would result in only a negligible increase in fuel consumption and would not affect the need of the Nation to conserve energy.

Maximum Feasible Average Fuel Economy for MedNet

The agency has tentatively concluded that it would not be technologically feasible and economically practicable for MedNet to improve the fuel economy of its MY 1996 through 1998 above an average of 17.0 mpg for MY 1996, 17.0 mpg for MY 1997, and 17.0 mpg for MY 1998. Federal automobile standards would not adversely affect achievable fuel economy beyond the amount already factored into MedNet's projections, and the national effort to conserve energy would not be affected by granting the requested exemption and establishing an alternative standard.

Consequently, the agency tentatively concludes that the maximum feasible average fuel economy for MedNet is 17.0 mpg in MY 1996, 17.0 mpg in MY 1997, and 17.0 mpg in MY 1998.

NHTSA tentatively concludes that it would be appropriate to establish a separate standard for MedNet for the following reasons. For MY 1996, the agency has already granted petitions for an alternative standard of 14.6 mpg for Rolls-Royce. The agency has also received a petition from Rolls-Royce for an alternative standard for MY 1997. Therefore, the agency cannot use the second (class standards) or third (single standard for all exempted manufacturers) approaches for MYs 1996 and 1997. In order to avoid undue hardship to MedNet, given its limited ability to improve the fuel economy of its vehicles, the use of a single standard will be allowed by MY 1998 as well.