

would be 50 feet high. Together the combustion turbines would occupy less than six acres of a site located in Nodaway County in northwest Missouri. A maintenance building approximately 90 by 45-foot, a small control building, and a water storage container would also be located on the site next to the combustion turbines. A 150-foot high microwave tower would be located on the site, enabling control of the plant from a remote location. The plant would be connected to one of Associated's 161-kilovolt transmission lines. Natural gas would be supplied from either a 24- or 30-inch diameter gas line which passes northeast to southwest through northwestern Missouri. It is estimated that approximately 200 feet of two, 10 inch gas transmission lines will need to be constructed outside the proposed plant boundary to connect the plant to the existing gas line in the area.

Alternatives considered to constructing the project as proposed included no action, load management, power purchases, renewable energy, combined cycle combustion turbine technology, and an alternative site location.

Copies of the environmental assessment and finding of no significant impact along with the environmental analysis are available for review at, or can be obtained from, RUS at the address provided herein or from Jerry Bindel, Associated Electric Cooperative, P.O. Box 754, Springfield, Missouri, 65801-0754 telephone (417) 885-9272. Mr. Bindel's E-mail address is jbindel@aeci.org. These documents are also available at Maryville Public Library, 5th and Main Street, Maryville, Missouri. Interested parties wishing to comment on the adequacy of the environmental assessment should do so within 30 days of the publication of this notice. RUS will take no action that would approve clearing or construction activities related to the proposed combined cycle power plant prior to the expiration of the 30-day comment period.

Dated: November 10, 1998.

Blaine D. Stockton, Jr.,

Assistant Administrator, Electric Program.

[FR Doc. 98-30669 Filed 11-16-98; 8:45 am]

BILLING CODE 3410-15-P

DEPARTMENT OF COMMERCE

Office of the Secretary

[Docket Number: 980929249-8283-02]

Fastener Quality Act; Statutorily Required Study; Re-Opening of Comment Period

AGENCY: United States Department of Commerce.

ACTION: Notice of inquiry; re-opening of comment period.

SUMMARY: On October 7, 1998, the Commerce Department published a request for comment concerning a study of the Fastener Quality Act (FQA) mandated by Pub. L. No. 105-234 (63 FR 53870). The comment period of that request for comment closed on November 6, 1998. This notice re-opens the comment period for that request, through November 30, 1998. In addition, this notice makes clear that comments received between November 6 and today will be considered as timely filed.

DATES: Comments must be received no later than November 30, 1998.

ADDRESSES: Comments must be submitted to: Dr. James E. Hill; Chief, Building Environment Division; Building and Fire Research Laboratory; National Institute of Standards and Technology; Building 226, Room B-306; Gaithersburg, MD 20899. Comments may also be submitted by e-mail to: fqastudy@nist.gov.

FOR FURTHER INFORMATION CONTACT: Dr. James Hill; Telephone: 301-975-5851; E-mail: james.hill@nist.gov. The Fastener Quality Act and the existing implementing regulations can be viewed at NIST's FQA website: <http://www.nist.gov/fqa/fqa.htm>.

SUPPLEMENTARY INFORMATION: On August 14, 1998, President Clinton signed Public Law 105-234. This law amended the Fastener Quality Act (FQA) by creating an exemption for certain aircraft fasteners. The new law also requires the Secretary of Commerce to submit to Congress a report on: (1) Changes in fastener manufacturing processes that have occurred since the enactment of the Fastener Quality Act; (2) a comparison of the Fastener Quality Act to other regulatory programs that regulate the various categories of fasteners, and an analysis of any duplication that exists among programs; and (3) any changes in that Act that may be warranted because of the changes reported under paragraphs (1) and (2). By notice published on October 7, 1998, the Commerce Department solicited public comments, through November 6,

1998, on the issues raised by the Secretary's reporting requirement (63 FR 53870).

Today's notice re-opens the period for public comment first announced in the October 7 notice, through November 30, 1998, and makes clear that comments received between November 6 and today will be considered as timely filed. For further information on the topics raised in the Secretary's reporting requirement and specific questions for which the Department seeks information, please refer to the October 7 notice.

Authority: Pub. L. No. 105-234.

Dated: November 10, 1998.

Andrew J. Pincus,

General Counsel.

[FR Doc. 98-30725 Filed 11-16-98; 8:45 am]

BILLING CODE 3510-BW-P

DEPARTMENT OF COMMERCE

[A-570-815]

Sulfanilic Acid From the People's Republic of China; Final Results of Antidumping Duty Administrative Review

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

ACTION: Notice of Final Results of the 1996-1997 Antidumping Duty Administrative Review of Sulfanilic Acid from the People's Republic of China.

SUMMARY: On July 13, 1998, the Department of Commerce (the Department) published the preliminary results of its administrative review of the antidumping duty order on sulfanilic acid from the People's Republic of China (PRC). The review covers the period August 1, 1996 through July 31, 1997, and all PRC exporters of the subject merchandise.

We gave all interested parties an opportunity to comment on our preliminary results. Based on our review of the comments received, the margins in the final results have changed from those presented in the preliminary results.

EFFECTIVE DATE: November 17, 1998.

FOR FURTHER INFORMATION CONTACT: LaVonne Jackson, Doug Campau or Nithya Nagarajan, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-3793.

SUPPLEMENTARY INFORMATION:

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act (URAA). In addition, unless otherwise indicated, all citations to the Department's regulations are to the current regulations at 19 CFR part 351 (1998).

Background

On July 13, 1998, the Department of Commerce published in the **Federal Register** (63 FR 37528) the preliminary results of its administrative review of the antidumping duty order on sulfanilic acid from the PRC (57 FR 37524, August 19, 1992). This review covers exports of subject merchandise to the United States for the period of August 1, 1996 through July 31, 1997, and all exporters of sulfanilic acid, including, but not limited to, the following thirteen firms: China National Chemical Import and Export Corporation, Hebei Branch (Sinochem Hebei); China National Chemical Construction Corporation, Beijing Branch; China National Chemical Construction Corporation, Qingdao Branch; Sinochem Qingdao; Sinochem Shandong; Baoding No. 3 Chemical Factory; Jinxing Chemical Factory; Zhenxing Chemical Industry Co. ("Zhenxing"); Mancheng Xinyu Chemical Factory, Shijiazhuang; Mancheng Xinyu Chemical Factory, Beijing; Hainan Garden Trading Company; Yude Chemical Industry Company ("Yude") and Shunping Lile Chemical Factory. We have now completed the administrative review in accordance with section 751(a) of the Act.

