

(“Department”) received an antidumping duty (“AD”) petition¹ concerning imports of certain seamless pipe (“seamless pipe”) from the People’s Republic of China (“PRC”) filed in proper form by United States Steel Corporation and V&M Star L.P. (on September 28, 2009, TMK IPSCO, and United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union also entered the proceeding as petitioners). On September 21, 2009, the Department issued a request to United States Steel Corporation, V&M Star L.P., TMK IPSCO, and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, (collectively, “Petitioners”) for additional information and for clarification of certain areas of the Petition. Based on the Department’s request, Petitioners filed two supplements to the Petition, one regarding general issues and one addressing AD-specific issues, on September 25, 2009 (“Supplement Regarding General Issues to the AD/CVD Petition” and “Supplement to the AD Petition,” respectively). On September 25, 2009, the Department requested further information from Petitioners, including suggested refinements to the scope. On September 29, 2009, Petitioners filed a second supplement to the Petition in response to the Department’s September 25, 2009 request (“Second Supplement Regarding General Issues to the AD/CVD Petition”). Also, on September 29, 2009, the Department issued additional requests to Petitioners for further information and clarification of certain areas of the Petition. Based on the Department’s request, Petitioners again filed two supplements to the Petition, one regarding general issues and one addressing AD-specific issues, on October 1, 2009 (“Third Supplement Regarding General Issues to the AD/CVD Petition” and “Second Supplement to the AD Petition”). On September 30, 2009, the Department requested comments from Petitioners on revisions made by the Department to the proposed scope language. In response to the Department’s request, Petitioners reiterated their scope comments filed in the Second Supplement Regarding General Issues to the AD/CVD Petition. See memorandum to the file from Drew

Jackson regarding “Initiation of the Antidumping Duty Investigation of Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People’s Republic of China (“Scope Memorandum”).

In accordance with section 732(b) of the Tariff Act of 1930, as amended (“Act”), Petitioners allege that imports of seamless pipe from the PRC are being, or are likely to be, sold in the United States at less than fair value, within the meaning of section 731 of the Act, and that such imports materially injure, and threaten further material injury to, an industry in the United States.

The Department finds that Petitioners filed the Petition on behalf of the domestic industry and unions because Petitioners are interested parties, as defined in section 771(9)(C) and (D) of the Act, and have demonstrated sufficient industry support with respect to the investigation that they request the Department to initiate (see “Determination of Industry Support for the Petition” below).

Scope of Investigation

The products covered by this investigation are seamless pipe from the PRC. For a full description of the scope of the investigation, please see the “Scope of the Investigation” in Appendix I of this notice.

Comments on the Scope of Investigation

During our review of the Petition, we discussed the scope of the investigation with Petitioners and suggested a number of revisions to the scope language, including the removal from the scope of all language that relies on end-use to define covered merchandise. While Petitioners made a number of the suggested revisions to the scope, they did not remove end-use language from the scope. See Supplement Regarding General Issues to the AD/CVD Petition at 4; Second Supplement Regarding General Issues to the AD/CVD Petition, Item 3; and Scope Memorandum. The Department has inherent authority to define the scope of the investigation and may depart from the scope as proposed by a petition. *NTN Bearing Corp. v. U.S.*, 747 F. Supp. 726, 731 (CIT 1990). In this case, consistent with the position taken in circular welded carbon quality steel pipe from the PRC, we have revised the scope by removing all end-use language from it. See *Notice of Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances: Circular Welded Carbon Quality Steel Pipe from the People’s Republic of China*, 73 FR 31970 (June 5, 2008) (“*Circular Welded Pipe*”) at

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-956]

Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe From the People’s Republic of China: Initiation of Antidumping Duty Investigation

AGENCY: Import Administration, International Trade Administration, Department of Commerce

DATES: *Effective Date:* October 14, 2009.

FOR FURTHER INFORMATION CONTACT: Drew Jackson at (202) 482-4406 or Melissa Blackledge at (202) 482-3518, AD/CVD Operations, Office 4, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

The Petition

On September 16, 2009, the Department of Commerce

¹ See Petition for the Imposition of Antidumping Duties: Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People’s Republic of China, dated September 16, 2009 (“Petition”).

