

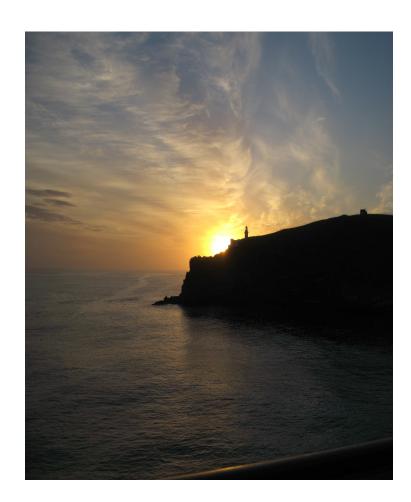
Proposed Amendments to the California Consumer Products Regulation

June 26, 2008



Presentation Overview

- Background
- Proposed Amendments
- Economic Impacts
- Environmental Impacts
- Proposed Modifications
- Issues
- Ongoing Work
- Recommendation



Mandate to Control Consumer Product VOC Emissions

- Health and Safety Code 41712
 - Achieve maximum feasible reduction in VOCs
 - Technologically and commercially feasible regulations
 - Preserve product forms
- VOC Statewide Strategy Commitment (SIP):
 - 30 to 40 tons per day by 2014

Consumer Products

- Chemically formulated
- Used by household and institutional consumers
- Include household, home and garden, aerosol paint, personal care, automotive maintenance products, etc.



Mandate to Control Consumer Product Greenhouse Gas Emissions

- Assembly Bill 32
 - Discrete Early Action
 Measure
 - Overall estimate is to achieve reduction of 0.25 MMT CO₂e



Proposed Amendments

- New and modified definitions
- New or lower VOC limits
 - 19 categories; 25 limits
 - VOC emissions reduced by about 5.8 tons per day
- VOC exemption: HFE 7200
- Toxics prohibitions in various categories
- Other regulatory proposals
- Global warming potential limit for Pressurized Gas Duster

Product Category	Proposed VOC Limit (wt%)	Effective Date		
Air Care Products				
Odor Remover/Eliminator * Aerosol Non-aerosol	25 6	12/31/2010 12/31/2010		
Automotive Care Products				
Motor Vehicle Wash*	0.2	12/31/2010		
Tire or Wheel Cleaner* Aerosol Non-aerosol	8 2	12/31/2010 12/31/2010		
Windshield Water Repellent*	75	12/31/2010		

Previously unregulated category

Product Category	Proposed VOC Limit (wt%)	Effective Date		
Cleaners & Degreasers				
Dusting Aid				
Aerosol	17	12/31/2010		
Non-aerosol	3	12/31/2010		
Glass Cleaner				
Aerosol	10	12/31/2012		
Pressurized Gas Duster*	1	12/31/2010		
Fabric Care				
Carpet/Upholstery Cleaner				
Aerosol	5	12/31/2010		
Non-aerosol	1	12/31/2010		
Fabric Protectant				
Non-aerosol	1	12/31/2010		

^{*} Previously unregulated category

Product Category	Proposed VOC Limit (wt%)	Effective Date		
Fabric Care cont				
Fabric Softener – Single Use Dryer Product*	0.05 grams per use	12/31/2010		
Spot Remover Aerosol Non-aerosol	15 3	12/31/2010 12/31/2010		
Lubricants/Penetrants				
Multi-purpose Lubricant	25 10	12/31/2013 12/31/2015		
Penetrant	25	12/31/2013		

^{*} Previously unregulated category

Product Category	Proposed VOC Limit (wt%)	Effective Date		
Personal Care Products				
Astringent/Toner Non-FDA regulated	35	12/31/2010		
Personal Fragrance Product (20% or less fragrance)**	75	12/31/2014		
Sealant or Caulking Compound				
Chemically Curing non-aerosol	3	12/31/2012		
Non-chemically Curing non-aerosol	1.5	12/31/2010		
Waxes and Polishes				
Floor Maintenance Product*	1	12/31/2010		
Floor Polish or WaxWood Floor Wax	70	12/31/2010		

Previously unregulated category

^{**} Remove Grandfather Clauses

Proposed VOC Exemption: Hydrofluoroether (HFE) 7200

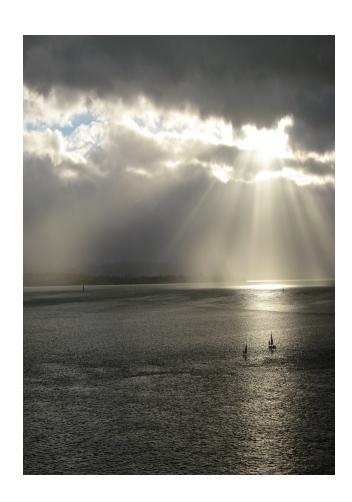
- Solvent used in precision (electronic) cleaning
- Environmental Impact Assessment report completed in March 2008
 - Negligibly reactive with respect to groundlevel ozone formation
 - Low GWP
 - Replaces compounds with higher GWP and/or stratospheric ozone depleting compounds
 - No other adverse impacts identified

Proposed Prohibition on Use of Toxic Compounds

- Prohibit use of Perchloroethylene, Methylene
 Chloride, Trichloroethylene in:
 - Carpet/Upholstery Cleaner
 - Fabric Protectant
 - Multi-purpose Lubricant
 - Penetrant
 - Sealant or Caulking Compound
 - Spot Remover
- Reduction of about 0.20 tons per day in 2010

Greenhouse Gas Proposal

- GWP limit for Pressurized Gas Duster:
 - 150 CO₂e, effective 12/31/10
 - 1% VOC limit
- Prohibit Perchloroethylene
 & Methylene Chloride
- Reduces 0.2 MMT CO₂e per year



Other Regulatory Changes

- Determining VOC content for diluted products sold in ready-to-use containers
- Restore exemption for Furniture
 Maintenance Product (solid/paste forms)
- Date coding
- Method 310 used to determine compliance with global warming potential limit
- Other necessary conforming modifications

Economic Impacts

- Cost-effectiveness
 - \$6.23 per pound of VOC reduced
 - \$0.22 per metric ton CO₂e reduced
- Average change in return on owner's equity is 2.5 percent

Environmental Impacts

- VOC reduction of 5.8 tons per day
 - Reduces ground-level ozone concentrations
- Greenhouse gas reduction of 0.2 MMT CO₂e per year
- Toxics prohibitions reduce exposure to carcinogens
- No significant adverse impacts



Proposed Modifications

- Definitions
 - Floor Maintenance Product
 - Not for Retail Sale
 - Personal Fragrance Product
 - Sealant or Caulking Compound
- Motor Vehicle Wash limit
 - Applies to non-aerosol products only
- Sealant or Caulking Compound labeling requirement

Issues

- VOC limits
 - Astringent/Toner (non-medicated)
 - Carpet/Upholstery Cleaner
 - Fabric Softener-Single Use Dryer Product
 - Motor Vehicle Wash limit should only apply to dilutable products
- Pressurized Gas Duster sell-through period
- Compliance timelines
- Proposal should include more categories

Ongoing Work

- Cleaning products
- Paint and lacquer thinners
- Nail coatings
- Spot removers for dry clean only fabrics
- Paint strippers
- Evaluate other categories for VOC and greenhouse gas reductions

Recommendation

 Adopt staff's proposed amendments with modifications described today