Scope of Review

Imports covered by this review are all grades of sulfanilic acid, which include technical (or crude) sulfanilic acid, refined (or purified) sulfanilic acid and sodium salt of sulfanilic acid.

Sulfanilic acid is a synthetic organic chemical produced from the direct sulfonation of aniline with sulfuric acid. Sulfanilic acid is used as a raw material in the production of optical brighteners, food colors, specialty dyes, and concrete additives. The principal differences between the grades are the undesirable quantities of residual aniline and alkali insoluble materials present in the sulfanilic acid. All grades are available as dry, free flowing powders.

Technical sulfanilic acid, classifiable under the subheading 2921.42.24 of the

Harmonized Tariff Schedule (HTS), contains 96 percent minimum sulfanilic acid, 1.0 percent maximum aniline, and 1.0 percent maximum alkali insoluble materials. Refined sulfanilic acid, also classifiable under the subheading 2921.42.24 of the HTS, contains 98 percent minimum sulfanilic acid, 0.5 percent maximum aniline and 0.25 percent maximum alkali insoluble materials.

Sodium salt (sodium sulfanilate), classifiable under the HTS subheading 2921.42.79, is a powder, granular or crystalline material which contains 75 percent minimum equivalent sulfanilic acid, 0.5 percent maximum aniline based on the equivalent sulfanilic acid content, and 0.25 percent maximum alkali insoluble materials based on the equivalent sulfanilic acid content.

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

Use of Facts Otherwise Available

Only two firms, Yude and Zhenxing, responded to the Department's questionnaire and demonstrated that they are entitled to a separate rate. All firms that have not demonstrated that they qualify for a separate rate are deemed to be part of a single enterprise under the common control of the government (the "PRC enterprise"). Therefore, all such entities receive a single margin, the "PRC rate." We preliminarily determined in accordance with section 776(a) of the Act, that resort to facts otherwise available is appropriate in arriving at the country-wide rate because companies deemed to be part of the PRC enterprise for which a review was requested have not responded to the Department's antidumping questionnaire. Because PRC exporters of this product did not respond to the Department's questionnaire, the Department finds that the "PRC enterprise" has failed to cooperate by not acting to the best of its ability to comply with a request for information.

Where the Department must resort to facts otherwise available because a respondent fails to cooperate by not acting to the best of its ability to comply with a request for information, section 776(b) of the Act authorizes the Department to use an inference adverse to the interests of that respondent in choosing from the facts available. Section 776(b) also authorizes the Department to use, as adverse facts available, information derived from the petition, the final determination, a previous administrative review, or other information placed on the record. The

Statement of Administrative Action (SAA) accompanying the URAA clarifies that information from the petition and prior segments of the proceeding is "secondary information." See H. Doc. 3216, 103rd Cong. 2d Sess. 870 (1996). If the Department relies on secondary information as facts available, section 776(c) of the Act provides that the Department will, to the extent practicable, corroborate such information using independent sources reasonably at its disposal. The SAA further provides that "corroborate" means simply that the Department will satisfy itself that the secondary information to be used has probative value. However, where corroboration is not practicable, the Department may use uncorroborated information.

In the present case the Department has based the country-wide margin on the final best information available margin from the investigation, which was originally based on information from the petition. *Notice of Final Determination of Sales at Less Than Fair Value*, 57 FR 37524 (August 19, 1992). See also *Notice of Final Determination of Sales at Less Than Fair Value: Circular Welded Non-Alloy Steel Pipe from South Africa*, 61 FR 24272 (May 14, 1996). In accordance with section 776(c) of the Act, we corroborated the data contained in the petition, as adjusted for initiation purposes, to the extent possible. The petition data on major material inputs are consistent with Indian import statistics, and also with price quotations obtained by the U.S. Embassies in Pakistan and India. Both of these corroborating sources were placed on the record during the investigation and have been added to the record of this review. In addition, we note that the petition used World Bank wage rates which we have repeatedly found to be a probative source of data. With regard to the values contained in the petition, the Department was provided no useful information by the respondent or other interested parties, and we are aware of no other independent sources of information that would enable us to further corroborate the margin calculation in the petition. We note that the SAA at 870 specifically states that where "corroboration may not be practicable in a given circumstance," the Department may nevertheless apply an adverse inference. Based on these reasons, we preliminarily find that the information contained in the petition has probative value.

Accordingly, we have relied upon the information contained in the petition. We have assigned to all exporters other than Yude and Zhenxing a margin of

85.20 percent, the margin in the petition, as adjusted by the Department for initiation purposes.

Analysis of Comments Received

We invited interested parties to comment on the preliminary results. We received comments from Yude, Zhenxing, PHT International, Inc. ("PHT") (collectively Respondent), and from the Petitioner, Nation Ford Chemical Company.

Comment 1: Petitioner contends that the Department should apply the country-wide rate of 85.20 percent as the facts available to calculate Respondent's dumping margin because Zhenxing and PHT failed to disclose what they called Respondent's "affiliation" with Baoding Import Export Company ("Baoding"), a PRC trading company, until the relationship was discovered by the Department during verification.

Petitioner contends that Baoding and the Respondent are affiliated parties. According to the Petitioner, Zhenxing's U.S. sales of sodium sulfanilate during the period of review (POR) were made through Baoding. Petitioner argues that record evidence indicates that Baoding represented itself as the export agent of Zhenxing and that Respondents themselves characterized Baoding as a brokerage house to facilitate the export of sodium sulfanilate. Therefore, Petitioner reasons that Baoding, acting as Zhenxing's agent, is affiliated with Zhenxing. Petitioner argues that if Zhenxing and Baoding are affiliated, Baoding's failure to respond to the Departments original and subsequent questionnaires constitutes failure of Zhenxing to report all sales made by themselves and their affiliates.

Petitioner states that Respondent addressed the issue of the PRC trading company only in post-verification submissions. Petitioner contends that the Department typically rejects such unsubstantiated, eleventh hour claims made by Respondent that have failed to disclose material information in their questionnaire responses. See *Certain Welded Carbon Steel Pipes and Tubes from Thailand; Final Results of Antidumping Duty Administrative Review*, 62 FR 53808, 53813 (Oct. 16, 1997).

