



TPI
CORPORATION
America's Comfort Conditioning Company

October 9, 2014

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

Re: Notice of Violation

Dear Ms. Batarseh:

This letter is in response to our recent telephone conference TPI Corporation (TPI) had with members of the California Department of Toxic Substance Control (DTSC) on October 3, 2014. In the meeting, the DTSC stated the TPI was in violation of 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. As stated in our letter to the DTSC dated July 24, 2014, we still are of the opinion that these performance requirements are unreasonable and unattainable. Further, the DTSC has not quantified the violation supposedly committed by TPI Corporation.

It seems unreasonable to hold TPI Corporation to a requirement established for the TRC group members as an equal to other larger manufacturers when we were a very small manufacturer in the California market, as evidenced by the collection of three thermostats and six switches over the past five years. How are we to drive the collection of 32,500 thermostats in 2013, and 95,400 thermostats in 2014, with the historical numbers that have been collected under the TPI brand for the past five years?

Although the performance requirements were founded on a study commissioned by the TRC (the SERA study), in our opinion the requirements need to be revisited. We will continue to work with the TRC and its membership to enhance our collections, however; even with new programs targeting multiple channels of the market, the SERA numbers appear overly aggressive.



Markel
Products Company

Raywall
Comfort Conditioning Products

Redd-i



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We respectfully submit the DTSC, TRC and its individual members should work together to develop opportunities to enhance our collection efforts revisiting all facets of the program including, but not limited to, marketing channels, advertising efforts and performance requirements.

Sincerely,

A handwritten signature in blue ink, reading "Jerald L. Donaldson II". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke at the end.

Jerald L, Donaldson II
VP of Finance
TPI Corporation