Clerk of the Board Air Resources Board 1001 I Street, Sacramento California, 95814

COMMENTS OF

HEXION SPECIALITY CHEMICALS (NZ) LIMITED, NEW ZEALAND CARTER HOLT HARVEY PINEPANELS, NEW ZEALAND DONGWHA PATINNA NZ LTD, NEW ZEALAND NELSON PINE INDUSTRIES, NEW ZEALAND

ON THE PROPOSED AIRBORNE TOXIC CONTROL MEASURE

TO REDUCE FORMALDEHYDE EMISSIONS FROM COMPOSITE WOOD PRODUCTS

Dear sir/madam

The parties above which include Hexion Specialty Chemicals and the three manufacturers of MDF in New Zealand welcome the opportunity to offer comments and suggestions on the latest Draft of the Airborne Toxic Control Measure to reduce emissions from Composite Wood Panels issued on 31st January 2008.

The MDF manufacturers currently export Composite Wood Panels both as raw board and as finished goods to California at E1 emission levels (equivalent to CARB P2). In addition these manufacturers already utilize ULEF resin technology for product exported to Japan. We believe the Board should acknowledge the use of this technology in the new regulations. If there was appropriate recognition these products would be immediately available to Californian consumers' which in turn would drive industry more quickly to the lower emission levels.

We support the Board's move to lower emission levels and believe the benefits outlined warrant due consideration of the following concerns:

- 1. Acceptance of QC test methods and their correlation to secondary and or primary methods.
- 2. Acknowledgement of other product quality certification schemes directed at reducing formaldehyde emissions.
- 3. The discrimination against Ultra-Low Emitting Formaldehyde (ULEF) based resins.
- 4. The need to involve and general qualification of third party certification bodies in applications for exemptions for low emitting products.

5. General comments on resources, sell-through provisions and compliance versus enforcement test methods.

Specifically we would like to make the following detailed comments against these points.

1. QC test Methods

The Board has provided ways for any plant QC test method to be accepted as a test method providing it can be correlated to the primary or secondary test methods. However we believe that this modification is still inadequate in meeting the needs of manufacturers to address this Airborne Toxic Control Measure. The requirement for each plant to provide a correlation for the QC method to the primary or secondary method is costly and unnecessary in many cases, in particular where the QC method is well established and an accepted method documented in a recognised standard (eg JIS 1460).

Our recommendation is that the Board set limit values for these known and accepted QC test methods which form part of national and international standard test methods for composite wood panels. Also to ensure consistency among QC standard methods the manufacturer would conduct a series of tests in conjunction with the third party certifier.

We agree that the primary, secondary or alternative secondary methods should be used for compliance testing.

2. Acceptance of other certification schemes or emission marks as providing equivalence to the CARB scheme.

Internationally there are number of product certification schemes that offer third party certification of products to known standards. In our region there are two main schemes offering certification of products to the Australian/New Zealand Standards as well as to Japanese Standards (JIS5908 Particleboard and JIS 5905 Medium Density Fibreboard).

The scheme of most relevance here is the JIS Mark certification administered by METI in Japan. This is in some ways similar to the CARB regulation in that it provides assurances that the product quality of imported composite wood panels meet standards for formaldehyde emission. All these products are identified through registered JIS Marks to demonstrate compliance.

We also understand that CARB identified that the JIS emission requirements were world's best practice when they were developing this regulation. This information is documented in Appendix H which clearly show that F_{***} and F_{****} are currently well below Phase 2 limits.

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As a result of this background we believe that CARB should recognize other product certification schemes that provide for emission specifications lower than the Phase 2 limits. Our belief is that the JIS Mark certification scheme for Particleboard and MDF offers this equivalency and request that CARB offer exemptions from the requirement to have third party certification if a panel product is certified to the JIS Standard F_{***} and F_{****} emission levels.

3. Discrimination against ULEF Resins

The board has made changes to the requirement for exemption to the third party certification scheme and has identified that both NAF and ULEF binders can apply for exemption. We agree with this approach. However we have concerns that the clauses relating to the application approval process and to terms of the exemption for these two classes of binders are different.

In the provisions 93120.3 C (1) for exemption from the third party certification requirements for NAF resins the manufacturer has to supply QC data for 3 months demonstrating acceptable emissions. However in the provision 93120.3 d (2) for exemption from third party certification for ULEF resins the manufacturer has to supply 6 months of data.