Comment 1 (“* * * the Department prefers to define product coverage by the physical characteristics of the merchandise subject to investigation.”). As noted in *Circular Welded Pipe*, excluding end-use language from the scope provides certainty with respect to product coverage and will enable any potential future orders to be effectively administered by the Department and enforced by U.S. Customs and Border Protection. Further, clarity with respect to scope will ensure that respondents in the investigation will know precisely what is included in the definition of subject merchandise.

As discussed in the preamble to the Department’s regulations (*Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for interested parties to raise issues regarding the product coverage of the scope. The Department encourages all interested parties to submit such comments by October 26, 2009, which is twenty calendar days from the signature date of this notice. Comments should be addressed to Import Administration’s APO/Dockets Unit, Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period for scope consultations is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determination in this investigation.

Comments on Product Characteristics for the Antidumping Duty Questionnaire

We are requesting comments from interested parties regarding the appropriate physical characteristics of seamless pipe to be reported in response to the Department’s AD questionnaire. This information will be used to identify the key physical characteristics of the subject merchandise in order to more accurately report the relevant factors of production, as well as to develop appropriate product reporting criteria.

Interested parties may provide any information or comments that they believe are relevant to the development of an accurate listing of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as (1) general product characteristics and (2) the product reporting criteria and order of importance. We note that it is not always appropriate to use all product characteristics as product reporting criteria. We base product reporting criteria on meaningful

commercial differences among products. In other words, while there may be some physical product characteristics utilized by manufacturers to describe seamless pipe, it may be that only a select few product characteristics reflect meaningful commercial differences.

In order to consider the suggestions of interested parties in developing the product characteristics for the antidumping duty questionnaire, we must receive comments at the above-referenced address by October 26, 2009. Additionally, rebuttal comments must be received by November 2, 2009.

Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) at least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the industry.

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The International Trade Commission (“ITC”), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply the same statutory definition regarding the domestic like product (section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may result in different definitions of the

like product, such differences do not render the decision of either agency contrary to law.²

Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation,” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition). With regard to the domestic like product, Petitioners do not offer a definition of domestic like product distinct from the scope of the investigation requested in the Petition. As noted, the Department has changed the definition of the class or kind of merchandise to be investigated from that which was initially requested by Petitioners. The reference point from which the domestic like product is defined is the class or kind of merchandise that is the basis for the Department’s initiation of this investigation. Based on our analysis of the information submitted on the record, we have determined that seamless pipe constitutes a single domestic like product and we have analyzed industry support in terms of that domestic like product.³

In determining whether Petitioners have standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the “Scope of the Investigation” in Appendix I of this notice. To establish industry support, Petitioners provided their own 2008 production of the domestic like product, and compared this to the estimated total production of the domestic like product for the entire domestic industry.⁴ To estimate 2008 production of the domestic like product, Petitioners used data from an industry publication, published by the American Iron and Steel Institute (“AISI”) which compiles data on domestic producers’ shipments of seamless standard, line

² See *USEC, Inc. v. United States*, 132 F. Supp. 2d 1, 8 (CIT 2001), citing *Algoma Steel Corp. Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff’d* 865 F.2d 240 (Fed. Cir. 1989), *cert. denied* 492 U.S. 919 (1989).

³ For a discussion of the domestic like product analysis in this case, see Antidumping Duty Investigation Initiation Checklist: Certain Seamless Pipe from the PRC (“Initiation Checklist”) at Attachment II (“Industry Support”), dated concurrently with this notice and on file in the Central Records Unit, Room 1117 of the main Department of Commerce building.

