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February 24, 2015

Via Email & First-Class Mail
Confidential Settlement Negotiations

Pauline Batarseh
Chief, Policy Implementation and Support Branch
Department of Toxic Substances Control
1001 "I" Street
P.O. Box 806
Sacramento, CA 95812-0806

Re: Settlement of the Summary of Violations

Dear Ms. Batarseh:

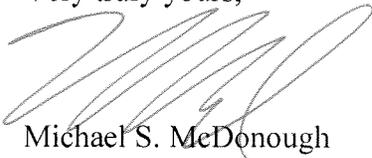
We are writing in response to your letter of January 30, 2015, which White-Rodgers received on February 4, 2015. We apologize for the delay in responding to you – your letter appears to have been misrouted within the White-Rodgers organization, and only just came to the attention of our management on February 17th.

White-Rodgers agrees that the parties should continue to work together toward an amicable and collaborative resolution of the issues alleged in the July 3, 2014 Summary of Violation (SOV) letter from DTSC. As you know, White-Rodgers' compliance with California's thermostat collection program includes its participation in the Thermostat Recycling Corporation (TRC). We understand that our collective negotiations concerning resolution of the SOV will include TRC, and may also include additional individual members of TRC. Nevertheless, White-Rodgers intends to participate in the negotiations directly.

White-Rodgers also has reviewed the "Outline of Key Program Improvements/Enhancements" outline attached to your January 30 letter. We will be prepared to discuss that outline with you as well in our upcoming discussions, though White-Rodgers is not yet in a position to comment on or agree to any of those proposed changes.

Finally, while we remain interested in continuing discussions with DTSC about these issues, White-Rodgers will not be in a position to engage in a formal settlement meeting with DTSC before February 27, 2015. We will need additional time to consider the issues in your outline, and to coordinate with other parties to the negotiations, in order to make our upcoming discussions with you productive and efficient. White-Rodgers will coordinate with TRC and other parties about the preferred timing for a meeting with DTSC, and we will commit to get back to you at the earliest possible opportunity to discuss a meeting date and logistics. In the meantime, if you have any questions, please do not hesitate to call me.

Very truly yours,



Michael S. McDonough

cc: John Sartain
John Sperino, Esq.
Meg Rosegay, Esq.