appropriate, either a separate–rate status application or certification, as described below. If the Department determines to select the mandatory respondents through sampling in this administrative review, the Department will require all potential respondents to demonstrate their eligibility for a separate rate. The Department then will make the separate–rate determinations and allow only those respondents with separate–rate status to be included in the sampling pool. For those respondents that are determined later in this segment to have provided inaccurate information regarding their separate–rate status, the Department may apply facts available with an adverse inference.

For this administrative review, in order to demonstrate separate–rate eligibility, the Department requires entities for whom a review was requested that were assigned a separate rate in the previous segment of this proceeding to certify that they continue to meet the criteria for obtaining a separate rate. The certification form will be available on the Department's website at http://ia.ita.doc.gov/ on the date of publication of this **Federal Register**. In responding to the certification, please follow the ''Instructions for Filing the Certification'' in the Separate Rate Certification. Certifications are due to the Department no later than March 30, 2006. The deadline and requirement for submitting a Certification applies equally to NME–owned firms, wholly foreign–owned firms, and foreign sellers who purchase the subject merchandise and export it to the United States.

For entities that have not previously been assigned a separate rate, to demonstrate eligibility for such, the Department requires a separate–rate status application. The separate–rate status application will be available on the Department's website at http://ia.ita.doc.gov/ on the date of publication of this **Federal Register**. In responding to the separate–rate status application, refer to the instructions contained in the application. Separate–rate status applications are due to the Department no later than April 18, 2006. The deadline and requirement for submitting a separate–rate status application applies equally to NME–owned firms, wholly foreign–owned firms, and foreign sellers that purchase the subject merchandise and export it to the United States. Further, if the Department decides to select mandatory respondents by sampling, due to the time constraints imposed by our statutory deadlines and the need to preserve the statistical validity of the sampling methodology, the Department may be unable to grant any extensions for the submission of separate–rate certifications or applications.

Quantity and Value Questionnaire

In advance of issuance of the antidumping questionnaire, we will also be requiring all parties for whom a review is requested to respond to a Quantity and Value (''Q&V'') questionnaire, which will request information on the respective quantity and U.S. dollar sales value of all exports to the United States of wooden bedroom furniture during the period of June 24, 2004, through December 31, 2005. Additionally, in the event sampling is employed, in order to determine a sampling method that is representative of the sales under review, the Department will require that each company complete the economic characteristics section of the Q&V questionnaire. The Q&V questionnaire will be available on the Department's website at http://ia.ita.doc.gov/ on the date of publication of this **Federal Register**. The responses to the Q&V questionnaire are due to the Department no later than April 7, 2006. Due to the time constraints imposed by our statutory and regulatory deadlines, and the need to preserve the statistical validity of the sampling methodology, the Department may not be able to grant any extensions for the submission of the Q&V questionnaire. In responding to the Q&V questionnaire, refer to the instructions contained in the Q&V questionnaire.

Notice

This notice constitutes public notification to all firms requested for review and seeking separate–rate status in this administrative review of the antidumping duty order on wooden bedroom furniture from the PRC that they must submit a separate–rate status application or certification (as appropriate) as described above, and a complete response to the Q&V questionnaire within the time limits established in this notice of initiation of administrative review in order to receive consideration for separate–rate status. In other words, the Department will not give consideration to any separate–rates certification or separate rate–status application made by parties that fail to timely respond to the Q&V questionnaire or fail to timely submit the requisite separate–rate certification or application. All information submitted by respondents in this administrative review is subject to verification. To allow the possibility for sampling and to complete this segment within the statutory time frame, the Department will be limited in its ability to extend deadlines on the above submissions. As noted above, the separate–rate certification, the separate–rate status application, and the Q&V questionnaire will be available on the Department's website at http://ia.ita.doc.gov/ on the date of publication of this **Federal Register**. However, because this is the first administrative review in which the Department is applying these procedures, the Department will also issue, as a courtesy to the parties, a letter of notification of these requirements to the parties requested for review.

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305. Instructions for filing such applications may be found on the Department's website at http://ia.ita.doc.gov.

This initiation and notice are in accordance with section 751(a) of the Act (19 USC 1675(a)), and 19 CFR 351.221(c)(1)(i).

Dated: February 28, 2006.

Wendy J. Frankel,

Director, AD/CVD Operations, Office 8, for Import Administration.