⁴ See Initiation Checklist at Attachment II.

and pressure pipe. Petitioners approximated domestic production of seamless pipe by inflating the volume of domestic shipments reported by AISI by the ratio of the difference between Petitioners' own production and shipments in the applicable calendar year.⁵

Our review of the data provided in the Petition, supplemental submissions, and other information readily available to the Department, including a search of the Internet, indicates that Petitioners have established industry support. First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, the Department is not required to take further action in order to evaluate industry support (*e.g.*, polling).⁶ Second, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.⁷ Finally, the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition. Accordingly, the Department determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.⁸

The Department finds that Petitioners filed the Petition on behalf of the domestic industry because Petitioners are interested parties (*e.g.*, domestic producer and unions) as defined in section 771(9)(C) and (D) of the Act and have demonstrated sufficient industry support with respect to the antidumping investigation that they are requesting that the Department initiate.⁹

Allegations and Evidence of Material Injury and Causation

Petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject

merchandise sold at less than normal value ("NV"). In addition, Petitioners allege that subject imports exceed the negligibility threshold provided for under section 771(24)(A) of the Act.

Petitioners contend that the industry's injured condition is illustrated by reduced market share, increased import penetration, underselling and price depressing and suppressing effects, lost sales and revenue, reduced production, reduced shipments, increased inventory overhang, reduced employment and wages, and an overall decline in financial performance.¹⁰ We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.¹¹

Period of Investigation

In accordance with 19 CFR 351.204(b)(1), because the Petition was filed on September 16, 2009, the anticipated period of investigation ("POI") is January 1, 2009, through June 30, 2009.

Allegations of Sales at Less Than Fair Value

The following is a description of the allegation of sales at less than fair value upon which the Department has based its decision to initiate an investigation of seamless pipe from the PRC. The sources of data for the deductions and adjustments relating to U.S. price and NV are discussed in the *Initiation Checklist*.

U.S. Price

Petitioners obtained an export price ("EP") from a distributor's offer to sell PRC-produced seamless pipe to a potential customer located in the United States. The offer is dated within the POI. Petitioners presented an affidavit attesting to the offer and its terms of sale.¹²

The U.S. price in the offer includes movement costs to ship the merchandise from the factory in the PRC to the U.S. port and a distributor mark-up. Therefore, to calculate the net U.S. price, Petitioners deducted movement expenses and a distributor's mark-up that was based on their own experience and knowledge of the industry.¹³

¹⁰ See Initiation Checklist at Attachment III, "Analysis of Allegations and Evidence of Material Injury and Causation," for details.

¹¹ See *id.*

¹² See Supplement to the AD Petition, at Exhibit Supp. II-1.

¹³ See Volume II-A of the Petition, at 8-9, and Exhibits II-6, II-11, II-12, II-13, and II-14, and Supplement to the AD Petition, at 3-4.

For additional details regarding the U.S. price and the deducted movement expenses and distributor mark-up, see the *Initiation Checklist* at 7.

Normal Value

According to Petitioners, in every previous less-than-fair value investigation involving merchandise from the PRC, the Department has concluded that the PRC is a non-market economy ("NME") country. Therefore, it has based NV on factors of production and surrogate values.¹⁴ In accordance with section 771(18)(C)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for purposes of the initiation of this investigation.¹⁵ Accordingly, the NV of the product is appropriately based on factors of production valued in a surrogate market economy country, in accordance with section 773(c) of the Act. In the course of this investigation, all parties will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

Petitioners used India as the surrogate country because they claim India is at a level of economic development comparable to that of the PRC and is a significant producer of comparable merchandise.¹⁶ In support of these claims, Petitioners referenced the Department's previous findings that India is at a level of development comparable to the PRC, provided per capita income data for 2007 as reported in the *World Development Report 2009*,¹⁷ and presented data from the World Steel Association as reported in the *Steel Statistical Yearbook 2008*, showing that India produced 1,218,000 metric tons of tubular steel products in 2007, the greatest quantity produced among countries commonly considered by the Department to be at a level of economic development comparable to that of the PRC.¹⁸

After examining the information provided by Petitioners, the Department has determined that the use of India as

¹⁴ See Volume II-A of the Petition, at 1 and 9.

¹⁵ See *id.*; see also Memorandum from the Office of Policy to David M. Spooner, Assistant Secretary for Import Administration, regarding The People's Republic of China Status as a Non-Market Economy, dated May 15, 2006. This document is available online at <http://ia.ita.doc.gov/download/prc-nme-status/prc-nme-status-memo.pdf>.

¹⁶ See Volume II-A of the Petition, at 2-4.

