

9. DOE's testing yielded energy consumption rates of 462, 530, 535, and 520 kWh/year, respectively.
10. After applying the calculations in 10 C.F.R. Part 429, Subpart C, Appendix A, DOE found that the subject model does not comply with the applicable federal energy conservation standard set forth at 10 C.F.R. § 430.32(a).
11. Distribution in commerce of any new covered product that does not comply with an applicable energy conservation standard is a prohibited act pursuant to 10 C.F.R. § 429.102(a)(6) and subject to civil penalties as described in 10 C.F.R. § 429.120.
12. Pursuant to 10 C.F.R. § 429.120, each unit of a covered product distributed in violation of 10 C.F.R. § 429.102(a)(6) is a separate violation.
13. On June 21, 2024, pursuant to 10 C.F.R. § 429.124(c), DOE referred this case to an Administrative Law Judge ("ALJ") by filing a Complaint with the DOE Office of Hearings and Appeals ("OHA") and serving the Complaint on Respondents.¹
14. In the Complaint, DOE alleged that between 2017 and 2022, Respondents had distributed in commerce multiple units of the subject model in violation of 10 C.F.R. § 429.102(a)(6).
15. On December 17, 2024, DOE and Respondents executed a Settlement Agreement, in which DOE states that it found that the subject model does not comply with the applicable federal energy conservation standard at 10 C.F.R. § 430.32(a), Respondents distributed in commerce multiple units of the subject model, and each unit of the subject model was a new covered product when Respondents distributed it in commerce.²
16. Based on the information above, I find that Respondents knowingly committed Prohibited Acts by manufacturing and distributing in commerce multiple new covered products that did not conform with the applicable energy conservation standard. *See* 42 U.S.C. §§ 6302, 6303; 10 C.F.R. § 429.102(a)(6).
17. Accordingly, pursuant to 10 C.F.R. § 429.120 and 42 U.S.C. §§ 6303 and 6316, I **HEREBY ASSESS** a civil penalty of \$25,312,725 (twenty-five million three hundred twelve thousand seven hundred and twenty-five dollars) **AND ORDER** that the Settlement Agreement DOE and Respondents executed is adopted.³

Samuel T. Walsh
General Counsel

¹ OHA subsequently assigned OHA Case Number EEE-24-0018 to this civil penalty action.

² Respondents deny the allegations in the Complaint and DOE's findings.

³ DOE acknowledges that DOE received Respondents' \$25,312,725 civil penalty payment in full on or about December 30, 2024.