



Suzanne Alcocer
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October 10, 2014

Ms. Pauline Batarseh, Chief
Policy Implementation Branch
Department of Toxic Substances Control
1001 I Street
Sacramento, CA 95812-0806

RE: Summary of Violation letter July 3, 2014
Rheem Manufacturing Company

Dear Ms. Batarseh,

In follow-up to our telephone conversation with the DTSC on October 3, 2014, we again reiterate our dispute with both DTSC's finding of a violation of the collection rate performance requirement for year 2013, as well as the assessment of the proposed 2014 program enhancements.

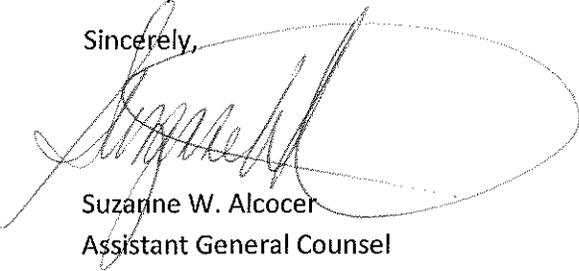
As we mentioned on the call, out of the 1013 mercury containing thermostats sold by Rheem in California, Rheem has achieved a total collection rate of almost 47 % to date. Specifically, as of 12/31/2013, 380 thermostats had been collected and as of as of 10/3/2014, 468 thermostats had been collected. It should be noted that this number excludes any thermostats collected by the big box stores, Cal-Recycle, independent recycling centers, self-disposal and other disposal sites. Clearly Rheem met its goal for 2013 and will meet its goal for 2014.

However, as we were advised in our call, it does not matter if Rheem meets its individual goal, because we are a part of the TRC, and the TRC members failed to meet its goal, we are in violation.

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Therefore, as we are considering leaving the TRC, we ask that the DTSC provide us with our proposed individual goal which presumably will be in proportion to the number of thermostats sold and collected by Rheem. We will then evaluate our options and let you know how we intend to proceed.

Sincerely,

A handwritten signature in black ink, appearing to read "Suzanne W. Alcocer", is written over a large, faint, oval-shaped watermark or background mark.

Suzanne W. Alcocer
Assistant General Counsel

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