

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 67338 / July 3, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-14935

In the Matter of

**A-Power Energy Generation Systems,
Ltd.,**

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE
PROCEEDINGS AND NOTICE
OF HEARING PURSUANT TO
SECTION 12(j) OF THE
SECURITIES EXCHANGE ACT
OF 1934**

I.

The Securities and Exchange Commission (“Commission”) deems it necessary and appropriate for the protection of investors that public administrative proceedings be, and hereby are, instituted pursuant to Section 12(j) of the Securities Exchange Act of 1934 (“Exchange Act”) against Respondent A-Power Energy Generation Systems, Ltd. (“A-Power”).

II.

After an investigation, the Division of Enforcement alleges that:

A. Respondent

A-Power Energy Generation Systems, Ltd. (CIK No. 0001399233) is a British Virgin Islands corporation with its principal executive offices located in the People’s Republic of China (“PRC”). On January 18, 2008, A-Power merged with its parent, Chardan South China Acquisition Corporation, through a reverse merger and was the surviving entity. It claims to be the largest provider of distributed power generation systems in China and claims to have the largest wind turbine manufacturing facility in China. It is a foreign private issuer that is required to file annual reports on Form 20-F with the Commission. At all relevant times, its common stock has been registered pursuant to Section 12(b) of the Exchange Act. Its stock was listed and began trading on NASDAQ on January 22, 2008, under the symbol APWR and traded as high as \$31.89 on June 20, 2008. On June 27, 2011, NASDAQ halted trading in A-Power’s stock following the resignation of its independent auditor. The trading halt converted into a suspension

on September 26, 2011.¹ A-Power's stock did not trade from June 28, 2011 through September 23, 2011. On September 26, 2011, A-Power's stock resumed trading in the over the counter market and closed at \$0.31 with a trading volume of 2.8 million shares. On April 13, 2012, NASDAQ announced the delisting of A-Power's common stock, which closed at \$0.27. That day, A-Power had five market makers, a trading volume of 304,388 shares, and a market capitalization of \$12.5 million (46,363,638 total shares outstanding).

B. A-Power's Reporting Violations

1. A-Power failed to file an annual report on Form 20-F for the year ended December 31, 2010 containing audited financial statements because its former independent auditor resigned before the completion of its audit and A-Power has been unable to have another auditor complete the audit.

2. Section 13(a) of the Exchange Act and the rules promulgated thereunder require issuers of securities registered pursuant to Section 12 of the Exchange Act to file with the Commission current and accurate information in periodic reports. Rule 13a-1 requires issuers to file annual reports.

3. As a result of the foregoing, Respondent failed to comply with Section 13(a) and Rule 13a-1 thereunder.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate for the protection of investors that public administrative proceedings be instituted to determine:

A. Whether the allegations contained in Section II hereof are true and, in connection therewith, to afford the Respondent an opportunity to establish any defenses to such allegations; and,

B. Whether it is necessary and appropriate for the protection of investors to suspend for a period not exceeding twelve months, or to revoke the registration of each class of securities registered pursuant to Section 12 of the Exchange Act of A-Power.

¹ NASDAQ informed A-Power that it concluded, pursuant to Listing Rules 5101 and 5250(c), that continued listing of A-Power's securities on NASDAQ was unwarranted because of circumstances surrounding the resignation of its independent auditor, resignations of several of its directors, and because it had not timely filed its annual report with the Commission. A-Power appealed this determination to a NASDAQ Listing Qualifications Panel and was granted until December 31, 2011 to complete its audit and file its Form 20-F for the year ended December 31, 2010.

IV.

IT IS HEREBY ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice [17 C.F.R. § 201.110].

IT IS HEREBY FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within ten (10) days after service of this Order, as provided by Rule 220(b) of the Commission's Rules of Practice [17 C.F.R. § 201.220(b)].

If respondent fails to file the directed Answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against it upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 201.310 of the Commission's Rules of Practice [17 C.F.R. §§ 201.155(a), 220(f), 201.221(f) and 201.310].

This Order shall be served forthwith upon Respondent personally or by certified, registered, or Express Mail, or by other means permitted by the Commission's Rules of Practice.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 120 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice [17 C.F.R. § 201.360(a)(2)].

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Elizabeth M. Murphy
Secretary