

**DOCKET**

**12-AAER-1**

DATE APR 30 2012

RECD. APR 30 2012

California Energy Commission  
Dockets Office, MS-4  
1516 Ninth Street  
Sacramento, CA 95814-5512  
Attn: Commissioners of the CEC

Re: **12-AAER-1 “Appliance Efficiency Enforcement Rulemaking”**

4/30/2012

Dear Commissioners,

Heating, Air-Conditioning and Refrigeration Distributors International (HARDI) is pleased to have the opportunity to comment on the California Energy Commission's (CEC) proposed rulemaking to implement an appliance standards enforcement program. HARDI is a national trade association representing the distributors and wholesalers of heating, air conditioning and refrigeration equipment. Our members distribute and offer wholesale products regulated by the Department of Energy (DOE) under the *Energy Policy and Conservation Act*, as amended.

HARDI is concerned that the enforcement powers contained in the proposal would contradict and usurp DOE enforcement authority for federally “covered” appliances. The State of California currently acknowledges that appliance standards are enforced by DOE (Title 20, Section 1605) and can only become state law if the federal standard for covered products becomes inoperable, inapplicable or invalid as federal law. Therefore, we believe the Commission is attempting to establish a dual administrative procedure and penalties that would subject these products to double regulation.

In addition, the interplay between the proposed scheme and the enforcement actions currently being handled at DOE is unclear. It is inevitable that discrepancies will occur; therefore enforcement actions and penalties could be contradictory. We believe the current national system, which allows states to appeal to DOE regarding violations, is the best option for consistent investigations and prosecutions.

HARDI also has concerns about the Commission levying onerous fines. HARDI members sell various combinations of products with varying levels of efficiencies when installed with other components and equipment. Our members conduct business in the middle of the supply chain, with no visibility as to where the products are installed. If the Commission must impose fines as part of an enforcement action, we would suggest looking downstream where the products are installed in the field.

HARDI appreciates the opportunity to comment on this important issue and looks forward to further discussions related to this rulemaking. We believe that DOE has the sole authority to enforce appliance standards, but acknowledge that there is room for flexibility. Thank you in advance for your consideration of these points.

Regards,

Jonathan Melchi  
Director of Government Affairs  
Heating, Air-Conditioning and Refrigeration Distributors International