An Implementation Update

on California's Composite Wood Products ATCM



World of Wood 2008

IWPA's 52nd Annual Convention

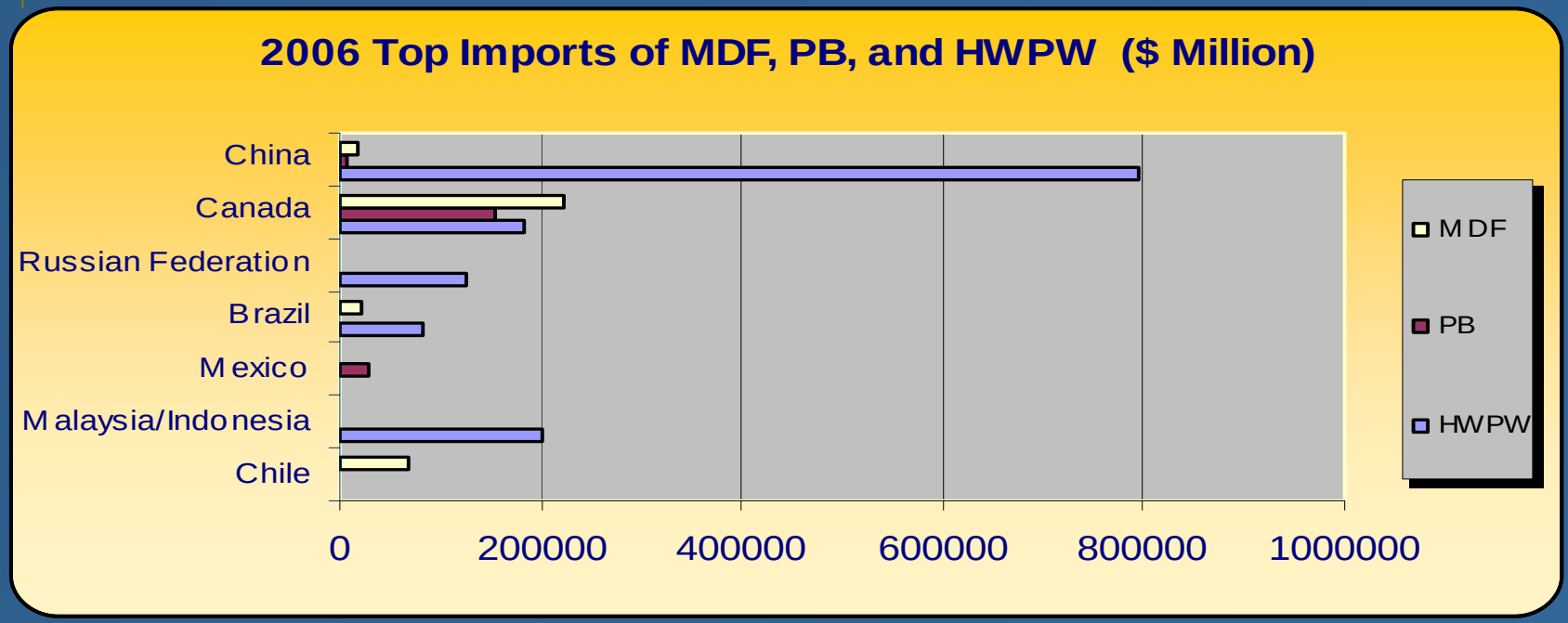
March 5-7, 2008
Loews Royal Pacific Resort
Orlando, Florida

Jim Aguila, Manager
Substance Evaluation Section



California Environmental Protection Agency
Air Resources Board

California Imports



- 60-70% of US furniture is imported

  China, Vietnam, Brazil, Italy, Canada, Mexico, and other Asian Countries

Source: 7/11/07 AHFA Presentation WVC FPS-OWIC Public Workshop & IWPA 2006

Overview

- Introduction
- Understanding the Regulation
- ATCM Implementation Update
- IWPA Concerns
- 2008 ATCM Timetable



Introduction









California Health & Safety Code Requirements

- § 39657 - Requires ARB to identify toxic air contaminants; identify minimum threshold levels
- § 39658 - Requires ARB to develop Airborne Toxic Control Measures (ATCMs)
- § 39666 - For compounds with no threshold level, the HSC requires control measures to be based on ***best available control technology***, or more effective controls in consideration of costs and risk

Airborne Toxic Control Measure (ATCM): Overview

Identification

- Potential Toxic Substance
- ARB/OEHHA Publishes Draft Report
  - Public Workshops
  - Comment Periods
- SRP Reviews Report
- Public Hearing

