to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room B–099 within ten days of the date of publication of this notice. Requests should contain: (1) The party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. In accordance with 19 CFR 353.38(b), oral presentation will be limited to arguments raised in the briefs.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)) and 19 CFR 353.15(a)(4).

Dated: January 19, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–2107 Filed 1–26–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–351–826]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Small Diameter Circular Seamless Carbon and Alloy Steel, Standard, Line and Pressure Pipe From Brazil

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

EFFECTIVE DATE: January 27, 1995.

FOR FURTHER INFORMATION CONTACT: Irene Darzenta or Fabian Rivelis, Office of Antidumping Investigations, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482–6320 or 482–3853, respectively.

PRELIMINARY DETERMINATION: The Department of Commerce (the Department) preliminarily determines that small diameter circular seamless carbon and alloy steel, standard, line and pressure pipe from Brazil (seamless pipe) is being sold in the United States at less than fair value, as provided in section 733 of the Tariff Act of 1930, as amended (the Act). The estimated margins are shown in the ''Suspension of Liquidation'' section of this notice.

Case History

Since the notice of initiation on July 13, 1994 (59 FR 37025, July 20, 1994), the following events have occurred.

On August 8, 1994, the U.S. International Trade Commission (ITC) issued an affirmative preliminary injury determination (USITC Publication 2734, August 1994).

On August 11, 1994, we sent a cable to the U.S. Embassy in Brazil requesting information for purposes of respondent selection. Based on the information provided by the Embassy, as well as by petitioner, we identified as the two producers of subject merchandise in Brazil Mannesmann S.A. and NCS Siderurgica. On August 19, 1994, we named Mannesmann S.A. (MSA) as a mandatory respondent in this investigation and issued to it an antidumping questionnaire. Also on the same date, we sent an antidumping survey to NCS Siderurgica in order to determine whether it should be required to respond to a full questionnaire. Although NCS Siderurgica did not respond to the survey, based on information obtained from Iron and Steel Works of the World and petitioner's claim that MSA produced all of the subject merchandise exported from Brazil to the United States during the last 12 months prior to the filing of the petition, we determined that MSA would be the sole mandatory respondent in this investigation.

On October 21, 1994, we received comments on the issues of scope and class or kind of merchandise from interested parties, pursuant to the Department's invitation for such comments in its notice of initiation. On October 31 and November 17, 1994, we received rebuttal comments on this issue.

On September 12, 1994, we received from MSA a response to Section A of the Department's questionnaire. Responses to Sections B and C were submitted on October 14, 1994. On October 11, and November 3, 1994, we received petitioner's comments regarding MSA's responses to Sections A, B, and C. We sent MSA a supplemental questionnaire on November 18, 1994. MSA submitted its supplemental response, including revised sales listings, on December 9, 1994.

On October 27, 1994, the Department received a request from petitioner to postpone the preliminary determination until January 19, 1995. On November 18, 1994, we published in the **Federal Register** (59 FR 59748), a notice announcing the postponement of the preliminary determination until not later than January 19, 1995, in accordance with 19 C.F.R. 353.15 (c) and (d).

On January 4, 1995, respondent notified the Department of certain revisions to be made to its December 9, 1994, sales listings because of certain programming errors and inconsistencies concerning sale dates, grade codes and differences-in-merchandise data.

On January 9, 1995, petitioner submitted comments regarding the quality of MSA's responses, urging the Department to reject the responses and use best information available (BIA) in the preliminary determination because of the numerous deficiencies contained in these responses.

Scope of Investigation

For purposes of this investigation, seamless pipes are seamless carbon and alloy (other than stainless) steel pipes, of circular cross-section, not more than 114.3 mm (4.5 inches) in outside diameter, regardless of wall thickness, manufacturing process (hot-finished or cold-drawn), end finish (plain end, bevelled end, upset end, threaded, or threaded and coupled), or surface finish. These pipes are commonly known as standard pipe, line pipe or pressure pipe, depending upon the application. They may also be used in structural applications.

