

**DEPARTMENT OF COMMERCE****International Trade Administration**

[A-427-428]

**Certain Carbon and Alloy Steel Cut-to-Length Plate From France: Amended Preliminary Determination of Sales at Less Than Fair Value**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** On November 14, 2016, the Department of Commerce (the Department) published in the **Federal Register** the *Preliminary Determination* of the antidumping duty investigation of certain carbon and alloy steel cut-to-length plate (CTL plate) from France. The Department is amending the *Preliminary Determination* of the investigation to correct two significant ministerial errors.

**DATES:** Effective December 2, 2016.

**FOR FURTHER INFORMATION CONTACT:**

Brandon Custard or Terre Keaton Stefanova, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482-1823 or (202) 482-1280, respectively.

**SUPPLEMENTARY INFORMATION:****Background**

On November 14, 2016, the Department published in the **Federal Register** the *Preliminary Determination* of CTL plate from France.<sup>1</sup> On November 14, 2016, Dillinger France S.A., (Dillinger France) a respondent in this investigation, alleged that the Department made a significant ministerial error in the *Preliminary Determination*.<sup>2</sup>

**Scope of the Investigation**

The product covered by this investigation is CTL plate from France. For a full description of the scope of this investigation, see the "Scope of the Investigation," in Appendix I of this notice.

**Significant Ministerial Error**

A ministerial error is defined in 19 CFR 351.224(f) as "an error in addition,

<sup>1</sup> See *Certain Carbon and Alloy Steel Cut-to-Length Plate From France: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 81 FR 79437 (November 14, 2016) (*Preliminary Determination*).

<sup>2</sup> See letter from Dillinger France regarding, "Certain Carbon and Alloy Steel Cut-To-Length Plate from France; Ministerial Error Allegation," dated November 14, 2016 (Ministerial Error Allegation Letter).

subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial." Further, 19 CFR 351.224(e) provides that the Department "will analyze any comments received and, if appropriate, correct any significant ministerial error by amending the preliminary determination." A significant ministerial error is defined as a ministerial error, the correction of which, singly or in combination with other errors, would result in: (1) A change of at least five absolute percentage points in, but not less than 25 percent of, the weighted-average dumping margin calculated in the original (erroneous) preliminary determination; or (2) a difference between a weighted-average dumping margin of zero or *de minimis* and a weighted-average dumping margin of greater than *de minimis* or vice versa.<sup>3</sup>

**Ministerial Error Allegation**

Dillinger France alleges that the Department erred in its preliminary determination by not excluding Dillinger France's intra-company sales from its U.S. sales database, which resulted in the double-counting of these sales in the margin calculation. No other party commented on this issue. After comparing the ministerial error allegation against the U.S. sales databases, we agree with the respondent that we inadvertently double-counted its intra-company U.S. sales. Additionally, we identified a further error in the preliminary determination margin calculation. Specifically, we inadvertently failed to cap certain reported freight revenue and to offset the movement expenses by this additional capped freight revenue amount.

Pursuant to 19 CFR 351.224(g)(2), these errors are significant because their correction results in a change of at least five absolute percentage points in, but not less than 25 percent of, the weighted-average dumping margin calculated in the original preliminary determination (*i.e.*, change from a weighted-average dumping margin of 12.97 percent to 6.43 percent). Therefore, we are correcting these errors and amending our preliminary determination accordingly.<sup>4</sup>

<sup>3</sup> See 19 CFR 351.224(g)(1) and (2).

<sup>4</sup> See Memorandum to the File entitled "Amended Preliminary Determination Margin Calculation for Dillinger France S.A." (Amended Preliminary Determination Memorandum), for further discussion of our calculations for this amended preliminary determination.

**Amended Preliminary Determination**

We are amending the preliminary determination of sales at less than fair value for CTL plate from France to reflect the correction of significant ministerial errors made in the margin calculation of that determination for Dillinger France in accordance with 19 CFR 351.224(e). The "All-Others" Rate was based on the simple average of the margins calculated for Dillinger France and Industeel France S.A. (Industeel), the other mandatory respondent in this investigation. Thus, we are also amending the "All-Others" rate to account for the change in Dillinger France's margin. We are amending the calculation of the all-others rate to base it on the weighted average of the margins calculated for Dillinger France and Industeel using publicly-ranged data. Because we cannot apply our normal methodology of calculating a weighted-average margin due to requests to protect business-proprietary information, we find this rate to be the best proxy of the actual weighted-average margin determined for these respondents.<sup>5</sup> As a result of the correction of the ministerial error, the revised weighted-average dumping margins are as follows:

Exporter/manufacturer	Weighted-average dumping margin (percent)
Dillinger France S.A .....	6.43
Industeel France S.A .....	4.26
All Others .....	6.33

**Amended Cash Deposits and Suspension of Liquidation**

The collection of cash deposits and suspension of liquidation will be revised according to the rates established in this amended preliminary determination, in accordance with section 733(d) of the Tariff Act of 1930, as amended (the Act). Because these amended rates result in reduced cash deposit rates, they will be effective retroactively to November 14, 2016, the date of publication of the *Preliminary Determination*.