[FR Doc. E6–3172 Filed 3–6–06; 8:45 am]

BILLING CODE 3510–DS–S

DEPARTMENT OF COMMERCE

International Trade Administration

(C–580–837)

Notice of Preliminary Results of Countervailing Duty Administrative Review: Certain Cut–to-Length Carbon–Quality Steel Plate from the Republic of Korea

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

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the countervailing duty (CVD) order on certain cut–to-length carbon–quality steel plate (CLT plate) from the Republic of Korea (Korea) for the period January 1, 2004, through December 31, 2004, the period of review (POR). For information on the net subsidy rate for the reviewed company, see the ''Preliminary Results of Review'' section of this notice. Interested parties are invited to comment on these preliminary results. *See* the ''Public Comment'' section of this notice.

EFFECTIVE DATE: March 7, 2006.

FOR FURTHER INFORMATION CONTACT: Tipten Troidl or Eric B. Greynolds, AD/

CVD Operations, Office 3, Import Administration, International Trade Administration, U.S. Department of Commerce, Room 4014, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482–1767 or (202) 482–6071, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 10, 2000, the Department published in the **Federal Register** the CVD order on CTL plate from Korea. *See Notice of Amended Final Determination: Certain Cut–to-Length Carbon–Quality Steel Plate from India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut–to-Length Carbon–Quality Steel Plate from France, India, Indonesia, Italy, and the Republic of Korea*, 65 FR 6587 (February 10, 2000) (*CTL Plate Order*). On February 1, 2005, the Department published a notice of opportunity to request an administrative review of this CVD order. *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 70 FR 5136 (February 1, 2005). On February 28, 2005, we received a timely request for review from Dongkuk Steel Mill Co., Ltd. (DSM), a Korean producer and exporter of subject merchandise. On March 23, 2005, the Department initiated an administrative review of the CVD order on CTL plate from Korea, covering January 1, 2004, through December 31, 2004. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews and Requests for Revocation in Part*, 70 FR 14643 (March 23, 2005).

On May 16, 2005, the Department issued a questionnaire to the Government of Korea (GOK) and DSM. We received questionnaire responses from DSM and the GOK on July 15, 2005. On September 27, 2005, we issued supplemental questionnaires to the GOK and DSM; the responses were received on October 11, 2005, from the DSM and on October 17, 2005, from the GOK. On February 22, 2006, we issued a second supplemental to DSM and received a response on February 24, 2006.

On October 13, 2005, the Department published in the **Federal Register** an extension of the deadline for the preliminary results. *See Notice of Extension of Time Limits for Preliminary Results of Countervailing Duty Administrative Review: Certain Cut–to-Length Carbon–Quality Steel Plate from Korea*, 70 FR 59722 (October 13, 2005).

In accordance with 19 CFR 351.213(b), this review covers only those producers or exporters for which a review was specifically requested. The only company subject to this review is DSM. This review covers 19 programs.

Scope of Order

The products covered by the CVD order are certain hot–rolled carbon–quality steel: (1) universal mill plates (*i.e.*, flat–rolled products rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, and of a nominal or actual thickness of not less than 4 mm, which are cut–to-length (not in coils) and without patterns in relief), of iron or non–alloy-quality steel; and (2) flat–rolled products, hot–rolled, of a nominal or actual thickness of 4.75 mm or more and of a width which exceeds 150 mm and measures at least twice the thickness, and which are cut–to-length (not in coils). Steel products to be included in the scope of the order are of rectangular, square, circular or other shape and of rectangular or non–rectangular cross-section where such non–rectangular cross-section is achieved subsequent to the rolling process (*i.e.*, products which have been ''worked after rolling'')--for example, products which have been beveled or rounded at the edges. Steel products that meet the noted physical characteristics that are painted, varnished or coated with plastic or other non–metallic substances are included within this scope. Also, specifically included in the scope of the order are high strength, low alloy (HSLA) steels. HSLA steels are recognized as steels with micro–alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. Steel products to be included in this scope, regardless of Harmonized Tariff Schedule of the United States (HTSUS) definitions, are products in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is two percent or less, by weight; and (3) none of the elements listed below is equal to or exceeds the quantity, by weight, respectively indicated: 1.80 percent of manganese, or 1.50 percent of silicon, or 1.00 percent of copper, or 0.50 percent of aluminum, or 1.25 percent of chromium, or 0.30 percent of cobalt, or 0.40 percent of lead, or 1.25 percent of nickel, or 0.30 percent of tungsten, or 0.10 percent of molybdenum, or 0.10 percent of niobium, or 0.41 percent of titanium, or 0.15 percent of vanadium, or 0.15 percent zirconium. All products that meet the written physical description, and in which the chemistry quantities do not equal or exceed any one of the levels listed above, are within the scope of this order unless otherwise specifically excluded. The following products are specifically excluded from the order: (1) products clad, plated, or coated with metal, whether or not painted, varnished or coated with plastic or other non–metallic substances; (2) SAE grades (formerly AISI grades) of series 2300 and above; (3) products made to ASTM A710 and A736 or their proprietary equivalents; (4) abrasion–resistant steels (*i.e.*, USS AR 400, USS AR 500); (5) products made to ASTM A202, A225, A514 grade S, A517 grade S, or their proprietary equivalents; (6) ball bearing steels; (7) tool steels; and (8) silicon manganese steel or silicon electric steel.