Risk Management

- Evaluates Source Categories
- Investigate Risk Reduction Options
  - Public Workshops
- Publish Staff Report/Proposal
  - Public Workshops
  - Comment Period
- Public Hearing

Formaldehyde as Toxic Air Contaminant

- Identified as a Toxic Air Contaminant in 1992
- No level of exposure considered “safe”
  - Damages DNA
- Inhalation causes cancer in the region of the throat behind the nose
- Non-cancer effects



Understanding the Regulation

ATCM Applicability

- Panel Manufacturers
- Third Party Certifiers
- Importers
- Distributors
- Fabricators
- Retailers

Key Elements of the ATCM

- **Establishes new formaldehyde emission limits for HWPW, PB, and MDF panels, and requires their use in finished goods**
- **Panel manufacturers must demonstrate compliance through third party certification**
- **Fabricators must use compliant products in their finished goods for California**
- **Retailers must only obtain compliant products for sale to the California public**

Requirements for Manufacturers

- **§93120.3**

  (a) Emission limits for HWPW, PB, and MDF

  (b) Third Party Certification

  (c) Special Provisions for Manufacturers using NAFs

  (d) Special Provisions for Manufacturers using ULEFs

  (e) Product Labeling

  (f) Statement of compliance

  (g) Recordkeeping

  (h) Facility Inspections

- **§93120.12 -- Appendix 1 (a)**

  Sell-through provisions

Comparison of ATCM Standards*

	HUD Std. (ppm)	*2003 CARB Survey (ppm)*	Phase 1 (ppm) Effective: 2009	Phase 2 (ppm) Effective: 2010-2012
Particleboard	*0.30*	*0.18*	0.18	0.09
Medium Density Fiberboard (>8mm)	*None*	*0.25*	0.21	0.11
- Thin MDF (<8mm)	*None*	*--*	0.21	0.13
Hardwood Plywood:				
- Veneer Core	*0.20*	*0.12*	0.08	0.05
- Composite Core	*None*	*0.08*	0.08	0.05

* Based on ASTM E1333

Manufactured Product Labeling

- **Manufacturer name**
- **Lot or batch number**
- **Marking to denote P1, P2, NAF, or ULEF**
- **CARB TPC number**

Third Party Certification Responsibilities

- Manufacturer quality assurance verification
- Help develop target operating limits
- Independent inspections and audits
- Use primary or secondary test methods certification testing
- Maintain records
  - Manufacturers they represent
  - Results of inspections and audits
  - List of certified laboratories and large chambers used
  - Correlations between small and large chamber tests
  - ARB executive order
- Annual report to CARB

Requirements for Importers/Distributors

- **§93120.6 & §93120.5**

  (a) Emission limits for HWPW, PB, and MDF
  (b) Additional Requirements
  (c) Product Labeling
  (d) Statement of Compliance
  (e) Facility Inspections

- **§93120.12 -- Appendix 1 (c), (b)**

  Sell-through provisions

Additional Requirements

- (b) Importers/distributors must take **reasonable prudent precautions** to ensure that complying composite wood products and finished goods are purchased
- In addition, importers/distributors must keep records showing the date of purchase and the supplier… in electronic or hard copy form for a minimum of two years…

Imported Product Labeling

- (c) (1)&(2) If the composite wood products and/or finished goods are not modified by the importers/distributors, no additional labeling is required.
- If the composite wood products and/or finished goods are modified, importers/distributors are subject to the labeling requirements specified for fabricators in section 93120.7(d).

Statement of Compliance

- (d) ….The importers/distributors must state on the bill of lading or invoice, that the composite wood products or composite wood products contained in finished goods comply with the applicable Phase 1 or Phase 2 emission standard.

Facility Inspections



(e) … Importers/distributors may be inspected by ARB… In the course of an inspection, ARB… may request to audit records or secure samples for testing…

Sell-through Provisions

- **Allows sale of non-compliant products manufactured prior to standard effective dates**
- **Distributors**

