

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

In the Matter of: )  
)  
**The Electrical Design, Development and** )  
**Implementation Company d/b/a Teddico** )  
(metal halide lamp fixtures) )  
)

Case Number: 2012-SE-5409

**NOTICE OF PROPOSED CIVIL PENALTY**

Date issued: November 21, 2012

Number of alleged violations: 218

Maximum possible assessment: **\$43,600**

Proposed civil penalty: **\$43,600**

The U.S. Department of Energy (“DOE”) Office of the General Counsel, Office of Enforcement, alleges that The Electrical Design, Development and Implementation Company d/b/a Teddico (“Teddico”) has violated certain provisions of the Energy Policy and Conservation Act, 42 U.S.C. § 6291 *et seq.* (“the Act”), and 10 C.F.R. Parts 429, 430, and 431.

Specifically, DOE alleges:

1. A metal halide lamp fixture is a “covered product” as defined in 42 U.S.C. § 6292(a)(19) and 10 C.F.R. § 430.2;
2. Effective January 1, 2009, each metal halide lamp fixture with a magnetic probe-start metal halide ballast must contain a magnetic probe-start metal halide ballast with a minimum ballast efficiency of 94%. 10 C.F.R. § 431.326(a)(2);
3. Teddico manufactures or has manufactured<sup>1</sup> a variety of metal halide lamp fixtures with magnetic probe-start ballasts, which it has distributed in commerce in the U.S., including the basic models it distributes under the following model numbers: FL175MH, IFL250MH, LFL250MH, LFL400MH, VR175MH, WK400MH, WP175MH, WP250MH, WP400MH, WPSL175MH, and WPSL250MH (the “Teddico Basic Models”);

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<sup>1</sup> “Manufacture” means to manufacture, produce, assemble or import. 42 U.S.C. § 6291(16).

4. The Teddico Basic Models are not in conformity with the applicable energy conservation standards. As indicated in the table below, the ballast efficiency of each of the Teddico Basic Models is less than the required 94%.

| Basic Model Number | Number of Units | Start Type     | Ballast Efficiency |
|--------------------|-----------------|----------------|--------------------|
| FL175MH            | 1               | magnetic probe | 85%                |
| IFL250MH           | 124             | magnetic probe | 86%                |
| LFL250MH           | 4               | magnetic probe | 86%                |
| LFL400MH           | 8               | magnetic probe | 89%                |
| VR175MH            | 1               | magnetic probe | 85%                |
| WK400MH            | 10              | magnetic probe | 89%                |
| WP175MH            | 14              | magnetic probe | 85%                |
| WP250MH            | 39              | magnetic probe | 86%                |
| WP400MH            | 13              | magnetic probe | 89%                |
| WPSL175MH          | 3               | magnetic probe | 85%                |
| WPSL250MH          | 1               | magnetic probe | 86%                |

; and

5. Since January 1, 2010, Teddico distributed in commerce in the United States 218 units of the Teddico Basic Models that did not meet the applicable energy conservation standards.

**The following information is provided in question and answer format to help explain Teddico's legal obligations and options.**

*What do I do now?*

DOE is offering a settlement of \$32,430 if you submit the signed Compromise Agreement and pay the fine within thirty (30) days of the date of an Adopting Order adopting the Compromise Agreement.

If you do not choose to settle the case, DOE may seek the maximum penalty authorized by law (\$43,600). You have other options as described below.

*What are my other options?*

If you do *not* agree to DOE's settlement offer, then you must select Option 1 or Option 2 below within thirty (30) calendar days of the date of this Notice.

Option 1: You may elect to have DOE issue an order assessing a civil penalty. Failure to pay the assessed penalty within sixty (60) calendar days of the order assessing such penalty will result in referral of the case to a U.S. District Court for an order affirming the assessment of the civil penalty. The District Court has the authority to review the law and the facts *de novo*.

Option 2: You may elect to have DOE refer this matter to an Administrative Law Judge ("ALJ") for an agency hearing on the record. Upon a finding of violation by the ALJ, DOE will issue an

order assessing a civil penalty. This order may be appealed to the appropriate U.S. Court of Appeals.

*When must I respond?*

You must submit the signed Compromise Agreement within thirty (30) calendar days of the date of this Notice to pay the lowest penalty. If you do not wish to settle AND you wish to choose Option 1 as described above, you must notify DOE of your selection of Option 1 within thirty (30) calendar days of the date of this Notice. Otherwise, if you do not settle the case, DOE will refer the case to an ALJ as described in Option 2.

*How should I submit my response?*

To assure timely receipt, DOE strongly encourages you to submit your response by e-mail, fax, or an express delivery service. DOE accepts scanned images of signed documents (such as PDFs). Responses may be sent by any of the following methods:

By email to: christina.studt@hq.doe.gov

By fax to: (202) 586-3274

By private carrier to: Christina Studt  
U.S. Department of Energy  
Office of the General Counsel (GC-32)  
1000 Independence Ave., SW  
Washington, DC 20585

*What happens if I fail to respond?*

If you fail to respond within thirty (30) calendar days of the date of this Notice, or by the time of any extension granted by DOE, DOE will refer the case to an ALJ for a full administrative hearing (Option 2, above).

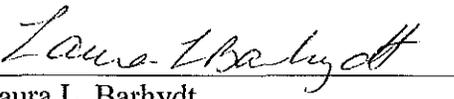
*What should I include in my response?*

- 1) If you wish to accept DOE's settlement offer, you should submit the signed Compromise Agreement. If you do not wish to accept DOE's settlement offer, you should specify if you wish to elect Option 1; otherwise, DOE will proceed with Option 2, as described above.
- 2) Provide your Taxpayer Identification Number (TIN). The Debt Collection Improvement Act ("DCIA") requires all federal agencies to obtain the TIN in any case that may give rise to a debt to the government.

*How did DOE calculate the maximum possible assessment?*

Federal law sets a maximum civil penalty for each unit of a covered product that does not meet an applicable energy or water conservation standard that is distributed in commerce in the U.S. The maximum penalty is \$200 per unit, 10 C.F.R. § 429.120. DOE has calculated a maximum penalty of \$200 per unit for 218 units distributed in commerce in the United States beginning in 2010. DOE is not pursuing potential violations in 2009 at this time. If the case goes to hearing, this number would be adjusted to include violations in 2009 and any additional information obtained.

Issued by:

  
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Laura L. Barhydt  
Assistant General Counsel for  
Enforcement