The merchandise subject to the order is currently classifiable under the HTSUS under subheadings: 7208.40.3030, 7208.40.3060, 7208.51.0030, 7208.51.0045, 7208.51.0060, 7208.52.0000, 7208.53.0000, 7208.90.0000, 7210.70.3000, 7210.90.9000, 7211.13.0000, 7211.14.0030, 7211.14.0045, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7225.40.3050, 7225.40.7000, 7225.50.6000, 7225.99.0090, 7226.91.5000, 7226.91.7000, 7226.91.8000, 7226.99.0000.

Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise covered by the order is dispositive.

SUBSIDIES VALUATION INFORMATION

A. Allocation Period

In *CTL Plate Investigation*, the Department determined that the Average Useful Life (AUL) listed in the IRS table reasonably reflects the AUL of renewable physical assets for the firm or industry under investigation. *See Final Affirmative Countervailing Duty Determination: Certain Cut–to-Length Carbon–Quality Steel Plate from the Republic of Korea*, 64 FR 73176, 73177 (December 29, 1999) (*CTL Plate Investigation*). No interested parties have claimed that the AUL of 15 years is unreasonable. Therefore, in accordance with 19 CFR 351.524(d)(2), we continue to allocate DSM's non–recurring subsidies over 15 years.

B. Benchmarks for Loans and Discount Rate

Benchmark for Long–Term Loans issued through 2004

During the POR, DSM had both won- and foreign currency denominated long–term loans outstanding which they

received from government–owned banks, and Korean commercial banks. Based on our findings on this issue in prior investigations, we are using the following benchmarks to calculate the subsidies attributable to respondent's long–term loans obtained in the years 1992 through 2004:

(1) For foreign–currency denominated loans, pursuant to 19 CFR 351.505(a)(2)(i), our preference is to use the company–specific weighted–average foreign currency–denominated interest rates on the company's loans from foreign bank branches in Korea, foreign securities, and direct foreign loans received after April 1999. We note that these benchmarks are consistent with the decisions in *Plate in Coils* and *Stainless Steel Sheet and Strip*, in which the Department determined that the GOK did not control access to foreign currency loans from Korean branches of foreign banks. *See Final Negative Countervailing Duty Determination: Stainless Steel Plate in Coils from the Republic of Korea*, 64 FR 15530, 15533 (March 31, 1999) (*Plate in Coils*) and *Final Affirmative Countervailing Duty Determination: Stainless Steel Sheet and Strip in Coils from the Republic of Korea*, 64 FR 30636, 30642 (June 8, 1999) (*Stainless Steel Sheet and Strip*). For variable–rate loans outstanding during the POR, pursuant to 19 CFR 351.505(a)(2)(i), our preference is to use, as the benchmark, an interest rate of a lending instrument issued during the POR; and for fixed–rate loans, pursuant to 19 CFR 351.505(a)(2)(iii), our preference is to use a benchmark rate issued in the same year that the loan was issued. However, no such benchmark instruments were available, and consistent with our methodology in *2001 Sheet and Strip* we relied on the lending rates as reported by the IMF's *International Financial Statistics Yearbook*. *See Final Results and Partial Rescission of Countervailing Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from the Republic of Korea*, 69 FR 2113 (January 14, 2004) (*2001 Sheet and Strip*), and the ''Subsidies Valuation Information'' section of the accompanying Issues and Decision Memorandum (2001 Sheet and Strip Decision Memorandum).

