

**DOCKETED**

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<b>Project Title:</b>	Settlement Agreements
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<b>Document Title:</b>	Feit Electric Company, Inc Settlement Agreement and Release
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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 Feit Electric Company, Inc. (Feit Electric), with a place of business at 4901 Gregg Road, Pico Rivera, California 90660, collectively referred to as the Parties.

### I. RECITALS

(1) CEC's Appliance Efficiency Regulations at California Code of Regulations, Title 20, Article 4, sections 1601-1609 (Appliance Efficiency Regulations),<sup>1</sup> set forth the requirements to sell or offer for sale regulated appliances in California. The pertinent requirements include:

- **Testing:** The appliance is tested as required in section 1603, using the applicable test method set forth in section 1604.
- **Efficiency:** The appliance meets the required efficiency standards set forth in sections 1605.2 or 1605.3.
- **Marking:** The appliance is correctly marked and labeled as required under section 1607.
- **Certification:** The appliance is certified to CEC and appears in CEC's most recent Modernized Appliance Efficiency Database System (MAEDbS) as required under section 1606.

(2) CEC's enforcement 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.

(3) Feit Electric manufactures several models of Feit brand lamps that it sells or offers for sale in California, through retailers and distributors.

(4) Feit lamps sold or offered for sale in California are subject to the testing, efficiency, marking, and certification requirements for this appliance class as described in paragraph I(1) above.

(5) From January 2018 to May 2023, Feit Electric allegedly sold or offered for sale in California through retailers or distributors state-regulated light emitting diode lamps and state-regulated small diameter directional lamps, that were not listed in MAEDbS as required in section 1606 and did not meet the color rendering index requirements set forth in section 1605.3(k) when tested using the appropriate test method as described in section 1604(k).

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

(6) Based on the above Recitals, CEC, through administrative adjudication, could impose penalties for each violation alleged, obtain injunctive relief to prohibit Feit Electric from continuing to sell or offer for sale, non-compliant lamps in California, and take any other enforcement action as allowed by law.

(7) Section 1609(b)(3) and California Public Resources Code section 25402.11(a)(2) identifies the following factors CEC shall consider when determining the amount of an administrative civil penalty:

- The nature and seriousness of the violation.
- The number of violations.
- The persistence of the violation arising from the course of conduct that is subject of the enforcement proceeding.
- The length of time over which the violation occurred.
- The willfulness of the violation.
- The violator's assets, liabilities, and net worth.
- The harm to consumers and to the state that resulted from the amount of energy wasted due to the violation.

(8) Penalties must be set at levels sufficient to deter violations. In developing this Agreement CEC considered the facts of the case and applied the above factors to determine an appropriate settlement. Further, in this case Feit Electric cooperated with CEC in the investigation by notifying retailers and removing the non-compliant units from the California market and by providing to CEC sales data of non-compliant units. The efforts by Feit Electric saved CEC time and resources in investigating the violations and minimized the impacts on the competitive business environment, energy consumption, and the environment in California, from the non-compliant units.

(9) Feit Electric 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. Accordingly, the Parties agree to resolve this matter completely by means of this Agreement, without the need for administrative adjudication. The Parties understand and agree that neither the payment of any sum of money nor the execution of this Agreement by the Parties will constitute or be construed as an admission of any wrongdoing or liability whatsoever by Feit. Feit reserves the right to contest the use of this Agreement in any other matter or proceeding except in a proceeding to enforce the Agreement itself.