  HWPW, PB, MDF panels: ***5 months***

  Finished goods: ***18 months***
- **Importers**

  HWPW, PB, MDF panels: ***3 months***

  Finished goods: ***18 months***

Requirements for Fabricators

- **§93120.7**

  (a) Emission limits for HWPW, PB, and MDF

  (b) Exemptions

  (c) Additional Requirements

  (d) Product Labeling; Statement of Compliance

  (e) Facility Inspections

- **§93120.12 -- Appendix 1 (d)**

  Sell-through provisions

Requirements for Retailers

- **§93120.8**

  (a) Emission limits for HWPW, PB, and MDF

  (b) Additional Requirements

  (c) Facility Inspections

- **§93120.12 -- Appendix 1 (e)**

  Sell-through provisions



ATCM Implementation Update

ATCM Implementation Update

- ATCM Rulemaking Status
- CARB Enforcement Program
- Third Party Certification Program
- CARB Testing Capabilities
- NAF and ULEF Applications
- CARB Outreach

Rulemaking Status

- CARB approved ATCM on April 26, 2007
- ATCM modifications for public comment on January 31, 2008
- Completed Final Statement of Reason
- Submit rulemaking file to OAL by March 7, 2008
- OAL approval and codification into California Code of Regulations by late April, 2008

CARB Enforcement Program



- Third Party Certification
  - Assurance of emissions standard compliance
- Statement of Compliance
  - Establishes a “paper trail” within commerce
- Reasonable Prudent Precaution
  - Mandate for supply chain management
  - Provides additional assurance of emissions compliance
- Recordkeeping
  - Links all products in commerce to qualifying emissions tests
- Labeling
  - Enhances field enforcement
- Facility Inspections
  - Allow for auditing
  - Allow for test sample collection

