which are in attainment, which are areas designated and classified as marginal ozone areas or which are designated and classified as moderate ozone areas under 200,000 in population. These three types of areas would be exempt from I/M requirements but for their location in the Ozone Transport Region. These OTR areas are included in the Act to help achieve overall attainment and maintenance goals for the region, which includes serious, and severe ozone nonattainment areas.

EPA is today proposing to establish an additional enhanced I/M performance standard for qualified areas in the Northeast OTR, hereafter referred to as the OTR low enhanced performance standard. The emission reduction targets for this program are less than both the low enhanced performance standard and the basic performance standard. There are two qualifications to be eligible for the OTR low enhanced performance standard. First, the standard would apply only in attainment areas, marginal ozone nonattainment areas and certain moderate ozone nonattainment areas under 200,000 in an OTR. Moderate areas of that size that were not previously required to, or had not in fact implemented, a basic I/M program under the pre-1990 Act could take advantage of the OTR low enhanced performance standard. Section 182(a)(2)(B)(i) requires areas that had or were required to have I/M programs pre-1990 to retain programs of at least that stringency in their SIPs. Because, as explained below, EPA believes the Act requires an enhanced I/M program to be an enhancement over otherwise applicable I/M requirements, areas subject to basic I/M could not adopt the less stringent OTR low enhanced program. Any moderate area with urbanized areas having a total population of over 200,000 would also be required to implement basic I/M under section 182(b)(4) and would thus be ineligible for the OTR low enhanced standard. Second, the OTR low-enhanced program must be supplemented by other measures in order to achieve the emission reductions that would have occurred had a regular low-enhanced I/M program been implemented (as defined by § 51.351(g) of 40 CFR). This is because the primary goal of the Act in establishing the OTR provisions and requiring enhanced I/M in areas with a population of 100,000 or more in the OTR was to contribute to regional attainment and EPA believes that an area should be able to qualify for the additional flexibility provided under the OTR low enhanced standard only if it achieves in some other way, the additional reductions that the otherwise applicable low-enhanced I/M program would achieve. Thus, the total emission reductions from the I/M program plus the additional measures would have to equal the tonnage reduction that a regular low-enhanced program would have generated. However, since local reductions are not the crucial factor, a state may bubble surplus reductions from other areas not required to implement I/M in the state. For example, a state could implement a statewide reformulated gasoline (RFG) program (note that EPA has recently asked for comment on whether attainment areas can opt in to the reformulated gasoline program and a decision has not yet been made on this issue) plus an OTR low enhanced program in subject areas or statewide and potentially achieve comparable reductions to a regular low enhanced program because of the additional reductions RFG would achieve in areas not otherwise required to have RFG. Equality of emission reductions must be demonstrated over a time period which aligns with the attainment deadlines of all OTR areas: from 2000 through 2007. Note that an I/M program that meets an OTR low enhanced performance standard must be implemented even if other measures could achieve comparable emission reductions because the Act specifically requires an enhanced I/M program in metropolitan areas with 100,000 population in the OTR. Measures to fill the gap between OTR low and regular low enhanced I/M may not be otherwise required by the Clean Air Act. EPA invites comment on whether and how a state may use credits obtained through an Open Market Trading program to satisfy the equal reduction requirement.

The OTR low enhanced performance standard model program is composed of the following elements: annual testing of 1968 and newer light duty vehicles and light duty trucks, OBD checks for 1996 and newer vehicles, remote sensing of 1968–1995 vehicles, catalyst checks on 1975 and newer vehicles, and PCV valve checks on pre-1975 vehicles. These elements collectively satisfy the Act's requirements that the enhanced I/M program performance standard include certain listed features.

The emission reduction targets generated by this model program cannot be precisely modeled at this time but EPA estimates the targets to be less than those for the basic I/M program standard (which are approximately 6.3% for HC, 10.8% for CO, and 0.7% for NO_X). As soon as EPA completes development of guidance on remote sensing credits, an analysis of the emission reduction targets generated by this model program will be placed in the docket. In that the OTR low enhanced standard is less than basic I/M, the question arises as to how this standard meets the requirement of the Act for ''enhanced'' I/M. There are two important facts to consider in this regard: first, neither the Act nor the legislative history specifies that the emission reduction targets for enhanced I/M must be greater than basic in all cases. EPA believes the Act provides the agency latitude in establishing multiple performance standards to meet a wide range of state and local needs and conditions. Second, the areas eligible to take advantage of this performance standard were not required to nor did they implement I/M programs prior to 1990. So, in all cases, this standard establishes a program target that is enhanced relative to what was present or required for the area before enactment of the 1990 Amendment or is otherwise required after the 1990 Amendments.

As is the case with all performance standard model programs, EPA does not necessarily recommend implementation of the model program, since it is constrained in composition by law (e.g., EPA recommends not testing cars until they reach 4 years of age and recommends biennial testing as more cost-effective; by contrast, the enhanced I/M performance standards are required by the Act to reflect a model program that includes annual testing of all vehicles). In that the emission reduction targets for this performance standard are below the basic level, this standard provides the broadest possible latitude in program design. For example, some states in the OTR have existing decentralized, safety inspection programs. Comprehensive visual checks of emission control devices, a gas cap pressure test, the Act-mandated OBD check, and the Act-mandated on-road testing could be added to these programs. Many other possibilities exist for program designs that could meet this performance standard.

While the proposed OTC low enhanced performance standard is less demanding than the existing performance standard applicable to the affected areas, the proposed regulatory changes will ensure that enhanced I/M programs in these areas meet statutory criteria for EPA approval. A state's OTR low enhanced program is required, under § 182(c)(3)(C) of the Clean Air Act, to include computerized analyzers and on-road testing devices; computerized equipment and on-road testing devices are required by the