

State of California  
AIR RESOURCES BOARD

EXECUTIVE ORDER N-18-221

Relating to CARB 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

**Group Delta Investments, LLC**

WHEREAS, the California Air Resources Board (CARB) 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 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 (HWPW), particleboard (PB), medium density fiberboard (MDF), or thin medium density fiberboard (tMDF);

WHEREAS, section 93120.3(d) of the ATCM allows manufacturers of HWPW, PB, MDF, and tMDF 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 HWPW, PB, MDF, and tMDF 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, scavenger additives, catalysts, and other additives as used in manufacturing; (C) the name of their CARB-approved third-party certifier (TPC); 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 a CARB-approved TPC, 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 90 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 HWPW and 0.06 ppm for PB, MDF, and tMDF;

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, Privoljstaya Lesopererabatyvayushchaya Kompaniya, LLC (PLK or the "applicant") submitted an application that we received on February 8, 2016;

WHEREAS, the original application from PLK 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 (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 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 PLK was deemed complete on March 28, 2016, and PLK was issued Executive Order N-16-221, signed on April 18, 2016;

WHEREAS, PLK submitted a request and supplementary documentation to CARB on November 29, 2017, for approval to change their name from "Privoljstaya Lesopererabatyvayushchaya Kompaniya, LLC" to "Group Delta Investments, LLC";

WHEREAS, the updated application for approval to change their name was deemed complete on December 5, 2017; and PLK was issued Executive Order N-16-221A, signed on December 14, 2017;

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

WHEREAS, Group Delta Investments, LLC (Group Delta Investments or the "applicant") submitted an updated application for re-approval to CARB on February 13, 2018;

WHEREAS, the updated application for re-approval from Group Delta Investments was deemed complete on March 16, 2018;

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); and

WHEREAS, the Executive Officer approved Group Delta Investments' request for re-approval, and it is appropriate that Executive Order N-16-221A be superseded by this Executive Order N-18-221.

NOW, THEREFORE, IT IS ORDERED that Group Delta Investments is hereby approved as a ULEF manufacturer of HWPW-VC 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. Group Delta Investments 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 HWPW-VC products.
2. The chemical formulation of the base resins used for the manufacture of ULEF composite wood products by Group Delta Investments must be within the ranges specified in Section B of Confidential Attachment A of this Executive Order.
3. Group Delta Investments is legally responsible for ensuring that the base resin is within the ranges specified in Section B of Confidential Attachment A.
4. The application rate of the base resins used for the manufacture of ULEF composite wood products by Group Delta Investments 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 HWPW-VC products by Group Delta Investments 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 HWPW-VC products by Group Delta Investments 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-18-221 supersedes Executive Order N-16-221A, which was signed on December 14, 2017.

BE IT FURTHER ORDERED that Group Delta Investments 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, at least two primary or secondary method tests are performed on random samples selected by their CARB-approved TPC, and the Chief of the Risk Reduction Branch of the Transportation and Toxics Division is notified before Group Delta Investments uses the resin for production.

BE IT FURTHER ORDERED that Group Delta Investments 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 Executive Officer may review and, for good cause, modify or revoke this Executive Order as provided in section 93120.3(d)(5) 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 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 20<sup>th</sup> day of April, 2018.



Richard Boyd, Chief  
Risk Reduction Branch  
Transportation and Toxics Division