

February 19, 2015

Pauline Batarseh, Chief  
Policy Implementation Branch  
Policy and Program Support Division  
Hazardous Waste Management Program  
DEPARTMENT OF TOXIC SUBSTANCES CONTROL  
1001 "I" Street  
P.O. Box 806  
Sacramento, CA 95812-0806

**Re: Lennox Response to January 30, 2015 Settlement of Summary of Violations Letter**

Dear Ms. Batarseh:

I am sending this letter on behalf of Lennox International, Inc. ("Lennox"), in order to timely respond to the letter sent from DTSC to Lennox dated January 30, 2015 which Lennox received on February 11, 2015.

Lennox agrees that a negotiated resolution of the SOVs issued on July 3, 2014 is in the best interests of all of the parties involved in the matter and is amenable to discussions about the proposed approach outlined in the January 30 letter. We look forward to a productive exchange regarding the proposed changes to the thermostat collection program, but make no commitments to accept any or all of DTSC's proposed changes at this time. Furthermore, we believe that the future negotiations should also address the preparation of a new study that would eliminate the deficiencies contained in the SERA study upon which the existing collection regulations are based.

We recognize that DTSC prefers to negotiate with a subset of manufacturers, as opposed to negotiating separately with each individual manufacturer. However, ten days is likely an insufficient amount of time to determine whether all of the Thermostat Recycling Corporation members will agree to be represented by a smaller group in the forthcoming negotiations. The TRC has thirty members, and not all of them have entirely identical interests. Thus, the TRC first needs an opportunity to contact its members, identify those who wish to participate directly in the settlement negotiations, and make internal arrangements to facilitate the discussions. Once these arrangements have been made, TRC will advise DTSC of the negotiating team and will suggest a range of possible dates for the initial settlement meeting.

Lennox is nonetheless prepared to meet with DTSC separately in the event that TRC is unable to convene a negotiating team to represent its members. We believe that other individual TRC members would also be willing to join that effort.

Thank you for your time and continued support of our efforts to resolve these issues. Please contact me if you have any questions.

Very truly yours,

DOWNEY BRAND LLP



Leila Bruderer

LCB:cbp

cc: Steven H. Goldberg