

**United States Department of Energy
Office of Hearings and Appeals**

In the Matter of:)	
)	
Lucidity Lights, Inc.)	
)	
Filing Date: November 25, 2024)	Case No.: EEE-25-0004
)	
_____)	

Issued: September 12, 2025

**Initial Decision
Motion for Decision**

James P. Thompson III, Administrative Law Judge:

This Initial Decision considers a combined Motion to Deem the Allegations of the Complaint Admitted (MFA) and Motion for Decision (MFD) (collectively referred to as the Motions) filed on December 30, 2024, by the Department of Energy’s (DOE) Office of the Assistant General Counsel for Enforcement (OGCE). The Motions concern a complaint (Complaint) filed by OGCE on November 25, 2024, against Lucidity Lights, Inc. (Respondent). The Complaint was filed under the Energy Policy and Conservation Act, 42 U.S.C. § 6291 *et seq.* (the EPCA), DOE’s implementing regulations codified at 10 C.F.R. Parts 429 and 430, and DOE’s Procedures for Administrative Adjudication of Civil Penalty Actions (hereinafter referred to as the AACPA).¹ The Complaint alleges that Respondent committed prohibited acts under the EPCA and its implementing regulations by knowingly failing to certify five basic models of torchieres before distributing the models in commerce.² The Motions request that I issue a decision: (1) deeming the allegations set forth in the Complaint to be admitted, (2) finding that Respondent violated the EPCA and its implementing regulations, and (3) recommending that Respondent pay a civil penalty in the amount of \$255,500. For the reasons set forth below, I am granting the Motions.

¹ The AACPA may be viewed at: <https://www.energy.gov/gc/doe-procedures-administrative-adjudication-civil-penalty-actions>.

² A “torchiere” is “a portable electric lamp with a reflector bowl that directs light upward to give indirect illumination.” 10 C.F.R. § 430.2. Torchieres are subject to the energy conservation standards set forth at 42 U.S.C. § 6295(x) and 10 C.F.R. § 430.32(t).

I. BACKGROUND

A. The DOE's Certification, Compliance, and Enforcement Program for Consumer Products and Commercial and Industrial Equipment

In order to ensure that products subject to the EPCA's energy conservation standards comply with those standards when distributed in commerce in the United States, the implementing regulations require each manufacturer of those products to submit a certification report to DOE for each basic model of a covered product certifying that it meets the applicable energy conservation standard. 10 C.F.R. § 429.12(a). The manufacturer must submit this certification report before distributing a basic model of a covered product in commerce and annually thereafter. 10 C.F.R. Part 430; 10 C.F.R. § 429.12(a). Any "failure of a manufacturer to . . . make reports or provide other information required to be supplied under the [EPCA] and this part . . ." constitutes a "prohibited act" under DOE's regulations. 10 C.F.R. § 429.102(a)(1). When a manufacturer has committed a prohibited act, DOE may assess "a civil penalty for knowing violations." 10 C.F.R. § 429.102(b)(4). Pursuant to 10 C.F.R. § 429.120, manufacturers are subject to a civil penalty for each knowing violation of 10 C.F.R. § 429.102(a)(1). Under 10 C.F.R. § 429.120, each day of noncompliance with 10 C.F.R. § 429.102(a)(1) constitutes a separate violation for each basic model not certified according to DOE regulations. Beginning on January 9, 2024, any manufacturer who knowingly fails to certify a covered product properly is subject to a civil penalty of up to \$560 per basic model per day. 89 Fed. Reg. 1028 (Jan. 9, 2024); 10 C.F.R. § 429.120; 28 U.S.C. § 2461 (amended 2015).

B. Factual and Procedural History

The Complaint alleges that Respondent manufactured and distributed in commerce five covered products: torchieres identified as "Catalina Lighting brand basic models 18223-002 and 20641-000" and "Kenroy Home brand basic models 21002ORB, 32710ORB, and 32718BRZ" (Torchieres). Complaint (Compl.) at ¶¶ 19–20.