The seamless pipes subject to these investigations are currently classifiable under subheadings 7304.10.10.20, 7304.10.50.20, 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 Harmonized Tariff Schedule of the United States (HTSUS).

The following information further defines the scope of this investigation, which covers pipes meeting the physical parameters described above:

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 American Society for Testing and Materials (ASTM) standard A–106 may be used in temperatures of up to 1000 degrees Fahrenheit, at various American Society of Mechanical Engineers (ASME) code stress levels. Alloy pipes made to ASTM standard A–335 must be used if temperatures and stress levels exceed those allowed for A–106 and the ASME codes. 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.

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 pipes are commonly produced and certified to meet ASTM A–106, ASTM A–53 and API 5L specifications. Such triple certification of pipes is common because all pipes meeting the stringent A–106 specification necessarily meet the API 5L and ASTM A–53 specifications. Pipes meeting the API 5L specification necessarily meet the ASTM A–53 specification. However, pipes meeting the A–53 or API 5L specifications do not necessarily meet the A–106 specification. To avoid maintaining separate production runs and separate inventories, manufacturers triple certify the pipes. 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 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, A–106 pipes may be used in some boiler applications.

The scope of this investigation includes all multiple-stenciled seamless pipe meeting the physical parameters described above and produced to one of the specifications listed above, whether or not also certified to a non-covered specification. Standard, line and pressure applications are defining characteristics of the scope of this investigation. Therefore, seamless pipes meeting the physical description above, but not produced to the A–106, A–53, or API 5L standards shall be covered if used in an A–106, A–335, A–53 or API 5L application.

For example, there are certain other ASTM specifications of pipe which, because of overlapping characteristics, could potentially be used in A–106 applications. These specifications include A–162, A–192, A–210, A–333, and A–524. 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 this investigation are boiler tubing, mechanical tubing and oil country tubular goods except when used in a standard, line or pressure pipe application. Also excluded from this investigation are redraw hollows for cold-drawing when used in the production of cold-drawn pipe or tube.

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

Scope Issues

In our notice of initiation we identified two issues which we intended to consider further. The first issue was whether to consider end-use a factor in defining the scope of these investigations.[1] The second issue was whether the seamless pipe subject to this investigation constitutes more than one class or kind of merchandise. In addition to these two issues, interested parties have raised a number of other issues regarding whether certain products should be excluded from the scope of this investigation. These issues are discussed below.

Regarding the end-use issue, interested parties have submitted arguments about whether end-use should be maintained as a scope criterion in this investigation. After carefully considering these arguments, we have determined that, for purposes of this preliminary determination, we will continue to include end-use as a scope criterion. We agree with petitioner that pipe products identified as potential substitutes used in the same applications as products meeting the requisite ASTM specifications may fall within the same class or kind, and within the scope of any order issued in this investigation. However, we are well aware of the difficulties involved with requiring end-use certifications, particularly the burdens placed on the Department, the U.S. Customs Service, and the parties. We will strive to simplify any procedures used in this regard. We will, therefore, carefully consider any comment on this issue for purposes of our final determination.

Regarding the class or kind issue, although respondents propose dividing the scope of this investigation into two classes or kinds of merchandise, they do not agree on the merchandise characteristics that will define the two classes. The respondents in this investigation and in the German investigation argue that the scope should be divided into two classes or kinds based on the material composition of the pipe—carbon versus alloy. The respondent in the Argentine investigation argues that the scope should be divided into two classes or kinds of merchandise based on size. Petitioner maintains that the subject merchandise constitutes a single class or kind.

We have considered the class or kind comments of the interested parties and have analyzed this issue based on the criteria set forth by the Court of International Trade in *Diversified Products* v. *United States*, 6 CIT 155, 572 F. Supp. 883 (1983). These criteria are as follows: (1) the general physical characteristics of the merchandise; (2) the ultimate use of the merchandise; (3) the expectations of the ultimate purchasers; (4) the channels of trade; and (5) cost.

