

AGENDA ITEM 94-9-1

**PUBLIC HEARING TO CONSIDER ADOPTION OF THE ALTERNATIVE CONTROL
PLAN (ACP) FOR CONSUMER PRODUCTS**

Copies of the slide presentation which supported the Air Resources Board's oral staff presentation given by Mr. Floyd Veraga.

Attachments

**PROPOSED
ALTERNATIVE CONTROL PLAN (ACP)
REGULATION FOR CONSUMER PRODUCTS**

**September 22, 1994
Los Angeles, California**

California Environmental Protection Agency



Air Resources Board

Presentation Overview

- Background**
- Development of the
Alternative Control Plan**
- General Concepts**
- Elements of the ACP Regulation**
- Impacts Assessment**



BACKGROUND

What Are Consumer Products?

Consumer Products are

- chemically formulated**
- used by household and institutional (I&I) consumers**
- includes household, personal care, pesticides, automotive care products**

Consumer Products Are a Large Source of VOCs



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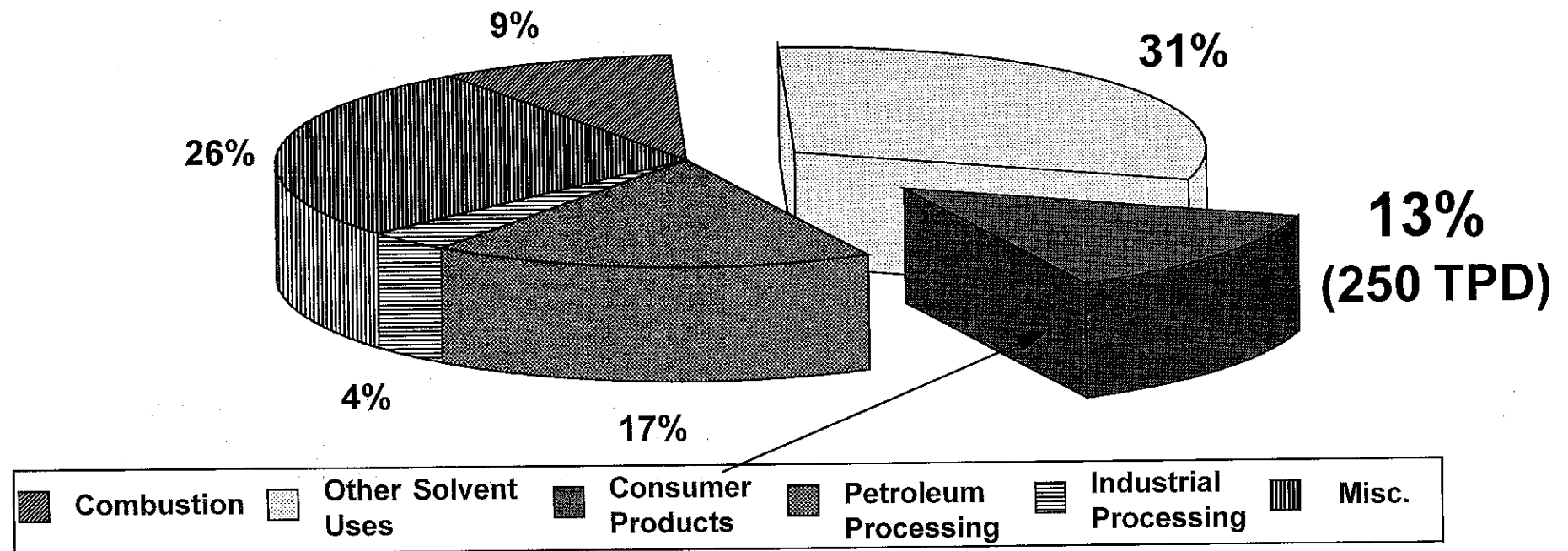
**250
Tons Per Day
VOCs**

30 Million California Consumers

Source: 1991 ARB Emissions Inventory (1/94)

