State of California
AIR RESOURCES BOARD

EXECUTIVE ORDER N-16-142

Relating to ARB-Approval for an Exemption from Third Party Certification for Composite Wood Product Manufacturers that use Ultra-low-emitting Formaldehyde Resins under section 93120.3, title 17, California Code of Regulations

Joint Stock Company "SVEZA Verhnaya Sinyachiha" (SVEZA Verhnaya Sinyachiha)

WHEREAS, the Air Resources Board (ARB) has adopted the "Airborne Toxic Control Measure to Reduce Formaldehyde Emissions from Composite Wood Products" (the "ATCM"; title 17, California Code of Regulations, sections 93120- 93120.12), which establishes formaldehyde emission standards for composite wood products;

WHEREAS, section 93120.1(a)(42) of the ATCM defines "ultra-low-emitting formaldehyde (ULEF) resins" to mean "resins formulated such that average formaldehyde emissions are consistently below the Phase 2 emission standards in section 93120.2," for making hardwood plywood, particleboard, or medium density fiberboard;

WHEREAS, section 93120.3(d) of the ATCM allows manufacturers of hardwood plywood, particleboard, and medium density fiberboard who use ULEF resins to apply for written approval from the Executive Officer for an exemption from the requirements of section 93120.3(b) of the ATCM;

WHEREAS, section 93120.3(d) of the ATCM allows manufacturers of hardwood plywood, particleboard, and medium density fiberboard who use ULEF resins to submit an application for an exemption from the requirements of section 93120.3(b) of the ATCM to the Executive Officer, which includes: (A) a statement indicating which product types will be manufactured using ULEF resins for sale in California; (B) the chemical formulation of the candidate ULEF resin(s), including base resins, scavenger resins and additives, catalysts, and other additives as used in manufacturing; (C) the name of their ARB-approved third party certifier; and (D) data on the emissions performance of the candidate ULEF resin(s);

WHEREAS, the data on emissions performance of the candidate ULEF resin required in section 93120.3(d) of the ATCM must be obtained by working with an ARB-approved third party certifier, and must include six months of routine quality control testing data, the correlation of the routine quality control testing data to primary or secondary testing data, and the results of two primary or secondary method tests, as required in Appendix 2 of section 93120.12 of the ATCM;

WHEREAS, section 93120.3(d)(2) of the ATCM requires that ninety percent of the six months of routine quality control testing data and the results of two primary or secondary method tests must be shown to be no higher than 0.04 parts per million (ppm), and that all data must be shown to be no higher than 0.05 ppm for hardwood plywood and 0.06 ppm for particleboard, medium density fiberboard, and thin medium density fiberboard;

WHEREAS, section 93120.3(d)(5) of the ATCM provides that the Executive Officer shall approve the application and issue an Executive Order if the evidence submitted by the applicant is sufficient to demonstrate that the applicant has met the requirements specified in sections 93120.3(d)(1) and 93120.3(d)(2) of the ATCM;

WHEREAS, Open Joint Stock Company FANKOM (FANKOM OJSC or the "applicant") submitted an application dated December 25, 2012;

WHEREAS, the original application from FANKOM OJSC specified the range in product manufacturing parameters, applicable post-press product treatments, base resin trade name(s) and base resin manufacturer(s)/supplier(s), and other ingredients added to the base resin by the applicant to manufacture ULEF hardwood plywood – veneer core products;

WHEREAS, ARB was provided base resin/adhesive information specifying the base resin polymer type and minimum and maximum values of all major and any minor ingredients in the base resin on a percent weight of solids basis;

WHEREAS, the base resins/adhesive supplier, commercial name, and resin type are set forth in Confidential Attachment A;

WHEREAS, the Executive Officer found that the evidence submitted by the applicant met the criteria specified in section 93120.3 (d)(1);

WHEREAS, the original application from FANKOM OJSC was deemed complete on January 18, 2013, and FANKOM OJSC was issued Executive Order N-13-142, signed on March 4, 2013;

WHEREAS, section 93120.3(d) of the ATCM allows ULEF product manufacturers to apply for re-approval by ARB by submitting an updated application;

WHEREAS, FANKOM OJSC submitted an updated application for re-approval to ARB on March 24, 2014;

WHEREAS, the updated application for re-approval from FANKOM OJSC was deemed complete on April 30, 2014, and FANKOM OJSC was issued Executive Order N-14-142, signed on May 2, 2014;