Points of Enforcement

Board Producers

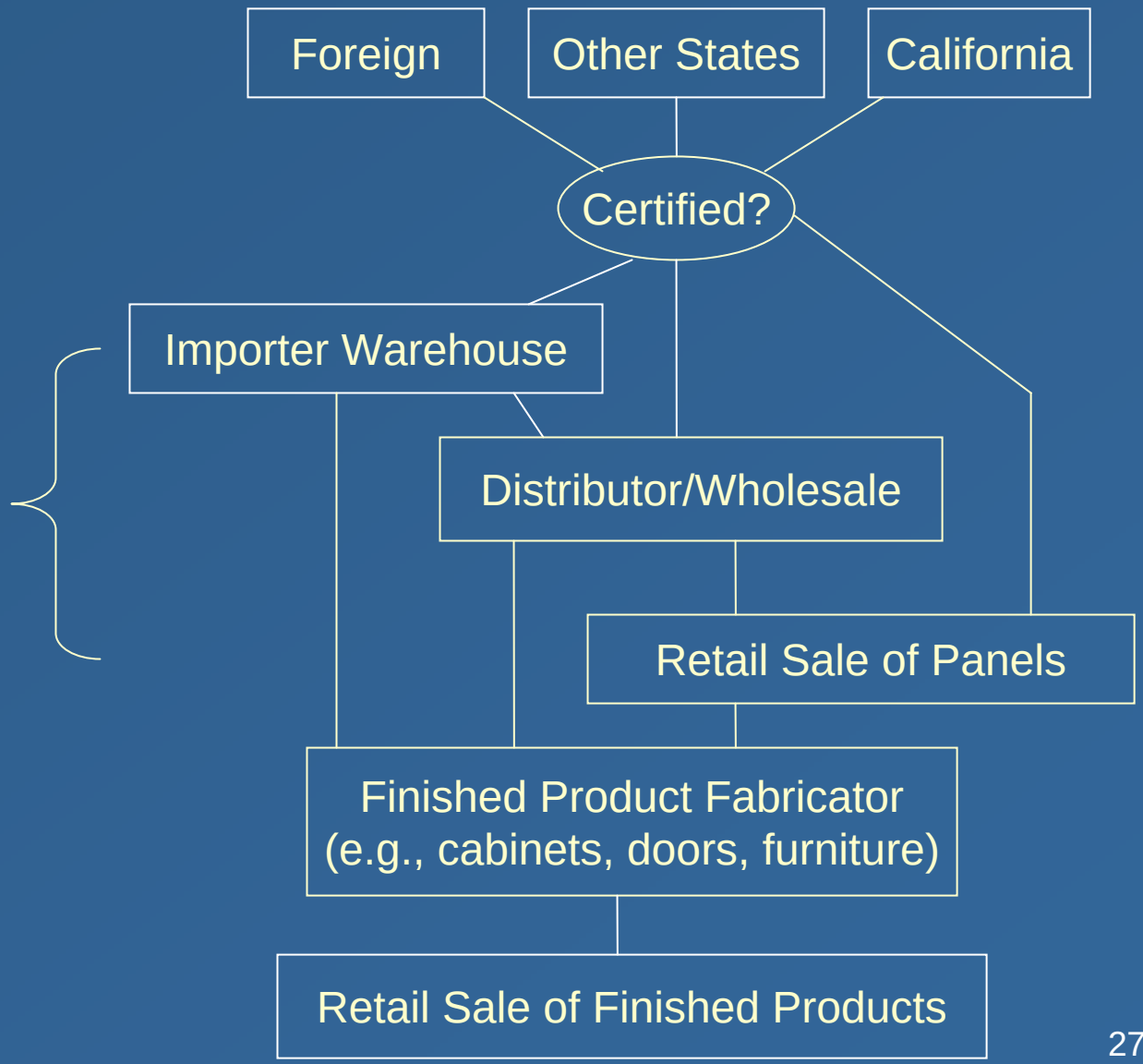
Third Party Certifiers

Transport/Sale of Raw Panels

Fabricator

Retailer

CWP Commercial Chain



CARB Enforcement Program



- Enforcement emission testing based on secondary test method
- Field-screening

  FLEC Chamber/Interscan portable testing device
  Initial tests underway with DPH
- Laboratory test methods

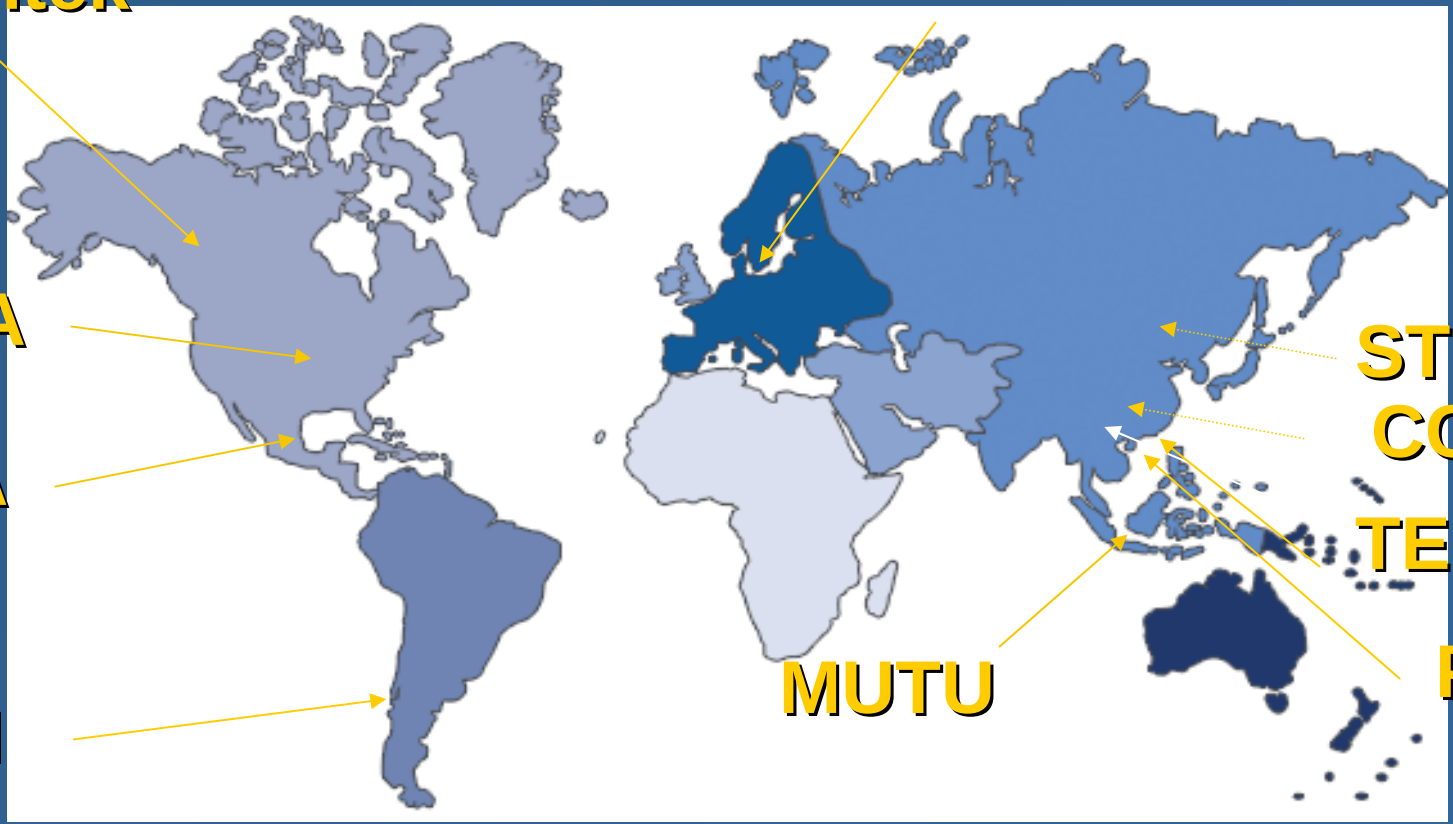
  Raw boards → Sample handling and testing protocol under development with DPH

