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DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-580-867

Large Power Transformers from the Republic of Korea: Second Amended Final Results of Antidumping Duty Administrative Review; 2012-2013

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is amending its amended final results in the administrative review of the antidumping duty order on large power transformers from the Republic of Korea (Korea) for the period February 16, 2012, through July 31, 2013, to correct certain ministerial errors.

DATES: Effective date (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: Brian Davis (Hyosung) or David Cordell (Hyundai), AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-7924 or (202) 482-0408, respectively.

SUPPLEMENTARY INFORMATION

Background

On May 6, 2015, the Department published its amended final results in the administrative review of the antidumping duty order on large power transformers from Korea.¹ On May 5,

¹ See *Large Power Transformers From the Republic of Korea: Amended Final Results of Antidumping Duty Administrative Review; 2012–2013*, 80 FR 26001 (May 6, 2015) (*Amended Final Results*).

2015,² Hyundai Heavy Industries Co., Ltd. (HHI) and Hyundai Corporation, USA (Hyundai USA) (collectively, Hyundai) submitted a timely ministerial error allegation with respect to the programming language used in the *Amended Final Results*.³ No other party commented on this allegation. Based on our analysis of this allegation, we made changes to the calculation of the weighted-average dumping margins for Hyundai, Hyosung and for the non-individually examined respondents.

Scope of the Order

The scope of this order covers large liquid dielectric power transformers (LPTs) having a top power handling capacity greater than or equal to 60,000 kilovolt amperes (60 megavolt amperes), whether assembled or unassembled, complete or incomplete.

Incomplete LPTs are subassemblies consisting of the active part and any other parts attached to, imported with or invoiced with the active parts of LPTs. The “active part” of the transformer consists of one or more of the following when attached to or otherwise assembled with one another: the steel core or shell, the windings, electrical insulation between the windings, the mechanical frame for an LPT.

The product definition encompasses all such LPTs regardless of name designation, including but not limited to step-up transformers, step-down transformers, autotransformers, interconnection transformers, voltage regulator transformers, rectifier transformers, and power rectifier transformers.

The LPTs subject to this order are currently classifiable under subheadings 8504.23.0040, 8504.23.0080 and 8504.90.9540 of the Harmonized Tariff Schedule of the United States

² May 5, 2015, was within 5 days of disclosure of the Department’s calculations to all interested parties.

³ See Letter from Hyundai to the Department, “Antidumping Administrative Review of Large Power Transformers from Korea – Ministerial Error Comments on the Amended Final Results of the First Antidumping Duty Administrative Review” dated May 5, 2015.

(HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this order is dispositive.

Ministerial Error

Section 751(h) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.224(f) define a “ministerial error” as an error “in addition, subtraction, or other arithmetic function, clerical error resulting from inaccurate copying, duplication, or the like, and any other similar type of unintentional error which the Secretary considers ministerial.”

We agree with Hyundai that in the Department’s amended final Margin Program, the Department erred by inadvertently removing the commission offset from the Margin Program. However, for reasons outlined in the accompanying ministerial error memorandum and in the calculation memoranda,⁴ the Department does not agree with Hyundai’s suggested programming changes because it would revert the program back to the program used in the final results, which the Department determined to be incorrect in its amended final. As we explain in the Ministerial Error Memorandum and company-specific analysis memoranda, we continue to find that CEPOTHER is meant to capture any other CEP (incurred in the U.S.) direct selling, further manufacturing, *etc.* However, we agree that by including commissions in the CEPOTHER field we inadvertently failed to account for the commission offset as we originally intended (and did) in the preliminary and final results. We are therefore making changes to the Margin Program and the Macros Program to account for the error. We find that we made an inadvertent error in

⁴ See Memoranda entitled “Second Amended Final Results of the Antidumping Duty Administrative Review of Large Power Transformers from the Republic of Korea; 2012-2013: Allegations of Ministerial Errors” (Ministerial Error Memorandum); “Analysis of Data Submitted by Hyosung Corporation in the Second Amended Final Results of the Antidumping Duty Administrative Review of Large Power Transformers from the Republic of Korea; 2012-2013”; and “Analysis of Data Submitted by Hyundai Heavy Industries Co., Ltd. (HHI) and Hyundai Corporation, USA (Hyundai USA) (collectively, Hyundai) in the Second Amended Final Results of the Antidumping Duty Administrative Review of Large Power Transformers from the Republic of Korea; 2012-2013,” dated concurrently with this notice.

not accounting for the commission offset, and therefore, are correcting and amending the amended final results of review in accordance with section 751(h) of the Act and 19 CFR 351.224(e).

Amended Final Results of the Review

The Department determines that the following amended weighted-average dumping margins exist for the period February 16, 2012, through July 31, 2013:

Manufacturer/Exporter	Weighted-Average Margin (percent)
Hyosung Corporation	8.23
Hyundai Heavy Industries Co., Ltd.	12.36
ILJIN Electric Co., Ltd.	10.54
ILJIN	10.54
LSIS Co., Ltd.	10.54

Duty Assessment

The Department shall determine and U.S. Customs and Border Protection (CBP) shall assess antidumping duties on all appropriate entries.⁵ For any individually examined respondents whose weighted-average dumping margin is above *de minimis*, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). Upon issuance of the amended final results of this administrative review, if any importer-specific assessment rates calculated in the amended

⁵ In these final results, the Department applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings; Final Modification*, 77 FR 8101 (February 14, 2012).

final results are above *de minimis* (i.e., at or above 0.5 percent), the Department will issue instructions directly to CBP to assess antidumping duties on appropriate entries.

To determine whether the duty assessment rates covering the period were *de minimis*, in accordance with the requirement set forth in 19 CFR 351.106(c)(2), for each respondent we calculated importer (or customer)-specific *ad valorem* rates by aggregating the amount of dumping calculated for all U.S. sales to that importer or customer and dividing this amount by the total entered value of the sales to that importer (or customer). Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis*, and the respondent has reported reliable entered values, we apply the assessment rate to the entered value of the importer's/customer's entries during the review period.

The Department clarified its “automatic assessment” regulation on May 6, 2003.⁶ This clarification will apply to entries of subject merchandise during the period of review (POR) produced by the respondent for which it did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see the *Automatic Assessment Clarification*.

We do not intend to issue assessment instructions to CBP at this time because of the preliminary injunction that was issued after the issuance of the *Final Results*. See CBP Message Number 5111304. We intend to issue assessment instructions directly to CBP after conclusion of the litigation and the ending of the injunction.

Cash Deposit Instructions

The following cash deposit requirements will be effective upon publication of this notice for all shipments of subject merchandise entered, or withdrawn from warehouse, for

⁶ See *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003) (*Automatic Assessment Clarification*).

consumption on or after the publication of these amended final results, as provided by section 751(a)(2) of the Act: (1) the cash deposit rate for respondents noted above will be the rate established in the *Amended Final Results* of this administrative review; (2) for merchandise exported by manufacturers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the manufacturer of the subject merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 22.00 percent, the all-others rate established in the antidumping investigation.⁷ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of doubled antidumping duties.

Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the return or destruction of proprietary information

⁷ See *Large Power Transformers From the Republic of Korea: Antidumping Duty Order*, 77 FR 53177 (August 31, 2012).

disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these amended final results in accordance with section 751(h) of the Act and 19 CFR 351.224(f).

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

June 15, 2015
Date

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