

May 22, 2018

Mr. Andrew Weiner  
States Industries, LLC  
29545 East Enid Road  
P.O. Box 41150  
Eugene, Oregon 97404

Dear Mr. Weiner:

This letter is in response to a written request from States Industries, LLC (States Industries) received on April 25, 2018, for California Air Resources Board (CARB) re-approval to be a no-added formaldehyde (NAF)-based resin manufacturer of composite wood products destined for sale, supply, or use in California. Your application includes a request for re-approval to manufacture hardwood plywood-veneer core (HWPW-VC) using a NAF-based resin system. Pursuant to the Composite Wood Airborne Toxic Control Measure (ATCM), title 17, California Code of Regulations, sections 93120-93120.12, your request to renew your Executive Order as a NAF manufacturer has been approved.

The enclosed Executive Order N-18-029 specifies ongoing conditions that must be met by States Industries as a manufacturer of NAF products for sale, supply, or use in California. Section 93120.3(c)(4) specifies that the Executive Order issued to NAF manufacturers has a duration of two years, and the manufacturer may apply for re-approval as provided in the section. At the appropriate time, you may address your application for re-approval to me at the address noted in the letterhead.

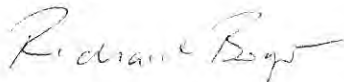
At the request of your resin supplier, we have held the resin formulation data that they sent to CARB on behalf of States Industries confidential. Please note that approval of your Executive Order is contingent upon the use of the resin specified by you, and CARB must be notified in advance of any changes in resin supply that States Industries decides to make for its NAF products.

For more information about CARB's NAF and ultra-low-emitting formaldehyde (ULEF) program, please visit us at:  
[http://www.arb.ca.gov/toxics/compwood/naf\\_ulef/naf\\_ulef.htm](http://www.arb.ca.gov/toxics/compwood/naf_ulef/naf_ulef.htm).

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If you have any questions regarding this matter, please contact us via email at [compwood@arb.ca.gov](mailto:compwood@arb.ca.gov). You may also contact Maria Vacaru, Air Resources Engineer, at (916) 322-7433 or via email at [maria.vacaru@arb.ca.gov](mailto:maria.vacaru@arb.ca.gov).

Sincerely,



Richard Boyd, Chief  
Risk Reduction Branch  
Transportation and Toxics Division

Enclosure

cc: (via email)

Maria Vacaru  
Air Resources Engineer  
Toxics Control Section  
Risk Reduction Branch

State of California  
AIR RESOURCES BOARD

EXECUTIVE ORDER N-18-029

Relating to CARB approval to use No-added Formaldehyde Resins by  
Composite Wood Product Manufacturers under  
section 93120.3, title 17, California Code of Regulations

**States Industries, LLC**

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

WHEREAS, section 93120.1(a)(29) of the ATCM defines "no-added formaldehyde (NAF)-based resins" to mean resins formulated with NAF as part of the resin cross linking structure for making hardwood plywood (HWPW), particleboard (PB), medium density fiberboard (MDF), or thin medium density fiberboard (tMDF) including, but not limited to resins made from soy, polyvinyl acetate, or methylene diisocyanate;

WHEREAS, section 93120.3(c) of the ATCM allows manufacturers of HWPW, PB, MDF, and tMDF who use NAF-based 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(c) of the ATCM allows manufacturers of HWPW, PB, MDF, and tMDF who use NAF-based 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 NAF-based resin(s) for sale in California; (B) the chemical formulation of the candidate NAF-based resin(s), including base resins, catalysts, and other additives used in manufacturing; (C) the name of their CARB-approved third-party certifier (TPC); and (D) data on emissions performance of the candidate NAF-based resin(s);

WHEREAS, the data on emissions performance of the candidate NAF-based resin(s) required in section 93120.3(c) of the ATCM must be obtained by working with a CARB-approved TPC, and must include three 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 one primary or secondary method test, as required in Appendix 2 of section 93120.12 of the ATCM;

WHEREAS, section 93120.3(c)(1) of the ATCM requires that 90 percent of the three months of routine quality control testing data and the result of one primary or secondary method test 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 HWPW and 0.06 ppm for PB, MDF, and tMDF;

WHEREAS, section 93120.3(c)(4) 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 section 93120.3(c)(1) of the ATCM;

WHEREAS, States Industries, LLC (States Industries or the "applicant") submitted an original application dated August 7, 2009;

WHEREAS, the original application from States Industries specifies 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 NAF hardwood plywood-veneer core (HWPW-VC) products;

WHEREAS, CARB 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 resin/adhesive information was provided to CARB by States Industries' resin suppliers and is set forth in Confidential Attachment A;

WHEREAS, the original application from States Industries was deemed complete on August 25, 2009, and States Industries was issued Executive Order N-09-029, signed on December 3, 2009;

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

WHEREAS, States Industries submitted an updated application for re-approval to CARB on November 6, 2011;

WHEREAS, the updated application for re-approval from States Industries was deemed completed on November 14, 2011; and States Industries was issued Executive Order N-11-029, signed on November 17, 2011;

