

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

In the Matter of:)
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Haier America Trading, L.L.C.) Case Number: 2012-SE-1628
(central air conditioners and heat pumps))
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Issued: August 8, 2017

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 in the United States that do not comply with applicable federal energy conservation standards. 10 C.F.R. § 429.102(a)(6).

TESTING

Haier America (“Haier”) certified to DOE that the central air conditioning heat pump basic model combination consisting of outdoor unit model HR18D2VAE and indoor unit model HB2400VD2M20 (together, including all individual models covered by this basic model, the “subject basic model”) had been found in violation of a voluntary industry certification program. Subsequently, the U.S. Department of Energy (“DOE”) attempted to test four units of the subject basic model. DOE successfully tested two units of the subject basic model, but was unable to complete testing of the other two units due to failure of the reversing valve on the units. DOE determined, based on the failure of the reversing valves and Haier’s certification, that testing of these or additional units would be impractical. Pursuant to 10 C.F.R. § 429.110(e)(1)(iv), DOE exercises its discretion to base the determination of compliance for the subject basic model based on testing of two units of the model.

DOE’s testing in accordance with DOE test procedures (Appendix M to Subpart B of 10 C.F.R. Part 430), when subjected to the statistical sampling provisions set forth in Appendix B to Subpart C of 10 C.F.R. Part 429 as required pursuant to 10 C.F.R. § 429.110(e)(1)(v), demonstrates that the subject basic model is not in compliance with the applicable energy conservation standard. The minimum permissible seasonal energy efficiency ratio (“SEER”) for split-system central air conditioning heat pumps manufactured on or after January 23, 2006, and before January 1, 2015, is 13. The two units that DOE successfully tested performed at a SEER of 11.6 and 11.7, respectively.

FINDINGS

Based on the facts stated above, DOE has determined that the subject basic model and all individual models within the subject basic model do not comply with the applicable energy conservation standard.

MANDATORY ACTIONS BY HAIER

Therefore, in light of the above findings, Haier must take the following additional steps in accordance with 10 C.F.R. § 429.114(a):

- (1) Immediately cease distribution in commerce in the United States of all units of the basic model;
- (2) Provide immediate written notification of this noncompliance determination to all persons in the United States to whom Haier has distributed units of any model within the subject basic models;
- (3) Provide to DOE within 15 calendar days of the date of this Notice a copy of the written notification required by paragraph (2) and a list of the parties that Haier notified; and
- (4) Provide to DOE within 30 calendar days of the date of this Notice records sufficient to show the number of units of the basic model that Haier distributed in commerce in the United States, including all units imported into the United States.¹

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 CFR § 429.7. Failure to adhere to these procedures will result in a rejection of your request for confidential treatment.

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

¹ Please note that “[t]he terms ‘to distribute in commerce’ and ‘distribution in commerce’ mean to sell in commerce, to import, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce.” 42 U.S.C. § 6291(16).