

MESSAGE NO: 9348204 MESSAGE DATE: 12/14/1999
MESSAGE STATUS: Active CATEGORY: Antidumping
TYPE: PRE-Preliminary PUBLIC NON-PUBLIC
SUB-TYPE:

FR CITE: FR FR CITE DATE:

REFERENCE
MESSAGE #
(s):

CASE #(s): A-588-851

EFFECTIVE DATE: COURT CASE #:

PERIOD OF REVIEW: TO

PERIOD COVERED: 12/14/1999 TO

Notice of Lifting of Suspension Date:

TO: { Directors Of Field Operations, Port Directors }

FROM: { Director AD/CVD & Revenue Policy & Programs }

RE: PRELIMINARY DETERMINATION IN THE ADD INVESTIGATION OF CERTAIN SMALL DIAMETER CARBON AND ALLOY SEAMLESS STANDARD, LINE AND PRESSURE PIPE FROM JAPAN (A-588-851)

MESSAGE NO: 9348204 DATE: 12 14 1999

CATEGORY: ADA TYPE: PRE

REFERENCE: REFERENCE DATE:

CASES: A - 588 - 851 - -

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PERIOD COVERED: 12 14 1999 TO

LIQ SUSPENSION DATE:

TO: DIRECTORS OF FIELD OPERATIONS

PORT DIRECTORS

FROM: DIRECTOR, TRADE ENFORCEMENT & CONTROL

RE: PRELIMINARY DETERMINATION IN THE ADD INVESTIGATION OF CERTAIN SMALL DIAMETER CARBON AND ALLOY SEAMLESS STANDARD, LINE AND PRESSURE PIPE FROM JAPAN (A-588-851)

1. ON DECEMBER 14, 1999, THE DEPARTMENT OF COMMERCE WILL PUBLISH IN THE FEDERAL REGISTER ITS PRELIMINARY DETERMINATION OF SALES AT LESS THAN FAIR VALUE IN THE ANTIDUMPING DUTY INVESTIGATION OF CERTAIN SMALL DIAMETER CARBON AND ALLOY SEAMLESS STANDARD, LINE AND PRESSURE PIPE FROM JAPAN.

2. FOR PURPOSES OF THIS INVESTIGATION, THE PRODUCTS COVERED ARE

SEAMLESS CARBON AND ALLOY (OTHER THAN STAINLESS) STEEL STANDARD, LINE, AND PRESSURE PIPES AND REDRAW HOLLOW PRODUCED, OR EQUIVALENT, TO THE AMERICAN SOCIETY FOR TESTING AND MATERIALS ("ASTM") A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, AND THE AMERICAN PETROLEUM INSTITUTE (API) 5L SPECIFICATIONS AND MEETING THE PHYSICAL PARAMETERS DESCRIBED BELOW, REGARDLESS OF APPLICATION. THE SCOPE OF THIS INVESTIGATION ALSO INCLUDES ALL PRODUCTS USED IN STANDARD, LINE, OR PRESSURE PIPE APPLICATIONS AND MEETING THE PHYSICAL PARAMETERS DESCRIBED BELOW, REGARDLESS OF SPECIFICATION. SPECIFICALLY INCLUDED WITHIN THE SCOPE OF THIS INVESTIGATION ARE SEAMLESS PIPES AND REDRAW HOLLOW, LESS THAN OR EQUAL TO 4.5 INCHES (114.3 MM) IN OUTSIDE DIAMETER, REGARDLESS OF WALL-THICKNESS, MANUFACTURING PROCESS (HOT FINISHED OR COLD-DRAWN), END FINISH (PLAIN END, BEVELED END, UPSET END, THREADED, OR THREADED AND COUPLED), OR SURFACE FINISH.

THE SEAMLESS PIPES SUBJECT TO THIS INVESTIGATION ARE CURRENTLY CLASSIFIABLE UNDER THE SUBHEADINGS 7304.10.10.20, 7304.10.50.20, 7304.31.30.00, 7304.31.60.50, 7304.39.00.16, 7304.39.00.20, 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.51.50.05, 7304.51.50.60, 7304.59.60.00, 7304.59.80.10, 7304.59.80.15, 7304.59.80.20, AND 7304.59.80.25 OF THE HTSUS.

SPECIFICATIONS, CHARACTERISTICS, AND USES: SEAMLESS PRESSURE PIPES ARE INTENDED FOR THE CONVEYANCE OF WATER, STEAM, PETROCHEMICALS, CHEMICALS, OIL PRODUCTS, NATURAL GAS AND OTHER LIQUIDS AND GASSES IN INDUSTRIAL PIPING SYSTEMS. THEY MAY CARRY THESE SUBSTANCES AT ELEVATED PRESSURES AND TEMPERATURES AND MAY BE SUBJECT TO THE APPLICATION OF EXTERNAL HEAT. SEAMLESS CARBON STEEL PRESSURE PIPE MEETING THE ASTM A-106 STANDARD MAY BE USED IN TEMPERATURES OF UP TO 1000 DEGREES FAHRENHEIT, AT VARIOUS ASME CODE STRESS LEVELS. ALLOY PIPES MADE TO ASTM A-335 STANDARD MUST BE USED IF TEMPERATURES AND STRESS LEVELS EXCEED THOSE ALLOWED FOR ASTM A-106. SEAMLESS PRESSURE PIPES SOLD IN THE UNITED STATES

ARE COMMONLY PRODUCED TO THE ASTM A-106 STANDARD.