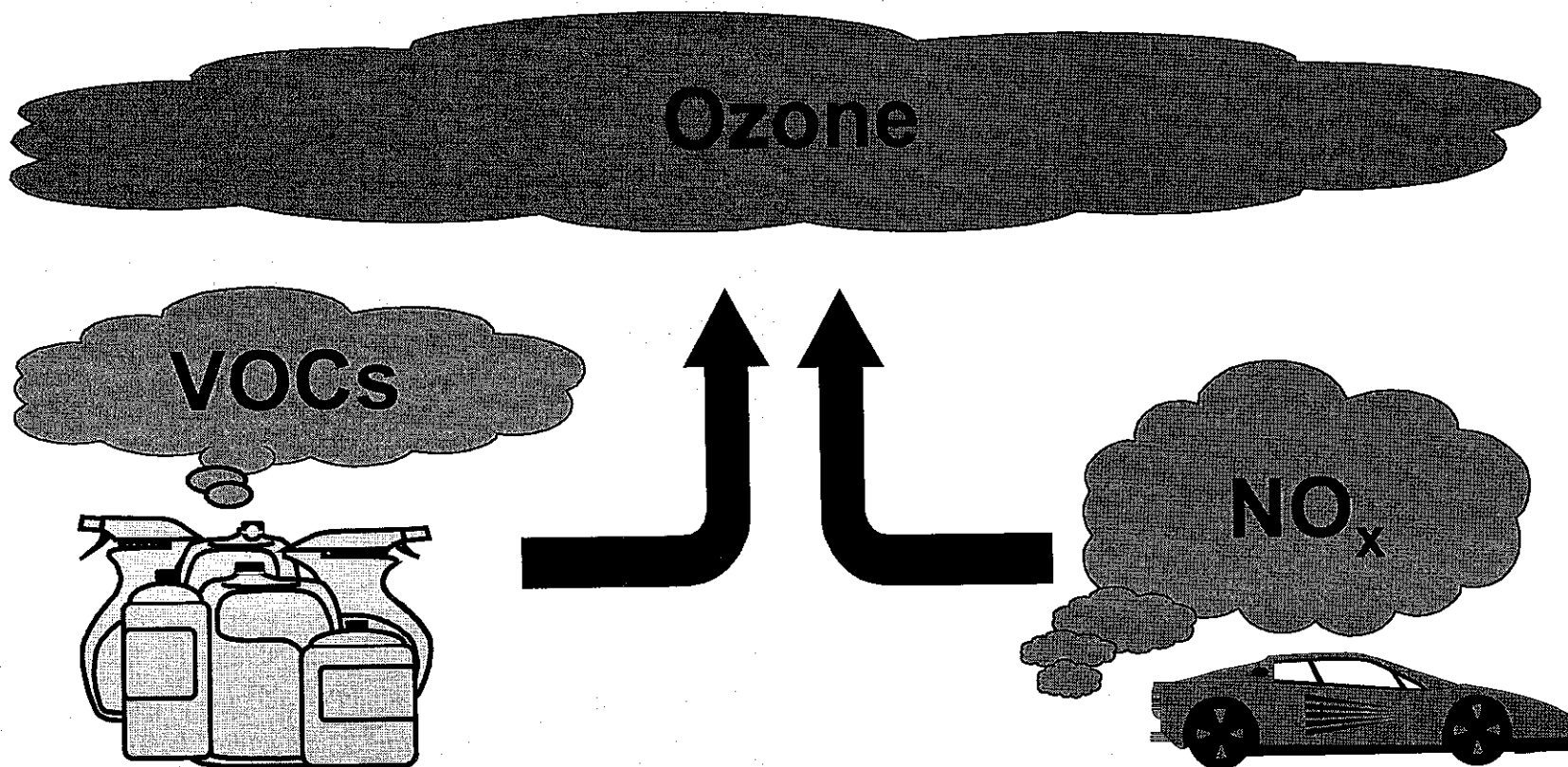
Consumer Products Contribute to Air Pollution

Total Stationary Source VOC Emissions, TPD
(Total = 2000 TPD)



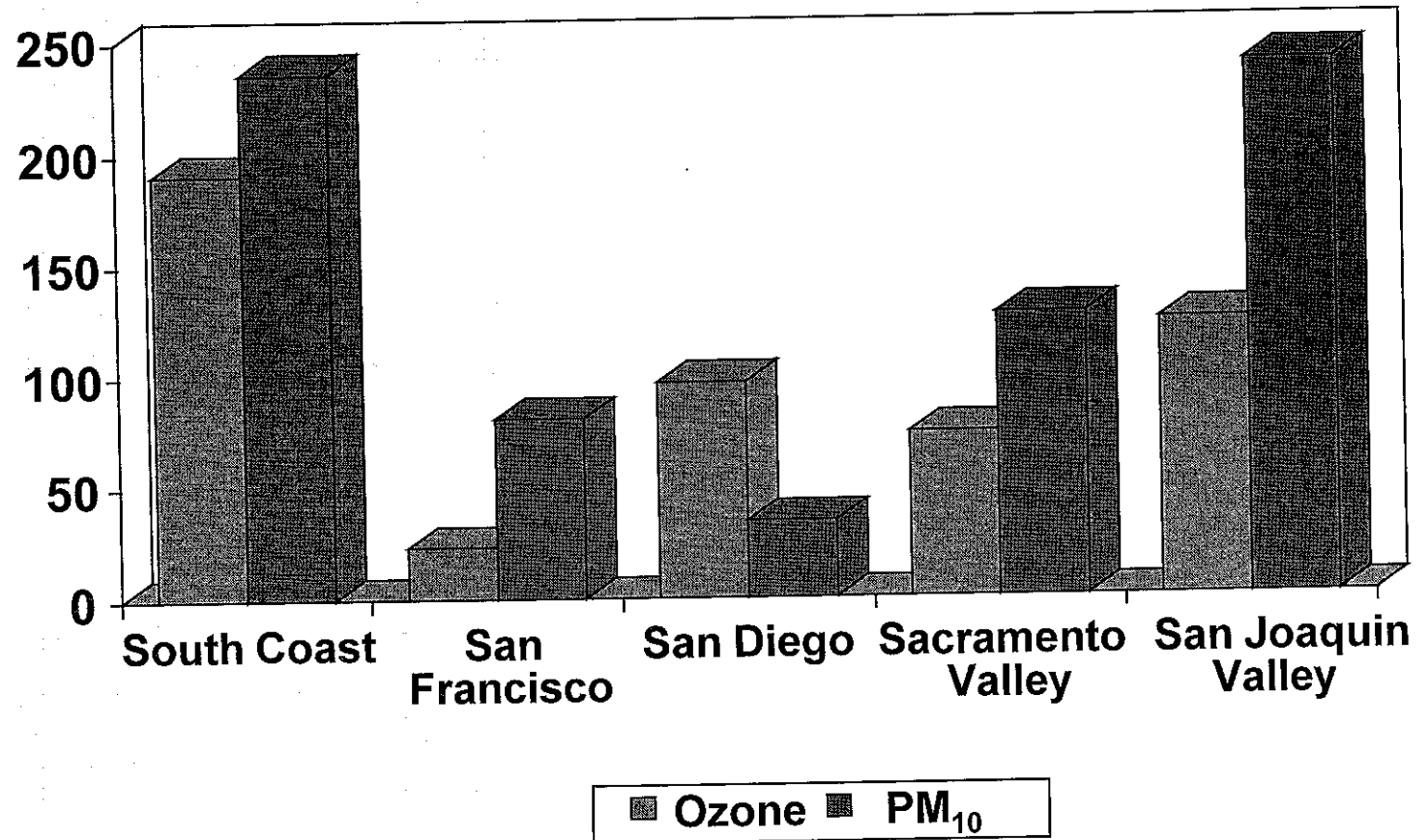
Source: 1991 ARB Emissions Inventory (1/94)

