

DEPARTMENT OF COMMERCE**International Trade Administration**

[C-122-839]

Notice of Initiation of Expedited Reviews of the Countervailing Duty Order: Certain Softwood Lumber Products from Canada

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

ACTION: Notice of Initiation of Expedited Reviews.

SUMMARY: On July 17, 2002, the Department of Commerce (the Department) published in the **Federal Register** its initiation of expedited reviews of the countervailing duty order covering certain softwood lumber products (subject merchandise) from Canada (67 FR 46955). In that notice, the Department initiated reviews of 73 exporters that filed timely and complete requests for expedited review. The purpose of such reviews is the calculation of company-specific cash deposit rates and the exclusion from the order of companies that received zero or *de minimis* subsidies during the period of investigation (April 1, 2000 to March 31, 2001).

By this notice, the Department is initiating expedited reviews of 31 additional companies. Twenty-three of these companies submitted timely but incomplete applications which were subsequently perfected. We also are initiating reviews on eight companies whose requests were received beyond the deadline for reasons outside the requester's control.

EFFECTIVE DATE: September 20, 2002.

FOR FURTHER INFORMATION CONTACT: Gayle Longest at (202) 482-3338, Office of AD/CVD Enforcement VI, Group II, Import Administration, International Trade Administration, U.S. Department of Commerce, Room 4012, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

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 regulations codified at 19 CFR Part 351 (2002).

Background

On May 22, 2002, the Department published the countervailing duty order on softwood lumber from Canada. See 67 FR 36070. In that **Federal Register** notice, we indicated that Canadian exporters of subject merchandise could request expedited reviews for the purpose of establishing individual cash deposit rates. We posted, on the Internet at *ia.ita.doc.gov*, an electronic application form and requested that all applicants submit their review requests in electronic format. All such requests were to be filed with the Department by June 21, 2002.

In response, the Department received a total of 100 timely requests for expedited review. A total of 73 of these requests were timely and complete. The Department initiated reviews of the exporters that filed timely and complete requests for expedited review on July 17, 2002 (67 FR 46955, July 17, 2002).

For those requests that were timely but incomplete, we provided each applicant with an opportunity to file an amended request for expedited review. We notified these applicants of the deficiencies in their submissions on July 15, 2002. The Department received properly amended requests for 23 of these applicants. Accordingly, we are initiating expedited reviews of these companies (see listing below) in this notice.

In addition, nine companies' requests for expedited reviews were received after the June 21, 2002 deadline. We notified these companies that their requests were untimely filed. We received responses from several parties explaining the circumstances of their submissions. See *Memorandum to the File* from Gayle Longest through Melissa G. Skinner dated August 2, 2002, concerning Reconsideration of Timeliness of Certain Applications - Expedited Reviews of the Countervailing Duty Order on Softwood Lumber from Canada (C-122-839). After reviewing the information received, we concluded that each of these parties made a good faith effort to submit a timely application and that each application was mailed or delivered to the courier in time to be delivered to the Department by the deadline. Accordingly, we are treating these applications as having been timely filed.

Petitioner's Comments

On August 28, 2002, petitioners submitted comments on procedural deficiencies. Petitioners contend that the Department did not follow its normal practice of rejecting improperly filed and untimely submissions for

companies requesting expedited reviews. Petitioners maintain that the Department provided 36 requesters, who had submitted incomplete or incorrect submissions, an opportunity to correct their filings after the June 21, 2002, deadline. Petitioners argue that 14 of these companies still have failed to meet the procedural requirements.

According to petitioners, the Department should have rejected the 36 requests because they were improperly submitted. Petitioners assert that the Department should now reject any company's application that was not perfected by the Department's announced deadline. Furthermore, petitioners contend that the Department should not initiate on any of these 36 requests until after the final determination for all requesters in Round 1.

Department's Response: Because this is the first time that the Department has conducted expedited reviews in a countervailing duty proceeding, there may well have been some uncertainty regarding what needed to be filed with the Department. After examining the requests for expedited review from the 36 companies whose submissions were improperly filed, we found that they had made a good faith effort to file a complete submission by the June 21, 2002 deadline. We therefore provided them with an opportunity to correct the deficiencies in their requests for expedited review by filing amendments to their requests. Five companies (Jazz Forest Products Ltd., Langley Timber Company Ltd, Mirax Lumber Products Ltd., Scierie A & M St. Pierre Inc., and Trans North Timber) did not perfect their applications by the Department's deadline for amended applications. Accordingly, those five companies' submissions are improperly filed and cannot be considered for expedited review. The remaining 31 companies have provided complete and timely requests for expedited review.

With respect to petitioners' assertion that the Department should reject all 36 requests for expedited review, we do not agree. As we have explained in the Notice of Preliminary Results of Expedited Reviews published on August 14, 2002, this is the first time we have conducted expedited countervailing duty reviews, and the Department's regulations do not include procedures for the conduct of expedited countervailing duty reviews in aggregate cases. Thus, the uncertainty we noted above is, to some extent, understandable. Further, after an extensive review of the applications of these 36 companies, we determined that they made a good faith effort, in the first

instance, to comply with the Department's filing requirements. Consequently, we are not rejecting these companies' requests solely on the basis that they did not properly file their submissions by the June 21, 2002, deadline. Moreover, we disagree with petitioners' contention that the Department should not initiate any additional reviews until the final determinations regarding all requests in Round 1 are issued. In order to reach our dual goals of providing company-specific rates and excluding from the order companies that receive zero or de minimis subsidies during the period of investigation and completing these reviews in the most expeditious manner possible, it is necessary to initiate expedited reviews on the 31 companies that have perfected their submissions at this time.