On October 23, 2024, OGCE issued a Notice of Proposed Civil Penalty (NPCP) to Respondent, pursuant to 10 C.F.R. § 429.122. MFD Exhibit (Ex.) 1 at 1. The NPCP alleged that Respondent had knowingly failed to submit certification reports, as required by 10 C.F.R. § 429.12(a), for each of the Torchieres before distributing the Torchieres in commerce. MFD Ex. 1 at 2. The NPCP accordingly proposed assessing Respondent with a civil penalty of \$255,500. MFD Ex. 1 at 1. Respondent failed to respond to the NPCP.

On November 25, 2024, pursuant to 10 C.F.R. § 429.124(c), OGCE referred this case to an Administrative Law Judge (ALJ) by filing the Complaint with DOE's Office of Hearings and Appeals (OHA) and serving Respondent with a copy of the Complaint.³ This case was then

³ 10 C.F.R. § 429.124(c) provides "if the respondent fails to respond to a notice issued under § 10 C.F.R. 429.120 or otherwise fails to indicate its election of procedures, DOE shall refer the civil penalty action to an ALJ for a hearing under § 429.126."

assigned to an ALJ, Steven L. Fine.⁴ The Complaint alleged that Respondent violated 10 C.F.R. § 429.102(a)(1) when it knowingly failed to submit certification reports, as required by 10 C.F.R. § 429.12(a), for each of the Torchieres before distributing the Torchieres in commerce. Compl. at ¶¶ 23–26.

On December 4, 2024, Judge Fine issued an acknowledgement letter in which he reminded the parties that Respondent’s answer to the Complaint, or a motion filed pursuant to § 18(f)(1)–(2) of the AACPA, was due by the 30th day after service of the Complaint under § 8(a) of the AACPA.⁵ MFD Ex. 10. Respondent failed to file any response to the Complaint. On December 30, 2024, after Respondent’s answer or motion pursuant to AACPA § 18(f)(1)–(2) was due, OGCE filed the present Motions. The deadline for Respondent’s response to the Motions elapsed on January 24, 2025, without any further response from Respondent. *See* AACPA § 18(d) (providing 25 days for a response to a motion filed under § 18 of the AACPA).

II. ANALYSIS

A. Motion to Deem the Allegations of the Complaint Admitted

Under the AACPA, a respondent is required to file either a written answer to the complaint, or a motion pursuant to § 18(f)(1)–(2), “not later than 30 days after service of the complaint.” AACPA at § 8(a). Respondent failed to comply with this requirement. The AACPA further provides that “[a] person’s failure to timely file an answer without good cause, as determined by the ALJ, will be deemed an admission of the truth of each allegation contained in the complaint.” AACPA at § 8(d).

OGCE’s MFA requests that I invoke § 8(d) and deem Respondent’s failure to file either a written answer to the Complaint, or a motion pursuant to § 18(f)(1)–(2), an admission of the truth of each allegation contained in the Complaint. Respondent has not contended good cause exists for its failure to respond, and the existing record does not support such a conclusion. Accordingly, I am granting the MFA and will deem each of the allegations set forth in the Complaint to be admitted by Respondent.

B. Motion for Decision

The MFD contends that the existing record, which includes the Complaint’s allegations, which I have deemed to be admitted, establishes, without any genuine issue of material fact, that Respondent performed a prohibited act under the EPCA and the implementing regulations for which the assessment of a civil penalty is warranted. Accordingly, the MFD requests that I issue a decision: (1) finding that Respondent violated the EPCA and its implementing regulations and (2) recommending that Respondent pay a civil penalty of \$255,500. To this end, OGCE cites the AACPA, which provides that an ALJ must grant an MFD if the moving party “show[s] that there is no genuine issue of material fact and that the party making the motion is entitled to a decision

⁴ This case was subsequently reassigned from Judge Fine to the undersigned.

⁵ Under the AACPA, a respondent can file a written motion in lieu of a filing an answer. AACPA at § 8(a).

as a matter of law.” AACPA at § 18(f)(5). For the reasons set forth below in Section III of this decision, the record shows that no genuine issue of material fact exists and that the assessment of a civil penalty in the amount of \$255,500 against Respondent is warranted, as a matter of law.

