



NHTSA grants Nuro petition for temporary exemption

12 February 2020

For the first time, the U.S. National Highway Traffic Safety Administration (NHTSA) grants petition for temporary exemption for an electric vehicle with an automated driving system – the Nuro R2X.

On 11 February 2020 NHTSA granted a petition for exemption from three requirements of the Federal Motor Vehicle Safety Standards (FMVSS) applicable to low-speed vehicles for Nuro's R2X. The R2X is a low-speed autonomous delivery vehicle, which will not carry passengers. NHTSA's granting of Nuro's petition marks the first grant of a petition for exemption allowing for commercial deployment for a vehicle of this type – "a highly automated (SAE Level 4 or L4), low-speed (25 mph maximum), electric-powered delivery vehicle." Nuro first applied for the exemption on 23 October 2018.

According to Nuro, the R2X vehicle will not be equipped with rearview mirrors, a backup camera, or a compliant windshield, as such features are either unnecessary for, or detrimental to, pedestrian and cyclist safety. Nuro requested the exemption on the basis that it will facilitate development or field evaluation of a low-emission vehicle (LEV) without unreasonably lowering the vehicle's safety performance (the LEV exemption basis). NHTSA considered and granted Nuro's petition under both the LEV exemption basis and on the basis that the vehicle provides an equivalent overall level of safety (EOS) to a nonexempt vehicle (the EOS basis).

NHTSA granted Nuro's petition in part because the R2X does not carry passengers and NHTSA agreed with Nuro that certain FMVSS regulations do not serve their intended functions in the R2X. Specifically, NHTSA found that the exempt R2X would be at least as safe as an FMVSS-compliant version and that the exemption would further development of innovative technologies and business models: "Given that both an exempted and [FMVSS] compliant R2X would have no occupants and would operate without a human driver, compliance with the three requirements from which Nuro seeks an exemption would not provide a safety benefit." Requests for exemptions from the backup camera "Deactivation" requirement (FMVSS No. 111, S6.2.5) and portions of test procedures for "Field of View" and "Size" requirements (FMVSS Nos. 111, S6.2.1 and S6.2.2) were deemed moot. The R2X will still be subject to all other FMVSS requirements for low-speed vehicles.

Pursuant to the general exemptions provisions of the Motor Vehicle Safety Act, NHTSA may grant an exemption for production of a maximum of 2,500 vehicles during any 12-month period and may grant an exemption for up to two years, pursuant to the LEV exemption basis or the EOS

basis. As such, Nuro is permitted to produce up to 2,500 R2X vehicles per year and up to 5,000 exempted vehicles over the full two-year exemption period.

The granting of Nuro's exemption is a significant development in federal action toward automated vehicles (AV) proliferation, and further action from NHTSA is expected. Importantly, another exemption petition presented to NHTSA prior to the Nuro petition is still pending at the agency. That petition is more complicated, requests exemption from more FMVSS regulations, and would apply to a passenger-carrying AV. NHTSA's future action on this pending petition will clarify whether the agency intends to continue expanding AV usage, particularly where passengers are involved.

Contacts



Joanne Rotondi
Partner, Washington, D.C.
T +1 202 637 6470
joanne.rotondi@hoganlovells.com



R. Latane Montague
Partner, Washington, D.C.
T+1 202 637 6567
latane.montague@hoganlovells.com



Lance D. Bultena
Senior Counsel, Washington, D.C.
T+1 202 637 5587
lance.bultena@hoganlovells.com



Susan R. McAuliffe
Counsel, Washington, D.C.
T+1 202 637 5747
susan.mcauliffe@hoganlovells.com



Hannah M. Graae Senior Associate, Washington, D.C. T+1 202 637 3664 hannah.graae@hoganlovells.com



Hillary Neger
Associate, Washington, D.C.
T+1 202 637 8835
hillary.neger@hoganlovells.com



Katherine Sheriff
Knowledge Lawyer, Washington, D.C.
T +1 202 637 3635
katherine.sheriff@hoganlovells.com

www.hoganlovells.com

Where case studies are included, results achieved do not guarantee similar outcomes for other clients. Attorney advertising. Images of people may feature current or former lawyers and employees at Hogan Lovells or models not connected with the firm.

© Hogan Lovells 2020. All rights reserved.