

**BEFORE THE  
U.S. DEPARTMENT OF ENERGY  
Washington, D.C. 20585**

In the Matter of:

**YMGI Group LLC**  
(residential central air conditioners  
and heat pumps)

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) Case Number: 2011-SCE-1605  
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Issued: October 11, 2012

**NOTICE OF NONCOMPLIANCE DETERMINATION**

Manufacturers and private labelers are prohibited from distributing covered products that do not comply with applicable federal energy conservation standards. 10 C.F.R. § 429.102; 42 U.S.C. § 6302.

In January 2012, DOE completed testing of four YMGI Group LLC (“YMGI”) split system through-the-wall central air conditioners, YMGI outdoor unit basic model number TTWC-18K-31B combined with indoor unit model number SFCU(M)-18K-34B(4) (the “tested combination”), in accordance with DOE test procedures (10 C.F.R. Part 430, Subpart B, Appendix M). The results of DOE’s testing demonstrated that basic model number TTWC-18K-31B is not in compliance with federal law. The minimum permissible seasonal energy efficiency ratio (SEER) for this basic model manufactured prior to January 23, 2010, is 10.9.<sup>1</sup> For units of this model manufactured on or after January 23, 2010, the minimum standard is 12 SEER. Based on its performance during testing, the tested combination has a SEER of 8.3—approximately 24 percent lower than the federal 10.9 SEER standard and approximately 31 percent lower than the current 12 SEER standard.<sup>2</sup>

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<sup>1</sup> Under 10 C.F.R. § 430.32(c), the minimum SEER value for a through-the-wall split-system central air conditioner manufactured prior to January 23, 2010, is 10.9. The “through-the-wall” product class only applies to products manufacturer prior to January 23, 2010. Products manufactured as of that date must be assigned to a product class based on the product’s characteristics and definitions found in 10 C.F.R. § 430.2 and 10 C.F.R. part 430, subpart B, appendix M. Those products at issue manufactured (including imported) on or after January 20, 2010, fall under the category ‘space-constrained products—air conditioners’ and are subject to a 12 SEER standard.

<sup>2</sup> The tested results indicate a SEER of approximately 36 percent below the 13 SEER value advertised by YMGI for this basic model. YMGI has represented to DOE that YMGI informs its customers that, to obtain the advertised 13 SEER performance, the air conditioning system must be installed with additional equipment—an ADHX box. However, this additional component is not discussed in YMGI’s promotional material, and YMGI neither offered nor provided an ADHX box to DOE when DOE purchased four units of the model. Further, use of such equipment when determining the product’s energy efficiency falls outside the DOE test procedure set forth in Appendix M to Subpart B of 10 C.F.R. Part 430 and thus requires a waiver from this test procedure. YMGI neither applied for nor received a waiver from the DOE test procedure.

### FINDING

Based on the facts stated above, DOE has determined, after applying the calculations set forth in 10 C.F.R. Part 429, Subpart C, that YMGI outdoor unit basic model number TTWC-18K-31B does not comply with the applicable federal energy conservation standards.

### MANDATORY ACTIONS BY YMGI GROUP LLC

In light of the above findings, YMGI must take the following steps in accordance with 10 C.F.R. § 429.114(a):

- (1) Immediately cease distribution in commerce in the United States of all units of outdoor unit basic model number TTWC-18K-31B;
- (2) Provide immediate written notification of this noncompliance determination to all persons in the United States to whom YMGI has distributed units of basic model number TTWC-18K-31B;
- (3) Provide to DOE within 15 calendar days of the date of this Notice a copy of the written notification required by paragraph (2) and a list of the parties YMGI notified; and

If you claim that any of the information sought by this Notice constitutes confidential commercial material within the meaning of 5 U.S.C. § 552(b)(4), or is protected from disclosure pursuant to 18 U.S.C. § 1905, you must (1) provide one complete and full copy and one copy with the confidential information deleted and (2) submit supporting information together with the materials that are the subject of the confidentiality request. *See* 10 CFR § 429.7. Failure to adhere to these procedures will result in a rejection of your request for confidential treatment.

### OPTIONAL ACTIONS BY YMGI GROUP LLC

In addition to the mandatory steps listed above that YMGI must complete, YMGI may elect to modify basic model number TTWC-18K-31B to bring it into compliance with the applicable standard. The modified basic model shall be treated as a new basic model under the regulations and must be certified in accordance with the provisions of 10 C.F.R. Part 429. Prior to distribution in commerce in the United States, YMGI must provide to DOE test data demonstrating that the modified basic model complies with the applicable standard. All units must be tested in accordance with DOE regulations, and YMGI shall bear the costs of all such testing that is conducted.

If, after this testing, DOE determines that the modified basic model complies with the applicable standard, DOE shall issue a Notice of Allowance to permit YMGI to resume the distribution of the modified basic model in the United States. Until DOE determines that the modified basic model complies with the applicable standard, no units of the basic model may be sold or otherwise distributed by YMGI in the United States.

CONSEQUENCES FOR FAILURE TO COMPLY WITH THIS NOTICE

Should YMGI fail to cease immediately the distribution in the United States of all units of basic model number TTWC-18K-31B, this letter serves as notice that DOE will seek a judicial order within 30 calendar days to restrain further distribution. If, however, YMGI provides DOE with a satisfactory statement within that 30-day period detailing the steps that YMGI will take to ensure that units of the noncompliant basic model will no longer be distributed in commerce in the United States, DOE may elect to defer seeking such an order until a more appropriate time, if needed.

The distribution of any units of a noncompliant basic model may result in DOE seeking all appropriate legal remedies available under federal law, including injunctive relief and civil penalties with respect to each unit of the basic model distributed in violation of federal law.



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Timothy G. Lynch  
Deputy General Counsel for  
Litigation and Enforcement

**Certificate of Service**

This is to certify that on October 11, 2012, the undersigned served the designated copy October 11, 2012 Notice of Noncompliance Determination on the party listed below in the manner indicated.

Yan Zhou  
YMGI Group LLC  
PO Box 1559  
O'Fallon, Missouri 63366

Certified mail

angie@ymgigroup.com

Via email

rich@ymgigroup.com

Courtesy copy via email

  
David W. Case