

return/destruction or conversion to judicial protective order of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

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

Dated: April 18, 2011.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

## Appendix I

List of Comments in the Accompanying Issues and Decision Memorandum

Comment 1: Alleged Procedural Irregularities

Comment 2: Timeliness of Petitioner's New Factual Information Submission

Comment 3: Application of Adverse Inferences to Petitioner

Comment 4: Watanabe's Inability to Respond Based on Bracketing of Information

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Comment 6: Application of Adverse Inferences With Respect to Watanabe

Comment 7: Factors of Production and Surrogate Values

[FR Doc. 2011-10073 Filed 4-25-11; 8:45 am]

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-570-973]

### Certain Steel Wheels From the People's Republic of China: Initiation of Antidumping Duty Investigation

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

**DATES:** *Effective Date:* April 26, 2011.

**FOR FURTHER INFORMATION CONTACT:** Brendan Quinn or Bobby Wong, AD/CVD Operations, Office 8, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482-5848 and (202) 482-0409, respectively.

#### SUPPLEMENTARY INFORMATION:

#### The Petition

On March 30, 2011, the Department of Commerce ("Department") received an antidumping duty ("AD") petition concerning imports of certain steel wheels ("steel wheels") from the People's Republic of China ("PRC") filed in proper form by Accuride Corporation ("Accuride") and Hayes Lemmerz

International, Inc. (collectively, "Petitioners").<sup>1</sup> On April 6, 2011, the Department issued supplemental questions to Petitioners regarding certain issues in the Petition.<sup>2</sup> Petitioners responded to the questions with supplemental responses on April 11, 2011.<sup>3</sup> On April 12, 2011, the Department requested additional information on certain issues.<sup>4</sup> On April 14, 2011, Petitioners provided a response to the Department's requests.<sup>5</sup> On April 14, 2011, the Department requested further clarification with respect to the Petition, which Petitioners submitted on April 15, 2011.<sup>6</sup> On April 18, 2011, the Department further clarified the scope of the Petition with Petitioners.<sup>7</sup>

In accordance with section 732(b) of the Tariff Act of 1930, as amended ("the Act"), Petitioners allege that imports of steel wheels from the PRC are being, or are likely to be, sold in the United States at less than fair value, within the meaning of section 731 of the Act, and that such imports materially injure, or threaten material injury to, an industry in the United States.

The Department finds that Petitioners filed the Petition on behalf of the domestic industry because Petitioners are interested parties as defined in section 771(9)(C) of the Act, and they have demonstrated sufficient industry support with respect to the investigation that they are requesting the Department to initiate (see "Determination of Industry Support for the Petition" below). The Department also notes that, pursuant to section 732(b)(1) of the Act, the Petition is accompanied by

<sup>1</sup> See the Petition for the Imposition of Antidumping and Countervailing Duties Pursuant to Sections 701 and 731 of the Tariff Act of 1930, as amended ("Petition"), filed on March 30, 2011.

<sup>2</sup> See April 6, 2011, Petition for the Imposition of Antidumping Duties on Steel Wheels from the People's Republic of China: Supplemental Questions.

<sup>3</sup> See Supplement to the AD/CVD Petitions dated April 11, 2011 ("First Supplement to the AD/CVD Petitions"). See also April 11, 2011, Petition for the Imposition of Antidumping Duties on Steel Wheels from the People's Republic of China: PRC AD Supplemental Questionnaire Response ("PRC AD Supplement to the Petitions").

<sup>4</sup> See April 12, 2011, Memorandum to the File, regarding "Phone Conference with and Request for Further Information from Petitioners."

<sup>5</sup> See Supplement to the AD/CVD Petitions dated April 14, 2011 ("Second Supplement to the AD/CVD Petitions").

<sup>6</sup> See Supplement to the AD/CVD Petitions dated April 15, 2011 ("Third Supplement to the AD/CVD Petitions").