## 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 Feit Electric agree as follows:

- (1) This Agreement covers the Feit lamps listed in the attachment.
- (2) For allegedly selling or offering for sale in California, the lamps identified in paragraph I(5), whose model numbers are identified in the attachment, that did not meet the color rendering index requirements prescribed by section 1605.3 and were not certified to MAEDbS as required by section 1606, and, in consideration of the factors listed in paragraph I(7) and I(8) above, Feit Electric shall pay as an administrative civil penalty the total sum of \$75,000.00 by electronic transfer to CEC by February 1, 2025. Banking information and instructions necessary to complete the electronic transfer shall be provided by CEC.
- (3) Feit Electric also agrees to take each of the following actions for any and all regulated appliances it will sell or offer for sale in California:
  - a. Test all basic models, utilizing the applicable test method, to ensure conformance with the Appliance Efficiency Regulations.
  - b. Certify all basic models in MAEDbS, and ensure listings are kept current and up to date.
  - c. Add the required marking to the unit.
- (4) This Agreement shall apply to and be binding upon Feit Electric 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 Feit Electric and its parent corporation, principals, directors, officers, agents, employees, shareholders, subsidiaries, predecessors, and successors from any and all claims for violations of California Code of Regulations, Title 20, sections 1601-1609 (Appliance Efficiency Regulations), relating to the time frame and appliances identified in paragraph I(5), whose model numbers are identified in paragraph II(1).
- (6) This Agreement constitutes the entire agreement and understanding between CEC and Feit Electric 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 Feit Electric concerning these claims.

(7) 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.

(8) Feit Electric further agrees that if the subject matter of this Agreement comes before CEC in an administrative adjudication, neither any member of CEC, nor the Executive Director, shall be disqualified because of prior consideration of this Agreement.

(9) 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, and has not relied in any way on any inducement, representation, or advice of any other Party in deciding to enter into this Agreement.

(10) 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.

(11) 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.


(12) 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.

(13) 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.

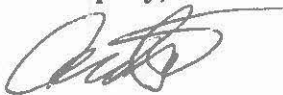
(14) This Agreement is effective upon signature by a representative of Feit Electric with authority to bind the company, and signature by the Executive Director of CEC. The Parties agree that the signatures of the Parties included in this Agreement, whether affixed on an original document manually and later electronically transmitted or whether affixed by an electronic signature through an electronic signature system such as DocuSign, are intended to authenticate this writing and to create a legal and enforceable agreement between the Parties hereto. The Parties agree multiple signature pages are acceptable for purposes of executing this Agreement, which may be signed in counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SETTLEMENT AGREEMENT AND RELEASE  
CALIFORNIA ENERGY COMMISSION and FEIT ELECTRIC COMPANY, INC.  
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**California Energy Commission**

By:   
Name: Drew Bohan  
Title: Executive Director  
Date: 1/28/2025

**Feit Electric Company, Inc.**

By:   
Name: Aaron Feit  
Title: Chief Executive Officer  
Date: 1/16/25

**Attachment**

**State-Regulated Light Emitting Diode Lamps:**

A1100/827/10KLED	A50/150/LEDG2	BR30DM/841/10KLED
A1100/850/10KLED	A60DM827GU2410KLED	BR30DM85/850/LED
A1540/10KLED	A60DM841GU2410KLED	BR40/DM2500/3KLEDG2
A1540C/850/10KLED	A60DM850GU2410KLED	BR40DM/10KLED
A1560/10KLED	A800/827/10KLED	BR40DM/850/10KLED
A1560C/10KLED	A800/841/10KLED	CTF40/10KLED
A1560C/850/10KLED	A800/850/10KLED	ETF40/10KLED
A1600/850/10KLED	BPA15/CL/DM/SU/LED	LEDG2R56/850/CAN
A1940/CL/LED	BPA1540N/827/LED	LEDG2R5675/927
A1960/827/FIL	BPA1560/827/LED	LEDG2R56ADJ/830
A250/827/10KLED	BPCFC40/827/LED	LEDR4ADJ/830
A30/100/LEDG2	BPCFF40/827/LED	OM60/850/LED
A450/827/10KLED	BPCFF60/827/LED	PAR3875/850/10KLED
A450/850/10KLED	BR30/10KLED	ST19/SMK/VG/LED

**State-Regulated Small Diameter Directional Lamps:**

BPMR16/GU10/800/LED	BPMR16/GU10/LEDG2
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