

antidumping duties on all appropriate entries. The Department will issue appraisal instructions directly to the U.S. Customs Service. The final results of this review shall be the basis for the assessment of antidumping duties on entries covered by this review and for future deposits of estimated duties. We will instruct the Customs Service to assess antidumping duties on all appropriate entries covered by this review if any assessment rate calculated in the final results of this review is above *de minimis* (i.e., at or above 0.5 percent) (see 19 CFR 351.106(c)(2)). For assessment purposes, if applicable, we intend to calculate an importer-specific assessment rate by aggregating the dumping margins calculated for all U.S. sales and dividing by the total quantity sold.

Furthermore, the following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Tariff Act: (1) The cash deposit rate for shipments by the reviewed firms will be the rates established in the final results of this administrative review; (2) for any previously reviewed Romanian firm and non-Romanian exporter with a separate rate, the cash deposit rate will be the company-specific rate established for the most recent period; (3) for all other Romanian exporters, the cash deposit rate will be 75.04 percent, the Romania-wide rate made effective by the final determination in the less-than-fair-value investigation (*see Final Determination of Sales at Less Than Fair Value: Certain Cut-to-Length Carbon Steel Plate from Romania*, 58 FR 37209 (July 9, 1993)); (4) for all other non-Romanian exporters of subject merchandise from Romania, the cash deposit rate will be the rate applicable to the Romanian supplier of that exporter.

These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary 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 administrative review and notice are in accordance with sections 751(a)(1) and 777(i)(1) of the Tariff Act.

Dated: August 30, 2000.

Troy H. Cribb,
Acting Assistant Secretary for Import Administration.

[FR Doc. 00-23004 Filed 9-6-00; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-836]

Notice of Preliminary Results of New Shipper Antidumping Administrative Review: Glycine From the People's Republic of China

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

EFFECTIVE DATE: September 7, 2000.

FOR FURTHER INFORMATION CONTACT: Maria Dybczak or Rick Johnson, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482-5811, and (202) 482-3818, respectively.

The 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, unless otherwise indicated, all citations to the Department's regulations are to the regulations at 19 CFR Part 351 (1999).

SUMMARY: The Department of Commerce ("the Department") is conducting a new shipper review of the antidumping duty order on glycine from the People's Republic of China ("PRC") in response to a request by a PRC exporter of subject merchandise, Nantong Dongchang Chemical Industry Corp. ("Nantong"). This review covers shipments of merchandise to the United States during the period of March 1, 1999 through August 31, 1999. We have preliminarily determined that sales have been made below normal value ("NV"). If these preliminary results are adopted in our final results, we will instruct the U.S. Customs Service to assess antidumping duties on entries subject to this review.

Background

The Department published in the **Federal Register** an antidumping duty

order on glycine from the PRC on March 29, 1995 (60 FR 131201). On September 30, 1999, the Department received a request from Nantong for a new shipper review pursuant to section 751(a)(2)(B) of the Act and section 351.214(b) of the Department's regulations. These provisions state that, if the Department receives a request for review from an exporter or producer of the subject merchandise which states that it did not export the merchandise to the United States during the period covered by the original less-than-fair-value ("LTFV") investigation ("the POI") and that such exporter or producer is not affiliated with any exporter or producer who exported the subject merchandise during that period, the Department shall conduct a new shipper review to establish an individual weighted-average dumping margin for such exporter or producer who exported, if the Department has not previously established such a margin for the exporter or producer. The regulations require that the exporter or producer shall include in its request, with appropriate certifications: (1) The date on which the merchandise was first entered, or withdrawn from the warehouse, for consumption, or, if it cannot certify as to the date of the first entry, the date on which it first shipped the merchandise for export to the United States, or if the merchandise has not yet been shipped or entered, the date of sale; (2) a list of the firms with which it is affiliated; (3) a statement from such exporter or producer, and from each affiliated firm, that it did not, under its current or a former name, export the merchandise during the POI, and (4) in an antidumping proceeding involving inputs from a nonmarket economy country, a certification that the export activities of such exporter or producer are not controlled by the central government. See 19 CFR 351.214(b)(2)(ii), (iii), and (iv).