WHEREAS, FANKOM OJSC submitted a request on July 28, 2015, and supplementary documentation to ARB for approval to change their name from "FANKOM OJSC" to Joint Stock Company "SVEZA Verhnaya Sinyachiha" (SVEZA Verhnaya Sinyachiha);

WHEREAS, FANKOM OJSC provided the required information for their name change, and was issued Executive Order N-14-142A, which superseded Executive Order N-14-142, signed on August 10, 2015;

WHEREAS, SVEZA Verhnaya Sinyachiha submitted an updated application for re-approval to ARB on April 26, 2016;

WHEREAS, the updated application for re-approval from SVEZA Verhnaya Sinyachiha was deemed complete on June 3, 2016;

WHEREAS, the Executive Officer finds that the completed, updated application demonstrated the ULEF manufacturer's ability to continue to comply with section 93120.3(d) of the ATCM; and

WHEREAS, the Executive Officer approved SVEZA Verhnaya Sinyachiha's request for re-approval, and it is appropriate that Executive Order N-14-142A be superseded by this Executive Order N-16-142.

NOW, THEREFORE, IT IS ORDERED that SVEZA Verhnaya Sinyachiha is hereby approved as a ULEF manufacturer of hardwood plywood – veneer core that is exempt from the requirements of section 93120.3(b) and Appendix 2 of section 93120.12 of the ATCM, provided that the following terms and conditions are met for products sold, supplied, offered for sale, or manufactured for sale in California;

1. SVEZA Verhnaya Sinyachiha must use the commercial resins listed and suppliers listed in section A of Confidential Attachment A of this Executive Order for the manufacture of ULEF hardwood plywood – veneer core products.

2. The chemical formulation of the base resins used for the manufacture of ULEF composite wood products by SVEZA Verhnaya Sinyachiha must be within the ranges specified in section B of Confidential Attachment A of this Executive Order.

3. As specified in section B of Confidential Attachment A, SVEZA Verhnaya Sinyachiha is legally responsible for insuring that the base resin is within the ranges specified in section B.

4. The application rate of the base resins used for the manufacture of ULEF composite wood products by SVEZA Verhnaya Sinyachiha must be within the ranges specified in section C of Confidential Attachment A of this Executive Order.

5. Other chemical components of the base resins (such as sizing wax and release wax) used for the manufacture of ULEF hardwood plywood – veneer core products by SVEZA Verhnaya Sinyachiha must be within the ranges specified in section D of Confidential Attachment A of this Executive Order.

6. The allowable operating parameters for press temperature and press time for the base resins used to manufacture the ULEF hardwood plywood – veneer core products by SVEZA Verhnaya Sinyachiha must be within the ranges specified in section E of Confidential Attachment A of this Executive Order.

7. Only the composite wood products with the product names listed in section F of Confidential Attachment A of this Executive Order are authorized under this Executive Order.

BE IT FURTHER ORDERED that this Executive Order N-16-142 supersedes Executive Order N-14-142A, which was issued on August 10, 2015;

BE IT FURTHER ORDERED that SVEZA Verhnaya Sinyachiha may change the resin system supplier listed in section A of Confidential Attachment A of this Executive Order if the new resin supplier supplies the same resin type listed in Confidential Attachment A of this Executive Order, two primary or secondary method tests are performed on random samples selected by their ARB-approved third party certifier, and the Chief of the Emissions Assessment Branch of the Transportation and Toxics Division is notified before SVEZA Verhnaya Sinyachiha uses the resin for production;

BE IT FURTHER ORDERED that SVEZA Verhnaya Sinyachiha must conduct confirmatory testing for a new resin supplier by demonstrating that the results of two primary or secondary method tests for the new resin system supplier are no higher than 0.04 ppm for the ULEF products authorized under this Executive Order;

BE IT FURTHER ORDERED that this Executive Order shall have a duration of two years from the date this Executive Order is signed; the applicant may apply for re-approval as provided in section 93120.3(d)(5) of the ATCM.

BE IT FURTHER ORDERED that the applicant must maintain records in electronic or hard copy form for two years, for review by ARB upon request, as specified in section 93120.3(g) of the ATCM.

BE IT FURTHER ORDERED that the applicant must notify the Executive Officer in writing within 30 days if there is any change in their product manufacturing parameters or base resin manufacturer(s) or supplier(s) that does not comply with any of the requirements, terms or conditions specified in the ATCM or this Executive Order.

Executed at Sacramento, California this 15 day of June, 2016.

Elizabeth Yura, Chief
Emissions Assessment Branch
Transportation and Toxics Division