(2) For won–denominated long–term loans, we used the company–specific corporate bond rate on the company's public and private bonds. We note that this benchmark is consistent with our decision in *Plate in Coils*, 64 FR at 15531, in which we determined that the GOK did not control the Korean domestic bond market after 1991, and that the interest rate on domestic bonds may serve as an appropriate benchmark interest rate.

Programs Preliminarily Determined To Be Countervailable

1. The GOK's Direction of Credit

The Department determined in *H–Beams* that the Korean steel industry received a disproportionate amount of long–term financing as a result of the GOK's effective control and direction of government loans, government–directed long–term commercial loans, and government–directed foreign loans. *See Final Affirmative Countervailing Duty Determination: Structural Steel Beams from the Republic of Korea*, 65 FR 41051 (July 3, 2000) (*H–Beams*) and the ''The GOK's Direction of Credit Policies'' section of the accompanying Issues and Decision Memorandum (H–Beams Decision Memorandum). Thus, the Department determined that the GOK's direction of credit policies were specific to the Korean steel industry through 1991 pursuant to section 771(5A)(D)(iii) of the Tariff Act of 1930, as amended (the Act). The Department further determined that the provision of long–term loans provided a financial contribution and a benefit within the meaning of sections 771(5)(D)(i) and 771(5)(E)(ii) of the Act, respectively. *Id.*

In other Korean CVD proceedings, the Department determined that the GOK controlled and directed lending through year 2001[1]. DSM had outstanding loans that were received prior to the 2001 period. DSM did not provide any new information that would warrant a change in our methodology, therefore we continue to find that this program provides a countervailable subsidy for loans from government–owned or controlled banks through 2001.

DSM had outstanding loans during the POR that it received from government–owned or controlled lending institutions between 2002 and 2004. We asked the GOK for information pertaining to the GOK's direction of credit policies for the period between 2002 and 2004. The GOK did not provide any additional information, stating instead that,

> ''the Government of Korea continues to believe that the evidence demonstrates that there has been no direction of credit to the Korean steel industry. Nevertheless, the Department has consistently found that long–term loans received by Korean steel producers were the result of the Korean Government's direction, despite the Government's repeated submission of evidence to the contrary. . . Consequently, in this review, the Government will not contest the Department's findings on direction of long–term loans.''

See July 15, 2005 GOK submission at page 11. Because the GOK withheld the requested information on its lending policies, the Department does not have the necessary information on the record to determine whether the GOK has continued its direction of credit policies from 2002 through 2004; therefore, the Department must base its determination on facts otherwise available. *See* section 776(a)(2)(A) of the Act. In making determinations based on facts available, the Department may resort to adverse inferences if it finds that a respondent has failed to cooperate to the best of its ability in complying with the Department's requests for information. *See* section 776(b) of the Act. In this case, the GOK refused to supply requested information which was in its possession and which it had provided in the past. *See Plate in Coils* and *CTL Plate Investigation*. Therefore, the Department finds that the GOK did not act to the best of its ability and is employing an adverse inference in selecting from among the facts otherwise available. *See also*, ''The GOK's Direction of Credit'' section in the 2001 Sheet and Strip Decision Memorandum. As adverse facts available, we therefore, find that the GOK's direction of credit policies continued from 2002 through 2004. As noted above, the GOK's direction of credit policies provide a financial contribution and a benefit, and are specific pursuant to sections 771(5)(D)(i), 771(5)(E)(ii), and 771(5A)(D)(iii) of the Act, respectively. Therefore, we preliminarily find that lending from domestic banks and from government–owned banks during the 2002 and 2004 period are countervailable. Therefore, any of DSM's loans received during 2002 and 2004 from domestic banks and

[1] The Department determined in the following cases that the GOK controlled or directed credit to the steel industry: (1992 through 1997) *Plate in Coils*, 64 FR at 15332 and *Stainless Steel Sheet and Strip*, 64 FR at 30641, (1998) H-Beams Decision Memorandum at ''The GOK's Direction of Credit'' section, (1999) *Final Results and Partial Rescission of Countervailing Duty Administrative Review: Stainless Steel Sheet and Strip in Coils from the Republic of Korea*, 67 FR 1964 (January 15, 2002) (*1999 Sheet and Strip*) and ''The GOK's Direction of Credit'' section of the accompanying Issues and Decision Memorandum (1999 Sheet and Strip Decision Memorandum), (2000) *Notice of Final Affirmative Countervailing Duty Determination: Certain Cold-Rolled Carbon Steel Flat Products from the Republic of Korea*, 67 FR 62101 (October 3, 2002) (*Cold-Rolled from Korea*) and ''The GOK's Direction of Credit'' section of the accompanying Issues and Decision Memorandum, (Cold-Rolled Decision Memorandum), and (2001) 2001 Sheet and Strip Decision Memorandum at ''The GOK's Direction of Credit'' section.

government–owned banks that were outstanding during the POR are countervailable.