Consumer Product VOCs Form Ozone



Most Californians Breathe Unhealthy Air

**CAAQS
Exceedances,
Days**



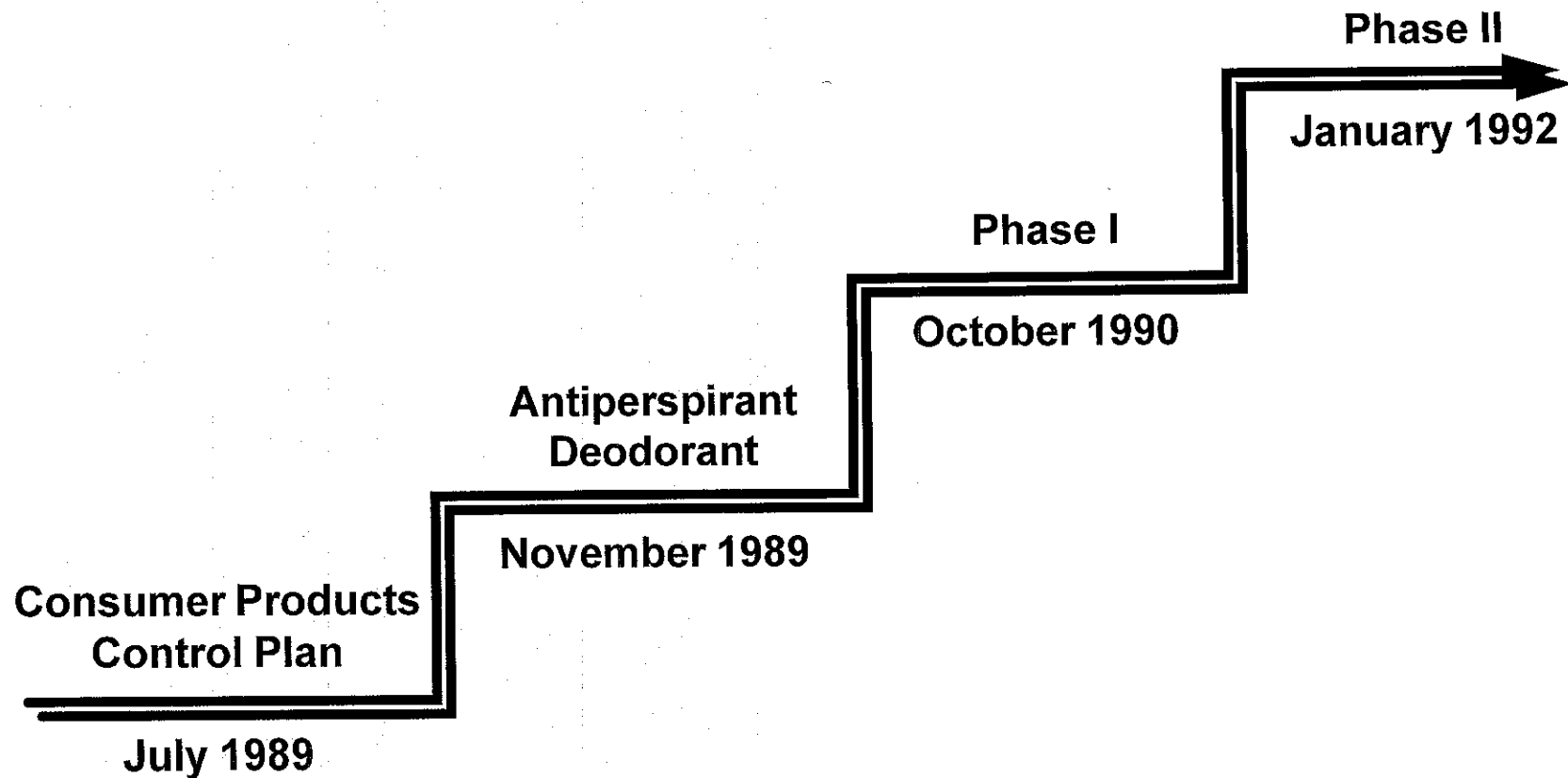
Source: 1992 ARB Air Quality Data Summary, Vol. XXIV (7/93)