Furthermore, Petitioner claims that fees paid by the Respondent to Baoding for its services are direct selling expenses which the Department was not able to verify. Consequently, a material part of the calculation of CEP has not been verified. Therefore, Petitioner contends that the Department must conclude that the Respondent did not act to the best of its ability to provide

this information and that the Department cannot use the new information discovered at verification and provided in post-verification submissions to calculate the margin because it is not credible and cannot be verified.

Respondent argues that Baoding was not the exporter of the subject merchandise, is not related to PHT and acted only as the brokerage house to facilitate the process of moving the goods from the factory to the port and through export customs in China, and that PHT simply purchased these services from Baoding. Respondent contends that Zhenxing only sells the subject merchandise to PHT, and neither sold nor intends to sell the subject merchandise directly to any unaffiliated U.S. buyers or to Baoding. Respondent argues that the criteria set forth in *Engineered Process Gas Turbo-Compressor Systems from Japan*, 62 FR 24394 (May 5, 1997), for determining affiliation are not applicable to this case. Respondent argues that the relationship between PHT and Baoding was not one of principal and agent within the context of a sales transaction. Respondent claims that this relationship was a simple contractual relationship and that Baoding was not an agent/reseller of sodium sulfanilate because Baoding did not act as a sales agent in negotiating the price or other terms of sale, interact with U.S. customers, maintain inventory of the subject merchandise, take title to the merchandise or bear risk of loss or process or otherwise add value to the merchandise. Therefore, Baoding was not required to respond to the Department's questionnaire with respect to those sales. Finally, Respondent states that its response to the Department's supplemental questionnaire with respect to Baoding was timely.

Department's Position: We agree with Respondent. On May 1, 1998, after the conclusion of verification and prior to calculating our preliminary results of review, the Department issued a supplemental questionnaire requesting further clarification on the relationship between Zhenxing, PHT, and Baoding and the services provided by Baoding for sales of sodium sulfanilate. Respondent submitted their response on May 14, 1998, stating that Baoding was unaffiliated with either PHT or Zhenxing. Respondent stated that Zhenxing does not sell the subject merchandise to Baoding and that Baoding has no function regarding sales of the subject merchandise. According to the Respondent, Baoding's function is to facilitate the exportation of the

merchandise. Baoding provides the documents necessary for the exportation and helps to arrange the delivery of goods to port. In addition, Baoding did not take title to the subject merchandise nor does Baoding assume the management, storage or shipment of the subject merchandise. In return for its brokerage and handling services, Baoding is paid a fee by PHT consistent with standard industry practice. Based on this information, the Department determined that Baoding was unaffiliated to either PHT or Zhenxing for purposes of the preliminary results of review and adjusted normal value to include the cost of brokerage and handling expenses incurred by Zhenxing and PHT to make sales via Baoding, valued in an appropriate market economy surrogate country. For purposes of these final results of review, the Department has not received any additional information to indicate that Baoding is affiliated with either PHT or Zhenxing, therefore, consistent with our findings in the preliminary results of review, we have adjusted for the additional brokerage and handling expenses incurred on sales via Baoding.

Comment 2: Petitioner contends that the Department should apply the country-wide rate of 85.20 percent as the facts available to calculate Respondent's dumping margin because the Department was unable to verify a significant portion of the factors of production information submitted by the Respondent. Petitioner argues that discrepancies found at verification related to (1) coal usage, (2) electricity usage, and (3) labor hours understated the Respondent's factors of production and that new information used to recalculate Respondent's energy usage was untimely. Petitioner also argues that Respondent never corrected the usage data either in their supplemental questionnaire response or prior to the start of the factors of production verification.

Petitioner further contends that the Department's preliminary results of review correcting said discrepancies is inappropriate because the discrepancies involve major factors of production, the record of the review contains no explanation of the reasons for the discrepancies and the discrepancies that were discovered all favored Respondent, indicating a pattern of under-reporting.

Respondent argues that neither the Department's observation at verification of what it perceived to be unreconciled coal purchases in comparison to total coal usage, nor the difference between total predicted amount of electricity reported by Zhenxing and Zhenxing's final electricity consumption is

significant. Further, Respondent argues that these verification findings did not create a pattern of under-reporting factors of production.

Department's Position: The Department agrees with Respondent regarding the use of verified information for coal usage, electricity, and labor factors of production. It is the Department's practice to allow respondents to correct for minor errors during the course of verification. In the instant case, while conducting the verification, Department officials noted certain errors in Zhenxing's factors of production response. Department officials then proceeded to verify and ensure that they obtained the most accurate factors of products which tied to the company's actual books and records. At the conclusion of verification, the Department determined that the errors found were minor in nature and did not require a revised response to be submitted. Therefore, in order to ensure that the most accurate factors of production were used to calculate NV in the preliminary results of review, the Department utilized the verified factors of production for coal usage, electricity, and labor. In regard to the Petitioner's argument that these discrepancies indicated a pattern of under-reporting, the Department has determined that the errors noted during verification were insignificant and did not constitute a pattern or under-reporting on behalf of the Respondent. Contrary to Petitioner's allegation, not every discrepancy involved favored Respondent. For purposes of the final results, the Department has therefore continued to use the verified information for these factors of production.

Comment 3: Petitioner claims that the use of Indian import prices for aniline as the surrogate value for aniline used by the PRC Respondent in this case is inappropriate because, it claims, the plain language of the statute does not permit the Department to use imported aniline prices when the NME respondents use domestically-sourced aniline. Petitioner argues that the Department incorrectly based the surrogate value for aniline on Indian sulfanilic acid production processes, instead of reported PRC production processes. Petitioner states that the Department must first identify the NME factors of production and then, using those same factors, obtain surrogate values from a market economy at a similar level of economic development. Petitioner contends that because Respondent uses domestically-sourced aniline to manufacture sulfanilic acid, the Department must value aniline

using prices for aniline domestically produced in India. Petitioner argues that the Department has recently stated a clear preference for using domestic market prices in the surrogate country to value factors of production. As support for this position, Petitioner cites *Pure Magnesium from the People's Republic of China: Final Results of Antidumping Duty New Shipper Administrative Review*, 63 FR 3085, 3087 (Jan. 21 1998) ("*Magnesium*"); *Final Determination of Sales at Less Than Fair Value: Certain Cut-to-length Carbon Steel Plate from the People's Republic of China*, 62 FR 61964, 61966 (Nov 20, 1997) ("*Carbon Steel Plate*"); and *Notice of Final Determination of Sales at Less Than Fair Value: Brake Drums and Brake Rotors from the People's Republic of China*, 62 FR 9163 (Feb. 28, 1997) ("*Brake Drums*"). Petitioner also argues that the profitability of surrogate country producers in export markets is irrelevant to the Department's valuation of the factors of production utilized by the NME under investigation.

