



TPI CORPORATION

America's Comfort Conditioning Company

July 24, 2014

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

VIA CERTIFIED MAIL and
ELECTRONIC MAIL

Re: Notice of Violation

Dear Ms. Batarseh:

This letter will confirm receipt of your letter to Mr. R. E. Henry, Jr., as registered agent for service of process, sent to TPI Corporation and dated July 3, 2014. In accordance with your letter please let this letter serve as written notice that TPI Corporation respectfully disputes the violation alleged in your letter as well as DTSC's assessment of the proposed program enhancements as identified in the Annual Report for the California Thermostat Program, submitted by TRC on behalf of its members, on April 1, 2014.

Please be advised one basis for the dispute of the alleged violation is DTSC's failure to properly identify the exact violation(s) committed by TRC's members and more specifically, by TPI Corporation, individually, as a previous manufacturer of mercury thermostats. It is requested that DTSC provide TPI Corporation with detailed information on the alleged violation and expand on its statement that "[TPI Corporation] failed to meet the established collection rate performance requirement for calendar year 2013." Further, TPI Corporation takes the position that the "Annual Collection Rate Performance Requirements" §66274.5 set forth in Division 4.5, Title 22, California Code of Regulations, Chapter 24 Mercury Collection and Performance Requirements under the Mercury Thermostat Collection Act of 2008, is unreasonable and unattainable.

It is my understanding that DTSC has requested that each manufacturer member of TRC appoint a committee to represent its interests with respect the Mercury Thermostat Collection Act of 2008 (the "program") at a conference call which has been tentatively scheduled for July 30, 2014. It is further understood that the July 30, 2014, conference call will satisfy DTSC's request to have a meeting with TPI Corporation within the 45-day period noted in your letter dated July 3, 2014.



P.O. Box 4973, CRS, Johnson City, Tennessee 37602

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Department of Toxic Substances Control
July 24, 2014
Page Two

Accordingly, TPI Corporation hereby agrees to designate a "committee" to participate in the conference call with DTSC representatives on July 30, 2014, provided that the discussion is limited to matters involving setting an agenda for a follow up meeting to be scheduled at a later date and that no matters of substance regarding the regulation, violation, modifications or enhancements of the collection program will be discussed.

Subject to the limitations stated above, the representatives of Honeywell, Emerson, Lennox, ITT, General Electric and SPX Corporation/The Marley-Wylain Co. (the "committee") are hereby designated to represent the interests of TPI Corporation during the July 30, 2014 conference call.

TPI Corporation reserves its rights to provide DTSC with additional information to support its dispute of its alleged violation under subdivision (a) of section 66274.5 and its position that the collection requirements under §66274.5 of the California Code of Regulations (CCR), Title 22 are unreasonable and unattainable.

Should you have any questions or need additional information, please contact me at the telephone number provided above or by email at jldonaldson@tpicorp.com.

Respectfully,



Jerald L. Donaldson, II
Vice President Finance

cc: Mark Tibbetts, Thermostat Recycling Corporation (via electronic mail)
Donn Diebert, DTSC (via electronic mail)