¹⁷ See Volume II-A of the Petition, at 3, and Exhibit II-3(A).

¹⁸ See Volume II-A of the Petition, at 2, 3, Figure 1, and Exhibit II-5.

⁵ See *id.*

⁶ See Section 732(c)(4)(D) of the Act, and Initiation Checklist at Attachment II.

⁷ See Initiation Checklist at Attachment II.

⁸ See *id.*

⁹ See *id.*

a surrogate country is appropriate for purposes of initiation. However, after initiation of the investigation, interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value factors of production within 40 days after the date of publication of the preliminary determination.

Petitioners calculated NVs and dumping margins using the Department's NME methodology as required by 19 CFR 351.202(b)(7)(i)(C) and 19 CFR 351.408. Petitioners calculated NVs for four seamless pipe products of various sizes¹⁹ using the consumption rates of a U.S. producer of seamless pipe during the period January 2009, through June 2009.²⁰ Petitioners stated the U.S. producer was selected because, like the PRC producer, it is a large integrated producer of seamless pipe.²¹

Petitioners valued the factors of production using reasonably available, public surrogate country data, including Indian import data from the Indian Ministry of Commerce, published in the Monthly Statistics of Foreign Trade of India as compiled by the World Trade Atlas ("WTA"). Petitioners used WTA data for the period September 2008, through February 2009, the most recent six months of data available at the time of the filing of the Petition.²² In addition, Petitioners used exchange rates, as reported by the Federal Reserve, to convert Indian Rupees to U.S. Dollars.²³

Petitioners valued royalties imposed in the PRC on mined ore using data from the Indian Mines and Minerals Development and Regulation Act.²⁴

Petitioners valued labor using the wage rate data published on the Department's Web site, at <http://ia.ita.doc.gov/wages/05wages/05wages-051608.html#table1>.²⁵

¹⁹ See Volume II-A of the Petition, at 9-10, and Exhibit II-15.

²⁰ See Volume II-A of the Petition, at Exhibit II-15, and Attachments A and B.

²¹ See Second Supplement to the AD Petition, at 6-7.

²² See Volume II-B of the Petition, at Exhibit II-15(Q) and (R), and Supplement to the AD Petition, at Exhibit Supp. II-9.

²³ See Volume II-A of the Petition, at Exhibit II-15(E).

²⁴ See Volume II-A of the Petition, at Exhibit II-15, and Attachments C and D.

²⁵ See Volume II-A of the Petition, at Exhibit II-15, and Attachment F.

Petitioners valued electricity using Indian electricity rates from the Central Electricity Authority in India for 2006.²⁶

Petitioners valued water using data from the Maharashtra Industrial Development Corporation.²⁷

Where values were not contemporaneous with the POI, Petitioners adjusted these values for inflation using wholesale price index data published by the International Monetary Fund, which is available online at <http://www.5-imfstatistics.org/imf/>.²⁸

Petitioners based factory overhead, selling, general and administrative expenses ("SG&A"), and profit, on data from the fiscal year, ending March 31, 2009, of two Indian producers of pipe and tube, the Steel Authority of India, Ltd. ("SAIL"), and Tata Steel Limited ("Tata"), with adjustments as requested by the Department.²⁹ Petitioners based the financial ratios for seamless pipe on the simple average of SAIL's and Tata's overhead, SG&A, and profit ratios, asserting that SAIL and Tata are large integrated steel producers like the PRC producer on which Petitioners based their calculation, and are producers of merchandise comparable to seamless pipe.³⁰

Fair-Value Comparisons

The data submitted by Petitioners provide a reason to believe that seamless pipe from the PRC is being, or is likely to be, sold in the United States at less than fair value. Based on comparisons of the net U.S. price to NVs, Petitioners calculated an estimated dumping margin of 98.37 percent.³¹

Initiation of Antidumping Investigation

Based upon our examination of the Petition concerning seamless pipe from the PRC and other information reasonably available to the Department, the Department finds that the Petition meets the requirements of section 732 of the Act. Therefore, we are initiating an AD investigation to determine whether seamless pipe from the PRC is being, or is likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act,

²⁶ See Volume II-A of the Petition, at Exhibit II-15(H), and Volume II-B of the Petition, at Exhibit II-15(Q).

