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

In the Matter of:)	
Kale Environmental Technology (Shanghai) Corporation (large-diameter ceiling fans)))))	DOE Case Number: 2017-CE-32001 OHA Case Number: EEE-24-0003
	ORDER	

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

- 1. On August 23, 2023, under the above-listed case number, DOE issued a Notice of Proposed Civil Penalty to Kale Environmental Technology (Shanghai) Corporation ("Respondent") to pursue a civil penalty for knowingly distributing in commerce large-diameter ceiling fan basic models without submitting to DOE a report certifying that those basic models complied with the applicable energy conservation standards.
- 2. Ceiling fans are covered products pursuant to 42 U.S.C. §§ 6292(a)(20) and 6295(ff), and 10 C.F.R. § 430.32.
- 3. Pursuant to 10 C.F.R. § 429.12, manufacturers are required to submit to DOE a certification report certifying that each basic model 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 covered equipment 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 is a separate violation.
- 6. On November 22, 2023, 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 Respondent.¹
- 7. On February 13, 2024, the ALJ issued an Initial Decision in which the ALJ found that Respondent violated 10 C.F.R. § 429.102(a)(1) by knowingly distributing basic models of large-diameter ceiling fans in commerce in the United States for at least 1095 days

¹ The ALJ subsequently assigned OHA Case Number EEE-24-0003 to this civil penalty action.

- without submitting to DOE the certification report required under 10 C.F.R. § 429.12(a) and recommended that Respondent pay a civil penalty of \$1,780,470.
- 8. Based on the information above, I find that Respondent knowingly committed Prohibited Acts by manufacturing and distributing in commerce basic models of covered equipment 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).
- 9. Accordingly, pursuant to 10 C.F.R. § 429.120 and 42 U.S.C. §§ 6303 and 6316, I **HEREBY ASSESS** a civil penalty of \$1,780,470 (One Million, Seven Hundred Eighty Thousand, Four Hundred Seventy) **AND ORDER** that the Initial Decision attached to this Order is adopted.

Samuel T. Walsh General Counsel