

Update on State & Federal VOC Regulations

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Why Do EPA & States Regulate VOCs?

- **Volatile Organic Compounds (VOCs) are regulated under the federal Clean Air Act**
 - EPA Ozone Standard
 - State Implementation Plan (SIP)
- **These regulations limit the amount of VOCs that companies can use to formulate products**

Current Consumer Products Regulations

- **California Air Resources Board (CARB) VOC regulation**
 - Most comprehensive & most restrictive
- **EPA National Consumer Products Regulation**
 - Applies to all states (unless state has a more restrictive regulation)
- **Ozone Transport Commission (OTC) state regulations**
 - 16 states & District of Columbia
 - More comprehensive & stringent than EPA

CARB 2013 / 2014 /2015 Surveys

CARB's stated purpose

- Emissions Inventory Update
 - VOC Emissions
 - LVP-VOC Emissions
- 2016 State Implementation Plan Measures
 - Future Consumer Product Regulations

2013 Survey Data Quality Review

- **CARB Plans to Complete Review by December**
 - **Intends to Include Data in 2016 SIP**
- **CSPA Data Quality Review Process Involving Industry**
 - **Review Companies Reporting by Sector**
 - **Remove Industrial Products/ Others Outside Scope**
 - **Correct Product Categorizations**
 - **Correct Ingredient Categorizations**
 - **Correct Product Form Categorizations**

CARB Surveys for 2014 & 2015

- **2014 Sales Data & New Formulations**
 - **Survey Begins July 2015**
 - **Filing Deadline November 2015**
- **2015 Sales Data & New Formulations**
 - **Survey Begins July 2016**
 - **Filing Deadline November 2016**

Defending the Current CARB LVP-VOC Exemption

- CARB Is Reviewing LVP-VOC Exemption
- South Coast Objects to CARB LVP-VOC Exemption
- Formed Broad Industry Coalition – Alliance for Responsible Regulation (ARR) – to Defend the Current LVP-VOC Exemption
- CARB Funding \$600,000 in LVP Studies
- ARR Funding Complimentary LVP/VOC Research

Current OTC State Action

- **Delaware Will Issue Proposed Revisions to the Current Regulation – July 1, 2015**
- **Maryland Is Expected to Propose Revisions to the Current Regulation in the Near Future**

Canada VOC Regulation

Environment Canada (EC) Will Issue a Proposed Regulation in Early-2016

CSPA filed detailed written comments on the EC consultation document in 2013

CSPA is actively supporting advocacy actions initiated by the Canadian Consumer Specialty Products Association (CCSPA)

- Ensure necessary exemptions & regulatory flexibility provisions are included
- Advocate harmonization with OTC Model Rule – NOT the current CARB regulation

EPA Ozone Standard

- **2008 EPA Issued Current Ozone Standard**
 - Stringent 8-hour Ozone Concentration of 75 parts per billion (ppb)
- **EPA Recently Issued Proposed Regulation to Reduce the Current Ozone Standard**
 - Proposed a Range of 65 – 70 ppb
 - Requested Additional Comments on Lowering the Ozone Standard to 60 ppb

EPA Ozone Standard – Proposed Revision

- Approaching Background Levels
- Nonattainment in 45 states ?
- States are in the process of developing SIPs to meet the 2008 Ozone Standard
- National Association of Manufacturers (NAM)
Annual Cost Estimate: \$140 Billion
\$1.7 Trillion 2017-2040 loss in GDP
1.4 Million Jobs Lost
- EPA Will Issue the Final Rule on October 1, 2015

CSPA Actions on EPA Proposed Ozone Standard

- Coordinating Efforts with Major NAM-led Coalition
- Participate in SBA Roundtable
- Testified at EPA Hearing – January 2015
- CSPA Comments to EPA – March 2015
 - Urged EPA to Retain 75 ppb Standard
 - Allow States to Implement Current Ozone Standard
- Congressional action on EPA's Proposed Ozone Standard

VOC Compliance Initiatives

- **Retailer VOC Compliance Initiatives – Ensure that Compliant Products Are Sold in Stores**
 - **Maintain ongoing discussions with Major Retailers**
 - **Addressing Issues with WERCSmart Database**
- **CSPA & PCPC Retail Consumer Products Regulatory Compliance Conference**
September 29-30 (Sacramento, CA)

Thank You

Questions & Answers