WHEREAS, States Industries requested changes to be made to Executive Order N-11-029 to add an additional resin system on May 24, 2012;

WHEREAS, the Executive Officer found that the request was justified and did not affect the NAF manufacturer's ability to continue to comply with the section 93120.4(c); and

WHEREAS, States Industries was issued Executive Order N-11-029A, signed on June 12, 2012;

WHEREAS, States Industries submitted an updated application for re-approval and to add an additional resin system to CARB on February 10, 2014;

WHEREAS, the updated application for re-approval from States Industries was deemed completed on March 25, 2014; and States Industries was issued Executive Order N-14-029, signed on March 28, 2014;

WHEREAS, States Industries submitted an updated application for re-approval to CARB on March 23, 2016;

WHEREAS, the updated application for re-approval from States Industries was deemed completed on April 20, 2016; and States Industries was issued Executive Order N-16-029, signed on May 4, 2016;

WHEREAS, States Industries submitted an updated application for re-approval to CARB on April 25, 2018;

WHEREAS, the updated application for re-approval from States Industries was deemed completed on May 4, 2018;

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

WHEREAS, the Executive Officer approved States Industries' request for re-approval, and it is appropriate that Executive Order N-16-029 be superseded by this Executive Order N-18-029.

NOW, THEREFORE, IT IS ORDERED that States Industries is hereby approved as a NAF manufacturer of HWPW-VC provided that the following terms and conditions are met for products sold, supplied, offered for sale, or manufactured for sale in California:

1. States Industries must use the commercial resin listed and supplier listed in Section A of Confidential Attachment A for the manufacture of NAF HWPW-VC products.
2. The chemical formulation of the base resin used for the manufacture of NAF composite wood products by States Industries must be within the ranges specified for the base resin named in Section B of Confidential Attachment A.
3. As specified in Section B of Confidential Attachment A, States Industries is legally responsible for ensuring 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 NAF composite wood products by States Industries must be within the ranges specified in Section C of Confidential Attachment A.
5. Other chemical components of the base resins (such as sizing wax and release wax) used for the manufacture of NAF composite wood products by States Industries must be within the ranges specified in Section D of Confidential Attachment A.
6. The allowable operating parameters for press temperature and press time for the base resins used to manufacture the NAF composite wood products by States Industries must be within the ranges specified in Section E of Confidential Attachment A.
7. Only the composite wood products with the product names listed in Section F of Confidential Attachment A are authorized under this Executive Order.

BE IT FURTHER ORDERED that this Executive Order N-18-029 supersedes Executive Order N-16-029, which was signed on May 4, 2016.

BE IT FURTHER ORDERED that States Industries may change the resin system supplier listed in Section A of Confidential Attachment A if the new resin supplier supplies the same resin type listed in Confidential Attachment A, confirmatory emission tests are conducted, and the Chief of the Risk Reduction Branch within the Transportation and Toxics Division is notified in advance of using the new resin system for production.

BE IT FURTHER ORDERED that States Industries must conduct confirmatory testing for any new resin supplier by demonstrating that the result of one primary or secondary method test for the new resin system supplier are no higher than 0.04 ppm for the NAF products authorized under this Executive Order.

BE IT FURTHER ORDERED that this Executive Order shall have a duration of two years, and the applicant may apply for re-approval as provided in section 93120.3(c)(4) of the ATCM.

BE IT FURTHER ORDERED that the application for re-approval specified in section 93120.3(c)(4) of the ATCM, as applicable, requires the applicant to submit the result of at least one primary or secondary method test for the NAF products listed in Confidential Attachment A based on panels or a set of panels randomly selected and tested by a CARB-approved TPC, and the chemical formulation of the NAF-based resin(s). In addition, at least one primary or secondary method test must be provided for each facility, which operates in accordance with this Executive Order, and the applicant must also include a current list of their resin suppliers.

BE IT FURTHER ORDERED that section 93120.3(c)(6) of the ATCM, as applicable, specifies that if the applicant decides to change to a formaldehyde-based resin system, the applicant must notify CARB in advance of changing resin systems and must comply with the requirements of section 93120.3(b) of the ATCM for that product type.

BE IT FURTHER ORDERED that the Executive Officer may review and, for good cause, modify or revoke this Executive Order as provided in section 93120.3(c)(4) of the ATCM. The Executive Officer shall not modify or revoke this Executive Order without affording the applicant the opportunity for a hearing in accordance with the procedures specified in title 17, California Code of Regulations, section 60055.1 et seq.

BE IT FURTHER ORDERED that the applicant must maintain records in electronic or hard copy form for two years, for review by CARB 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 of any change in their product manufacturing parameters or base resin manufacturer(s) or supplier(s) that constitute a modification outside the scope of their application for reduced testing under or an exemption from the requirements in section 93120.3(b) of the ATCM.

Executed at Sacramento, California this 22<sup>nd</sup> day of May, 2018.



Richard Boyd, Chief  
Risk Reduction Branch  
Transportation and Toxics Division