SEAMLESS STANDARD PIPES ARE MOST COMMONLY PRODUCED TO THE ASTM A-53 SPECIFICATION AND GENERALLY ARE NOT INTENDED FOR HIGH TEMPERATURE SERVICE. THEY ARE INTENDED FOR THE LOW TEMPERATURE AND PRESSURE CONVEYANCE OF WATER, STEAM, NATURAL GAS, AIR AND OTHER LIQUIDS AND GASSES IN PLUMBING AND HEATING SYSTEMS, AIR CONDITIONING UNITS, AUTOMATIC SPRINKLER SYSTEMS, AND OTHER RELATED USES. STANDARD PIPES (DEPENDING ON TYPE AND CODE) MAY CARRY LIQUIDS AT ELEVATED TEMPERATURES BUT MUST NOT EXCEED RELEVANT ASME CODE REQUIREMENTS. IF EXCEPTIONALLY LOW TEMPERATURE USES OR CONDITIONS ARE ANTICIPATED, STANDARD PIPE MAY BE MANUFACTURED TO ASTM A-333 OR ASTM A-334 SPECIFICATIONS.

SEAMLESS LINE PIPES ARE INTENDED FOR THE CONVEYANCE OF OIL AND NATURAL GAS OR OTHER FLUIDS IN PIPE LINES. SEAMLESS LINE PIPES ARE PRODUCED TO THE API 5L SPECIFICATION.

SEAMLESS WATER WELL PIPE (ASTM A-589) AND SEAMLESS GALVANIZED PIPE FOR FIRE PROTECTION USES (ASTM A-795) ARE USED FOR THE CONVEYANCE OF WATER.

SEAMLESS PIPES ARE COMMONLY PRODUCED AND CERTIFIED TO MEET

ASTM A-106, ASTM A-53, API 5L-B, AND API 5L-X42 SPECIFICATIONS. TO AVOID MAINTAINING SEPARATE PRODUCTION RUNS AND SEPARATE INVENTORIES, MANUFACTURERS TYPICALLY TRIPLE OR QUADRUPLE CERTIFY THE PIPES BY MEETING THE METALLURGICAL REQUIREMENTS AND PERFORMING THE REQUIRED TESTS PURSUANT TO THE RESPECTIVE SPECIFICATIONS. SINCE DISTRIBUTORS SELL THE VAST MAJORITY OF THIS PRODUCT, THEY CAN THEREBY MAINTAIN A SINGLE INVENTORY TO SERVICE ALL CUSTOMERS.

THE PRIMARY APPLICATION OF ASTM A-106 PRESSURE PIPES AND TRIPLE- OR QUADRUPLE-CERTIFIED PIPES IS IN PRESSURE PIPING SYSTEMS BY REFINERIES, PETROCHEMICAL PLANTS, AND CHEMICAL PLANTS. OTHER APPLICATIONS ARE IN POWER GENERATION PLANTS

(ELECTRICAL-FOSSIL FUEL OR NUCLEAR), AND IN SOME OIL FIELD USES (ON SHORE AND OFF SHORE) SUCH AS FOR SEPARATOR LINES, GATHERING LINES AND METERING RUNS. A MINOR APPLICATION OF THIS PRODUCT IS FOR USE AS OIL AND GAS DISTRIBUTION LINES FOR COMMERCIAL APPLICATIONS. THESE APPLICATIONS CONSTITUTE THE MAJORITY OF THE MARKET FOR THE SUBJECT SEAMLESS PIPES. HOWEVER, ASTM A-106 PIPES MAY BE USED IN SOME BOILER APPLICATIONS.

REDRAW HOLLOWES ARE ANY UNFINISHED PIPE OR "HOLLOW PROFILES" OF CARBON OR ALLOY STEEL TRANSFORMED BY HOT ROLLING OR COLD DRAWING/HYDROSTATIC TESTING OR OTHER METHODS TO ENABLE THE MATERIAL TO BE SOLD UNDER ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, AND API 5L SPECIFICATIONS.

