

An Implementation Update

on California's Composite Wood Products ATCM



World of Wood 2008

IWPA's 52nd Annual Convention

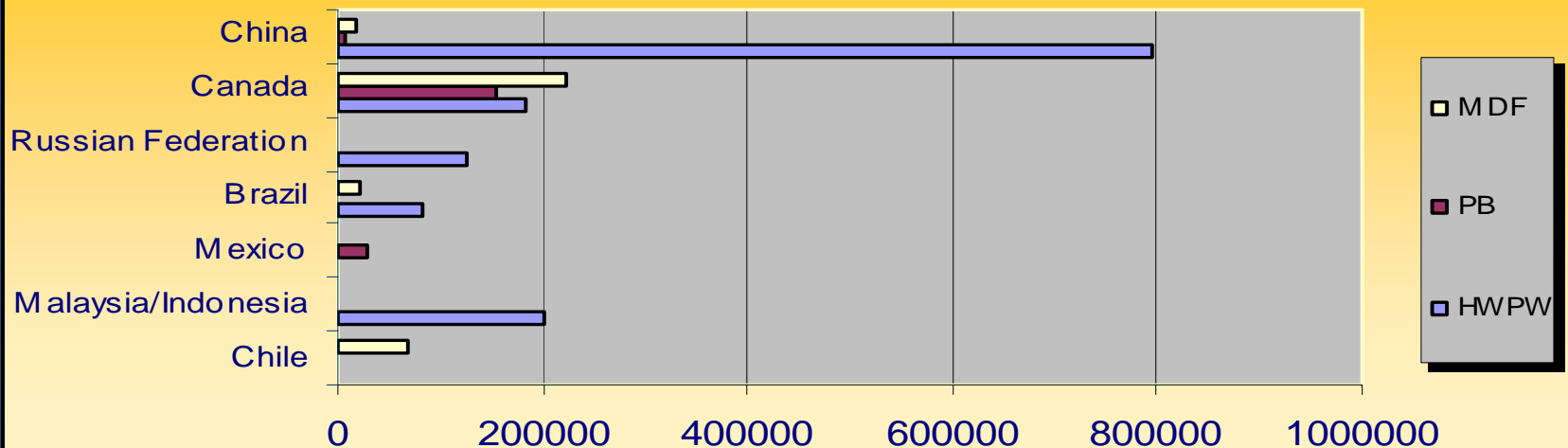
March 5-7, 2008
Loews Royal Pacific Resort
Orlando, Florida

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Substance Evaluation Section



California Imports

2006 Top Imports of MDF, PB, and HWPW (\$ Million)



- 60-70% of US furniture is imported

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



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*

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



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

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

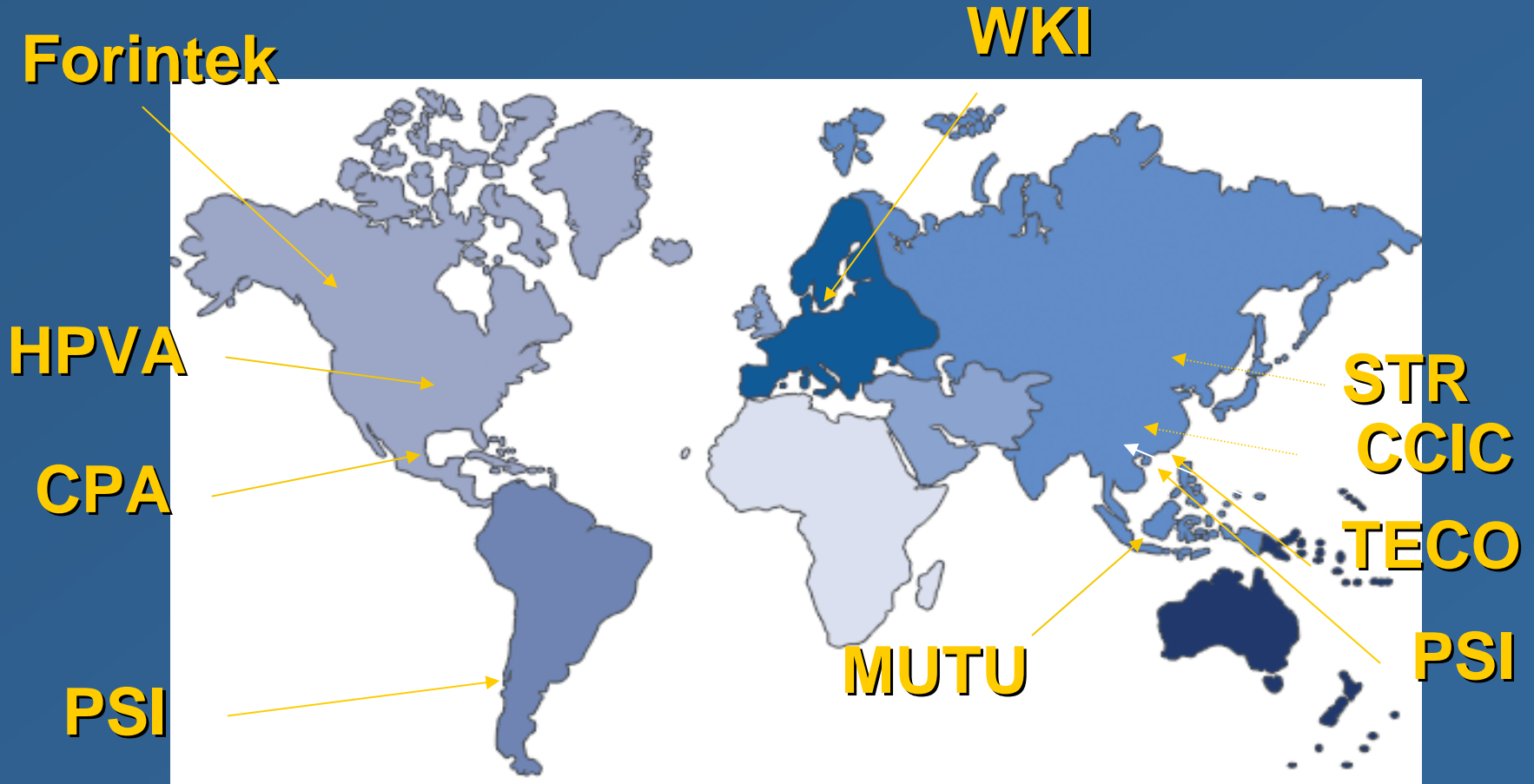
- FAQ's



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 	<ul style="list-style-type: none">• 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 	<ul style="list-style-type: none">• 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 	<ul style="list-style-type: none">• Complete finished product enforcement testing protocol• NAF/ULEF applications and review
October-December 2008 	<ul style="list-style-type: none">• 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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