We note that certain differences exist between the physical characteristics of the various products (e.g., size, composition). In addition, there appear to be cost differences between the various products. However, the information on record is not sufficient to justify dividing the class or kind of merchandise. The record on ultimate use of the merchandise and the expectations of the ultimate purchasers indicates that there is a strong possibility that there may be overlapping uses because any one of the various products in question may be used in different applications (e.g., line and pressure pipe). Also, based upon the evidence currently on the record, we determine that the similarities in the distribution channels used for each of the proposed classes of merchandise outweigh any differences in the distribution channels.

In conclusion, while we recognize that certain differences exist between the products in the proposed class or kind of merchandise, we find that the similarities are more significant. Therefore, for purposes of this preliminary determination, we will continue to consider the scope as covering one class or kind of merchandise. This preliminary decision is consistent with past cases concerning steel pipe products. (See e.g., Final Determination of Sales at Less Than Fair Value: Circular Welded Non-Alloy Steel Pipe From Brazil et. al., 57 FR 42940, September 17, 1992). However, a number of issues with respect to class

[1] Various parties in this investigation, as well as in the concurrent investigations involving the same product from Argentina, Italy, and Germany have raised issues and made arguments. For purposes of simplicity and consistency across investigations, we will discuss all of these issues in this notice.

or kind remain to be clarified. We will provide the parties with another opportunity to submit additional information and argument for the final determination. For a complete discussion of the parties' comments, as well as the Department's analysis, see memorandum from Gary Taverman, Acting Director, Office of Antidumping Investigations to Barbara Stafford, Deputy Assistant Secretary for Investigations, dated January 19, 1995.

Regarding the additional issues concerning exclusion of certain products, one party requests that the Department specify that multiple-stencilled seamless pipe stencilled to non-subject standards is not covered. Furthermore, this party argues that the scope language should be clarified so that it specifically states that only standard, line, and pressure pipe stencilled to the ASTM A–106, ASTM A–53 or API–5L standards are included, and that we clarify the meaning of ''mechanical tubing.'' In addition, this party requests that the Department exclude unfinished oil country tubular goods, ASTM A–519 pipe (a type of mechanical tubing) and mechanical tube made to customer specifications from the scope of this investigation.

Another party requests that the Department specifically exclude hollow seamless steel products produced in non-pipe sizes (known in the steel industry as tubes), from the scope of this investigation.

Because we currently have insufficient evidence to make a determination regarding these requests, we are not yet in a position to address these concerns. Therefore, for purposes of this preliminary determination, we will not exclude these products from the scope of this investigation. Once again, we will collect additional information and consider additional argument before the final determination.

Period of Investigation

The period of investigation (POI) is January 1, 1994, through June 30, 1994.

Such or Similar Comparisons

We have determined that all the products covered by this investigation constitute a single category of such or similar merchandise. We made fair value comparisons on this basis. In this case we only compared identical merchandise on the basis of the criteria defined in Appendix V to the antidumping questionnaire, on file in Room B–099 of the main building of the Department. Where there were no sales of identical merchandise in the home market to compare to U.S. sales, we did not make sales comparisons for the reasons outlined below in the ''Fair Value Comparisons'' section of this notice.

Fair Value Comparisons

Although we found several areas in MSA's response where further clarification and/or information will be required, we believe that much of respondent's data is usable for purposes of the preliminary determination. See Team Concurrence Memorandum dated January 19, 1995. However, our examination of the differences in merchandise (difmer) data provided in MSA's December 9, 1994, supplemental response revealed inconsistencies that make it impracticable for us to use our normal methodology for hyperinflationary economies.

Specifically, in its December 9, 1994, and January 4, 1995, submissions, respondent stated that it reported monthly replacement costs for home market products based on a production month (which also happens to be both the month of shipment and the month of sale). Monthly replacement costs for U.S. products were reported based on a production month equal to the reported month of shipment minus one month (which is not the month of sale). Although respondent's replacement costs were based on inflation-adjusted (UFIR) figures derived directly from its cost accounting system, respondent converted these ''indexed'' costs into current Brazilian currency (cruzeiros or reais, as appropriate) on the date of shipment, thereby creating a problem of costs not being comparable over time.