Nantong's request was accompanied by information and certifications establishing the date on which it first shipped the subject merchandise. Nantong also claimed it had no affiliated companies which exported glycine from the PRC during the POI. In addition, Nantong certified that its export activities are not controlled by the central government. Based on the above information, the Department initiated a new shipper review covering Nantong (*see Glycine from the People's Republic of China: Initiation of New Shipper Administrative Review* (64 FR 61834, November 15, 1999)). Due to extraordinarily complicated issues in this case, the Department extended the

deadline for completion of the new shipper review, first on April 17, 2000 (*see* Notice of Extension of Time Limit for Preliminary Results of New Shipper Antidumping Review: Glycine from the People's Republic of China, 65 FR 20431), and then on May 26, 2000 (*see* Notice of Extension of Time Limit for Preliminary Results of New Shipper Antidumping Review: Glycine from the People's Republic of China, 65 FR 34147).

Scope of Review

The product covered by this review is glycine, which is a free-flowing crystalline material, like salt or sugar. Glycine is produced at varying levels of purity and is used as a sweetener/taste enhancer, a buffering agent, reabsorbable amino acid, chemical intermediate, and a metal complexing agent. Glycine is currently classified under subheading 2922.49.4020 of the Harmonized Tariff Schedule of the United States ("HTSUS"). This proceeding includes glycine of all purity levels. Although the HTSUS subheading is provided for convenience and Customs purposes only, the written description of the scope of this review is dispositive. This review covers the period March 1, 1999 through August 31, 1999.

Verification

As provided in section 782(i) of the Act, we verified information provided by Nantong, which is both the producer and exporter of the subject merchandise, using standard procedures, including on-site inspection of the manufacturer's facilities and the examination of relevant sales and financial records. Our verification results are outlined in the public version of the verification report, which is on file in the Central Records Unit (room B-099 of the Main Commerce Building).

Separate Rates

Nantong has requested a separate, company-specific rate. In its questionnaire response, Nantong states that it is an independent legal entity. To establish whether a company operating in a nonmarket economy country is sufficiently independent to be entitled to a separate rate, the Department analyzes each exporting entity under the test established in Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China, 56 FR 20588 (May 6, 1991), as amplified by Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China, 59 FR 22585 (May 2, 1994). Under this policy, exporters in

nonmarket economies ("NMEs") are entitled to separate, company-specific margins when they can demonstrate an absence of government control, both in law ("*de jure*") and in fact ("*de facto*"), with respect to export activities. Evidence supporting, though not requiring, a finding of *de jure* absence of government control over export activities includes: (1) An absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies. *De facto* absence of government control over exports is based on four factors: (1) Whether each exporter sets its own export prices independently of the government and without the approval of a government authority; (2) whether each exporter retains the proceeds from its sales and makes independent decisions regarding the disposition of profits or financing of losses; (3) whether each exporter has the authority to negotiate and sign contracts and other agreements; and (4) whether each exporter has autonomy from the government regarding the selection of management.

De Jure Control

With respect to the absence of *de jure* government control over its export activities, evidence on the record indicates that Nantong is not controlled by the government. Effective during the period of review, Nantong's business license indicates that the company was recognized as a "company owned by the people." However, this type of company form is not an indication that the company is controlled by the government of the PRC. We found no evidence of *de jure* government control restricting Nantong from the exportation of glycine (*see* Section A Response, pages 2 through 7, and exhibits A-1 and A-2, February 10, 2000). No export quotas apply to glycine; in addition, a specialized export license (beyond the general export license required for any direct export) is not required for exports of the subject merchandise to the United States (*see* Section A Response, page 4, February 10, 2000). We confirmed at verification that there are no export licenses required and no applicable quotas (*see* Verification of the Response of Nantong Dongchang Chemical Industry Corp. ("Nantong") with Regard to the Sales and Factors of Production of Glycine ("Verification Report"), dated August 18, 2000, page 8). The PRC's Enterprise Legal Person Registration Administrative Regulations, issued on