THE SCOPE OF THIS INVESTIGATION INCLUDES ALL SEAMLESS PIPE MEETING THE PHYSICAL PARAMETERS DESCRIBED ABOVE AND PRODUCED TO ONE OF THE SPECIFICATIONS LISTED ABOVE, REGARDLESS OF APPLICATION, AND WHETHER OR NOT ALSO CERTIFIED TO A NON-COVERED SPECIFICATION. STANDARD, LINE, AND PRESSURE APPLICATIONS AND THE ABOVE-LISTED SPECIFICATIONS ARE DEFINING CHARACTERISTICS OF THE SCOPE OF THIS INVESTIGATION. THEREFORE, SEAMLESS PIPES MEETING THE PHYSICAL DESCRIPTION ABOVE, BUT NOT PRODUCED TO THE ASTM A-53, ASTM A-106, ASTM

A-

333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, AND API 5L SPECIFICATIONS SHALL BE COVERED IF USED IN A STANDARD, LINE, OR PRESSURE APPLICATION.

FOR EXAMPLE, THERE ARE CERTAIN OTHER ASTM SPECIFICATIONS OF PIPE WHICH, BECAUSE OF OVERLAPPING CHARACTERISTICS, COULD POTENTIALLY BE USED IN ASTM A-106 APPLICATIONS. THESE SPECIFICATIONS GENERALLY INCLUDE ASTM A-161, ASTM A-192, ASTM A-210, ASTM A-252, ASTM A-501, ASTM A-523, ASTM A-524, AND ASTM A-618. WHEN SUCH PIPES ARE USED IN A STANDARD, LINE, OR PRESSURE PIPE APPLICATION, SUCH PRODUCTS ARE COVERED BY THE SCOPE OF THIS INVESTIGATION.

SPECIFICALLY EXCLUDED FROM THE SCOPE OF THIS INVESTIGATION ARE BOILER TUBING AND MECHANICAL TUBING, IF SUCH PRODUCTS ARE NOT PRODUCED TO ASTM A-53, ASTM A-106, ASTM A-333, ASTM A-334, ASTM A-335, ASTM A-589, ASTM A-795, AND API 5L SPECIFICATIONS AND ARE NOT USED IN STANDARD, LINE, OR PRESSURE PIPE APPLICATIONS. IN ADDITION, FINISHED AND UNFINISHED OIL COUNTRY TUBULAR GOODS(OCTG) ARE EXCLUDED FROM THE SCOPE OF THIS INVESTIGATION, IF COVERED BY THE SCOPE OF ANOTHER ANTIDUMPING DUTY ORDER FROM THE SAME COUNTRY. IF NOT COVERED BY SUCH AN OCTG ORDER, FINISHED AND UNFINISHED OCTG ARE INCLUDED IN THIS SCOPE WHEN USED IN STANDARD, LINE, OR PRESSURE APPLICATIONS.

ALTHOUGH THE HTSUS SUBHEADINGS ARE PROVIDED FOR CONVENIENCE AND CUSTOMS PURPOSES, OUR WRITTEN DESCRIPTION OF THE MERCHANDISE UNDER INVESTIGATION IS DISPOSITIVE.

3. FOR FURTHER REPORTING PURPOSES THIS CASE HAS BEEN ASSIGNED INVESTIGATION NUMBER A-588-851.
4. FOR IMPORTS OF CERTAIN SMALL DIAMETER CARBON AND ALLOY SEAMLESS STANDARD, LINE AND PRESSURE PIPE FROM JAPAN, THE CUSTOMS SERVICE SHALL SUSPEND LIQUIDATIONS OF SUCH SHIPMENTS ENTERED OR WITHDRAWN FROM WAREHOUSE, FOR CONSUMPTION ON OR AFTER DECEMBER 14, 1999.

EFFECTIVE DECEMBER 14, 1999 CUSTOMS SHALL REQUIRE, FOR SUCH ENTRIES, A CASH DEPOSIT OR THE POSTING OF A BOND EQUAL TO THE MARGINS SHOWN BELOW:

MFR/PRODUCER EXPORTER	CUSTOMS ID NUMBER	MARGIN PERCENTAGE
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NIPPON STEEL CORPORATION	A-588-851-001	106.07
KAWASAKI STEEL CORPORATION	A-588-851-002	106.07
SUMITOMO METAL INDUSTRIES	A-588-851-003	106.07
ALL OTHERS	A-588-851-000	70.43

5. IF THERE ARE ANY QUESTIONS REGARDING THIS MATTER BY CUSTOMS OFFICERS, PLEASE CONTACT, VIA E-MAIL, THROUGH THE APPROPRIATE SUPERVISORY CHANNELS, OTHER GOVERNMENT AGENCY LIAISON, USING THE ATTRIBUTE "HQ OAB." THE IMPORTING PUBLIC AND OTHER INTERESTED PARTIES SHOULD CONTACT CONSTANCE HANDLEY, OFFICE OF AD/CVD ENFORCEMENT, IMPORT ADMINISTRATION, INTERNATIONAL TRADE ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE, AT (202) 482-0631.

6. THERE ARE NO RESTRICTIONS ON THE RELEASE OF THIS INFORMATION.

PAUL SCHWARTZ

Company Details

*Party Indicator Value:

I = Importer, M = Manufacturer, E = Exporter, S = Sold To Party