  Finished goods → Initiate sample preparation & testing protocol development in April
- FAQ's

Third Party Certification Program

- International TPC services are essential
- TPC application under development; will be posted for public comment on CARB website in March, 2008
- Calls and meetings
  - TPC focused webinar in Spring 2008
- List of approved TPC to be posted on CARB website in April, 2008 (~10-15 potential initial applicants)

Global Third Party Certification



CCIC=China Certification and Inspection Company, CPA = Composite Panel Association, HPVA = Hardwood Plywood and Veneer Association, MUTU=Mutu Certification, PSI=Professional Services Incorporated, STR=Specialized Technologies Resources, WKI=Wilhelm Klauditz Institute

CARB Testing Capabilities Update

- **CARB Enforcement Based on Secondary Test Method**
  - Small chamber operated under ASTM D6007-02
  - Small chamber is ready for emission testing
  - Lab is addressing logistical & technical issues
- **CA. Dept. of Public Health Chamber Study**
  - DPH undergo "equivalency" in March 2008
  - CARB "equivalency" in Summer 2008
- **Inter-laboratory Comparison Testing**
  - Planned for 3rd Qtr. 2008



NAF and ULEF Applications

- **Application and administration process under development**
- **Approvals case by case**
- **Exempts manufacturers who use NAF and certain ULEF resins from TPC**
- **Applications will require emissions data from approved TPC**
  - **Mills may work with candidate TPC's**

CARB Outreach

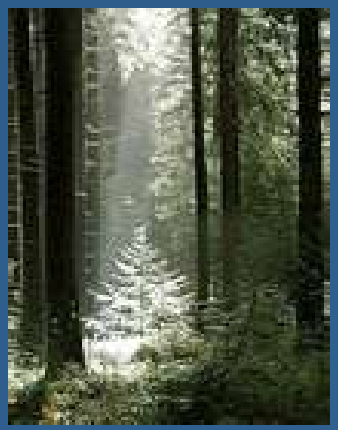






- Fall 2007 trip to China/Malaysia
- Webpage updates
  - Factsheets (foreign available)
  - FAQs
  - Webinars
- Targeted mail outs
  On-going outreach to overseas trade associations
- Industry working groups & conferences
- Summer 2008 trip to China

IWPA Concerns





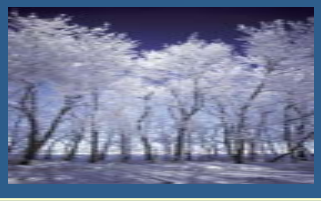
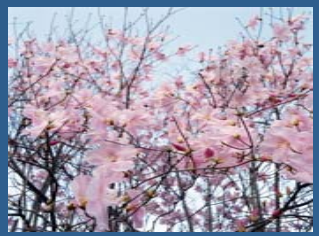




IWPA Key Concerns

- Appropriateness of TPC requirement
- Competition of IWPA-member products in the U. S. market
  - Lack of global TPCs
  - Lack of large chamber testing capacity
- Overseas outreach needs
- Enforcement of non-IWPA products
  - Level playing field
- Chain of custody documentation

2008 ATCM Timetable

January-March 2008 	• Release modified regulation to public • Complete ATCM rulemaking • Finalize TPC, ULEF and NAF application • Complete construction of CARB small chamber • Begin TPC pre-application
April-June 2008 	• Begin accepting complete TPC applications • ATCM becomes California law • Establish small-to-large chamber equivalency • Complete raw board enforcement testing protocol • Start posting approved TPCs on website • Begin accepting NAF/ULEF applications
July-Sept 2008 	• Complete finished product enforcement testing protocol • NAF/ULEF applications and review
October-December 2008 	• Enforcement preparations • Enforcement test protocol “test-runs”

For More Information

Visit our website:

http://www.arb.ca.gov/toxics/compwood/compwood.htm



Or, contact us:

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