June 13, 1988, by the State's Industrial and Commercial Bureau, and placed on the record of this review, provide that, to qualify as legal persons, companies must have the "ability to bear civil liability independently" and the right to control and manage their businesses (*see* Nantong's Section A response, dated February 10, 2000). The Department has recognized in other cases that these regulations also state that, as an independent legal entity, a company is responsible for its own profits and losses (*see* Notice of Final Determination of Sales at Less Than Fair Value: Manganese Metal from the People's Republic of China, 60 FR 56046 (November 6, 1995)). Nantong also submitted the Foreign Trade Law of the People's Republic of China, adopted by the government of the PRC in 1994, which grants autonomy to businesses involved in the importation and exportation of merchandise in their management decisions and establishes accountability for their own profits and losses (*see* Section A Response, dated February 10, 2000, Appendix A-1). Nantong's business license allows the company to enter into contracts and conduct business activities without the direction of a government ministry or agency (*see* Section A Response, February 10, 2000, Appendix A-2). We found no evidence at verification that contradicted the information submitted on the record with respect to *de jure* control (*see* Verification Report, page 7). Therefore, with respect to the existence or absence of *de jure* control over export activity, we preliminarily determine that Nantong is an independent legal entity.

De Facto Control

With respect to the existence or absence of *de facto* control over export activities, Nantong indicates that the company's management is responsible for all decisions regarding the determination of export prices, profit distribution, marketing strategy, and contract negotiations. We found no evidence at verification that contradicted the information submitted on the record with regard to *de facto* control. Our analysis of the information on the record and our findings at verification indicates that there is no government involvement in the daily operations or selection of management for Nantong (*see* Section A Response, pages 2-7 and exhibit A-1; *see* Verification Report, page 8; *see* also Memorandum to Edward Yang; Re: Separate Rate Analysis in the New Shipper Review of Nantong Dongchang Chemical Industry Corp.; Glycine from the People's Republic of China

("Separate Rates Memorandum"), dated August 28, 2000, which is on file in the Central Records Unit (room B-099 of the Main Commerce Building). Consequently, because evidence on the record indicates an absence of government control, both in law and in fact, over Nantong's export activities, we preliminarily determine that this exporter is entitled to a separate rate. For further discussion of the Department's preliminary determination that this exporter is entitled to a separate rate, see Separate Rates Memorandum.

Normal Value Comparisons

To determine whether respondent's sales of the subject merchandise to the United States were made at NV, we compared its United States price to NV, as described in the "United States Price" and "Normal Value" sections of this notice.

United States Price

We based United States price on export price ("EP") in accordance with section 772(a) of the Act, because the sale made to the unaffiliated purchaser was made prior to importation, and a constructed export price ("CEP") classification was not otherwise warranted by the facts on the record. We calculated EP based on packed prices from the exporter to the first unaffiliated purchaser in the United States. We deducted domestic inland freight expenses in the home market from the starting price (gross unit price) in accordance with 772(c) of the Act. Consistent with recent determinations by the Department in other reviews and investigations involving the PRC (see *Sebacic Acid From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review*, 65 FR 18968, April 10, 2000; and *Notice of Preliminary Determination of Sales at Less Than Fair Value: Bulk Aspirin From the People's Republic of China*, 65 FR 116, January 3, 2000), we have chosen India as a surrogate country for valuing all expenses, as we have determined that India is (1) is comparable with the PRC in terms of the level of economic development, and (2) is a significant producer of comparable merchandise (see *Memorandum to Edward Yang, Office Director, Re: Selection of Surrogate Country with Significant Producer of Comparable Merchandise in the New Shipper Review of Glycine from the People's Republic of China ("Surrogate Country Memorandum")*, dated August 28, 2000).

We valued movement expenses as follows: to value inland truck freight,

we used the average of trucking rates obtained by the Department from Indian truck companies in November 1999, as used in the Department's 1998-1999 administrative review of *Sebacic Acid* from the PRC (see *Memorandum to the File; Re: Final Results Factors Valuation Memorandum*, dated August 7, 2000). As we were unable to identify a surrogate value for inland water transportation, we valued boat and barge transportation using the surrogate value for truck freight. We adjusted the rates to reflect inflation through the POR using wholesale price indices ("WPI") for India in *International Financial Statistics*, published by the International Monetary Fund ("IMF").

