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SETTLEMENT AGREEMENT AND RELEASE
CALIFORNIA ENERGY COMMISSION and AMAZON.COM, INC.
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SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (Agreement) is entered into between the California Energy Commission (CEC), with its principal office at 715 P Street, Sacramento, California 95814, and Amazon.com Services, LLC (Amazon), with a place of business at 2021 7th Avenue, Seattle, WA 98121, collectively referred to as the Parties.

I. RECITALS

- (1) CEC has the power to regulate certain appliances sold or offered for sale in California pursuant to the Appliance Efficiency Regulations at California Code of Regulations, Title 20, Article 4, sections 1601-1609 (Appliance Efficiency Regulations).¹
- (2) CEC's authority includes the removal of non-complying appliances from MAEDbS, as set forth in section 1608, and the issuance of administrative civil penalties under section 1609. CEC is the sole authority with the jurisdiction to enforce its regulations.
- (3) CEC contends that Amazon sold in California several models of Amazon private brands plumbing fittings, portable luminaires, portable air conditioners, state-regulated LED lamps (SLEDs), ceiling fans, and battery chargers set forth in the Attachment, which were supplied to Amazon by the original product manufacturers, and which are subject to the Appliance Efficiency Regulations.
- (4) CEC further contends that from July 2016 to March 2020, Amazon sold in California one model of lavatory faucet that did not meet the efficiency standards set forth in section 1605.3(h)(2) when tested using the appropriate test method as described in section 1604(h). Additionally, Amazon sold or offered for sale in California the following appliance types in the corresponding time frames that allegedly met efficiency requirements but were not listed in MAEDbS as required in section 1606: kitchen faucets, lavatory faucets, and showerheads from July 2016 to March 2020, portable luminaires and state or federally regulated battery chargers from August 2017 to March 2021, portable air conditioners from February 2020 to March 2021, SLEDs from January 2018 to March 2021, and ceiling fans from January 2020 to March 2021.
- (5) Based on the above Recitals, CEC alleges that, through adjudication, it could impose penalties for each violation alleged, obtain injunctive relief to prohibit Amazon from continuing to sell or offer for sale, non-compliant plumbing fittings, portable luminaires, portable air conditioners, SLEDs, ceiling fans, and battery chargers in California, and take any other enforcement action as allowed by law.
- (6) Amazon disputes and denies any liability arising from the facts presented in the above Recitals

¹ All references are to California Code of Regulations, Title 20, Article 4, unless otherwise specified.

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and is willing to enter into this Agreement solely for the purpose of settlement and resolution of this matter with CEC. CEC accepts this Agreement in termination of this matter. The compliance requirements in this Agreement are adequate to address any potential harm to the environment and the public. Accordingly, the Parties agree to resolve this matter completely by means of this Agreement, without the need for adjudication.

(7) Section 1609(b)(3) and California Public Resources Code section 25402.11(a)(2) identify the factors CEC shall consider when determining the amount of an administrative civil penalty. In developing this Agreement, CEC considered the facts of the case and applied those factors to determine an appropriate settlement. Specifically, in this case, Amazon cooperated with CEC in the investigation by discontinuing sales of the allegedly non-compliant units in California; by promptly testing and certifying any units before resuming sales in California; and by providing to CEC sales data for allegedly non-compliant units. The efforts by Amazon saved CEC time and resources in investigating the violations and minimized the impacts on the competitive business environment, energy and water consumption, and the environment in California from the allegedly non-compliant units.