<sup>7</sup> See April 18, 2011, Memorandum to the File RE: Petitions for the Imposition of Antidumping ("AD") and Countervailing Duties ("CVD") on Steel Wheels from the People's Republic of China ("PRC"), Clarification of Scope Language, on file in the Central Records Unit ("CRU"), Room 7046 of the main Department of Commerce building.

information reasonably available to Petitioners supporting their allegations.

#### Scope of the Investigation

The products covered by this investigation are steel wheels from the PRC. For a full description of the scope of the investigation, see "Scope of the Investigation," in Appendix I of this notice.

#### Comments on Scope of the Investigation

During our review of the Petition, we discussed the scope with Petitioners to ensure that it is an accurate reflection of the products for which the domestic industry is seeking relief. Moreover, as discussed in the preamble to the regulations (*Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997)), we are setting aside a period for interested parties to raise issues regarding product coverage. The Department encourages interested parties to submit such comments by Monday, May 9, 2011, twenty calendar days from the signature date of this notice. Comments should be addressed to Import Administration's APO/Dockets Unit, Room 1870, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230. The period of scope consultations is intended to provide the Department with ample opportunity to consider all comments and to consult with parties prior to the issuance of the preliminary determination.

#### Comments on Product Characteristics for Antidumping Duty Questionnaires

We are requesting comments from interested parties regarding the appropriate physical characteristics of steel wheels to be reported in response to the Department's antidumping questionnaires. This information will be used to identify the key physical characteristics of the merchandise under investigation in order to more accurately report the relevant factors and costs of production, as well as to develop appropriate product comparison criteria.

Interested parties may provide any information or comments that they feel are relevant to the development of an accurate listing of physical characteristics. Specifically, they may provide comments as to which characteristics are appropriate to use as: (1) General product characteristics; and (2) the product comparison criteria. We note that it is not always appropriate to use all product characteristics as product comparison criteria. We base product comparison criteria on meaningful commercial differences

among products. In other words, while there may be some physical product characteristics utilized by manufacturers to describe steel wheels, it may be that only a select few product characteristics take into account commercially meaningful physical characteristics. In addition, interested parties may comment on the order in which the physical characteristics should be used in product matching. Generally, the Department attempts to list the most important physical characteristics first and the least important characteristics last.

In order to consider the suggestions of interested parties in developing and issuing the antidumping duty questionnaires, we must receive comments at the above-referenced address by May 9, 2011. Additionally, rebuttal comments, limited to issues raised in the comments, must be received by May 16, 2011.

#### Determination of Industry Support for the Petition

Section 732(b)(1) of the Act requires that a petition be filed on behalf of the domestic industry. Section 732(c)(4)(A) of the Act provides that a petition meets this requirement if the domestic producers or workers who support the petition account for: (i) At least 25 percent of the total production of the domestic like product; and (ii) more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the petition. Moreover, section 732(c)(4)(D) of the Act provides that, if the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the Department shall: (i) Poll the industry or rely on other information in order to determine if there is support for the petition, as required by subparagraph (A); or (ii) determine industry support using a statistically valid sampling method to poll the industry.

Section 771(4)(A) of the Act defines the “industry” as the producers as a whole of a domestic like product. Thus, to determine whether a petition has the requisite industry support, the statute directs the Department to look to producers and workers who produce the domestic like product. The U.S. International Trade Commission (“ITC”), which is responsible for determining whether “the domestic industry” has been injured, must also determine what constitutes a domestic like product in order to define the industry. While both the Department and the ITC must apply

the same statutory definition regarding the domestic like product (see section 771(10) of the Act), they do so for different purposes and pursuant to a separate and distinct authority. In addition, the Department’s determination is subject to limitations of time and information. Although this may result in different definitions of the like product, such differences do not render the decision of either agency contrary to law.<sup>8</sup> Section 771(10) of the Act defines the domestic like product as “a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this title.” Thus, the reference point from which the domestic like product analysis begins is “the article subject to an investigation” (*i.e.*, the class or kind of merchandise to be investigated, which normally will be the scope as defined in the petition).