DSM received long–term fixed and variable rate loans from GOK–owned or controlled institutions that were outstanding during the POR. DSM had both won- and foreign currency denominated loans outstanding during the POR. We calculated the benefit for each as follows:

Won–Denominated Loans:

There is no information on the record of this review that indicates that DSM received a benefit from any special repayment terms (*i.e.*, abnormally long grace periods or maturities, etc.) on their long–term, fixed–rate loans. Therefore, in accordance with 19 CFR 351.505(c)(2), to calculate the benefit for both fixed- and variable–rate loans received from GOK–owned or controlled banks, we used the difference between the interest payments on the directed loans and the benchmark interest payments. For benchmark information see ''Subsidies Valuation Information'' section of this notice. We then summed the benefits from DSM's long–term fixed- and variable–rate won–denominated loans.

Foreign Currency Denominated Loans:

DSM did not have foreign currency denominated loans outstanding during the POR which could be used for benchmark purposes. For the foreign currency denominated loans we used the lending rates as reported by the IMF's *Financial Statistics Yearbook*. *See* ''Subsidies Valuation Information'' section above.

To calculate the benefit, we used the difference between the interest payments that DSM made and the benchmark interest payments. As the interest payments were in foreign currencies, we multiplied the benefit amount by the exchange rate to establish a Korean won benefit.

To calculate the total benefit for all directed credit, we added the benefit received from foreign currency loans in Korean won to the benefit received from won–denominated loans. Because this program is not tied to exports, we used total sales as the denominator. We then divided the total benefit by DSM's total f.o.b. sales value during the POR. On this basis, we determine the countervailable subsidy to be 0.04 percent *ad valorem* for DSM.

2. Asset Revaluation under Tax Programs under the Tax Reduction and Exemption Control Act (TERCL) Article 56(2)

During the investigation, the Department determined that DSM benefitted from the revaluation of its assets pursuant to TERCL Article 56(2). *See CTL Plate Investigation*, 65 FR at 73182–73183. The Department determined that this program was specific under section 771(5A)(D)(iii) of the Act, and that a financial contribution was provided in the form of tax revenue foregone pursuant to 771(5)(D)(ii) of the Act. *Id.* Moreover, the Department determined that a benefit was conferred on those companies that were able to revalue their assets under TERCL Article 56(2) because the revaluation resulted in participants paying fewer taxes than they would otherwise pay absent the program. *Id. See also* 771(5)(E) of the Act.

In 1998 DSM revalued its assets. This revaluation was not pursuant to TERCL Article 56(2) and, according to the GOK, was consistent with Korean Generally Accepted Accounting Principles (GAAP). DSM claims that the asset revaluations that were adopted in 1988 under Article 56(2) of TERCL were superseded when it revalued its assets in 1998. Hence, the 1988 asset revaluation would only affect the calculation of depreciation costs for tax years prior to 1998. However, there were certain assets that were not revalued in 1998. For those assets which were not revalued in 1998, we identified the total amount of the change in depreciation expense attributable to the 1988 asset revaluation for 2003, (the tax return submitted during the POR). We then multiplied this amount by the tax rate for 2003 to determine the benefit under this program. As this program is not tied to exports we used the benefit amount as the numerator and DSM's total sales as the denominator. Using this methodology, we preliminarily determine the countervailable subsidy from this program to be less than 0.005 percent *ad valorem*, which, according to the Department's practice, is considered not measurable and is not included in the calculation of the countervailing duty rate. *See, e.g., Notice of Preliminary Results of Countervailing Duty Administrative Review: Certain Softwood Lumber Products from Canada*, 70 FR 33088, 33091 (June 7, 2005).