The Law Requires VOC Reductions

California Clean Air Act (CCAA) requires the ARB to adopt regulations for consumer products

- achieve maximum feasible VOC reductions**
- technologically and commercially feasible**
- necessary**
- adequate data**

ARB Is Taking Steps to Comply with CCAA Mandates



Consumer Products Currently Regulated

AP/DO

Antiperspirants
Deodorants

27
Product
Categories

Phase I

Air Fresheners
Auto Washer Fluid
Bath/Tile Cleaners
Engine Degreasers
Floor Polishes/Waxes
Furniture Maintenance
General Purpose Cleaners
Glass Cleaners
Hair Sprays
Hair Mousses
Hair Styling Gels
Laundry Prewash
Nail Polish Remover
Oven Cleaners
Aerosol Insect Repellent
Shaving Cream

Phase II

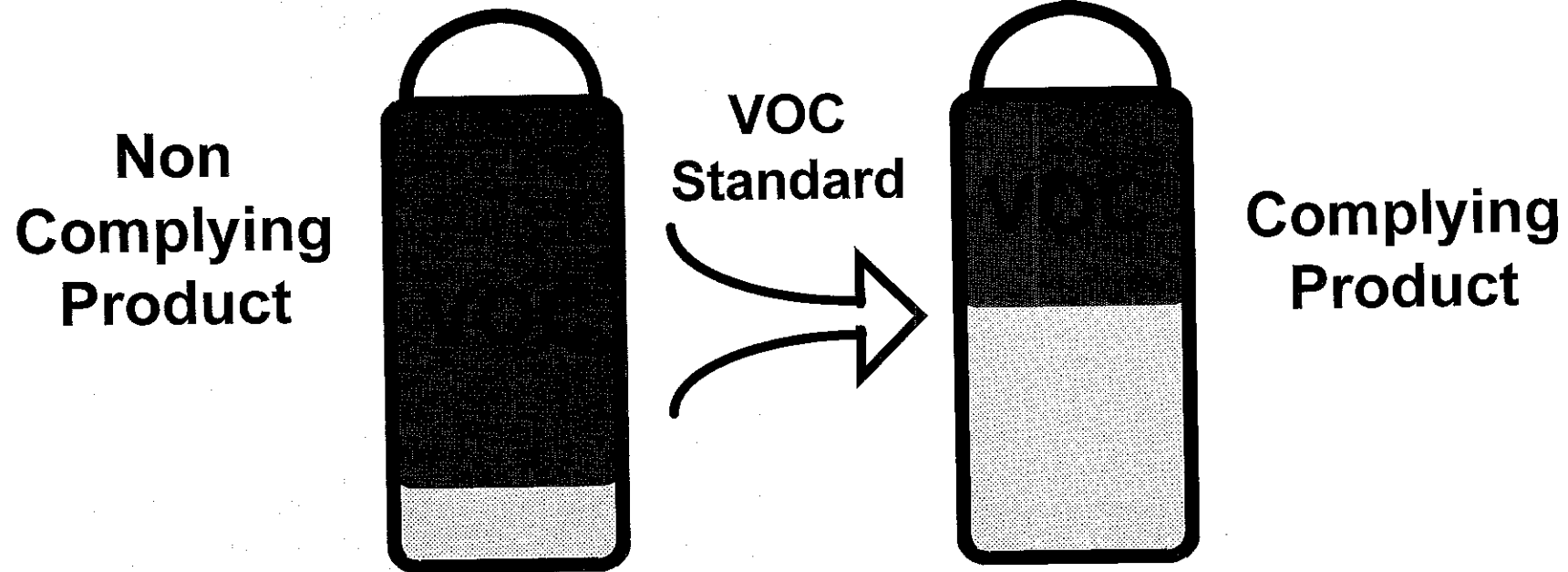
Aerosol Cooking Sprays
Auto Brake Cleaners
Carb/Choke Cleaners
Charcoal Lighter Products
Dusting Aids
Fabric Protectants
Household Adhesives
Insecticides
Laundry Starch
Personal Fragrances

Impacts of Existing Regulations

Environmental Benefits

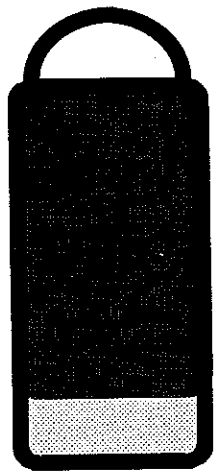
- Reductions phased in each year as different standards become effective
- VOC emissions reduced by 60 tons/day