Petitioner contends that the values for imported aniline used in the preliminary results cannot be used because these values are based on subsidized prices and are not an accurate reflection of the price of aniline. Petitioner cites *Brake Drums and Tehnoimportexport v. United States*, 783 F. Supp. 1401 (CIT 1992) ("*Tehnoimportexport*"). According to the Petitioner, the Department has determined that the Indian Advanced License program is a countervailable subsidy under U.S. law. *Preliminary Affirmative Countervailing Duty Determination: Sulfanilic Acid From India*, 57 FR 35785 (Aug. 11, 1992); *Countervailing Duty Order: Sulfanilic Acid From India*, 58 FR 12026 (Mar. 2, 1993). Under this program, the normal 85% duty on imported aniline is not collected if sulfanilic acid produced with imported aniline is subsequently exported. Petitioner contends that Indian sulfanilic acid producers receive a government subsidy to the extent that they pay duty-free prices for imported aniline.

Petitioner states that the Department is precluded from using prices for imported aniline due to the reasons stated above. Petitioner argues that the statute requires the Department to use, instead, published domestic price information reported in *Chemical Business and Chemical Weekly* to value aniline in this review. Petitioner maintains that these publications are reliable sources, as evidenced by the Department's use of these sources in several antidumping investigations and reviews involving PRC products. See,

e.g., Notice of Final Determination of Sales at Less Than Fair Value: Bicycles From the People's Republic of China, 61 FR 19026, 19030 (Apr. 30, 1996) ("*Bicycles*"). Petitioner also argues that the Department used *Chemical Weekly* data as the surrogate value for another input, sulfuric acid, in the preliminary results of this case. Petitioner states that the domestic prices are contemporaneous, product specific, tax exclusive and publicly available and are therefore a reliable basis for use as a surrogate value.

Respondent argues that the Department correctly valued aniline using Indian import statistics because Indian sulfanilic producers used imported aniline to produce sulfanilic acid for export. Respondent refers to the initial investigation and the 1993-94 and 1994-95 administrative reviews of this case, in which the Department previously used Indian import statistics for valuing aniline. Respondent cites *Nation Ford Chemical Co. v. United States*, 985 F. Supp. 133 (CIT 1997) and *Nation Ford Chemical Co. v. United States*, 985 F. Supp. 138 (CIT 1997), in which the Court of International Trade (CIT) affirmed the Department's determinations in the 1993-94 and 1994-95 reviews, respectively, to use Indian import values as a surrogate for PRC aniline costs. Respondent also contends that the CIT determined that Petitioner's argument that the Department must use the Indian domestic price for aniline because Chinese producers use domestic aniline was erroneous because there was no basis in the statute for arguing that the factors of production must be ascertained in a single fashion. *Nation Ford Chemical Co.*, 985 F. Supp. at 136 (citing *Lasko Metal Prod., Inc. v. United States*, 43 F.3d 1442, 1446 (Fed. Cir. 1994) ("*Lasko*") and 19 U.S.C. 1677b(c)(3)). In addition, Respondent contends that the CIT further stated that it was reasonable for the Department to conclude that Indian domestic prices were not adequately representative of the situation in the PRC. Respondent contends that the Court also notes that although a surrogate value must be representative of the situation in the non-market economy (NME), that does not mean that the Department must duplicate the exact production experience at the expense of choosing a surrogate value that most accurately represents what would be the fair market value of aniline in a market-economy PRC.

Respondent contends that the CIT has determined that the Indian subsidy program would have no impact on the price of imported aniline, and therefore

rejected the identical subsidy argument. Petitioners are making in this review. Respondent relies upon the CAFC's statement in *Lasko* that, in the underlying case, the best available information on what the supplies used by the Chinese manufacturers would cost in a market economy country was the price charged for those supplies on the international market. Respondent argues that, similarly, the best available information on the value of aniline used by the Indian producers to make sulfanilic acid for export is the import price for aniline, which reflects the cost of aniline on the international market.

Respondent also cites *Tehnoimportexport*, in which the CIT acknowledged that the Department has frequently used import statistics in NME country cases. Respondent argues further that the Department uses import statistics for at least one factor in almost every dumping case against China, even though the Chinese producers source the product from a domestic manufacturer in China. See *Notice of Final Determination of Sales at Less Than Fair Value: Sebacic Acid from the People's Republic of China*, 59 FR 28053 (May 31, 1994); *Bicycles*, and *Brake Drums*.

Respondent contends that the issue is which surrogate value from India best represents what the cost of aniline would be in China to the Chinese producer if the price were set by market forces. Respondent argues that the CIT states in *Tehnoimportexport*, 783 F. Supp. at 1406, that when the Department is faced with the decision between two reasonable alternatives and one alternative is favored over the other, the Department has the discretion to choose. Respondent also relies upon *Union Camp v. United States*, 941 F. Supp. 108, 116 (CIT 1996), *remand aff'd*, 963 F. Supp. 1212 (CIT 1997), and *Magnesium Corp. of America v. United States*, 938 F. Supp. 870 (CIT 1996) for the proposition that the Department has such discretion. Finally, Respondent argues that the Department's antidumping regulations published on May 19, 1997, state that aberrational surrogate input values should be disregarded. Respondent further argues that the Department has determined that the domestic price for aniline was aberrational because it did not reflect a market price for aniline but, instead, a price which has been inflated by India's protection of its national aniline industry.

