



Ms. Pauline Batarseh
Policy Implementation Branch
Policy and Program Support Division
Hazardous Waste Management Program
Department of Toxic Substance Control
1001 I Street,
Sacramento, CA 95812-0806
Pauline.batarseh@dtsc.ca.gov

Re: DTSC Summary of Violations Response

Dear Ms. Batarseh,

We look forward to working with the Department of Toxic Substance Control (DTSC) to resolve the issues that have led to the SOV as smoothly as possible.

PSG Controls, Inc. (PSG) wanted to respond to you as a single entity in order to confirm that we have authorized the group of TRC member companies to respond on our behalf in our letter dated 7/23/14 to you.

During our Teleconference meeting we stated that we have targeted the purchaser of new PSG thermostats by inserting an information card in the package. Intended for both contractor and homeowner, the card educates and informs where to recycle if they are replacing a mercury containing thermostat. A copy of the card can be found at the end of this letter. During our phone discussion with DTSC representatives we stated that we would consider the use of a ship back program for mercury containing thermostats. We are happy to investigate pursuing that avenue as a beta study to determine if the program would be successful.

The DTSC recommended that the TRC group engage directly the 1,500 registered demolition contractors and 13,500 registered HVAC contractors in the state of California. PSG responded, that engaging with the contractor at the stores is hard to do because the "hands-on" licensed contractor generally does not go to the wholesale branch, and it is usually a runner or driver for the company. The DTSC stated we should be able to get a listing of all contractors from the Contractors State Licensing Board. This may engage the hands-on people that have an EPA identification number that enables them to purchase refrigerant, opposed to sending information to the owners and presidents of registered contracting companies.

PSG was inquiring about CA Health and Safety Code §25214.8.14 (b), regarding enforcement of retail internet sales of thermostats. PSG would like the DTSC to consider that retail internet sales be monitored by the DTSC for the same compliance the TRC group is being held accountable for. PSG has



notified TRC of the four enhancements to potentially increase the collection rate of Mercury contained thermostats.

Many of the other TRC member companies are advocating another study to properly determine the quantity of mercury containing thermostats in the state of California. PSG in conjunction with the other TRC members firmly believe that our interests are aligned with the DTSC and its stated goals.

With respect to DTSC's "Review of Thermostat Recycling Corporation's 2013 Annual Report for California" dated August 25, 2014, we committed to request of TRC assistance to PSG on a response to the specific questions and comments from DTSC, recognizing that it is not feasible to provide such an accurate response by October 10, 2014. This response is based on information available as of our response date. However, based on comments that may be submitted separately by other affected companies we may submit an amendment to our comments.

PSG Controls is also committed to work with TRC members and with the DTSC to identify mutually agreeable and attainable steps to enhance the recovery rates while moving toward the long term solution. In PSG's view, here too, we can benefit from the experience of TRC in efficiently and effectively managing programs throughout the US.

PSG Controls also requests that DTSC at the same time assist PSG Controls and other TRC members in achieving improvements in the program by exercising its powers to affect the accuracy of the data on overall thermostat collections in California (e.g. retailers and municipal HHW collections) and to require participation by others who are collecting thermostats and those who are directly responsible under the Act (e.g., non-cooperating wholesalers, retailers and contractors), using enforcement when warranted. DTSC has not yet committed, but we hope that will come as part of on-going discussions with TRC members.

PSG Controls is respectfully requesting DTSC to temporarily suspend enforcement of the performance requirements as we collectively work together to establish realistic goals and metrics.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard Rosen", with a long horizontal line extending to the right.

Richard Rosen
Regulatory Compliance Manager

An advertisement for Thermostat Recycling Corporation. It features a green header with three facts: "Fact 1: It's very easy to recycle mercury thermostats.", "Fact 2: It's free.", and "Fact 3: It's the law.*". Below this is a list of states: "The following states prohibit the disposal of mercury thermostats in solid waste: CA, CT, IA, IL, FL, ME, MA, MN, NY, NH, OR, RI, PA, and VT." The main text reads: "Drop mercury thermostats off at your local HVAC wholesaler." Below that, it says: "That's all you have to do to make sure the thermostat is properly recycled. Next time you complete a job, hang onto the thermostats you remove and go to thermostat-recycle.org to find the drop-off site near you. The service is free and it helps us help you protect the environment." At the bottom is the logo for Thermostat Recycling Corporation, described as "an industry-funded non-profit" with contact information: "800.238.8192 www.thermostat-recycle.org".