3. Research and Development under Korea Research Association of New Iron and Steelmaking Technology (KANIST) (formerly KNISTRA)

During the *CTL Plate Investigation*, the Department determined that the GOK, through the Ministry of Commerce, Industry and Energy (MOCIE) provided R&D grants to support numerous projects designed to foster the development of efficient technology for industrial development. *See CTL Plate Investigation*, 64 FR at 73185. We found this program to be specific as the grants were provided directly to respondents and their affiliates that are steel–related, and that the grants provided a financial contribution. *Id. see also* sections 771(5A)(D)(ii) and 771(5)(D)(i) of the Act. Moreover, pursuant to section 771(5)(E) of the Act, the Department determined that the benefit was the amount of the GOK's contribution allocated to the percentage of the company's contribution and was conferred at the time of receipt. Pursuant to 19 CFR 351.524(b)(2), the Department allocates non–recurring benefits provided under a particular subsidy program to the year in which the benefits are received if the total amount approved under the subsidy program is less that 0.5 percent of the relevant sales of the firm in question, during the year in which the subsidy was approved. However, neither the GOK nor DSM provided the total approved amount nor the date of approval. Therefore, for the preliminary results, the Department performed the 0.5 percent test by dividing DSM's portion of the GOK contribution at the time of receipt by DSM's total sales at the time of receipt. Using this approach, the calculated percentages were less than 0.5 percent. Therefore, pursuant to 19 CFR 351.524(b)(2), we expensed all of the GOK grants provided under the program to the respective years or receipt. Based on this methodology, we preliminarily determined that for the GOK's contributions made in 2002 and 2003, the benefits were expensed during the years of receipt and, therefore, are not subject to this review. For those grants that were received during the 2004 POR, we preliminarily determine that they were fully expensed in the year of receipt. We, therefore, preliminarily calculate a rate of 0.01 percent *ad valorem*.

Programs Preliminarily Determined Not To Be Used

1. Special Cases of Tax for Balanced Development Among Areas (TERCL Articles 41, 42, 43, 44, and 45

In past Korean cases, the Department determined that Korean manufacturing companies using facilities outside the Seoul metropolitan area benefit from programs falling under the category of special cases of tax for balanced development among areas and includes TERCL Articles 41, 42, 43, 44, and 45. DSM stated that it did not claim any tax reductions or exemptions under these articles during the POR. Therefore, we preliminarily determine that DSM did not use this program during the POR.

2. Price Discount for DSM Land Purchase at Asan Bay

In the *CTL Plate Investigation* the Department determined that the GOK forewent revenue that it normally would have collected on land sold to DSM. *See CTL Plate Investigation*, 64 FR at 73184. The Department determined that the reduced fees and waived management fees constituted a countervailable subsidy. The Department determined that this program was specific under section 771(5A)(D)(iii)(I) of the Act, as it was specific to DSM. *Id*. Moreover, the Department determined that the GOK provided a financial contribution pursuant to section 771(5)(D)(ii) of the Act, because it forewent revenue. *Id*. Pursuant to section 771(5)(E) of the Act, the benefit was equal to the amount of fees that DSM did not pay to the GOK. While this is a non–recurring benefit, the amount of the benefit was less than 0.5 percent of DSM's total sales and was, therefore, expensed during the year of receipt which was prior to the POR of this administrative review. *Id*.

DSM was also initially exempted from the acquisition tax and registration tax on its purchase of land at Asan Bay. In addition, DSM was initially exempted from payment of the education tax and special tax for rural development. These exemptions were conditioned on DSM's constructing facilities within three years of purchase. DSM claims that as it did not construct any facilities at Asan Bay within the required three years of its land purchase, and, thus, it was required in 2002 to pay the acquisition and registration taxes from which it had previously been exempted. *See* DSM's July 15, 2005, submission page 32. Based on this information, we preliminarily find that DSM did not use this program during the POR.

In addition to the above programs, the next twelve programs were also not used.

3. *Requested Load Adjustment (RLA)*
4. *Local Tax Exemption on Land Outside of Metropolitan Area*
5. *Exemption of VAT on Anthracite Coal*
6. *Emergency Load Reduction Program (ELR)*
7. *Private Capital Inducement Act (PCIA)*
8. *Social Indirect Capital Investment Reserve Funds (TERCL Article 28)*
9 *Energy–Savings Facilities Investment Reserve Funds (TERCL Article 29)*
10. *Industry Promotion and Research and Development Subsidies*
   a. *Highly Advanced National Project Fund*
   b. *Steel Campaign for the 21st Century*
11. *Export Insurance Rates Provided by the Korean Export Insurance Corporation*
12. *Export Industry Facility Loans (EIFL) and Speciality Facility Loans*
13. *Scrap Reserve Fund*
14. *Excessive Duty Drawback*

Program Previously Found Not To Be Countervailable

1. TERCL and the Restriction of Special Taxation Act (RSTA)

In *Cold–Rolled from Korea*, the Department found that tax credits under RSTA Articles 24 and 25 (TERCL Articles 25 and 26) are not countervailable for investments made after April 10, 1998. *Id*. The tax credits DSM claimed under RSTA Articles 24 and 25 were related to investments made after April 10, 1998; therefore, we preliminarily find that the tax credits claimed under RSTA Articles 24 and 25 are not countervailable.