With regard to the domestic like product, Petitioners do not offer a definition of domestic like product distinct from the scope of the investigation. Based on our analysis of the information submitted on the record, we have determined that steel wheels constitute a single domestic like product and we have analyzed industry support in terms of that domestic like product.<sup>9</sup>

In determining whether Petitioners have standing under section 732(c)(4)(A) of the Act, we considered the industry support data contained in the Petition with reference to the domestic like product as defined in the “Scope of Investigations” section in Appendix I of this Notice. To establish industry support, Petitioners provided their production of the domestic like product in 2010.<sup>10</sup> Petitioners compared their production to the estimated total production of the domestic like product for the entire domestic industry.<sup>11</sup> To support their estimation of industry support, Petitioners provided an affidavit from an employee of Accuride, who has 40 years professional experience in the steel wheels

industry.<sup>12</sup> We have relied upon data Petitioners provided for purposes of measuring industry support.<sup>13</sup>

Our review of the data provided in the Petition, supplemental submissions, and other information readily available to the Department indicates that Petitioners have established industry support. First, the Petition established support from domestic producers (or workers) accounting for more than 50 percent of the total production of the domestic like product and, as such, we find that the Department is not required to take further action in order to evaluate industry support (*e.g.*, polling).<sup>14</sup> Second, we find that the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(i) of the Act because the domestic producers (or workers) who support the Petition account for at least 25 percent of the total production of the domestic like product.<sup>15</sup> Finally, we find that the domestic producers (or workers) have met the statutory criteria for industry support under section 732(c)(4)(A)(ii) of the Act because the domestic producers (or workers) who support the Petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for, or opposition to, the Petition. Accordingly, the Department determines that the Petition was filed on behalf of the domestic industry within the meaning of section 732(b)(1) of the Act.

The Department finds that Petitioners filed the Petition on behalf of the domestic industry because they are an interested party as defined in section 771(9)(C) of the Act and they have demonstrated sufficient industry support with respect to the AD investigation that they are requesting the Department initiate.<sup>16</sup>

#### Allegations and Evidence of Material Injury and Causation

Petitioners allege that the U.S. industry producing the domestic like product is being materially injured, or is threatened with material injury, by reason of the imports of the subject merchandise sold at less than normal value (“NV”). In addition, Petitioners provide data that demonstrate that subject imports exceed the negligibility

<sup>8</sup> See *USEC, Inc. v. United States*, 25 C.I.T. 49, 56(2001) (citing *Algoma Steel Corp., Ltd. v. United States*, 688 F. Supp. 639, 644 (CIT 1988), *aff’d* 865 F.2d 240 (Fed. Cir. 1989), *cert. denied* 492 U.S. 919 (1989)).

<sup>9</sup> For a discussion of the domestic like product analysis in this case, see Antidumping Duty Investigation Initiation Checklist: Steel Wheels from the People’s Republic of China (“Initiation Checklist”), at Attachment II, Analysis of Industry Support for the Petitions Covering Steel Wheels from the People’s Republic of China, on file in the CRU.

<sup>10</sup> See Volume I of the Petition, at I–3.

<sup>11</sup> See *id.*

<sup>12</sup> See Second Supplement to the AD/CVD Petitions, at 1, and Exhibit 1.

<sup>13</sup> For further discussion, see Initiation Checklist at Attachment II.

<sup>14</sup> See Section 732(c)(4)(D) of the Act, and Initiation Checklist at Attachment II.

<sup>15</sup> See Initiation Checklist at Attachment II.

<sup>16</sup> For further discussion, please see Initiation Checklist at Attachment II.

threshold provided for under section 771(24)(A) of the Act.