**International Trade Commission Notification**

In accordance with section 733(f) of the Act, we notified the International

<sup>5</sup> See, *e.g.*, *Welded Line Pipe from the Republic of Turkey: Final Determination of Sales at Less Than Fair Value*, 80 FR 61362, 61363 (October 13, 2015). For further discussion of the amended calculation of the all-others rate, see Amended Preliminary Determination Memorandum.

Trade Commission of our amended preliminary determination.

### Disclosure

We intend to disclose the calculations performed to parties in this proceeding within five days after public announcement of the amended preliminary determination, in accordance with 19 CFR 351.224.

This amended preliminary determination is issued and published in accordance with sections 733(f) and 777(i) of the Act and 19 CFR 351.224(e).

Dated: November 29, 2016.

### Paul Piquado,

*Assistant Secretary for Enforcement and Compliance.*

### Appendix I

#### Scope of the Investigation

The products covered by this investigation are certain carbon and alloy steel hot-rolled or forged flat plate products not in coils, whether or not painted, varnished, or coated with plastics or other non-metallic substances (cut-to-length plate). Subject merchandise includes plate that is produced by being cut-to-length from coils or from other discrete length plate and plate that is rolled or forged into a discrete length. The products covered include (1) Universal mill plates (*i.e.*, flat-rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, and of a thickness of not less than 4 mm, which are not in coils and without patterns in relief), and (2) hot-rolled or forged flat steel products of a thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are not in coils, whether or not with patterns in relief. The covered products described above may be rectangular, square, circular or other shapes and include products of either rectangular or non-rectangular cross-section where such non-rectangular cross-section is achieved subsequent to the rolling process, *i.e.*, products which have been "worked after rolling" (*e.g.*, products which have been beveled or rounded at the edges).

For purposes of the width and thickness requirements referenced above, the following rules apply:

(1) Except where otherwise stated where the nominal and actual thickness or width measurements vary, a product from a given subject country is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above; and

(2) where the width and thickness vary for a specific product (*e.g.*, the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, *etc.*), the measurement at its greatest width or thickness applies.

Steel products included in the scope of this investigation are products in which: (1) Iron predominates, by weight, over each of the other contained elements; and (2) the carbon content is 2 percent or less by weight.

Subject merchandise includes cut-to-length plate that has been further processed in the subject country or a third country, including but not limited to pickling, oiling, levelling, annealing, tempering, temper rolling, skin passing, painting, varnishing, trimming, cutting, punching, beveling, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the cut-to-length plate.

All products that meet the written physical description, are within the scope of this investigation unless specifically excluded or covered by the scope of an existing order. The following products are outside of, and/or specifically excluded from, the scope of this investigation:

(1) Products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non-metallic substances;

(2) military grade armor plate certified to one of the following specifications or to a specification that references and incorporates one of the following specifications:

- MIL-A-12560,
- MIL-DTL-12560H,
- MIL-DTL-12560J,
- MIL-DTL-12560K,
- MIL-DTL-32332,
- MIL-A-46100D,
- MIL-DTL-46100-E,
- MIL-46177C,
- MIL-S-16216K Grade HY80,
- MIL-S-16216K Grade HY100,
- MIL-S-24645A HSLA-80;
- MIL-S-24645A HSLA-100,
- T9074-BD-GIB-010/0300 Grade HY80,
- T9074-BD-GIB-010/0300 Grade HY100,
- T9074-BD-GIB-010/0300 Grade HSLA80,
- T9074-BD-GIB-010/0300 Grade HSLA100, and
- T9074-BD-GIB-010/0300 Mod. Grade HSLA115,

except that any cut-to-length plate certified to one of the above specifications, or to a military grade armor specification that references and incorporates one of the above specifications, will not be excluded from the scope if it is also dual- or multiple-certified to any other non-armor specification that otherwise would fall within the scope of this order;

(3) stainless steel plate, containing 10.5 percent or more of chromium by weight and not more than 1.2 percent of carbon by weight;

(4) CTL plate meeting the requirements of ASTM A-829, Grade E 4340 that are over 305 mm in actual thickness;

(5) Alloy forged and rolled CTL plate greater than or equal to 152.4 mm in actual thickness meeting each of the following requirements:

(a) Electric furnace melted, ladle refined & vacuum degassed and having a chemical composition (expressed in weight percentages):

