

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

In the Matter of:)
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)
Rheem Sales Company, Inc.,) Case Number: 2020-SE-16015
Respondent)
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)

ORDER

For the U.S. Department of Energy:

1. On October 18, 2023, under the above listed case number, the U.S. Department of Energy (“DOE”) issued a Notice of Proposed Civil Penalty to Rheem Sales Company, Inc. (“Respondent”) to pursue a civil penalty for knowingly distributing in commerce single package central air conditioning heat pumps that failed to meet the applicable energy conservation standard.
2. Basic model RQPL-B036JK (the “basic model”) is a single package central air conditioning heat pump that Respondent manufactured on or after January 1, 2015, and before January 1, 2023.
3. The minimum permissible seasonal energy efficiency ratio (“SEER”)] for a single package central air conditioning heat pump manufactured on or after January 1, 2015, and before January 1, 2023], was 14. *See* 10 C.F.R. § 430.32(c)(1).
4. DOE’s testing of four units of the basic model, conducted in accordance with the DOE test procedure for central air conditioning heat pumps (10 C.F.R. Part 430, Subpart B, Appendix M), yielded SEER values of 13.35, 13.4, 13.25, and 13.55.
5. Applying the calculations in 10 C.F.R. Part 429, Subpart C, Appendix A, shows that the basic model does not comply with the applicable federal energy conservation standard of no less than 14.0 SEER.
6. Respondent admitted the basic model does not comply with the minimum 14.0 SEER.
7. Between April 27, 2018, and April 27, 2023, Respondent distributed in commerce in the United States multiple units of the basic model.
8. Respondent knowingly distributed in commerce multiple units of new covered products which were not in conformity with an applicable energy conservation standard.
9. Based on the information above, I find that Respondent knowingly committed Prohibited Acts by manufacturing and distributing in commerce multiple units of new covered products that were not in conformity with the applicable energy conservation standard. *See* 42 U.S.C. § 6302; 10 C.F.R. §§ 429.102(a)(6), 430.32(c)(1).

10. Accordingly, pursuant to 10 C.F.R. § 429.120 and 42 U.S.C. § 6303, I **HEREBY ASSESS** a civil penalty of \$1,053,240 (one million, fifty-three thousand, two hundred and forty dollars), **ORDER** Respondent to pay the assessed civil penalty in full within 60 calendar days, **AND ORDER** that the Settlement Agreement attached to this Order is adopted.

Alexandra Teitz

May 21, 2024

Alexandra Teitz
Deputy General Counsel for Energy Efficiency
and Clean Energy Demonstrations