Option #1: Compliance with Specific Standards



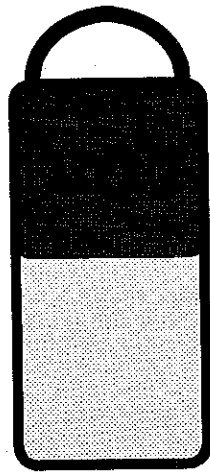
Option #2: Formulation of an Innovative Product

**VOC
Content**



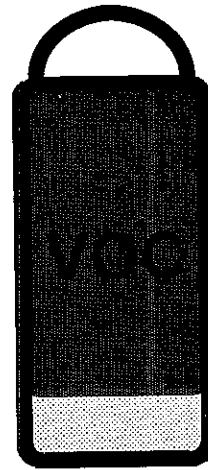
**Innovative
Product**

**Greater
than**



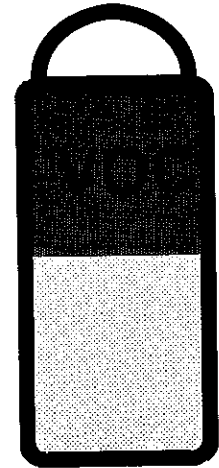
**Complying
Product**

**VOC
Emissions**



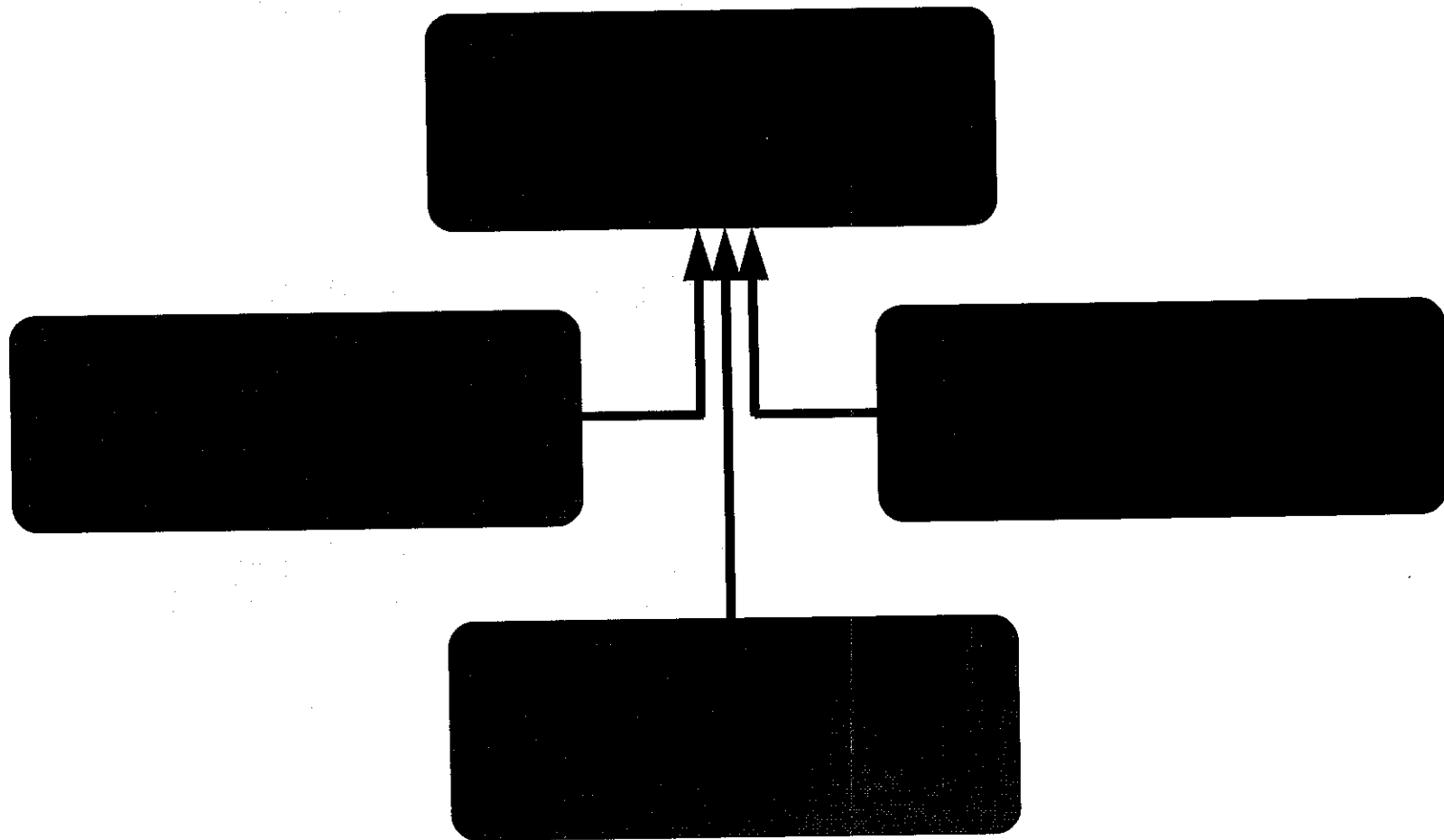
**Innovative
Product**

**Less
than**



**Complying
Product**

Compliance Options Available





DEVELOPMENT OF THE ALTERNATIVE CONTROL PLAN

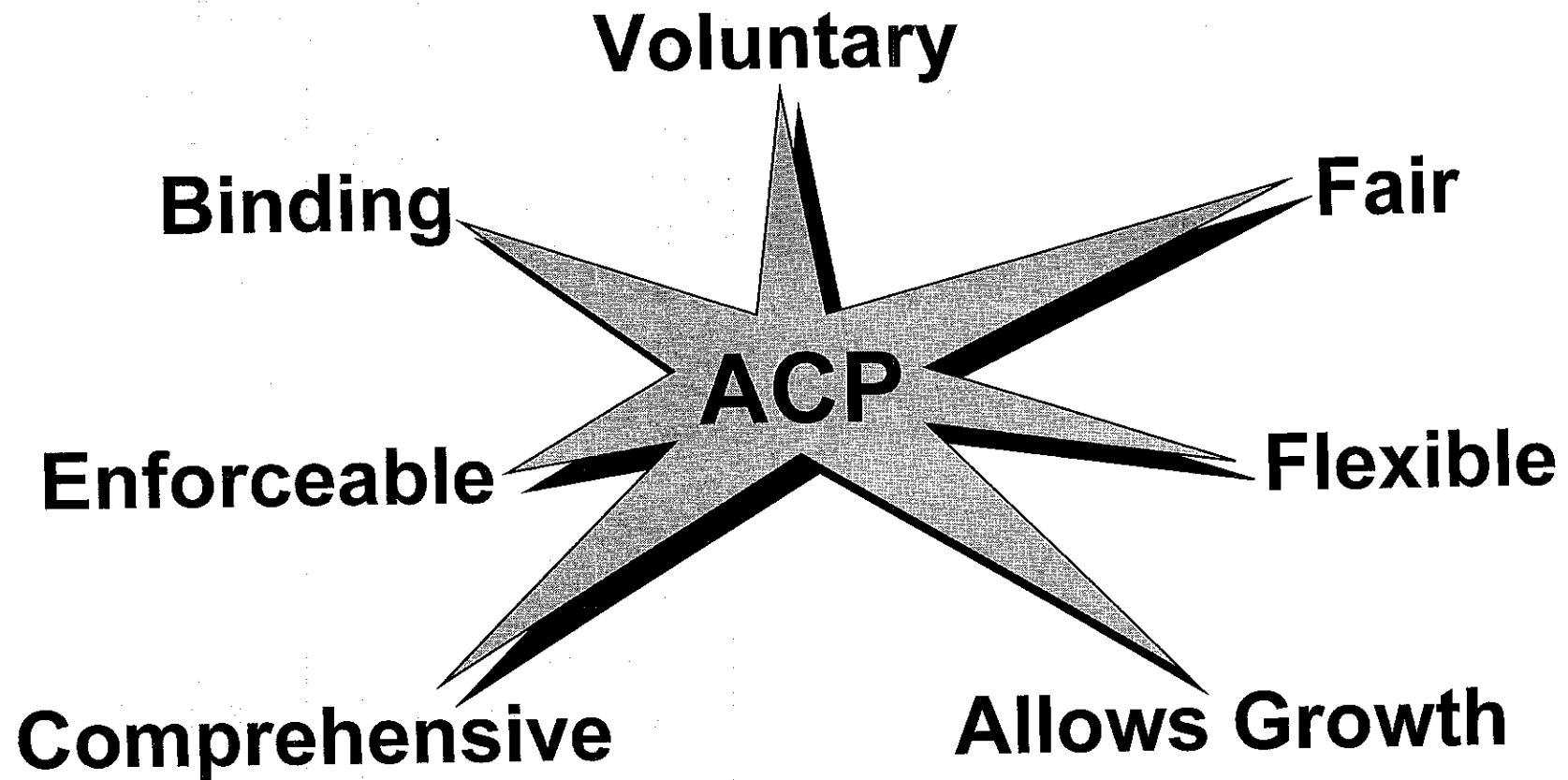
Extensive Public Outreach to Develop the ACP

- Cooperative effort**
- 2 - 1/2 year development process**
- 7 public workshops**
- 5 ACP Task Force meetings**
- U.S. EPA, SCAQMD, BAAQMD discussions**
- Economic impacts survey (316 businesses)**
- Technical literature search**

Who Participated in the Development Process?

- Chemical Specialties Manufacturers Association (CSMA)**
- Cosmetic, Toiletry, and Fragrance Association (CTFA)**
- Other industry representatives**
- U.S. Environmental Protection Agency (Region 9)**
- South Coast AQMD, Bay Area AQMD**

Common Goals Established



GENERAL CONCEPTS

ACP Is a Market-Based Program

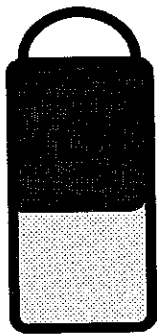
- **Aggregate emissions caps**
 - equivalence with the VOC Standards
- **Emissions cap can shrink or grow with product sales**

