From: Pung, Steve
To: Baker, Lynn@ARB

Subject: Comments regarding Composite Wood ATCM proposed revisions

Date: Wednesday, December 18, 2013 10:25:28 AM

Hello Lynn,

I hope you are doing well. Columbia would like to provide some input regarding the Composite Wood ATCM proposed revisions that are under consideration. I was not able to attend the last workshop in Sacramento but I did follow along with the meeting through the webcast. You were openly soliciting input from stakeholders so we would like to comment on a few things were brought up in that meeting.

- 1. The question was brought up by ARB staff as to whether the definition of hardwood plywood should include products such as lumber core or 2-ply products. A comment was made that products like 2-ply might not be able to meet the strength criteria of the HP-1 standards. Please be aware that, with the exception of emissions standards, the HP-1 standard is almost entirely an aesthetic standard. It deals with the appearance of the plywood because this product is decorative in nature. There are no strength requirements associated with hardwood plywood or specified in the ANSI/HP-1 Hardwood Plywood standards. 2-ply plywood products are a large piece of the decorative plywood market. They are often called door skins as it is used extensively by the interior door manufacturers where the product used to be thin 3 or 4 ply plywood. This type of plywood is produced almost entirely overseas, primarily in Asia. Interior flush doors represent a large, veneered surface area that could have a significant impact on indoor air quality. As such they should certainly be subject to the same emission standards as other veneered surfaces that can impact indoor air quality. Lumber core, which was also mentioned, has become a very, very small part of the hardwood plywood market. In fact, it has become such a niche product that we believe excluding it or not will be of little consequence.
- 2. As you consider changes to the ATCM, it is important to look at the hardwood plywood industry that serves California and the rest of North America with a different perspective than the particleboard and medium density fiberboard industries. The vast majority of PB and MDF consumed in California is domestically produced using domestic resources. Hardwood plywood has evolved into a market that is now served by overseas produced products more than domestically produced products. When it comes to hardwood plywood the ATCM should be looked at primarily as a regulation governing foreign made products. While small producers may make up only a very small share of the domestically produced hardwood plywood, small producers make up the vast majority of the hardwood plywood produced overseas. For example, there are less than 20 stock panel producers of hardwood plywood in the US while there are well over 2,000 plywood producers in China alone. These offshore producers would quickly characterize themselves as fabricators to avoid the regulations if the regulations gave them the option to do so. Many of these offshore producers have already moved down the value chain and now export components or ready to assemble products.
- 3. The comments was made by ARB staff that laminators are different from hardwood plywood producers in part because they use more different types of veneer. We would challenge that assertion in that a typical Columbia mill will use well over 500 different types

- of veneers. One of our mills will typically produce over 60 different product types every day. We are an industry that is exists to make specialty, decorative products regardless of the size of the mill.
- 4. California ARB has proposed an alternative exemption for those that would fit the definition of a laminator. The exemption would require these producers to use compliant core and would require that their finished, veneered product meet an emission level below .11 ppm which is over double the allowable emissions of the veneered products made by a hardwood plywood producer like us. There would also be no mandatory routine testing. With the exception of the .11ppm allowable limit we agree with this approach. You posed a question to Kip Howlett during the recent workshop in November. You asked him if he would agree with your approach if the limit was reduced to .05 ppm. If the limit was set at .05 instead of .11 ppm Columbia would whole heartedly agree with this approach and we believe it would be an approach that would also fit with the developing federal EPA regulations. This approach with a .05 ppm limit would alleviate the testing burden while retaining the emission limit consistency necessary for effective enforcement. We believe that responsible fabricators will have their products voluntarily tested anyway in order to mitigate their risk of producing non-compliant product. In the end, everyone who produces hardwood plywood, in whatever format they choose, must be responsible for the emissions levels of their products. No one should get a pass on this responsibility.

Thank you for the opportunity to provide input into this revision process. We want to help where we can so please let me know if we can provide any additional information.

Best regards,

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