Normal Value

For companies located in NME countries, section 773(c)(1) of Act provides that the Department shall determine NV using a factors-of-production methodology if: (1) the merchandise is exported from an NME country; and (2) available information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. In every case conducted by the Department involving the PRC, the PRC has been treated as an NME country. Pursuant to section 771(18)(C)(i) of the Act, any determination that a foreign country is an NME country shall remain in effect until revoked by the administering authority. Nantong has not contested such treatment in this review. Accordingly, we have applied surrogate values to the factors of production to determine NV. We calculated NV based on factors of production in accordance with section 773(c)(4) of the Act and section 351.408(c) of our regulations. Consistent with other recent determinations by the Department, we determined that India: (1) is comparable with the PRC in terms of the level of economic development, and (2) is a significant producer of comparable merchandise (see *Surrogate Country Memorandum*). We valued the factors of production using publicly available information from India (see *Memorandum to Edward Yang, Re: New Shipper Review of Antidumping Administrative Review of Glycine from the People's Republic of China: Factor Values and Preliminary Margin Calculations*, dated August 28, 2000 ("Factors Valuation Memorandum")). We used import prices to value many factors. As appropriate, we adjusted import prices by adding freight expenses to make them delivered prices. For a complete analysis of surrogate values, see *Factors Valuation*

Memorandum. We valued the factors of production as follows: to value chloroacetic acid (also known as monochloroacetic acid), we used prices reported in *Chemical Weekly*, which publishes chemical prices in India, during the period April through August 1999. To value liquid ammonia, we used the weighted-average unit import value derived from the *Monthly Trade Statistics of Foreign Trade of India—Volume II—Imports ("Indian Import Statistics")* for the period April 1996 through December 1997, adjusted for inflation through the POR. To value hexamine, we used prices reported in *Chemical Weekly* during the months March through August 1999, coinciding with the POR. To value methanol (also known as methyl alcohol), we used prices reported in *Chemical Weekly*, under the "General Market Information" section, which represents India-wide prices, during the period coinciding with the POR.

In accordance with the decision in *Sigma Corp. v. United States*, 117 F.3d 1401 (CAFC 1997), when using an import surrogate value, we have added a surrogate freight cost to CIF surrogate values from India, using the shorter of the reported distances from either the closest PRC port to the factory, or from the domestic supplier to the factory.

Nantong both purchased water and pumped water from its own wells and an adjoining canal during the POR. In its calculation of the usage factor for water, Nantong only included the water it purchased, and did not account for water it pumped itself (see *Verification Report*, pages 18-19). We adjusted the usage factor for water as reported by Nantong to account for water usage that Nantong did not report. For a further discussion on the recalculation of the usage factor for water, see *Memorandum to the File; Re: Analysis for the Preliminary Results of New Shipper Review of Glycine from the People's Republic of China ("Analysis Memo")*, dated August 28, 2000, page 3-4). To value water, we used an average of water tariff rates reported in the *Second Water Utilities Data Book: Asian and Pacific Region*, published by the Asian Development Bank in 1997, which was adjusted for inflation, as used recently by the Department in *Synthetic Indigo From the People's Republic of China: Notice of Final Determination of Sales at Less Than Fair Value* (65 FR 25706 (May 3, 2000) ("Synthetic Indigo")). To value electricity, we used data reported as the average Indian domestic prices within the category "Electricity for Industry," published in the *International Energy Agency's publication, Energy Prices and Taxes, Fourth Quarter, 1999*.

To value coal, we used the weighted average unit import price for steam coal derived from Indian Import Statistics for the period April 1997 through March 1998, also used by the Department in Synthetic Indigo. We adjusted the cost of coal to include an amount for transportation. As we were unable to identify a surrogate value for inland water transportation, we valued boat and barge transportation using the surrogate value for truck freight, consistent with our practice in past proceedings (*see* Synthetic Indigo, and Final Determination of Sales at Less than Fair Value: Certain Preserved Mushrooms from the People's Republic of China, 63 FR 72255 (December 31, 1998)). To achieve comparability of the energy and water prices to the usage factors reported for the POR, we adjusted these factor values using the WPI for India, as published in International Financial Statistics, to reflect inflation through the applicable periods.

Nantong reported using a "paper" pallet in preparing the glycine for shipment to the United States, as indicated on the commercial invoice (*see* Verification Report, page 20). However, Nantong did not report the pallet as a packing material in its factors of production. We have been unable to identify a surrogate value for paper pallets, and therefore, for the purposes of the preliminary determination, we will use a surrogate value for the most comparable product, wooden pallets, as the facts available. To value wooden pallets, and inner and outer plastic bags, we relied upon Indian import data from the April 1996 through February 1997 (for wooden pallets) and April 1997 through March 1998 (for inner and outer bags) issues of Monthly Statistics of the Foreign Trade of India. We adjusted the values of packing materials to include freight costs incurred between the supplier and the factory, where applicable.