Option #3: Sales Under an ACP, Providing Equivalent Emission Reductions

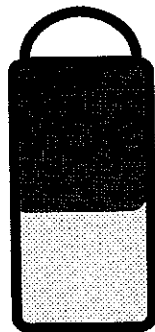
Emissions
[VOC Standards]

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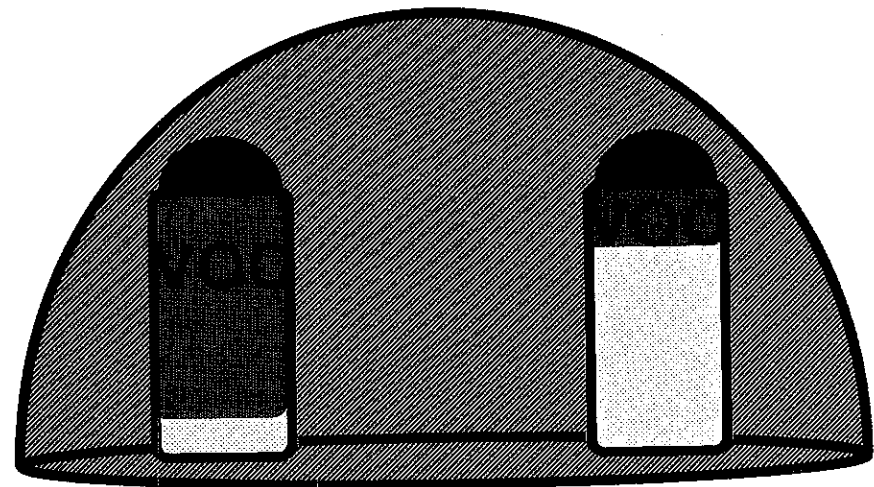
Emissions
[ACP Cap]



Meets
Standard



Meets
Standard



Above
Standard

Below
Standard

What Are the Possible Uses for the ACP?

- ➡ Preserve product line**
- ➡ Provide additional time to formulate**

ELEMENTS OF THE ACP REGULATION

Who Does the ACP Apply to?

- **Voluntary, third compliance option**
- **Phase I and II products only**

How is an ACP Plan Approved?

- **Demonstrate plan meets ACP requirements**
- **Executive Officer approval**
 - **Specific permit conditions**
 - **Specific approval timeframes**

What Must Be Demonstrated in a Proposed ACP Plan?

- Identify, validate accuracy of enforceable sales records**
- Select compliance period**
- Identify shortfall contingency measures**
- Enforceable permit conditions
(e.g. VOC Content of each product)**
- Demonstrate emissions will be no greater than emissions cap for each compliance period**

What Happens when an ACP Plan Is Implemented?

