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

In the Matter of:	
Felix Storch, Inc.	
(commercial refrigerators, refrigerator-	
freezers, and freezers)	

Case Number: 2022-SE-42001

Issued: May 9, 2022

NOTICE OF NONCOMPLIANCE DETERMINATION

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Commercial refrigerators, freezers and refrigerator-freezers (commercial refrigeration equipment) are covered equipment subject to federal energy conservation standards. 10 C.F.R. §§ 431.2, 431.66. Manufacturers and private labelers are prohibited from distributing in commerce¹ covered equipment in the United States that does not comply with applicable federal energy conservation standards. 10 C.F.R. § 429.102(a)(6). Specifically, self-contained vertical closed transparent commercial refrigerators designed for holding temperature applications, and manufactured² on or after March 27, 2017, must have a daily energy consumption (in kilowatt hours per day (kWh/day)) that does not exceed 0.86 plus the product of 0.1 and the volume of the refrigerator. 10 C.F.R. § 431.66(e)(1).

TESTING

In July 2020, the U.S. Department of Energy ("DOE") tested one unit of Summit Commercial brand commercial refrigeration equipment model number SCR1401LHX. DOE's testing in accordance with DOE test procedures (10 C.F.R. § 431.64) demonstrated that the tested unit of SCR1401LHX had a measured volume of 7.89 ft³ and did not meet the applicable energy conservation standard at 10 C.F.R. § 431.66(e)(1).

SCR1401LHX is a self-contained, vertical closed transparent commercial refrigerator designed for holding temperature applications. The maximum daily energy consumption of SCR1401LHX, given a volume of 7.89 ft³, is 1.65 kWh/day for units manufactured on or after March 27, 2017. Based on its performance during testing, the tested unit consumed energy at a rate of 1.76 kWh/day.

On May 13, 2020, DOE issued a Test Notice pursuant to 10 C.F.R. § 429.110(b), requiring Felix Storch, Inc. ("Felix Storch") to ship three units of model SCR1401LHX to a designated test facility. In lieu of providing the requested units, on April 13, 2022, Felix Storch provided DOE

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).

² "Manufacture" means to manufacture, produce, assemble, or import. 42 U.S.C. § 6291(10).

with a statement that it manufactured and distributed in commerce in the United States model SCR1401LHX on or after March 27, 2017. Felix Storch stated that SCR1401LHX is a self-contained, vertical closed transparent commercial refrigerator designed for holding temperature applications. Felix Storch also provided an admission that model SCR1401LHX does not comply with the maximum daily energy conservation standard at 10 C.F.R. § 431.66(e)(1).

FINDINGS

Based on the facts stated above, DOE finds³ that model SCR1401LHX ("the basic model") does not comply with the applicable energy conservation standard at 10 C.F.R. § 431.66(e)(1).

NOTICE

Distribution in commerce of covered equipment that does not meet an applicable energy conservation standard is a violation subject to civil penalty, regardless of the issuance of this Notice. If Felix Storch continues to distribute the basic model, DOE may assess a higher civil penalty for units sold after the date of this Notice.

MANDATORY ACTION BY FELIX STORCH

On March 29, 2022, Felix Storch provided information to DOE demonstrating the total number of units of the basic model that Felix Storch distributed in commerce in the United States. If you claim that any of the information provided 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.

OPTIONAL ACTIONS BY FELIX STORCH

In addition to the mandatory steps listed above that Felix Storch must complete, Felix Storch may elect to modify a basic model to bring it into compliance with the applicable standards. A modified basic model shall be treated as a new basic model under the regulations and must be certified in accordance with the provisions of 10 C.F.R. Part 429. In addition to satisfying all requirements of part 429, any individual models within the basic model must be assigned new model numbers and Felix Storch must also maintain, and provide upon request to DOE, records that demonstrate that modifications have been made to all units of the new basic model prior to distribution in commerce. Prior to distribution in commerce in the United States, Felix Storch must provide to DOE test data demonstrating that the modified basic model complies with the applicable standards.⁴ All units must be tested in accordance with DOE regulations, and Felix Storch shall bear the costs of all such testing that is conducted.

³ In making its finding, DOE applied the calculations set forth in 10 C.F.R. Part 429, Subpart C, Appendix B, as modified by 10 C.F.R. § 429.110(e)(7) and (e)(8).

⁴ DOE may require that an independent, third-party testing facility perform this testing.

If, after this testing, DOE determines that the modified basic model complies with the applicable standards, DOE shall issue a Notice of Allowance to permit Felix Storch to resume the distribution of the modified basic model in the United States.

CONSEQUENCES FOR CONTINUING TO DISTRIBUTE THE BASIC MODEL

Should Felix Storch fail to cease immediately the distribution in the United States of all 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, Felix Storch provides DOE with a satisfactory statement within that 30-day period detailing the steps that Felix Storch will take to ensure that units of the noncompliant models 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.

<u>/S/</u>_____

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