Program Preliminarily Found to be not Countervailable

1. Electricity Discounts under Direct Load Interruption (DLI)

During the POR, both Korea Electric Power Corporation (KEPCO) and Korea Energy Management Corporation (KEMCO) administered the DLI program. The DLI program was established in 2001 and governed by the Regulation of Electricity Supply Options. The GOK describes the program as a long–term demand side management strategy for curtaining electricity during peak demand periods. The DLI program is designated for general, industrial and educational customers who agree to allow the supply of at least 300 kilowatts of electricity to their plants to be interrupted during peak demand periods. By agreeing to allow the possible interruption of service to occur during July and August, a company receives a rebate from either KEPCO or KEMCO. If a company applies for and participates in the DLI program, KEPCO/KEMCO installs equipment to control the usage of electricity during the designated periods, at KEPCO/KEMCO's discretion. The company is compensated for giving up an assured electricity supply by a flat fee that is paid in July and August regardless of whether the supply is interrupted. Moreover, the participating company receives an additional fee based on the actual interruptions in the electricity supplied to it, if any. The additional fees depend on the amount of advance warning to the customer and the extent of the interruption of electricity supply.

During the POR, DSM's Inchon plant used this program in conjunction with KEPCO and DSM's Pohang plant had an agreement under the program with KEMCO. DSM's Pusan plant did not use this program during the POR.

KEPCO installed equipment at DSM's Inchon plant, allowing it to control the usage of electricity at KEPCO's discretion; and KEMCO installed equipment in DSM's Pohang plant, allowing KEMPCO to control the usage at the Pohang plant. During the POR, DSM received compensation from KEPCO and KEMCO in exchange for foregoing an assured electricity supply during July and August.

KEPCO bases the standard electricity rates it charges DSM on a published tariff schedule. The electricity rates for the Pohang (Plate Mill and Section Mill) and Inchon plants were based on the ''Industrial Service–C/High Voltage Power–B/Option III'' tariff schedule. The electricity rates applicable to DSM's Pohang (Steel Center) were based on the ''Industrial Service–B/High Voltage Power–A/Option II'' tariff schedule.

In conducting the Department's investigation of the DLI electricity program, the Department must determine whether the program is specific within the meaning of section 771(5A) of the Act. We preliminarily determine that the DLI program is not *de jure* specific within the meaning of sections 771(5A)(D)(i) and (ii) of the Act, because (1) it is not based on exportation (2) it is not contingent on the use of domestic goods over imported goods, and (3) the legislation and/or regulations do not expressly limit the access to the subsidy to an enterprise or industry, as a matter of law.

As the Department is preliminarily determining that the DLI program is not *de jure* specific, it must then examine the program under section 771(5A)(D)(iii) of the Act. If the Department finds that one of the following factors exist, then the program is *de facto* specific.

(I) The actual recipients of the subsidy, whether considered on an enterprise or industry basis, are limited in number.
(II) An enterprise or industry is a predominant user of the subsidy.
(III) An enterprise or industry receives a disproportionately large amount of the subsidy.
(IV) The manner in which the authority providing the subsidy has exercised discretion in the decision to grant the subsidy indicates that an enterprise or industry is favored over others.

Pursuant to section 771(5A)(D)(iii)(I) of the Act, the Department preliminarily finds that under DLI program, the actual recipients of the subsidy are not limited in number, as there are many users of the program that fall into 31 industries. *See* GOK's July 15, 2005, submission at Exhibit G–4–M.

Sections 771(5A)(D)(iii)(II) and (III) of the Act direct the Department to examine whether an enterprise or an industry is a predominant user of the subsidy or receives a disproportionately large amount of the subsidy. Although the steel industry received a greater monetary benefit from the program than did other participants, that is not determinative of whether the steel industry was a dominant user or received disproportionate benefits. For example, in *CTL Plate Investigation*, the Department found that respondent steel companies were not dominant or disproportionate users of a similar electricity program. *See CTL Plate Investigation*, 64 FR at 73186. The Department also stated that ''the fact that certain companies are necessarily large consumers of electricity does not make an electricity program providing tariff reductions to those companies countervailable.'' *Id*. Furthermore, the U.S. Court of International Trade (CIT) upheld the Department's decision in *Bethlehem Steel Corp. v. United States*, 140 F.Supp 2d 1354 (CIT 2001). The CIT found that the Department's methodology was reasonable and reflected the commercial realities of the industry in question. *Id*, at 1369.