- Carbon 0.23–0.28,
- Silicon 0.05–0.20,
- Manganese 1.20–1.60,
- Nickel not greater than 1.0,
- Sulfur not greater than 0.007,

- Phosphorus not greater than 0.020,
  - Chromium 1.0–2.5,
  - Molybdenum 0.35–0.80,
  - Boron 0.002–0.004,
  - Oxygen not greater than 20 ppm,
  - Hydrogen not greater than 2 ppm, and
  - Nitrogen not greater than 60 ppm;
- (b) With a Brinell hardness measured in all parts of the product including mid thickness falling within one of the following ranges:
- (i) 270–300 HBW,
  - (ii) 290–320 HBW, or
  - (iii) 320–350HBW;

(c) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.5, B not exceeding 1.0, C not exceeding 0.5, D not exceeding 1.5; and

(d) Conforming to ASTM A578–S9 ultrasonic testing requirements with acceptance criteria 2 mm flat bottom hole;

(6) Alloy forged and rolled steel CTL plate over 407 mm in actual thickness and meeting the following requirements:

(a) Made from Electric Arc Furnace melted, Ladle refined & vacuum degassed, alloy steel with the following chemical composition (expressed in weight percentages):

- Carbon 0.23–0.28,
- Silicon 0.05–0.15,
- Manganese 1.20–1.50,
- Nickel not greater than 0.4,
- Sulfur not greater than 0.010,
- Phosphorus not greater than 0.020,
- Chromium 1.20–1.50,
- Molybdenum 0.35–0.55,
- Boron 0.002–0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm, and
- Nitrogen not greater than 60 ppm;

(b) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.5, B not exceeding 1.5, C not exceeding 1.0, D not exceeding 1.5;

(c) Having the following mechanical properties:

(i) With a Brinell hardness not more than 237 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 75ksi min and UTS 95ksi or more, Elongation of 18% or more and Reduction of area 35% or more; having charpy V at –75 degrees F in the longitudinal direction equal or greater than 15 ft. lbs (single value) and equal or greater than 20 ft. lbs (average of 3 specimens) and conforming to the requirements of NACE MR01–75; or

(ii) With a Brinell hardness not less than 240 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 90 ksi min and UTS 110 ksi or more, Elongation of 15% or more and Reduction of area 30% or more; having charpy V at –40 degrees F in the longitudinal direction equal or greater than 21 ft. lbs (single value) and equal or greater than 31 ft. lbs (average of 3 specimens);

(d) Conforming to ASTM A578–S9 ultrasonic testing requirements with acceptance criteria 3.2 mm flat bottom hole; and

(e) Conforming to magnetic particle inspection in accordance with AMS 2301;

(7) Alloy forged and rolled steel CTL plate over 407 mm in actual thickness and meeting the following requirements:

(a) Made from Electric Arc Furnace melted, ladle refined & vacuum degassed, alloy steel with the following chemical composition (expressed in weight percentages):

- Carbon 0.25–0.30,
- Silicon not greater than 0.25,
- Manganese not greater than 0.50,
- Nickel 3.0–3.5,
- Sulfur not greater than 0.010,
- Phosphorus not greater than 0.020,
- Chromium 1.0–1.5,
- Molybdenum 0.6–0.9,
- Vanadium 0.08 to 0.12
- Boron 0.002–0.004,
- Oxygen not greater than 20 ppm,
- Hydrogen not greater than 2 ppm, and
- Nitrogen not greater than 60 ppm.

(b) Having cleanliness in accordance with ASTM E45 method A (Thin and Heavy): A not exceeding 1.0(t) and 0.5(h), B not exceeding 1.5(t) and 1.0(h), C not exceeding 1.0(t) and 0.5(h), and D not exceeding 1.5(t) and 1.0(h);

(c) Having the following mechanical properties: A Brinell hardness not less than 350 HBW measured in all parts of the product including mid thickness; and having a Yield Strength of 145ksi or more and UTS 160ksi or more, Elongation of 15% or more and Reduction of area 35% or more; having Charpy V at –40 degrees F in the transverse direction equal or greater than 20 ft. lbs (single value) and equal or greater than 25 ft. lbs (average of 3 specimens);

(d) Conforming to ASTM A578–S9 ultrasonic testing requirements with acceptance criteria 3.2 mm flat bottom hole; and

(e) Conforming to magnetic particle inspection in accordance with AMS 2301.

The products subject to the investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7225.40.1110, 7225.40.1180, 7225.40.3005, 7225.40.3050, 7226.20.0000, and 7226.91.5000.