Petitioners contend that the industry's injured condition is illustrated by reduced market share, lost sales and revenues, reduced production, reduced capacity utilization rate, decreased shipments, underselling, reduced employment, reduced hours worked, reduced wages paid, decline in financial performance, and an increase in import penetration.<sup>17</sup> We have assessed the allegations and supporting evidence regarding material injury, threat of material injury, and causation, and we have determined that these allegations are properly supported by adequate evidence and meet the statutory requirements for initiation.<sup>18</sup>

### Period of Investigation

In accordance with 19 CFR 351.204(b)(1), because this Petition was filed on March 30, 2011, the period of investigation ("POI") is July 1, 2010, through December 31, 2010.

### Allegations of Sales at Less Than Fair Value

The following is a description of the allegations of sales at less than fair value upon which the Department has based its decision to initiate this investigation with respect to imports of steel wheels from the PRC. The sources of data for the deductions and adjustments relating to U.S. price and NV are further discussed in the Initiation Checklist at Attachment V. Should the need arise to use any of this information as facts available under section 776 of the Act, we may reexamine the information and revise the margin calculations, if appropriate.

### U.S. Price

Petitioners calculated export prices ("EPs") for steel wheels based on two sources: (1) Price quotes from a Chinese company,<sup>19</sup> adjusted for certain movement expenses,<sup>20</sup> and (2) average unit values ("AUVs") for the POI of imports of steel wheels from the PRC.

To value brokerage and handling, Petitioners used data published in *Doing Business 2010: India*, published by the World Bank. However, Petitioners included foreign domestic freight costs in its calculation of surrogate brokerage and handling,

which the Department excludes from the calculation, and therefore, for this initiation, we have excluded the line item from the calculation. Additionally, because the World Bank publication provided by Petitioners reported data from 2009, the Department inflated the value to be contemporaneous with the proposed POI.<sup>21</sup>

To value inland freight, Petitioners obtained information from [www.infobanc.com](http://www.infobanc.com). However, for the initiation, the Department revised Petitioners' calculation of the surrogate inland freight expense to reflect the Department's current domestic inland freight methodology.<sup>22</sup>

### Normal Value

Petitioners state that, in every previous administrative review and less-than-fair-value investigation involving merchandise from the PRC, the Department has concluded that the PRC is a non-market economy country ("NME") and, as the Department has not revoked this determination, its NME status remains in effect.<sup>23</sup> In accordance with section 771(18)(c)(i) of the Act, the presumption of NME status remains in effect until revoked by the Department. The presumption of NME status for the PRC has not been revoked by the Department and, therefore, remains in effect for the purposes of initiating this investigation.<sup>24</sup>

Accordingly, the NV of the product is appropriately based on factors of production valued in a surrogate market economy country or countries, in accordance with section 773(c) of the Act. In the course of this investigation, all parties will have the opportunity to provide relevant information related to the issues of the PRC's NME status and the granting of separate rates to individual exporters.

<sup>21</sup> See Initiation Checklist at Attachment V.

<sup>22</sup> See Initiation Checklist at Attachment V; see, e.g., *Pure Magnesium From the People's Republic of China: Final Results of the 2008-2009 Antidumping Duty Administrative Review of the Antidumping Duty Order*, 75 FR 80791 (December 23, 2010) and accompanying Issues and Decision Memorandum at Comment 11.

<sup>23</sup> See Petition Volume II, at II-1 and II-2.

<sup>24</sup> See generally Memorandum from the Office of Policy to David M. Spooner, Assistant Secretary for Import Administration, regarding The People's Republic of China Status as a Non-Market Economy, dated May 15, 2006. This document is available online at <http://ia.ita.doc.gov/download/prc-nme-status/prc-nme-status-memo.pdf>. Additionally, in recent investigations, the Department has continued to determine that the PRC is an NME country. See, e.g., *Drill Pipe From the People's Republic of China: Final Determination of Sales at Less Than Fair Value and Critical Circumstances*, 76 FR 1966 (January 11, 2011) ("*Drill Pipe from the PRC*"); and *Aluminum Extrusions From the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 76 FR 18524 (April 4, 2011).

