

Eliza Liu
Leader Electronics Inc.
4FL, No.3, Lane 45, Pao Hsin Rd.
Hsin Tein, Taipei, (231)
Taiwan, R.O.C

Dear Ms. Liu:

The attached notice advises you of the Department of Energy's (DOE) determination that certain products manufactured by Leader Electronics Inc. (L-E-I) do not comply with applicable energy conservation standards in the United States. The notice also advises you of your legal obligations.

This determination stems from the certification reports filed by L-E-I pursuant to 10 C.F.R. § 430.62 (a)(4)(ix) regarding the performance of external power supplies manufactured by L-E-I. Violations of the applicable energy efficiency standards may be subject to civil penalties. Separate from this notice, DOE may issue a notice of civil penalty for such penalties as appropriate.

As specified in the attached notice, DOE asks that L-E-I acknowledge receipt of this notice and inform the agency within 15 calendar days of the steps L-E-I will take to comply with the requirements set forth in the notice.

Should you have any questions or require additional time to respond, please contact Laura Barhydt of my staff at (202) 287-5772 or Laura.Barhydt@hq.doe.gov.

Sincerely,



Timothy G. Lynch
Deputy General Counsel
For Litigation and Enforcement

Attachment(s): Notice of Noncompliance Determination

U.S. Department of Energy

1000 Independence Ave, SW

Washington, DC 20585

In the Matter of:

Leader Electronics, Inc.
(External Power Supplies)

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Case Number: 2010-SE-2301

NOTICE OF NONCOMPLIANCE DETERMINATION

CERTIFICATION

Manufacturers of certain covered products are required to certify compliance with the applicable energy conservation standards through submission of a compliance statement and a certification report. 10 C.F.R. § 430.62. See 42 U.S.C. § 6296. Leader Electronics, Inc. (L-E-I) provided to DOE certification reports for a variety of models of external power supplies. Those reports showed that two models “NU50-2093400-I3(NU50-21090-300F)” and “MU03-F050040-A1(MU03-F1050-AK0S)” do not meet federal energy conservation requirements for external power supplies.

Accordingly, DOE issued a Request for Data on August 19, 2010, to verify whether these two models meet the applicable standard. In an email dated August 19, 2010, L-E-I responded with an admission that the two models do not meet the federal energy conservation standards. L-E-I also attempted to withdraw all of the certification information it had previously submitted to DOE.

The active mode efficiency of a Class A external power supply with a nameplate output from 1 watt to not more than 51 watts, manufactured on or after July 1, 2008, must have an efficiency not less than the sum of 0.09 times the Natural Logarithm of the Nameplate Output and 0.5.

Specifically, L-E-I certified:

NU50-2093400-I3(NU50-21090-300F)

Nameplate power output (watts): 38

Average active-mode efficiency: 80.59%

No-Load mode power consumption: 0.329

Standard: 82.74%

MU03-F050040-A1(MU03-F1050-AK0S)

Nameplate power output (watts): 2

Average active-mode efficiency: 54.87%

No-Load mode power consumption: 0.142

Standard: 56.24%

FINDINGS

Based on the test results provided by L-E-I in its certification reports and its email acknowledging that models “NU50-2093400-I3(NU50-21090-300F)” and “MU03-F050040-A1(MU03-F1050-AK0S)” do not meet federal energy conservation requirements for external power supplies, DOE has determined that models “NU50-2093400-I3(NU50-21090-300F)” and “MU03-F050040-A1(MU03-F1050-AK0S)” do not meet the applicable DOE energy conservation standards.

MANDATORY ACTIONS BY L-E-I

In light of the above findings, L-E-I must take the following steps in accordance with 10 C.F.R. § 430.71:

- (1) Immediately cease distribution in commerce in the United States of all units of models “NU50-2093400-I3(NU50-21090-300F)” and “MU03-F050040-A1(MU03-F1050-AK0S)”; and
- (2) Provide immediate written notification of this noncompliance determination to all persons to whom L-E-I has distributed units of these models in the United States;
- (3) Provide DOE with a copy of the written notification and a list of all persons to whom L-E-I has distributed units of these models in the United States; and
- (4) Provide within 30 calendar days of the date of this notice any and all records, reports, and other documentation pertaining to the acquisition, ordering, storage, shipment, or sale of these products to parties in the United States.

OPTIONAL ACTIONS BY L-E-I

In addition to the mandatory steps listed above that L-E-I must complete, L-E-I may make immediate changes to its products to bring them into compliance with the applicable standard.

Modifications to Current Models

L-E-I may elect to modify the basic models that have been determined to be noncompliant to bring them into compliance with the applicable standard.

Should L-E-I opt to do so, 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 CFR Part 430.

L-E-I shall also maintain records that demonstrate that the modifications have been made to all units of the new basic model prior to distribution in commerce.

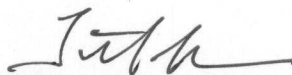
Records addressing these new basic models shall be maintained for a period of time that is consistent with DOE's regulations for product certification -- i.e., for a period of two years from the date that production has ceased. *See* 10 CFR § 430.62(d).

CONSEQUENCES FOR FAILURE TO COMPLY WITH THIS NOTICE

Should L-E-I fail to immediately cease the distribution of the above models, this notice serves as notice that DOE will seek a judicial order within 15 calendar days to restrain further distribution of these models. If, however, L-E-I provides DOE with a satisfactory statement within that 15-day period detailing the steps that L-E-I will take to ensure that all noncompliant models will no longer be distributed in commerce, DOE may elect to defer seeking such an order until a more appropriate time, if needed.

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

Dated: 24 August 2010



Timothy G. Lynch
Deputy General Counsel
For Litigation and Enforcement