Department's Position: We agree with Respondent that the Indian import values for aniline provide a better approximation than Indian domestic prices of what the aniline used by the

Chinese manufacturers would cost were the PRC a market economy country. Evidence on the record of this review indicates that a two-tier pricing system for aniline exists in India as a result of the combination of an 85% tariff on imports of aniline and the effects of the Advanced Licence Program, which waives that tariff when imported aniline is used in the production of sulfanilic acid for export. Thus, Commerce had two main options in selecting a surrogate value for aniline: the Indian domestic price paid by the Indian producers of sulfanilic acid for the domestic market and the duty-free, Indian import price for aniline paid by Indian producers of sulfanilic acid for the export market. As the CIT has recognized with respect to prior reviews, the Department reasonably used the average Indian import price because the Indian price for domestically-produced aniline is artificially inflated due to a protective tariff that bears no relationship to the situation governing the aniline respondents source domestically in the PRC. Furthermore, because the costs constructed using the surrogate methodology are the costs for Chinese production for the export market, the costs incurred by Indian producers manufacturing sulfanilic acid for the export market are a better surrogate than are the costs incurred by Indian producers in manufacturing sulfanilic acid for their domestic market.

Petitioner cites *Magnesium, Carbon Steel Plate* and *Brake Drums* for the proposition that domestic prices are preferred unconditionally to import prices for factor valuation purposes. However, the three cases cited above refer to "tax-exclusive domestic prices," and together with the Department's position above on the tariff problem, suggest that domestic prices are preferred only if both domestic and import prices are available on a tax-and-duty-exclusive basis, all else being equal. When this is not the case, the Department must decide on a case-by-case basis which price is more appropriate for factor valuation purposes. In this case, because of the tariff problem discussed above, as well as uncertainty about the indirect taxes, if any, that the domestic price reflects, the Department has determined that the import price is more appropriate.

Petitioner's claim that the "factor of production" to be valued is "domestic aniline," such that the statute requires the value of this factor to be assigned based on aniline produced domestically in India, has no support in law or fact. There is no indication on the record that the aniline used by the Chinese

producers, which their public response indicates is locally sourced rather than imported, is physically or chemically different from the aniline that is produced in India or imported into India, or that the sulfanilic acid "production process" is different in either China or India depending upon whether imported or domestically sourced aniline is used. There is no reason why the Department must base its valuation on "domestic" (Indian-produced) aniline simply because the PRC factories use "domestic" (PRC-produced) aniline. Aniline is a generic, fungible input, not altered by whether it is imported or sourced in the same country in which it is used. The factor to be valued in this case is not "domestic aniline" but simply "aniline."

Nor is the Department compelled to use Indian domestic values simply because some domestic market exists. The CIT has long recognized that the Department has often used import statistics (to value both inputs imported into NME countries and imports sourced locally in NME countries) and that import prices into the surrogate country are an acceptable reflection of the value of that input in the surrogate country. See, e.g., *Tehnoimportexport* and the *Nation Ford* cases cited above. In this case, as in prior reviews of this order, the prices for domestically produced aniline on the record of this review are not suitable for use as surrogates for the PRC cost of aniline, because these prices are artificially high due to India's 85% import tax.

With respect to the question of whether Indian producers could profitably produce sulfanilic acid for export using Indian-sourced aniline, we note that we have not based our choice of surrogate value for aniline on Respondent's suggestion that this would not be possible.

No such finding is necessary. The aniline purchase choices of Indian manufacturers of sulfanilic acid (as reflected in the record) are relevant primarily as an indication that the price of aniline, when used for production of sulfanilic acid for sale in India, is unusually high, and thus, inappropriate for purposes of valuation of PRC export production costs for sulfanilic acid.

Petitioner's argument that the aniline import values are "subsidized prices" which therefore cannot be used as surrogate values misses the mark. Assuming, for the purposes of argument, that the Indian Advanced License program identified in 1992 as constituting a subsidy to Indian-produced sulfanilic acid would still be found to be countervailable, this

program would constitute a subsidy to Indian-produced sulfanilic acid, not to aniline imported into India from other countries. Thus, Commerce would avoid using, as a surrogate value, the export value of Indian-produced sulfanilic acid, but not the import value of aniline. The Indian Import Statistics used by the Department to value aniline are pre-tariff prices, which are unaffected by whether or not subsequently added duties charged to the importer are waived on a given shipment. The sort of subsidy the Department is concerned with when it uses import prices is a producer-country subsidy that would artificially lower the import price. India has no interest in subsidizing aniline produced in other countries and imported into India. Because any subsidy which may be associated with the importation of aniline under the Advance License Program for purposes of producing sulfanilic acid for export is a subsidy not to aniline but to sulfanilic acid, it does not provide a reason for rejecting aniline import values for purposes of serving as surrogates for the cost of aniline (not sulfanilic acid) to PRC producers. Therefore, for the purposes of these final results, the Department has continued to use Indian import prices as the surrogate value for aniline.

Finally, there is no merit to Petitioner's inference that prices published in certain Indian periodicals can only be rejected as surrogate values for Chinese prices if the periodicals are found to be unreliable sources of data. The problem with this data is not its reliability as to Indian prices, but the inappropriateness in this case of Indian domestic price data for aniline as a surrogate value for aniline sourced in China by the Chinese respondent.

Comment 4: Petitioner argues, alternatively, that the Department should adjust the import statistics to include import duties and an importers' mark-up in order to reflect what they call the true cost of imported aniline. Petitioner contends that the Indian Advance License program is similar to duty drawback. In the case of duty drawback, the customs duty refunded to the importer would be added to the U.S. price under 19 U.S.C. 1677a(d)(1)(B) if the Respondent could show that the importer took advantage of the duty drawback program. Petitioner argues that there is no evidence that any of the Indian producers of sulfanilic acid took advantage of the Advanced License program. Petitioner contends that the burden is on the Respondent to show Indian sulfanilic acid producers either did not pay customs duties or received refunds of customs duties payable on

imports of aniline upon the exportation of finished sulfanilic acid. Petitioner also argues that the fact that the Indian Advanced License program has been found to be a countervailable subsidy under U.S. law provides another reason why the Department should add the import duties to the import values used as the surrogate value of aniline. Petitioner also argues that based on the absence of evidence on record that Indian sulfanilic acid producers purchased imported aniline directly and not through importers the Department should conclude that importer/middlemen import aniline and re-sell to sulfanilic acid producers with a mark-up added. Petitioner contends that the appropriate rate for the importers' mark-up is 28.44 percent of the CIF value. This rate is based upon information placed on record by the Petitioner establishing profit rates for Indian import trading companies. Petitioner contends that the Department should add 28.44 percent of the CIF value to the surrogate cost of aniline.