Emissions equal emissions cap

- **In compliance**

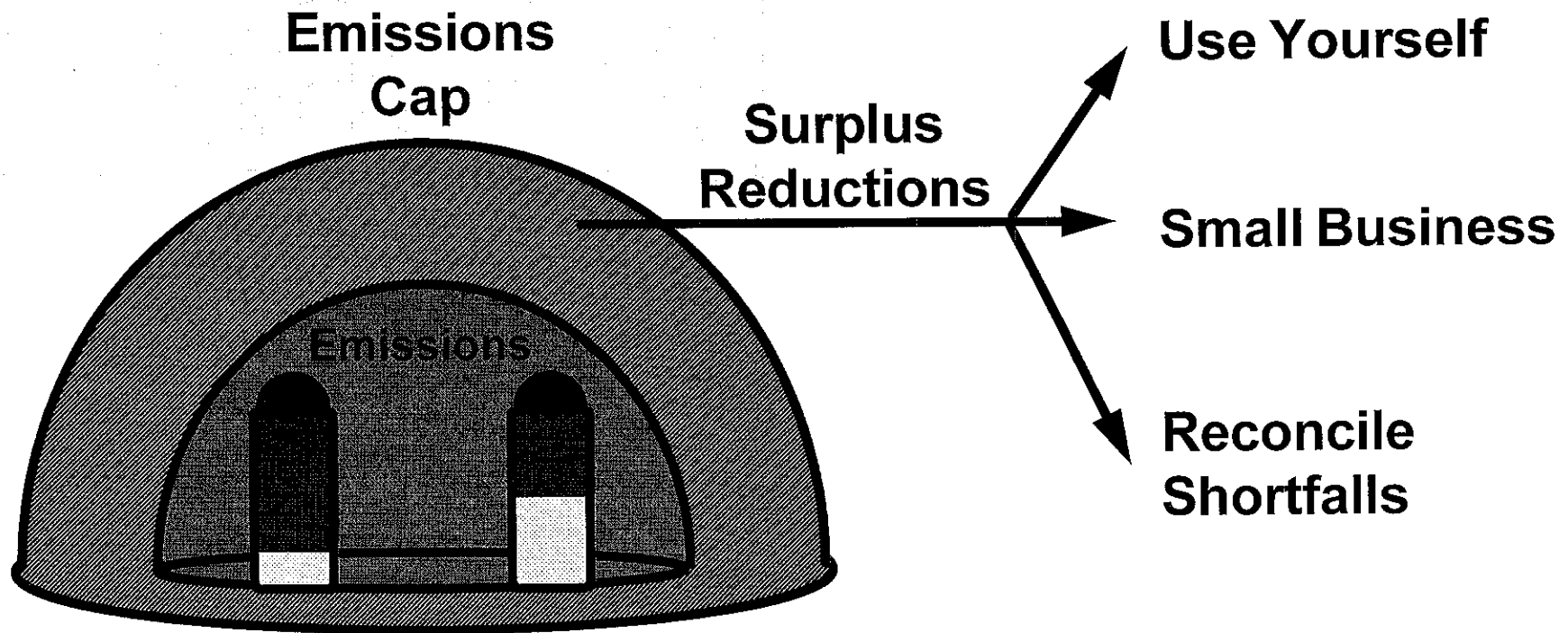
Emissions less than emissions cap

- **In compliance**
- **Surplus Reductions**

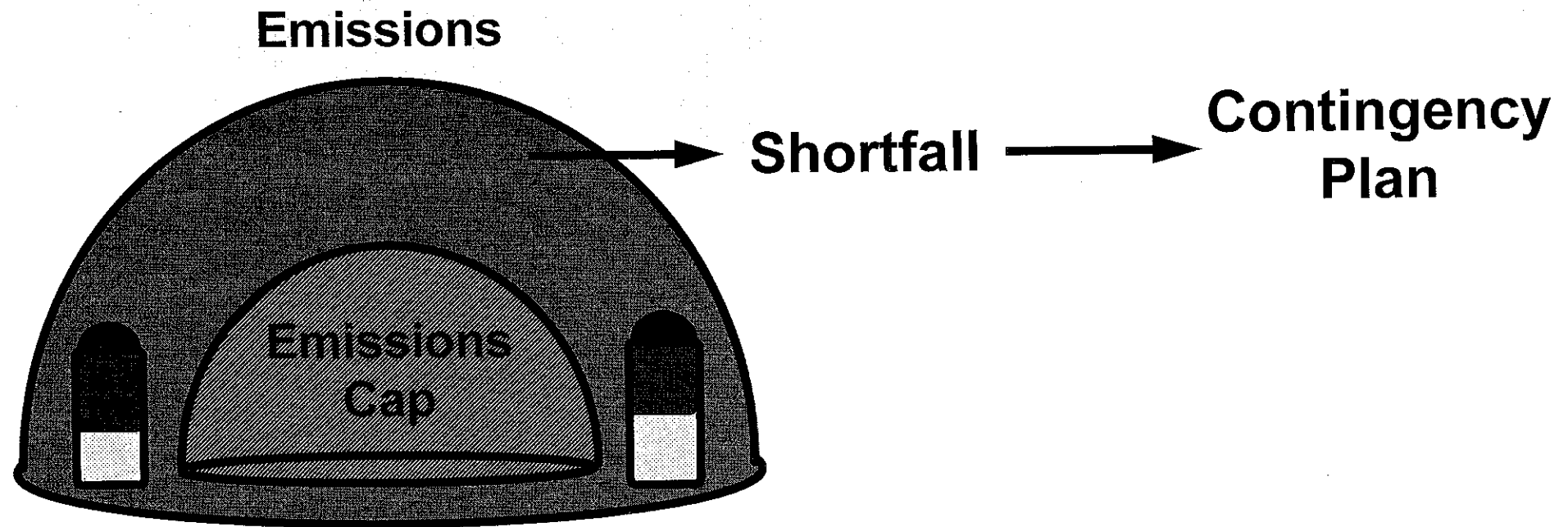
Emissions greater than emissions cap

- **In non-compliance**
- **Shortfall**

What Are Surplus Reductions?



What Are Shortfalls?



Why Include a Violations Provision?

- Defines, clarifies a violation**
- Improves enforceability**
- Consistent with Health and Safety Code and Clean Air Act**

Examples of Violations

- False application data
- False reporting of product sales, VOC content
- Exceedance of reported VOC content
- Exceedance of emissions cap
- Failure to reconcile shortfalls

How Is Compliance with an ACP Plan Determined?

Manufacturer

- Report product sales, VOC content
- Show emissions no greater than emissions cap

ARB

- Audit sales, manufacturing records
- Test VOC content
- Verify other permit conditions

How Can an ACP Be Cancelled?

 **Manufacturer**

Extreme economic hardship

 **ARB**

**Manufacturer fails to meet
plan requirements**

What Are the Other Administrative Requirements?

- Recordkeeping**
- Modifications of ACP plan**
- Transfer of ACP Ownership**



IMPACTS ASSESSMENT

What Are the Environmental Impacts?

- Preserves emission reductions in existing regulation
- No significant adverse impacts on
ground-level ozone, PM_{10}
global climate change

What Are the Economic Impacts?

- Higher flexibility**
- Lower compliance costs than existing regulation**
- Overall economic benefit**



CONCERNS

What Concerns Have Been Raised?

- Early reductions credit for 1st year shortfalls
- Violations provision
- Time to reconcile shortfalls

What Concerns Have Been Raised? (cont.)

- **Expansion of ACP**

- **Do not mandate use of ACP**



SUMMARY

Summary

- **Cooperative effort**
- **Provides third, voluntary compliance option**
- **Preserves emission reductions in existing regulation**
- **Provides additional flexibility**