Since the January 4, 1995, submission, we did not have sufficient time for purposes of the preliminary determination to collect the necessary information to perform the proper indexation of these figures in accordance with the methodology outlined in Department Policy Bulletin No. 94.5 dated March 25, 1994. Given the lack of usable difmer data, which we believe can be rectified by issuing a second supplemental questionnaire, we made fair value comparisons only with respect to identical merchandise and without regard to difmers.

To determine whether sales of seamless pipe from MSA to the United States were made at less than fair value, we compared the United States price (USP) to the foreign market value (FMV), as specified in the ''United States Price'' and ''Foreign Market Value'' sections of this notice.

In accordance with past practice, we determine Brazil's economy to be hyperinflationary. See Final Determination of Sales at Less Than Fair Value: Ferrosilicon From Brazil, 59 FR 732, January 6, 1994 (Ferrosilicon). Pursuant to our methodology concerning such an economy, we made contemporaneous sales comparisons based on the month of the U.S. sale. In accordance with 19 C.F.R. 353.58, we made comparisons at the same level of trade, where possible.

United States Price

We based USP on purchase price (PP), in accordance with section 772(b) of the Act, because the subject merchandise was sold to unrelated purchasers in the United States before importation and because exporter's sales price methodology was not otherwise indicated.

We calculated PP based on packed CIF or duty paid, delivered prices to unrelated customers. In accordance with section 772(d)(2)(A) of the Act, we made deductions, where appropriate, for ocean freight and insurance, U.S. brokerage, U.S. import duty and U.S. inland freight. Because respondent incorrectly reported U.S. shipment date based on a date later than when the merchandise was shipped from the factory, we revised U.S. shipment dates so that they appropriately reflect the date the merchandise is shipped from the factory. We believe that it is reasonable to assume that the approximate time difference between the reported U.S. shipment date and the date on which the merchandise left the factory (*i.e.*, upon production) is one month based respondent's December 9, 1994, and January 4, 1995, submissions.

We made an adjustment to USP for the taxes paid on the comparison sales in Brazil. In this investigation, there are four levels of taxes levied on sales of the subject merchandise in the home market. The ICMS tax is a regional tax, which varies depending upon the Brazilian state in which the purchase originates. The IPI, PIS and FINSOCIAL taxes are fixed percentage rate taxes. Because these taxes are calculated on the same base price, we find them not to be cascading. Thus, for each sale, we made only one tax adjustment which equals the sum of the actual tax rates. (See Ferrosilicon, 59 FR at 733).

Foreign Market Value

In order to determine whether there were sufficient sales of seamless pipe in the home market to serve as a viable basis for calculating FMV, we compared the volume of home market sales of seamless pipe to the volume of third country sales of seamless pipe in accordance with section 773(a)(1)(B) of the Act. Based on this comparison, we found that the volume of home market sales was greater than five percent of the

aggregate volume of third country sales. Therefore, we determined that MSA had a viable home market with respect to sales of seamless pipe during the POI.

During the POI, MSA made home market sales to unrelated customers, as well as to one related customer, Mannesmann Commerciale S.A. (MCSA). In its response, MSA provided two home market sales listings. One sales listing consisted of MSA's sales to MCSA and unrelated parties; the other consisted of MCSA's sales to unrelated parties including MCSA's unrelated customers (''downstream'' sales). MSA claims that its related party sales were made at arm's-length. To test the accuracy of respondent's claim, we compared related party prices to unrelated party prices using the test set forth in Appendix II to the Final Determination of Sales at Less Than Fair Value: Certain Cold-Rolled Carbon Steel Flat Products from Argentina, 58 FR 37062 (July 9, 1994), and found that its prices to MCSA were not at arm's-length. Therefore, we excluded MSA's related party sales from our analysis, and used only those sales made to unrelated parties including the downstream sales.

In accordance with past practice, in order to eliminate the distortive effects of hyperinflation in the Brazilian economuy, we calculated separate weighted-average FMVs for each month. (See Ferrosilicon, 59 FR at 733).