Respondent contends that, in the two *Nation Ford* cases cited above, the CIT determined that the Department was justified in not adding import duties and an importer mark-up to import prices because there was evidence on the record that Indian producers did not pay import duties on the aniline used to produce sulfanilic acid for export and there was no evidence on the records of an importer's markup. Respondent argues that the Court stated that the Department's refusal to add import duties or markups on imported aniline given the absence of proof that Indian producers paid import duties or markups on imported aniline was supported by the record.

Department's Position: We agree with Respondent that we should not add to the Indian import values an amount corresponding to the 85% tax levied by the Indian government on imported aniline which is not subsequently used in the manufacture of another product for export. Because these Indian import duties do not represent costs that a PRC producer would pay if the PRC were a market economy, it is the Department's practice to refrain from including any such duties in an NME surrogate price. See, e.g., *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Final Results of Antidumping Duty Administrative Review and Revocation in Part of Antidumping Duty Order*, 62 FR 6173, 6177 (February 11, 1997) (Comment 3); *Certain Helical Spring Lockwashers from the PRC*, 58 FR 48833, 48843 (September 20, 1993) (Comments 12 and 13). In this case,

there are also two additional reasons for not adding on the amount of the import tax. The 85% tax at issue is not only unique to India; it is also abnormally high for an import tax, and is, furthermore, not even paid by producers of sulfanilic acid for the export market.

Respondent has placed on the record of this review published Indian government materials describing the operation of the Advance License system and its use to avoid payment of duties on aniline used to produce sulfanilic acid for export from India. Respondent has also placed on the record, *inter alia*, a letter from an Indian sulfanilic acid exporter explaining in detail how it imports aniline duty free, works with an Indian sulfanilic acid producer to produce sulfanilic acid from the imported aniline, and then exports the sulfanilic acid without paying duty on the imported aniline, and a letter from an Indian sulfanilic acid producer stating that it uses imported aniline to produce sulfanilic acid. Thus, Petitioner's claim that there is no evidence on the record of this review that Indian producers of sulfanilic acid used the Advance License program and thus avoided payment of the 85% duty is without basis.

Also without basis is Petitioner's claim that the Department must add the 85% import tax to the import values absent the same type of evidence required to support a duty drawback adjustment to U.S. price. The PRC Respondent in this review is not seeking a duty drawback adjustment to a United States price for sulfanilic acid exports from India (the country granting the duty drawback), and is not privy to the confidential documents of the Indian sulfanilic acid companies involved. What we are attempting to determine in this case is a surrogate value for Chinese aniline. The question of whether particular Indian exporters of sulfanilic acid imported sufficient aniline to qualify for duty drawback might be relevant if we were determining the U.S. price of Indian sulfanilic acid. However, it is simply immaterial to the question of the value of Chinese aniline.

Finally, Petitioner has no basis for insisting that the 85% duty be added onto the aniline import value because of an alleged subsidy to the price of imported aniline. As explained above, any subsidy that may exist is a subsidy to Indian-produced sulfanilic acid, not to aniline produced elsewhere and imported into India.

The record also provides no support for Petitioner's contention that we must add to the constructed valuation of the cost of the Chinese aniline an amount corresponding to an importer's markup.

The Chinese producers of sulfanilic acid source their aniline directly, not through a middleman. Furthermore, the record contains no indication that Indian producers of sulfanilic acid for exportation pay an importer's markup. Indeed, the only arrangement reflected in the record involves a tolling arrangement rather than purchase of aniline from an importer. In the *Nation Ford* cases, the CIT rejected a similar claim by petitioner. Because the record of this review involves similar facts, we again determine that it is not appropriate to increase the cost of aniline by the cost of a hypothetical importer's markup.

Comment 5: Respondent, relying upon the Department's verification findings in this review, contends that the Department used incorrect factors of production (FOP) for aniline and sulfuric acid when calculating the material costs for producing crude sulfanilic acid. Respondent states that the factors verification report accurately reported the consumption of raw materials and production of crude sulfanilic acid, but that these values were not carried over into the computer programs.

Petitioner argues that, in the preliminary results, the Department used the aniline and sulfuric acid usage amounts Respondent originally reported in its questionnaire response and that the Department, acting on its own initiative, corrected the denominator of the calculations to use the appropriate yield data. However, Respondent did not correct the numerators of the calculations in its supplemental questionnaire response or prior to the start of the production verification. Petitioner contends that Respondent brought these alleged errors to the Department's attention for the first time in its case brief.

Petitioner argues that pursuant to *NTN Bearing Corp. v. United States*, 74 F.3d 1204 (Fed. Cir. 1995), the Department's policy is to correct a respondent's alleged clerical errors that are brought to the Department's attention for the first time in the respondent's case brief only if all applicable criteria are met. Petitioner refers to the Department's decisions *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From Japan, and Tapered Roller Bearings, Four Inches or Less In Outside Diameter, and Components Thereof, From Japan; Final Results of Antidumping Duty Administrative Reviews and Termination in Part*, 63 FR 20585, 20611 (Apr. 27, 1998), citing *Certain Fresh-Cut Flowers From Columbia; Final Results of Antidumping*

Duty Administrative Reviews, 61 FR 42833 (Aug. 19, 1996). Petitioner argues that the alleged errors fail to meet at least three of the criteria outlined in the Department's policy: Respondent has not established that the alleged error is a clerical error and not an error in judgement or a substantive error, the Respondent did not avail itself of the earliest possible time to correct the alleged error, and the alleged clerical errors entail a substantial revision of the Respondent's response. Petitioner concludes that these alleged errors entail a substantial revision of the Respondent's data and may not be corrected under the Department's policy.

Department's Position: We agree with Respondent and have corrected the FOP data for aniline and sulfuric acid used to calculate material costs for producing crude sulfanilic acid. When it issued the preliminary results of this review, the Department intended to correct both the FOP and the yield to reflect verified totals. However, when making this correction, we inadvertently did not substitute the original FOP for the verified FOP. Respondent noted this error based on the preliminary analysis memo dated July 6, 1998. In accordance with § 351.224(a) of the Department's regulations, the Department disclosed the calculation of material costs for producing crude sulfanilic acid in the preliminary analysis memo. In response, the Respondent brought the errors to the Department's attention.