²⁷ See Volume II-A of the Petition, at Exhibit II-15, and Attachments DD and EE.

²⁸ See Volume II-A of the Petition, at Exhibit II-15(I)(1).

²⁹ See Volume II-A of the Petition, at Exhibit II-15, and Attachment FF and GG, and Second Supplement to the AD Petition, at 3-4, and Exhibits Second Supp. II-21, II-22, and II-24.

³⁰ See Supplement to the AD Petition, at 16-18.

³¹ See Second Supplement to the AD Petition, at 3-4, and Exhibit Second Supp. II-1.

unless postponed, we will make our preliminary determination no later than 140 days after the date of this initiation.

Targeted-Dumping Allegations

On December 10, 2008, the Department issued an interim final rule for the purpose of withdrawing 19 CFR 351.414(f) and (g), the regulatory provisions governing the targeted-dumping analysis in AD investigations, and the corresponding regulation governing the deadline for targeted-dumping allegations, 19 CFR 351.301(d)(5).³² The Department stated that "[w]ithdrawal will allow the Department to exercise the discretion intended by the statute and, thereby, develop a practice that will allow interested parties to pursue all statutory avenues of relief in this area."³³

In order to accomplish this objective, interested parties that wish to make a targeted-dumping allegation in this investigation pursuant to section 777A(d)(1)(B) of the Act, should submit such an allegation to the Department no later than 45 days before the scheduled date of the preliminary determination.

Respondent Selection

The Department will request quantity and value information from the exporters and producers listed with complete contact information in the Petition. The quantity and value data received from NME exporters/producers will be used to select mandatory respondents.

The Department requires respondents to submit a response to both the quantity and value questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status.³⁴ Appendix II of this notice contains the quantity and value questionnaire that must be submitted by all NME exporters/producers no later than October 27, 2009. In addition, the Department will post the quantity and value questionnaire along with filing instructions on its Web site, at <http://ia.ita.doc.gov/ia-highlights-and-news.html>.

Separate Rates

In order to obtain separate-rate status in an NME investigation, exporters and

³² See *Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Antidumping Duty Investigations*, 73 FR 74930 (December 10, 2008).

³³ See *id.* at 74931.

³⁴ See *Circular Welded Austenitic Stainless Pressure Pipe from the People's Republic of China: Initiation of Antidumping Duty Investigation*, 73 FR 10221, 10225 (February 26, 2008); and *Initiation of Antidumping Duty Investigation: Certain Artist Canvas From the People's Republic of China*, 70 FR 21996, 21999 (April 28, 2005).

producers must submit a separate-rate status application.³⁵ The specific requirements for submitting the separate-rate application in this investigation are outlined in detail in the application itself, which will be available on the Department's Web site at <http://ia.ita.doc.gov/ia-highlights-and-news.html> on the date of publication of this initiation notice in the **Federal Register**. The separate-rate application will be due sixty (60) days from the date of publication of this initiation notice in the **Federal Register**. As noted in the "Respondent Selection" section above, the Department requires that respondents submit a response to both the quantity and value questionnaire and the separate rate application by the respective deadlines in order to receive consideration for separate rate status. For exporters and producers who submit a separate-rate status application and subsequently are selected as mandatory respondents, these exporters and producers will no longer be eligible for consideration of separate rate status unless they respond to all parts of the questionnaire as mandatory respondents.

Use of Combination Rates in an NME Investigation

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. The Separate Rates/Combination Rates Bulletin states:

{w}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of combination rates because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise

³⁵ See Import Administration Policy Bulletin, Number: 05.1, "Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries," dated April 5, 2005, available on the Department's Web site at <http://ia.ita.doc.gov/policy/bull05-1.pdf> ("Policy Bulletin, Number: 05.1"); see also *Certain Circular Welded Carbon Quality Steel Line Pipe From the Republic of Korea and the People's Republic of China: Initiation of Antidumping Duty Investigations*, 73 FR 23188, 23193 (April 29, 2008) ("*Certain Circular Welded Carbon Quality Steel Line Pipe from the PRC*").

both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.³⁶

Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), a copy of the public version of the Petition has been provided to the representatives of the Government of the PRC. Because of the large number of producers/exporters identified in the Petition, the Department considers the service of the public version of the Petition to the foreign producers/exporters satisfied by the delivery of the public version to the Government of the PRC, consistent with 19 CFR 351.203(c)(2).