Petitioners claim that India is the appropriate surrogate market economy country because it is at a comparable level of economic development to the PRC and it is a significant producer of comparable merchandise.<sup>25</sup> Petitioners state that the Department has determined in previous investigations and administrative reviews that India is at a level of development comparable to the PRC.<sup>26</sup>

Based on the information provided by Petitioners, the Department believes that the use of India as a surrogate country is appropriate for purposes of initiation. However, after initiation of the investigation, interested parties will have the opportunity to submit comments regarding surrogate country selection and, pursuant to 19 CFR 351.301(c)(3)(i), will be provided an opportunity to submit publicly available information to value factors of production within 40 days after the date of publication of the preliminary determination.

Petitioners provided dumping margin calculations using the Department's NME methodology as required by 19 CFR 351.202(b)(7)(i)(C) and 19 CFR 351.408. Petitioners calculated NV based on the product-specific consumption rates of Accuride. Petitioners note that they used Accuride's data because the consumption rates for the factors of production used by PRC producers are not known, or reasonably available, to Petitioners.<sup>27</sup> Petitioners also believe that PRC steel wheel producers use hot-rolled steel coil and a similar process in manufacturing steel wheels as Accuride.<sup>28</sup>

Petitioners valued the factors of production using reasonably available public surrogate country data, including India import data from the Monthly Statistics of the Foreign Trade of India from the period February 2010 through July 2010, the most current data available. Petitioners excluded from these import statistics imports from countries previously determined by the Department to be NME countries. Petitioners also excluded import statistics from countries previously determined by the Department to maintain broadly available, non-industry-specific export subsidies and import statistics for non-specified countries.<sup>29</sup>

<sup>25</sup> See Petition Volume II, at II-1 to II-2.

<sup>26</sup> See *id.*

<sup>27</sup> See *id.* at II-3 and Exhibit II-3-C.

<sup>28</sup> See *id.* at II-3 and 4.

<sup>29</sup> See Petition Volume II, at II-5 and Exhibit II-3-D-1 through Exhibit II-3-D-6. See also PRC AD Supplement to the Petition at 7 and Exhibit 6.

<sup>17</sup> See Volume I of the Petition, at I-6-12, and Exhibits I-4-I-9.

<sup>18</sup> For further discussion, please see Initiation Checklist at Attachment III.

<sup>19</sup> See Initiation Checklist and Petition Volume II at Exhibit II-2-A.

<sup>20</sup> See Petition Volume II at Exhibit II-1-A, and First Supplement to the AD/CVD Petitions, at Exhibit 5.

Petitioners valued hot-rolled steel coils using HTS category 7208.36.10 because the description of the HTS offers greater specificity with respect to the thickness of the steel. Similarly, Petitioners valued: (1) Hot-rolled steel coil using HTS category 7211.14.40; (2) steel scrap using HTS 7204.10; and (3) weld wire using HTS category 8311.20.<sup>30</sup>

Petitioners explained that because they were unable to obtain a suitable surrogate value for paint, Petitioners have excluded the input from the calculation of NV.<sup>31</sup>

Petitioners valued electricity using the 2008 Central Electric Authority of India, for small, medium, and large industries. These electricity rates represent actual country-wide, publicly-available information on tax-exclusive electricity rates charged to industries in India. As the rates listed in this source became effective on a variety of different dates, Petitioners did not adjust the average value for inflation.<sup>32</sup> For natural gas, Petitioners used data provided by the Natural Gas Authority of India.<sup>33</sup> For water, Petitioners used the average water rates for the Maharashtra Province derived from the Maharashtra Industrial Development Corporation's industrial water tariffs as of June 8, 2009.<sup>34</sup>

Petitioners submitted the wage rate calculation from *Drill Pipe from the PRC*, which relies on the Department's current methodology to value labor.<sup>35</sup> For the purposes of initiation, to value labor the Department relied on the value for the wage rate calculated in *Drill Pipe from the PRC*.