In accordance with 19 C.F.R. 353.46, we calculated FMV based on FOB or CIF prices, exclusive of any inflation adjustment, charged to unrelated customers in Brazil. In light of the Court of Appeals for the Federal Circuit's (CAFC) decision in *Ad Hoc Committee of AZ–NM–TX–FL Producers of Gray Portland Cement* versus *United States*, 13 F.3d 398 (Fed. Cir. 1994), the Department no longer can deduct home market movement charges from FMV pursuant to its inherent power to fill in gaps in the antidumping statute. Instead, we will adjust for those expenses under the circumstance-of-sale provision of 19 C.F.R. 353.56(a) and the exporter's sales price offset provision of 19 C.F.R. 353.56(b)(2), as appropriate. Accordingly, in the present case, we deducted post-sale home market movement charges from FMV under the circumstance-of-sale provision of 19 C.F.R. 353.56(a). This adjustment included home market inland freight and insurance.

Pursuant to 19 C.F.R. 353.56(a)(2), we made further circumstance-of-sale adjustments, where appropriate, for differences in credit expenses, warranties and product liability expenses between the U.S. and home markets. For certain transactions with reported negative values (*e.g.*, warranty expenses), we made no adjustment to FMV for the subject expenses. We recalculated U.S. credit expenses in accordance with respondent's methodology, using the revised U.S. shipment dates. (See ''United States Price'' section of this notice.) For sales with missing payment dates, we recalculated U.S. credit expenses using the date of the preliminary determination for date of payment. For sales with missing shipment and payment dates, we recalculated U.S. credit expenses using the average number of credit days between the revised shipment dates and the reported payment dates for respondent's U.S. sales which were reportedly shipped and paid. We disallowed MSA's claim for home market commissions made to a related party because respondent did not demonstrate that these commissions were arm's-length transactions. (See *LMI-La Metalli Industriale, S.p.A.* versus *United States*, 912 F.2d 455 (Fed. Cir. 1990)). We added interest revenue, where appropriate.

We also deducted home market packing and added U.S. packing costs, in accordance with section 773(a)(1) of the Act.

We adjusted for taxes collected in the home market. See ''United States Price'' section of this notice.

We did not make adjustments for differences in the physical characteristics of the merchandise for the reasons outlined above.

Currency Conversion

No certified rates of exchange, as furnished by the Federal Reserve Bank of New York, were available for the POI. In place of the official certified rates, we used the daily official exchange rates for the Brazilian currency published by the Central Bank of Brazil which were provided by respondent in its Section A response.

Verification

As provided in section 776(b) of the Act, we will verify the information used in making our final determination.

Suspension of Liquidation

In accordance with section 733(d)(1) of the Act, we are directing the Customs Service to suspend liquidation of all entries of seamless pipe from Brazil, as defined in the ''Scope of Investigation'' section of this notice, that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. The Customs Service shall require a cash deposit or the posting of a bond equal to the estimated preliminary dumping margins, as shown below. The suspension of liquidation will remain in effect until further notice. The estimated preliminary dumping margins are as follows:

Manufacturer/producer/exporter	Margin percent
Mannesmann S.A.	12.83
All Others	12.83

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our determination. If our final determination is affirmative, the ITC will determine whether imports of the subject merchandise are materially injuring, or threaten material injury to, the U.S. industry before the later of 120 days after the date of the preliminary determination or 45 days after our final determination.

Public Comment

In accordance with 19 C.F.R. 353.38, case briefs or other written comments in at least ten copies must be submitted to the Assistant Secretary for Import Administration no later than March 10, 1995, and rebuttal briefs no later than March 15, 1995. In accordance with 19 C.F.R. 353.38(b), we will hold a public hearing, if requested, to give interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, the hearing will be held on March 20, 1995 at 10:00 a.m. at the U.S. Department of Commerce, Room 1414, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room B–099, within ten days of the publication of this notice in the **Federal Register**. Request should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. In accordance with 19 C.F.R. 353.38(b), oral presentation will be limited to issues raised in the briefs.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)) and 19 C.F.R. 353.15(a)(4).

