

**BEFORE THE
U.S. DEPARTMENT OF ENERGY
Washington, D.C. 20585**

In the Matter of:)
)
)

Rheem Manufacturing Co.)
(central air conditioners and heat pumps))
)

Case Number: 2015-SE-16027

Issued: March 28, 2019

NOTICE OF NONCOMPLIANCE DETERMINATION

Central air conditioners and heat pumps are covered products subject to federal energy conservation standards. 10 C.F.R. §§ 430.2, 430.32(c). Manufacturers and private labelers are prohibited from distributing covered products that do not comply with an applicable conservation standard. 10 C.F.R. § 429.102(a)(6). Specifically, split-system central air conditioning heat pumps manufactured on or after January 23, 2006, and before January 1, 2015, must have a seasonal energy efficiency ratio that meets or exceeds the minimum of 13. 10 C.F.R. § 430.32(c).¹

TESTING

The U.S. Department of Energy (“DOE”) tested four combinations of the central air conditioning heat pump basic model consisting of outdoor model UPNL-024JAZ and indoor model RHAL-FR24P (together, the “subject basic model”), manufactured by Rheem Manufacturing Co. (“Rheem”). DOE’s testing in accordance with DOE test procedures (10 C.F.R. Part 430, Subpart B, Appendix M) yielded SEER values of the four subject basic model combinations of 12.70, 12.50, 11.95, and 12.65.

FINDINGS

Based on the facts stated above, DOE finds, after applying the calculations in 10 C.F.R. Part 429, Subpart C, Appendix A, that the subject basic model² does not comply with the applicable federal energy conservation standard of no less than 13 SEER.

¹ This and all other citations to the C.F.R. in this Notice refer to the C.F.R. version in effect on January 1, 2014.

² For the purposes of this determination, the “basic model” is all units manufactured by Rheem that have the same primary energy source and essentially identical electrical, physical and functional characteristics that affect energy consumption or energy efficiency. See 10 C.F.R. § 430.2.

NOTICE

Distribution in commerce of a covered product that does not meet the applicable energy conservation standard is a violation subject to civil penalty, regardless of the issuance of this notice. Rheem certified the basic model as discontinued in January 2016. DOE may assess civil penalties for each unit distributed in commerce in the U.S. by Rheem, and may assess a higher civil penalty for units sold after the date of this Notice.

MANDATORY ACTION BY RHEEM

In light of the above findings, Rheem must, within 30 calendar days of the date of this Notice, provide to DOE records sufficient to show the number of units of the basic model that Rheem distributed in commerce in the United States in the past five years. 10 C.F.R. § 429.114(a). This includes all units that remain in Rheem's inventory that were manufactured (including importation) on or after January 23, 2006.

If you claim that any of the information sought by this Notice constitutes confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or is protected from disclosure pursuant to 18 U.S.C. § 1905, you must (1) provide one complete and full copy and one copy with the confidential information deleted and (2) submit supporting information together with the materials that are the subject of the confidentiality request. *See* 10 C.F.R. § 429.7. Failure to adhere to these procedures will result in a rejection of your request for confidential treatment.

CONSEQUENCES FOR FAILURE TO COMPLY WITH THIS NOTICE

Should Rheem continue distribution in the United States of units of the basic model, this letter serves as notice that DOE may seek a judicial order within 30 calendar days to restrain further distribution. If, however, Rheem provides DOE with a satisfactory statement within that 30-day period detailing the steps that Rheem will take to ensure that units of the noncompliant model will no longer be distributed in commerce in the United States, DOE may elect to defer seeking such an order until a more appropriate time, if needed.

The distribution of any units of a noncompliant basic model may result in DOE seeking all appropriate legal remedies available under federal law, including injunctive relief and civil penalties with respect to each unit of the basic model distributed in violation of federal law.

/S/

Laura L. Barhydt
Assistant General Counsel
for Enforcement