ITC Notification

We have notified the ITC of our initiation, as required by section 732(d) of the Act.

Preliminary Determination by the ITC

The ITC will preliminarily determine, no later than November 2, 2009, whether there is a reasonable indication that imports of seamless pipe from the PRC materially injure, or threaten material injury to, a U.S. industry. A negative ITC determination covering all classes or kinds of merchandise covered by the Petition will result in the investigation being terminated. Otherwise, this investigation will proceed according to statutory and regulatory time limits.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: October 6, 2009.

Ronald K. Lorentzen,

Acting Assistant Secretary for Import Administration.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is certain seamless carbon and alloy steel (other than stainless steel) pipes and redraw hollows, less than or equal to 16 inches (406.4 mm) in outside diameter, regardless of wall-thickness, manufacturing process (e.g., hot-finished or cold-drawn), end finish (e.g., plain end, beveled end, upset end, threaded, or threaded and coupled), or surface finish (e.g., bare, lacquered or coated). Redraw hollows are any unfinished carbon or alloy steel (other than stainless steel) pipe or "hollow profiles" suitable for cold finishing operations, such as cold drawing, to meet the American Society for Testing and Materials ("ASTM") or American Petroleum Institute ("API") specifications referenced below, or comparable specifications. Specifically included within

³⁶ See Policy Bulletin, Number: 05.1; see also *Certain Circular Welded Carbon Quality Steel Line Pipe from the PRC*, 73 FR at 23193.

the scope are seamless carbon and alloy steel (other than stainless steel) standard, line, and pressure pipes produced to the ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, ASTM A-1024, and the API 5L specifications, or comparable specifications, and meeting the physical parameters described above, regardless of application, with the exception of the exclusion discussed below.

Specifically excluded from the scope of the investigation are unattached couplings.

The merchandise covered by the investigation is currently classified in the Harmonized Tariff Schedule of the United States ("HTSUS") under item numbers: 7304.19.1020, 7304.19.1030, 7304.19.1045, 7304.19.1060, 7304.19.5020, 7304.19.5050, 7304.31.6050, 7304.39.0016, 7304.39.0020, 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.39.0036, 7304.39.0040, 7304.39.0044, 7304.39.0048, 7304.39.0052, 7304.39.0056, 7304.39.0062, 7304.39.0068, 7304.39.0072, 7304.51.5005, 7304.51.5060, 7304.59.6000, 7304.59.8010, 7304.59.8015, 7304.59.8020, 7304.59.8025, 7304.59.8030, 7304.59.8035, 7304.59.8040, 7304.59.8045, 7304.59.8050, 7304.59.8055, 7304.59.8060, 7304.59.8065, and 7304.59.8070.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the merchandise subject to this scope is dispositive.

Appendix II

OFFICE OF AD/CVD OPERATIONS QUANTITY AND VALUE QUESTIONNAIRE

Requester(s):

{insert name of company}
{company address}
{contact name and title}
{contact telephone number}
{contact fax number}
{contact e-mail address}

Representation: {insert name of counsel and law firm and contact info}

Case: Certain Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe from the People's Republic of China.

Period of Investigation: January 1, 2009, through June 30, 2009.

Publication Date of Initiation: October 14, 2009.

Officials in Charge:

Howard Smith, Program Manager, AD/CVD Operations, Office 4, Telephone: (202) 482-5193, Fax: (202) 482-5105, E-mail Address: Howard_Smith@ita.doc.gov.

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Filing Address:

Secretary of Commerce, Attention: Import Administration (Drew Jackson), APO/ Dockets Unit, Room 1870, U.S. Department of Commerce, 1401 Constitution Avenue, NW., Washington, DC 20230.