The products subject to the investigation may also enter under the following HTSUS item numbers: 7208.40.6060, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.19.1500, 7211.19.2000, 7211.19.4500, 7211.19.6000, 7211.19.7590, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7214.10.0000, 7214.30.0010, 7214.30.0080, 7214.91.0015, 7214.91.0060, 7214.91.0090, 7225.11.0000, 7225.19.0000, 7225.40.5110, 7225.40.5130, 7225.40.5160, 7225.40.7000, 7225.99.0010, 7225.99.0090, 7226.11.1000, 7226.11.9060, 7226.19.1000, 7226.19.9000, 7226.91.0500, 7226.91.1530, 7226.91.1560, 7226.91.2530, 7226.91.2560, 7226.91.7000, 7226.91.8000, and 7226.99.0180.

The HTSUS subheadings above are provided for convenience and customs purposes only. The written description of the scope of the investigation is dispositive.

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A–469–805]

#### Notice of Final Results of Antidumping Duty Changed Circumstances Review: Stainless Steel Bar From Spain

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** On October 26, 2016, the Department of Commerce (the “Department”) published the notice of initiation and preliminary results of the changed circumstances review of the antidumping duty (“AD”) order on stainless steel bar (“SSB”) from Spain. The Department preliminarily determined that Sidenor Aceros Especiales S.L. (“Sidenor”) is the successor-in-interest to Gerdau Aceros Especiales Europa S.L. (“Gerdau”) for purposes of the AD order and, as such, is entitled to Gerdau’s cash deposit rate with respect to entries of subject merchandise. We invited interested parties to comment on the *Preliminary Results*. As no parties submitted comments, and there is no additional information or evidence on the record, the Department is making no changes to the *Preliminary Results*.

**DATES:** Effective December 2, 2016.

**FOR FURTHER INFORMATION CONTACT:** Ryan Mullen, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–5260.

#### SUPPLEMENTARY INFORMATION:

#### Background

On September 6, 2016, Sidenor informed the Department that, effective May 20, 2016, the following occurred: (1) Gerdau S.A., the Brazilian owner of Gerdau Holdings Europa S.A.U., including its Spanish subsidiary company Gerdau, sold its European holdings to Clerbil S.L.; and (2) Clerbil S.L. renamed Gerdau Holdings Europa S.A.U. to be Sidenor Holdings Europa S.A.U.; and Gerdau, to be Sidenor, while leaving its operations mostly unchanged.<sup>1</sup> Citing section 751(b) of the Tariff Act of 1930, as amended (“the Act”) and 19 CFR 351.216, Sidenor requested that the Department initiate a changed circumstances review and determine that Sidenor is the successor-in-interest to Gerdau. On

<sup>1</sup> See Letter to the Secretary of Commerce from Sidenor, “Stainless Steel Bar from Spain: Sidenor request for changed-circumstances review” (September 22, 2016) at 3–6.

October 26, 2016, the Department initiated this changed circumstances review and published the notice of preliminary results, determining that Sidenor is the successor-in-interest to Gerdau.<sup>2</sup>

#### Scope of the Order

The merchandise subject to the order is SSB. The term SSB with respect to the order means articles of stainless steel in straight lengths that have been either hot-rolled, forged, turned, cold-drawn, cold-rolled or otherwise cold-finished, or ground, having a uniform solid cross section along their whole length in the shape of circles, segments of circles, ovals, rectangles (including squares), triangles, hexagons, octagons or other convex polygons. SSB includes cold-finished SSBs that are turned or ground in straight lengths, whether produced from hot-rolled bar or from straightened and cut rod or wire, and reinforcing bars that have indentations, ribs, grooves, or other deformations produced during the rolling process. Except as specified above, the term does not include stainless steel semi-finished products, cut length flat-rolled products (*i.e.*, cut length rolled products which if less than 4.75 mm in thickness have a width measuring at least 10 times the thickness, or if 4.75 mm or more in thickness having a width which exceeds 150 mm and measures at least twice the thickness), wire (*i.e.*, cold-formed products in coils, of any uniform solid cross section along their whole length, which do not conform to the definition of flat-rolled products), and angles, shapes and sections. The SSB subject to the order is currently classifiable under subheadings 7222.10.00, 7222.11.00, 7222.19.00, 7222.20.00, 7222.30.00 of the Harmonized Tariff Schedule of the United States (“HTSUS”). Although the HTSUS subheading is provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.<sup>3</sup>

#### Final Results of Changed Circumstances Review

Because no party submitted a case brief in response to the Department’s *Preliminary Results*, and because the record contains no other information or evidence that calls into question the *Preliminary Results*, the Department

<sup>2</sup> See *Stainless Steel Bar From Spain: Initiation and Preliminary Results of Changed Circumstances Review*, 81 FR 74401 (October 26, 2016) (*Preliminary Results*).

<sup>3</sup> The HTSUS numbers provided in the scope have changed since the publication of the order. See *Amended Final Determination and Antidumping Duty Order: Stainless Steel Bar From Spain*, 60 FR 11656 (March 2, 1995).