II. TERMS AND RELEASE

In consideration of the Recitals listed above which are incorporated into this section by reference, and the mutual agreements set forth below, CEC and Amazon agree as follows:

- (1) This Agreement covers the Amazon private brands appliance types and model numbers, referenced by Amazon standard identification numbers (ASINs), listed in the attachment.
- (2) For selling or offering for sale in California plumbing fittings, portable luminaires, portable air conditioners, SLEDs, ceiling fans, and battery chargers whose ASINs are identified in the Attachment, that did not meet the energy efficiency standards prescribed by section 1605.3, or were not certified to MAEDbS as required by section 1606, Amazon shall pay as an administrative civil penalty the total sum of \$615,220.00 by electronic transfer to CEC by May 1, 2022. Banking information and instructions necessary to complete the electronic transfer shall be provided by CEC.
- (3) Amazon also agrees to continue to take each of the following actions, as applicable, for Amazon private brand regulated appliances it will sell or offer for sale in California:
 - a. Ensure that all basic models are tested as required in section 1603, utilizing the applicable test method set forth in section 1604.
 - b. Ensure that all basic models are certified in MAEDbS, and ensure listings are kept current and up to date as required in section 1606.
 - c. Ensure the required marking is added to the unit as required under section 1607.

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- (4) This Agreement shall apply to and be binding upon Amazon and its principals, officers, directors, receivers, trustees, employees, successors and assignees, subsidiary and parent corporations, and upon CEC and any successor agency that may have responsibility for and jurisdiction over the subject matter of this Agreement.
- (5) In consideration of the payment specified above, CEC hereby releases Amazon and its parent corporation, principals, directors, officers, agents, employees, shareholders, subsidiaries, predecessors, and successors, known or unknown to CEC, from any and all claims for violations of section 1608 (efficiency, marking, certification), relating to the time frame and appliances identified in paragraph I(4), whose ASINs are identified in the Attachment.
- (6) Nothing in this Agreement shall be construed as an admission of liability by Amazon or a prohibition on Amazon's right to disclaim or dispute liability in any future proceeding.
- (7) CEC agrees to protect the confidentiality of all drafts leading up to the final Agreement to the maximum extent permitted by law.
- (8) This Agreement constitutes the entire agreement and understanding between CEC and Amazon concerning the claims and settlement in this Agreement, and this Agreement fully supersedes and replaces any and all prior negotiations and agreement of any kind or nature, whether written or oral, between CEC and Amazon concerning these claims.
- (9) No agreement to modify, amend, extend, supersede, terminate, or discharge this Agreement, or any portion thereof, shall be valid or enforceable unless it is in writing and signed by all Parties to this Agreement.
- (10) Each Party to this Agreement has reviewed the Agreement independently, has had the opportunity to consult counsel, is fully informed of the terms and effect of this Agreement.
- (11) This Agreement shall be interpreted and enforced in accordance with the laws of the State of California, without regard to California's choice of law rules. Any litigation arising out of or related to this Agreement shall be filed in the Superior Court of California, County of Sacramento.
- (12) Each provision of this Agreement is severable, and in the event that any provision of this Agreement is held to be invalid or unenforceable, the remainder of this Agreement remains in full force and effect.
- (13) The failure of any Party to enforce any provision of this Agreement shall not be construed as a waiver of any such provision, nor prevent such Party thereafter from enforcing such provision or any other provision of this Agreement.

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(14) This Agreement is deemed to have been drafted equally by the Parties; it will not be interpreted for or against either Party on the ground that said Party drafted it.

(15) This Agreement is effective upon signature by a representative of Amazon with authority to bind the company, and signature by the Executive Director of CEC. The Parties agree that fax or scanned signatures and multiple signature pages are acceptable for purposes of executing this Agreement, which may be signed in counterparts.

California Energy Commission

By: 
Name: Drew Bohan
Title: Executive Director
Date: 4/6/22

Amazon.com Services, LLC

DocuSigned by:

By: 
Name: Andrew DeVore
Title: Authorized Representative
Date: March 29, 2022

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Attachment

Battery Chargers

B00K367Q6C	B01AS4L4QQ	B01GF4XZ24	B07PB375Q4
B00LGN7LLG	B01F2PW6KO	B01GF4YAWI	B07QGCB6NC
B00MWQTJZW	B01F2PW8FW	B01LXF0CSU	B082Q1ZJPZ
B00U2NVG4Y	B01F2PW96K	B075XV4CFN	B0847L1X42
B016I4QMOE	B01F2PWBQI	B075XV92NT	