III. FINDINGS OF FACT AND LAW

Having deemed each allegation contained in the Complaint to be admitted, I have made the following findings of fact and conclusions of law:

1. Respondent is a “person” under 10 C.F.R. § 430.2;⁶
2. Each of the five Torchieres are “torchieres” as defined by 10 C.F.R § 430.2;
3. Each of the five Torchieres is a “covered product.” 42 U.S.C. § 6295(x);
4. The five Torchieres are therefore subject to the conservation standards set forth at 10 C.F.R. § 430.32(t) and 42 U.S.C. § 6295(x);
5. Respondent “manufactured, produced, assembled, or imported” the Torchieres, and was therefore the “manufacturer” of the Torchieres. 42 U.S.C. §§ 6291(10), 6291(12); 10 C.F.R. § 430.2;
6. Respondent failed to submit to DOE the certification reports required under 10 C.F.R. § 429.12(a), certifying that the basic models of the Torchieres comply with the applicable energy conservation standards, before Respondent distributed the Torchieres in commerce;
7. Respondent knew or should have known, through the exercise of due care under the circumstances, that Respondent had not submitted to DOE the required certification reports;
8. Accordingly, Respondent knowingly violated 10 C.F.R. §§ 429.12 and 429.102(a)(1) by failing to certify a covered product;
9. Respondent knowingly distributed the Torchieres in commerce in the United States by making the Torchieres available for sale in the United States via the internet on amazon.com for at least 365 days;
10. Respondent has been, at all times relevant to the present proceeding, subject to the requirements of 10 C.F.R. Parts 429 and 430 and the remedies of 10 C.F.R. Part 429, Subpart C;

⁶ A “person” is “any individual, corporation, company, association, firm, partnership, society, trust, joint venture or joint stock company, the government, and any agency of the United States or any State or political subdivision thereof.” 10 C.F.R. § 430.2; *accord* 42 U.S.C. § 6202(2).

11. Pursuant to 10 C.F.R. § 429.120, Respondent is subject to a civil penalty for each knowing violation of 10 C.F.R. § 429.102(a)(1);
12. Under 10 C.F.R. § 429.120, each day of noncompliance with 10 C.F.R. § 429.102(a)(1) constitutes a separate violation for each model;
13. Respondent has therefore committed 1,825 knowing violations of 10 C.F.R. § 429.102(a)(1) (five products multiplied by 365 days);
14. Pursuant to Inflation Adjustment of Civil Monetary Penalties (the IACMP), 89 Fed. Reg. 1025 (Jan. 9, 2024), 10 C.F.R. § 429.120 (2024), and 28 U.S.C. § 2461 (amended 2015), Respondent is subject to a civil penalty of up to \$560 per basic model per day for each violation assessed after January 9, 2024;
15. Therefore, a maximum civil penalty in the amount of \$1,022,000 (five products multiplied by 365 days multiplied by a penalty of \$560 per violation) would be allowed under the regulations and statutes;
16. Based upon the facts and circumstances of this case, OGCE has sought a civil penalty of \$255,500 for Respondent's violations; and
17. A civil penalty in the amount of \$255,500 is therefore appropriate.

IV. CONCLUSION

Based on the existing record, OGCE has shown there is no genuine issue of material fact and that it is entitled to a decision in its favor as a matter of law pursuant to both Motions. Accordingly, OGCE's Motion for Decision and Motion to Deem the Allegations of the Complaint Admitted are granted. I recommend an assessment of a civil penalty in the amount of \$255,500 against Respondent.

V. ORDER AND RECOMMENDATION

For These Reasons:

- (1) The Motion to Deem the Allegations of the Complaint Admitted filed by the Office of the Assistant General Counsel for Enforcement on December 30, 2024, is **GRANTED**;
- (2) The Motion for Decision filed by the Office of the Assistant General Counsel for Enforcement on December 30, 2024, is **GRANTED**;
- (3) I recommend that Lucidity Lights, Inc., be assessed a civil penalty of \$255,500, as requested by the Office of the Assistant General Counsel for Enforcement; and

- (4) This Initial Decision shall become the Final Decision of the Department of Energy if not appealed pursuant to § 32 of DOE's Procedures for Administrative Adjudication of Civil Penalty Actions within 10 days after service upon the parties.

James P. Thompson III
Administrative Law Judge
Office of Hearings and Appeals
United States Department of Energy