Dated: January 19, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–2106 Filed 1–26–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–428–820]

Notice of Preliminary Determination of Sales at Less Than Fair Value: Small Diameter Circular Seamless Carbon and Alloy Steel, Standard, Line and Pressure Pipe From Germany

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

EFFECTIVE DATE: January 27, 1995.

FOR FURTHER INFORMATION CONTACT: Kate Johnson or Irene Darzenta, Office of Antidumping Investigations, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482–4929 or 482–6320, respectively.

PRELIMINARY DETERMINATION: The Department of Commerce (the Department) preliminarily determines that small diameter circular seamless carbon and alloy steel, standard, line and pressure pipe from Germany (seamless pipe) is being, or is likely to be, sold in the United States at less than fair value, as provided in section 733 of the Tariff Act of 1930, as amended (the Act). The estimated margins are shown in the ''Suspension of Liquidation'' section of this notice.

Case History

Since the notice of initiation published on July 20, 1994, (59 FR 37025), the following events have occurred.

On August 8, 1994, the U.S. International Trade Commission (ITC) issued an affirmative preliminary injury determination (USITC Publication 2734, August 1994).

On August 19, 1994, we named Mannesmannrohren-Werke AG (MRW) as the sole respondent in this investigation, and on the same date issued an antidumping questionnaire to this company. MRW accounted for at least 60 percent of the exports of the subject merchandise to the United States during the POI. Although it requested that it be allowed to respond voluntarily to the Department's questionnaire, on October 5, 1994, we informed Benteler A.G., another German producer, that we would not be accepting voluntary responses in this investigation due to administrative resource constraints.

On September 12, 1994, MRW submitted a response to Section A of the Department's questionnaire. Sections B and C were submitted on October 14, 1994. On October 11 and November 2, 1994, we received petitioner's comments regarding MRW's questionnaire responses. We issued a supplemental questionnaire on November 18, 1994. MRW submitted its supplemental response on December 9, 1994.

On October 21, 1994, we received comments on the issues of scope and class or kind of merchandise from interested parties, in response to the Department's invitation for such comments in its notice of initiation. On October 31 and November 17, 1994, we received rebuttal comments on this issue.

On October 27, 1994, the Department received a request from petitioner to postpone the preliminary determination until January 19, 1995. On November 18, 1994, we published in the **Federal Register** (59 FR 59748), a notice announcing the postponement of the preliminary determination until not later than January 19, 1995, in accordance with 19 C.F.R. 353.15(c) and (d).

Scope of Investigation

For purposes of this investigation, seamless pipes are seamless carbon and alloy (other than stainless) steel pipes, of circular cross-section, not more than 114.3mm (4.5 inches) in outside diameter, regardless of wall thickness, manufacturing process (hot-finished or cold-drawn), end finish (plain end, bevelled end, upset end, threaded, or threaded and coupled), or surface finish. These pipes are commonly known as standard pipe, line pipe or pressure pipe, depending upon the application. They may also be used in structural applications.

The seamless pipes subject to these investigations are currently classifiable under subheadings 7304.10.10.20, 7304.10.50.20, 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 Harmonized Tariff Schedule of the United States (HTSUS).

The following information further defines the scope of this investigation, which covers pipes meeting the physical parameters described above:

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 American Society for Testing and Materials (ASTM) standard A–106 may be used in temperatures of up to 1000 degrees fahrenheit, at various American Society of Mechanical Engineers (ASME) code stress levels. Alloy pipes made to ASTM standard A–335 must be used if temperatures and stress levels exceed those allowed for A–106 and the ASME codes. 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.

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 pipes are commonly produced and certified to meet ASTM A–106, ASTM A–53 and API 5L specifications. Such triple certification of pipes is common because all pipes meeting the stringent A–106 specification necessarily meet the API 5L and ASTM A–53 specifications. Pipes meeting the API 5L specification necessarily meet the ASTM A–53 specification. However, pipes meeting the A–53 or API 5L specifications do not necessarily meet the A–106 specification. To avoid maintaining separate production runs and separate inventories, manufacturers triple certify the pipes. 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 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