On October 6, 2009, the Department initiated an antidumping duty investigation to determine whether certain seamless carbon and alloy steel standard, line, and pressure pipe ("subject merchandise") from

the PRC was sold in the United States at less than fair value during the period January 1, 2009, through June 30, 2009 (the period of investigation or "POI").³⁷

Section 777A(c)(1) of the Tariff Act of 1930, as amended ("the Act"), directs the Department to calculate individual dumping margins for each known exporter and producer of the subject merchandise. Where it is not practicable to examine all known producers/exporters of subject merchandise, as is the case in this investigation, section 777A(c)(2) of the Act permits the Department to examine either (1) a sample of exporters, producers or types of products that is statistically valid based on the information available at the time of selection; or (2) exporters and producers accounting for the largest volume of the subject merchandise from the exporting country that can be reasonably examined.

In advance of the issuance of the full antidumping duty questionnaire, we ask that you respond to the following Quantity and Value Questionnaire requesting information on the quantity and U.S. dollar value of all of your sales to the United States during the

period January 1, 2009, through June 30, 2009, of merchandise covered by the scope of this investigation (see Appendix I) and produced in the PRC. A full and accurate response to the Quantity and Value Questionnaire from all participating respondents is necessary to ensure that the Department has the requisite information to appropriately select mandatory respondents.

The Department is also requiring all firms that wish to qualify for separate-rate status in this investigation to complete a separate-rate status application as described in the notice of initiation. In other words, the Department will not give consideration to any separate-rate status application made by parties that fail to timely respond to the Quality and Value Questionnaire or fail to timely submit the requisite separate-rate status application.

To complete this investigation within the statutory time frame, the Department will be limited in its ability to extend the deadline for the response to the Quantity and Value Questionnaire.

A definition of the scope of the merchandise subject to this investigation is included in Appendix I. Your response to

this questionnaire may be subject to on-site verification by Department officials.

Format for Reporting Quantity and Value of Sales

In providing the information in the chart below, please provide the total quantity, in metric tons, and total value (in U.S. dollars) of all your sales to the United States during the period January 1, 2009, through June 30, 2009, of merchandise covered by the scope of this investigation (see Appendix I) and produced in the PRC.³⁸

- Please include only sales exported by your company directly to the United States.
- Please do not include any sales of subject merchandise *manufactured* in Hong Kong in your figures.

Additionally, if you believe that you should be treated as a single entity along with other named exporters, please complete the chart, below, both in the aggregate for all named parties in your group and, in separate charts, individually for each named entity. Please label each chart accordingly.

Market: United States	Total quantity in metric tons ³⁹	Terms of sale ⁴⁰	Total value ⁴¹ (\$U.S.)
1. Export Price ⁴²
2. Constructed Export Price ⁴³
3. Further Manufactured ⁴⁴
Total

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³⁷ An electronic copy of the initiation notice may be found on the Internet at the following address: <http://ia.ita.doc.gov/frn/2009/0910frn/>.

³⁸ Please use the invoice date when determining which sales to include within the period noted above. Generally, the Department uses invoice date as the date of sale, as that is when the essential terms of sale are set. If you believe that another date besides the invoice date would provide a more accurate representation of your company's sales during the designated period, please report sales based on that date and provide a full explanation.

³⁹ If any conversions were used, please provide the conversion formula and source.

⁴⁰ To the extent possible, sales values should be reported based on the same terms (e.g., FOB).

⁴¹ Values should be expressed in U.S. dollars. Indicate any exchange rates used and their respective dates and sources.

⁴² Generally, a U.S. sale is classified as an export price sale when the first sale to an unaffiliated person occurs before the goods are imported into the United States.

⁴³ Generally, a U.S. sale is classified as a constructed export price sale when the first sale to an unaffiliated person occurs after importation. However, if the first sale to the unaffiliated person

is made by a person in the United States affiliated with the foreign exporter, constructed export price applies even if the sale occurs prior to importation. Do not report the sale to the affiliated party in the United States, rather report the sale made by the affiliated party to the unaffiliated customer in the United States. If you have further manufactured sales, please report them under Item 3, rather than under Item 2.

⁴⁴ "Further manufactured" refers to merchandise that undergoes further manufacture or assembly in the United States before sale to the first unaffiliated customer.