

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

In the Matter of:

First Co.

(central air conditioners and heat pumps)

Case Number: 2023-CE-16001

ORDER

For the U.S. Department of Energy (“DOE”):

1. On December 6, 2022, under the above-listed case number, DOE initiated a case against First Co. (“Respondent”) to pursue a civil penalty for knowingly distributing in commerce in the United States basic models of central air conditioners without submitting to DOE a certification report certifying that those basic models complied with the applicable energy conservation standards.
2. Central air conditioners are covered products, as defined by 42 U.S.C. § 6292 and 10 C.F.R. § 430.2.
3. Pursuant to 10 C.F.R. § 429.12, manufacturers are required to submit to DOE a certification report certifying that each basic model of a covered product meets the applicable energy conservation standard, before distributing each basic model in commerce in the United States and annually thereafter.
4. Failure to submit a certification report for a covered product in accordance with 10 C.F.R. § 429.12 is a prohibited act pursuant to 10 C.F.R. § 429.102(a)(1) and subject to civil penalties as described in 10 C.F.R. § 429.120.
5. Pursuant to 10 C.F.R. § 429.120, each day that a manufacturer fails to submit a certification report for a basic model of a covered product is a separate violation.
6. Respondent admitted the following:
 - a. Respondent has manufactured¹ central air conditioners, including basic models 18WCX12-AB, 24WCX12-AB, and 30WCXA12-AB (“the subject models”).

¹ “Manufacture” means to manufacture, produce, assemble, or import. 42 U.S.C. § 6291(10).

- b. Respondent has distributed in commerce² in the United States for at least 730 days, and continues to distribute, the subject models.
 - c. Respondent knowingly failed to submit a certification report for the subject models before distributing those models in commerce in the United States, and/or annually thereafter, in violation of 10 C.F.R. § 429.12.
7. Based on the information above, I find that Respondent knowingly committed Prohibited Acts by manufacturing and distributing in commerce in the United States basic models of a covered product without submitting to DOE a certification report certifying that those basic models complied with the applicable energy conservation standards. *See* 42 U.S.C. § 6302; 10 C.F.R. §§ 429.102(a)(1).
8. Accordingly, pursuant to 10 C.F.R. § 429.120 and 42 U.S.C. §§ 6303 and 6316, I **HEREBY ASSESS** a civil penalty of \$20,000 **AND ORDER** that the Settlement Agreement attached to this Order is adopted.

Samuel T. Walsh
General Counsel

² “Distribute in Commerce” or “Distribution in Commerce” means 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).