To value factory overhead, selling, general and administrative expenses ("SG&A"), and profit, we calculated simple average rates based on information used by the Department in Synthetic Indigo from an Indian chemical producer, Duarala Organics Ltd. (for a further discussion of the surrogate values for overhead, SG&A and profit, see Factor Valuation Memorandum, page 7). For labor, we used the PRC regression-based wage rate at Import Administration's home page, Import Library, Expected Wages of Selected NME Countries, revised in May 2000 (*see* <http://ia.ita.doc.gov/wages>). Because of the variability of wage rates in countries with similar per capita

Gross Domestic Products, section 351.408(c)(3) of the Department's regulations requires the use of a regression-based wage rate. The source of the wage rate data on the Import Administration's Web site can be found in the 1999 Year Book of Labour Statistics, International Labor Office (Geneva: 1999), Chapter 5B: Wages in Manufacturing.

Currency Conversion

We made currency conversions in accordance with section 773A of the Act based on the rates certified by the Federal Reserve Bank.

Preliminary Results of Review

We preliminarily determine that the following dumping margin exists:

Manufacturer/producer/exporter	Weighted average margin percentage
Nantong Dongchang Chemical Industry Corp.	23.90

The Department will disclose calculations performed within 10 days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Any interested party may request a hearing within 30 days of publication in accordance with 19 CFR 351.310(c). Any hearing would normally be held 37 days after the publication of this notice, or the first workday thereafter, at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC, 20230. Individuals who wish to request a hearing must submit a written request within 30 days of the publication of this notice in the **Federal Register** to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room 1870, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Requests for a public hearing should contain: (1) the party's name, address, and telephone number; (2) the number of participants; (3) the reason for attending; and (4) a list of the issues to be discussed. Interested parties may submit case briefs within 30 days of the date of publication of this notice in accordance with 19 CFR 351.309(c)(2). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than 35 days after the date of publication. Parties who submit arguments are requested to submit with each argument: (1) a statement of the issue; and (2) a brief summary of the argument. If a hearing is held, an interested party may make an affirmative presentation only on arguments included in that party's case brief and may make a rebuttal

presentation only on arguments included in that party's rebuttal brief. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time. The Department will issue the final results of this new shipper review, which will include the results of its analysis of issues raised in the briefs, within 90 days from issuance of these preliminary results, unless this time limit is extended. Upon completion of this new shipper review, the Department shall determine, and the U.S. Customs Service ("Customs") shall assess, antidumping duties on all appropriate entries. The Department will issue appraisal instructions directly to Customs upon completion of this review. The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated duties. For assessment purposes, we intend to calculate importer-specific assessment rates for glycine from the PRC. We will divide the total dumping margins (calculated as the difference between NV and EP) for each importer by the entered value of the merchandise.

Upon the completion of this review, we will direct Customs to assess the resulting ad valorem rates against the entered value of each entry of the subject merchandise by the importer during the POR. Furthermore, the following deposit rate will be effective upon publication of the final results of this new shipper review for all shipments of glycine from the PRC entered, or withdrawn from the warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for the reviewed firm will be the rate indicated above; (2) for previously-reviewed PRC and non-PRC exporters with separate rates, the cash deposit rate will be the company-specific rate established in the most recent period; (3) for all other PRC exporters, the rate will be the PRC-wide rate, which is 155.89 percent; and (4) for all other non-PRC exporters of subject merchandise from the PRC, the cash deposit rate will be the rate applicable to the PRC supplier of that exporter. These deposit rates, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice also serves as a preliminary 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 determination is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: August 28, 2000.

Troy H. Cribb,

Acting Assistant Secretary for Import Administration.

[FR Doc. 00-22998 Filed 9-6-00; 8:45 am]

BILLING CODE 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-475-811]

Grain-Oriented Electrical Steel From Italy; Notice of Preliminary Results of Antidumping Administrative Review

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

ACTION: Notice of preliminary results of antidumping duty administrative review.

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on grain-oriented electrical steel from Italy in response to a request by the respondent, Acciai Speciali Terni S.p.A. (AST). This review covers one manufacturer/exporter of the subject merchandise to the United States during the period of review (POR), August 1, 1998 through July 31, 1999.

We have preliminarily determined that sales of subject merchandise have been made below normal value (NV). If these preliminary results are adopted in our final results of administrative review, we will instruct the U.S. Customs Service to assess antidumping duties on all appropriate entries.

