

[A-351-826]

Notice of Antidumping Duty Order and Amended Final Determination: Certain Small Diameter Seamless Carbon and Alloy Steel Standard, Line and Pressure Pipe From Brazil

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

EFFECTIVE DATE: August 3, 1995.

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Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

Amended Final Determination

In accordance with section 735(a) of the Tariff Act of 1930, as amended (the Act), on June 12, 1995, the Department made its final determination that certain small diameter seamless carbon and alloy steel standard, line and pressure pipe (seamless pipe) from Brazil is being, or is likely to be, sold in the United States at less than fair value (60 FR 31960, June 19, 1995). After publication of this determination, we received a submission, timely filed pursuant to 19 CFR 353.28(b)(1994), from Mannesmann S.A. (MSA), alleging certain ministerial errors in the Department's determination. We also received a timely rebuttal of respondent's ministerial error allegations from the petitioner. We determined, in accordance with 19 CFR 353.28(d), that a ministerial error was made with respect to the figures used as best information available for home market and U.S. packing expenses. We determined that we inadvertently used the highest U.S. and lowest home market packing figures on the record without regard to the month of shipment. We have corrected that error. Consistent with our hyperinflationary methodology, we applied the lowest home market packing expense and the highest U.S. packing expense on the record based on the month of shipment. With respect to those U.S. sales shipped after June 1994, for which we did not have information on packing expenses, we used the highest U.S. packing expense on the record for June 1994. For a detailed discussion of the alleged

ministerial errors and the Department's analysis, see the Memorandum from the Team to Gary Taverman dated July 17, 1995. In accordance with 19 CFR 353.28(c), we are amending the final result of the antidumping duty investigation of seamless pipe from Brazil to correct the above-cited ministerial error. The revised final weighted-average dumping margins are as follows:

Manufacturer/producer/exporter	Original margin percent	Revised margin percent
MSA	125.00	124.94
All Others	125.00	124.94

Scope of Investigation and Order

The scope of this investigation includes small diameter seamless carbon and alloy standard, line and pressure pipes (seamless pipes) produced to the ASTM A-335, ASTM A-106, ASTM A-53 and API 5L specifications and meeting the physical parameters described below, regardless of application. The scope of this investigation also includes all products used in standard, line, or pressure pipe applications and meeting the physical parameters below, regardless of specification.

For purposes of this investigation, seamless pipes are seamless carbon and alloy (other than stainless) steel pipes, of circular cross-section, not more than 114.3 mm (4.5 inches) in outside diameter, regardless of wall thickness, manufacturing process (hot-finished or cold-drawn), end finish (plain end, bevelled end, upset end, threaded, or threaded and coupled), or surface finish. These pipes are commonly known as standard pipe, line pipe or pressure pipe, depending upon the application. They may also be used in structural applications. Pipes produced in non-standard wall thicknesses are commonly referred to as tubes.

The seamless pipes subject to these investigations are currently classifiable under subheadings 7304.10.10.20, 7304.10.50.20, 7304.31.60.50, 7304.39.00.16, 7304.39.00.20, 7304.39.00.24, 7304.39.00.28, 7304.39.00.32, 7304.51.50.05, 7304.51.50.60, 7304.59.60.00, 7304.59.80.10, 7304.59.80.15, 7304.59.80.20, and 7304.59.80.25 of the Harmonized Tariff Schedule of the United States (HTSUS).

The following information further defines the scope of this investigation, which covers pipes meeting the physical parameters described above:

Specifications, Characteristics and Uses: Seamless pressure pipes are

intended for the conveyance of water, steam, petrochemicals, chemicals, oil products, natural gas and other liquids and gasses in industrial piping systems. They may carry these substances at elevated pressures and temperatures and may be subject to the application of external heat. Seamless carbon steel pressure pipe meeting the American Society for Testing and Materials (ASTM) standard A-106 may be used in temperatures of up to 1,000 degrees fahrenheit, at various American Society of Mechanical Engineers (ASME) code stress levels. Alloy pipes made to ASTM standard A-335 must be used if temperatures and stress levels exceed those allowed for A-106 and the ASME codes. Seamless pressure pipes sold in the United States are commonly produced to the ASTM A-106 standard.

Seamless standard pipes are most commonly produced to the ASTM A-53 specification and generally are not intended for high temperature service. They are intended for the low temperature and pressure conveyance of water, steam, natural gas, air and other liquids and gasses in plumbing and heating systems, air conditioning units, automatic sprinkler systems, and other related uses. Standard pipes (depending on type and code) may carry liquids at elevated temperatures but must not exceed relevant ASME code requirements.

Seamless line pipes are intended for the conveyance of oil and natural gas or other fluids in pipe lines. Seamless line pipes are produced to the API 5L specification.

Seamless pipes are commonly produced and certified to meet ASTM A-106, ASTM A-53 and API 5L specifications. Such triple certification of pipes is common because all pipes meeting the stringent A-106 specification necessarily meet the API 5L and ASTM A-53 specifications. Pipes meeting the API 5L specification necessarily meet the ASTM A-53 specification. However, pipes meeting the A-53 or API 5L specifications do not necessarily meet the A-106 specification. To avoid maintaining separate production runs and separate inventories, manufacturers triple certify the pipes. Since distributors sell the vast majority of this product, they can thereby maintain a single inventory to service all customers.

The primary application of ASTM A-106 pressure pipes and triple certified pipes is in pressure piping systems by refineries, petrochemical plants and chemical plants. Other applications are in power generation plants (electrical-fossil fuel or nuclear), and in some oil field uses (on shore and off shore) such