

MESSAGE NO: 0130210 MESSAGE DATE: 05/09/2000
MESSAGE STATUS: Active CATEGORY: Antidumping
TYPE: FIN-Final Determination 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: 05/04/2000 TO

Notice of Lifting of Suspension Date:

TO: { Directors Of Field Operations, Port Directors }

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

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

MESSAGE NO: 0130210 DATE: 05 09 2000

CATEGORY: ADA TYPE: FIN

REFERENCE: REFERENCE DATE:

CASES: A - 588 - 851 - -

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PERIOD COVERED: 05 04 2000 TO

LIQ SUSPENSION DATE:

TO: DIRECTORS OF FIELD OPERATIONS
PORT DIRECTORS

FROM: DIRECTOR, TRADE ENFORCEMENT & CONTROL

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

1. ON MAY 4, 2000, THE DEPARTMENT OF COMMERCE WILL PUBLISH IN THE FEDERAL REGISTER ITS FINAL 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. THE PRODUCTS COVERED ARE SEAMLESS CARBON AND ALLOY (OTHER THAN STAINLESS) STEEL STANDARD, LINE, AND PRESSURE PIPES AND

REDRAW HOLLOWES PRODUCED, OR EQUIVALENT, TO THE 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 HOLLOWES, 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, WITH THE EXCEPTION OF THE SPECIFIC EXCLUSIONS DISCUSSED BELOW, 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, WITH THE EXCEPTION OF THE SPECIFIC EXCLUSIONS DISCUSSED BELOW.

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, WITH THE EXCEPTION OF THE SPECIFIC EXCLUSIONS DISCUSSED BELOW, 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 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.

WITH REGARD TO THE EXCLUDED PRODUCTS LISTED ABOVE, THE DEPARTMENT

OF COMMERCE (DOC) WILL NOT INSTRUCT CUSTOMS TO REQUIRE END-USE CERTIFICATION UNTIL SUCH TIME AS PETITIONER OR OTHER INTERESTED PARTIES PROVIDE TO THE DOC A REASONABLE BASIS TO BELIEVE OR SUSPECT THAT THE PRODUCTS ARE BEING USED IN A COVERED APPLICATION. IF SUCH INFORMATION IS PROVIDED, THE DOC WILL REQUIRE END-USE CERTIFICATION ONLY FOR THE PRODUCT(S) (OR SPECIFICATION(S)) FOR WHICH EVIDENCE IS PROVIDED THAT SUCH PRODUCTS ARE BEING USED IN COVERED APPLICATIONS AS DESCRIBED ABOVE. FOR EXAMPLE, IF, BASED ON EVIDENCE PROVIDED BY PETITIONER, THE DEPARTMENT FINDS A REASONABLE BASIS TO BELIEVE OR SUSPECT THAT SEAMLESS PIPE PRODUCED TO THE A-161 SPECIFICATION IS BEING USED IN A STANDARD, LINE OR PRESSURE APPLICATION, THE DOC WILL REQUIRE END-USE CERTIFICATIONS FOR IMPORTS OF THAT SPECIFICATION. NORMALLY THE DOC WILL REQUIRE ONLY THE IMPORTER OF RECORD TO CERTIFY TO THE END USE OF THE IMPORTED MERCHANDISE. IF IT LATER PROVES NECESSARY FOR ADEQUATE IMPLEMENTATION, THE DOC MAY ALSO REQUIRE PRODUCERS WHO EXPORT SUCH PRODUCTS TO THE UNITED STATES TO PROVIDE SUCH CERTIFICATION ON INVOICES ACCOMPANYING SHIPMENTS TO THE UNITED STATES.

ALTHOUGH THE HTSUS SUBHEADINGS ARE PROVIDED FOR CONVENIENCE AND CUSTOMS PURPOSES, OUR WRITTEN DESCRIPTION OF THE MERCHANDISE SUBJECT TO THIS SCOPE IS DISPOSITIVE.

3. FOR FURTHER REPORTING PURPOSES THIS CASE HAS BEEN ASSIGNED INVESTIGATION NUMBER A-588-851.

4. BECAUSE THE DEPARTMENT HAS DETERMINED THAT CRITICAL CIRCUMSTANCES EXIST FOR IMPORTS OF CERTAIN SMALL DIAMETER CARBON AND ALLOY SEAMLESS STANDARD, LINE AND PRESSURE PIPE FROM NIPPON STEEL CORPORATION, KAWASAKI STEEL CORPORATION, AND SUMITOMO METAL

INDUSTRIES, THE CUSTOMS SERVICE SHALL CONTINUE TO SUSPEND LIQUIDATIONS OF SUCH SHIPMENTS ENTERED OR WITHDRAWN FROM THE WAREHOUSE, FOR CONSUMPTION ON OR AFTER SEPTEMBER 15, 2000, WHICH IS 90 DAYS PRIOR TO THE DATE OF PUBLICATION OF THE PRELIMINARY DETERMINATION IN THE FEDERAL REGISTER. FOR IMPORTS OF CERTAIN SMALL DIAMETER CARBON AND ALLOY SEAMLESS STANDARD, LINE AND PRESSURE PIPE FROM ALL OTHER PRODUCERS FROM JAPAN, THE CUSTOMS SERVICE SHALL CONTINUE TO SUSPEND LIQUIDATIONS OF SUCH SHIPMENTS ENTERED OR WITHDRAWN FROM WAREHOUSE, FOR CONSUMPTION ON OR AFTER

DECEMBER 14, 2000. EFFECTIVE MAY 4, 2000, CUSTOMS SHALL REQUIRE FOR ENTRIES A CASH DEPOSIT OR THE POSTING OF A BOND EQUAL TO THE MARGINS SHOWN BELOW:

MFR/PRODUCER EXPORTER	CUSTOMS ID NUMBER	MARGIN PERCENTAGE
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