Petitioners provided wholesale price index ("WPI") as published by the Office of Economic Adviser to the Government of India,<sup>36</sup> and explained that they were unable to obtain the WPI to cover the entire proposed POI. Therefore, for the initiation, the Department has adjusted Petitioners' calculations and applied that Department's normal inflation methodology using WPI for the entirety of the proposed POI from the International Monetary Fund, International Financial Statistics database,<sup>37</sup> where appropriate.<sup>38</sup>

To calculate factory overhead, selling, general and administrative expenses, and profit for integrated producers, Petitioners relied on the financial statements of Wheels India Limited and Steel Strip Wheels Limited, Indian producers of comparable merchandise.<sup>39</sup>

#### Fair Value Comparisons

Based on the data provided by Petitioners, we find that there is reason to believe that imports of steel wheels from the PRC are being, or are likely to be, sold in the United States at less than fair value. Based on the comparison of EP and U.S. import AUVs to NV, as noted above, the estimated dumping margins for the PRC range from 30.25 percent to 193.54 percent.

#### Initiation of Antidumping Investigation

Based upon the examination of the Petition concerning steel wheels from the PRC and other information reasonably available to the Department, the Department finds that this Petition meets the requirements of section 732 of the Act. Therefore, pursuant to section 732(c)(1)(A) of the Act, we are initiating an AD investigation to determine whether imports of steel wheels from the PRC are being, or are likely to be, sold in the United States at less than fair value. In accordance with section 733(b)(1)(A) of the Act, unless postponed, we will make our preliminary determinations no later than 140 days after the date of this initiation.

#### Targeted Dumping Allegations

On December 10, 2008, the Department issued an interim final rule for the purpose of withdrawing 19 CFR 351.414(f) and (g), the regulatory provisions governing the targeted dumping analysis in antidumping duty investigations, and the corresponding regulation governing the deadline for targeted dumping allegations, 19 CFR 351.301(d)(5).<sup>40</sup> The Department stated that "withdrawal will allow the Department to exercise the discretion intended by the statute and, thereby, develop a practice that will allow interested parties to pursue all statutory avenues of relief in this area."<sup>41</sup>

In order to accomplish this objective, if any interested party wishes to make a targeted dumping allegation in this investigation pursuant to section 777A(d)(1)(B) of the Act, such allegation is due no later than 45 days before the

scheduled date of the preliminary determination.

#### Respondent Selection

For this investigation, the Department will request quantity and value information from known exporters and producers identified with complete contact information in the Petition. The quantity and value data received from NME exporters/producers will be used as the basis to select the mandatory respondents.

The Department requires that the respondents submit a response to both the quantity and value questionnaire and the separate-rate application by the respective deadlines in order to receive consideration for separate-rate status.<sup>42</sup> On the date of the publication of this initiation notice in the **Federal Register**, the Department will post the quantity and value questionnaire along with the filing instructions on the Import Administration web site at <http://ia.ita.doc.gov/ia-highlights-and-news.html>, and a response to the quantity and value questionnaire is due no later than May 10, 2011. Also, the Department will send the quantity and value questionnaire to those PRC companies identified in Volume I of the Petition, at Exhibit I-2.

Interested parties must submit applications for disclosure under APO in accordance with 19 CFR 351.305. Instructions for filing such applications may be found on the Department's Web site at <http://ia.ita.doc.gov/apo>.