Initiation

At this time, we are initiating expedited reviews of the following companies:

2859-8936 Quebec Inc. Les Cedre Basques
 9027-7971 Quebec Inc.
 Antrim Cedar Corporation
 Bridgeside Higa Forest Industries Ltd.
 Carson Lake Lumber Ltd.
 Central Cedar Ltd.
 Doman Forest Products Limited
 Forstex Industries Inc.
 Goldwood Industries Ltd.
 Hollcan Millworks Ltd.
 Hudson Mitchell & Sons Lumber Inc.
 Indian River Lumber
 Les Scieries Jocelyn Lavoie Inc.
 Leslie Forest Products Ltd.
 Lukwa Mills Ltd.
 Lyle Forest Products Ltd.
 Power Wood Corp.
 Precision Moulding Products
 Ram. Co. Lumber Ltd.
 Rielly Industrial Lumber Inc.
 Shawood Lumber Inc.
 South East Forest Products Ltd.
 St. Jean Lumber (1984) Ltd.
 Sylvanex Lumber Products Inc.
 Teal Cedar Products Ltd.
 United Wood Frames Inc.
 W.I. Woodtone Industries
 Westwood Wholesale Lumber Ltd.
 Williamsburg Woods & Garden Inc.
 Winnipeg Forest Products, Inc.
 Wynndel Box & Lumber Co. Ltd.

Request for Pass-Through Analysis

Under the Department's proposed methodology for these expedited reviews, all Crown inputs (logs and lumber) into subject merchandise are included in the subsidy calculations. Because of the expedited nature of these reviews, we originally proposed not to consider whether subsidies pass

through in the context of alleged arm's-length transactions. In comments on the methodology, parties requested and proposed several alternative methodologies to measure whether or not subsidies to crown inputs pass through as a result of an arm's-length transaction. *See Preliminary Results of Countervailing Duty Expedited Reviews: Certain Softwood Lumber Products from Canada* (67 FR 52945, 52948-52949, August 14, 2002). Petitioners also commented that the proposed methodology underestimates the benefits for entities that are highly subsidized. *See id.* at 52947. After consideration of the comments received on the Department's proposed methodology, in the notice of preliminary results of countervailing duty expedited reviews we noted that the complexities of the pass-through analysis that were brought to light by parties' proposed methodologies did not lend themselves to an expeditious analysis in the context of these reviews. We invited those companies that nonetheless wished the Department to conduct a pass-through analysis, to advise the Department in writing. Companies whose expedited reviews are initiated in this notice may thus also request in writing that the Department conduct a pass-through analysis. Such requests must be received by the Department within 14 days from the date of publication of this notice.

We will determine, based on the total number of pass-through requests received, how many companies it is practicable to consider for such an analysis, as well as the amount of time that will be necessary for this aspect of the reviews. If a company requests a pass-through analysis and the Department determines that it is not practicable to conduct that analysis, the Department will conduct an expedited review of the company using the streamlined methodology outlined in the notices of initiation and preliminary results, either with Group 1 or with Group 2, based on the Group that was previously identified for the company. (*See Notice of Initiation of Expedited Reviews of the Countervailing Duty Order: Certain Softwood Lumber Products From Canada* (67 FR 46955, 46956-46957, July 17, 2002) and *Preliminary Results of Countervailing Duty Expedited Reviews: Certain Softwood Lumber Products from Canada* (67 FR 52945, 52947-52950, August 14, 2002).

Procedure to withdraw requests for expedited review

As indicated in the notice of preliminary results of expedited reviews

(67 FR 52950), requests for rescission of a respondent's expedited review must be received by the Department no later than 30 days after the date of publication of the preliminary results of the relevant expedited review. If a company requests a pass-through analysis and the request is accepted, the company will have 30 days after the publication of the preliminary results of the relevant pass-through analysis in which to withdraw its request.

Notice of Appearance

The Expedited Reviews/Round 2 is a separate segment of the proceeding. All parties wishing to participate in this segment of the proceeding, must file a letter of appearance. Those parties wishing to receive access to business proprietary information subject to Administrative Protective Order (APO) must file an APO application for this segment.

This notice is in accordance with section 751(a) of the Tariff Act of 1930.

Dated: September 13, 2002.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF COMMERCE

International Trade Administration

[A-821-817]

Notice of Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Silicon Metal From the Russian Federation

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

ACTION: Notice of preliminary determination of the less-than-fair-value investigation of silicon metal from the Russian Federation and postponement of the final determination.

SUMMARY: The Department of Commerce ("the Department") has preliminarily determined that imports of silicon metal from the Russian Federation ("Russia") are being, or are likely to be, sold in the United States at less than fair value ("LTFV").

EFFECTIVE DATE: September 20, 2002.

FOR FURTHER INFORMATION CONTACT: Carrie Blozy or Cheryl Werner, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230;