Consistent with our finding in *CTL Plate Investigation*, we preliminarily determine that although the steel industry is a large consumer of electricity and, therefore, a large recipient of the tariff reduction, this does not support a conclusion that the percentage of the benefits DSM or the steel industry received were disproportionately high or that the company or the industry was a dominant user. Accordingly, we preliminarily find that the DLI program is not *de facto* specific and is, therefore, not countervailable.

Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a subsidy rate for DSM for 2004. We preliminarily determine the total estimated net countervailable subsidy rate for DSM is 0.05 percent *ad valorem* for 2004, which is *de minimis*. *See* 19 CFR 351.106(c)(1).

If the final results of this review remain the same as these preliminary results, the Department intends to instruct U.S. Customs and Border Protection (CBP), within 15 days of publication of the final results, to liquidate shipments of certain cut–to-length carbon–quality steel from DSM, entered, or withdrawn from warehouse, for consumption from January 1, 2004, through December 31, 2004, at 0.00 percent. Also, the Department intends to instruct CBP to require a new cash deposit rate for estimated countervailing duties of 0.00 percent for all shipments of certain cut–to-length carbon–quality steel plate from DSM, entered, or withdrawn from warehouse, for consumption on or after the publication of the final results of this administrative review. The Department will issue appropriate instructions directly to CBP within 15 days of the final results of this review.

We will instruct CBP to continue to collect cash deposits for non–reviewed companies at the most recent company–specific or country–wide rate applicable to the company. Accordingly, the cash deposit rates that will be applied to non–reviewed companies covered by this order are those established in the most recently completed administrative proceeding. *See CTL Plate Order*, 65 FR 6589. These rates shall apply to all non–reviewed companies until a review of a company assigned these rates is requested.

Public Comment

Pursuant to 19 CFR 351.224(b), the Department will disclose to parties to the proceeding any calculations performed in connection with these preliminary results within five days after the date of the public announcement of this notice. Pursuant to 19 CFR 351.309(b)(1), interested parties may submit written arguments in response to these preliminary results. Unless otherwise indicated by the Department, case briefs must be submitted within 30 days after the date of publication of this notice, and rebuttal briefs, limited to arguments raised in case briefs, must be submitted no later than five days after the time limit for filing case briefs. *See* 19 CFR 351.309(c)(1)(ii). Parties who submit written arguments in this proceeding are requested to submit with the written argument: (1) a statement of the issue, and (2) a brief summary of the argument. Parties submitting case and/or rebuttal briefs are requested to provide the Department copies of the public version on disk. Case and rebuttal briefs must be served on interested parties in accordance with 19 CFR 351.303(f). Also, pursuant to 19 CFR 351.310, within 30 days of the date of publication of this notice, interested parties may request a public hearing on arguments to be raised in the case and rebuttal briefs. Unless the Secretary specifies otherwise, the hearing, if requested, will be held two days after the date for submission of rebuttal briefs, that is, 37 days after the date of publication of these preliminary results.

Representatives of parties to the proceeding may request disclosure of proprietary information under administrative protective order no later than 10 days after the representative's client or employer becomes a party to the proceeding, but in no event later than the date the case briefs, under 19 CFR 351.309(c)(1)(ii), are due. The Department will publish the final results of this administrative review, including the results of its analysis of arguments made in any case or rebuttal briefs.

This administrative review is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: February 28, 2006.

David M. Spooner,

Assistant Secretary for Import Administration.

[FR Doc. E6–3174 Filed 3–6–06; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

Export Trade Certificate of Review

ACTION: Notice of Issuance of an Export Trade Certificate of Review, Application No. 05–00002.

SUMMARY: On February 21, 2006, The U.S. Department of Commerce issued an Export Trade Certificate of Review to California Tomato Export Group (''CTEG''). This notice summarizes the conduct for which certification has been granted.

FOR FURTHER INFORMATION CONTACT: Jeffrey Anspacher, Director, Export Trading Company Affairs, International Trade Administration, by telephone at