Ceiling Fans

B07HKGHTC1	B07NVY34BL	B07P9XCPQS	B082XMF2RV
B07NVTY7BB	B07NVZ9TLB	B082XCSHKB	B082XMRGZG
B07NVXTST1	B07NW1D341	B082XM2WDB	B08DDYD6TN

SLEDs

B01MQJK25A	B01N2HCPVH	B0722XD589	B07JMTHFKF	B084CD1JKQ
B01MQJK54W	B01N2HCRN6	B0725J59NJ	B07MWCWT2G	B084CD3HKP
B01MRKXW6J	B01N41FKY5	B072834HJZ	B07MWKB4BV	B084CDJ3L4
B01MSMK8UQ	B01N41FP6K	B072BP55CJ	B07MWKJ74Q	B084CFX3L2
B01MSMKBFU	B01N52XD16	B072HV8JT7	B07MWLP1VF	B084CFX6JC
B01MXLSEJ8	B01N52XE6C	B074M5HPB2	B07X55277D	B086CT5RSY
B01MYNAH8O	B01N64BUH1	B074M5LM8G	B07Y1QDTWC	B086CTDK53
B01N0EC7A8	B01N94CONG	B074M92YQX	B084CBPB6B	B086KKSZ6Y
B01N0EC7I9	B01N94RMCX	B074M95NDC	B084CC5ZVQ	B08FJWJWFB
B01N0EC9BQ	B0719BNML9	B074M9CC6P	B084CCPVV1	B08FJWNG35
B01N0EC9DJ	B071HN7DX3	B074M9RSZ9	B084CCRBYX	B08FJXDB8G
B01N1FTWOK	B071RZW6MY	B07JCZ3ZB	B084CCZ3W1	B08FJXJSVS

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Portable Luminaires

B073P39KRV	B075X3S2Z6	B07HK83QRB	B07QC76DTB	B07QJL73ZD
B073P3S1NZ	B078Q5DLQC	B07HKF59M9	B07QD5SLTV	B07QJL7937
B073P46SHG	B078Q65J36	B07JMQDC41	B07QD5SLX9	B07QJLMTP2
B075DNQRMJ	B078Q6G5P3	B07JMRB4T8	B07QF91KWP	B07SZ31LH3
B075DNQRMT	B078Q9JHPS	B07JVZVBGR	B07QF91NYT	B07T16L477
B075DQ5V5K	B07B4SCBPS	B07NVXTSJT	B07QF91VH5	B07T26RT6H
B075HQZ4XK	B07CT3JC75	B07NVYG1CW	B07QF91VR8	B07T26SPDR
B075HR1XB1	B07CTM2TJP	B07NVYWNNK	B07QHJZDCQ	B07T4D6B4X
B075X12K17	B07CTPGLFZ	B07QB7DRSK	B07QHK1X7T	B08CFJ644Q
B075X12QV9	B07CVCMQKM	B07QB7GG63	B07QJKFLMT	B08CFJP5PQ
B075X2LKPV	B07F4BTQTF	B07QB8LTS	B07QJL39GV	B08DGLD4Z5
B075X2NLKP	B07HK67PJM	B07QC752F3	B07QJL39HM	

Portable Air Conditioners

B086M2FH71

Kitchen Faucets

B07F28F6X6	B07F2CDDD4	B07F2CK7QQ	B07QCBKY7S
B07F28F6XL	B07F2CGJZM	B07F2CLR6F	B07QGJH9NF
B07F28F8BQ	B07F2CJVMF	B07F2CLTNL	B07F2CNNB2

Lavatory Faucets

B07F28F89S	B07F2CBRRY	B07F2CDDC4	B07F2CNN8T
B07F2CBRRG	B07F2CD99D	B07F2CGJXD	B07F28F6VJ

Showerheads

B07F2CGHDD	B07QCBLNBD	B07YT56JPK	B07F2R9T6R
B07FHBYWPY	B07W858KVF	B07F2CJX1M	