Comment 6: Petitioner contends that, in the preliminary results, the Department failed to calculate and deduct from the CEP starting price the inventory carrying costs incurred by PHT during the time between the exportation of the subject merchandise from the PRC and the delivery to the first unaffiliated customer in the United States. Petitioner argues that the costs of carrying inventory during the time of exportation from the PRC and delivery to the first unaffiliated customer in the United States were not related to Zhenxing's sales to PHT. Therefore, those expenses must be calculated and deducted from the CEP starting price pursuant to 19 CFR 351.402(b) because they relate to the sale to the first unaffiliated customer in the United States.

Respondent cites *Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From France, Germany, Italy, Japan, Romania, Singapore, Sweden, and the United Kingdom; Final Results of Antidumping Duty Administrative Reviews*, 63 FR 33320, 33344 (June 18, 1998), in which the Department stated

that its regulations clearly direct that any expense that is related solely to the sale to an affiliated importer in the United States should not be deducted from the starting price. Respondent argues that, similarly, the inventory carrying costs in this case should not be deducted from the starting price.

Department's Position: The Department agrees with Petitioner in part. Pursuant to 19 CFR 351.402, the Department, in calculating the CEP, deducts from the starting price those expenses associated with economic activity in the United States. Inventory carrying costs between Zhenxing and PHT are not associated with economic activities in the United States because, they are not associated with PHT's sales to unaffiliated U.S. parties. Therefore, the Department has not deducted the inventory carrying costs between Zhenxing and PHT from the starting price in calculating CEP. However, Petitioner is correct in arguing that the Department should adjust the U.S. price for inventory carrying costs incurred by PHT prior to its sale and delivery to unaffiliated U.S. customers. The Department has corrected the final CEP calculation for these inventory carrying costs. (See Final Analysis Memo dated November 10, 1998.)

Comment 7: Petitioner contends that the Department failed to calculate an assessment rate applicable to PHT. Petitioner states that this failure is contrary to the Department's regulations, which state the assessment rate for each importer of the subject merchandise under review will normally be calculated by dividing the dumping margin found for the subject merchandise examined by the entered value of such merchandise for normal customs purposes. 19 CFR 351.212(b)(1).

Department's Position: We agree with the Petitioner. The Department has calculated an importer specific assessment rate for PHT and has included a reference to this calculation in the final results of this review.

Comment 8: Petitioner contends that the Department's preliminary calculation of electricity usage by Zhenxing contained critical errors. Petitioner states that the number of kilowatt hours of electricity reported in Zhenxing's records did not reconcile to the actual electricity bills and, as a result, the Department used, as facts otherwise available, the number of kilowatt hours reported on the electricity bills. Petitioner adds that because the August 1996 bill was missing the Department stated that it would use "the highest monthly amount recorded on the available electricity

bills." Petitioner contends that the Department used an incorrect number of hours (the number for March 1997) as the facts available for the missing August 1996 number of hours. Additionally, Petitioner states the Department did not use the correct number of hours reported on the July 1997 bill in its calculation. Petitioner concludes that the Department should require Respondent to submit all of the actual electricity bills for the record and actual amounts should be used to calculate energy usage.

Respondent argues that the Department's calculation of electricity usage is accurate and that the Department was correct in selecting the March 1997 figure as a surrogate value for August 1996, because the March figure is truly the highest monthly amount recorded on the available electric bills.

Department's Position: We agree with the Respondent in part. Consistent with the preliminary results of this case, as facts available we have used the number of kilowatt hours reported on Respondent's actual electric bills in determining the quantities of electricity used. Additionally, as facts available, we used the highest monthly kilowatt usage recorded on a verified electric bill (*i.e.*, that for March 1997) as the electricity consumption factor for August 1996, for which the electricity bill could not be located.

We agree with Petitioner that the Department made an error in the process of transferring to the energy usage portion of its computer program the verified number of kilowatt hours billed for July 1997. The Department has corrected this error in calculating the final results.

Comment 9: Respondent contends that, with respect to the credit expenses incurred on U.S. sales, the Department should have calculated a daily interest rate using a 365 day year rather than a 360 day year. Respondent cites the Department's Antidumping Manual, which states that the imputed credit costs are calculated using 365 days unless a firm uses 360 days as a credit base rather than 365 days, in which case 360 days would be used in the calculation. Respondent argues that the Department did not state in the preliminary results that the Respondent uses 360 days as a credit base.

Petitioner contends that Respondent's argument that the Department must use 365 days in the U.S. credit expense calculation because it did not state in the disclosure arguments that Respondent uses 360 days as a credit base is incorrect. Petitioner argues that

the burden to establish the appropriate credit base was on the Respondent and that Respondent has no standing to contest the Department's use of 360 days instead of 365 days in the credit expense calculation.

Department's Position: We agree with the Respondent. The Department's normal practice is to calculate credit costs by dividing the number of days between shipment and payment by 365, then multiplying by the interest rate and unit price. Only if the record shows that a firm uses 360 days as the credit base do we divide the number of days by 360. In this case there is no indication that either Zhenxing or PHT used a 360 day credit base. Therefore, the Department has corrected its final calculation of imputed credit costs utilizing 365 days rather than 360 days.

Clerical Errors

Petitioner contends that the Department's preliminary calculation of the materials cost of crude sulfanilic acid contained a clerical error which understates the constructed value of the subject merchandise. Respondent agrees with the Petitioner that the Department should correct the clerical error in the calculation of crude sulfanilic acid. We agree and have corrected the calculation of the materials cost of crude sulfanilic acid.

Respondent argues that the Department erred when it used a conversion factor of 2.2 pounds per kilogram rather than the factor of 2.204623 provided in The New International Webster's Comprehensive Dictionary of the English Language for converting values expressed in dollars per kilogram to dollars per pound in the calculation of net U.S. prices and dumping margins for PHT's sales. Petitioner states in its rebuttal brief that it does not object to the Department's use of a more precise factor. The Department has revised its preliminary calculations to reflect the conversion value of 2.204623 pounds per kilogram.

Respondent argues that the Department compounded the preceding error when it attempted to convert values expressed in dollars per kilogram to dollars per pound by multiplying dollars by the incorrect factor rather than dividing the dollars per kilogram by the correct factor. Petitioner does not object to the correction of this error. The Department has corrected the final values to reflect the correct conversion formula.