There is a further discrepancy in the wording of provision 93120.3 d for ULEF resins. This section also states that if the exemption from third party certification is granted the manufacturer still has to meet all the other provisions of 93120.3 d (1). This is problematic in two ways. Firstly this is not a requirement for exempt NAF resins and secondly the meaning is ambiguous given that the requirement in 93120.3 d (1) is for reduction in testing frequency.

We believe that there is no justification for this discrimination and request that CARB modify the regulation to have the same requirement for ULEF and NAF resins. There is also a need to clarify what requirements of provision 93120.3 d (1) still apply to manufacturers who are exempt from third party certification if indeed this is the intention of the board.

4. Need and qualification of Third party certification bodies

The wording of the exemption from third party certification clauses has been modified and we would like to comment on a further area of these changes.

Generally in the scheme, reference is made to third party certification bodies. In Appendix 3 of the regulation one of the requirements of the body is to use "...laboratories for primary or secondary methods for conducting testing that are certified by an accreditation body that is a signatory to the International Laboratory Accreditation Cooperation Mutual

Recognition Arrangement (ILAC, 2000)". There are also a large number of other requirements of the certifying body.

It may well be the case that a manufacturer could apply for an exemption from third party certification and we believe that it is unnecessary for manufacturers to include third party certification bodies when applying for exemption. This may be critical in some regions given the potential lack of third party certifiers. However there are likely to be far more laboratories that have the necessary competencies to carry out emission testing to the required primary or secondary testing methods.

We therefore request that CARB modify the regulation to allow applications from manufacturers to be exempt from third party certification who provide the required data for formaldehyde emissions that have been analysed by a laboratory certified by an accreditation body signatory to ILAC 2000. This will provide the board with the requisite assurance that the emission values are valid.

(We would also like to point out that there is no guarantee under the current scheme that the third party certifier operates a valid scheme. ILAC certification only provides assurance of the testing competency. We believe that the validity of third party certifiers can only be guaranteed by evaluation of the scheme by signatories to the International Accreditation Forum.)

5. Other

5.1 Appendix 2

We also seek clarification or rectification of an apparent error in Appendix 2. In section 4 A the regulation states:

"...Manufacturers of PB and MDF that use ULEF resins and have received ARB approval under section 93120.3(d) must conduct routine quality control tests at least weekly for each production line for each product type".

This requirement seems at odds with the requirements of section 4B:

"Testing frequency may be reduced to no less frequently than one test per 48-hour production period when the plant or production line demonstrates consistent operations and low variability of test values to the satisfaction of the third party certifier, based on criteria established by the certifier".

and also at odds with the wording of section relating to 93120.3 (d) which also states that testing can be reduced to 48hr.

Our interpretation of the sections relating to reduced testing and exemption from testing are that reduced testing allows the manufacturer to test at a 48hr frequency and exemption means that QC testing is not required at any particular frequency.

If our understanding is incorrect then we request that the board clarify its meaning. We also request that the testing requirements are the same for NAF and ULEF binder systems. If they are not this is further evidence of discrimination against ULEF resins.

5.2 Internationally available resources

We have concern about the availability of resources to service international manufacturers. Currently there is no indication that there are any third party certifiers in the Asia-Pacific region. This will be a major problem in the ability of manufacturers to meet the requirements of this regulation.

The ability to use US resources is impractical (shipping to the US for testing is not an option as the 30day test period could not be met) and currently there are no chambers compliant with the E1333 method available in our region.

5.3 Sell through provisions

We also have concerns about the current sell through dates for manufacturers and importers. Sell through dates are effectively 3 months from Jan 1st 2009 for manufacturers and importers. Distributors of finished goods have 18 months to clear non-compliant products. All products made after Jan 1st 2009 have to be compliant.

The sell through dates of 1st of April are impractical for importers and overseas manufacturers and we therefore request that the sell through date of 1 July 2009 be established for these categories.

5.4 Compliance and Enforcement Test Method Inconsistencies

Compliance testing requires correlations to be determined between alternative secondary methods and the primary method. These correlations are not required for enforcement testing. This is inconsistent. In addition, for enforcement testing of finished goods, the primary method is not applicable and is therefore not included in 93120.9(c). In order for enforcement and compliance to be consistent this would require ARB to demonstrate equivalence between secondary or alternative secondary methods and the primary method. If ARB is required to develop correlations for enforcement testing then it would be recommended that these correlations are published as standards.

We would like to thank you once again the opportunity to provide comments on this regulation and request your consideration on the issues we have raised.

Yours sincerely,

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Brian Cha, Technical Manager, Dongwha Patinnna New Zealand Limited.

Federico Roura, Technical Manager, Carter Holt Harvey Pinepanels, New Zealand.

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