

STATEMENT OF NICHOLAS FELL
Silicomanganese from China and Ukraine,
Inv. Nos. 731-TA-672 to 673 (Fourth Reviews)

Good morning. My name is Nicholas Fell. I am Corporate Counsel for Eramet in North America.

I know it may seem a little unusual that a company lawyer is testifying before you today, but I have been directly involved in company decision making around plant employment and environmental compliance, as well as major investment decisions at the plant. I can tell you from my own experience that the continuation of these antidumping orders has been an important consideration that has supported the decision to reinvest and modernize the plant over the past two years.

Eramet's plant in Marietta is one of the largest industrial employers in Washington County, Ohio, which is part of the Appalachian Region. The plant dates back to the 1950s. The Eramet Group purchased the plant from Elkem Metals in 1999. Elkem was the petitioner in the original investigations. Since that time, Eramet has devoted substantial capital to upgrade and modernize our silicomanganese operations and to invest in our workforce. We take the safety of our workers very seriously, and I am proud to say that we have not had a lost time injury in more than three years.

As you may be aware, the U.S. Environmental Protection Agency, or EPA, established new rules on emissions at silicomanganese and ferromanganese production facilities, called National Emission Standards for Hazardous Air Pollutants: Ferroalloys Production or “NESHAP.” Pursuant to the final rule issued in June 2015, and extension from the Ohio authorities, the deadline for compliance is the end of this calendar year.

We have had to commit significant capital in order to meet these new NESHAP environmental standards. Given the millions of dollars needed, I attended meetings where the company discussed whether it even made sense to undertake these expenditures. It was a difficult decision. Eramet Marietta ultimately decided to make these investments based on the assumption that the orders on imports from China and Ukraine would stay in place.

In order to complete the investments, achieve a reasonable payback period, and make new investments, we are counting on a level, competitive playing field, which these orders help maintain. Commissioner Broadbent and her aide, Mr. Carlson, visited our plant with two members of the investigative team. They saw first-hand the additional equipment that we have installed to meet the new environmental rules. All of the work that Eramet Marietta has done and is continuing to do to comply with these new environmental regulations, however,

would be severely at risk if you issue a negative determination. Revoking the orders would undermine our investments and jeopardize U.S. jobs.

After the Commission announced that it would be conducting full reviews of the orders on China and Ukraine, I reached out to Felman's counsel to see if they would be participating. As some of you know, we have worked together with Felman in prior silicomanganese proceedings. To my surprise and disappointment, she reported that Felman would be seeking to maintain the order on imports from China only. Given the amount of investments that we made to our facility to comply with NESHAP, Felman must also need stable market conditions in order to recoup its own NESHAP investments. It is difficult to imagine how in West Virginia they decided to support only continuing the order on imports from China and not Ukraine.

I want to echo Peter's request. We ask the Commission to vote to continue the antidumping duty orders on silicomanganese imports from China and Ukraine in order to avoid the continuation or recurrence of material injury to the domestic industry producing silicomanganese. Thank you.