Final Results of Review

As a result of our review of the comments received, we have

determined that the following margins exist:

Manufacturer/ producer/ex- porter	Time period	Margin (per- cent)
Yude Chemical Industry, Co./ Zhenxing Chemical In- dustry, Co. ...	8/1/96-7/31/97	.29
PRC Rate ¹	8/1/96-7/31/97	85.20

¹ This rate will be applied to all firms other than Yude and Zhenxing, including all firms which did not respond to our questionnaire requests.

* Exporters Yude and Zhenxing have been collapsed for the purposes of this administrative review. See *Sulfanilic Acid from the People's Republic of China: Preliminary Results of Antidumping Administrative Review*, 63 FR 37528 (July 13, 1998).

The Department will instruct the Customs Service to assess antidumping duties on all appropriate entries. The Department will issue appraisal instructions directly to the Customs Service. Because the number of transactions involved in the review and other simplification methods prevent entry-by-entry assessments, we have calculated exporter/importer-specific assessment rates by dividing the total dumping margins for the reviewed sales by the total entered value of those reviewed sales for each importer. We will direct Customs to assess the resulting percentage margins against the entered Customs values for the subject merchandise on each of that importer's entries under the relevant order during the review period. While the Department is aware that the entered value of the reviewed sales is not necessarily equal to the entered value of entries during the POR (particularly for CEP sales), the use of the entered value of sales as the basis of the assessment rate permits the Department to collect a reasonable approximation of the antidumping duties which would have been determined if the Department had reviewed those sales.

The following deposit requirements will be effective upon publication of these final results for all shipments of sulfanilic acid from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(c) of the Act: (1) No cash deposit will be required for Yude and Zhenxing as the rate above is de minimis (*i.e.*, less than .5 percent); (2) the cash deposit rate for all other PRC exporters (*i.e.*, the PRC rate) will be 85.20%; and (3) the cash deposit rate for non-PRC exporters of subject merchandise from the PRC will be the

rate applicable to the PRC supplier of that exporter. These deposit requirements shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a sanctionable violation.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 351.211.

Dated: November 10, 1998.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

[FR Doc. 98-30741 Filed 11-16-98; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-601]

Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Final Results of 1996-1997 Antidumping Duty Administrative Review and New Shipper Review and Determination Not To Revoke Order in Part

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

ACTION: Notice of final results of 1996-1997 antidumping duty administrative review and new shipper review and notice of determination not to revoke order in part of tapered roller bearings and parts thereof, finished and unfinished, from the People's Republic of China.

SUMMARY: On July 10, 1998, the Department of Commerce published the preliminary results of its administrative review of the antidumping duty order on tapered roller bearings and parts thereof, finished and unfinished, from the People's Republic of China. In addition, on August 5, 1998, the Department of Commerce published a notice of intent not to revoke the order in part. The period of review is June 1, 1996, through May 31, 1997. Based on our analysis of comments received, we have made changes to the margin calculations. Therefore, the final results differ from the preliminary results. The final weighted-average dumping margins are listed below in the section entitled *Final Results of Review*.

We have determined that sales have been made below normal value during the period of review. Accordingly, we will instruct the Customs Service to assess antidumping duties based on the difference between export price or constructed export price and normal value.

EFFECTIVE DATE: November 17, 1998.

FOR FURTHER INFORMATION CONTACT: Zak Smith or James Breeden, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington D.C. 20230; telephone (202) 482-0189 and (202) 482-1174, respectively.

Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended ("the Act"), are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Act by the Uruguay Round Agreements Act ("URAA"). In addition, all references to the Department of Commerce's ("the Department's") regulations are to 19 CFR 353 (April 1997).

Background

On July 10, 1998, we published in the **Federal Register** the preliminary results of administrative review of the antidumping duty order on tapered roller bearings ("TRBs") from the People's Republic of China ("PRC"). See *Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, From the People's Republic of China; Preliminary Results of Antidumping Duty Administrative Review and New Shipper Review*, 63 FR 37339 (July 10, 1998) ("Preliminary Results"). In addition, on August 5, 1998, we published a notice of intent not to revoke the order in part. See *Tapered Roller Bearings and Parts Thereof,*

Finished and Unfinished, From the People's Republic of China; Notice of Intent Not to Revoke the Antidumping Duty Order in Part, 63 FR 41801 (August 5, 1998). We gave interested parties an opportunity to comment on our Preliminary Results and held a public hearing on September 9, 1998. The following parties submitted comments and/or rebuttals: The Timken Company ("Timken"); Wafangdian Bearing Factory ("Wafangdian"), Luoyang Bearing Factory ("Luoyang"); China National Machinery Import & Export Corp. ("CMC"); Liaoning MEC Group Co. Ltd. ("Liaoning"); Wanxiang Group Corp. ("Wanxiang"); Xiangfan Machinery Import & Export (Group) Corp. ("Xiangfan"); Zhejiang Machinery Import & Export Corp. ("Zhejiang"); Zhejiang Changshan Bearing (Group) Co., Ltd. ("ZX"); Premier Bearing and Equipment, Ltd. ("Premier"); Peer Bearing Company/Chin Jun Industrial Limited ("Chin Jun"); and L&S Bearing.

We have conducted this administrative review and new shipper review in accordance with section 751(a) of the Act.

Scope of Review

Merchandise covered by this review includes TRBs and parts thereof, finished and unfinished, from the PRC; flange, take up cartridge, and hanger units incorporating tapered roller bearings; and tapered roller housings (except pillow blocks) incorporating tapered rollers, with or without spindles, whether or not for automotive use. This merchandise is classifiable under the Harmonized Tariff Schedule of the United States ("HTSUS") item numbers 8482.20.00, 8482.91.00.50, 8482.99.30, 8483.20.40, 8483.20.80, 8483.30.80, 8483.90.20, 8483.90.30, 8483.90.80, 8708.99.80.15, and 8708.99.80.80. Although the HTSUS item numbers are provided for convenience and customs purposes, the written description of the scope of the order and this review is dispositive.

Changes Since the Preliminary Results

We have made certain changes to our margin calculations pursuant to comments we received from interested parties and clerical errors we discovered since the Preliminary Results.

For All Companies

The changes we have made that affect all companies and the comments discussing these changes are listed below.

Valuation of Certain Steel Inputs—
Comments 3, 4, and 20
Valuation of Scrap—Comment 5
Valuation of Labor—Comment 10