Interested parties are invited to comment on these preliminary results. Parties who submit comments are requested to submit with each comment a statement of the issue and a brief summary of the comment.

EFFECTIVE DATE: September 7, 2000.

FOR FURTHER INFORMATION CONTACT: Samantha Denenberg or Maureen McPhillips, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202)

482-1386 or (202) 482-0196, respectively.

SUPPLEMENTARY INFORMATION:

The Applicable Statute

Unless otherwise indicated, all citations to the Tariff Act of 1930, as amended (the Act) are 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, unless otherwise indicated, all citations to the Department's regulations are to 19 CFR part 351 (1999).

Background

The Department published in the **Federal Register** an antidumping duty order on grain-oriented electrical steel from Italy on August 12, 1994 (59 FR 41431). On August 11, 1999, we published in the **Federal Register** a notice of opportunity to request an administrative review of the antidumping order on grain-oriented electrical steel from Italy, covering the period August 1, 1998 through July 31, 1999. On August 31, 1999, AST requested that the Department conduct an administrative review of its exports of grain-oriented electrical steel. The Department initiated this administrative review on October 1, 1999 (64 FR 53318).

On January 5, 2000, the petitioner submitted a timely allegation, pursuant to section 773(b) of the Act, that AST had made sales in the home market at less than the cost of production (COP). Our analysis of the allegation indicated that there were reasonable grounds to believe or suspect that AST sold grain-oriented electrical steel in the home market at prices that were less than the COP. Accordingly, we initiated a COP investigation with respect to AST. See "Memorandum to Richard Weible from Linda Ludwig—Initiation of Sales Below Cost of Production in the Antidumping Duty Administrative Review of Grain-Oriented Steel from Italy," February 7, 2000.

Under section 751(a)(3)(A) of the Act, the Department may extend the deadline for the preliminary results of an administrative review if it determines that it is not practicable to complete the review within the statutory time limit of 245 days. On March 17, 2000, the Department published a notice of extension of the time limit for the preliminary results of review to August 30, 2000 (65 FR 14535).

The Department sent its initial questionnaire to the respondent on October 8, 1999. AST responded to

section A on November 11, 1999 and sections B and C on November 24, 1999. AST responded to our February 4, 2000 supplemental section A questionnaire on February 10, 2000. We released our supplemental questions for sections B and C on February 22, 2000, and received AST's response on March 22, 2000. On May 3, 2000, we issued a second supplemental questionnaire on sections A, B, and C. We received AST's response on May 17, 2000. On May 26, 2000, the Department requested additional information on AST's "temporary in bond" (TIB) U.S. transactions. AST responded to this request on June 1, 2000.

The petitioners, Allegheny Ludlum Corp., AK Steel, the Butler Armco Independent Union, the United Steelworkers of America, and the Zanesville Armco Independent Union, responded to AST's response to sections A through C on December 7, 1999. On March 3 and April 6, 2000, the petitioners submitted comments on AST's supplemental responses to sections A and C. In addition, the petitioners addressed the issues in this case in subsequent submissions on April 26, May 25, and July 14, 2000.

The Department is conducting this review in accordance with section 751(a) of the Act.

Scope of Review

The product covered by this review is grain-oriented silicon electrical steel, which is a flat-rolled alloy steel product containing by weight at least 0.6 percent of silicon, not more than 0.08 percent of carbon, not more than 1.0 percent of aluminum, and no other element in an amount that would give the steel the characteristics of another alloy steel, of a thickness of no more than 0.560 millimeters, in coils of any width, or in straight lengths which are of a width measuring at least 10 times the thickness, as currently classifiable in the Harmonized Tariff Schedule of the United States (HTS) under item numbers 7225.30.7000, 7225.40.7000, 7225.50.8085, 7225.99.0090, 7226.11.1000, 7226.11.9030, 7226.11.9060, 7226.91.7000, 7226.91.8000, 7226.92.5000, 7226.92.7050, 7226.92.8050, 7226.99.0000, 7228.30.8050, and 7229.90.1000. Although the HTS subheadings are provided for convenience and customs purposes, our written descriptions of the scope of these proceedings are dispositive.

Verification

As provided in section 782(i) of the Act, we verified AST's sales information from June 5, 2000 through June 9, 2000,