#### Separate Rates Application

In order to obtain separate-rate status in NME investigations, exporters and producers must submit a separate-rate status application.<sup>43</sup> The specific requirements for submitting the separate-rate application in this investigation are outlined in detail in the application itself, which will be available on the Department's Web site at <http://ia.ita.doc.gov/ia-highlights-and-news.html> on the date of publication of this initiation notice in the **Federal Register**. The separate-rate application will be due 60 days after publication of this initiation notice. For exporters and producers who submit a

<sup>30</sup> See Petition Volume II, at II-3 through II-9; and Exhibit II-3-D-1 to Exhibit II-3-D-6.

<sup>31</sup> See PRC AD Supplement to the Petitions at 2.

<sup>32</sup> See Second Supplement to the AD/CVD Petitions at 1 and Exhibit 2.

<sup>33</sup> See Petition Volume II, at II-10 and Exhibit II-3-E-2.

<sup>34</sup> See Petition Volume II, at Exhibit II-3-E-3.

<sup>35</sup> See Third Supplement to the AD/CVD Petitions, at Exhibit 2.

<sup>36</sup> See Petition Volume II, at Exhibit II-3-F.

<sup>37</sup> See, e.g., *Drill Pipe from the PRC* and accompanying Issues and Decision Memorandum at Comment 3.

<sup>38</sup> See Initiation Checklist at Attachment V.

<sup>39</sup> See Petition Volume II, at Exhibit II-3-I.

<sup>40</sup> See *Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Antidumping Duty Investigations*, 73 FR 74930 (December 10, 2008).

<sup>41</sup> *Id.* at 74931.

<sup>42</sup> See, e.g., *Circular Welded Austenitic Stainless Pressure Pipe from the People's Republic of China: Initiation of Antidumping Duty Investigation*, 73 FR 10221, 10225 (February 26, 2008); *Initiation of Antidumping Duty Investigation: Certain Artist Canvas From the People's Republic of China*, 70 FR 21996, 21999 (April 28, 2005).

<sup>43</sup> See Policy Bulletin 05.1: Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations Involving Non-Market Economy Countries, dated April 5, 2005 ("Policy Bulletin"), available on the Department's Web site at <http://ia.ita.doc.gov/policy/bull05-1.pdf>.

separate-rate status application and subsequently are selected as mandatory respondents, these exporters and producers will no longer be eligible for consideration for separate rate status unless they respond to all parts of the questionnaire as mandatory respondents. As noted in the "Respondent Selection" section above, the Department requires that respondents submit a response to both the quantity and value questionnaire and the separate rate application by the respective deadlines in order to receive consideration for separate-rate status.

#### Use of Combination Rates in an NME Investigation

The Department will calculate combination rates for certain respondents that are eligible for a separate rate in this investigation. The Policy Bulletin states:

{W}hile continuing the practice of assigning separate rates only to exporters, all separate rates that the Department will now assign in its NME investigations will be specific to those producers that supplied the exporter during the period of investigation. Note, however, that one rate is calculated for the exporter and all of the producers which supplied subject merchandise to it during the period of investigation. This practice applies both to mandatory respondents receiving an individually calculated separate rate as well as the pool of non-investigated firms receiving the weighted-average of the individually calculated rates. This practice is referred to as the application of "combination rates" because such rates apply to specific combinations of exporters and one or more producers. The cash-deposit rate assigned to an exporter will apply only to merchandise both exported by the firm in question and produced by a firm that supplied the exporter during the period of investigation.

See Policy Bulletin at 6 (emphasis added).

#### Distribution of Copies of the Petition

In accordance with section 732(b)(3)(A) of the Act and 19 CFR 351.202(f), copies of the public versions of the Petition have been provided to the representatives of the Government of the PRC. Because of the large number of producers/exporters identified in the Petition, the Department considers the service of the public version of the Petition to the foreign producers/exporters satisfied by the delivery of the public version to the Government of the PRC, consistent with 19 CFR 351.203(c)(2).

#### ITC Notification

We have notified the ITC of our initiation, as required by section 732(d) of the Act.

#### Preliminary Determinations by the ITC

The ITC will preliminarily determine, no later than May 16, 2011, whether there is a reasonable indication that imports of steel wheels from the PRC are materially injuring, or threatening material injury to a U.S. industry. A negative ITC determination will result in the investigation being terminated; otherwise, this investigation will proceed according to statutory and regulatory time limits.

#### Notification to Interested Parties

Interested parties must submit applications for disclosure under administrative protective orders in accordance with 19 CFR 351.305. On January 22, 2008, the Department published *Antidumping and Countervailing Duty Proceedings: Documents Submission Procedures; APO Procedures*, 73 FR 3634. Parties wishing to participate in these investigations should ensure that they meet the requirements of these procedures (e.g., the filing of letters of appearance as discussed at 19 CFR 351.103(d)).

Any party submitting factual information in an antidumping duty or countervailing duty proceeding must certify to the accuracy and completeness of that information.<sup>44</sup> Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all segments of any antidumping duty or countervailing duty proceedings initiated on or after March 14, 2011.<sup>45</sup> The formats for the revised certifications are provided at the end of the *Interim Final Rule*. The Department intends to reject factual submissions in any proceeding segments initiated on or after March 14, 2011, if the submitting party does not comply with the revised certification requirements.

This notice is issued and published pursuant to section 777(i) of the Act.

Dated: April 19, 2011.

**Ronald K. Lorentzen,**

*Deputy Assistant Secretary for Import Administration.*

#### Appendix I

##### Scope of the Investigation

The products covered by this investigation are steel wheels with a wheel diameter of 18 to 24.5 inches. Rims and discs for such wheels are included, whether imported as an

assembly or separately. These products are used with both tubed and tubeless tires. Steel wheels, whether or not attached to tires or axles, are included. However, if the steel wheels are imported as an assembly attached to tires or axles, the tire or axle is not covered by the scope. The scope includes steel wheels, discs, and rims of carbon and/or alloy composition and clad wheels, discs, and rims when carbon or alloy steel represents more than fifty percent of the product by weight. The scope includes wheels, rims, and discs, whether coated or uncoated, regardless of the type of coating.

Imports of the subject merchandise are provided for under the following categories of the Harmonized Tariff Schedule of the United States ("HTSUS"): 8708.70.05.00, 8708.70.25.00, 8708.70.45.30, and 8708.70.60.30. These HTSUS numbers are provided for convenience and customs purposes only; the written description of the scope is dispositive.

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## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-580-866]

#### Bottom Mount Combination Refrigerator-Freezers From the Republic of Korea: Initiation of Countervailing Duty Investigation

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

**DATES:** *Effective Date:* April 26, 2011.

**FOR FURTHER INFORMATION CONTACT:** Justin Neuman or Dana Mermelstein, AD/CVD Operations, Office 6, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; *telephone:* (202) 482-0486 or (202) 482-1391, respectively.

#### SUPPLEMENTARY INFORMATION:

##### The Petition

On March 30, 2011, the Department of Commerce (the Department) received a countervailing duty (CVD) petition concerning imports of bottom mount combination refrigerator-freezers (bottom mount refrigerators) from the Republic of Korea (Korea) filed in proper form by Whirlpool Corporation (the petitioner), a domestic producer of bottom mount refrigerators. See "Bottom Mount Combination Refrigerator-Freezers From the Republic of Korea and Mexico: Antidumping and Countervailing Duty Petitions on Behalf of Whirlpool Corporation," dated March 30, 2011 (Korea CVD Petition). On April 5, 6, 12, and 14, 2011, the Department issued additional requests for information and clarification of certain

<sup>44</sup> See section 782(b) of the Act.

<sup>45</sup> See *Certification of Factual Information to Import Administration During Antidumping and Countervailing Duty Proceedings: Interim Final Rule*, 76 FR 7491 (February 10, 2011) ("*Interim Final Rule*") amending 19 CFR 351.303(g)(1) and (2).